

Notice of Meeting

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

Thursday 29 October 2020 at 11.00am

Woodville Town Hall

74/76 Woodville Road, Woodville South



Matt Pinnegar
Chief Executive Officer

29 September 2020

Agenda

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10. Late Reports *(to be distributed separately)*

Nil

11. Next Meeting

The LGA Ordinary General Meeting will be held on Friday 30 April 2021 at the Adelaide Entertainment Centre, 98 Port Road, Hindmarsh.

12. Close

5.1 Minutes of the Annual General Meeting held on 31 October 2019

Minutes of Previous Meeting

| | | |
|----------|------------------------|--------------------|
| Meeting: | Annual General Meeting | 29 October 2020 |
| ECM: | 698097 | Attachment: 688751 |

Recommendation

That the Annual General Meeting confirms the minutes of the Annual General Meeting held on 31 October 2019 as a true and accurate record of the proceedings held.

Discussion

An Annual General Meeting of the membership was held on 31 October 2019. The draft minutes are attached for confirmation as to their accuracy.

The Ordinary General Meeting of the membership scheduled for 3 April 2020 was withdrawn.

Draft

Draft Minutes of the LGA Annual General Meeting held on 31 October 2019 at 11am in The William Magarey Room, Adelaide Oval, War Memorial Drive, North Adelaide.

1. Open & Welcome

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

Present:

| | |
|-----------------------------------------------------------|------------------|
| President | Mayor Sam Telfer |
| Chief Executive Officer | Matt Pinnegar |
| Executive Director Public Affairs | Lisa Teburea |
| Executive Assistant to the CEO & President (E-voting) | Ashlea Lyall |
| Human Resources and Administration Coordinator (E-voting) | Sarah Ryan |
| Administration Coordinator – Governance (Minutes) | Astrid Crago |

Member Councils (voting delegates):

| | |
|---------------------------------|------------------------------------------|
| City of Adelaide | Coorong District Council |
| Adelaide Hills Council | Copper Coast Council |
| Adelaide Plains Council | District Council of Elliston |
| Alexandrina Council | The Flinders Ranges Council |
| The Barossa Council | District Council of Franklin Harbour |
| Barunga West Council | Town of Gawler |
| Berri Barmera Council | Regional Council of Goyder |
| City of Burnside | District Council of Grant |
| Campbelltown City Council | City of Holdfast Bay |
| District Council of Ceduna | Kangaroo Island Council |
| City of Charles Sturt | District Council of Karoonda East Murray |
| Clare & Gilbert Valleys Council | District Council of Kimba |
| District Council of Cleve | Kingston District Council |

Draft

| | |
|------------------------------------------|----------------------------------|
| Light Regional Council | City of Prospect |
| District Council of Lower Eyre Peninsula | Renmark Paringa Council |
| District Council of Loxton Waikerie | District Council of Robe |
| City of Marion | City of Salisbury |
| Mid Murray Council | Southern Mallee District Council |
| City of Mitcham | District Council of Streaky Bay |
| Mount Barker District Council | Tatiara District Council |
| City of Mount Gambier | City of Tea Tree Gully |
| District Council of Mount Remarkable | District Council of Tumby Bay |
| Naracoorte Lucindale Council | City of Unley |
| Northern Areas Council | City of Victor Harbor |
| City of Norwood Payneham & St Peters | Wakefield Regional Council |
| City of Onkaparinga | Town of Walkerville |
| District Council of Orroroo Carrieton | Wattle Range Council |
| City of Playford | City of West Torrens |
| City of Port Adelaide Enfield | City of Whyalla |
| Port Augusta City Council | Wudinna District Council |
| City of Port Lincoln | Yorke Peninsula Council |
| Port Pirie Regional Council | |

2. Apologies

District Council of Coober Pedy
Rural City of Murray Bridge
District Council of Peterborough
Municipal Council of Roxby Downs
District Council of Yankalilla

3. Notices & Arrangements

The Executive Director Public Affairs outlined the notices and arrangements for the meeting.

Draft

4. President's Address

The President provided a verbal report. Copy of the report is attached to these minutes.

5. Minutes of Previous Meeting

5.1 Minutes of the Ordinary General Meeting held on 12 April 2019

Berri Barmera advised that they had attended the 2019 OGM but were listed in both the Present and Apologies lists of the minutes.

Moved West Torrens Seconded Berri Barmera that the Annual General Meeting confirms the minutes of the Ordinary General Meeting held on 12 April 2019, with amendment noted, as a true and accurate record of the proceedings held.

Carried

5.2 Resolutions and Actions from Previous Meetings

Moved Mid-Murray Seconded Naracoorte Lucindale that the Annual General Meeting notes progress with resolutions resulting from the Ordinary General Meeting of 12 April 2019 and outstanding resolutions from earlier general meetings.

Carried

6. LGA Business

6.1 LGA Annual Report 2018-2019

Moved West Torrens Seconded Gawler that the Annual General Meeting receives and adopts the Local Government Association of South Australia's Annual Report for the year 2018-2019.

Carried

6.2 Financial Statements 2018-2019

Moved Northern Areas Seconded Goyder that the Annual General Meeting receives and adopts the LGA of SA and controlled entities Financial Statements for the year 2018-2019.

Carried

6.3 Annual Reports of LGA Committees

Chair of the GAROC Committee, Mayor Karen Redman presented the GAROC Annual Report to members.

Chair of the SAROC Committee, Mayor Erika Vickery presented the SAROC Annual Report to members.

Draft

Moved Gawler Seconded Renmark Paringa that the Annual General Meeting notes the Annual Reports for the year 2018-2019 of the following Committees established under the LGA Constitution:

- a. Greater Adelaide Region Organisation of Councils (GAROC)
- b. South Australian Region Organisation of Councils (SAROC)
- c. CEO Advisory Group
- d. Audit and Risk Committee

Carried

6.4 LGASA Mutual Annual Report 2018-2019

Chair of LGASA Mutual, Mr David Holston presented the Annual Chair's Report to members.

Moved Naracoorte Lucindale Seconded Northern Areas that the Annual General Meeting receives and notes the LGASA Mutual Annual Report for the year 2018-2019.

Carried

6.5 LGA Procurement Annual Report 2018-2019

On behalf of the Chair of LGA Procurement, Mayor David O'Loughlin, CEO of LGA Procurement Mr Andrew Haste presented the Annual Chair's Report to members.

Moved West Torrens Seconded Barunga West that the Annual General Meeting receives and notes the LGA Procurement Annual Report for the year 2018-2019.

Carried

6.6 LGA 2019 Value Proposition and Pricing Methodology

Moved West Torrens Seconded Gawler that the Annual General Meeting notes the report.

Carried

6.7 LGA Advocacy Update

Moved Salisbury Seconded Mount Barker that the Annual General Meeting notes the report.

Carried

6.8 LGASA Commercial Update

Moved Alexandrina Seconded Franklin Harbour that the Annual General Meeting notes the report on LGASA Commercial activities.

Carried

Draft

6.9 Local Government Research & Development Scheme

Moved Tea Tree Gully Seconded Kingston that the Annual General Meeting notes the report.

Carried

6.10 Local Government Financial Indicators 2019

Moved Wattle Range Seconded Tumby Bay that the Annual General Meeting notes the report.

Carried

6.11 Amendments to LGA Constitution and Ancillary Documents

Moved Salisbury Seconded Adelaide Plains that the Annual General Meeting adopts amendments, as presented, to the:

- a. LGA Constitution
- b. GAROC Terms of Reference
- c. SAROC Terms of Reference
- d. LGA Meeting Procedures

with the amendments to the LGA Meeting Procedures to take effect upon conclusion of the Annual General Meeting and

with the amendments to the LGA Constitution, GAROC Terms of Reference and SAROC Terms of Reference to take effect upon approval by the Minister.

Carried

6.12 LGA Board and Committee Member Allowances and Expenses

Moved West Torrens Seconded Campbelltown that the Annual General Meeting adopts LGA policy GP02 Board and Committee Member Allowance and Expenses.

Carried

6.13 LGA Audit and Risk Committee - Remuneration

Moved Clare & Gilbert Valleys Seconded Wattle Range that the Annual General Meeting endorses the LGA Board's decision that the LGA Audit and Risk Committee remuneration remains unchanged from their current levels for the next 12 months.

Carried**7. Recommendation Reports from the SAROC Committee**

7.1 Crown Lands as Economic Drivers

Moved Wattle Range Seconded Mount Gambier that the Annual General Meeting requests that the LGA write to the Minister for Environment and Water requesting the State Government work in partnership with local

Draft

government to undertake a comprehensive review of all Crown Lands with the aim of identifying areas of under-utilised Crown Land which could be made available to help stimulate economic development in regional areas.

Carried

8. Recommendation Reports from the GAROC Committee

8.1 Corflute Election Signs (Campbelltown)

Moved Campbelltown Seconded Salisbury that the Annual General Meeting requests the LGA to advocate to the State Government for stronger regulation of corflute election signs, ideally with consideration of their complete ban (except for signage at polling booths), or alternatively additional measures to restrict use.

Carried

8.2 State of Climate Emergency (Gawler)

Moved Gawler Seconded Burnside that the Annual General Meeting:

1. notes the October 2018 Special Report of the Intergovernmental Panel on Climate Change (IPCC) and the Federal Government's latest emissions data showing increased carbon emissions;
2. strengthens the LGA's 'Managing the Risks of Climate Change' Policy Statement to acknowledge that climate change poses a serious risk to local communities and ecosystems, and that all levels of government are urged to take action that will help address the effects of climate change in local communities; and
3. continues to lobby the State and Federal Government to prioritise climate change action, in particular advocate for greater State and Federal funding in initiatives that will assist local governments and their communities to mitigate and adapt to the effects of climate change.

Carried

8.3 Electric Vehicles (Gawler)

Moved Gawler Seconded Mitcham that the Annual General Meeting:

1. requests the LGA to develop a policy for the issues and opportunities associated with predicted increased use of electric vehicles in the Local Government sector and the general community; and
2. to satisfy the item of business, requests that the LGA Policy Manual be amended to include the following draft Policy Statement on Electric Vehicles:

Local government recognises that electric vehicles provide for potential zero emission transport and reduce negative impacts such

Draft

as toxic emissions, engine noise and greenhouse gas emissions and that councils, because of their roles and responsibilities as road authorities, infrastructure providers, fleet managers and representatives of their local communities, can support and encourage the use of electric vehicles through their planning, policies, investment and procurement activities.

Carried

8.4 Fairer Allocation of Open Space Funding (Campbelltown)

Moved Campbelltown Seconded Gawler that the Annual General Meeting requests the LGA advocate to the Minister for Planning requesting that the Minister, in conjunction with local government, undertake a review of the Planning and Development Fund to investigate a financial model that is more equitable and appropriate for councils that are experiencing higher volumes of infill development, including multi storey development especially in relation to the subdivision of land under 20 allotments.

Carried

8.5 Contributory Items (Gawler)

Moved Gawler Seconded Norwood Payneham St Peters that the Annual General Meeting requests the LGA write to the Minister of Planning to:

- a. reinforce local government's position that all existing Heritage and Historic Conservation Zones and Contributory Items should be transitioned into the first generation of the Planning and Design Code; and
- b. outline the following concerns local government has with the State Government's proposed approach to transitioning Contributory Items to Local Heritage Places where appropriate:
 - I. the requirement to use the 'Heritage in Transition – Practitioner Guide' dated August 2019, which is considered to be flawed, contrary to the Burra Charter, undermines the legislative criteria and will have the effect of greatly limiting the number of places which meet the criteria;
 - II. the requirement for all statutory consultation associated with Local Heritage Development Plan Amendments to have been completed 30 June 2020; and
 - III. the costly heritage assessment, investigations and preparation of the DPA needing to be finalised by December 2020.

Carried

Draft

8.6 Review of the Impacts of Infill Development

Moved West Torrens Seconded Salisbury that the Annual General Meeting requests the LGA:

1. write to the Minister of Planning to seek, in conjunction with local government, a comprehensive review of the cumulative impacts of infill development in South Australia to inform evidence-based decision making about the capacity of identified infill areas to sustain further growth and development;
2. request the preparation of a new State Planning Policy for Infill Development under the Planning, Development and Infrastructure Act 2016; and
3. advocate to and work with the State Planning Commission to ensure that South Australia's planning system reflects leading practice and that the Planning and Design Code and associated instruments deliver quality planning and design outcomes that improve the amenity, liveability and sustainability of communities.

12.52 Norwood Payneham St Peters left the meeting.

Carried

8.7 Reform in the aged care sector (Gawler)

Moved Gawler Seconded Salisbury that the Annual General Meeting requests the LGA to assist councils to navigate the changes to the Aged Care sector through information provision and advocacy.

Carried

9. Recommendation Reports from the LGA Board of Directors

Nil.

10. Late Reports

Nil.

11. Other Business

Mayor Keith Parkes (Alexandrina) spoke about the newly created SA Coastal Councils Alliance.

Draft

12. Next Meeting

An Ordinary General meeting will be held on Friday 3 April 2020 at Adelaide Entertainment Centre, 98 Port Road, Hindmarsh.

13. Close

The meeting was declared closed at 1.13pm.

Minutes confirmed

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Chairperson

Date

2019 LGA President's Annual General Meeting Report

It's my pleasure to present the President's Report to the 2019 LGA Annual General Meeting.

As we enter the final months of this decade, our sector is in a good place.

Annual rates increases have been trending down, and this year many councils had their lowest rates rises in years.

The Productivity Commission's draft report confirmed that we are already operating at a high level of efficiency, with the opportunity for even further positive improvement.

Our communities are asking us to stand up for them, and we're out there meeting this challenge every day.

Over the past year I've seen councils fighting to protect our heritage and preserve the look and feel of our towns and suburbs for future generations.

I've seen councils supporting their communities as they go through tough times dealing with drought conditions.

Some councils are even addressing market failures in the health sector by sourcing their own doctors and running medical facilities.

Where there's a local need to be met, it is usually local government that is first in line to offer a solution.

We are delivering positive outcomes but we can't be complacent – we must continue to listen to our communities to adapt and improve the quality and efficiency of the services we provide.

Local government reform is an opportunity for us to continue to improve on the value we deliver to ratepayers.

The LGA has been working towards this unique opportunity where we have a Government and a Parliament that support reform, and want to work with us on sensible changes.

In recent months we have been strongly involved in the Government's local government reform program, which has resulted in a discussion paper outlining 72 potential local government reforms.

Many of the proposed reforms have been suggested by the LGA and councils and have our support.

Others have required careful consideration and discussion, and we'll provide the Government with our position on these ideas in the next few days.

Thank you to everyone who attended one of our consultation sessions and provided us with a copy of your council's submission.

When our advocacy is reflective of member feedback, the outcomes we deliver are most effective.

What we need to consider with any proposed changes is whether they will improve efficiency and transparency, without adding additional costs onto the sector.

There is certainly value in increased transparency, but every new reporting requirement that is put onto councils comes with a cost that is ultimately borne by our ratepayers.

We've also been closely involved in the SA Productivity Commission's Inquiry into Local Government Costs and Efficiency, which has run concurrently with the Government's Local Government Reform Program.

The LGA has welcomed this inquiry, because we believe it's important that an evidence-based approach is taken to local government reform.

We have spent a lot of time with the Commission over the past few months helping them to understand the cost pressures faced by different councils.

I appreciate the Commission's efforts to engage extensively with the LGA and councils throughout their process.

The Commission's final report is expected to be presented to the Government next month.

Their draft report – released in August – included a recommendation for sector-wide benchmarking, which the LGA has been asking the Government to support and fund for several years.

A comprehensive, performance measurement and reporting system would further increase transparency in our sector and give our communities useful and up to date information about their local council.

It would also support continuous improvement, allowing similar councils to compare their performance, and understand the different pressures and opportunities within individual communities.

But we need to ensure any such framework is helpful, useful and not onerous.

Our strong view is this is something that should be developed by the sector, for the sector.

The LGA will be looking closely at how it can deliver this service for members.

It was also encouraging to see the Productivity Commission's draft report recognize the impact of State Government decisions on council budgets.

The 40% Solid Waste Levy increase included in this year's State Budget is a prime example.

Announced just days before councils were set to adopt their budgets, many had no choice but to pass this tax on to their ratepayers.

This year South Australian councils will pay around \$42.5 million through the Solid Waste Levy, and be eligible to share in just \$2.5 million in funding.

More of the money collected through this Levy must be made available to councils for waste and recycling projects to drive downward pressure on rates.

The collapse of SKM just months ago highlighted the precarious state of waste and recycling in our country.

There are so many challenges for our sector in waste and resource management that are putting cost pressures onto councils.

The good news for our communities is that we're not waiting for another sphere of government to fix this mess – we're getting on with the job ourselves.

I was thrilled to see the Cities of Port Adelaide Enfield and Charles Sturt announce in August that they are partnering to build a Material Recovery Facility, that is expected to be operational by 2021.

The tremendous success of NAWMA – a subsidiary of Gawler, Playford and Salisbury councils – has shown what we can achieve when we take increased control of the waste and recycling process.

We can also make a difference by using our buying power to support the development of new markets for products made from recycled materials.

Last month I launched a new sustainable procurement pilot project, where nine councils committed to prioritizing the purchase of recycled content through their procurement processes.

Most also adopted a rolling target for the purchase of recycled plastic products, working towards eventually buying back recycled materials equivalent to half the weight of plastics collected in their council area.

We want to send a clear message to the market about the types of products we want to buy, as part of our commitment to improving our sustainability, and our local environment.

Like the Solid Waste Levy, the NRM Levy is another State Government tax that impacts on council budgets.

The money councils receive for collecting the Levy for the Government doesn't cover their true costs or the reputational cost to councils, and we are left to cover any outstanding debts.

Our members have asked us to push for legislative change that would remove the requirement for councils to collect this State Government tax.

The Landscape South Australia Bill which is currently progressing through Parliament is an opportunity for us to secure this change.

I would like to once again thank SA-Best, the Greens and Labor for passing amendments to this Bill in the Upper House that would make the State responsible for collecting its own Levy.

Importantly, these amendments leave the door open for the Government to negotiate with councils and regions to collect the levy on fair terms, rather than forcing us to through legislation.

At this stage, the Government hasn't accepted these amendments, claiming that a range of additional new costs would be incurred if the State had to take responsibility for collecting its own tax.

The flaw in this argument is the assumption that these administrative and debt recovery costs do not exist under the current arrangements.

They do exist – and they are unfairly being funded by ratepayers.

The hidden levy collection costs that cannot be recovered under the current system belong on the balance sheet of the State Government, not on the balance sheet of councils.

Councils are accountable to their communities for every single dollar they raise, and all levels of Government should be held to this same standard.

Planning has also been a key focus for the LGA and councils as the Government moves closer to the implementation of a new state-wide planning system in 2020.

Last month the draft Planning and Design Code was released for public consultation, with smaller regional councils given only eight weeks to provide feedback.

Given the significance of these reforms, we believe all councils and communities should have the same opportunity to review the draft code and provide their feedback.

We'll be providing submissions on the draft code, but our position has always been that it must deliver better design outcomes and provide scope for sensible local variations that will preserve the character of our neighbourhoods and open up economic opportunities in the right areas.

We're now coming up on the end of the first twelve months of the LGA's CEO Advisory Group, which was established through the new LGA Constitution.

I would like to acknowledge the advice they have provided to the LGA Board on a range of issues including local government reform, industrial relations reform, the continued improvement of LGA Procurement, and enhancing the value of the sector.

I'd also like to thank the LGA's Audit and Risk Committee, who over the past year have monitored the development of our Risk Management Policy and Framework, undertaken an assessment of internal financial controls, and assisted with our new external auditors.

The audit committee also reviewed a range of policies covering governance, code of conduct, and finance.

The LGA has continued to carefully roll out new services for members through LGASA Commercial.

One of these new offerings has been executive recruitment, and several councils have used this service to recruit new CEOs and senior executives.

So far around three quarters of councils and regional LGA's have engaged with LGASA Commercial, resulting in estimated sector savings of around \$710k.

Councils are also benefitting from the downward pressure on pricing from other providers, particularly in the recruitment field, which has seen price reductions of up to 50%.

LGA Procurement also continues to deliver fantastic value for councils.

Three new electricity supply contracts negotiated by LGA Procurement this year will save participating councils \$14 million over the next three years, which is a saving of around 22%. All three contracts will commence in January.

Under these contracts, our electricity won't just be cheaper, it will also be greener, with a large amount of it sourced from windfarms at Lake Bonney.

One of the biggest wins we've had in 2019 was securing a determination from the Australian Energy Regulator that confirms SAPN overcharged public lighting customers between 2010 and 2015.

This will require SAPN to repay councils and DPTI \$13 million, with payment due shortly.

We've been waiting for this outcome for a long time, and this determination is the outcome of a fresh legal process initiated by the LGA three years ago.

It's been a long and often challenging process, but the outcome is testament to our sector working together and sticking to its principles.

This is money that should never have been charged to councils, and we are pleased that we've been able to recover it for South Australian ratepayers.

Now that we've secured this refund, we can focus on negotiating the best possible deal for councils as they transition to LED streetlighting.

The coming six months will include the final consultation on the Government's local government reform agenda, including the introduction of a Bill into the Parliament.

I look forward to working with the Government, Parliament and councils to make sure we get these reforms right, and a framework that will support even greater efficiency and productivity in our sector.

Thank you.

5.2 Resolutions and Actions from Previous Meetings

Minutes of Previous Meeting

| | | |
|---------|------------------------|-----------------|
| Meeting | Annual General Meeting | 29 October 2020 |
| ECM: | 715941 | |

Recommendation

That the Annual General Meeting notes progress with resolutions resulting from the Annual General Meeting of 31 October 2019 and outstanding resolutions from earlier general meetings.

Discussion


The attached report outlines progress of resolutions from previous general meetings of the LGA.

Proposing items of business for an LGA Ordinary or Annual General Meeting is one of the important ways that LGA member councils participate in policy development and influence the advocacy agenda for local government. The LGA uses best endeavours to achieve the outcomes sought by member councils.


Recognising that there is an opportunity to improve practices, the LGA has recently updated its internal controls and processes to ensure that members are kept informed of how the items they have submitted are being progressed.

Following each General Meeting the LGA Secretariat will provide a report to the LGA Board of Directors outlining a proposed course of action to progress each resolution. The actions endorsed by the LGA Board of Directors will then be incorporated into the LGA's work plan and communicated to the Mayor and Chief Executive Officer of the council that submitted the original item of business. In addition to any engagement with the submitting council administration in order to adequately progress the issue, the LGA will also write to this council to provide a progress update prior to each General Meeting until the matter is closed.

All member councils will continue to receive updates at General Meetings via this *Resolutions and Actions from Previous Meetings* report.


 = Completed/No further action required

| Resolutions from the Annual General Meeting – 31 October 2019 | Action Taken / Progress |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>6.11 Amendments to LGA Constitution and Ancillary Documents (<i>LT 688487</i>)</p> <p>that the Annual General Meeting adopts amendments, as presented, to the:</p> <ul style="list-style-type: none"> a. LGA Constitution b. GAROC Terms of Reference c. SAROC Terms of Reference d. LGA Meeting Procedures <p>with the amendments to the LGA Meeting Procedures to take effect upon conclusion of the Annual General Meeting and</p> <p>with the amendments to the LGA Constitution, GAROC Terms of Reference and SAROC Terms of Reference to take effect upon approval by the Minister.</p> | <p>The amended LGA Meeting Procedures took effect upon conclusion of the Annual General Meeting.</p> <p>The Minister for Local Government approved the amendments to the LGA Constitution, GAROC Terms of Reference and SAROC Terms of Reference on 8 January 2020 and the amended documents took effect on this date.</p> |
| <p>6.12 LGA Board and Committee Member Allowances and Expenses (<i>AJ 681856</i>)</p> <p>that the Annual General Meeting adopts LGA policy GP02 Board and Committee Member Allowance and Expenses.</p> | <p>No further action required</p> |
| <p>6.13 LGA Audit and Risk Committee – Remuneration (<i>AJ 688545</i>)</p> <p>that the Annual General Meeting endorses the LGA Board's decision that the LGA Audit and Risk Committee remuneration remains unchanged from their current levels for the next 12 months.</p> | <p>No further action required</p> |

 = Completed/No further action required


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| <p>7.1 Crown Lands as Economic Drivers (LB 687124)</p> <p>that the Annual General Meeting requests that the LGA write to the Minister for Environment and Water requesting the State Government work in partnership with local government to undertake a comprehensive review of all Crown Lands with the aim of identifying areas of under-utilised Crown Land which could be made available to help stimulate economic development in regional areas.</p> | <p>In February 2020, the LGA President wrote to the Minister for Environment and Water as per the terms outlined in the resolution.</p> <p>The Minister responded in May 2020 confirming the Government's support for the intent of the resolution and encouraged councils to identify and bring forward economic development ideas for Crown Land in their area.</p> |
| <p>8.1 Corflute Election Signs (Campbelltown) (AS 688521)</p> <p>that the Annual General Meeting requests the LGA to advocate to the State Government for stronger regulation of corflute election signs, ideally with consideration of their complete ban (except for signage at polling booths), or alternatively additional measures to restrict use.</p> | <p>The LGA wrote to the former Minister for Transport, Infrastructure and Local Government, as well as the current Minister for Planning and Local Government, to advocate for a complete ban on the use of corflute election signs (except for signage at polling booths). The Minister for Planning and Local Government expressed support for this proposal and amendments to the <i>Local Government Review Bill</i> introduced into Parliament on 23 September include a proposed amendment to section 226 of the <i>Local Government Act</i> that would allow election signs for local government elections to only be displayed as regulations allow. This will enable regulations to provide for a complete ban on the use of corflute election signs during local government elections in line with the sector's endorsed position. A similar amendment for state government election signs is being progressed under a separate bill.</p> |
| <p>8.2 State of Climate Emergency (Gawler) (LB 688315)</p> <p>that the Annual General Meeting:</p> <ol style="list-style-type: none"> 1. notes the October 2018 Special Report of the Intergovernmental Panel on Climate Change (IPCC) and the Federal Government's latest emissions data showing increased carbon emissions; 2. strengthens the LGA's 'Managing the Risks of Climate Change' Policy Statement to acknowledge that climate change poses a serious risk to local | <p>The LGA Secretariat has updated the 'Managing the Risks of Climate Change' policy statement in the LGA Policy Manual as per the resolution.</p> <p>The LGA has continued to advocate for greater state and federal funding in initiatives that will assist local government to mitigate and adapt to the effects of climate change. Recent examples of LGA submissions¹ to State and Federal Government and their agencies that make specific reference to climate change include:</p> |

¹ <https://www.lga.sa.gov.au/submissions>


 = Completed/No further action required

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| <p>communities and ecosystems, and that all levels of government are urged to take action that will help address the effects of climate change in local communities; and</p> <p>3. continues to lobby the State and Federal Government to prioritise climate change action, in particular advocate for greater state and federal funding in initiatives that will assist local governments and their communities to mitigate and adapt to the effects of climate change.</p> | <ul style="list-style-type: none"> • Future Drought Fund – draft Drought Resilience Funding Plan 2020-24 • Developing a Commonwealth Strategy for Drought Preparedness and Resilience • Senate Select Committee on Jobs for the Future in Regional Areas • Infrastructure SA’s 20-Year State Infrastructure Strategy • SA Regional Development Strategy • EPA Thermal energy from waste activities. • Department of Environment and Water position papers on Improving flood, levee bank and dam management in South Australia. <p>Additionally, the LGA has commissioned advice to consider how preparing for, and responding to, the projected impacts of climate change has been considered within the draft Planning and Design Code Phase Three (Urban Areas).</p> <p>The LGA Secretariat is currently liaising with the Department for Environment and Water and Green Adelaide to formalise a climate change partnership that would see State and local government working together through coordination of Regional Climate Partnerships to address shared climate change objectives.</p> |
| <p>8.3 Electric Vehicles (Gawler) (KR 687683)</p> <p>that the Annual General Meeting:</p> <p>1. requests the LGA to develop a policy for the issues and opportunities associated with predicted increased use of electric vehicles in the local government sector and the general community; and</p> <p>2. to satisfy the item of business, requests that the LGA Policy Manual be amended to include the following draft Policy Statement on Electric Vehicles:</p> | <p>The LGA Policy Manual has been updated to include a statement on Electric Vehicles² as per the motion carried.</p> <p>The LGA will continue to seek opportunities to advocate for member councils on this issue.</p> <p>This issue has been included in the LGA’s Advocacy Plan.</p> |


² <http://www.lga.sa.gov.au/page.aspx?u=7666>

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| <p><i>Local government recognises that electric vehicles provide for potential zero emission transport and reduce negative impacts such as toxic emissions, engine noise and greenhouse gas emissions and that councils, because of their roles and responsibilities as road authorities, infrastructure providers, fleet managers and representatives of their local communities, can support and encourage the use of electric vehicles through their planning, policies, investment and procurement activities.</i></p> | |
| <p>8.4 Fairer Allocation of Open Space Funding (Campbelltown) (SS 688279)</p> <p>that the Annual General Meeting requests the LGA advocate to the Minister for Planning requesting that the Minister, in conjunction with local government, undertake a review of the Planning and Development Fund to investigate a financial model that is more equitable and appropriate for councils that are experiencing higher volumes of infill development, including multi storey development especially in relation to the subdivision of land under 20 allotments.</p> | <p>The need to review the Open Space Contribution Scheme and develop a more equitable funding model has been raised by the LGA in numerous LGA submissions and representations since 2013. This issue was most recently raised with the current Minister for Planning and Local Government in response to changes to the Regulations to allow the Planning and Development Fund to be used for the operation of the State's new planning system.</p> <p>Research and consultation with councils has also been undertaken to support this advocacy. At the time the Planning, Development and Infrastructure Act was being considered by the Parliament, the former Government signalled that a review of the scheme would be undertaken at a later date. A formal review is yet to be initiated.</p> <p>In September 2020, the LGA Chief Executive officer again wrote to the Chair of the State Planning Commission requesting that the Commission conduct an inquiry into the operation and use of the Planning and Development Fund in two parts:</p> <ol style="list-style-type: none"> 1. An inquiry into the purpose and use of the Planning and Development Fund; and 2. An inquiry to investigate a financial model for payments to the Planning and Development Fund. |

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| <p>8.5 Contributory Items (Gawler) (SS 687751)</p> <p>that the Annual General Meeting requests the LGA write to the Minister of Planning to:</p> <ul style="list-style-type: none"> a. reinforce local government’s position that all existing Heritage and Historic Conservation Zones and Contributory Items should be transitioned into the first generation of the Planning and Design Code; and b. outline the following concerns local government has with the State Government’s proposed approach to transitioning Contributory Items to Local Heritage Places where appropriate: <ul style="list-style-type: none"> i. the requirement to use the 'Heritage in Transition – Practitioner Guide' dated August 2019, which is considered to be flawed, contrary to the Burra Charter, undermines the legislative criteria and will have the effect of greatly limiting the number of places which meet the criteria; ii. the requirement for all statutory consultation associated with Local Heritage Development Plan Amendments to have been completed 30 June 2020; and iii. the costly heritage assessment, investigations and preparation of the DPA needing to be finalised by December 2020. | <p>Local heritage and contributory items have been included in the LGA’s submissions on Phase Two and Three of the Planning and Design Code and submissions to the ERD Committee of Parliament and the Legislative Review Committee of Parliament</p> <p>Correspondence on this item was sent to the former Minister for Planning (Minister Knoll).</p> <p>The Minister advised that there is no recognition within legislation for contributory items and maintained the position that it is not appropriate or practical to set up an alternative system.</p> <p>The Minister invited the original Expert Panel to reconvene to examine the matter, the Expert Panel noted the following:</p> <ol style="list-style-type: none"> 1. that the PDI Act “does not necessarily encapsulate all of the Panel’s recommendations” 2. the recommendations of the Heritage Inquiry are generally consistent with the Panel’s views. 3. that the Panel was not in a position to review the policies proposed by the Commission and restricted itself to a review of the framework for policies proposed, “Accordingly the views here expressed have not had the benefit of testing through community consultation”. The Panel was also advised that ‘there is no substantive policy change wrought by the proposed Overlays, but rather a transition of existing policies into the new structure:” 4. that the recommendation to have an integrated heritage system has not been taken up, and the Panel is still seeking greater integration of heritage matters. 5. the Panel is supportive of the Commission’s proposal not to separately include existing contributory items. |
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| | <p>In relation to the 'Guide', this was prepared by the Commission in 'good faith' to 'assist councils in undertaking the Heritage DPA process in the limited time available before transitioning to the Code'.</p> <p>This issue has been included in the LGA's Advocacy Plan.</p> <p>The LGA President has also raised this matter with the current Minister for Planning.</p> |
| <p>8.6 Review of the Impacts of Infill Development (SS 688278)</p> <p>that the Annual General Meeting requests the LGA:</p> <ol style="list-style-type: none"> 1. write to the Minister of Planning to seek, in conjunction with local government, a comprehensive review of the cumulative impacts of infill development in South Australia to inform evidence-based decision making about the capacity of identified infill areas to sustain further growth and development; 2. request the preparation of a new State Planning Policy for Infill Development under the Planning, Development and Infrastructure Act 2016; and 3. advocate to and work with the State Planning Commission to ensure that South Australia's planning system reflects leading practice and that the Planning and Design Code and associated instruments deliver quality planning and design outcomes that improve the amenity, liveability and sustainability of communities. | <p>The impacts of infill development have been highlighted in the LGA's submissions on Phase 3 of the Planning and Design Code and submissions to the ERD Committee of Parliament and the Legislative Review Committee of Parliament</p> <p>Correspondence on this item was sent to the former Minister for Planning (Minister Knoll).</p> <p>The Minister advised that there are currently three State Planning Policies which address infill development – Integrated Planning, Design Quality, Housing Supply and Diversity.</p> <p>The Minister has also advised that the Commission has commenced a new initiative called the 'Metropolitan Growth Management Program', which will be informed by the regional plan.</p> <p>This issue has been included in the LGA's Advocacy Plan.</p> |
| <p>8.7 Reform in the aged care sector (Gawler) (BC 688271)</p> <p>that the Annual General Meeting requests the LGA to assist councils to navigate the changes to the Aged Care sector through information provision and advocacy.</p> | <p>The LGA has produced several pieces of work aimed at assisting councils to navigate the proposed aged care reforms, these are available on the members area of the LGA's website.</p> <p>The LGA has also made two submissions to the Royal Commission into Aged Care Quality and Safety (the most recent being in January 2020) advocating</p> |

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| | <p>for local government to be recognised as a planner, funder and deliverer of home and community services and, that long-term funding certainty is needed to ensure that councils can continue to provide these vital and valued services to their communities. In May 2020, at the invite of the Royal Commission, the LGA facilitated the Chair of the LG Professional's Community Managers Network participating in a teleconference relating to the role of local government.</p> <p>In order to further satisfy the intent of the Item of Business, the LGA will continue to consult with members through the Local Government Professional's Community Managers Network to determine potential actions that would further assist councils to navigate the changes to the Aged Care sector moving forward.</p> <p>This issue has been included in the LGA's Advocacy Plan.</p> |
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| Resolutions from the Ordinary General Meeting – 12 April 2019 | Action Taken / Progress |
| <p>6.1 Local Government Reform (LT 672891)</p> <p>that the Ordinary General Meeting:</p> <ol style="list-style-type: none"> 1. notes the report; and 2. commits to working with the Parliament of South Australia to deliver sensible and effective reforms that will drive downward pressure on council rates, improve the financial sustainability of councils, and deliver lasting benefits to South Australian communities. | <p>In August 2019, the Office of Local Government (OLG) released a discussion paper with 72 proposals for regulatory change. The LGA prepared a discussion paper and supported an extensive consultation process across the sector.</p> <p>Many of the proposals in the LGA's subsequent submission were incorporated into the <i>Statutes Amendment (Local Government Review) Bill</i>, tabled in Parliament in 2020.</p> <p>The LGA prepared a discussion paper on this Bill and a further discussion paper on proposed changes to the <i>Local Government (Elections) Act</i>, enabling sector consultation on the specific Bill proposals.</p> <p>The resulting LGA submission resulted in over 120 Government amendments which were tabled in Parliament in September 2020.</p> <p>Throughout these processes, the LGA Secretariat have continually engaged at officer level with the OLG. This engagement has been strongly supported by elected members, CEOs, their officers and bodies with expertise such as the</p> |

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| | <p>Financial Managers Group and the Governance and Professional Officers Group. The findings of the South Australian Productivity Commission in relation to sector efficiency and other matters also assisted LGA advocacy.</p> <p>The LGA has also kept Opposition and cross-bench MPs briefed on the local government reform process.</p> <p>As per the April 2019 resolution, the sector has demonstrated its ongoing commitment to achieving sensible and effective reforms that will drive downward pressure on council rates, improve the financial sustainability of councils, and deliver lasting benefits to South Australian communities.</p> <p>Local government reform remains a priority issue in the LGA's Advocacy Plan.</p> |
| <p>7.1 State of Climate Change Emergency (Mount Barker) (LB 670626)</p> <p>that the Ordinary General Meeting requests the LGA to investigate opportunities for giving a higher priority to lobbying state and federal governments on climate change, as well as facilitating appropriate responses from member councils, due to the escalating environmental, economic, social and risk related issues faced by the local government sector.</p> | <p>See update at 'Item 8.2 Resolutions from the Annual General Meeting – 31 October 2019' in this report.</p> |
| <p>7.2 Local Government Leadership in Climate Risk Management (Southern & Hills LGA) (LB 671681)</p> <p>that the Ordinary General Meeting agrees to enhance local government leadership in climate risk management, by:</p> <ol style="list-style-type: none"> 1. advocating that the South Australian Government (including the Department of Energy and Mining, Department for Infrastructure and Transport and the Department for Environment and Water) establishes and manages a centrally coordinated climate hazard mapping framework to inform decision making in collaboration with Councils; | <p>See update at 'Item 8.2 Resolutions from the Annual General Meeting – 31 October 2019' in this report.</p> |

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| <ol style="list-style-type: none"> 2. advocating to ensure local government priorities on climate risk management are considered in the State Government's new cross-agency Climate Change Strategy; and 3. investigating opportunities for the LGA to increase its support to councils to accurately assess the climate risk exposure of council plans and projects. | |
| <p>7.3 Jetties (Tumby Bay) (KR 670924)</p> <p>that the Ordinary General Meeting requests that the LGA immediately begin negotiations with the current State Government to draft a lease or other agreement with local government collectively (for those councils that currently hold an existing lease agreement) to safeguard the future of jetties in South Australia without creating a financial burden on ratepayers, especially in rural and regional areas.</p> | <p>Negotiation with the State Government is ongoing.</p> <p>The LGA Secretariat formed an LGA Jetties Steering Group comprising senior representatives of a range of councils, as well as LGA Mutual Liability Scheme, chaired by the LGA President. It has met several times, and participated in a workshop with DPTI and meeting with (then) Minister Knoll in September 2019 and April 2020. During October 2019, DPTI ran a series of workshops with local government which were attended by council and LGA staff, and elected members.</p> <p>The LGA Jetties Steering Group has:</p> <ol style="list-style-type: none"> 1. developed Guiding Principles on the management of jetties in South Australia; 2. developed Terms of Reference for the Steering Group to guide its activities into the future; 3. had these documents endorsed by the LGA Board in December 2019; 4. provided the endorsed Guiding Principles to the State Government stressing the need to continue to negotiate with local government on this issue; and 5. was given the opportunity to provide early feedback on the draft <i>SA Jetties Strategic Plan</i> prior to public consultation. <p>The LGA received an update from DPTI in July 2020 that the Strategic Plan will be released for public consultation shortly. Governance, funding and consistency of lease agreements are particular areas of concern. These</p> |

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| | <p>matters will be pursued further with the new Minister responsible for the now Department for Infrastructure and Transport, the Hon Corey Wingard MP.</p> <p>This issue has been included in the LGA's Advocacy Plan.</p> |
| <p>7.4 Lack of Medical Services to Regional Areas (Eyre Peninsula LGA) (LB 671925)</p> <p>that the Ordinary General Meeting requests the LGA to lobby the State and Commonwealth governments for the provision of improved health services in regional and rural Australia.</p> | <p>In September 2019, the LGA consulted with members and considered evidence provided by the Eyre Peninsula LGA in making a submission to the State Government's draft Rural Medical Workforce Plan³.</p> <p>In December 2019, the Minister for Health and Wellbeing, the Hon. Stephen Wade MLC, released South Australia's Rural Medical Workforce Plan⁴, prepared to meet the Government's commitment to develop and implement 'a plan to recruit, train and develop the health professionals... needed to deliver country health services'.</p> <p>The Plan identifies a specific strategy to collaborate with local government <i>to address the unique challenges facing rural communities, recognising that the social and economic wellbeing of their community is paramount to councils in their role as public health authorities.</i></p> <p>Over the next two years, the Plan commits that the Government will seek to partner with councils through the LGA to maximise the personal and family supports provided to rural doctors, particularly for recruiting to challenging areas, by:</p> <ol style="list-style-type: none"> 1) creating partnerships between councils, regional Local Health Networks, the Rural Doctors Workforce Agency and other key stakeholders to provide a holistic approach to doctor recruitment, considering opportunities and support for partners and families, and including social and community supports. |

³ <https://www.lga.sa.gov.au/submissions>


⁴ <https://www.sahealth.sa.gov.au/wps/wcm/connect/public+content/sa+health+internet/about+us/our+local+health+networks/country+health+sa+local+health+network/about+us/rural+health+workforce/rural+medical+workforce+plan>

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| | <p>2) developing support mechanisms for regional and rural doctors to receive support in areas including housing, transport costs and childcare.</p> <p>SAROC has allocated a budget of \$25,000 in its 2019-20 Annual Business Plan to progress this issue.</p> <p>This issue has been included in the LGA's Advocacy Plan.</p> |
| <p>7.5 Funding for Regional Road Safety (Alexandrina) (KR 671927)</p> <p>that the Ordinary General Meeting asks the LGA to call on State Government to:</p> <ol style="list-style-type: none"> actively advocate to the Federal Government of the day to continue providing supplementary local roads funding for South Australia; and allocate increased funds for the maintenance and upgrade of safe and high-quality regional roads and establish a dedicated Regional Roads and Infrastructure Fund. | <p>The LGA's 2019-20 State Budget Submission (March 2019) highlighted the lack of road safety funding and built on an ALGA road safety campaign. This activity will be supported by the implementation of the <u>Local Government Guide to a Road Safety Strategy and Action Plan</u> that was endorsed by the LGA Board at its meeting on 28 August 2019 and includes advocacy items for the LGA to undertake, including seeking increased funding to local government for road infrastructure.</p> <p>The LGA is also represented on the state government working party to prepare its new Road Safety Strategy.</p> <p>These issues have been included as a priority in the LGA's Advocacy Plan.</p> |
| <p>7.6 Regional Economic Growth and Development (Wattle Range) (LB 672043)</p> <p>that the Ordinary General Meeting asks that the LGA continue to lobby the State Government to develop and implement initiatives that will assist with the growth and development of regional South Australia.</p> | <p>The SAROC Committee has adopted economic development as one of the four key priorities in its inaugural four-year Strategic Plan. A main focus of this work will be advocating for economic development opportunities in regional areas.</p> <p>The LGA worked with councils and SAROC to develop a submission to the Regional Development Strategy <i>Discussion Paper</i>. The LGA completed the LGR&DS Fund project "Evidence to inform local government advocacy for a strategic population policy".</p> <p>This research has been utilised to support LGA advocacy efforts that promote regional economic growth and development in the following <u>submissions</u> to the;</p> |

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| | <ol style="list-style-type: none"> 1. Department of Agriculture in relation to the draft Drought Resilience Funding Plan 2020 to 2024; 2. Department for Innovation and Skills in relation to Designated Area Migration Agreements; and the 3. Senate Select Committee on Temporary Migration. <p>During 2020-21, the SAROC Committee will host a regional development workshop to bring together a broad range of stakeholders to drive cross-collaboration, innovation and build the evidence base for future LGA and SAROC advocacy, and explore the scope for a potential Local Government Strategic Investment Plan for Regional South Australia.</p> <p>The LGA will also continue to strengthen collaborative work with regional RDA offices, including through assisting them with the implementation of each region's Recovery Plan (from the COVID-19 crisis).</p> <p>The LGA's Advocacy Plan and SAROC's Strategic Plan will continue to progress advocacy issues on Regional Economic Growth and Development.</p> |
| <p>7.7 Little Corella Management (Alexandrina) (KR 671926)</p> <p>that the Ordinary General Meeting asks the LGA to continue to advocate to State Government for:</p> <ol style="list-style-type: none"> 1. the urgent adoption (in consultation with the local government sector) of a statewide strategy for the management of Little Corellas; and 2. a commitment to fund implementation of the strategy, which must include financial assistance to local governments for: <ol style="list-style-type: none"> a) the development of integrated local management plans; and b) the implementation of medium and long term management options at a local scale. | <p>The Department of Environment and Water is currently preparing a Statewide Little Corellas Strategy.</p> <p>In September 2019, with input from member councils and regional LGAs, the LGA Secretariat provided feedback to the Department on a draft Strategy. The LGA reiterated local government's call for urgent development of the Strategy and the inclusion of funding for local government to implement the actions of the Strategy.</p> <p>On 3 September 2019, Mayor Erica Vickery, the Chairperson of SAROC, wrote to Minister Speirs:</p> <ol style="list-style-type: none"> 1. expressing SAROC's support for the Inquiry Report of the Natural Resources Committee's Parliamentary Inquiry into Overabundant and Pest Species; |

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| | <ol style="list-style-type: none"> 2. congratulating the Minister on progressing development of the Little Corellas Strategy; and 3. inviting the Minister to a meeting of SAROC to discuss this and other issues. <p>At its meeting on 19 March 2020, SAROC requested Mayor Vickery write to the Minister providing a copy of the LGA research paper which identifies areas of further research and seeking finalisation of the Strategy. Work continues with the State Government to progress funding research options and completion of the Strategy.</p> <p>This issue has been included in the LGA's Advocacy Plan and the SAROC 2020-21 Annual Business Plan.</p> |
| <p>8.2 Social Infrastructure that promotes liveable and healthy communities (Adelaide) (LB 671566)</p> <p>Amended as:</p> <p>that the LGA OGM requests the LGA:</p> <ol style="list-style-type: none"> 1. liaises with the South Australian Government to ensure councils are engaged and informed regarding social infrastructure planning associated with urban development and planning processes, with reference to implementation of the Planning, Development and Infrastructure Act 2016 (SA) (PDI Act) and the 30-year Plan for Greater Adelaide, and 2. requests that the South Australian government investigates opportunities to promote a more consistent and place-based approach to social infrastructure planning in the state, including development of a contemporary social infrastructure guideline/design standard for SA. | <p>The LGA has made numerous submissions to the State Planning Commission that reinforce the importance of social infrastructure planning processes.</p> <p>In its submission to the Infrastructure SA discussion paper, the LGA highlighted the importance of considering social development and community wellbeing in infrastructure planning processes.</p> |

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8.3 Movement and Transport Planning (Adelaide) (LB 671567)

that the Ordinary General Meeting requests that the Local Government Association:


1. Establishes a Local Government Movement and Transport Planning Network with the intent to:
 - keep informed of current and future trends in movement and transport strategies, with relevance to metropolitan Adelaide and regions across the State;
 - identify priority movement and transport projects, with a key focus on mobility sharing, cycling, walking and public transport;
 - identify strategic, capital and operational funding opportunities at all levels of government as well as seek partnerships to deliver strategies and projects;
 - ensure movement and transport strategies are aligned and cohesive across council areas; and
 - discuss opportunities to partner on projects, cross-promote and share information, ideas, and learnings
2. Membership could include all councils who elect to sign up to the group, the LGA, as well as representatives from the State Government (e.g. DPTI and ODASA)
3. The scope could include discussion of a metropolitan Adelaide without boundaries, and assisting councils and other key stakeholders (e.g. RAA, Bike SA, BISA, AILA, Engineers Australia, Property Council etc.) to create, influence and implement:
 - Major projects
 - Climate change adaptation
 - Green infrastructure provision

In December 2019 the LGA Secretariat provided a draft a terms of reference to members via Circular and invited member councils to join the Movement and Transport Planning Network.


Only seven (five metropolitan, two regional) member councils responded to the LGA Secretariat's invite to join a Movement and Transport Planning Network. As such, the Network has yet to properly establish or meet.

At this LGA Annual General Meeting, 29 October 2020, member councils will consider a further item of business proposed by the City of Adelaide to *develop a framework and approach fostering greater cross council collaboration and co-funding of social and other facilities and infrastructure which support communities across multiple council areas.*


Noting the similar strategic intent of both issues, following consideration at the AGM, the LGA Secretariat will seek to identify resources and opportunities to support cross council collaboration with interested councils.

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| <ul style="list-style-type: none"> • Customer centricity • Business cases and the process for Infrastructure Australia (IA) • Consistent approaches to design and infrastructure • Consistent approaches to transport mode integration | |
| <p>8.4 Hardship Policy for council rates (Playford) (RM 671569)</p> <p>that the Ordinary General Meeting requests the LGA work with its member councils to prepare guidelines to assist councils in developing Rates Hardship Policies.</p> | <p>The LGA Secretariat worked with the Rating and Valuation Working Group of the SA Local Government Financial Managers Group on the development of Hardship Policy guidelines.</p> <p>The LGA Guidelines – Rates Hardship Policy were endorsed by the LGA Board of Directors in March 2020, and subsequently provided to member councils.</p> <p>Feedback from members so far has been that the guidelines have been a useful resource, particularly as they were released at the commencement of the COVID-19 pandemic.</p> |
| <p>Resolutions from the Ordinary General Meeting – 13 April 2018</p> | <p>Action Taken / Progress</p> |
| <p>8.5 Local Heritage Listing Policy and Procedure (Adelaide) (SS 659576)</p> <p>That the Ordinary General Meeting requests that the LGA calls upon and works with all South Australian councils to develop a consistent policy and procedure to identify and protect their historic building stock dating from the 19th and 20th century, to achieve more consistent local heritage and comprehensive historic character protection across all council areas in the State, in order to better meet community expectations.</p> | <p>The LGA has received funding through the Local Government Research and Development Scheme to undertake this project. However, the LGA's focus has been on working with members to shape the policy framework for heritage through strong submissions and representations of the Planning and Design Code and giving evidence to the Environment, Resources and Development Committee's Heritage Inquiry.</p> <p>The LGA also made a submission on the State Planning Commission's 'Heritage in Transition' Practitioners Guide, which emphasised the need to achieve more consistent local heritage and comprehensive historic character protection across all council areas in the State, in order to better meet community expectations.</p> |

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| | <p>Through GAROC, a detailed policy position on heritage and character was developed and this work has formed the basis of the LGA's advocacy.</p> <p>While the LGA's advocacy continues to focus on the policy and regulatory framework for heritage listings, a project brief is currently being developed to commence the project before the end of 2020.</p> <p>.</p> |
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| Resolutions from the Annual General Meeting -- 16 November 2017 | Action Taken / Progress |
| <p>8.1 Community Land Management Plans (Charles Sturt) (KR 655308)</p> <p>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.</p> | <p>The LGA has been working with Local Government Risk Services on two projects to respond to the Coast Park decision: a revised Public Consultation Policy - Model Policy document and revised Community Land Management Plan (CLMP) guidelines.</p> <p>In 2018, the LGA commenced work on updating its model public consultation policy to take account of the Coast Park decision. Whilst undertaking this work, the LGA became aware of other developments that have highlighted the ambiguity in section 50.</p> <p>Separately, the State Government's Local Government Reform Program demonstrate the government's willingness to consider reforms to public consultation requirements.</p> <p>Considering this, the LGA has determined not to release a model public consultation policy at this point and will focus its efforts on achieving effective legislative change.</p> <p>The LGA will now re-commence work on the revised Community Land Management Plan guidelines.</p> |

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| <p>8.5 Essential Services Property Reinstatement Policy (Prospect) (LB 655433)</p> <p>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.</p> | <p>To progress this item, the GAROC committee supported the LGA Secretariat to liaise with essential service providers to consider the reinstatement of public infrastructure to the satisfaction of councils after completion of works and remediation improvements.</p> <p>GAROC's Annual Report 2019-20 reflects that the LGA Secretariat:</p> <ul style="list-style-type: none"> • undertook a desktop review of existing council reinstatement specifications; • reviewed relevant legislation and State Government processes; • consulted with councils and essential service providers via surveys; • hosted a working group meeting with member councils to discuss responses to earlier members' survey and feedback from SA Water / NBN co; • met with SA Water to discuss their perspective as an 'essential service provider'; and • met with the Small Business Commissioner to discuss feedback received from businesses to their office regarding inconsistency in road reinstatement by essential service providers across South Australia. <p>Following this research, analysis and consultation, it was concluded that examples of reinstatement policies and works guidelines being available on council websites are an important way to communicate information about legislative requirements and council expectations to essential service providers when conducting works.</p> |
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| <p>8.6 Establishing Local Government common data formats (Prospect) (AJ/MP 655434)</p> <p>that the Annual General Meeting requests the LGA to seek interest from the local government sector in:</p> <ul style="list-style-type: none"> • 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. | <p>UHY Haines Norton were engaged to source a number of existing databases and data to compile a report based on council classifications. This work was completed following consultation with member councils about their interest in progressing a sector-wide data program.</p> <p>Based on the strong interest from member councils, sector-wide performance measurement and reporting is a key proposal in the LGA's local government reform agenda and has been backed by the SA Productivity Commission and the State Government.</p> <p>Developing a suite of comparable performance measures is the next step in progressing this proposal, and the LGA is preparing a project plan for how to progress this significant body of work in consultation with councils. The LGA's Executive Director Member Services, Mr Nathan Petrus has been seconded from ESCOSA for 12 months to lead this work as a priority focus for the LGA in 2020.</p> <p>The current work being undertaken builds on this resolution.</p> |
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| Resolutions from the Ordinary General Meeting – 21 April 2017 | Action Taken / Progress |
| <p>8.10 Innovation and Investment in Commercial Activities (Adelaide) (LT 647971)</p> <p>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.</p> | <p>A comprehensive discussion paper has been completed that reviews the legislative frameworks for commercial activities by councils overseas and interstate.</p> <p>This discussion paper was informed by a survey of member councils, which concluded that the current legislative framework is sufficient.</p> <p>This work was funded and supported by GAROC.</p> |
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| Resolutions from the Annual General Meeting - 15 April 2016 | Action Taken / Progress |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>8.9. LED Street Lighting (SN 635689)</p> <p>that the Ordinary General Meeting requests the 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.</p> | <p>On 5 June 2020, the Australian Energy Regulator (AER) issued a determination on 2020-25 SA Power Networks tariffs, including tariffs for LED lighting, which will save councils \$14.8 million over the next 5 years.</p> <p>The submissions from the LGA to the AER were a major influence in securing that outcome, with the AER accepting almost all of the LGA's recommendations.</p> |

6.1 LGA Annual Report 2019-2020

LGA Business

| | | |
|-----------------|-------------------------------------------------------------------------------------------|-----------------|
| From: | Lisa Teburea, Executive Director Public Affairs | |
| 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 | 29 October 2020 |
| ECM: | 720182 | |

Recommendation

That the Annual General Meeting receives and adopts the Local Government Association of South Australia's Annual Report for the year 2019-2020.

Discussion

The LGA's 2019-2020 Annual Report, including abridged financial statements, was approved by the LGA Board of Directors on 17 September 2020 and is presented to the Annual General Meeting for adoption by member councils.

The Annual Report is provided via a link to the [LGA website](#) and a printed copy will be available for each member council at the meeting.

Note that the consolidated audited financial statements of the LGA and controlled entities for the year ending 30 June 2020 are presented as a separate report to the Annual General Meeting.

Financial and Resource Implications

This activity has been anticipated in the LGA's work program and resources are available to progress this work.

6.2 Financial Statements 2019/20

LGA Business

| | | |
|-----------------|-------------------------------------------------------------------------------------------|--------------------|
| 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 | 29 October 2020 |
| ECM: | 720016 | Attachment: 718253 |

Recommendation

That the Annual General Meeting receives and adopts the LGA of SA and controlled entities Financial Statements for the year 2019/20.

Discussion

The LGA Group operated within its approved budget parameters in 2019/20, with the LGA Parent, LGASA Mutual and Mutual Liability Scheme operating favourably to budget. The LGA Group continues to maintain a strong asset base with both short and long term investments, and the LGA continues to meet its 10-year long term financial plan forecasts.

The LGA Group ended 2019/20 with a net deficit of \$1.671 million. Available funds allowed the Workers Compensation Scheme and Mutual Liability Scheme to provide grants to councils for risk mitigation incentive projects totalling \$1.147 million. Also contributing to the deficit were non-cash items from the LGA Parent resulting from changes to accounting policies and asset write-offs.

The strong asset base from the Schemes allowed for distributions of \$2.5 million to councils, bringing the final result for the LGA Group after Special Distributions to Policy Holders to \$4.171 million.

The attached consolidated financial statements for 2019/20 include the financial results for the following entities:

- LGA Parent Entity Secretariat - Operations and Project activity - \$1.057 million deficit
- LGA Procurement - \$50,000 deficit
- LGASA Mutual - \$267,000 surplus
- LGA Workers Compensation Scheme - \$834,000 deficit after risk incentive payments and before special distributions to members
- LGA Mutual Liability Scheme - \$16,000 deficit after risk incentive payments and before special distributions to members

LGA Secretariat and Projects (Parent Entity) - \$1.057 million deficit

LGA Parent Secretariat (excluding asset impairment).

The LGA Parent Entity Secretariat recorded an operating surplus in 2019/20 of \$31,000.

The small surplus is a positive financial result for the year following the challenges of bushfires and COVID-19 having a noticeable impact on the LGA's operations. The LGA's Emergency

Management Plan was mainly funded through seconding staff from other units within the LGA, other Council staff assisting the LGA and internal budget reallocations.

LGA Parent Overall

The reported deficit of \$1.057 million is due to non-cash items, including accounting standard changes impacting the recognition of project revenue and office fit out impairment. It is important to note that the LGA's Cash and equivalents increased by \$1.841 million from \$2.832 million in 2018/19 to \$4.673 million in 2019/20.

- Office Fit out - Impairment of the LGA's fit out of \$496,000 is a non-cash expense involving the writing down the value of assets on the third floor. This occurred as the LGA will be relocating from third to the ground floor of LG House in 2020/21. The LGA has signed a lease for the third floor enabling LG House to be fully tenanted once LGA staff have vacated that floor.
- Project activity - The new revenue standard has significantly changed the manner in which project activities are accounted for. This has resulted in large changes in the reported revenue and expenditure between 2018/19 and 2019/20. The net deficit of \$592,000 is due to the adoption of the standard and not representative of the activity of the projects, given monies held in the project reserve for committed projects increased by \$1.088 million.

LGA Procurement - \$50,000 deficit

LGA Procurement is reporting a deficit of \$50,000 with revenue of \$1.357 million and expenses of \$1.407 million. LGA Procurement's rebate income increased by 16% and consultancy income by 50%. These contributed to total income from its ordinary operations growing by 22% compared to the previous year.

Over \$120 million of purchases were made through LGA Procurement's managed contracts and consultancy services providing estimated savings to Councils of approximately \$19 million.

LGASA Mutual - \$267,000 surplus

LGASA Mutual had an operating budget of \$677,000 in 2019/20,

Overall, the parent entity is reporting an operating surplus of \$267,000 in 2019/20, due to lower than expected expenditure on consulting and legal services activities.

LGASA Mutual had a closing cash balance of \$354,000 on 30 June 2020 compared with \$85,000 at 30 June 2019.

LGA Workers Compensation Scheme – deficit \$834,000 (before special distributions)

In 2019/20, the level of contributions to the LGAWCS remained at 2018/19 rates. The operating result for the LGAWCS in 2019/20 was a deficit of \$834,000 after the payment of the risk incentive of \$769,000 and before the special distribution to members. LGAWCS provided a special distribution of \$1.5 million to members resulting in a net deficit for the year of \$2,334,000. At the end of the year, the LGAWCS held accumulated funds of \$22.368 million.

LGA Mutual Liability Scheme - deficit \$16,000 (before special distributions)

In 2019/20, the level of contributions to the LGAMLS increased by 2.7% (December 2018 LGPI). In addition, the LGAMLS returned a special distribution of \$1 million and members took up a further \$378,000 via the Risk Incentive Program.

The LGAMLS recorded an operating loss for the year of \$16,000 before special distributions of \$1 million. The net deficit for the year after special distributions was \$1.016 million.

As with the LGAWCS, in conjunction with the scheme's actuary, the Board determined the target range of accumulated services for the LGAMLS that it wished to retain. At the end of the year, the LGAMLS maintained a healthy level of accumulated funds totalling \$21.87 million.

Conclusion

The Financial Statements for 2019/20 have been reviewed by the LGA's auditor PwC and have been certified by the LGA 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.

Financial and Resource Implications

This activity has been anticipated in the LGA's work program and resources are available to progress this work.

Local Government Association of South Australia

Consolidated Financial Report

For the Year Ended 30 June 2020

Local Government Association of South Australia

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For the Year Ended 30 June 2020

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Local Government Association of South Australia

Board Members' Report

30 June 2020

The Board members present the financial report of the the Local Government Association of South Australia and its controlled entities ("the Group") for the financial year ended 30 June 2020 and the auditor's report thereon.

Board members

The names of the Directors currently in office are:

Mayor Gillian Aldridge
Mayor Kevin Knight
Mayor Peter Matthey
Mayor Clare McLaughlin
Mayor David O'Loughlin
Mayor Keith Parkes
Mayor Karen Redman
Mayor Sam Telfer
Mayor Erika Vickery
Mayor Jan-Claire Wisdom

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The Group consists of the following entities, Local Government Association of South Australia (LGA), LGASA Mutual Pty Ltd (LGASA Mutual), Local Government Mutual Liability Scheme (LGAMLS), Local Government Workers Compensation Scheme (LGAWCS) and LGCS Pty Ltd as trustee for LGCS Trust No.1 (LGA Procurement). The principal activities of the Group during the financial year were as follows:

LGA

The LGA is a membership based peak body that provides leadership, advocacy and services to and on behalf on the member councils of South Australia.

LGASA Mutual

LGASA Mutual is wholly owned by the LGA, formed to provide independent strategic oversight of the LGAMLS and LGAWCS and to oversee the day to day service delivery contract held by Marsh Pty Ltd.

LGAMLS

The Scheme is a mutual risk product which offers discretionary indemnity and claims management service to its members in respect of their potential and actual civil liabilities. These services are provided to Local Government in South Australia, and include the provision of risk management services to minimise the occurrence of civil liabilities and the provision of claims management services.

LGAWCS

The Scheme is a mutual risk product which offers discretionary indemnity and injury management services to its members in respect of their potential and actual liabilities that arise under the provisions contained in the Return to Work Act 2014 (RTW Act). These services are provided to Local Government in South Australia, and include the provision of claims management, worker rehabilitation and occupational health and safety management services, to minimise the occurrence of workers compensation liabilities.

LGA Procurement

LGA Procurement provides procurement services to all South Australian councils and related entities. These services include training, templates and a large range of contracts providing benefits from aggregating procurement and specialty skills.

Local Government Association of South Australia

Board Members' Report

30 June 2020

Results and review of operations for the year

The overall deficit of the Group for the financial year before special distributions was \$1,671,262 (2019FY deficit: \$1,719,358). After the special distributions to the policy holders of \$2,500,000 (2019FY: \$4,971,816) the net deficit was \$4,171,262 (2019FY: \$6,691,174). The results for each of the entities before inter-entity eliminations are as follows:

LGA

The deficit in the LGA amounted to \$1,057,187 in the 2020FY (2019FY deficit: \$1,102,578) which is attributable to an impairment loss on the disposal of office furniture of \$496,249 and a net expenditure on projects of \$591,882 in the 2020FY. The impairment loss is due to the LGA recognising a reduction in the value of its office furniture as it is refitting its office premises during the 2020-21 year. The LGA initially recognised the office furniture at \$668,000 in the 2017-18 year when it acquired it free-of-charge.

Excluding all project activity and impairment losses, the LGA is reporting an operating surplus of \$30,943 in the 2020FY compared with a \$343,269 deficit in the 2019FY.

LGASA Mutual

In the 2020FY, LGASA Mutual is reporting an operating surplus of \$267,333 compared with a \$84,682 surplus in the 2019FY.

LGAMLS

The operating deficit for the 2020FY amounted to \$15,541 (2019FY deficit: \$801,498) before special distributions of \$1,000,000 (2019FY: \$1,993,646) to members. The net deficit for the year after special distributions was \$1,015,541 (2019FY: \$2,795,144). The LGAMLS provided to members a further \$377,646 (2019FY: \$262,243) via the risk incentive fund.

LGAWCS

The operating deficit for the 2020FY amounted to \$834,278 (2019FY: \$181,904) before the special distributions of \$1,500,000 (2019FY: \$2,978,170) to members, the net deficit for the year was \$2,334,278 (2019FY: \$2,796,266). The LGAWCS provided to members a further \$769,578 (2019FY: \$439,696) in the risk incentive fund.

LGA Procurement

The operating deficit for the 2020FY was \$49,583 compared to a deficit of \$81,870 in 2019FY. In 2019FY the deficit includes the payment of an ex-gratia distribution to the LGA of \$200,000.

Significant changes in state of affairs

In the opinion of the Board members, there have been no other significant changes in the state of affairs of the entities in the Group during the year.

Likely developments

Information about the likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report.

Environmental issues

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a State or Territory of Australia. However, the Board believes that the Group has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Group.

Local Government Association of South Australia

Board Members' Report

30 June 2020

Impact of COVID19 and bushfires during 2019/20

COVID19 has not had a material financial impact on The Group nor a significant impact on its operations. The Group remains a going concern with sufficient liquidity to meet its future anticipated demands and has experienced only a limited impact on its financials as a result of COVID19.

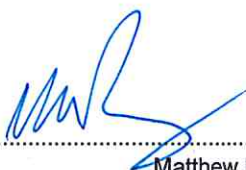
The Group provided support to member councils to manage their responses to COVID 19 and the Bushfires during 2019/20. Staffing resources were reallocated from ordinary operations to the LGA's Function Support Group to meet The Group's responsibilities under the State Governments State Emergency Management Plan.

Indemnification and insurance of officers and auditors

The Board members have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the members of the Board and officers' liability and legal expenses insurance contracts as such disclosure is prohibited under the terms of the contract.

Signed in accordance with a resolution of the Members of the Board:

President: 
Mayor Sam Telfer

Chief Executive Officer: 
Matthew Pinnegar

Dated this 28 day of September 2020

Local Government Association of South Australia

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2020

| | Note | Consolidated | | Parent | |
|---------------------------------------------------------------------------------------|------|---------------------|---------------------|---------------------|---------------------|
| | | 2020 | 2019 | 2020 | 2019 |
| | | \$ | \$ | \$ | \$ |
| Revenue from continuing operations | | | | | |
| Member contributions | 7 | 32,144,655 | 31,940,944 | - | - |
| Grant revenue | | 3,884,317 | 8,610,895 | 4,278,317 | 9,570,229 |
| Subscriptions | | 2,337,692 | 2,278,856 | 2,337,692 | 2,278,856 |
| Other revenue | 7 | 6,114,839 | 6,124,590 | 5,767,362 | 5,882,171 |
| Finance income | | 2,104,023 | 2,913,642 | 771,733 | 846,916 |
| Total revenue from continuing operations | | 46,585,526 | 51,868,927 | 13,155,104 | 18,578,172 |
| Expenses | | | | | |
| Employee benefits expense | | (7,103,687) | (6,321,180) | (5,727,078) | (5,155,979) |
| Risk management, levies and other scheme expenses | | (12,184,193) | (11,743,941) | - | - |
| Depreciation and amortisation | | (816,373) | (775,676) | (796,334) | (767,279) |
| Grant expenditure | 8 | (1,501,042) | (7,826,726) | (1,541,042) | (7,826,726) |
| Impairment loss on office furniture | | (496,249) | - | (496,249) | - |
| Net claims expense | 9 | (10,261,260) | (11,020,309) | - | - |
| Catastrophe insurance expense | | (8,164,094) | (8,046,934) | - | - |
| Other expenses from ordinary activities | | (6,353,242) | (6,402,657) | (4,916,080) | (5,138,721) |
| Finance expenses | | (1,376,648) | (1,450,862) | (735,508) | (792,045) |
| Total Expenses | | (48,256,788) | (53,588,285) | (14,212,291) | (19,680,750) |
| Deficit from ordinary activities before special distribution to policy holders | | (1,671,262) | (1,719,358) | (1,057,187) | (1,102,578) |
| Special distribution to policy holders | | (2,500,000) | (4,971,816) | - | - |
| Deficit from ordinary activities | | (4,171,262) | (6,691,174) | (1,057,187) | (1,102,578) |
| Total comprehensive deficit for the year | | (4,171,262) | (6,691,174) | (1,057,187) | (1,102,578) |

The accompanying notes form part of these financial statements.

Local Government Association of South Australia

Statement of Financial Position

As at 30 June 2020

| | Note | Consolidated | | Parent | |
|----------------------------------------------|------|--------------------|--------------------|-------------------|-------------------|
| | | 2020 | 2019 | 2020 | 2019 |
| | | \$ | \$ | \$ | \$ |
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | 10 | 31,763,986 | 38,160,636 | 4,672,645 | 2,832,462 |
| Trade and other receivables | 11 | 17,250,927 | 18,234,173 | 3,541,508 | 4,371,929 |
| Financial assets | 12 | 28,326,120 | 27,677,479 | - | - |
| Prepayments | | 250,128 | 58,539 | 249,243 | 43,443 |
| Reinsurance and other recoveries receivables | 13 | 3,810,677 | 3,421,523 | - | - |
| TOTAL CURRENT ASSETS | | 81,401,838 | 87,552,350 | 8,463,396 | 7,247,834 |
| NON-CURRENT ASSETS | | | | | |
| Trade and other receivables | 11 | 17,689,347 | 19,890,336 | 17,689,347 | 19,890,336 |
| Financial assets | 12 | 9,083,367 | 6,022,079 | 2 | 2 |
| Property, plant and equipment | 14 | 22,902,126 | 22,442,779 | 22,798,181 | 22,402,191 |
| Intangible assets | 15 | 918,119 | - | 918,119 | - |
| Reinsurance and other recoveries receivables | 13 | 14,203,997 | 10,809,973 | - | - |
| TOTAL NON-CURRENT ASSETS | | 64,796,956 | 59,165,167 | 41,405,649 | 42,292,529 |
| TOTAL ASSETS | | 146,198,794 | 146,717,517 | 49,869,045 | 49,540,363 |
| LIABILITIES | | | | | |
| CURRENT LIABILITIES | | | | | |
| Trade and other payables | 16 | 7,503,115 | 3,300,366 | 6,036,807 | 1,598,803 |
| Borrowings | 18 | 2,200,989 | 2,127,498 | 2,200,989 | 2,127,498 |
| Employee benefits | 17 | 822,587 | 749,319 | 621,290 | 584,688 |
| Unearned member contributions | 19 | 11,031,298 | 10,934,851 | - | - |
| Outstanding claims liability | 20 | 13,115,316 | 16,974,052 | - | - |
| TOTAL CURRENT LIABILITIES | | 34,673,305 | 34,086,086 | 8,859,086 | 4,310,989 |
| NON-CURRENT LIABILITIES | | | | | |
| Borrowings | 18 | 17,689,347 | 19,890,336 | 17,689,347 | 19,890,336 |
| Catastrophe margin | | 85,000 | 85,000 | - | - |
| Employee benefits | 17 | 129,551 | 111,465 | 112,646 | 105,978 |
| Outstanding Claims Liability | 20 | 29,406,773 | 23,190,643 | - | - |
| TOTAL NON-CURRENT LIABILITIES | | 47,310,671 | 43,277,444 | 17,801,993 | 19,996,314 |
| TOTAL LIABILITIES | | 81,983,976 | 77,363,530 | 26,661,079 | 24,307,303 |
| NET ASSETS | | 64,214,818 | 69,353,987 | 23,207,966 | 25,233,060 |
| EQUITY | | | | | |
| Reserves | 21 | 20,604,250 | 16,476,720 | 16,793,767 | 13,819,013 |
| Retained earnings | | 43,610,568 | 52,877,267 | 6,414,199 | 11,414,047 |
| TOTAL EQUITY | | 64,214,818 | 69,353,987 | 23,207,966 | 25,233,060 |

The accompanying notes form part of these financial statements.

Local Government Association of South Australia

Statement of Changes in Equity

For the Year Ended 30 June 2020

| | Consolidated | | | | | Total Equity \$ |
|----------------------------------------------------------------------------------------------------------|-------------------|---------------------------|------------------|------------------------|-------------------|--------------------|
| | Retained Earnings | Asset Revaluation Reserve | Project Reserve | Risk Incentive Reserve | Total Reserves | |
| | \$ | \$ | \$ | \$ | \$ | |
| 2019 Consolidated | | | | | | |
| Balance at 1 July 2018 | 59,656,025 | 7,743,304 | 7,086,185 | 1,559,647 | 16,389,136 | 76,045,161 |
| Total profit (loss) for the year | (6,691,174) | - | - | - | - | (6,691,174) |
| Transfer (to)/ from reserves | 1,010,476 | - | (1,010,476) | - | (1,010,476) | - |
| Transfer (to)/ from retained earnings | (1,098,060) | - | - | 1,098,060 | 1,098,060 | - |
| Balance at 30 June 2019 | 52,877,267 | 7,743,304 | 6,075,709 | 2,657,707 | 16,476,720 | 69,353,987 |
| 2020 Consolidated | | | | | | |
| Balance at 1 July 2019 | 52,877,267 | 7,743,304 | 6,075,709 | 2,657,707 | 16,476,720 | 69,353,987 |
| Change in accounting policy to reflect the retrospective adjustments - adoption of AASB 15 and AASB 1058 | (2,854,516) | - | - | - | - | (2,854,516) |
| Balance at 1 July 2019 restated | 50,022,751 | 7,743,304 | 6,075,709 | 2,657,707 | 16,476,720 | 66,499,471 |
| Total profit / (loss) for the year | (4,171,262) | - | - | - | - | (4,171,262) |
| Revaluation increment (decrement) | - | 1,886,609 | - | - | 1,886,609 | 1,886,609 |
| Transfer (to)/ from reserves | (1,088,145) | - | 1,088,145 | - | 1,088,145 | - |
| Transfer (to)/ from retained earnings | (1,152,776) | - | - | 1,152,776 | 1,152,776 | - |
| Balance at 30 June 2020 | 43,610,568 | 9,629,913 | 7,163,854 | 3,810,483 | 20,604,250 | 64,214,818 |

The accompanying notes form part of these financial statements.

Local Government Association of South Australia

Statement of Changes in Equity

For the Year Ended 30 June 2020

2019 Parent

| | Parent | | | | | Total Equity |
|------------------------------------|-------------------|---------------------------|------------------|------------------------|-------------------|-------------------|
| | Retained Earnings | Asset Revaluation Reserve | Project Reserve | Risk Incentive Reserve | Total Reserves | |
| | \$ | \$ | \$ | \$ | \$ | |
| Balance at 1 July 2018 | 11,506,148 | 7,743,304 | 7,086,186 | - | 14,829,490 | 26,335,638 |
| Total profit / (loss) for the year | (1,102,578) | - | - | - | - | (1,102,578) |
| Transfer (to)/ from reserves | 1,010,477 | - | (1,010,477) | - | (1,010,477) | - |
| Balance at 30 June 2019 | 11,414,047 | 7,743,304 | 6,075,709 | - | 13,819,013 | 25,233,060 |

2020 Parent

| | Parent | | | | | Total Equity |
|----------------------------------------------------------------------------------------------------------|-------------------|---------------------------|------------------|------------------------|-------------------|-------------------|
| | Retained Earnings | Asset Revaluation Reserve | Project Reserve | Risk Incentive Reserve | Total Reserves | |
| | \$ | \$ | \$ | \$ | \$ | |
| Balance at 1 July 2019 | 11,414,047 | 7,743,304 | 6,075,709 | - | 13,819,013 | 25,233,060 |
| Change in accounting policy to reflect the retrospective adjustments - adoption of AASB 15 and AASB 1058 | (2,854,516) | - | - | - | - | (2,854,516) |
| Balance at 1 July 2019 restated | 8,559,531 | 7,743,304 | 6,075,709 | - | 13,819,013 | 22,378,544 |
| Total profit / (loss) for the year | (1,057,187) | - | - | - | - | (1,057,187) |
| Revaluation increment (decrement) | - | 1,886,609 | - | - | 1,886,609 | 1,886,609 |
| Transfer (to)/ from reserves | (1,088,145) | - | 1,088,145 | - | 1,088,145 | - |
| Balance at 30 June 2020 | 6,414,199 | 9,629,913 | 7,163,854 | - | 16,793,767 | 23,207,966 |

The Group has initially applied AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-For-Profit Entities using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111 Construction Contracts, AASB 118 Revenue, AASB 1004 Contributions and related interpretations.

The Group has initially applied AASB 16 Leases using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 Leases and related interpretations.

Local Government Association of South Australia

Statement of Cash Flows

For the Year Ended 30 June 2020

| Note | Consolidated | | Parent | |
|-----------------------------------------------------------|-----------------|--------------|--------------|--------------|
| | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | |
| Receipts from customers/members (inclusive of GST) | 43,699,861 | 46,645,448 | 11,964,428 | 10,737,552 |
| Receipts from grants | 8,850,420 | 9,385,488 | 9,244,420 | 9,570,229 |
| Interest received | 2,104,023 | 2,139,049 | 771,733 | 846,916 |
| Payments to suppliers and employees (inclusive of GST) | (39,109,535) | (39,287,697) | (12,101,006) | (11,235,558) |
| Claims paid | (7,007,562) | (8,404,201) | - | - |
| Borrowing costs | (1,376,648) | (1,450,862) | (735,508) | (792,045) |
| Distribution back to policy holders | (2,500,000) | (4,971,816) | - | - |
| Grant payments | 1.b (4,416,304) | (7,826,726) | (4,456,304) | (7,826,726) |
| Net cash provided by/(used in) operating activities | 10 244,255 | (3,771,317) | 4,687,763 | 1,300,368 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | |
| Proceeds from financial assets | - | 8,542,000 | - | - |
| Purchase of property, plant and equipment | (803,478) | (418,718) | (720,082) | (408,553) |
| Purchase of investments | (3,709,929) | - | - | - |
| Net cash provided by/(used in) investing activities | (4,513,407) | 8,123,282 | (720,082) | (408,553) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | | |
| Repayment of borrowings | (2,127,498) | (2,056,462) | (2,127,498) | (2,056,462) |
| Net cash provided by/(used in) financing activities | (2,127,498) | (2,056,462) | (2,127,498) | (2,056,462) |
| Net increase/(decrease) in cash and cash equivalents held | (6,396,650) | 2,295,503 | 1,840,183 | (1,164,647) |
| Cash and cash equivalents at beginning of year | 38,160,636 | 35,865,133 | 2,832,462 | 3,997,109 |
| Cash and cash equivalents at end of financial year | 10 31,763,986 | 38,160,636 | 4,672,645 | 2,832,462 |

The accompanying notes form part of these financial statements.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

1. Parent reporting

The following information has been extracted from the books and records of the parent, Local Government Association of South Australia and has been prepared in accordance with Accounting Standards.

The parent information has been disaggregated into Secretariat activity and Project activity. Secretariat activity details the annual day to day operations of the LGA and Project Activity includes activity funded from external Grants and Contributions to manage committed projects with specified outcomes.

Statement of Profit or Loss and Other Comprehensive Income

1.a. Detailed Table

| | Secretariat 2020 \$ | Secretariat 2019 \$ | Project 2020 \$ | Project 2019 \$ | Total 2020 \$ | Total 2019 \$ |
|-------------------------------------------------|---------------------------|---------------------------|-----------------------|-----------------------|---------------------|---------------------|
| Revenue from continuing operations | | | | | | |
| Subscriptions | 2,337,692 | 2,278,856 | - | - | 2,337,692 | 2,278,856 |
| Grant revenue | 20,247 | 202,423 | 4,258,070 | 9,367,805 | 4,278,317 | 9,570,228 |
| Other revenue | 5,753,059 | 5,850,351 | 14,303 | 31,821 | 5,767,362 | 5,882,172 |
| Finance income | 742,817 | 24,885 | 28,916 | 822,031 | 771,733 | 846,916 |
| Total revenue from continuing operations | 8,853,815 | 8,356,515 | 4,301,289 | 10,221,657 | 13,155,104 | 18,578,172 |
| Expenses | | | | | | |
| Employee benefits - operating | (4,347,118) | (4,450,106) | (1,379,960) | (705,872) | (5,727,078) | (5,155,978) |
| Grant expenditure | - | - | (1,541,042) | (7,826,726) | (1,541,042) | (7,826,726) |
| Depreciation | (1,263,631) | (767,279) | (28,953) | - | (1,292,584) | (767,279) |
| Other expenses | (2,974,618) | (3,464,947) | (1,941,462) | (1,673,774) | (4,916,080) | (5,138,721) |
| Finance expenses | (733,754) | (17,452) | (1,754) | (774,594) | (735,508) | (792,046) |
| | (9,319,121) | (8,699,784) | (4,893,171) | (10,980,966) | (14,212,292) | (19,680,750) |
| Total comprehensive income/(loss) | (465,306) | (343,269) | (591,882) | (759,309) | (1,057,188) | (1,102,578) |

1.b. Parent entity grant payments

The following table shows the grant payments made by the LGASA Parent, included in cashflows, that have resulted from the change in accounting policies of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income for Not-For-Profit Entities

| | 2020 \$ | 2019 \$ |
|----------------------------------------|------------------|------------------|
| Community wastewater management scheme | 2,613,981 | 5,359,174 |
| Regional youth traineeship programme | 36,707 | 639,724 |
| LG research and development scheme | 1,489,320 | 1,667,055 |
| Other grants | 316,296 | 160,773 |
| | 4,456,304 | 7,826,726 |

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

1. Parent reporting

Contingent liabilities

The parent entity did not have any contingent liabilities as at 30 June 2020 or 30 June 2019.

2. Summary of Significant Accounting Policies

a. Basis of preparation

These non-statutory general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and relevant South Australian Legislation.

The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

Accounting policies

The financial statements include the consolidation of LGA and its' controlled entities ('the Group'). LGA is a body corporate established under the Local Government Act 1999 and is a not-for-profit entity.

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

Outlined below is significant accounting policies related to the overall Group. Policies related specifically to the LGAWCS and LGAMLS ('the Schemes') have been separately disclosed in Note 2(h) - (n).

Historical cost convention

The consolidated financial statements have been prepared on the historical cost basis except for selected non-current assets, and financial assets and financial liabilities for which fair value basis of accounting has been applied.

Consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost. The Group controls an entity when the Group is exposed to, or has the rights to, variable returns from its involvements with the entity and an ability to affect those returns through its power to direct the activities of the entity.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a June financial year end.

When 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 of control ceased.

A list of controlled entities is contained in Note 24 to the financial statements.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

2. Summary of Significant Accounting Policies

b. New Accounting Standards and Interpretations

New accounting standards applied during the period:

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-profit entities

The Group has adopted AASB 15 Revenue from Contracts with Customers for the first time in the current year with a date of initial adoption of 1 July 2019.

AASB 15 Revenue from Contracts with Customers provides a single framework for revenue recognition and replaces AASB 118 Revenue which covers revenue arising from the sale of goods and rendering of services, and AASB 111 Construction Contracts.

Comparatives are not restated as the cumulative effect transitional method has been applied upon adoption of the new standard. For existing contracts the cumulative impact of initial application is reflected in opening total equity.

AASB 15 applies to all contracts with customers, except for contracts that are within the scope of other standards, such as leases, financial instruments and insurance contracts.

The new standard has required several grant contracts to be removed from revenue and included as liabilities in the balance sheet. The liability is then reduced as and when the grantee is given control of the grant in order to discharge its duties. The impact of the standard is an adjustment to opening retained earnings of \$2,854,516.

The AASB has issued a new standard for income recognition by public and private sector not-for-profit (NFP) entities. This has replaced AASB 1004 Contributions and introduce major changes to the income recognition by public and private sector NFPs. Under the new standard, NFPs need to determine whether a transaction is a genuine donation (accounted for under AASB 1058) or a contract with a customer (accounted for under AASB 15). The new standard has resulted in grant revenue decreasing by \$4,966,110 and grant expenditure reducing by \$2,915,262. The net difference of \$2,050,848 is represented as an increase in trade and other payables.

AASB 16 Leases

The Group has adopted AASB 16 Leases for the first time in the current year with a date of initial adoption of 1 July 2019. This has been implemented using the modified retrospective method.

AASB 16 Leases replaces AASB 117 Leases and removes the classification of either operating or finance leases for the lessee. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in other expenses from ordinary activities) and an interest expense on the recognised lease liabilities (included in finance costs).

The new standard has required the recognition of right-of-use assets, and corresponding lease liabilities, of \$39,884.

c. Income Tax

The Group, and its related entities, is exempt from income tax under the Income Tax Assessment Act.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

2. Summary of Significant Accounting Policies

d. Financial instruments

Recognition and derecognition

Purchases and sales transaction of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through Other Comprehensive Income (OCI) or through the profit or loss),
- those to be measured at amortised cost

The classification depends on the Group's business model for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The group reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in the profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling financial assets, where the assets' cash flows represent solely payment of principal and interest are measured at FVOCI.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in the profit or loss and presented net within other gains/(losses) in the period in which it arises.

The Group subsequently measures all equity investments at fair value.

Local Government Association of South Australia

Notes to the Financial Statements For the Year Ended 30 June 2020

2. Summary of Significant Accounting Policies

d. Financial instruments

Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

e. Impairment of non-financial assets

At the end of each reporting period the Group determines whether there is an evidence of an impairment indicator for non-financial assets. At each reporting date, the Group review the carrying values to 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. Capital Management Policy

The Group'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, LGA 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.

LGA 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 LGASA Mutual's targeted surplus.

g. Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office.

Receivables and payable in the statement of financial position are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

h. Classification of Insurance Contracts

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.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

2. Summary of Significant Accounting Policies

h. Classification of 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, transferred from the holder of a contract to the issuer.

i. Unexpired Risk Liability

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.

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.

j. Outwards Reinsurance

Premiums credited 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.

k. Claims

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.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

2. Summary of Significant Accounting Policies

k. Claims

Outstanding claim provisions were determined taking into account an actuarial review of the Schemes dated 30 July 2020, by Cumpston Sarjeant Pty Ltd. This review was based on initial claims data to 31 March 2020 and claims data to June 2020 and included in their report dated 30 July 2020.

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. A review will be conducted in the financial year ending 30 June 2021.

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.

l. Catastrophe Margin

The Scheme (Workers Compensation 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.

m. Special Distribution to Policy Holders

The Mutual Liability Scheme and Workers Compensation Scheme set maximum levels of accumulated funds that should be held each year. When funds exceed the maximum level, a distribution of funds is provided to member councils.

n. Assets Backing General Insurance Liabilities

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 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.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

2. Summary of Significant Accounting Policies

n. Assets Backing General Insurance Liabilities

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.

o. Right of Use Assets - effective 1 July 2019

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

p. Lease Liabilities - effective 1 July 2019

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Prior period policy

Operating leases were recognised as an expense in the statement of profit or loss, over the time that the benefit of the asset was provided by the lessor.

Finance leases, whereby the significant risks and rewards were transferred to the Group, were recognised as assets in appropriate class of property, plant and equipment, with a corresponding lease liability representing the amount of

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

2. Summary of Significant Accounting Policies

p. Lease Liabilities - effective 1 July 2019
finance that the Group had entered into.

q. Revenue from Contracts with Customers - effective 1 July 2019

Revenue arises mainly from member contributions for insurance policies, grant revenue and for subscriptions received from member councils

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised either at a point in time or over time, when (or as) the Consolidated Entity satisfies performance obligations by transferring the promised goods or services to its members.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as grants received in advance in the Statement of Financial Position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or accrued income in its Statement of Financial Position, depending on whether something other than the passage of time is required before the consideration is due.

AASB 15 Revenue from Contracts with customers has been applied using the modified retrospective approach, whereby comparative figures have not been adjusted. This approach has resulted in an adjustment to opening retained earnings of \$2,854,516.

Prior period policy

Revenue was measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates. All revenue is stated net of the amount of goods and services tax (GST)

Rendering of services

Revenue from rendering of services was recognised upon the delivery of the service to the customers.

Grants

Grants and project funding that were received on the condition that they be expended in a particular manner were recognised as income when the Group gained control of the grant or the right to receive the grant. Grant monies outstanding at year end were placed in a reserve for allocation to expenditure in future years.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

3. Critical Accounting Estimates and Judgments

The Board members make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Valuation of land and buildings

Land and buildings are recognised at fair value based on periodic, but at least triennial valuations by external independent valuers, less subsequent depreciation for buildings. A revaluation surplus is credited to reserves in equity. Detailed information about this estimate and judgement is included in the Note 6.

Actuarial Assumptions and Methods - LGAMLS and LGAWCS

Actuarial Assumptions

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

Key Actuarial Assumptions

| | LGAMLS | | LGAWCS | |
|---------------------------|----------|----------|--------|-------|
| | 2020 | 2019 | 2020 | 2019 |
| Case estimate development | (25.00)% | (25.00)% | - | - |
| Wage inflation | 2.60% | 3.65% | 2.60% | 3.65% |
| Superimposed inflation | 2.00% | 2.00% | 2.00% | 2.00% |
| Discount rate | 0.50% | 1.00% | 0.50% | 1.00% |

Process used to determine actuarial assumptions

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

In the independent actuary review completed in July 2020, the actuary was provided with claims data on claims incurred net of excesses and anticipated recoveries to reduce the liability of members. The actuary allow for:

- Developments in case estimates on reported claims based on an explicit case development parameter or Project 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 average of reported claims;

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

3. Critical Accounting Estimates and Judgments

- Expected investment earnings by applying a fitted payment pattern to the undiscounted sum of the above components and then discounts 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 -25.00% (2019 -25.0%) for all accident years.

Wage inflation

The independent actuary assumed wage inflation, per annum, based on recent inflation levels in South Australia as follows

| | 2020 | 2019 |
|--------|-------|-------|
| LGAMLS | 2.60% | 3.65% |
| LGAWCS | 2.60% | 3.65% |

Claim administration expense

The independent actuary has not made an allowance for claim administration expenses on open claims as the amount of fees already represent approximately 4.5% of payments. A fixed fee of \$180,000 is charged by the Scheme Manager for this expense. The amounts allowed are comparable to those normally made by the public liability and professional indemnity insurers.

Superimposed inflation

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

| | 2020 | 2019 |
|--------|-------|-------|
| LGAMLS | 2.00% | 2.00% |
| LGAWCS | 2.00% | 2.00% |

Superimposed inflation occurs due to non-economic effects such as court settlements increasing at a faster rate than wages or CPI inflation. Though there is no discernible trend of superimposed inflation in inflated claims insured, the independent actuary determined it is appropriate to include a nominal allowance for such inflation in future claims.

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 independent actuary assumed a discount rate of 0.50% per annum (2019 1.00%) for LGAMLS and 0.25% per annum (2019 1.00%) for LGAWCS based on current medium-term bond yields.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

3. Critical Accounting Estimates and Judgments
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 Schemes.

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

| | |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Wage inflation | Expected future payments are inflated to take into account inflationary increases. An increase or decrease in the assumed level of economic inflation would have a corresponding impact on claims expenses, with particular reference to longer tail claims. |
| Superimposed inflation | In addition to the general economic inflation rate an amount is superimposed to take account of non-economic inflationary factors, such as increased in court awards. Such rate 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 |
| Discount Rate | 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 |
| Case Estimate Development | 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 estimates will change. This development movement applied to open claims and will have a corresponding impact on claims expense |

(i) LGAMLS

| Variable | Profit/(loss) | | Total Accumulated Funds | |
|-----------------------------|----------------------|----------------------------------------------------|-------------------------|-------------------------|
| | Movement in variable | Movement by applying variable gross of reinsurance | Net of reinsurance | Total Accumulated Funds |
| Wage inflation | 3% | 1,694,000 | 46,000 | (51,000) |
| | (3%) | (1,461,000) | (40,000) | 48,000 |
| Superimposed inflation | 3% | 1,705,000 | 10,000 | (52,000) |
| | (3%) | (1,469,000) | (36,000) | 48,000 |
| Discount rate | 3% | (1,659,000) | (45,000) | 19,000 |
| | (3%) | 2,059,000 | 54,000 | (24,000) |
| Case - estimate development | 5% | 508,000 | 3,000 | (3,000) |
| | (5%) | 0 | (2,000) | 14,000 |
| | - | 1,377,000 | (10,000) | (1,000) |

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

3. Critical Accounting Estimates and Judgments

(ii) LGAWCS

| Variable | Profit/(loss) | | Total Accumulated Funds | |
|------------------------|----------------------|----------------------|-------------------------|-------------------------|
| | Movement in variable | Gross of reinsurance | Net of reinsurance | Total Accumulated Funds |
| Wage inflation | 3% | 420,000 | - | (420,000) |
| | (3%) | (329,000) | - | 329,000 |
| Superimposed inflation | 3% | 423,000 | - | (423,000) |
| | (3%) | (331,000) | - | 331,000 |
| Discount rate | 3% | (1,204,000) | - | 1,204,000 |
| | (3%) | 1,454,000 | - | (1,454,000) |
| | - | 433,000 | - | (433,000) |

4. Insurance Contracts - Risk Management (LGAMLS and LGAWCS)

Risk management objectives and policies for mitigating insurance risk

LGAMLS and LGAWCS are established by legislation contained in the Local Government Act 1999. Membership is available to local government councils and prescribed bodies. LGAMLS and LGAWCS operate 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 rules, the LGA may in its sole and absolute discretion determine whether indemnity will be granted in respect of a claim. Should indemnity be granted the LGAMLS and LGAWCS offers unlimited cover.

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

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.

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.

LGAMLS and LGAWCS 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

LGAMLS and LGAWCS adopt a conservative approach towards management of risk and did this by utilising various risk transfer options. The Board of the schemes determine the level of risk, which is appropriate for the LGAMLS and

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Notes to the Financial Statements

For the Year Ended 30 June 2020

4. Insurance Contracts - Risk Management (LGAMLS and LGAWCS)

LGAWCS 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 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 LGAMLS and LGAWCS.

In the past five years, LGAMLS and LGAWCS have managed their 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 long-term basis with an expiry in 2021.

Terms and conditions of membership

Membership to LGAMLS and LGAWCS is offered to eligible bodies and renewed annually on 30 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 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 Scheme 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)

LGAWCS operates in South Australia, whereby the LGA 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 LGAMLS and LGAWCS are contribution risk, and claims experience risk.

Contribution risk is the risk that the Schemes do not charge contributions appropriate for the indemnity cover they provide. LGAMLS and LGAWCS partially manage contribution risk through their 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.

Claims experience risk is managed through the non-financial risk assessment and risk management and reinsurance management process. Claims experience is monitored on an on going basis to ensure that any adverse trending is addressed. LGAMLS and LGAWCS are 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

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

4. Insurance Contracts - Risk Management (LGAMLS and LGAWCS)

profile. It is vital that the LGAMLS and LGAWCS keep 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 LGAMLS and LGAWCS directly to interest rate risk. The reinsurance contracts are long term arrangements, reviewed and payable annually.

Credit risk

LGAMLS and LGAWCS are exposed to credit risk on insurance contracts as a result of exposure to reinsurers. The credit risk to reinsurers is managed through the Schemes 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 3 in relation to the LGAMLS, the credit risk exposure is equal to the undiscounted aggregate value of claims. As at 30 June 2020 this amounted to \$18.01 million (2019: \$14.23 million).

5. Financial Risk 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.

Financial instruments used

The principal categories of financial instrument used by the Group consists mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable loans to and from subsidiaries, bills and leases.

| | Consolidated | | Parent | |
|--------------------------------------------------------|--------------------|--------------------|-------------------|-------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ |
| Financial assets | | | | |
| Cash and cash equivalents | 31,763,986 | 38,160,636 | 4,672,645 | 2,832,462 |
| Trade and other receivables | 34,940,274 | 38,124,509 | 21,230,855 | 24,262,265 |
| Financial assets at fair value through profit and loss | - | - | - | - |
| Term deposits | 37,409,487 | 33,699,558 | - | - |
| Total financial assets | 104,113,747 | 109,984,703 | 25,903,500 | 27,094,727 |
| Financial liabilities | | | | |
| Trade and other payables | 7,462,806 | 3,300,366 | 5,996,498 | 1,598,803 |
| Borrowings | 19,890,336 | 22,017,835 | 19,890,336 | 22,017,835 |
| Total financial liabilities | 27,353,142 | 25,318,201 | 25,886,834 | 23,616,638 |

The Group has not restated comparatives when initially applying AASB 9, the comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*

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

The Group does not have any derivative financial instruments as at 30 June 2020 (2019: nil).

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

5. Financial Risk Management

Liquidity risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

The table below reflects the undiscounted contractual maturity analysis for financial liabilities.

Financial liability maturity analysis

| Consolidated | Within 1 Year | | 1 to 5 Years | | Over 5 Years | | Total | |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|---------------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Financial liabilities | | | | | | | | |
| Trade and other payables | (7,503,115) | (3,300,366) | - | - | - | - | (7,503,115) | (3,300,366) |
| Borrowings | (2,200,989) | (2,127,498) | (9,429,489) | (9,270,728) | (8,259,858) | (10,619,609) | (19,890,336) | (22,017,835) |
| Total financial liabilities | (9,704,104) | (5,427,864) | (9,429,489) | (9,270,728) | (8,259,858) | (10,619,609) | (27,393,451) | (25,318,201) |

| Parent | Within 1 Year | | 1 to 5 Years | | Over 5 Years | | Total | |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|---------------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Financial liabilities | | | | | | | | |
| Trade and other payables | (6,036,807) | (1,598,803) | - | - | - | - | (6,036,807) | (1,598,803) |
| Borrowings | (2,200,989) | (2,127,498) | (9,429,489) | (9,270,728) | (8,259,858) | (10,619,608) | (19,890,336) | (22,017,834) |
| Total financial liabilities | (8,237,796) | (3,726,301) | (9,429,489) | (9,270,728) | (8,259,858) | (10,619,608) | (25,927,143) | (23,616,637) |

The timing of expected outflows is not expected to be materially different from contracted cashflows.

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 any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

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

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.

Market risk

The Group'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.

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Notes to the Financial Statements For the Year Ended 30 June 2020

5. Financial Risk Management

Interest rate risk

The following table illustrates sensitivities to the Group'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.

| Consolidated | 2020 | | 2019 | |
|-----------------------------|---------|-----------|---------|-----------|
| | +1.00% | -1.00% | +1.00% | -1.00% |
| | \$ | \$ | \$ | \$ |
| Cash and cash equivalents | 267,666 | (267,666) | 381,612 | (381,612) |
| Investment in term deposits | 374,095 | (374,095) | 336,996 | (336,996) |

6. Fair value hierarchy

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the assets that are recognised and measured in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its assets into three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

| Consolidated | Level 2 | Level 3 |
|-----------------------------|------------|------------|
| 30 June 2020 | \$ | \$ |
| Land and freehold buildings | - | 21,650,000 |
| Term deposits | 37,409,487 | - |

| Consolidated | Level 2 | Level 3 |
|-----------------------------|------------|------------|
| 30 June 2019 | \$ | \$ |
| Land and freehold buildings | - | 20,176,790 |
| Term deposits | 33,699,558 | - |

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Notes to the Financial Statements

For the Year Ended 30 June 2020

6. Fair value hierarchy

| Parent | Level 2 | Level 3 |
|-----------------------------|-----------|------------|
| 30 June 2020 | \$ | \$ |
| Land and freehold buildings | - | 21,650,000 |
| Unlisted Shares | 2 | - |

| Parent | Level 2 | Level 3 |
|-----------------------------|-----------|------------|
| 30 June 2019 | \$ | \$ |
| Land and freehold buildings | - | 20,176,790 |
| Unlisted Shares | 2 | - |

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year.

Level 1: The fair value of assets is measured using reference to an active market where trades are freely made at arms length between willing and suitably invested partners.

Level 2: The fair value of assets that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an asset are observable, the asset is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the asset is included in level 3.

Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

Term deposits - The fair value of term deposits is calculated as the present value of the estimated future cash flows based on observable government bond rate.

Land and Freehold Buildings - The Group's land and buildings were revalued at 30 June 2020 by independent valuers Jones Lang Lasalle. Valuations were made on the basis of open market value. Movement during the year relates to depreciation on the building.

Unlisted shares - The value of unlisted shares have been recorded at the initial value at recognition.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

7. Revenue

| | Consolidated | | Parent | |
|-----------------------------------|-------------------|-------------------|------------------|------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ |
| Member contributions | | | | |
| - Gross earned contributions | 49,025,521 | 47,909,845 | - | - |
| - Rebate to members | (16,880,866) | (15,968,901) | - | - |
| Total member contributions | 32,144,655 | 31,940,944 | - | - |
| Other revenue | | | | |
| - Administrative charges | 1,080,150 | 1,074,075 | 2,206,561 | 2,142,108 |
| - Other revenue | 2,578,061 | 2,947,000 | 1,984,054 | 2,289,161 |
| - Rent | 867,592 | 755,009 | 1,018,349 | 996,129 |
| - Outgoings | 375,373 | 364,499 | 558,398 | 454,773 |
| - Procurement rebates | 1,213,663 | 984,007 | - | - |
| Total other revenue | 6,114,839 | 6,124,590 | 5,767,362 | 5,882,171 |

Revenue is measured either at a point in time, or over time, depending on the recognition criteria of AASB 15 Revenue of Contracts with Customers. All revenue is stated net of the amount of goods and services tax (GST).

Member contributions

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 which is 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.

Grants

Grants that were received on the condition that they be expended in a particular manner have been recognised as income when the Group gains control of the grant or the right to receive the grant. Grant monies outstanding at year end are detailed in the Project Reserve in the Statement of Changes in Equity.

Subscriptions

Revenue from the provision of council subscriptions is recognised on a straight line basis over the financial year.

Other revenue

Other revenue comprises fees and charges received from Councils for services undertaken, rebate income from panel supplier contracts. Revenue is recognised in the accounting period in which the services are rendered. For fixed price contracts, revenue is recognised based on the actual services provided to the end of the reporting period as a proportion of the total value of services to be provided.

Rental income

Property income from the rental of space in Local Government House is recognised over time in line with the lease.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

7. Revenue

Finance income

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

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.

8. Grant expenditure

Outlined below are the projects where expenditure was incurred during the reporting period:

| | Consolidated | | Parent | |
|----------------------------------------|------------------|------------------|------------------|------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ |
| Community Wastewater Management Scheme | 15,015 | 5,359,174 | 15,015 | 5,359,174 |
| Regional Youth Traineeship Program | 36,707 | 639,724 | 36,707 | 639,724 |
| LG Research and Development Scheme | 1,449,320 | 1,667,055 | 1,489,320 | 1,667,055 |
| Other grants | - | 160,773 | - | 160,773 |
| | 1,501,042 | 7,826,726 | 1,541,042 | 7,826,726 |

Grant expenditure includes project expenditure paid to Councils or other recipients to deliver programs or activities for the benefit of the South Australian local government sector. Expenses are recognised when the all obligations and conditions of the grant or subsidy agreement have been met.

The adoption of AASB 15 Revenue from Contracts with Customers has impacted the recognition of expenses resulting in less expenses being recognised in the financial year ending 30 June 2020.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

9. Net claims expense

The result for the year includes the following specific expenses:

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

| Consolidated | 2020 | | |
|---------------------------------------------------------|-------------------|--------------------|-------------------|
| | Current year | Prior years | Net |
| | \$ | \$ | \$ |
| Claims expense | | | |
| Claims and related expenses - undiscounted | 16,511,418 | 308,370 | 16,819,788 |
| Claims and related expenses - discounted | (147,721) | 652,065 | 504,344 |
| Claims and related expenses - net | 16,363,697 | 960,435 | 17,324,132 |
| Reinsurance and other recoveries revenue | | | |
| Reinsurance and other recoveries revenue - undiscounted | (4,333,079) | (4,718,328) | (6,832,487) |
| Reinsurance and other recoveries revenue - discounted | 94,418 | (324,803) | (230,385) |
| Reinsurance and other recoveries - net | (4,238,661) | (2,824,210) | (7,062,872) |
| Claims incurred net of recoveries | 12,125,036 | (1,863,775) | 10,261,260 |
| | | | |
| | | | |
| Consolidated | 2019 | | |
| | Current year | Prior years | Net |
| | \$ | \$ | \$ |
| Claims expense | | | |
| Claims and related expenses - undiscounted | 17,655,140 | (4,159,584) | 13,505,556 |
| Claims and related expenses - discounted | (333,982) | 1,167,703 | 833,721 |
| Claims and related expenses - net | 17,331,158 | (2,991,881) | 14,339,277 |
| Reinsurance and other recoveries revenue | | | |
| Reinsurance and other recoveries revenue - undiscounted | (4,718,328) | 1,736,592 | (2,981,736) |
| Reinsurance and other recoveries revenue - discounted | 195,530 | (532,762) | (337,232) |
| Reinsurance and other recoveries - net | (4,522,798) | 1,203,830 | (3,318,968) |
| Claims incurred net of recoveries | 12,808,360 | (1,788,051) | 11,020,309 |

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

9. Net claims expense

Reinsurance and other recoveries revenue

Reinsurance and other recoveries paid on claims, report claims not yet paid and IBNR (claims incurred but not yet 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.

Workers compensation claims

Claims incurred expense and liability for outstanding claims are recognised in respect of direct claims by workers. 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 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 and 'superimposed inflation'.

Super imposed 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 report 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.

| | 2020 | 2019 |
|----------------------------------------------|--------|--------|
| Actuarial advice indicates these rates to be | \$ | \$ |
| Wage inflation rate | 2.60 % | 3.65 % |
| Superimposed inflation | 2.00 % | 2.00 % |
| Discount rate | 0.50 % | 1.00 % |

10. Cash and Cash Equivalents

| | Consolidated | | Parent | |
|--------------------------|-------------------|-------------------|------------------|------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ |
| Cash at bank and in hand | 6,253,455 | 4,504,913 | 4,672,645 | 2,832,462 |
| Short Term Deposits | 25,510,531 | 33,655,723 | - | - |
| | 31,763,986 | 38,160,636 | 4,672,645 | 2,832,462 |

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Restricted cash

The cash and cash equivalents disclosed in the statement of cash flows include \$7,163,854 (2019: \$6,075,708) which are held for project activities.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

Reconciliation of result for the year to cashflows from operating activities

| | Consolidated | | Parent | |
|------------------------------------------------------------------------|----------------|--------------------|------------------|------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ |
| Net operating profit / (loss)\ | (4,171,262) | (6,691,174) | (1,057,187) | (1,102,578) |
| Cash flows excluded from profit attributable to operating activities | | | | |
| adjustments for: | | | | |
| - depreciation | 1,312,622 | 775,676 | 1,292,583 | 767,279 |
| - fair value movement in investments (net) | (10,752) | (232,700) | - | - |
| Changes in assets and liabilities: | | | | |
| - (increase)/decrease in trade and other receivables | (1,484,495) | (829,434) | 2,990,434 | 1,669,691 |
| - (increase)/decrease in prepayments | (191,589) | 228,706 | (205,800) | (18,071) |
| - increase/(decrease) in trade and other payables | 1,348,232 | (90,468) | 1,624,463 | 74,146 |
| - increase/(decrease) in outstanding claims and unearned contributions | 3,350,145 | 3,069,446 | - | - |
| - increase/(decrease) in provisions | - | (1,369) | - | - |
| - increase/(decrease) in employee benefits | 91,354 | - | 43,270 | (90,099) |
| Cashflows from operations | <u>244,255</u> | <u>(3,771,317)</u> | <u>4,687,763</u> | <u>1,300,368</u> |

11. Trade and other receivables

| | Consolidated | | Parent | |
|--------------------------------------------------|-------------------|-------------------|------------------|------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ |
| CURRENT | | | | |
| Trade receivables | 1,277,526 | 1,354,122 | 464,471 | 564,144 |
| Accrued Income | 1,468,162 | 2,707,131 | 876,048 | 1,680,287 |
| State Local Govt Infra Partnership Receivable | 2,200,989 | 2,127,498 | 2,200,989 | 2,127,498 |
| Member contribution receivable | 12,304,250 | 12,045,422 | - | - |
| Total current trade and other receivables | <u>17,250,927</u> | <u>18,234,173</u> | <u>3,541,508</u> | <u>4,371,929</u> |

| | Consolidated | | Parent | |
|------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ |
| NON-CURRENT | | | | |
| State Local Govt Infra Partnership Receivable | 17,689,347 | 19,890,336 | 17,689,347 | 19,890,336 |
| Total non-current trade and other receivables | <u>17,689,347</u> | <u>19,890,336</u> | <u>17,689,347</u> | <u>19,890,336</u> |

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Notes to the Financial Statements

For the Year Ended 30 June 2020

11. Trade and other receivables

Trade and other receivables

Trade receivables are amounts due from members services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value.

The Group holds the trade receivables with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest method.

All outstanding receivables are paid within the Group's normal trading terms.

Accrued income

Accrued income includes revenue earned for services undertaken but have not been invoiced. Accrued income also includes grants and contribution revenue not invoiced but is due to be paid to the Group in accordance with a pre-existing agreement or government legislation.

Impairment

The Group applies to simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and all days past due. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the other receivables.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2020 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group expected net loss is nil (2019: nil).

Loss allowance

Trade and other receivables are written off when there is no reasonable expectation of recovery.

Impairment losses on trade and other receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

State Local Government Infrastructure Partnership (SLGIP) receivable

State Government grant payments being made to the Group to reimburse costs attributable to administration of the SGLIP program. The receivable is in accordance with the future receipts being received from the State Government as per the funding deed.

Member contribution receivable

Amounts due the LGAMLS and LGAWCS but not yet received from members for contributions for liability protection. Member contribution receivable is recognised at their fair values.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

12. Financial Assets

| | Consolidated | | Parent | |
|---------------------------------------|-------------------|-------------------|----------|----------|
| | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ |
| CURRENT | | | | |
| Term deposits | 28,326,120 | 27,677,479 | - | - |
| Total Current financial assets | 28,326,120 | 27,677,479 | - | - |

| | Consolidated | | Parent | |
|---------------------------------------------------|------------------|------------------|----------|----------|
| | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ |
| NON-CURRENT | | | | |
| Shares in controlled entities (at amortised cost) | 2 | 2 | 2 | 2 |
| Term deposits | 9,083,365 | 6,022,077 | - | - |
| Total | 9,083,367 | 6,022,079 | 2 | 2 |

Term deposits are cash investments held with Local Government Financing Authority (LGFA) with maturity of more than three months. Investments are initially brought into account at cost and subsequently remeasured to fair value to market rates through the profit and loss.

13. Reinsurance recoveries and other receivables

| | Consolidated | | Parent | |
|---------------------------------------|------------------|------------------|----------|----------|
| | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ |
| CURRENT | | | | |
| Reinsurance recoveries on paid claims | 523,018 | 240,427 | - | - |
| Reinsurance recoveries receivable | 3,396,774 | 3,326,837 | - | - |
| Discount to present value | (82,589) | (125,573) | - | - |
| Reinsurer default provision | (26,526) | (20,168) | - | - |
| | 3,810,677 | 3,421,523 | - | - |

| | Consolidated | | Parent | |
|---------------------------------------|-------------------|-------------------|----------|----------|
| | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ |
| NON CURRENT | | | | |
| Reinsurance recoveries on paid claims | 14,574,429 | 11,305,229 | - | - |
| Discount to present value | (280,379) | (426,722) | - | - |
| Reinsurer default provision | (90,053) | (68,534) | - | - |
| | 14,203,997 | 10,809,973 | - | - |

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

13. Reinsurance recoveries and other receivables

Assets arising from reinsurance contracts were estimated for each accident year, from the payments to date an estimated outstanding claims history at 30 June 2020, 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 independent actuary. Although all relevant insurers are solvent a provision for failure of an insurer to pay has been raised. The reinsurer default provision is \$116,579 (2019 \$88,702) calculated at a rate of 0.63% (2019 0.63%) on the discounted value of the total reinsurance recoveries.

14. Property, plant and equipment

| Parent | Freehold land & buildings | Furniture, Fixtures and Fittings | Motor Vehicles | Right of Use Vehicles | Other works in progress | Total |
|------------------------------------|---------------------------|----------------------------------|----------------|-----------------------|-------------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Year ended 30 June 2020 | | | | | | |
| Opening net carrying amount | 20,205,890 | 1,729,703 | 137,270 | - | 329,328 | 22,402,191 |
| Additions / (transfers) | - | 14,214 | - | 39,884 | (261,568) | (207,470) |
| Depreciation expense | (442,500) | (296,072) | (19,196) | (28,953) | - | (786,721) |
| Revaluation | 1,886,610 | (496,429) | - | - | - | 1,390,181 |
| Closing net carrying amount | 21,650,000 | 951,416 | 118,074 | 10,931 | 67,760 | 22,798,181 |

| Parent | Freehold land & buildings | Furniture, Fixtures and Fittings | Motor Vehicles | Right of Use Vehicles | Other works in progress | Total |
|------------------------------------|---------------------------|----------------------------------|----------------|-----------------------|-------------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Year ended 30 June 2019 | | | | | | |
| Opening net carrying amount | 20,648,390 | 1,985,888 | 126,639 | - | - | 22,760,917 |
| Additions | - | 60,178 | 64,048 | - | 329,328 | 453,554 |
| Disposals | - | - | (45,000) | - | - | (45,000) |
| Depreciation expense | (442,500) | (316,363) | (8,417) | - | - | (767,280) |
| Closing net carrying amount | 20,205,890 | 1,729,703 | 137,270 | - | 329,328 | 22,402,191 |

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

14. Property, plant and equipment

| | Freehold land & buildings | Furniture, Fixtures and Fittings | Motor Vehicles | Right of Use Vehicles | Other works in progress | Total |
|------------------------------------|---------------------------------|----------------------------------------|-------------------|--------------------------|----------------------------|-------------------|
| Consolidated | \$ | \$ | \$ | \$ | \$ | \$ |
| Year ended 30 June 2020 | | | | | | |
| Opening net carrying amount | 20,205,890 | 1,738,836 | 168,725 | - | 329,328 | 22,442,779 |
| Additions | - | 71,773 | 25,837 | 39,884 | (261,568) | (124,074) |
| Depreciation expense | (442,500) | (304,844) | (30,463) | (28,953) | - | (806,760) |
| Revaluation | 1,886,610 | (496,429) | - | - | - | 1,390,181 |
| Closing net carrying amount | 21,650,000 | 1,009,336 | 164,099 | 10,931 | 67,760 | 22,902,126 |

| | Freehold land & buildings | Furniture, Fixtures and Fittings | Motor Vehicles | Right of Use Vehicles | Other works in progress | Total |
|------------------------------------|---------------------------------|----------------------------------------|-------------------|--------------------------|----------------------------|-------------------|
| Consolidated | \$ | \$ | \$ | \$ | \$ | \$ |
| Year ended 30 June 2019 | | | | | | |
| Opening net carrying amount | 20,648,390 | 1,985,888 | 165,459 | - | - | 22,799,737 |
| Additions | - | 70,341 | 64,049 | - | 329,328 | 463,718 |
| Disposals | - | - | (45,000) | - | - | (45,000) |
| Depreciation expense | (442,500) | (317,393) | (15,783) | - | - | (775,676) |
| Closing net carrying amount | 20,205,890 | 1,738,836 | 168,725 | - | 329,328 | 22,442,779 |

Land and buildings are recognised at fair value based on periodic, but at least triennial valuations by external independent valuers, less subsequent depreciation for buildings. A revaluation surplus is credited to reserves in equity.

To the extent that an increase reverses a decrease previously recognised in the profit or loss, the increase is first recognised in the profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset, all other decreases are charged to the profit or loss.

Each year, the difference between depreciation based on the revaluated carrying amount of the asset charged to profit or loss and the depreciation based on the asset's original cost, is reclassified from the property, plant and equipment revaluation surplus to retained earnings.

All other property, plant and equipment is recognised at historical cost less depreciation.

Depreciation is calculated using a straight-line method to allocate cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

| | |
|----------------------------------|---------------------|
| Buildings | 2.50 % |
| Building improvements | 10.00 % |
| Furniture, fixtures and fittings | 7.50 - 33.00 % |
| Motor vehicles | 25.00 % |
| Right-of-use assets | Over the lease term |

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

14. Property, plant and equipment

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

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 reserve relating to that asset are transferred to retained earnings.

The Group is of the opinion that the current situation regarding COVID19 has not significantly impacted the fair value of property, plant and equipment and that a material impairment of asset values has not occurred.

15. Intangible Assets

| | Computer software | Total |
|--------------------------------------|----------------------|----------------|
| | \$ | \$ |
| Parent | | |
| Year ended 30 June 2020 | | |
| Balance at the beginning of the year | - | - |
| Additions | 927,732 | 927,732 |
| Amortisation | (9,613) | (9,613) |
| Closing value at 30 June 2020 | <u>918,119</u> | <u>918,119</u> |

| | Computer software | Total |
|--------------------------------------|----------------------|----------------|
| | \$ | \$ |
| Consolidated | | |
| Year ended 30 June 2020 | | |
| Balance at the beginning of the year | - | - |
| Additions | 927,732 | 927,732 |
| Additions | 927,732 | 927,732 |
| Amortisation | (9,613) | (9,613) |
| Closing value at 30 June 2020 | <u>918,119</u> | <u>918,119</u> |

The group amortises intangible assets with a limited useful life using the straight-line method over the following periods

| | |
|-----------------------------|---------|
| IT development and software | 8 years |
|-----------------------------|---------|

Costs associated with maintaining software programmes are recognised as an expense as incurred. Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

15. Intangible Assets

15. Intangible Assets continued

Intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

16. Trade and other payables

| | Consolidated | | Parent | |
|----------------------------------------|------------------|------------------|------------------|------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ |
| CURRENT | | | | |
| Trade payables | 31,826 | 107,555 | 31,826 | 107,555 |
| GST payable | 1,214,334 | 1,178,466 | - | 40,976 |
| Motor vehicles lease liability | 40,309 | - | 40,309 | - |
| Accrued expenses and other payables | 1,805,486 | 2,003,565 | 1,555,777 | 1,439,492 |
| Revenue and grants received in advance | 4,411,160 | 10,780 | 4,408,895 | 10,780 |
| | <u>7,503,115</u> | <u>3,300,366</u> | <u>6,036,807</u> | <u>1,598,803</u> |

All amounts, apart from grants received in advance, represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

Grants received in advance represent amounts received before the year end that are contractually due for payment to the grantee in subsequent financial years.

The carrying amount of trade and other payables are considered to be the same as their fair values, due to their short term nature.

17. Employee benefits

| | Consolidated | | Parent | |
|--------------------|----------------|----------------|----------------|----------------|
| | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ |
| CURRENT | | | | |
| Long service leave | 359,181 | 358,524 | 262,596 | 267,044 |
| Annual leave | 463,406 | 390,795 | 358,694 | 317,644 |
| | <u>822,587</u> | <u>749,319</u> | <u>621,290</u> | <u>584,688</u> |

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

17. Employee benefits

| | Consolidated | | Parent | |
|--------------------|----------------|----------------|----------------|----------------|
| | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ |
| NON-CURRENT | | | | |
| Long service leave | 129,551 | 111,465 | 112,646 | 105,978 |
| | 129,551 | 111,465 | 112,646 | 105,978 |

Short term obligations

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year 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. The liabilities are presented has current employee benefit obligations in the balance sheet.

Based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months for the Group \$370,515 (2019: \$339,764) and the parent, LGA \$274,950 (2019: \$258,752).

Long term obligations

A liability for employee long service leave is recognised and is measured as the present value of expected future payments to be made in respect of services provided by employees to the reporting date. Consideration is given to expected future wage and salary levels 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. The obligations are presented as current liabilities in the balance sheet if the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

18. Borrowings

| | Consolidated | | Parent | |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ |
| CURRENT | | | | |
| Other loans | 2,200,989 | 2,127,498 | 2,200,989 | 2,127,498 |
| Total current borrowings | 2,200,989 | 2,127,498 | 2,200,989 | 2,127,498 |
| NON-CURRENT | | | | |
| Unsecured liabilities: | | | | |
| Other loans | 17,689,347 | 19,890,336 | 17,689,347 | 19,890,336 |
| Total non-current borrowings | 17,689,347 | 19,890,336 | 17,689,347 | 19,890,336 |

Borrowings are recognised at fair value. Borrowings are reduced in the balance sheet when the obligation specified in the loan agreement is discharged.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

19. Amounts paid by members for liability protection but not yet earned

| | 2020 | 2019 |
|----------------------------------------------------|--------------------------|--------------------------|
| | \$ | \$ |
| Unearned members' contribution liability at 1 July | 10,934,851 | 10,481,513 |
| Members' contribution written in the year | 33,327,578 | 32,456,330 |
| Earning of members' contribution during the year | <u>(33,231,131)</u> | <u>(32,002,992)</u> |
| Total unearned member contribution | <u>11,031,298</u> | <u>10,934,851</u> |

Member contribution receivables is recognised as earned from the date of attachment of risk. The pattern of recognised over the period of year is based on time, which is considered to closely approximate the pattern of risks underwritten.

A liability of \$11,031,298 (2019: \$10,934,851) for contributions billed in advance has been recognised. These amounts offset equivalent amounts in contributions owing.

20. Outstanding Claims Liability

| | Consolidated | | Parent | |
|-------------------------------------------|--------------------------|--------------------------|----------|----------|
| | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ |
| Central Estimate (A) | 38,766,471 | 36,434,277 | - | - |
| Discount to present value | <u>(558,957)</u> | <u>(1,020,541)</u> | - | - |
| | 38,207,514 | 35,413,736 | - | - |
| Claims handling cost (B) | - | 273,061 | - | - |
| | 38,207,514 | 35,686,797 | - | - |
| Risk margin (C) | <u>4,314,575</u> | <u>4,477,898</u> | - | - |
| Gross outstanding claims liability | 42,522,089 | 40,164,695 | - | - |
| Gross claims incurred (A + B + C) | 42,522,089 | 41,185,236 | - | - |
| Current | 13,115,316 | 16,974,052 | - | - |
| Non-current | <u>29,406,773</u> | <u>23,190,643</u> | - | - |
| | <u>42,522,089</u> | <u>40,164,695</u> | - | - |

Outstanding claims

A provision of \$43,418,393 (2019: \$40,164,695) 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.

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.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

20. Outstanding Claims Liability

To determine the margin adopted by the Actuary concluded that a risk margin 25% of net outstanding claims as outlined below would be reasonable, if the Scheme was to have approximately 75% probability of its claim provision proving reliable.

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 adequacy are as follows

| | 2020 | 2019 |
|--------|---------|---------|
| | \$ | \$ |
| LGAMLS | 25.00 % | 25.00 % |
| LGAWCS | 20.00 % | 20.00 % |

Reconciliation of movement in discounted outstanding claims liability

| | Gross | | Recoveries | | Net | |
|---------------------------------------------|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July | 40,164,695 | 37,548,585 | (14,231,495) | (12,730,087) | 25,933,200 | 24,818,498 |
| Current year claims incurred | 15,467,393 | 17,131,161 | (3,301,302) | (4,522,798) | 12,166,091 | 12,608,363 |
| Previous years claims incurred | 719,377 | (2,991,881) | (2,824,210) | 1,203,830 | (2,104,833) | (1,788,051) |
| Incurring claims in income statement | 16,186,770 | 14,139,280 | (6,125,512) | (3,318,968) | 10,061,258 | 10,820,312 |
| All claims paid during the year | (13,829,376) | (11,523,170) | 2,342,333 | 1,817,560 | (11,487,043) | (9,705,610) |
| | 42,522,089 | 40,164,695 | (18,014,674) | (14,231,495) | 24,507,415 | 25,933,200 |

21. Reserves

Asset revaluation reserve

The asset revaluation reserve records fair value movements on property, plant and equipment held under the revaluation model.

Project reserves

The project reserve records funds received by the Local Government Association of South Australia from external providers. These funds are then distributed as per the relevant funding agreements. Also included within the reserve are LGA funded projects with carry forward balances.

Risk incentive reserve

The risk incentive reserve comprises accumulated retained earnings from the schemes which are set aside to support councils' risk mitigation projects.

22. Liability Adequacy Test

The liability adequacy tests conducted by the independent actuary has identified a surplus.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

22. Liability Adequacy Test

LGAMLS

The liability adequacy test identified the central estimate of the present value of future cash flows for future claims to be \$4,896,000 (2019: \$4,311,000) with an additional component of present value of expected future cash flows in relation to risk margin, net of reinsurance, to be \$31,000 (2019: \$27,000).

In performing this test a risk margin of 25% (2019 25%) was used to secure a 75% (2019 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.

LGAWCS

The liability adequacy test identified the central estimate of the present value of future cash flows for future claims to be \$12,186,000 (2019: \$12,387,000) with an additional component of present value of expected future cash flows in relation to risk margin to be \$2,031,000 (2019: \$2,065,000).

In performing this test a risk margin of 20% was used to secure a 75% (2019 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.

23. Contingencies

In the opinion of Board, the Association did not have any contingencies at 30 June 2020 (30 June 2019:None).

24. Interests in Subsidiaries

| | Principal place of business / Country of Incorporation | Percentage Owned (%)* 2020 | Percentage Owned (%)* 2019 |
|--------------------------------------------------------------------------|--------------------------------------------------------------|----------------------------------|----------------------------------|
| Subsidiaries: | | | |
| Local Government Mutual Liability Scheme (1) | Australia | - | - |
| Local Government Workers Compensation Scheme (1) | Australia | - | - |
| LGCS Pty Ltd (Trustee for LGCS Trust No.1) trading as LGA Procurement | Australia | 100 | 100 |
| LGASA Mutual Pty Ltd | Australia | 100 | 100 |

*The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

(1) The Local Government Association of South Australia has the capacity to control the Mutual Liability Scheme and Workers Compensation Scheme pursuant to the Local Government Act 1999 and they have been consolidated on that basis.

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

25. Key Management Personnel Remuneration

Key management personnel who have responsibility for the strategic direction and management of the Group include members of the Board and Chief Executive Officers. Total remuneration included within employee expenses for the year is shown below:

| | 2020 | 2019 |
|------------------------------|----------------|----------------|
| | \$ | \$ |
| Short-term employee benefits | 851,403 | 725,297 |
| Long-term benefits | 21,407 | 21,639 |
| Post-employment benefits | 99,888 | 61,164 |
| | <u>972,698</u> | <u>808,100</u> |

In 2020 remuneration includes LGA, LGASA Mutual Pty Ltd and LGA Procurement.

Transaction with key management personnel and other related parties

Related parties of Group include all key management personnel and their close family members and any entity that is controlled by those persons. Close family members are defined in *AASB 124 Related party disclosures* to include children, spouse or partner, children of the spouse or partner and dependants of the key management personnel and their spouse or partner.

There are no transactions to disclose for key management personnel and related parties.

The Group transact with Councils and State Government Agencies of which Board members may be key management personnel on terms which are consistent with the Group's normal commercial arrangements as disclosed in Note 26.

26. Related Parties

Key management personnel - refer to Note 25.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

The following entities are considered related parties:

- Local Government Finance Authority
- SA Government Financing Authority

Local Government Association of South Australia

Notes to the Financial Statements

For the Year Ended 30 June 2020

26. Related Parties

Loans to/from related parties

Unsecured loans are made to/from related parties on an arm's length basis. Repayment and interest terms are set for each loan and the loans are unsecured and repayable in cash.

| | Opening balance | Closing balance | Interest income/ (expense) | Interest receivable/ (payable) |
|-----------------------------------|-----------------|-----------------|-------------------------------|-----------------------------------|
| | \$ | \$ | \$ | \$ |
| Loans from related parties | | | | |
| 2020 | (22,017,835) | (19,890,336) | (725,958) | (47,106) |
| 2019 | (24,074,296) | (22,017,835) | (786,655) | (39,401) |
| Loans to related parties | | | | |
| 2020 | 67,603,949 | 65,075,521 | 1,341,144 | 401,123 |
| 2019 | 74,947,796 | 67,603,949 | 2,028,100 | 887,044 |

27. Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

28. Statutory Information

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

Local Government Association of South Australia
 Local Government House
 148 Frome Street
 ADELAIDE SA 5000

Local Government Association of South Australia


Statement by Members of the Board

In the opinion of the Board the financial report as set out on pages 6 to 45:

1. Present fairly the results of the operations of Local Government Association of South Australia as at 30 June 2020 and its state of affairs for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Local Government Association of South Australia will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:

President 

Chief Executive Officer..... 

Dated this 28 day of September 2020



Independent auditor's report

To the members of Local Government Association of South Australia

Our opinion

In our opinion the accompanying financial report gives a true and fair view of the financial position of Local Government Association of South Australia (the Parent and its controlled entities (together the Group) as at 30 June 2020 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Associations Incorporation Act 1985*.

What we have audited

The Parent and Group financial report comprises:

- the Parent and Consolidated statement of financial position as at 30 June 2020
- the Parent and Consolidated statement of profit or loss and other comprehensive income for the year then ended
- the Parent and Consolidated statement of changes in equity for the year then ended
- the Parent and Consolidated statement of cash flows for the year then ended
- the notes to the consolidated financial statements, which include a summary of significant accounting policies
- the statement by Members of the Board.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

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

Independence

We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other information

The Members of the Board are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Members of the Board for the financial report

The Members of the Board are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Associations Incorporation Act 1985*, and for such internal control as the Members of the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Members of the Board are responsible for assessing the ability of the Parent Company and the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Parent Company or the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf. This description forms part of our auditor's report.

PricewaterhouseCoopers

M. T. Lojszczyk
Partner

Adelaide
28 September 2020

6.3 Annual Reports of LGA Committees

LGA Business

| | | |
|-----------------|-------------------------------------------------------------------------------------------|---------------------------------------------|
| From: | Lisa Teburea, Executive Director Public Affairs | |
| 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 | 29 October 2020 |
| ECM: | 720177 | Attachments: 717075, 718624, 718170, 720320 |

Recommendation

That the Annual General Meeting notes the Annual Reports for the year 2019-2020 of the following Committees established under the LGA Constitution:

- a) **Greater Adelaide Region Organisation of Councils (GAROC)**
- b) **South Australian Region Organisation of Councils (SAROC)**
- c) **CEO Advisory Group**
- d) **Audit and Risk Committee**

Discussion

Two Regional Organisations of Councils are established under Clause 19 of the LGA Constitution, being SAROC and GAROC. The role of SAROC and GAROC is regional advocacy, policy initiation and review, leadership, engagement and capacity building in the regions. Under their Terms of Reference SAROC and GAROC are required to adopt a four-year Strategic Plan, Annual Business Plan and Budget, and prepare an Annual Report each year outlining the activities undertaken in the previous financial year.

The 2019-2020 Annual Reports of SAROC and GAROC were received by the LGA Board of Directors at their meeting in September 2020 and are provided as an attachment to this report for noting by LGA member councils.

The LGA Board of Directors has also established an Audit and Risk Committee and a CEO Advisory Group in accordance with the requirements of the LGA Constitution. A summary report on the activities of each of these committees in 2019/20 is attached to this report.

Financial and Resource Implications

The LGA Secretariat provides executive and administrative support to the Committees established under the LGA Constitution. This activity has been anticipated in the LGA's work program and resources are available to progress this work.

2019-2020 GAROC Annual Report

September 2020

| | |
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From the Chair

I am delighted to present the *2019-20 GAROC Annual Report* and would like to thank members, both current and former, for their dedication on the committee and to local government in South Australia.

Metropolitan councils play an essential role in the long-term prosperity, sustainability and wellbeing of the Greater Adelaide community. As a strong, united voice for metropolitan councils, GAROC has worked hard to represent their shared interests and influence outcomes on issues that are common across the metropolitan region.

During 2019-20, I am proud of our work to pursue advocacy to the State Government on the implementation of the planning reforms, particularly as they relate to good design and heritage practices and the impact on our local communities.

GAROC has promoted information sharing and collaboration between metropolitan councils, and we received a very positive response and input from all metropolitan councils when revising our Strategic Plan and developing our 2020-21 Annual Business Plan.

GAROC seeks to be responsive to councils' needs and to always be community focused in our decision making. In response to the Covid-19 pandemic, GAROC brought metropolitan mayors, elected members and council staff together in a series of webinars designed to assist councils in supporting their local businesses and communities adjust to a Covid-safe economy and bolster economic development, wellbeing and resilience in the recovery period.

Economic development will be a key priority for GAROC over the next year. There will be a focus on pursuing advocacy and partnership opportunities that assist metropolitan councils to contribute to creating conditions for productivity that supports sustainable job growth and pathways to employment.

Together we will build on our work and further explore with metropolitan councils how communities can be rejuvenated to maximise economic vitality and social wellbeing.

Mayor Karen Redman

Chair

GAROC committee

1. Introduction

The Greater Adelaide Regional Organisation of Councils (GAROC) is a committee of the Local Government Association of South Australia (LGA).

The GAROC Committee supports the LGA to 'advocate, assist, and advance' the interests of local government by:

1. Supporting the activities of the LGA at a regional level.
2. Promoting communication between members, and between members and the LGA.
3. Advocating in respect of matters which affect the GAROC Regional Group.
4. Encouraging engagement of members within the GAROC Regional Group with GAROC and the LGA.
5. Participating in policy development and implementation.

Clause 9.10.3 of the GAROC Terms of Reference requires that:

'GAROC will provide an annual report to the Board of Directors by September each year summarising:

(a) the discharge of GAROC's responsibilities and functions under these Terms of Reference and against the strategic plan and annual business plan;

(b) the activities of GAROC during the financial year;

(c) items of business referred to the Board of Directors or a General Meeting during the financial year; and

(d) items being considered by GAROC which have not been reported to the Board of Directors and the intended actions in respect of those matters.'

This Annual Report provides a summary of GAROC's activities from 1 July 2019 to 30 June 2020.

Vision

For every South Australian to have the best local government experience

Mission

To provide advocacy, policy initiation and review, leadership, engagement and capacity building in collaboration with the LGA for the benefit of metropolitan South Australian councils and their communities.

2. GAROC activities during the 2019-20 financial year

2.1 Delivering GAROC's 2019-20 Annual Business Plan

Theme 1: Built & Natural Environment and Planning

Action

Advocate to the State Government on behalf of metropolitan councils on the implementation of the Planning Development and Infrastructure Act 2016 and the Planning and Design Code, particularly as they relate to good design and heritage practices and the impact on our local communities.

2019-20 activities

GAROC pursued advocacy to the State Government on behalf of metropolitan councils. In 2019-20, GAROC:

- commissioned the LGA Heritage Position Paper to provide an overview of the historical processes involved in classifying Contributory Items. The Paper was submitted to the Minister for Planning, the Shadow Minister for Planning, and the Chair of the State Planning Commission;
- supported the LGA's participation in a heritage and character roundtable convened by the Shadow Minister for Planning with other stakeholders to advocate on the position adopted by GAROC;
- held a 'Heritage Character Workshop' in relation to the heritage provisions within in the Planning and Design Code, which formed a basis for a submission on Phase 3 of the Code;
- recommended an item of business to the 2019 LGA Ordinary General Meeting for the LGA to seek a comprehensive review of the impacts of infill development to ensure that the Planning and Design Code delivers quality outcomes; and
- held a forum on the draft Planning and Design Code for metropolitan councils on 9 December 2019.

Theme 2: Economic Development and Jobs

Action

Identify best practice economic development and job creation initiatives, partnerships, and grant programs undertaken by South Australian councils.

2019-20 activities

In November 2019, GAROC provided a *Local Government Economic Development Activities – GAROC discussion paper* to all metropolitan councils to:

- consider the effectiveness of the LGA and GAROC (and former MLGG) activities under the Economic Development priority and investigate best practice in metropolitan councils;
- increase the understanding and awareness of outcomes of those activities; and
- seek views on potential advocacy actions on the Economic Development theme to be included in its 2020-21 GAROC Annual Business Plan.

Responses were received from seven¹ of the 19 metropolitan councils, providing a reasonable overview of the economic development strategies and initiatives currently being undertaken by metropolitan councils. In summary, the responses show that councils' strategic planning on economic development has matured significantly in the 10 years since the LGA commenced its focus on Economic Development activities. Responses highlighted that GAROC's work on smart cities has had the most reach, being the most recent initiative that had deeper, well-resourced focus.

In February 2020, on behalf of GAROC, the LGA Secretariat facilitated a workshop with economic development managers and practitioners from metropolitan councils to seek advice on the most useful actions that GAROC could pursue in its 2020-21 Annual Business Plan.

COVID-19 Recovery Webinar Series

With the emergence of the coronavirus in 2020, efforts to support economic recovery from the impacts of COVID-19 provided an opportunity for GAROC to bring metropolitan councils together to encourage a culture of collaboration.

The GAROC webinar series² held across May-July 2020 provided metropolitan council staff with insights and policy suggestions about how councils can best assist businesses and communities recover from the COVID-19 crisis.

The webinars were hosted and facilitated by Leigh McClusky, in the format of a Q&A session with invited panellists. Topics discussed included:

- Economic and Social Development out of COVID-19
- Curation of main streets and community hubs through events, arts and entertainment, street / public space infrastructure projects and other innovations.
- Use of library infrastructure, facilities, services and business supports.
- Councils' roles in facilitating social inclusiveness through social enterprise and partnerships.
- Encouraging retail/hospitality demand through council regulatory settings.

The GAROC COVID-19 Recovery Webinar Series has informed the priorities and actions of the 2020-21 GAROC Annual Business Plan, as well as a COVID-19 Recovery campaign the LGA commenced that aims to build awareness of, confidence in, and support for local government as a partner in the recovery process.

Action

Lead the conclusion of the Economic Development 'themed' projects commenced by the Metropolitan Local Government Group (MLGG) in 2018-19.

1. *South Australian Local Government Smart Cities Strategy*
2. *Exploration of Innovation and Investment in Commercial Activities*
3. *Essential Services Property Reinstatement Policy and Agreement*

¹ City of Marion, City of Unley, City of Tea Tree Gully, City of Charles Sturt, City of West Torrens, the City of Campbelltown, and Adelaide Hills Council.

² <https://www.lga.sa.gov.au/member-services/emergency-management/covid19/garoc-covid-19-recovery-webinar-series>

Activities

1. *South Australian Local Government Smart Cities Strategy*

Working with metropolitan councils, GAROC developed the *Going Smart. Smart Cities Framework* to help councils embed Smart Cities principles in their planning, and administration and operations. GAROC promoted this framework to all metropolitan mayors and provided them with a snapshot of the Smart Cities priorities identified across metropolitan councils. The *Going Smart. Smart Cities Framework* was recognised with a 2019 Australian Smart Cities Council national award.

2. *Exploration of Innovation and Investment in Commercial Activities*

The LGA Secretariat explored 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 the community. A comprehensive discussion paper was prepared that is aimed at assisting councils to make decisions about commercial operations from a legal, financial and community perspective.

3. *Essential Services Property Reinstatement Policy and Agreement*

To progress a Notice of Motion carried at the 2017 LGA Annual General Meeting, the former MLGG sought to support the LGA Secretariat to liaise with essential service providers to consider the reinstatement of public infrastructure to the satisfaction of councils after completion of works and remediation improvements.

In 2019-20, on behalf of the GAROC committee, the LGA Secretariat

- undertook a desktop review of existing council reinstatement specifications;
- reviewed relevant legislation and State Government processes;
- consulted with councils and essential service providers via surveys;
- hosted a working group meeting with member councils³ to discuss responses to earlier members' survey and feedback from SA Water / NBN co;
- met with SA Water to discuss their perspective as an 'essential service provider'; and
- met with the Small Business Commissioner to discuss feedback received from businesses to their office regarding inconsistency in road reinstatement by essential service providers across South Australia.

It was concluded that examples of reinstatement policies and works guidelines being available on council websites are an important way to communicate information about legislative requirements and council expectations to essential service providers when conducting works.

³ This meeting was attended by officers from the cities of Adelaide, Salisbury, Tea Tree Gully, Charles Sturt, Mitcham, and West Torrens, the Barossa Council, Campbelltown City Council and Whyalla City Council.

Theme 3: Best practice & continuous improvement

Action

Survey metropolitan councils to identify and make an assessment of benchmarking, service reviews, data management, and new processes to identify recommendations to support councils in taking a proactive approach to addressing business challenges and opportunities through holistic approaches and understanding of council operations.

Activities

In 2019, the LGA undertook research and received details from some metropolitan councils on benchmarking and other reform issues. This informed the LGA's submissions to the SA Productivity Commission into Local Government.

GAROC agreed to provide the combined budget allocation of \$70,000 from its 2019-20 Annual Business Plan to support activities the LGA is undertaking at a state-wide level to preparing a scoping report for a Performance Measurement and Report framework.

The LGA's statewide project will continue across the 2020-21 financial year and will include targeted consultation with metropolitan councils that can be facilitated through GAROC.

Action

Engage with metropolitan councils to determine the support, training and resources that would assist councils to achieve contemporary best practice in integrated service, asset management and financial planning and commence delivery of a program of work that is targeted to the needs of metropolitan councils.

Activities

In 2019, the Financial Managers Group of council officers and IPWEA both separately applied to the Local Government Research and Development Scheme (LGR&DS) for projects to assist councils on this issue. This indicated interest from the sector and the opportunity for the LGA to take a leadership role to broaden to all SA councils and enable further collaboration between FMG and IPWEA.

In response, to those applications and the action identified by GAROC, in September 2019, the LGA Board of Directors approved an LGR&DS project to be managed by the LGA Secretariat in partnership with FMG, IPWEA and LGA member councils, to produce:

- a sector-wide asset management and financial planning 'Maturity Assessment Report'; and
- a Model Infrastructure and Asset Management Plan with model templates.

The project is considering the recommendations and advice contained within the SA Productivity Commission's Inquiry into Local Government Costs and Efficiency final report, particularly those relating to 'indicators' and 'standardised/model templates'.

This work will continue across 2020-21, and regular updates will be provided to GAROC as the project progresses. GAROC will continue its important role to support member councils to come together to ensure metropolitan councils' issues are sufficiently considered in local government reform and innovations.

2.2 Reviewing GAROC's Strategic Plan 2019-23

GAROC's four-year Strategic Plan⁴ provides a clear understanding of the committee's purpose and how it intends to achieve and deliver on its identified priorities, including engagement with member councils.

In May 2020, this Plan reviewed by the GAROC committee in consultation with metropolitan councils. A revised Strategic Plan was adopted by the LGA Board of Directors at its meeting in June 2020.

GAROC has identified four strategic themes that will guide our work over the next three years. These are:

1. Economic Development

GAROC recognises that local government's significant investment in infrastructure and services is a driver of the local economy. A strong state economy is underpinned by a financially sustainable local government sector that promotes its area and provides an attractive climate and locations for the development of business, commerce, industry and tourism.

GAROC recognises the important role of councils to enable, facilitate and enhance local economic opportunities. With the right policy settings and partnerships, councils can help to create the best conditions for local businesses to grow and thrive.

2. Design, Planning and Placemaking

GAROC recognises the importance of good decision making that enhances the built environment and supports well-considered planning processes that achieve quality design outcomes and the preservation of character and local heritage.

3. Environmental Reform

GAROC acknowledges local government's role in protecting and enhancing the environment and recognises that climate change poses a serious risk to local communities and ecosystems. GAROC also recognises the important role councils play in providing high quality, innovative and sustainable waste management services that meet the needs of the community

4. Reform and Innovation

GAROC recognises the opportunity to work with metropolitan councils to lead reform and innovations that enhance decision making, build community trust and drive downward pressure on council rates.

In May 2020, GAROC also consulted with metropolitan councils and adopted an Annual Business Plan 2020-21⁵ that outlines the priority actions and outcomes that we will work with members and strategic partners to progress to progress our strategic objectives.

⁴ https://www.lga.sa.gov.au/data/assets/pdf_file/0023/470417/GAROC-strategic-plan-2019-23-revised-May-2020.pdf

⁵ https://www.lga.sa.gov.au/data/assets/pdf_file/0039/468849/ECM_672007_v12_GAROC-Annual-Business-Plan-2020-21-Consultation-Draft.pdf

2.3 **GAROC Communications Plan**

At its meeting on 2 March, GAROC endorsed its *Communication Plan 2020-2023* that was developed to identify opportunities for enhanced engagement and communication, having regard to the feedback provided by metropolitan councils in the 2019 LGA Member Survey.

The Communications Plan has been developed with the following communication goals in mind:

- **Keep members informed** - Proactively deliver clear, accessible, timely, relevant and targeted information in ways that best meet the interests and needs of member councils.
- **Strengthen relationships** - Strengthen relationships within our members and with stakeholders through communications activities, to increase confidence and foster trust.
- **Increase awareness** – Increase member and stakeholder awareness and understanding of GAROC's role, activities, projects and decision-making processes.
- **Build an identity** – Build a positive reputation that reflects the GAROC Guiding Principles.

From 2020-21, the Communications Plan will be reviewed every year alongside the review of GAROC's Strategic Plan to ensure it continues to reflect the principles and objectives of GAROC and delivers on the communications needs of our members. The annual review will consider new ideas, technologies, and opportunities to enhance the value delivered to councils.

Implementation of the Communications Plan will be monitored and reported on in future GAROC Annual Reports.

2.4 Items of Business Referred to the Board of Directors or a General Meeting

LGA 2019 Annual General Meeting

At its meeting on 2 September 2019, GAROC considered proposed items of business on the following issues for the LGA Annual General Meeting on 31 October 2019.

Proposed items of business submitted by Member Councils

- Corflute Election Signs (Campbelltown City Council) *
- Fairer Allocation of Open Space Funding (Campbelltown City Council) *
- Dog Registrations (City of Marion) ^
- Electric Vehicles (Town of Gawler) *
- State of Climate Emergency (Town of Gawler) *
- Contributory Items (Town of Gawler) *
- Reform in the Aged Care Sector (Town of Gawler) *
- Contractor Prequalification and Due Diligence Framework (Town of Gawler)

** Indicates items recommended by the GAROC committee to the AGM. These were subsequently carried by the membership and are currently being progressed by the LGA.*

^ Indicates item referred by the GAROC committee to the LGA Board of Directors for consideration.

GAROC also considered a report on a Review of the Impacts of Infill Development and made a recommendation to the LGA Board of Directors for an item of business to be included on the agenda for the LGA Ordinary General Meeting held on 31 October 2019.

LGA 2020 Ordinary General Meeting

GAROC held a special meeting on 17 February 2020 to consider proposed items of business submitted by member councils on the following issues for inclusion on agenda at the LGA Ordinary General Meeting, scheduled for 3 April 2020.

- Bushfire Prevention and Mitigation (City of Salisbury)
- Fire & Emergency Services Act 2005 Section 105F Expiation Notices (City of Tea Tree Gully) *
- State of Climate Emergency (Town of Gawler) *
- Electric Vehicles Trial (Campbelltown City Council) *
- Weekly Waste Collections (City of Salisbury) ^
- Family and Domestic Violence training, education and development (City of Adelaide) *
- Review of Development Application Fees (City of Prospect) *
- Deficiencies in the State Government Draft Planning & Design Code (City of Marion) *

** Indicates items recommended by the GAROC committee to the OGM. The LGA 2019 OGM was postponed due to restrictions arising from the Covid-19 pandemic and the items of business were subsequently considered by the LGA Board of Directors at the discretion of the proposing council, or otherwise deferred to the LGA 2020 Annual General Meeting.*

^ Indicates item was referred by the GAROC committee back to the council on the basis that it is relevant only to metropolitan councils and therefore does not align with the LGA's guidelines for considering proposed items of business at LGA general meetings.

3. Details of meetings

During the 2019-20 financial year a total of eight committee meetings were held on the following dates:

- 1 July 2019
- 2 September 2019
- 4 November 2019
- 3 February 2020
- 17 February 2020 (special)
- 2 March 2020
- 4 May 2020
- 1 June 2020 (special)

Casual vacancy

At its meeting on 2 September 2019, Cr Tim Pfeiffer advised that he would be resigning from the City of Marion and accordingly as a member of GAROC, effective 10 September 2019. Following a process to fill the casual vacancy, Mayor Claire Boan, City of Port Adelaide was elected to GAROC and attended her first meeting on 1 June 2020.

Attendance

GAROC Committee member attendance at meetings (not including workshops) during the year was:

| Member | Number of meeting eligible to attend | Number of meetings attended |
|----------------------------|---------------------------------------------|------------------------------------|
| Mayor Karen Redman, Chair | 8 | 8 |
| Mayor Gillian Aldridge | 8 | 7 |
| Mayor Angela Evans | 8 | 7 |
| Lord Mayor Sandy Verschoor | 8 | 8 |
| Mayor Kevin Knight | 8 | 6 |
| Cr Christel Mex | 8 | 7 |
| Mayor David O'Loughlin | 8 | 7 |
| Mayor Jan-Claire Wisdom | 8 | 6 |
| Cr Tim Pfeiffer | 2 | 1 |
| Mayor Claire Boan | 1 | 1 |

Guest Speakers

At the meeting on 4 November 2019, Mayor Keith Parkes, Chair of the Executive Committee of the SA Coastal Council Alliance, provided an update on the issues coastal councils are facing. This informed GAROC's consideration of support for the Alliance.

At the meeting on 2 March 2020, Ms Karen Raffan, Chief Executive Officer RDA Adelaide, discussed opportunity for a greater partnership approach between GAROC and RDA Adelaide Metro on economic development initiatives. This informed development of the COVID-19 Recovery Webinar Series (May 2020) and consultation on the GAROC 2020-21 Annual Business Plan.

GAROC workshop- climate risk management

On 9 December 2019, GAROC hosted a Climate Risk Management workshop to consider the emerging priorities for climate risk management across metropolitan Adelaide and to investigate future opportunities for the LGA to advocate to state and federal governments on climate change, as well as potential actions to facilitate appropriate responses from member councils.

The outcomes of the workshop informed future actions that were set in the GAROC 2020-21 Annual Business Plan.

2019-20 Special Local Road Program

At its meeting on 4 May, GAROC considered the Metropolitan Strategic Roads Committee's recommendations to the Local Government Transport Advisory Panel for 2020-21 Special Local Roads Program (SLRP) funding.

The LGA's Local Government Transport Advisory Panel (LGTAP) is established to consider submissions for strategic road funding under the SLRP. Each year, LGTAP calls for submissions for SLRP funding from South Australian councils. Applications are received via the Regional LGAs (Eyre Peninsula, Legatus, Limestone Coast, Murraylands and Riverland, Southern and Hills and Spencer Gulf) and the GAROC's Metropolitan Strategic Roads Committee (MSRC).



2019-2020 SAROC Annual Report

September 2020

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From the Chair

I am pleased to present the *2019-20 SAROC Annual Report* and would like to thank members, both current and former, for their dedication on the committee and to local government in regional South Australia.

Regional councils play an essential role in the long-term prosperity, sustainability and wellbeing of South Australia's regional communities. As a strong, united voice for regional councils, SAROC has worked hard to represent their shared interests and influence outcomes on issues that are common across regional South Australia.

During 2019-20, SAROC has advocated to the Commonwealth and State Government on initiatives that will assist with the economic growth and development of regional South Australia, including drought, migration, rating equity from electricity generators, and a submission to the State Government's highly anticipated Regional Development Strategy.

SAROC has taken our issues purposefully and respectfully to state ministers and in 2019-20 we were fortunate to have meaningful discussions at our meetings with the Minister for Environment and Water, Hon David Speirs MP, and the former Minister for Primary Industries and Regional Development, Hon Tim Whetstone MP.

SAROC has worked closely with Regional LGAs and their executive officers to promote and facilitate information sharing, communication, and collaboration between regional councils. SAROC has also supported the work of the South Australian Coastal Councils Alliance.

Over the next year, SAROC's priorities will be to continue our collective advocacy on regional development and improving the regional health workforce, as well as contributing to projects on management of Little Corellas, waste management and regional local road strategies.

Together we will build on our work and consider how communities can be rejuvenated following Covid-19 to maximise community resilience and economic recovery.

Mayor Erika Vickery OAM

Chairperson

SAROC committee

1. Introduction

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The SAROC Committee supports the LGA to 'advocate, assist, and advance' the interests of local government by:

1. Supporting the activities of the LGA at a regional level.
2. Promoting communication between members, and between members and the LGA.
3. Advocating in respect of matters which affect the SAROC Regional Group.
4. Encouraging engagement of members within the SAROC Regional Group with SAROC and the LGA.
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Clause 9.10.3 of the SAROC Terms of Reference requires that:

'SAROC will provide an annual report to the Board of Directors by September each year summarising:

- (a) the discharge of SAROC's responsibilities and functions under these Terms of Reference and against the strategic plan and annual business plan;*
- (b) the activities of SAROC during the financial year;*
- (c) items of business referred to the Board of Directors or a General Meeting during the financial year; and*
- (d) items being considered by SAROC which have not been reported to the Board of Directors and the intended actions in respect of those matters.'*

This Annual Report provides a summary of SAROC's activities from 1 July 2019 to 30 June 2020.

Vision

For every South Australian to have the best local government experience

Mission

To provide leadership support, representation and advocacy on behalf of regional South Australian Councils for the benefit of the Community.

2. SAROC activities during the 2019-20 financial year

2.1 Delivering SAROC's 2019-20 Annual Business Plan

Theme 1: Economic Development

Actions

Lobby the Commonwealth and State Government to develop and implement initiatives that will assist with the growth and development of regional South Australia.

Continue to advocate to the State and Commonwealth Governments for the decentralisation of South Australia's population to support regional South Australia

2019-20 activities

SAROC pursued advocacy to the State Government on behalf of regional councils, including the following actions.

- A submission was made to the draft SA Regional Development Strategy, followed by a presentation to the independent reference panel. SAROC has called on the Minister to finalise and release the Strategy as a priority.
- The SAROC Chair wrote to the Minister for Water Resources, Drought, Rural Finance, Natural Disaster and Emergency Management, David Littleproud, seeking a meeting to explain the current circumstances facing regional SA communities and the need for equity on the decision-making process for the current and any future Drought Community Support Initiatives.
- In September 2019, SAROC endorsed a submission to the Senate Select Committee's Inquiry into Jobs for the Future in Regional Areas. The submission asks the Select Committee to recommend that the Australian Government:
 - restore the quantum of Financial Assistance Grants to at least 1 per cent of Commonwealth taxation revenue, recognising that increased investment in maintenance and renewal of local government infrastructure will enhance the attractiveness of regional Australia as a place to work, invest and visit;
 - supports local government's proposal for a Local Government Community Infrastructure Program of \$300 million per annum over four years for councils to manage and operate a community led neighbourhood infrastructure renewal program in South Australia;
 - supports communities on their digital transformation journeys by:
 - building on the Smart Cities and Suburbs Program approach by providing a Smart Communities Program of \$100 million per annum; and
 - establishing a Digital Local Government and Rural / Regional Telecommunications Program of \$100 million over four years to increase the community benefits of improved technology, connectedness and innovation;
 - considers how to make best use of the frameworks already in place, rather than the need for creating a new public authority;
 - investigate establishing a Local Economic Diversification, Industry Transition and Jobs Program in partnership with Regional Development Australia; and

- investigate opportunities to work with state and local governments fund and manage regional youth traineeship programs.
- In December 2019, a submission was made to the Future Drought Fund's draft Drought Resilience Funding Plan.
- In February 2020, LGA submissions were made to the State Government regarding South Australia's Designated Area Migration Agreements, and to the Senate Select Committee on Temporary Migration.
- In February 2020, upon acceptance of the Legatus Group's final report on Rating Equity Electricity Generators, the SAROC Chairperson wrote to the Minister for Local Government and the Minister for Energy and Mining outlining the findings from the report and seeking a commitment from the State Government to immediately commence working with local government on amendments to rating policy with regards to electricity generators.

Theme 2: Community Development

Action

Lobby the Commonwealth and State Governments for the provision of improved health services

2019-20 activities

- In late 2019, a letter was sent to Minister Wade inviting him and the CEO of SA Country Health to attend SAROC meeting. The LGA Secretariat will follow-up on this invite as no reply has been received.
- In September 2019, the LGA consulted with members and considered evidence provided by the Eyre Peninsula LGA in making a submission to the State Government's draft Rural Medical Workforce Plan.
- In December 2019, the Minister for Health and Wellbeing, the Hon. Stephen Wade MLC, released South Australia's Rural Medical Workforce Plan, prepared to meet the Government's commitment to develop and implement 'a plan to recruit, train and develop the health professionals... needed to deliver country health services'.
- SAROC has carried forward \$25,000 from its budget in 2019-20 to support advocacy on this issue in 2020-21. The SAROC Annual Business Plan 2020-21, states that this funding is to be used to identify the health service needs of regional communities and commission research to identify sustainable health models for small communities undertaken.

Action

Work with the State Government and Green Industries SA to develop education materials to support increased recycling and reduced waste to landfill in regional communities

2019-20 activities

- The LGA continued to advocate and work with member councils to respond to waste and recycling issues including maximising the value that can be returned to communities from the escalating State Government funds collected through the Solid Waste Levy.
- A state wide education program was developed and released by the State Government <https://www.whichbin.sa.gov.au>

Action

Continue to advocate to Commonwealth and State governments for improved telecommunications coverage in regional and remote South Australia.

2019-20 activities

- Advocacy was included in the LGA submissions to the 2019-20 State Budget, the draft SA Regional Development Strategy and the draft Infrastructure SA 20-Year Strategy.
- The LGA and SAROC have highlighted that regional communities continue to experience poor telecommunications coverage across South Australia. Access to reliable mobile phone and internet connectivity are extremely important to individuals and communities in terms of every-day liveability and emergency services, and for business viability and sustainability.
- The LGA acknowledged the State Government's investment in the 2019-20 Budget of a further \$3 million towards mobile phone black spots.

Theme 3: Natural and Built Environment

Action

Facilitate the development of Joint Planning Boards by councils and assist with the sharing of information.

2019-20 activities

- The Limestone Coast LGA prepared fact sheet to assist councils with understanding how to undertake developing a Joint Planning Board.
- The EPLGA at its meeting on 6 September resolved to establish a Joint Planning Board.

Action

Participate in the NRM reform process and advocate on behalf of regional councils on the draft Landscapes SA Bill and its implementation.

2019-20 activities

- On behalf of all member councils, the LGA provided a submission to the State Government on changes to the Landscape Bill. Ultimately the Parliament voted to retain local government's levy collection role, with some concessions in relation to the ability to write off bad debts and further consultation on the fees that councils can receive from the State for performing this role.

Action

Continue to advocate to the State Government for the management and control of native abundant species
Continue to advocate to the State Government for the management and control of native abundant species

2019-20 activities

- The LGA and SAROC have consistently sought a State Government commitment to fund implementation of a statewide Little Corella strategy.
- The SAROC Chair wrote to Minister for Environment and Water:

- a. welcoming the findings of the Parliamentary Inquiry and seek the State Government's commitment to support its recommendations in full; and
 - b. seeking a commitment to fund implementation of a statewide Little Corella strategy that includes financial assistance to local governments for the development of integrated local management plans and the implementation of medium and long term management options at a local-scale.
- In November 2019, the LGA provided a submission to the Department of Environment and Water (DEW) on development of its Little Corellas Strategy.
 - Local government was recognised by DEW as a key stakeholder and the LGA Secretariat had the opportunity to make early comment prior to the Strategy being released for consultation. The LGA formal submission stressed the need for recognition of the considerable research already undertaken, the need for ongoing research as well as the need for State Government funding to support local government implementation of specific outcomes flowing from the Strategy.
 - Following consideration of the issue at the SAROC meeting in May 2020, the Chair wrote to the Minister for Environment and Water providing a copy of the Little Corellas Research Paper and seeking urgent finalisation and release of a statewide Little Corella strategy that includes financial assistance to local governments for the development of integrated local management plans and the implementation of medium- and long-term management options at a local-scale.
 - The SAROC Annual Business Plan 2020-21 identifies that SAROC will continue to advocate to the State Government for the management and control of abundant species; and identifies future research in partnership with regional LGAs.

Action

Support the work and resourcing of the Coastal Councils Alliance

2019-20 activities

- The South Australian Coast Council Alliance (SACCA) was established an Executive Committee, with Mayor Keith Parkes appointed as Chair.
- SAROC's contribution of \$25,000 in 2019-20 has been provided to the Limestone Coast LGA (as host for SACCA).
- The SAROC Annual Business Plan 2020-21 identifies a further financial contribution from SAROC to the activities and resourcing of the SA Coastal Council Alliance.

Action

Facilitate local government discussion relating to water policy including advocating for a national water policy

2019-20 activities

- A meeting of the SA Inter regional Murray Darling Basin Authority occurred at LGA House on 26 September attended by 30 plus local government and other representatives.

Theme 4: Financial Sustainability and Governance

Action

Develop a regional waste management strategy to enable the coordination of waste and recycling infrastructure across regions

2019-20 activities

- At its meeting on 18 September 2019, SAROC approved:
 - the Legatus Group to manage the delivery of a draft SA Regional Waste Management Strategy in partnership with others including the LGA and SA Regional Organisations of Councils subject to being able to secure the required resources; and
 - the allocation of up to \$30,000 from the SAROC budget to the Legatus Group subject to the Legatus Group being able to develop a project brief and scope of work for the delivery of a draft SA Regional Waste Management Strategy.
- The Legatus Group, in consultation with a working group including representatives from the LGA and Regional LGAs, made a successful application for a \$30,000 grant from Green Industries SA (GISA).
- Subsequently, the project is progressing and is due for completion and final endorsement by SAROC in 2020-21.

Action

Progress the development of a joint agreement between councils and DPTI to enable the establishment of an efficient road maintenance program.

2019-20 activities

- SAROC agreed to not proceed with this action due to limited opportunity within DPTI at the current time.

2.2 Other actions

Borrow Pits

In February 2020, the committee also resolved for the SAROC Chairperson to write to the Minister for Energy and Mining to seek a commitment from the State Government to work with local government on a Code of Practice the rehabilitation of future borrow pits.

No response was received in 2019-20 and the LGA Secretariat is still pursuing this request.

Regional Climate Partnerships - Sector Agreements

Having considered a report at its meeting on 19 March 2020, the SAROC Chair wrote to the Minister for Environment and Water to:

- congratulate him on agreeing to re-commit to Resilient East by signing the first regional sector agreement due for renewal;
- encourage the Minister to re-commit to the other regional sector agreements due for renewal; and

- advocate for the State Government to co-invest in multi-year operational funding of the Regional Climate Partnerships, to support continued implementation of Adaptation Plans.

In reply, the Minister has agreed to give due consideration to renewal of the regional sector agreement as they become due for renewal.

Sand Drift on to Roads

Further to the actions outlined in the SAROC 2019-20 Annual Business Plan, having considered a report at its meeting on 21 May 2020, SAROC passed a resolution:

1. *recommending that the regional LGAs inform their constituent member councils that are eligible for the Commonwealth Government's the Drought Communities Program that costs associated with the mitigation of sand drift and the removal of sand from public roads in an area impacted by drought meet the eligibility requirement for projects; and*
2. *requesting that the SAROC chair write to the Minister for Primary Industries and Regional Development Tim Whetstone MP to:*
 - a. *seek guidance from Primary Industries and Regions SA (PIRSA) on the legislative and regulatory provisions in place that allows a determination to be made, in a timely fashion, concerning responsibility and the ability for councils to recover costs in the instance where poor land management practices are thought to be the predominant factor in sand drifting onto roads; and*
 - b. *seek guidance on how the protection and reinstatement of public infrastructure can be better considered in national drought policy; noting that the National Drought Agreement (established in 2018) focuses on the roles and responsibilities of the Australian and State and Territory Governments.*

In reply, the Hon David Basham MP, Minister for Primary Industries and Regional Development, has noted SAROC's position and confirmed that as a once-off measure the State Government has provided the \$100,000 Soil Erosion Emergency Action Fund to incentivise public authorities to take action on soil drift in drought affected regions.

2.3 SAROC Communications Plan

At its meeting on 21 May, SAROC endorsed its *Communication Plan 2020-2023* that was developed to identify opportunities for enhanced engagement and communication, having regard to the feedback provided by metropolitan councils in the 2019 LGA Member Survey.

The Communications Plan has been developed with the following communication goals in mind:

- **Keep members informed** - Proactively deliver clear, accessible, timely, relevant and targeted information in ways that best meet the interests and needs of member councils.
- **Strengthen relationships** - Strengthen relationships within our members and with stakeholders through communications activities, to increase confidence and foster trust.
- **Increase awareness** – Increase member and stakeholder awareness and understanding of SAROC's role, activities, projects and decision-making processes.
- **Build an identity** – Build a positive reputation that reflects the SAROC Guiding Principles.

From 2020-21, the Communications Plan will be reviewed every year alongside the review of SAROC's Strategic Plan to ensure it continues to reflect the principles and objectives of SAROC and delivers on the communications needs of our members. The annual review will consider new ideas, technologies, and opportunities to enhance the value delivered to councils.

Implementation of the Communications Plan will be monitored and reported on in future SAROC Annual Reports.

2.4 Items of Business Referred to the Board of Directors or a General Meeting

LGA 2019 Annual General Meeting

At its meeting on 19 September 2019, SAROC considered a report and agreed to request the approval of the LGA Board of Directors for the following item of business to be included on the agenda for the LGA Annual General Meeting to be held on 31 October 2019.

That the Annual General Meeting requests the LGA to write to the Minister for Environment and Water requesting the State Government to undertake a comprehensive review of all Crown Lands with the aim of identifying areas of Crown land which should be made available for development to help stimulate economic development in regional areas.

The LGA Board of Directors referred the proposed item to the AGM and the motion was subsequently passed by member councils.

In response to the issue, the Minister for Environment and Water wrote to the LGA in May 2020, recognising the importance of releasing surplus Crown land in regional areas for economic development opportunities. The Minister confirmed that the DEW was currently working with several regional councils to progress these opportunities and further encouraged regional councils to be proactive in identifying land parcels which may be suitable for economic development.

LGA 2020 Ordinary General Meeting

At its meeting on 5 February and at a special meeting on 20 February 2020, SAROC considered proposed items of business submitted by member councils on the following issues for inclusion on agenda at the LGA Ordinary General Meeting, scheduled for 3 April 2020.

- Banning Single Use Plastics at Local Council Events (City of Victor Harbor) ^
- Cat Management (Berri Barmera Council) *
- Assistance in Time of Emergency (Adelaide Plains Council) ^
- Property Valuation Data (Adelaide Plains Council) ^
- Feedback on Successful Motions (Adelaide Plains Council) ^

** Indicates items recommended by the SAROC committee to the OGM. The LGA 2019 OGM was postponed due to restrictions arising from the Covid-19 pandemic and the items of business were subsequently considered by the LGA Board of Directors at the discretion of the proposing council, or otherwise deferred to the LGA 2020 Annual General Meeting.*

^ Indicates item was not supported for referral to the OGM.

3. Details of meetings

During the 2019-20 financial year a total of eight committee meetings were held on the following dates:

- 17 July 2019 (City of Whyalla)
- 19 September 2019
- 4 November 2019
- 5 February 2020
- 20 February 2020 (special)
- 19 March 2020
- 21 May 2020

Attendance

SAROC Committee member attendance at meetings during the year was:

| Member | Number of meeting eligible to attend | Number of meetings attended |
|-------------------------------|--------------------------------------|-----------------------------|
| Mayor Erika Vickery OAM Chair | 7 | 6 |
| Mayor Dave Burgess | 7 | 6 |
| Mayor Peter Hunt | 7 | 3 |
| Mayor Dean Johnson | 7 | 5 |
| Mayor Peter Matthey OAM | 7 | 7 |
| Mayor Clare McLaughlin | 7 | 7 |
| Mayor Bill O'Brien | 7 | 5 |
| Mayor Keith Parkes | 7 | 7 |
| Mayor Glen Rowlands | 4 | 2 |
| Mayor Richard Sage | 7 | 6 |
| Mayor Leon Stephen | 7 | 4 |
| Mayor Sam Telfer | 7 | 6 |
| Mayor Moira Jenkins | 3 | 3 |

Change of Southern & Hills LGA delegate to SAROC

On 5 February 2020, Mayor Glen Rowlands advised the Southern & Hills LGA that he would be resigning as their Deputy Chair and as the region's SAROC delegate. On Friday 7 February, the Southern & Hills LGA Board resolved to appoint City of Victor Harbor Mayor Moira Jenkins to the Deputy President role and the SAROC delegate to replace Mayor Glen Rowlands. Mayor Jenkins, City of Victor Harbor, attended her first SAROC meeting on 20 February 2020.

Guest Speakers

At the meeting on 17 July 2019, SAROC:

- received a presentation and discussed issues with Dr Matthew Butlin, Chair and Chief Executive Officer and Mr Jeff Tate, Commissioner, regarding the inquiry into local government costs and efficiencies, South Australian Productivity Commission
- discussed the Small Business Friendly Council Charter with the Mr John Chapman, Small Business Commissioner, and subsequently carried a motion to recommend that councils
 - consider participating in the Office of the Small Business Commissioner Small Business Friendly Council Charter Workshop on Tuesday 28 October 2019;
 - consider signing up to the Small Business Friendly Council Charter Program.

At the meeting on 19 September 2019, the former Minister for Primary Industries and Regional Development, Hon Tim Whetstone, attended SAROC. The Minister discussed State Government assistance in drought and biosecurity, and the State's snapper ban.

At the meeting on 21 May 2020, the Minister for Environment and Water, Hon David Speirs, attended SAROC and discussed the following items:

- Landscapes SA Regulations
- Solid Waste Levy
- Little Corellas
- Climate Partnerships – LG partnership proposal and Regional Sector Agreements
- Crown Lands
- Community Wellbeing

2019-2020 CEO Advisory Group Annual Report

September 2020

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From the Chair

It has been a pleasure continuing to serve as Chair of the LGA CEO Advisory Group in 2019/20.

The CEO Advisory Group has considered a range of matters over the past 12 months, and we are confident as a Group that we are adding value to LGA decision making by sharing our knowledge and experience and providing clear advice on the matters referred to us.

It is the goal of the Group to provide a practical and administration perspective on issues impacting our sector, with the lens of both metro and regional councils. The 2019/20 year provided new challenges for councils and communities and assisting the LGA to respond to these challenges through the delivery of services and support to member councils has been a focus of the CEO Advisory Group.

I am pleased to present this 2019/20 CEO Advisory Group Annual Report to the LGA Board of Directors.

Adrian Skull

Chair

Introduction

The CEO Advisory Group is a committee of the LGA established under its Constitution.

As outlined in the Terms of Reference, the CEO Advisory Group will provide advice to the LGA Board on the design and delivery of policy and services to its members and will consider:

- the value and validity of services offered by the LGA to members;
- proposals for the further development of existing or new services by the LGA; and
- the effectiveness of operational policies adopted by the LGA in connection with member services.

Clause 7.8 of the Terms of Reference determines that:

The CEO Advisory group will provide a written report to the Board of Directors after each CEO Advisory Group meeting providing an update on any matters being considered by the group.

The CEO Advisory Group will provide an annual report to the Board of Directors by September each year summarising:

- a) the discharge of the CEO Advisory Group's responsibilities and function under these Terms of Reference;*
- b) the activities of the CEO Advisory Group during the previous financial year;*
- c) the issues referred to the Board of Directors during the previous financial year and whether or not each issue was resolved or addressed; and*
- d) issues being considered by the CEO Advisory Group which have not been reported to the Board of Directors and the intended actions in respect of those matters.*

Members of the CEO Advisory Group

- Andrew Aitken, Adelaide Hills Council
- Deb Larwood, District Council of Kimba
- Glenn Rappensberg, Alexandrina Council
- Michael Sedgman, Rural City of Murray Bridge
- Adrian Skull, City of Marion (Chair)
- David Stevenson, Regional Council of Goyder
- Mario Barone, City of Norwood Payneham & St Peters (since November 2019)
- Mark Withers, City of Port Adelaide Enfield

CEO Advisory Group 2019-2020 activities

Local Government Reform

The Group provided feedback on the LGA's reform proposals and helped to shape the LGA's first submission to the Government's Local Government Reform Program. The advice provided to the LGA Board of Directors is summarised below:

- Code of conduct reform is a priority. Consideration should be given to establishing an independent oversight panel to deal with issues promptly and with the powers necessary to impose meaningful penalties for unacceptable behaviour (such as suspension and loss of allowance).
- A review of the standards and requirements for mandatory training should be undertaken to improve the relevance and usefulness to new and returned elected members. Consideration should be given to introducing pre-nomination training for all election candidates.
- The Group supported proposals to strengthen audit committees but reinforced the challenges that regional councils can face in attracting and retaining appropriately skilled independent audit committee members.
- Strong support for central collection and publication of data, with enhancement of Local Government Grants Commission data a sound starting place.
- Strong support for a stronger focus from the LGA on asset management planning and refreshed guidance materials being provided to councils.

SA Productivity Commission Inquiry

The Group discussed the SA Productivity Commission Inquiry at their meetings on August 2019 and March 2020 and provided advice on additional data sources, case studies or research that can be provided to the Commission to assist with the Inquiry process.

The Group discussed the recommendations on the final report including a performance management tool and advised on the potential risks and benefits of a framework for the sector.

Performance Measurement and Reporting Framework

At the meeting held in November 2019 the Group provided feedback on potential models of a sector performance measurement and reporting framework.

The CEO Advisory Group agreed that the LGA is well placed to coordinate and run a performance measurement and reporting (benchmarking) framework in preference to one being administered by the State Government.

Elected members guide to emergency management

The Group discussed and supported the LGA guide that was distributed to councils via the CEO newsletter.

LGA Members survey

The Group received a presentation on the LGA Members survey at their meeting on 5 March 2020. They agreed that council visits, particularly to regional areas, need to be a priority in the LGA's member engagement strategy. The Group encouraged the LGA Board to focus on core priorities for the sector by distilling the advocacy agenda to issues that are of strategic importance and relevant to all 68 councils.

Supporting councils with COVID-19

The Group provided feedback on:

- workforce planning and industrial relations issues
- the operations and resourcing of the Local Government Functional Support Group (LGFSG)
- the assistance the LGA provided to councils in terms of lobbying and advocacy
- the templates and legal guidelines provided by the LGA in partnership with Norman Waterhouse Lawyers

LGA Strategic Planning

The Group advised on the LGA Commercial services offering and provided feedback on the areas that the LGA should focus on going forward, including a more focussed advocacy agenda.

Details of meetings

During the 2019-20 financial year, a total of 4 regular meetings were held on the following dates:

- 8 August 2019
- 7 November 2019
- 5 March 2020
- 7 May 2020

In addition to the scheduled meetings, the Group:

- held a special meeting regarding COVID-19 on 24 March 2020
- held a special meeting regarding COVID-19 on 1 April 2020
- held a joint workshop with the LGA Board on 17 April 2020
- held a special workshop to discuss the Local Government Review Bill on 15 July 2020

The Secretariat also sought out of session advice from the CEO Advisory Group on matters relevant to the Group's Terms of Reference from time to time throughout the year.

CEO Advisory Group member attendance at regular meetings during the year:

| Member | Number of meetings eligible to attend | Number of meetings attended |
|-------------------|---------------------------------------|-----------------------------|
| Andrew Aitken | 4 | 3 |
| Deb Larwood | 4 | 4 |
| Glenn Rappensberg | 4 | 3 |
| Michael Sedgman | 4 | 4 |
| Adrian Skull | 4 | 3 |
| David Stevenson | 4 | 3 |
| Mario Barone | 3 | 3 |
| Mark Withers | 4 | 2 |

LGA Audit and Risk Committee Annual Report 2019-2020

September 2020



Introduction

The LGA has made a concerted effort over the past two years to strengthen its corporate governance and move towards best practice. This has involved the board adopting and reviewing a significant number of policies, adopting a Long Term Financial Plan and Pricing Methodology, establishing measurable annual business plan targets, improving board financial reporting, creating and implementing a grant management framework, creating a risk framework, identifying strategic and operational risks, adopting a risk appetite statement, and eliminating all major audit findings - just to name a few.

The LGA has identifying a number of areas where it believes it can further improve its corporate governance, and regularly provides reports on these items to the Audit and Risk Committee and the LGA Board. The LGA has also set up an internal audit plan and engaged KPMG as its internal auditor to assist in identifying further areas of focus as part of its continuous improvement plan

While the Secretariat has significantly strengthened its corporate governance in the past two years, it will continue to identify areas where it believes it can strengthen the organisation, as part of its broader continuous improvement program, and implement appropriate rectification plans to address any issues requiring attention. These issues will also continue to be brought to the attention of the Audit and Risk Committee and the Board.

This report highlights the key topics of focus of the LGA's Audit & Risk Committee in the 2019/20 financial year and summarises areas of focus for the next 12 months.

Communication

Ongoing two-way communication between the Board and the Audit and Risk Committee is facilitated through membership of the Committee including an LGA Board member and proxy to complement the independent members, regular attendance of meetings by the President of the LGA Board, a brief report to the Board by the Chair of the Audit and Risk Committee following meetings, attendance by the Chair of the Audit and Risk Committee at the Board meeting where the annual financial statements are approved and an annual joint workshop between the Board and the Audit and Risk Committee.

As part of the Committee's annual performance review, the Committee is considering whether more regular touch points between the Audit & Risk Committee and the Board rather than an annual workshop will be more effective.

Summary of areas of focus during the year:

There has been significant progress made by the LGA Secretariat in developing a policy framework and implementing a risk management framework. COVID-19 has impacted management's priorities in recent months resulted in slower progress on some matters identified in its works plan.

Work, Health and Safety audit

The Secretariat believed that improvements could be made in the management of the LGA's WHS as a result LGRS were commissioned to evaluate the LGA's WHS policies and systems. These results were reported to the Audit and Risk Committee and the Board with an action plan developed to address the audit findings. The Secretariate provides reports to the Audit and Risk Committee and the Board on progress being made to address the report finding outlined in the action plan. The Board has also allocated additional funding in the 2020/21 budget to provide more resources to address these findings.

Three-year internal audit plan

A three-year, risk based, internal audit plan was discussed and endorsed by the Audit & Risk Committee during the year. A public tender was undertaken for the service and KPMG were appointed to commence the internal audit projects in the plan.

Risk management

The LGA has a risk framework which identifies strategic and operational risks across the organisation and its subsidiaries. In 2019/20, the Audit and Risk Committee received regular reports on the LGA's progress with implementing all identified treatment plans which are put in place to reduce the LGA's risk exposure.

The Audit and Risk Committee has provided oversight and feedback on the risk management framework for the LGA, including the LGA's risk appetite statement.

During the year, the Secretariat has engaged in risk workshops to identify, prioritise, determine controls, and develop mitigation strategies for key risks. Areas of focus during the year were:

- LGA Procurement
- LGASA Mutual
- Finance
- Commercial Services
- Education and Training
- Policy
- Emergency Management
- Community Wastewater Management System (CWMS)

The Audit and Risk Committee has reviewed regular reports on the progress of the action items listed in the LGA's risk register treatment plans.

Going forward, the LGA's internal audit program will be critical in providing assurance that the controls are operating as intended to mitigate risks and highlighting any control gaps and risks.

Oversight of LGASA Mutual risks

During the year, the Audit & Risk Committee clarified its governance oversight of LGASA Mutual risks. The Committee will receive reporting on the Mutual's risks and oversight a program of internal audit designed to test controls on the key risks and provide assurance that the controls are operating effectively. The LGASA Mutual has developed an assurance program and reporting on the Schemes.

External Audit

The Audit and Risk Committee monitored the work undertaken by the Secretariat to address the external audit findings raised by PricewaterhouseCoopers in 2019/20 (relating to the 2018/19 financial statements).

It is noted that the LGA and its subsidiaries have again received an unqualified audit.

Policy Review

The LGA committed significant effort and resources to develop a sound policy framework this year. The Committee reviewed and provided feedback on draft policies presented, including:

- Public Interest Disclosure Policy
- Procurement Policy
- Purchase Cards Policy
- Treasury Management Policy
- Hospitality, Travel & Accommodation Expenditure Policy
- Unsolicited Proposals Policy
- Sponsorship Policy
- Policy Framework
- Review of Board & Committee Performance Policy
- Gifts & Benefits Policy
- Code of Conduct
- Grant Revenue Recognition Policy

The feedback has assisted in shaping the policies and aligning them to contemporary standards and the LGA's strategy.

Grant Management

The Audit and Risk Committee reviewed and provided feedback on the LGA's new Grant Management Framework. The framework is designed to improve the governance and reporting of the LGA's grant programs and ensure consistency in the project management of grants.

The Committee met with the managers of the LGA's two longest-running programs; the Community Wastewater Management Scheme (CWMS) and the Research and Development Scheme (R&D). The Committee requested a risk assessment of the CWMS program. The Committee also reviewed the reported outcomes on a business effectiveness review of the R&D Scheme.

Content Management System

The Audit and Risk Committee continued to monitor major projects undertaken by the LGA, including the new Content Management System (a website platform used by the majority of councils).

Information Technology Internal Vulnerability Assessment

The Secretariat believed that improvements could be made in the management of the LGA's ICT. As a result, the Secretariat commissioned an independent review of the Corporate Information Technology Systems.

These results were reported to the Audit and Risk Committee and the Board with an action plan developed to address the findings. The Secretariate provides reports to the Audit and Risk Committee and the Board on progress being made to address the report finding outlined in the action plan. The Board has also allocated additional funding in the 2020/21 budget to provide more resources to address these findings.

Details of meetings

During the 2019/20 financial year a total of six (6) Committee meetings were held on the following dates:

- Monday 29 July 2019
- Tuesday 10 September 2019
- Wednesday 6 November 2019
- Monday 9 December 2019
- Monday 10 February 2020
- Monday 18 May 2020

Audit and Risk Committee member attendance at meetings during the year was:

| Member | Number of meetings eligible to attend | Number of meetings attended |
|---------------------------------------------|----------------------------------------------|------------------------------------|
| Ms Rosina Hislop (Independent Chair) | 6 | 6 |
| Mayor Karen Redman (LGA Board Member Rep) | 6 | 4 |
| Ms Yvonne Sneddon (Independent Member) | 6 | 5 |
| Ms Patricia Christie (Independent Member) | 6 | 6 |
| Major Keith Parkes (LGA Board Member Proxy) | 2 | 1 |

Future work program

Focus of the Audit & Risk Committee during 2020/21 will include:

- Oversight of the assurance program for the LGASA Mutual business.
- Oversight of the development of the ICT strategy
- Overseeing the improvements to risk management, including resolution of treatment action plans, identification of risks in business units and improving the risk culture at the LGA.
- Overseeing the implementation of the LGA's Grant Management Framework designed to ensure appropriate internal controls and consistency in the management and reporting of grants.
- Implementation of a three-year internal audit program assessing financial controls, and other high-risk areas of the LGA.
- Continuing to review and provide feedback of work being undertaken by the Secretariat to address external audit findings, internal control gaps and improvements to processes.
- Annual Business Plan and Budget.
- Anything referred to the Committee by the LGA Board of Directors.

6.4 LGASA Mutual Annual Report 2019/20

LGA Business

| | | |
|-----------------|-----------------------------------------------------------|------------------------------------------|
| From: | Andrew Johnson, Chief Executive Officer - LGASA Mutual | |
| Key Initiative: | K.I 3 Best practice and continuous improvement | |
| Strategy: | 3D Develop, review and improve LGA commercial enterprises | |
| Meeting: | Annual General Meeting | 29 October 2020 |
| ECM: | 719623 | Attachment: To be distributed separately |

Recommendation

That the Annual General Meeting receives and notes the LGASA Mutual Annual Report for the year 2019-2020.

Discussion

Ms Dascia Bennett, Independent Member of LGASA Mutual Pty Ltd will present the annual report on the activities of LGASA Mutual, incorporating the LGA Mutual Liability Scheme and Workers Compensation Scheme.

LGASA Mutual Pty Ltd's 2019-2020 Annual Report (including the Schemes abridged financial statements) will be distributed to members prior to the meeting, and printed copies will be available at the meeting.

6.5 LGA Procurement Annual Report

LGA Business

| | | |
|-----------------|-----------------------------------------------------------|-----------------|
| From: | Andrew Haste, Chief Executive Officer, LGA Procurement | |
| Key Initiative: | K.I 2 Capacity building and sustainability | |
| Strategy: | 3D Develop, review and improve LGA commercial enterprises | |
| Meeting: | Annual General Meeting | 29 October 2020 |
| ECM: | 718773 | |

Recommendation

That the Annual General Meeting receives and notes the LGA Procurement Annual Report for the year 2019-2020.

Discussion

Mayor David O'Loughlin, Chair of LGA Procurement will present his annual Chair's report on the activities of LGA Procurement.

LGA Procurement's 2019-2020 Annual Report is provided via a link to the [LGA Procurement website](#).

6.6 Local Government Research and Development Scheme

LGA Business

| | | |
|-----------------|---------------------------------------------------|----------------------------------------------------------------|
| From: | Mathilde Thorsen, Projects and Grants Coordinator | |
| Key Initiative: | K.I 2 Capacity building and sustainability | |
| Strategy: | 3B Benchmark, innovate and research | |
| Meeting: | Annual General Meeting | 29 October 2020 |
| ECM: | 719541 | Attachments: 719785, 719779, 719781, 719787, 719783, 720121 |

Recommendation

That the Annual General Meeting notes the report.

Discussion

The main purpose of the Local Government Research and Development Scheme (established under section 31A of the *Local Government Finance Authority Act 1983*) is to fund projects that are of strategic benefit to local government.

Pursuant to the MOU between the LGA and the Treasurer,¹ the LGA is required to provide a report to the Annual General Meeting 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
- a list of projects proposed for the current financial year.

This report addresses these points and provides an overview of the Scheme, its operation and outcomes in 2019-20 and how the LGA is meeting its responsibilities under the MOU. The attachments contain:

- Financial allocations for year ending 30 June 2020, and budget for 2020-21
- Approved projects² during 2019-20
- Completed projects during 2019-20
- Spotlight projects 2019-20
- Regional Capacity Building highlights 2019-20
- Current projects as of 30 June 2020
- Proposed projects for 2020-21.

¹ The MOU last updated in February 2020 and is available on through LGA website, <https://www.lga.sa.gov.au/member-services/financial-sustainability/grants/research-and-publications/about-the-lg-research-and-development-scheme>

² Approved projects contains all projects approved for funding during 2019-20. Some of these projects commenced during 2020-21.

Overview of 2019-20

In 2019-20, the Scheme successfully allocated \$3.2 million of funding via two competitive grant rounds, regional capacity building allocations, funding for regional LGAs, SAROC and GAROC, and strategic initiatives initiated by the LGA CEO and Board of Directors. All allocations were approved by the LGA Board of Directors and informed by advice from the Scheme's Advisory Committee.

The Scheme's funding was allocated based on the priorities identified in the 2019-20 Annual Business Plan for the Scheme, which was approved by the LGA Board of Directors in January 2019³. These priorities include:

- Increasing community awareness and participation
- Addressing cost pressures to keep downward pressure on rates
- Reducing red tape
- Improving financial management and sustainability
- Managing waste and recycling
- Supporting healthy and resilient communities.

During 2019-20, 23 new projects were approved, with a total of \$1,401,676 in funding allocated. There were 43 project completions in 2019-20, compared to 23 in 2018-19. Eight of these projects were funded and completed in the current financial year.

In addition, the Scheme successfully implemented a range of grant management improvements in 2019-20. This included the successful transition to the SmartyGrants electronic grant management system and the implementation the project evaluation improvements as recommended by an independent review of the Scheme⁴. All the recommendations from this review will be fully implemented by 31 December 2020.

Budget and Project Allocations 2019-20

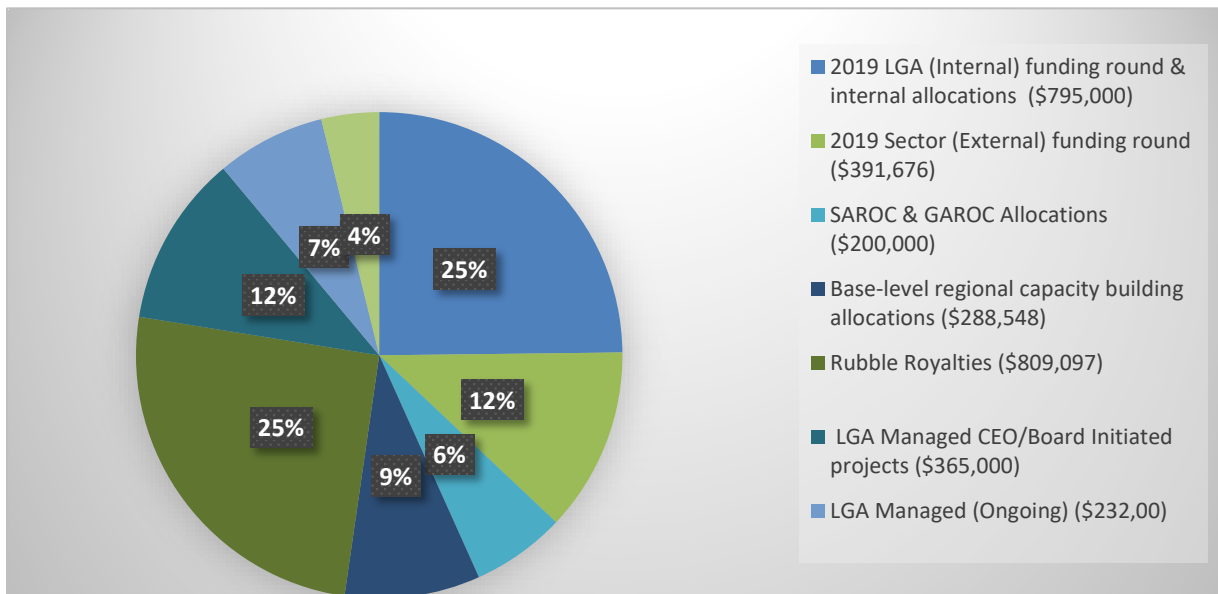
The attached budget report outlines the financial position of the Scheme as at 30 June 2020, and the budget for 2020-21, which was approved by the LGA Board in July 2020.

The large difference between the actuals for 2019-20 and budget for 2020-21 is due to the completion of the State Government Rubble Royalty program. This program involved councils paying a levy to the Government for the collection of roadside rubble for local road infrastructure, and a portion of this money being returned to the sector for regional capacity building initiatives via the regional LGAs.

Table 1 below provides a summary of the Scheme's allocations for 2019-20. It demonstrates that 34% of the Scheme's allocations were distributed to the regional LGAs through the Rubble Royalties and the Regional Capacity Building Allocations. CEO and Board initiated funds expenditure of \$365,000 accounted for 12% in 2019-20. This was higher than budgeted, as additional funding was approved for the LGA to support councils in dealing with COVID-19, and to develop a new system to assist council asset management.

³ LGA Board of Directors 31 January 2019, Agenda Item 7.2 https://www.lga.sa.gov.au/data/assets/pdf_file/0034/467278/LGA-Board-of-Directors-meeting-Agenda-and-Papers-31-January-2019-1.pdf

⁴ The purpose of the Hudson and Howell review was to analyse the project evaluation processes of the Scheme including the costs and benefit to of adding more rigours and transparent reporting and evaluation mechanism to future projects. The final report for this project is available through the LGA research website - [2018.13 - Review of R&D project finalisation documentation and evaluation mechanisms](#).

Table 1. LGR&DS final project allocations in 2019-20.

Approved projects for 2019-20

23 projects⁵ were approved in 2019-20 with a total of \$1,401,676 in funding allocated. The applications were assessed by the Scheme's Advisory Committee against their alignment to the purpose of the Scheme, the Scheme's Annual Business Plan and the LGA's Annual Priorities, and recommendations were forwarded to the LGA Board of Directors for approval.

The external projects included a wide range of topics such as:

- coastal management
- economic development for regional SA
- e-planning integration
- youth volunteering
- community well-being indicator
- environmental management
- the benchmarking of public library services.

The internal projects addressed strategic priorities for the sector, including:

- local government reform implementation
- supporting the implementation of the Planning, Development and Infrastructure Act
- preparation of materials for the 2020 elections
- public lighting support for SA councils.

Priorities for 2020-21

The scheme has approved funding for 9 external and 10 internal projects for 2020-21. The internal projects commenced implementation on 1 July 2020, and the external projects commenced on 1 October 2020.

⁵ Please view [Local Government Research and Development Schemes Library](#) for further information.

Over the next twelve months, the Scheme will continue to improve its grant management processes in 2020-21 with the continued implementation of the independent Hudson Howell recommendations and a scheduled review of all the LG Research and Development Scheme's policies and procedures.

Financial and Resource Implications

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

**Local Government Association of SA
Local Government Research and Development Scheme**

Allocations Report for Year to Date - 30 June 2020

| | 2020/21 Draft Budget | | | 2018/19 | |
|------------------------------------------------------------------|----------------------|------------------|--------------------------|------------------|------------------|
| | | Actual Full Year | Revised Budget Full Year | Actual Full Year | Budget Full Year |
| | \$ | \$ | \$ | \$ | \$ |
| Income | | | | | |
| LGFA TER Project funding | 2,012,100 | 2,221,910 | 1,980,000 | 1,742,189 | 1,500,000 |
| State Govt Project funding ² | - | 429,102 | 375,000 | 1,218,554 | 750,000 |
| R&D Funds Returned - LGA internal ¹ | - | 186,396 | - | 204,626 | 40,000 |
| R&D Funds Returned - External | - | 10,526 | - | 25,000 | - |
| Total Income | 2,012,100 | 2,847,934 | 2,355,000 | 3,190,369 | 2,290,000 |
| Project allocations | | | | | |
| Administration Fees | 142,000 | 122,801 | 138,720 | 126,438 | 136,000 |
| LGA Managed - External ² | - | 809,097 | 750,000 | 883,961 | 750,000 |
| LGA Managed - SAROC & GAROC ³ | 200,000 | 200,000 | 200,000 | - | - |
| LGA Managed - Base-level regional capacity building ⁴ | 295,061 | 288,548 | 290,700 | 284,844 | 285,000 |
| LGA Managed (Call) ⁵ | 60% 1,508,638 | 905,183 | 847,148 ⁸ | 550,000 | 515,400 |
| LGA Managed (Call) Outreach Program | | - | - | 150,000 | 150,000 |
| LGA Managed (CEO/Board Initiated) ⁶ | | 40,000 | 40,000 | 30,000 | 40,000 |
| LGA Managed (Ongoing) ⁷ | | 200,000 | 232,000 | 180,000 | 180,000 |
| Externally Managed Projects | 40% 1,508,638 | 603,455 | 431,432 | 518,250 | 343,600 |
| Total allocations LG R&D SCHEME | | 2,385,698 | 2,930,000 | 2,723,494 | 2,400,000 |
| Net Surplus/(Deficit) LG R&D SCHEME | | (373,598) | (575,000) | 466,876 | (110,000) |
| Statement of R&D Reserves | | | | | |
| Opening Reserve Balance | 773,598 | 1,348,598 | 1,348,598 | 881,723 | 881,723 |
| Plus Inflows | 2,012,100 | 2,847,934 | 2,355,000 | 3,190,369 | 2,290,000 |
| Less Outflows | (2,385,698) | (3,204,121) | (2,930,000) | (2,723,494) | (2,400,000) |
| Closing Reserve Balance | 400,000 | 992,412 | 773,598 | 1,348,598 | 771,723 |

Note

¹ The R&D funds returned - LGA internal refers to both internal and external returned funds.

² Refers to Regional Capacity Building "top-up" allocations, a.k.a. "rubble royalties" returned pursuant to Board decision, to regional LGA (equivalent to State Govt TER receipts).

³ The A recommendation that SAROC and GAROC each receive \$100k for projects at their discretion, on conditions similar to those for 'regional capacity building allocations'

⁴ "Base-level" Regional Capacity Building allocations indexed by assumed 1.5% CPI.

⁵ Allocations 'LGA' refer to internal LGA allocations'

⁶ Refers to a contingency for any projects that might be initiated by the CEO (and/or the Board) at any time during the year, and managed internally by the LGA.

⁷ Refers to LG Awareness Campaign \$200k proposed and Model Financial Statements of \$32,000.

ECM 719785

| Local Government Research and Development Scheme Approved Projects 2019-2020 | | | | | |
|------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|---------------|--------------------|-----------------------|
| ID | Project Title | Organisation Name | Funds Granted | Project Start Date | Next Reporting Date |
| 2019.51 | Funding the Future – A New Approach for Coastal Management in SA | Limestone Coast Local Government Association | \$35,000.00 | 01/01/2020 | 31/12/2020 |
| 2019.54 | Sustainability and Expansion of the Connected Cities Sensor Network | City of Prospect | \$30,000.00 | 18/10/2019 | 01/11/2020 |
| 2019.55 | Rating Equity Councils ability for Growth | Legatus Group | \$26,000.00 | 23/09/2019 | 19/04/2020 |
| 2019.56 | Financial sustainability and economic development strategies for regional airports | University of Adelaide | \$30,000.00 | 01/10/2019 | 30/09/2020 |
| 2019.59 | Our Inspiring Local Communities | Australia Day Council of South Australia | \$30,000.00 | 01/10/2019 | 30/11/2020 |
| 2019.63 | Feasibility Study - Animal Detention Facilities | City of Charles Sturt, City of Port Adelaide Enfield & City of West Torrens | \$25,500.00 | 01/10/2019 | 20/03/2020 |
| 2019.64 | Regional youth volunteering trial | Legatus Group | \$10,000.00 | 23/09/2019 | 31/07/2020 |
| 2019.65 | DPTI ePlanning integration | Local Government Information Technology South Australia Inc | \$48,000.00 | 02/09/2019 | 20/04/2020 |
| 2019.66 | Benchmarking User Experience in Public Library Services | CERM PI (UNiSA) | \$36,251.00 | 01/10/2019 | 30/10/2020 (complete) |
| 2019.67 | Social procurement for local economic development – scoping its potential in three case studies | South Australian Centre for Economic Studies (acting on behalf of the University of Adelaide) | \$34,925.00 | 15/10/2019 | 20/06/2020 |
| 2019.68 | Community Wellbeing Indicators for South Australian Local Government | Southern & Hills LGA | \$50,000.00 | 01/11/2019 | 20/10/2020 |
| 2019.72 | Cost/benefit analysis of establishing Materials Recovery Facility/s in regional areas of South Australia with low waste volumes. | Limestone Coast Local Government Association | \$26,000.00 | 27/09/2019 | 20/04/2020 |
| 2019.78 | Environment Health Officer Emergency Management Support Resources | Environmental Health Australia | \$10,000.00 | 01/08/2019 | 25/09/2020 |
| 2020.02 | Support Councils in the implementation of the PDI Act and Planning and Design Code | Local Government Association of SA | \$100,000.00 | 01/07/2020 | 15/12/2020 |
| 2020.03 | Mapping the elements of council Enterprise Bargaining Agreements | Local Government Association of SA | \$50,000.00 | 01/06/2020 | 15/12/2020 |
| 2020.05 | Local Government Reform Implementation | Local Government Association of SA | \$250,000.00 | 01/07/2020 | 15/12/2020 |
| 2020.06 | Model Financial Statements Annual Updates (2021 and 2022) | Local Government Association of SA | \$30,000.00 | 01/07/2020 | 15/12/2020 |
| 2020.07 | Strategic Management Plan Templates (implementation of Productivity Commission recommendations) | Local Government Association of SA | \$150,000.00 | 01/07/2020 | 15/12/2020 |
| 2020.08 | Food Waste Recycling Initiative "Food for the Earth" | Local Government Association of SA | \$50,000.00 | 01/07/2020 | 15/12/2020 |
| 2020.10 | 'Improving educational content in preparation for 2022 Elections' | Local Government Association of SA | \$90,000.00 | 03/08/2020 | 15/12/2020 |
| 2020.11 | Special Local Roads Program - Governance Review | Local Government Association of SA | \$35,000.00 | 01/07/2020 | 31/12/2020 |
| 2020.14 | Public Lighting Support for SA Councils | Local Government Association of SA | \$30,000.00 | 01/07/2020 | 31/12/2020 |
| 2020.30 | Local Government Response to COVID-19 (resources, support and guidance for councils) | Local Government Association of SA | \$225,000.00 | 02/04/2020 | 31/12/2020 |

| | |
|-------------------------------|-----------------------|
| Total approved 2019-20 | \$1,401,676.00 |
|-------------------------------|-----------------------|

Local Government Research and Development Scheme Projects Completed 2019/20 (43 projects)

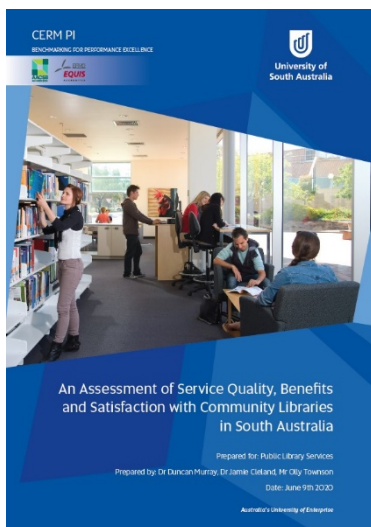
| Id | Project Title | Organisation Name | Project Highlights | Funds Approved | Project Start Date | Date Completed |
|-----------|----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------------|-----------------------|
| 2019.66 | Benchmarking User Experience in Public Library Services | CERM PI (UNISA) | * Report Assessing the Service Quality, Benefits and Satisfaction with Community Libraries in South Australia | \$36,251.00 | 01/10/2019 | 1/07/2020 |
| 2015.54 | Annual Revision of Model Financial Statements | Local Government Association of SA | * Revision of the Model Financial Statements. | \$26,300.00 | 21/12/2015 | 30/06/2020 |
| 2019.67 | Social procurement for local economic development – scoping its potential in three case studies | South Australian Centre for Economic Studies (University of Adelaide) | * Toolkit for scoping the potential of social procurement for local economic development. | \$34,925.00 | 15/10/2019 | 22/06/2020 |
| 2018.07 | Emergency Management Development Program | Local Government Association of SA | * Development of emergency management training packages for councils. | \$35,000.00 | 17/05/2018 | 21/06/2020 |
| 2019.15 | i-VISS developments | Local Government Association of SA | * Advancement of the i-VISS virtual information sharing system to allow better communications and information sharing during an emergency incident. | \$10,000.00 | 01/07/2019 | 21/06/2020 |
| 2019.72 | Cost/benefit analysis of establishing Materials Recovery Facility/s in regional areas of South Australia with low waste volumes. | Limestone Coast Local Government Association | * A model for business cases to assess the viability of establishing material recovery facilities. | \$26,000.00 | 27/09/2019 | 12/06/2020 |
| 2019.14 | i-Responda app - Council Resource Update | Local Government Association of SA | * Updated the functionality of the i-Responda app. | \$35,000.00 | 01/07/2019 | 31/05/2020 |
| 2018.68 | Collective Impact: opportunities for LG innovation and reform | University of South Australia | *The development of collective impact assessment tool. | \$25,000.00 | 13/09/2018 | 3/05/2020 |
| 2018.05 | Governance Review, Phase 2 | Local Government Association of SA | * The implementation of LGA's new governance structure. | \$40,000.00 | 17/05/2018 | 30/04/2020 |
| 2016.12 | Human Services Reform and Funding | Local Government Association of SA | * Implementation of the LGA's Ageing Strategy * Submission to the Australian Government's Legislated Review of Aged Care. | \$50,000.00 | 19/05/2016 | 15/04/2020 |
| 2016.23 | Alternative Funding Mechanisms for Adaptation Activities | Local Government Association of SA | * Funding support to the Climate KIC partnership, which is now directly engaging with SA councils. | \$30,000.00 | 19/05/2016 | 15/04/2020 |
| 2016.27 | Enhanced Climate Risk Assessment and Decision Making | Local Government Association of SA | * Climate Risk Management - Guides for engagement with elected members. | \$30,000.00 | 19/05/2016 | 15/04/2020 |
| 2019.55 | Rating Equity Councils ability for Growth | Legatus Group | * Report on rating equity in SA and the financial impact on Local Governments ability to support growth. | \$26,000.00 | 23/09/2019 | 13/04/2020 |
| 2019.04 | Hardship Policy Guidelines | Local Government Association of SA | * The development of LGA Guidelines for Rates Hardship. | \$15,000.00 | 01/07/2019 | 19/03/2020 |
| 25.04.23 | Resource Implications for Administering the Environmental Protection Act | Local Government Association of SA | * Resources for council in support of the Environmental Protection Act. | \$25,000.00 | 22/11/2007 | 17/03/2020 |
| 2019.07 | Research into the Value of Libraries | Local Government Association of SA | * Evidence base report for the value of public libraries. | \$50,000.00 | 1/07/2019 | 6/03/2020 |
| 2019.63 | Feasibility Study - Animal Detention Facilities | City of Charles Sturt, City of Port Adelaide Enfield & City of West Torrens | * Feasibility Study about animal detention facilities. | \$25,500.00 | 01/10/2019 | 26/02/2020 |
| 2017.06 | Review of water management legislation & policy | Local Government Association of SA | * The development of a confidential water management legislation discussion paper. | \$20,000.00 | 18/05/2017 | 14/02/2020 |
| 2016.07 | Financial Sustainability & Rate revenue | Local Government Association of SA | * Advice on the use of data Envelopment Analysis in the local government setting. | \$60,000.00 | 19/05/2016 | 13/01/2020 |
| 2018.15 | LGA Outreach Services 2018-19 | Local Government Association of SA | *The delivery of regional LGA services. | \$150,000.00 | 19/07/2018 | 9/01/2020 |
| 2015.55 | Local Government Awareness Raising | Local Government Association of SA | *Development of a media campaign with resources available for the use of local councils. | \$150,000.00 | 17/12/2015 | 31/12/2019 |
| 2017.07 | LG Elections 2018, Support and Promotion | Local Government Association of SA | * Development of resources to support candidates, voters and councils with the delivery of the 2018 LG election. | \$142,000.00 | 18/05/2017 | 31/12/2019 |
| 2017.15 | Community Engagement | Local Government Association of SA | * Development of the community engagement handbook for elected members. | \$20,000.00 | 18/05/2017 | 31/12/2019 |
| 2018.10 | 2018 Council elections | Local Government Association of SA | * The development and update of election materials for the 2018 elections. | \$250,000.00 | 17/05/2018 | 31/12/2019 |
| 2018.55 | Coordination for Strategic Coastal Management | Limestone Coast Local Government Association | * Provided an coordinated advocacy voice for issues impacting on the 34 coastal councils. * Information sharing and networking on coastal management in SA | \$100,000.00 | 13/09/2018 | 31/12/2019 |
| 2016.03 | Planning Reform Implementation program | Local Government Association of SA | * The project has supported the LGA's advocacy in relation to the planning reforms, the development of the PDI Act and Regulations and the draft Planning and Design Code | \$90,000.00 | 19/05/2016 | 20/12/2019 |
| 2015.07 | Planning Reform Implementation Project | Local Government Association of SA | * as above (2016.03) | \$150,000.00 | 19/03/2015 | 16/12/2019 |
| 2015.28 | Leadership Competency Framework Development | LG Professionals SA | *The development of a local government leadership competency framework. | \$15,000.00 | 17/09/2015 | 12/12/2019 |
| 2017.73 | Live Music Resources | Music SA | *The development of a toolkit to assist LG with live music policies and live music action plans. | \$45,000.00 | 28/09/2017 | 30/11/2019 |
| 2018.13 | Review of R&D project finalisation documentation and evaluation mechanisms | Local Government Association of SA | * Review of the project evaluation processes of the Local Government Research and Development Scheme. | \$35,000.00 | 17/05/2018 | 28/11/2019 |
| 2017.67 | Emergency Management Online Training Resources | TAFE SA | * The creation of training modules for online training. | \$29,000.00 | 28/09/2017 | 11/11/2019 |
| 2017.16 | An Elected Member training pathway | Local Government Association of SA | * Redesign of the elected member mandatory training. | \$25,000.00 | 18/05/2017 | 21/10/2019 |
| 2017.72 | Social Media and Communications Training | Coorong District Council & Port Pirie Regional Councils | * The development of social media guides for local government. | \$25,200.00 | 28/09/2017 | 30/09/2019 |
| 2018.53 | Public Health 'general duty' Evaluation | Flinders University | * Evaluation of public health 'General Duty'. | \$17,250.00 | 13/09/2018 | 30/09/2019 |
| 2017.57 | Trial and Implementation of the RAVRAT | Northern Areas Council | * Negotiated access to the RAVAT assessment tool for all SA councils. | \$25,000.00 | 28/09/2017 | 25/09/2019 |
| 2018.54 | Efficiencies and service delivery in LG caravan parks | CERM PI, University of South Australia | * Report measuring the impact, efficiency and service delivery in SA local government caravan parks. | \$30,000.00 | 13/09/2018 | 20/09/2019 |
| 2016.44 | Long Term Financial Plan Model Review and Update | South Australia Local Government Financial Management Group | * Review and development of a long term financial plan model for local councils. | \$20,000.00 | 29/09/2016 | 16/09/2019 |
| 2017.68 | BRIMS Stage 2 | City of Tea Tree Gully | *Created a pilot recording and reporting system that allows an authority councils to record treatments undertaken against assets identified by the CFS. | \$40,000.00 | 28/09/2017 | 12/08/2019 |
| 2017.55 | NDIS impact on Metropolitan local governments | LG Professionals SA | * The development of a collaborative council approach in response to the NDIS. | \$32,000.00 | 28/09/2017 | 7/08/2019 |
| 2017.08 | Evidence to inform advocacy for a Strategic Population Policy | Local Government Association of SA | * Report on evidence to inform local government advocacy for a strategic population policy. | \$40,000.00 | 18/05/2017 | 22/07/2019 |
| 2018.72 | Leveraging Sister City relationships into economic development | Workforce Blueprint | * Report on how to leveraging sister city relationships into economic development and entrepreneurial outcomes. | \$8,000.00 | 13/09/2018 | 22/07/2019 |
| 2018.08 | Model Bike Share Scheme Policy and Procedure | Local Government Association of SA | *Reports that to support councils in authorising permits to providers of shared mobility device services. | \$15,000.00 | 17/05/2018 | 18/07/2019 |
| 2018.16 | Chiefs for Gender Equity | Local Government Association of SA | * Increased focus on diverse and inclusive representation, particularly at the 2018 council elections. | \$5,000.00 | 20/09/2018 | 2/07/2019 |

Total all completed projects **\$2,022,175.00**

Local Government Research and Development Scheme

Spotlight Projects 2019-20

Highlighting the Value of Public Library Services in South Australia



“South Australian libraries are clearly an important amenity for South Australians with the vast majority of adults having used a public library service at some stage in their lives and more than half of all South Australian adults being members of a public library. This is further evidenced by just under a third of the community using a public library service at least monthly”¹

The following projects highlighting the value of public libraries in SA were completed in 2019-20:

- 2019.07 Research into the value of public libraries completed by LGA SA
- 2019.66 Benchmarking User Experience in Public Libraries completed (July 2020) by UniSA.

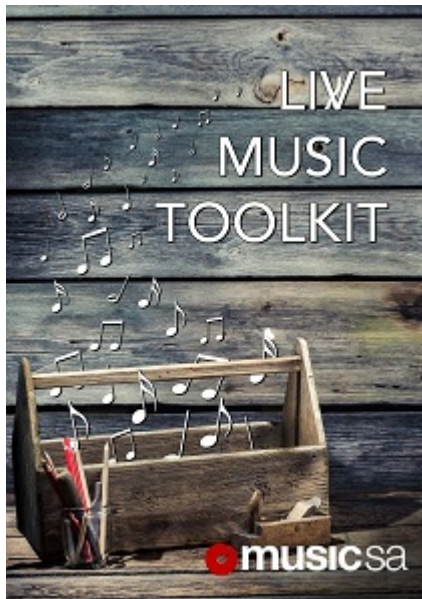
The projects captured information from a wide range of stakeholders including library users, library managers and State Government agencies.

Both projects highlighted the importance of public libraries to South Australians and noted that public libraries provide a range of community benefits including wellbeing, connection with the community and education.

The projects have informed the LGA's initiatives to drawing attention to the value of libraries and the importance of their funding by governments.

¹ Hudson and Howells, 'Value of Libraries Study', p.1

Live Music Toolkit for Councils



“In recent years we have experienced a growing understanding in South Australia as to how valuable the creative sector and specifically live music can be to Local Government; strengthening economies, creating more livable communities and improving social outcomes”²

The following project was completed in 2019-20:

- [2017.73 – Live Music Resources](#)

The project highlight how SA's strong grassroots live music sector is key asset to the state, and the opportunism associated with Adelaide's unique standing as the only Australian United Nations City of Music through the UNESCO Creative Cities Network.

The toolkit draws attention to the key role of local government in the live music industry. The Toolkit was created to support SA councils to manage and support live music, and achieve the full community and economic benefits of a vibrant local music sector.

² Music SA, Live Music Toolkit, p.8

Waste– Exploring opportunities for viable recycling facilities in Regional SA



'It is 'recommended that a low-technology, high-volume materials recovery facility be further investigated to generate a detail business case in collaboration with key regional and industry stakeholders. Future detailed analysis should also investigate new and emerging trends and their interface with local opportunities'.³

The following project was completed in 2019-20:

- 2019.72 Cost-benefit analysis of establishing Material Recovery Facilities in regional areas with low waste volumes

In order to explore the viability of commercial recycling facilities, the Limestone Coast Local Government Association engaged the University of South Australia and BDO EconSearch to develop a business model to test the opportunities for establishing a Material Recovery Facility (MRF) in the region.

The project gathered data from similar facilities across Australia to develop a cost benefit analysis. The analysis determined the benefit of different options for the commercial management of recyclable waste in the Limestone Coast region.

The project produced a model that will enable regional councils around the state to evaluate options and opportunities in managing recycling waste.

³ BDO EconSearch and UniSA, 'Viability of Establishing Material Recovery Facilities in the Limestone Coast Region', p.v1

Local Government Research and Development Scheme Current Projects 30 June 2020 (44 projects)

| ID | Project Title | Organisation Name | Project Start Date | Funds Granted | Next Reporting Date | Completion date | % Completed (as per previous progress report) |
|----------|---------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|--------------------|---------------|---------------------|------------------------|-----------------------------------------------|
| 2014.17 | Local Excellence Expert Panel Research | Local Government Association of SA | 20/03/2014 | \$200,000.00 | 05/07/2020 | 31/12/2020 | 33% |
| 2014.55 | Procurement Manual for Councils | Local Government Association of SA | 25/09/2014 | \$37,000.00 | 31/01/2020 | 31/12/2019 | 85% |
| 2015.38 | Implications of capital investment for licensed council water retailers | City of Onkaparinga | 17/09/2015 | \$20,000.00 | 20/10/2020 | 31/12/2020 | 20% |
| 2015.52 | GST Review of Local Government Fees and Charges | SA Local Government Financial Management Group Inc | 17/09/2015 | \$50,000.00 | 30/06/2020 | 30/06/2020 | 50% |
| 2016.04 | Supporting Local Government Reform | Local Government Association of SA | 19/05/2016 | \$160,000.00 | 06/07/2020 | 31/12/2020 | 33% |
| 2016.42 | Valuing Social Outcomes | Local Government Professionals Australia, SA Community Managers Network | 29/09/2016 | \$50,000.00 | 11/12/2020 | 30/06/2021 | 75% |
| 2016.53 | Removal of organic chemicals from water by aquifer filtration in managed aquifer recharge schemes | Flinders University | 29/09/2016 | \$25,000.00 | 31/12/2020 | 30/12/2020 | 70% |
| 2017.02 | Coastal Adaptation Decision Pathways Guidance | Local Government Association of SA | 18/05/2017 | \$30,000.00 | 15/10/2020 | 30/06/2020 | 90% |
| 2017.13 | LG Workforce Alignment | Local Government Association of SA | 18/05/2017 | \$75,000.00 | 24/01/2020 | 28/08/2020 | 50% |
| 2017.14 | e-Learning development | Local Government Association of SA | 18/05/2017 | \$30,000.00 | 29/11/2019 | 29/11/2019 | 60% |
| 2017.60 | Community Wellbeing Alliance -two regional trials | Local Government Association of SA | 28/09/2017 | \$150,000.00 | 11/12/2020 | 11/12/2020 | 70% |
| 2018.01 | Updated Procurement Resources | Local Government Association of SA | 17/05/2018 | \$40,000.00 | 24/12/2020 | 24/12/2020 | 50% |
| 2018.09 | Financial Sustainability Updates | Local Government Association of SA | 17/05/2018 | \$15,000.00 | 31/08/2020 | 31/08/2020 | 50% |
| 2018.59 | Guide for Leasing or Licencing Sports and Community Facilities | City of Onkaparinga | 13/09/2018 | \$25,000.00 | 20/07/2020 | 20/07/2020 (completed) | 85% |
| 2018.64 | Resilient Hills & Coasts Community Energy Program | Southern & Hills Local Government Association | 13/09/2018 | \$45,000.00 | 25/03/2020 | 30/06/2020 | 60% |
| 2018.69 | Digital spotlight on recycling and waste reduction | East Waste | 13/09/2018 | \$35,000.00 | 16/10/2020 | 30/11/2020 | 75% |
| 2019.01 | Supporting Local Government to implement the Planning, Development and Infrastructure Act 2016 | Local Government Association of SA | 01/07/2019 | \$100,000.00 | 31/12/2020 | 31/12/2020 | 80% |
| 2019.02 | Development of Disability Inclusion Community of Practice (and support development of DIAPs) | Local Government Association of SA | 01/07/2019 | \$100,000.00 | 01/12/2020 | 31/12/2020 | 50% |
| 2019.03 | Costs of providing recycling services | Local Government Association of SA | 01/07/2019 | \$70,000.00 | 01/07/2020 | 30/04/2020 | 10% |
| 2019.05 | Delegations Review | Local Government Association of SA | 01/07/2019 | \$100,000.00 | 01/12/2020 | 01/12/2020 | 50% |
| 2019.06 | Local Heritage Listing Policy and Procedures | Local Government Association of SA | 02/09/2019 | \$35,000.00 | 31/12/2020 | 30/06/2021 | 0% |
| 2019.16 | Asset Management Integration | Local Government Association of SA | 19/09/2019 | \$100,000.00 | 27/09/2020 | 31/12/2021 | 10% |
| 2019.25 | GAROC Annual Business Plan | Local Government Association of SA | 01/07/2019 | \$100,000.00 | 31/08/2020 | 31/08/2020 | n/a |
| 2019.26 | SAROC Annual Business Plan | Local Government Association of SA | 01/07/2019 | \$100,000.00 | 30/06/2020 | 30/06/2020 | n/a |
| 2019.51 | Funding the Future – A New Approach for Coastal Management in SA | Limestone Coast Local Government Association | 01/01/2020 | \$35,000.00 | 31/12/2020 | 31/12/2020 | 10% |
| 2019.54 | Sustainability and Expansion of the Connected Cities Sensor Network | City of Prospect | 18/10/2019 | \$30,000.00 | 01/11/2020 | 01/11/2020 | 25% |
| 2019.56 | Financial sustainability and economic development strategies for regional airports | University of Adelaide | 01/10/2019 | \$30,000.00 | 30/09/2020 | 30/06/2021 | 5% |
| 2019.59 | Our Inspiring Local Communities | Australia Day Council of South Australia | 01/10/2019 | \$30,000.00 | 30/11/2020 | 31/10/2020 | 70% |
| 2019.64 | Regional youth volunteering trial | Legatus Group | 23/09/2019 | \$10,000.00 | 31/07/2020 | 30/11/2020 | 30% |
| 2019.65 | DPTI ePlanning integration | Local Government Information Technology South Australia Inc | 02/09/2019 | \$48,000.00 | 20/04/2020 | 31/01/2020 | 0% |
| 2019.68 | Community Wellbeing Indicators for South Australian Local Government | Southern & Hills LGA | 01/11/2019 | \$50,000.00 | 20/10/2020 | 30/06/2021 | 30% |
| 2019.78 | Environment Health Officer Emergency Management Support Resources | Environmental Health Australia | 01/08/2019 | \$10,000.00 | 25/09/2020 | 18/12/2020 | 0% |
| 2020.02 | Support Councils in the implementation of the PDI Act and Planning and Design Code | Local Government Association of SA | 01/07/2020 | \$100,000.00 | 15/12/2020 | 30/06/2021 | 0% |
| 2020.03 | Mapping the elements of council Enterprise Bargaining Agreements | Local Government Association of SA | 01/06/2020 | \$50,000.00 | 15/12/2020 | 01/01/2021 | 0% |
| 2020.05 | Local Government Reform Implementation | Local Government Association of SA | 01/07/2020 | \$250,000.00 | 15/12/2020 | 31/12/2021 | 0% |
| 2020.06 | Model Financial Statements Annual Updates (2021 and 2022) | Local Government Association of SA | 01/07/2020 | \$30,000.00 | 15/12/2020 | 31/08/2022 | 0% |
| 2020.07 | Strategic Management Plan Templates (implementation of Productivity Commission recommendations) | Local Government Association of SA | 01/07/2020 | \$150,000.00 | 15/12/2020 | 31/12/2021 | 0% |
| 2020.08 | Food Waste Recycling Initiative "Food for the Earth" | Local Government Association of SA | 01/07/2020 | \$50,000.00 | 15/12/2020 | 31/03/2021 | 0% |
| 2020.10 | 'Improving educational content in preparation for 2022 Elections' | Local Government Association of SA | 03/08/2020 | \$90,000.00 | 15/12/2020 | 30/06/2021 | 0% |
| 2020.11 | Special Local Roads Program - Governance Review | Local Government Association of SA | 01/07/2020 | \$35,000.00 | 31/12/2020 | 31/12/2020 | 0% |
| 2020.14 | Public Lighting Support for SA Councils | Local Government Association of SA | 01/07/2020 | \$30,000.00 | 31/12/2020 | 31/12/2020 | 0% |
| 2020.30 | Local Government Response to COVID-19 (resources, support and guidance for councils) | Local Government Association of SA | 02/04/2020 | \$225,000.00 | 31/12/2020 | 31/12/2020 | 75% |
| 25.01.01 | Administration of Scheme | Local Government Association of SA | n/a | n/a | n/a | n/a | n/a |
| 25.02.34 | Regional Capacity Building Allocation | Eyre Peninsula LGA, GAROC, Legatus Group, Limestone Coast LGA, Murraylands and | n/a | n/a | n/a | n/a | n/a |

Local Government Research and Development Scheme Proposed 2020-21 (19 projects)

| ID | Project Title | Organisation Name | Project Start Date | Funds Approved |
|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------|-----------------------|
| 2020.02 | Support Councils in the implementation of the PDI Act and Planning and Design Code | Local Government Association of SA | 01/07/2020 | \$100,000.00 |
| 2020.03 | Mapping the elements of council Enterprise Bargaining Agreements | Local Government Association of SA | 01/06/2020 | \$50,000.00 |
| 2020.05 | Local Government Reform Implementation | Local Government Association of SA | 01/07/2020 | \$250,000.00 |
| 2020.06 | Model Financial Statements Annual Updates (2021 and 2022) | Local Government Association of SA | 01/07/2020 | \$30,000.00 |
| 2020.07 | Strategic Management Plan Templates (implementation of Productivity Commission recommendations) | Local Government Association of SA | 01/07/2020 | \$150,000.00 |
| 2020.08 | Food Waste Recycling Initiative "Food for the Earth" | Local Government Association of SA | 01/07/2020 | \$50,000.00 |
| 2020.10 | 'Improving educational content in preparation for 2022 Elections' | Local Government Association of SA | 03/08/2020 | \$90,000.00 |
| 2020.11 | Special Local Roads Program - Governance Review | Local Government Association of SA | 01/07/2020 | \$35,000.00 |
| 2020.14 | Public Lighting Support for SA Councils | Local Government Association of SA | 01/07/2020 | \$30,000.00 |
| 2020.30 | Local Government Response to COVID-19 (resources, support and guidance for councils) | Local Government Association of SA | 02/04/2020 | \$225,000.00 |
| 2020.54 | Local government: Enabling resilient food systems in South Australia | The City of Holdfast Bay | 01/10/2020 | \$40,000.00 |
| 2020.57 | RPSA Voters Roll Practice Manual - 2022 Elections | Revenue Professionals SA | 02/11/2020 | \$5,000.00 |
| 2020.58 | Strategies to increase turnout at council elections using evidence from randomised field trials | Electoral Commission SA | 01/10/2020 | \$32,870.00 |
| 2020.59 | Modelling business clusters' readiness and resilience in managing and responding to COVID-19 | The University of Adelaide - in coll with Torrens University | 01/10/2020 | \$30,000.00 |
| 2020.61 | Resilient South Pilot – Incorporating Climate Risk into Asset Management | City of Marion | 01/11/2020 | \$99,000.00 |
| 2020.62 | External and internal challenges facing regional population growth strategies: learning from the case of the Limestone Coast | Flinders University | 01/02/2021 | \$35,089.00 |
| 2020.65 | Script development for Training Course re Community Wastewater Management Schemes | Central Local Government Region of SA trading as Legatus Group | 02/11/2020 | \$16,000.00 |
| 2020.66 | Environmental Health Officers' response to COVID-19: A public health workforce needs assessment to ensure sustainability and future preparedness | Flinders University | 01/10/2020 | \$38,200.00 |
| 2020.67 | Best Practice Guide for Grants Management for Local Government in South Australia | City of Holdfast Bay | 02/11/2020 | \$32,000.00 |

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|--------------------------------|-----------------------|
| Total approved projects | \$1,338,159.00 |
|--------------------------------|-----------------------|

6.7 LGA Advocacy Update

LGA Business

| | | |
|-----------------|-------------------------------------|-----------------------------|
| From: | Lea Bacon, Director Policy | |
| Key Initiative: | K.I 1 Leadership and advocacy | |
| Strategy: | 1A Listen to, and represent members | |
| Meeting: | Annual General Meeting | 29 October 2020 |
| ECM: | 719774 | Attachments: 713038, 701414 |

Recommendation

That the Annual General Meeting notes the report.

Discussion

This report provides an update on some of the key activities being undertaken by the LGA to advocate on behalf of our members and strengthen the value of LGA membership and a strong, united local government sector.

LGA Advocacy Plan 2019-2023

The first *LGA Advocacy Plan 2019-2023* (the Plan) was noted by members at the LGA Annual General Meeting in October 2019.

The purpose of the Plan is to define and prioritise the LGA's advocacy agenda to increase certainty and transparency for members about the outcomes the Association is pursuing on their behalf, and to ensure that sufficient resources are available to progress and monitor these important issues.

The Advocacy Plan sits alongside the LGA's Strategic Plan, Annual Business Plans and Policy Manual as an important part of the LGA's Strategic Management Framework. It also reflects the objectives and actions being progressed through the SAROC and GAROC Strategic Plans and Annual Business Plans. The Advocacy Plan guides decision making about the prioritisation of resources, assists in identifying partnership opportunities with key stakeholders and enhances our accountability to our members.

The Plan's four-year horizon recognises that effective, evidence-based advocacy can take time. Advocacy activities need to be carefully timed around key events such as State and Federal Government budgets and election cycles.

While the LGA uses best endeavours to forecast the key issues that will need to be addressed over the coming years, there will always be new issues for local government that emerge during the life of this plan that require an advocacy response from the LGA. The Advocacy Plan is monitored on a quarterly basis and updated annually to allow for reprioritisation of the LGA's work plan as new issues emerge, issues are resolved, or as member priorities change.

2020-21 revision

In setting the first Plan, it was noted that the LGA Secretariat would undertake an annual review following the adoption of the Annual Business Plans of the LGA, SAROC and GAROC to ensure that new and emerging issues are captured and to reflect changes in member priorities.

The annual review is also informed by the outcomes of the annual member survey and responses to questions about LGA priorities and member satisfaction. The top priority issues identified in the 2019 LGA members survey were:

- Local government reform
- Waste management/ recycling
- Climate change/environment
- Planning/urban development
- Infrastructure funding, management and grants

At its meeting on 23 July 2020, the LGA Board of Directors endorsed the attached revised Plan, which has been updated to reflect the current status of the local government reform program, planning and waste reforms, as well as emerging advocacy to address the impacts of the COVID-19 pandemic on the sector and member councils' actions to support economic and community recovery. Similarly, revisions have been made to include advocacy identified in the SAROC and GAROC 2020-21 Annual Business Plans.

The revised Plan highlights the following advocacy priorities that the LGA will pursue during 2020-21:

- working with the South Australian Parliament on sensible, evidence-based local government reform.
- influencing a stronger role for councils and communities as planning reforms are implemented.
- seeking state and federal funding, policy and legislation that supports economic and community recovery from the COVID-19 pandemic.
- securing the future funding of South Australian libraries.
- responding to waste and recycling issues including maximising the value that can be returned to communities from the escalating State Government funds collected through the Solid Waste Levy.
- supporting advocacy via the Australian Local Government Association (ALGA) to increase federal Financial Assistance Grants and secure long-term certainty of supplementary road funding for South Australia.

As outlined in the SAROC and GAROC 2020-21 Annual Business Plans, advocacy will also be progressed on:

- seeking government action to address the lack of medical services in regional areas
- progressing state-wide proposals for the Community Wellbeing Alliance and the Community Ready Program.
- securing a State Government strategy for the management and control of Little Corellas.
- securing state and regional partnerships with the State Government on climate change.

The Plan also notes that further advocacy will be determined and pursued during the next year as the proposed items of business for the 2020 LGA Ordinary and Annual General Meetings are considered.

Submissions

Making written submissions provides a key opportunity for the LGA to influence policy, funding and legislative arrangements being considered by State and Federal government and their agencies.

Over the past 12 months, the LGA has listened to and represented member interests through submissions on topics such as local government reform, SA Productivity Commission Inquiry into Local Government, managing little corellas, the Planning, Development and Infrastructure Act, banning waste exports, waste management and food waste strategies, drought, aged care, designated area migration agreements, temporary migration, review of the 2019-20 State Bushfire Season, national natural disaster arrangements, domestic violence, and urban green spaces.

The LGA Secretariat has also provided advice to support advocacy undertaken by the Australian Local Government Association (ALGA) to the Federal Government, particularly on responding to waste, drought and bushfire issues.

LGA submissions are available at www.lga.sa.gov.au/submissions

The LGA's Policy Manual is available online at [LGA Corporate Documents](#). The Policy Manual is a compendium of policy positions that have been endorsed by member councils through LGA General Meetings and is used to inform the LGA's submissions, media responses and engagement with stakeholders. The Manual was comprehensively reviewed and updated in 2018/19. The next review will be undertaken in the next 6 months and an update will be provided to the LGA Ordinary General Meeting in 2021.

Partnerships

Over the past 12 months the LGA has worked collaboratively with the Government and the Parliament on local government reform legislation. Many of the proposals currently on the table to drive downward pressure on council rates have come from our sector.

The LGA was represented on the Government's Local Government Reform Working Groups, and also sat on the Productivity Commission's Inquiry into Local Government Costs and Efficiency reference group.

The LGA worked with DIT to secure a \$13 million refund from SAPN, and a DPTI officer has been embedded within the LGA as required to help manage the transition to our State's new planning system. The LGA is represented on the Minister for Planning's Liaison Group, which provides us with an opportunity to provide direct and honest feedback to the Minister on planning issues.

The LGA has also partnered with DPTI and the National Heavy Vehicle Regulator to secure a new Heavy Vehicle Access Liaison Officer position, which is based in the LGA and is assisting SA councils to perform their 'road manager' function under the Heavy Vehicle National Law (HVNL)¹.

In January 2020, the LGA entered into a service agreement with the Department of Human Services (DHS) to deliver grant funding to councils to address gaps in the national disability Information, Linkages and Capacity Building (ILC) sector in South Australia.

In August 2020, the LGA also partnered with DHS to provide South Australian councils the opportunity to apply for a one-off competitive small grant to enable councils to undertake activities and initiatives, led by young people aged 12-24 years, that respond to the impact of the Covid-19 public health emergency².

The LGA continues to provide quarterly reports to the Treasurer on the outcomes of the State Local Government Infrastructure Partnership, which has supported 32 local projects and created 195 FTE jobs.

In the waste and recycling space, the LGA has a service agreement with Green Industries SA (GISA) and sits on several State Government committees and working groups. We also have an agreement with the EPA that guides how they work with councils and the LGA.

¹ <https://www.lga.sa.gov.au/member-services/infrastructure-and-assets/heavy-vehicles>

² <https://www.lga.sa.gov.au/member-services/financial-sustainability/grants/youth-led-local-government-covid-recovery-grants>

The LGA is a partner in the Volunteering Strategy for South Australia, along with the State Government, Volunteering SA/NT and Business SA. This partner-driven strategy provides an opportunity for all sectors to focus on a coordinated approach to address the diverse and ongoing needs of the volunteer sector.

Member Forums and Workshops

Forums and workshops with members have been held a wide range of topics over the past 12 months, including local government reform, SA Productivity Commission Inquiry, Planning, Development and Infrastructure Act, heritage, economic development (COVID-19 recovery), climate risk, waste and recycling reform, disability access and inclusion and genetically modified crops management.

Media Summary

A summary of LGA's media activities between October 2019 and September 2020 is attached for members' information.

Key issues the LGA has commented on publicly include the local government reform, planning reform, local government's response to COVID-19, electricity costs, GM crop legislation, council legal fees and rates increases.

Financial and Resource Implications

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.

The LGA Advocacy Plan allows the LGA to be more strategic by defining the parameters of the LGA's advocacy activities and ensuring that adequate resources are available to give important issues the time and attention required to achieve the outcomes desired by members. The Plan provides a useful guide to the Board of Directors, SAROC and GAROC when assessing the importance and urgency of any new issues raised.

There are many policy issues that the LGA is working on that are not included within this update or the Advocacy Plan. These may be issues where the LGA is providing support to members through training, forums, guideline material, model policies, advice or information exchange. These services fall under the LGA's 'Assist' objectives, as reflected in the LGA's Strategic Plan and Annual Business Plan.



LGA Advocacy Plan 2019 – 2023

Endorsed September 2019

Revised July 2020

The object of the LGA is to achieve public value through the promotion and advancement of the interests of local government by advocating to achieve greater influence for local government in matters affecting councils and communities.

The LGA is at the forefront of strategic policy development and reform in the local government sector. We seek to achieve influence for local government in matters affecting South Australian councils and their local communities. We do this by listening to and representing our 68 member councils and building positive relationships with people and organisations with an interest in or influence over matters of importance to local government.

There is significant value in the leadership and advocacy driven by the LGA in partnership with our member councils. The LGA Value of Membership 2019 report highlighted the estimated benefit of LGA led or supported advocacy to the sector was over \$64 million, an individual benefit of \$1.2 million to participating councils.

Recent significant advocacy outcomes the LGA and our member councils have achieved include securing support of the South Australian Parliament to protect local services and decision making by not introducing rate-capping and the removal of council requirements to pay rubble royalties to the State Government. At the national level, working with the Australian Local Government Association, we have secured the Commonwealth Government's commitment to extend South Australia's supplementary local roads funding to 2021 and extend the aged care Home Support Care Package block-funding until 2022.

Speaking with one voice through the LGA gives the local government sector and SA councils a 'seat at the table' with decision makers. This means that our communities can enjoy the benefits of governments working in partnership towards common objectives.

Councils that are adequately resourced and supported by an enabling and contemporary state legislative framework are a strong partner in government and can make a great contribution to the economic and social progress of South Australia.

2019 – 2023 Advocacy Plan

The purpose of the LGA Advocacy Plan 2019-2023 is to define and prioritise the LGA's advocacy agenda to increase certainty and transparency for members about the outcomes the Association is pursuing on their behalf, and to ensure that sufficient resources are available to progress and monitor these important issues. The plan will help the LGA to deliver a focussed and effective advocacy agenda over the next four years.

The Advocacy Plan is intended to sit alongside the LGA's Strategic Plan, Annual Business Plans and Policy Manual as an important part of the LGA's Strategic Management Framework. It will guide decision making about the prioritisation of resources, assist in identifying partnership opportunities with key stakeholders and enhance our accountability to our members.

This Advocacy Plan is not a complete list of everything the LGA is doing on behalf of its members. The LGA provides a range of additional services that 'Assist' and 'Advance' councils, such as education and training, commercial services, guidelines and model documents, governance advice and research and development.

The Plan's four-year horizon recognises that effective, evidence-based advocacy can take time and the need for advocacy activities to be carefully timed around key events such as State and Federal Government budgets and election cycles.

While the LGA always uses best endeavours to forecast the key issues that will need to be addressed over the coming years, there will always be new issues for local government that emerge during the life of this plan that require an advocacy response from the LGA. The Advocacy Plan will be monitored quarterly and updated annually to allow for reprioritisation of the LGA's work plan as new issues emerge, issues evolve, or as member priorities change.

The issues and actions on the 2019-23 Advocacy Plan have been updated to reflect the current context of the local government, planning and waste reforms, as well as new advocacy to support the impacts of the Covid-19 pandemic on the sector and member councils' actions to support economic and community recovery.

2020-21 advocacy priorities and actions

The issues and actions set out in this Plan have been informed by our members through annual surveys, general meetings, the LGA Board of Directors, and the SAROC and GAROC committees. They also reflect legislative and policy reforms being undertaken by the State and Federal Government that are relevant to the role of councils and impact on local communities.

Local government has a broad range of roles and responsibilities, and the diversity of the sector's interests is reflected in the LGA's Advocacy Plan. Typically, the LGA will prioritise issues that have an immediate direct impact on local government such as changes to the responsibilities, funding, and compliance obligations of councils.

During 2020-21, the LGA will dedicate most of its advocacy focus and resources towards the following priority issues.

- working with the South Australian Parliament on sensible, evidence-based local government reform.
- a stronger role for councils and communities as planning reforms are implemented.
- seeking state and federal funding, policy and legislation that supports economic and community recovery from the Covid-19 pandemic.
- securing the future funding of South Australian libraries.
- responding to waste and recycling issues including maximising the value that can be returned to communities from the escalating State Government funds collected through the Solid Waste Levy.
- supporting advocacy via the Australian Local Government Association (ALGA) to increase federal Financial Assistance Grants and secure long-term certainty of supplementary road funding for South Australia.

The SAROC and GAROC 2020-21 Annual Business Plans identify advocacy on:

- quality design outcomes that complement and preserve the special qualities of local communities (heritage and infill)
- seeking government action to address the lack of medical services in regional areas
- refining state-wide proposal for the Community Wellbeing Alliance and Community Ready
- securing a State Government strategy for the management and control of Little Corellas
- securing state and regional partnerships with the State Government on climate change.

2019 – 2023 advocacy issues

Theme: Local Government Sector

Local government welcomes its role as a partner in government and shall continue to work closely with state and federal governments and other key stakeholders to seek solutions to issues that impact communities.

Objective: Advocate for sensible local government reform and build the respect of federal and state government in all transactions between the spheres of government.

| Issue | Position | Outcome sought | Key Actions | Lead Body |
|---------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| Local Government Reform – review of the Local Government Act. | <p>The Minister for Transport, Infrastructure and Local Government is undertaking a review of local government legislation that South Australian councils operate under.</p> <p>The LGA membership is committed to working with the Parliament of South Australia to deliver sensible and effective reforms that will drive downward pressure on council rates, improve the financial sustainability of councils, and deliver lasting benefits to South Australian communities.</p> | Amendments to the Act are sensible, evidence-based and reflect the submissions made by the local government sector. | <p>Continue to consult extensively with member councils and undertake research to prepare LGA submissions and position papers.</p> <p>Provide regular briefings to Members of Parliament to build support for the sector's position.</p> <p>Develop public awareness campaigns on reform proposals that are strongly opposed by members.</p> <p>Request an increase in State Government funding and resources to successfully implement meaningful local government reform.</p> | LGA Board |

| Issue | Position | Outcome sought | Key Actions | Lead Body |
|---------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| State- Local Government Relations Agreement | <p>Coordination across all governments in planning, funding and delivering facilities and services can maximise the value of investments by governments. This can be best facilitated through formal structures such as the State-Local Government Relations Agreement and the Premier's State- Local Government Forum.</p> <p>A more cooperative, strategic approach to providing and using public infrastructure will reduce duplication, lower asset operating costs and create a strong foundation for the attraction of businesses and skilled labour needed for economic growth.</p> | <p>To enable local government to deliver on its potential as a partner to advance South Australia, the LGA is asking the State Government to support a State-Local Government Relations Agreement to provide a foundation for more productive state-local partnerships</p> | <p>Continue to outline the benefits of a formal partnership in correspondence with the Premier and senior Government Ministers.</p> <p>Seek support from the SA Productivity Commission for a formal agreement to guide infrastructure and service delivery between state and local government.</p> | LGA Board |
| Solid Waste Levy | <p>The State Government ought to be supporting councils and households to respond to the national waste and recycling crisis. It is disappointing that the 2019-20 State Budget contained an \$8.5 million hit to councils and their ratepayers with an unprecedented 40% increase in the Solid Waste Levy.</p> | <p>The LGA is seeking support to freeze the Solid Waste Levy at the 2018/19 rate and make at least half of the total levy paid by local government available to councils for worthwhile waste and recycling initiatives.</p> | <p>Continue to outline the impacts of the increased levy on councils and ratepayers, via the LGA public awareness campaign.</p> <p>Provide regular briefings to Members of Parliament to build support for the sector's position.</p> | LGA Board |
| Community Housing Rebates | <p>Public housing properties transferred from the State Government to Community Housing Providers (CHPs) receive a mandatory 75% rebate on council rates. This results in a revenue loss across the impacted councils of \$4.4 million each year for every 5,000 properties.</p> | <p>The LGA is seeking legislation to remove the 75% mandatory rebate on council rates for community housing providers.</p> | <p>Continue to explore and outline the impacts on the mandatory rebate on councils and their ratepayers.</p> <p>Provide regular briefings to Members of Parliament to build support for the sector's position.</p> | LGA Board |

Theme: Financial Sustainability

Local government acknowledges its statutory obligation to be sustainable and that this can only be achieved through attainment and maintenance of financial sustainability.

Objective: Maximise contributions, investment and the appropriate policy settings from other spheres of government to contribute toward local government financial sustainability.

| Issue | Position | Outcome sought | Key Actions | Lead Body |
|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| Federal funding to local government – FAGs | The financial sustainability of councils and their ability to provide essential services and infrastructure in their communities is impacted by the relative decline in core federal funding in the form of Financial Assistance Grants (FAGs). | Restore the quantum of Financial Assistance Grants to at least 1 per cent of Commonwealth taxation revenue | <p>Support ALGA in developing an advocacy campaign over the current term of Government and promote the use of the campaign in SA.</p> <p>Build third party support from individuals and organisations that would benefit from increased local investment.</p> <p>Use member communications to encourage councils to acknowledge the financial contribution of the Federal Government toward local projects.</p> <p>Explore opportunities to identify projects and services being delivered by councils that support the priorities and objectives of the Federal Government.</p> | LGA Board |

| Issue | Position | Outcome sought | Key Actions | Lead Body |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| Review of statutory fees and charges | In most cases, the fees and charges that are set by State Government regulations for the provision of services do not cover the cost of providing the service. For example, planning fees only cover between 20-30% of the cost of providing assessment services, with the other 70-80% subsidised by all ratepayers. Setting user fees and charges too low puts pressure on council rates and requires public funds to be used inequitably for private benefits. | Commitment and action from the State Government to adopt a policy that allows statutory fees and charges to be increased to achieve reasonable recovery of costs. | Continue to outline the need for the State Government to conduct a comprehensive review of local government fees and charges to establish modern price setting principles which promote efficiency, flexibility and fairness in service delivery; Undertake analysis and prepare an issues paper to inform and advocate for a review of the mandatory rate rebates that councils are compelled to provide. | LGA Board |

Theme: Infrastructure and Assets

The LGA and our member councils recognise that with appropriate funding and partnership opportunities local government can be part of the solution in addressing the infrastructure challenges South Australia faces in ensuring liveable, vibrant and prosperous communities.

Objective: Enable advocacy and partnership opportunities that supports local government to fulfil its responsibilities in a range of public infrastructure and facilities that support families and businesses, create and support economic opportunity and build community inclusion and safety.

| Issue | Position | Outcome sought | Key Actions | Lead Body |
|---------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| Federal funding of South Australia's local road network | <p>South Australia has 11% of the nation's local roads and 7% of the population but receives only 5.5% of the Identified Local Roads component of Commonwealth Financial Assistance Grants (FAGs).</p> <p>Since 2003, successive Federal Governments have allocated supplementary road funding to South Australia as a temporary fix to an unfair funding formula. SA councils need confidence and certainty that this funding is secure over the long term.</p> | Permanent reinstatement of South Australia's supplementary local roads funding – beyond 2021. | <p>Develop an options appraisal and issues paper to support future advocacy.</p> <p>Develop and implement an advocacy campaign at the federal level and leverage ALGA support where required.</p> <p>Support councils to undertake advocacy activities locally.</p> <p>Coordinate a delegation of members to Canberra to engage with representatives and decision makers.</p> | LGA Board |

| Issue | Position | Outcome sought | Key Actions | Lead Body |
|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| State funding of regional roads – road safety | <p>Local government recognises the importance of State Government investment in the strategic road network for economic and social prosperity.</p> <p>Local government acknowledges its obligation for the maintenance, renewal and safety of local road networks. Councils shall continue to fulfil this obligation recognising the significant obligation of federal/state governments in providing financial assistance to the sector in discharging these duties.</p> | <p>Increased State Government funds for the maintenance and upgrade of safe and high-quality regional roads, in line with their pre-election commitment to establish a dedicated Regional Roads and Infrastructure Fund.</p> | <p>Incorporate this issue within the LGA's State Budget Submissions</p> <p>Coordinate advocacy with other peak body associations.</p> <p>Develop and implement actions from the LGASA Guide to Local Government Road Safety Actions and Strategies.</p> | SAROC |
| National Heavy Vehicle Law – review | <p>The National Transport Commission (NTC) has commenced a review of the Heavy Vehicle National Law and its supporting regulations. This may have various implications for councils in their role as local road managers.</p> | <p>Ensure that the new Heavy Vehicle National Law appropriately considers and reflects the role of local government and implications for councils.</p> | <p>Establish a steering group with member councils to ensure that any future LGA advocacy is evidence based and reflects operational considerations.</p> <p>Undertake advocacy on relevant elements of the NTC consultations.</p> | LGA Board |
| State Government's Electric Vehicle Strategy | <p>Councils recognise, because of their responsibilities as road authorities, infrastructure providers, fleet managers and representatives of their local communities, can support and encourage the use of electric vehicles through their planning, policies, investment and procurement activities.</p> | <p>Ensure that the State Government's forthcoming Electric Vehicles Strategy appropriately considers and reflects the role of councils in supporting uptake of electric vehicles.</p> | <p>Provide a submission on behalf of member councils to the State Government's Electric Vehicle Strategy.</p> <p>Support consultation with local government and develop a unified local government response to the draft Strategy when it is released.</p> | LGA Board |

| Issue | Position | Outcome sought | Key Actions | Lead Body |
|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| | | | Enter discussions to develop a trial of a Federally and/or State funded subsidy scheme and/or incentives in South Australia, for cars, light commercial vehicles, trucks and buses fueled by alternative energy sources including electric, hybrid and hydrogen vehicles. | |
| Jetties – State Government funding and maintenance agreements | Local government is seeking to speak with one voice as new lease and funding agreements for jetties are negotiated with the State Government. | Ensure that future lease or other agreements with local government collectively safeguard the future of jetties in South Australia without creating a financial burden on ratepayers, especially in rural and regional areas. | <p>Establish an LGA steering committee of member councils to inform and guide future advocacy.</p> <p>Develop an Issues Paper to clearly articulate the issues, gaps and options for future funding and lease or other arrangements.</p> <p>Seek to meet with and inform stakeholders as appropriate.</p> | LGA Board |
| Mobile Phone Blackspot – state and federal funding | Regional communities continue to experience poor telecommunications coverage across South Australia. Access to reliable mobile phone and internet connectivity are extremely important to individuals and communities in terms of every-day liveability and emergency services, and also for business operability, viability and sustainability. | Improved telecommunications coverage in regional and remote South Australia. | <p>Identify and map priority blackspot areas in South Australia</p> <p>Identify funding opportunities for councils' submissions.</p> <p>Incorporate funding requests in State and Federal Budget submissions.</p> | SAROC |

| Issue | Position | Outcome sought | Key Actions | Lead Body |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| Stormwater management–state funding allocations | Although stormwater management is the shared responsibility of state and local governments, responsibility often falls to councils. Local government is limited in its ability to fund stormwater infrastructure or to make decisions that have cross boundary implications. | Improved governance, legislation and funding arrangements to support council responsibilities for infrastructure provision. Work with state government to ensure an integrated approach to planning and for adequate funding of stormwater management and flood mitigation. | Develop issues and discussion paper to inform a review of Stormwater Management Practices in South Australia. Include requests for additional stormwater funding in State Budget submissions. | LGA Board |

Theme: Economic Development

Local government acknowledges that ensuring sustainable economic development is a shared responsibility of all spheres of government. Councils contribute identifying and implementing solutions to impacts on economic growth, while highlighting the significant responsibilities of federal and state government.

Objective: Influence federal and state government activities in identifying and implementing programs that promote local aims and produce positive local outcomes.

| Issue | Position | Outcome sought | Key Actions | Lead Body |
|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| Supporting economic development – advocacy | <p>Local government seeks state and federal funding, policy and legislation that supports economic and social recovery from the COVID-19 pandemic.</p> <p>Reinstatement of the State/Local Government Red Tape Taskforce would ensure government continues to support local business as they recover from the impact of COVID19, including strengthening member council commitments to the Small Business Friendly Council initiative.</p> | <p>Economic stimulus and local recovery</p> <p>Support LGA advocacy to Federal and State governments for funding, initiatives and legislation that assists councils to support businesses and communities to respond and recover from the COVID-19 pandemic.</p> <p>Reducing red tape</p> <p>Advocate for the reinstatement of the State/Local Government Red Tape Taskforce and seek opportunities for all levels of government to work proactively to simplify decision making, planning and administration policies and practices.</p> | <p>Key opportunities for future advocacy will arise from the State and Federal government response to the COVID-19 pandemic.</p> | <p>LGA</p> <p>GAROC</p> |

| Issue | Position | Outcome sought | Key Actions | Lead Body |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| <p>Supporting regional economies – advocacy</p> | <p>Local government acknowledges the significant role that regional economies play in the economic stability of South Australia. In recognition of the specific needs of the regions, the LGA and councils seek to work with Federal and State Government, Regional Development Australia Boards and key regional stakeholders to support regional economies, particularly as communities seek to recover from the COVID-19 pandemic.</p> <p>The centralisation of the public service to Adelaide may directly contribute to loss of jobs and residents living and working in regional South Australia - a disconnect that is reflected in centralised policy and decision making. The more the public service is centralised into Adelaide, the more policy decisions are formed through a 'city' lens and the more connection with regional communities is lost.</p> | <p>State and Federal government funding, initiatives and legislation that assists with the growth and development of regional South Australia, including commitments towards assisting regional councils and communities to respond and recover from the Covid19 public health emergency and the decentralisation of South Australia's population.</p> | <p>SAROC will continue to seek opportunities to consult with member councils and regional LGAs to inform and make written submissions to influence policy, funding and legislative arrangements being considered by State and Federal government, and their agencies.</p> <p>Key opportunities for advocacy will include assisting regional councils and communities to respond and recover from the Covid-19 public health emergency, implementation of South Australia's forthcoming Regional Development Strategy, increased funding and appropriate locations for mobile phone towers to address blackspots, changes to mobile food van licencing, and responding to increased instances of drought and bushfire conditions.</p> | <p>LGA SAROC</p> |

| Issue | Position | Outcome sought | Key Actions | Lead Body |
|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| Decentralisation of SA Government Services | The centralisation of the public service to Adelaide may directly contribute to loss of jobs and residents living and working in regional South Australia - a disconnect that is reflected in centralised policy and decision making. The more the public service is centralised into Adelaide, the more policy decisions are formed through a 'city' lens and the more connection with regional communities is lost. | SAROC's proposal is for 30% of the state government public service to be based outside Greater Adelaide. Commonwealth and State Government policy and programs support increasing regional SA population. | Complete research that identifies the existing and future capacity of regions to accommodate population growth, including an assessment of priority physical and social infrastructure needs. Provide representation to stakeholders and make submissions to relevant Committees and Inquires. | SAROC |
| State Heritage Tourism Strategy | Heritage conservation is a pressing issue for many South Australian councils. Local government experiences firsthand the great extent to which their communities value local heritage, and the value local heritage contributes to their streets, suburbs and beyond. | Ensure that local government views are considered as the State Government develops a Heritage Tourism Strategy. | Represent member councils' interests on the Heritage Tourism Alliance – as the key stakeholder advisory group to the development of the strategy. | LGA Board |

Theme: Community Assets and Services

Local government acknowledges that protecting the health and wellbeing of its communities is a shared responsibility of all tiers of government and recognises the significant contributions that councils make in this area.

Objective: State and Federal Governments recognise and respond to the opportunities to work with councils to improve the quality of life of South Australians by better shaping neighbourhood development, improving infrastructure and access to public services.

| Issue | Position | Outcome sought | Key Actions | Lead Body |
|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| Libraries – state government funding | <p>Libraries are a much loved community facility that provide a range of valued services to people of all ages.</p> <p>Public Library funding is the subject of a 10-year agreement between the State Government and the LGA, which is due to expire in 2021.</p> | Renewal of the State/Local Government libraries funding agreement with no reduction in the level of State Government funding provided. | <p>Design and implement a public awareness campaign to promote the value of libraries.</p> <p>Participate in negotiations with the State Government on behalf of the sector.</p> | LGA Board |
| Aged Care Reforms – Commonwealth funding | Commonwealth age care reforms have created a high degree of uncertainty for councils and the communities they serve; however, there is a strong sense in our sector that there is an ongoing role for local government in supporting the needs of people as they get older. | Councils are sufficiently supported by the Commonwealth Government to provides a basic level of aged care services to support continued independence for people aged 65 and over living at home and delaying entry to more expensive residential care. | Seek opportunities to continue to advocate for going funding for those councils seeking to continue to provide services. | LGA Board |
| Lack of medical services in regional areas | The ongoing lack of medical services in regional areas means that councils are being relied upon to provide front-line medical services. This comes at a cost to ratepayers and can detract from councils' efforts to | Improved health services in regional and rural Australia – less reliance on local government intervention. | Invite the Minister for Health and the CEO of Country Health to attend a SAROC meeting to hear directly from regional councils. | SAROC |

| Issue | Position | Outcome sought | Key Actions | Lead Body |
|------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| | provide and maximise the benefits of community preventative health activities. | | <p>Make submissions to the SA Rural Health Workforce Strategy</p> <p>Identify the health service needs of regional communities</p> <p>Undertake research to identify sustainable health models for small communities.</p> | |
| Community Wellbeing Alliance | Local government acknowledges that protecting the health and wellbeing of its communities is a shared responsibility of all tiers of government and recognises the significant contributions that councils make in this area. Councils contribute to providing preventative and on-going health services, notwithstanding the significant responsibilities of federal and state government. | Demonstrate the potential outcomes of a statewide Community Wellbeing Alliance. | <p>Implement and evaluate the two regional LGA trials that are currently underway.</p> <p>Use the outcomes of the pilot program evaluation to refine a proposal for a state-wide program.</p> | LGA Board |
| SA Public Health Act 2011 – legislative review | The Public Health Act 2011 recognises the important role that councils have long played in public health, and they are named as public health authorities for their area. The Act provides the legislative framework for authorised officers and requires councils to support the delivery of immunisation services, and to develop regional public health plans. | <p>Further clarity on the roles and responsibilities between state and local government.</p> <p>Continued support for public health planning and improving the relationship between councils and Public Health Partner Authorities.</p> | <p>Engagement with member councils to inform an LGA submission to the review of the Act</p> <p>Continue to seek opportunities to advocate – ie when the draft amendments are released for consultation.</p> <p>Maintain strong relationships with individuals and</p> | LGA Board |

| Issue | Position | Outcome sought | Key Actions | Lead Body |
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| | | | organisations in the public health space. | |
| Dog and Cat Management issues | <p>Dog and cat management issues impact on councils across the State and have the potential to impact on council resourcing requirements.</p> <p>Under current legislation, each council can determine the resources they put towards cat management and the by-laws they enact to support cat management operations. Councils make decisions based upon available resources, community expectations and competing funding priorities.</p> | <p>That cat management laws be consistent across local government jurisdictions whilst recognising resource limitations and operational realities of regional councils in administering the Act.</p> <p>That State Government through the Dog and Cat Management Board leads legislative reform including community consultation on cat management issues including registration and containment.</p> | <p>The LGA will survey member councils' input into:</p> <ul style="list-style-type: none"> a. whether cat management laws should be changed; and b. if so, in what way. <p>Based on member feedback, the LGA would advocate on cat management laws, primarily through a process led by the Dog and Cat Management Board.</p> | <p>LGA Board SAROC</p> |

Theme: Planning and Development

The LGA and our member councils recognise local government's role in future planning and development, and the importance of using planning processes to obtain enhanced planning and design outcomes for communities.

Objective: The State Government recognises the important role councils play and implements a fair, equitable and balanced planning system that facilitates high quality, sustainable and economically viable development.

| Issue | Position | Outcome sought | Key Actions | Lead Body |
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| Planning Reform and implementation of the PDI Act and P and D Code | The LGA has consistently advocated for a planning system that is accessible, integrated, accountable and supports local participation and decision making. Quality design outcomes are a hallmark of a great planning system. | <p>State Government recognition of the quality planning and design standards expected by local government and our residents that complement and preserve the fabric of local communities.</p> <p>State Government and State Planning Commission to defer the introduction of the Planning and Design Code for all councils until:</p> <p>a. the State Planning Commission has engaged with councils to address the errors, omissions and inconsistencies identified during the current consultation process;</p> <p>b. the State Planning Commission has published a revised draft of the Code and has undertaken further</p> | <p>Continue to host member forums and workshops that facilitate the exchange of information between councils and DPTI and the State Planning Commission.</p> <p>Represent the views of local government on the Minister's Liaison Group.</p> <p>Provide regular briefings to key stakeholders and engage with industry groups to seek a range of perspectives.</p> <p>Make submissions on all key documents during the implementation of the new system.</p> <p>Make public statements that highlight the key issues of councils and communities.</p> | <p>LGA Board</p> <p>GAROC</p> |

| Issue | Position | Outcome sought | Key Actions | Lead Body |
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| | | <p>consultation with local government on the draft Planning and Design Code, which has been incorporated within the ePlanning system; and</p> <p>c. a comprehensive learning and development program has been developed in consultation with local government and implemented with all councils and relevant authorities.</p> | | |
| Heritage and Contributory Items | Heritage conservation is a pressing issue for many South Australian councils. The State Government is considering state-wide reform of heritage policy through Planning Reforms, and the heritage and character information provided by the State Planning Commission gives an overall impression of weakening of heritage conservation policy and reducing certainty for owners, developers and the community through use of more subjective planning controls, particularly in relation to demolition. | <p>Current heritage classifications and protections including Historic Conservation Zones/Policy Areas and Contributory Items be transitioned in their current form into Generation 1 of the new planning system.</p> <p>The State Government implement, in consultation with local government, the recommendations of the final report of the Environment, Resources and Development Committee's Heritage Inquiry.</p> <p>The State Planning Commission engages with local</p> | <p>Continue to engage with member councils.</p> <p>Seek opportunities to continue to advocate for the stated outcomes.</p> <p>Make public statements that highlight the key issues of councils and communities.</p> | GAROC |

| Issue | Position | Outcome sought | Key Actions | Lead Body |
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| | | <p>government on the detail of the Planning and Design Code as it relates to heritage and character and, in particular demolition control.</p> | | |
| <p>Infill Development</p> | <p>Local government recognises the need to contain urban sprawl. However, the increased densities resulting from infill development have placed additional pressure on services and infrastructure. In particular, member councils have raised issues associated with traffic management, carparking, stormwater management, loss of trees, provision of open space, privacy, overshadowing and design quality in relation to infill development.</p> | <p>To ensure that South Australia's planning system reflects leading practice and that the Planning and Design Code and associated resources delivers quality design outcomes that complement and preserve the special qualities of local communities.</p> | <p>Advocate to and work with the State Planning Commission to ensure that South Australia's planning system reflects leading practice and that the Planning and Design Code and associated instruments deliver quality planning and design outcomes that improve the amenity, liveability and sustainability of communities.</p> | <p>GAROC</p> |

| Issue | Position | Outcome sought | Key Actions | Lead Body |
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| Non-compliant Building Cladding | The Grenfell Tower fire (London, 2017) highlighted the risk to public health and safety from non-compliant aluminium cladding on buildings. | <p>Possible strategies for dealing with identified cases where non-compliant building cladding is found to exist.</p> <p>An appropriate response from all spheres of government that properly informs but does not alarm the community unnecessarily and protects the interests of local government by determining steps for any remedial work by building owners to address problems with their buildings.</p> | Continue to liaise with the State and Federal Government to ensure that councils are informed of future developments and are kept up to date with reliable expert advice when available. | LGA Board |

Theme: Environment and Natural Resources

The LGA and our member councils appreciate local government's role in protecting the environment, managing the risks of climate change, and the importance of managing waste.

Objective: Influence, inform and advocate for the State Government to address funding, policy and legislative barriers that hinder councils from undertaking their roles in maintaining and enhancing the natural and built environment in regional South Australia.

| Issue | Position | Outcome sought | Key Actions | Lead Body |
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| Waste & Recycling | The recent implementation of the China National Sword Policy has shown that Australia still has a long way to go to achieve waste management practices that are truly sustainable. The LGA is hopeful that the momentum created by this development can lead to positive reforms. | The LGA's Waste Action Plan identifies local, state and federal actions required to: <ul style="list-style-type: none"> • stabilise the waste industry • ensure the ongoing commercial viability of recycling services; and • establish a circular economy as a means of achieving sustainability in waste management. | Continue to outline the impacts of the increased levy on councils and ratepayers, via the LGA public awareness campaign. Provide regular briefings to state and federal members of Parliament to build support for local government's position. Seek opportunities to continue to advocate for the stated outcomes. Make public statements that highlight the key issues of councils and communities. | LGA Board |
| Overabundant Species - Little Corellas / Dingoes | Overabundant species, such as Little Corella populations across several council areas, are causing significant impact to councils that need to expend substantial resources being in deterring and managing a wide range of issues. | A State Government commitment to fund implementation of a statewide Little Corella strategy that includes financial assistance to local governments for the development of integrated local management plans and the | Advocate for and provide input to the SA Strategy for the Management of Little Corellas. Identify funding opportunities to undertake a study into biological solutions for management of Little Corellas. | SAROC |

| Issue | Position | Outcome sought | Key Actions | Lead Body |
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| | | implementation of medium- and long-term management options at a local-scale. | Continue to advocate to the State Government for the management and control of abundant native species. | |
| Coastal Management | <p>The task of protecting and maintaining South Australia's coastal assets is beyond the funding capacity of coastal councils.</p> <p>South Australia's coastline is enjoyed by the broader community, as well as visitors to the State, so funding the upkeep of our coastal areas must be a shared responsibility.</p> | Equitable funding from Federal and State Government for coastal management works across South Australia. | <p>Include coastal management issues in submissions to Government, including budget submissions.</p> <p>Support the work of the Coastal Councils Alliance in researching issues and funding models and advocating for change.</p> | <p>SAROC</p> <p>LGA Board</p> |
| National Water Policy | <p>Local government recognises its obligation to conserve water resources, protect water quality, provide water for the environment and effectively manage storm and flood water. Councils contribute to improving water management infrastructure and processes, notwithstanding the responsibilities of federal and state governments.</p> <p>A National Water Policy is required that seeks to address the major challenges Australia faces in ensuring sustainable water supply in the face of increased climate variability and rising demand for water. In response, the Australian Government provides national leadership in water reform.</p> | Federal Government provides national leadership in water reform and makes a commitment to a national water policy. | <p>Hold an annual meeting of the MDA member councils to discuss issues relating to water policy, prior to the MDA AGM</p> <p>Facilitate local government discussion relating to water policy including advocating for a national water policy.</p> | SAROC |

| Issue | Position | Outcome sought | Key Actions | Lead Body |
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| <p>Climate Change – leadership, risk management and state of climate emergency</p> | <p>Local government appreciates the impacts of climate change that pose a risk to the services councils provide and are taking action to help address the effects of climate change in local communities.</p> <p>This will require policy support and recognition from the State Government.</p> | <p>Commence a State - Local Government Climate Change Partnership Proposal with the State Government to jointly progress actions that harness economic opportunity, reduce greenhouse gas emissions, and build resilience to climate risk.</p> <p>Renewed commitment and co-investment from the State Government in the eleven Regional Climate Partnerships (Resilient South, AdaptWest, Resilient East and Adapting Northern Adelaide are the Partnerships within Greater Adelaide).</p> <p>That the State Government establishes and manages a centrally coordinated climate hazard mapping framework to inform decision-making in collaboration with councils.</p> | <p>Working with member councils and the Regional Climate Partnerships coordinators to clearly identify and communicate their success in delivering practical, proactive, and positive climate action.</p> <p>Advocate to the State Government on the outcomes sought.</p> <p>Identify advocacy opportunities with the State Government.</p> <p>Consult with member councils to determine climate change risk and management priorities.</p> | <p>LGA Board GAROC</p> |
| <p>Wine Bottles – Container Deposit Scheme</p> | <p>Local government recognises its statutory obligation of managing municipal waste and its vital role in waste resource recovery.</p> <p>Councils continue to promote improved waste management practices in accordance with the waste hierarchy and work with residents and businesses to further limit the creation of waste.</p> | <p>Determine if there is sufficient support across local government to request the State Government amend the Container Deposit Legislation (incorporated into the Environment Protection Act 1993) to include wine bottles,</p> | <p>Continue to be actively involved in the Container Deposit Scheme (CDS) review process, which is currently ongoing, including through membership of the EPA Stakeholder Reference Group for the review.</p> | <p>LGA Board</p> |

| Issue | Position | Outcome sought | Key Actions | Lead Body |
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| | Currently wine bottles are not included in SA's Container Deposit Scheme. | and to achieve consistency with the treatment of other glass bottles in the waste stream, an increase in the recycling of bottles, and a reduction in the contamination of other recycled waste caused by broken glass. | <p>Work with councils to review the benefits and risks of including wine bottles in Container Deposit Legislation to determine a strong advocacy position.</p> <p>Engage consultants to undertake a waste audit and economic analysis on recycling costs for councils.</p> | |
| Emergency management – Local Government Functional Support Group | Councils are playing an increasing role in emergency management planning and response but are not being adequately supported by the state government for these new responsibilities. Better coordination between state and local government is needed in preparing for, and also during emergency events to reduce the risk of loss of life and property damage. | <p>A funding commitment to support the LGA's work with councils on disaster mitigation, and the ongoing operation of the Local Government Functional Support Group.</p> <p>Increase of the expiation fee to increase the incentive for compliance.</p> | <p>Continue to raise issue with relevant minister and within the LGA Budget Submission. Research and explore opportunities for the funding needed to support local government to meet its emergency management responsibilities – for example from the Emergency Services Levy.</p> <p>Write to the State Government, the relevant Minister, and the State Bushfire Coordination Committee, to review the current Expiation Notice fees for non-compliance with a Fire and Emergency Services Act 2005, Section 105F Notice, relating to the failure to clear flammable undergrowth on land, with a view to</p> | LGA Board |

| Issue | Position | Outcome sought | Key Actions | Lead Body |
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| | | | substantially increasing the expiation fee to increase the incentive for compliance. | |

LGA Advocacy Initiatives

The LGA advocates for councils on a wide range of issues, and in the past twelve months this has included local government reform, planning reform, local government's response to COVID-19, electricity costs, GM crop legislation, council legal fees and rates increases.

Press/online coverage

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

| Advertiser/Messenger |
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| https://www.adelaidenow.com.au/news/opinion/sam-telfer-the-nrm-levy-is-a-form-of-state-taxation-by-stealth/news-story/983d5d4573a86b18823bb86407788321 |
| https://www.adelaidenow.com.au/messenger/councils-strike-better-deal-on-power-to-save-14m/news-story/25b65d3563e5cc4180956d3e4ab970e8 |
| https://www.adelaidenow.com.au/messenger/can-the-corflutes-lga-pushes-state-government-for-election-poster-ban/news-story/3aea4cf6d31060d9559b7c195545f7e4 |
| https://www.adelaidenow.com.au/messenger/sa-power-networks-ordered-to-pay-back-councils-and-government-13m-overcharge-for-lights/news-story/4f082d8ae68f6c70967c750ddea28f05 |
| https://www.adelaidenow.com.au/messenger/sa-planning-reforms-complex-and-will-create-uncertainty-lga-says/news-story/a83472203e740292a14c72755cf1422c |
| https://www.adelaidenow.com.au/messenger/council-ceo-pay-to-be-set-by-independent-umpire-not-the-council/news-story/81c97a50fb257614745d29a25a4dafc1 |
| https://www.adelaidenow.com.au/news/south-australia/sa-councils-should-build-public-fountains-says-civil-contractors-federation/news-story/d3e71c982cbd4f125386f556e22985df |
| https://www.adelaidenow.com.au/news/south-australia/sa-councils-ordered-to-remove-dumped-cars-from-fire-zones-after-arson-attacks-spark-bushfires/news-story/882f1d0f7d640844406f105ff6551f5e |
| https://www.adelaidenow.com.au/messenger/warring-councils-spend-nearly-400000-on-code-of-conduct-complaints-in-two-years/news-story/5d945f329f145543d1666fcaaec49a6a |
| https://www.adelaidenow.com.au/news/south-australia/state-government-vows-to-work-with-councils-to-save-ratepayers-cash/news-story/0ba4b5ff2cd4312167973f73007f22e9 |
| https://www.adelaidenow.com.au/messenger/north-northeast/tea-tree-gully-council-calls-for-a-substantial-fine-increase-for-neglectful-land-owners/news-story/fa9ee2ff0b7a4efa5718e70d99b1723d |
| https://www.adelaidenow.com.au/news/south-australia/ratepayers-set-for-more-spending-transparency-as-councils-and-minister-back-plans-that-major-review-says-can-deliver- |

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| savings/news-story/81c0a83077bcb987e0cf806526d82c6b |
| https://www.adelaidenow.com.au/messenger/government-puts-planning-changes-delayed-for-three-months-after-industry-community-backlash/news-story/a9478c30e28b8a050b1e7dcc23bd9cc1 |
| https://www.adelaidenow.com.au/news/south-australia/new-sixmonth-clause-puts-pressure-on-councils-sports-clubs-to-get-moving-on-taxpayerfunded-projects/news-story/182e4406e7162ecd33d1b6aec731c732 |
| https://www.adelaidenow.com.au/news/south-australia/sa-councils-would-be-forced-to-reveal-credit-card-spending-under-reforms/news-story/a81b3a02ed400a5cfa53f4b0ab5f0ba7 |
| https://www.adelaidenow.com.au/messenger/councils-reject-labor-calls-for-rates-exemption/news-story/8e75fec406c2469a708f837c3d8439da |
| https://www.adelaidenow.com.au/news/south-australia/councils-says-they-wont-be-extorted-by-rex-airlines-who-are-threatening-to-leave-south-australia/news-story/db4c6fe3f3cdcc65e884e4c65839d234 |
| https://www.adelaidenow.com.au/news/south-australia/councils-fear-hidden-costs-after-sa-governments-gm-ban-deal/news-story/008a255e1c3213e0f2cfe00b4199e9ad |
| https://www.adelaidenow.com.au/messenger/charles-sturt-salisbury-councils-scrapp-penalties-for-late-rate-payments/news-story/ed91f51907f4e2cfc66e93d1c4d92351 |
| https://www.adelaidenow.com.au/messenger/councils-across-the-state-report-112-instances-of-people-not-social-distancing-correctly/news-story/691d160846c1a8ee0ee583064e014c6f |
| https://www.adelaidenow.com.au/messenger/adelaide-council-officers-record-317-incidents-of-people-flouting-coronavirus-social-distancing-restrictions/news-story/f20de86c3440ba2be2c9a88cddbcb22 |
| https://www.adelaidenow.com.au/messenger/four-in-ten-councils-consider-a-freeze-on-rates-new-survey-show/news-story/a129a1c40ed1fb2e511726b9a2beaf2a |
| https://www.adelaidenow.com.au/messenger/state-government-to-rush-new-rules-to-allow-councils-to-meet-remotely/news-story/a006ac69def6b8191eba6d886acd377d |
| https://www.adelaidenow.com.au/business/sa-business-journal/covid19-councils-at-work-around-homes-and-workplaces/news-story/f137dd5027c3b76aaae8fd1d6fff28ab |
| https://www.adelaidenow.com.au/coronavirus/sa-labor-to-introduce-bill-to-force-councils-to-waive-rates/news-story/b5df7afb781035b1d87668cfe926e8f2 |
| https://www.adelaidenow.com.au/messenger/mark-parnell-lga-call-on-planning-minister-stephan-knoll-to-reverse-open-space-funding/news-story/8a77e5aeb42942446fa9227af316100b |
| https://www.adelaidenow.com.au/messenger/state-government-plan-to-cap-councillor- |

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| numbers-and-ceo-salaries-to-cut-costs/news-story/c881d411a256863705cd2dcbffde253f |
| https://www.adelaidenow.com.au/news/south-australia/councils-back-new-code-of-conduct-but-complain-rate-capping-will-hurt-most/news-story/92c502ac786bf10223c722fbcc031650 |
| https://www.adelaidenow.com.au/news/south-australia/adelaide-hills-metro-councils-spending-on-legal-fees-in-201920-financial-year-revealed-see-how-much-your-council-spent/news-story/9f314c214a87287d4456c033d995f9fc |
| https://www.adelaidenow.com.au/coronavirus/37-businesses-caught-breaching-covid-marshall-rules-in-first-three-days-of-operation/news-story/566651a3242f71195f5b0dc00c6680d7 |
| |
| InDaily |
| https://indaily.com.au/news/local/2019/10/24/sa-power-networks-to-refund-millions-overcharged-for-street-lighting/ |
| https://indaily.com.au/news/local/2019/12/17/let-a-thousand-fountains-bloom/ |
| https://indaily.com.au/news/local/2020/01/30/govt-flags-delaying-reforms-after-e-planning-guru-quits/ |
| https://indaily.com.au/news/2020/09/02/sa-councils-knock-back-overly-bureaucratic-planning-reform/ |

Radio/TV coverage

Since October 2019 LGA representatives have participated in 69 radio and television interviews. The breakdown of these appearances is outlined below.

| Media outlet | Number of appearances |
|--------------------|-----------------------|
| ABC Regional Radio | 22 |
| ABC Radio Adelaide | 11 |
| 5AA | 15 |
| 5MU | 2 |
| ABC TV | 1 |
| Channel 10 | 2 |
| Channel 7 | 3 |

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|----------------|---|
| 7Two | 2 |
| Channel 9 | 2 |
| The Advertiser | 6 |
| Indaily | 1 |
| ABC Online | 1 |
| Stock Journal | 1 |

6.8 LGA Member Services Update

LGA Business

| | | |
|-----------------|-----------------------------------------------------------|-----------------|
| From: | Nathan Petrus, Executive Director Member Services | |
| Key Initiative: | K.I 1 Leadership and advocacy | |
| Strategy: | 3D Develop, review and improve LGA commercial enterprises | |
| Meeting: | Annual General Meeting | 29 October 2020 |
| ECM: | 719707 | |

Recommendation

That the Annual General Meeting notes the report.

Discussion

LGA partnership with Norman Waterhouse

In March 2020, following a competitive procurement process, the LGA entered into a new partnership with Norman Waterhouse to provide councils with access to expert legal advice, resources and training at competitive rates.

All SA councils have benefited from the LGA/Norman Waterhouse Legal Connect Service partnership this year, whether through attending briefing sessions or using the COVID-19 advice line and online resources.

LGA Training

LGA Training conducted a comprehensive review of its service in 2019-20, visiting and obtaining feedback from 65 member councils. The review shaped a future service offer that better meets the sector's needs through tailored training, improved regional delivery, and the use of highly engaging providers.

Service improvements included the launch of a new website and eNewsletter. The new partnership with Norman Waterhouse has led to the development of over 80 legal training course offerings and a comprehensive program to help Planning and Building practitioners achieve their CPD points under the new planning legislation.

LGA Training adapted to the impact of COVID-19 by moving the majority of its face to face training to online learning experiences, which also improved access by minimising costs and travel time. A full program of 56 courses were provided to 1801 participants throughout the year, and council staff and elected members from 67 councils accessed the service (19 metropolitan and 48 regional councils).

LGA Web Solutions

The LGA transitioned its new website to the Squiz Matrix platform during 2019-20, while also rolling out the platform to 50 member councils, representing 116 websites in total. The LGA Squiz platform delivers better accessibility and search functionality, allowing members to more easily access information and resources.

The new platform provides a cost effective web solution to councils and a foundation for delivering more sophisticated on-line services to members and their communities.

Public lighting

The LGA secured a determination from the Australian Energy Regulator (AER) that resulted in SA Power Networks (SAPN) refunding \$13 million of public lighting charges back to South Australian councils and the State Government. This was the outcome of a lengthy legal process initiated by the LGA.

The LGA also established a Public Lighting Working Group to provide a representative group for councils to work with the LGA and SA Power Networks on future public lighting matters. The purpose of the Group is to:

- Provide a forum for listening and discussion with councils on public lighting
- Seek input from councils and stakeholders on the transition from negotiated distribution services to alternative control services
- Build mutual understanding and trust between the LGA, SA Power Networks and public lighting customers
- Identify new service and product lines which will add value to public lighting customers
- Discuss current issues associated with public lighting services and opportunities for working more collaboratively with councils
- Provide advice and information to councils to assist their decision making.

The LGA's participation in this group and advocacy to the AER has delivered significant benefits to members, with councils set to save \$14.8 million over the next five years as a result of the determination issued by the AER on 5 June 2020.

Other services

LGASA Member Services provided a wide range of services to councils in areas including energy audits, travel bookings, media training, recruitment, performance reviews, and human resources/industrial relations consulting. A new social media archiving offering was also introduced.

6.9 Local Government Functional Support Group (LGFSG)

LGA Business

| | | |
|-----------------|---------------------------------------------------------|-----------------|
| From: | Andrew Johnson, Executive Director Corporate Governance | |
| Key Initiative: | K.I 2 Capacity building and sustainability | |
| Strategy: | 2D Help councils build communities | |
| Meeting: | Annual General Meeting | 29 October 2020 |
| ECM: | 719629 | |

Recommendation

That the Annual General Meeting notes the report on the Local Government Functional Support Group.

Discussion

The LGA, via the Local Government Functional Support Group, has several responsibilities under the State Emergency Management Plan including responsibility for coordinating the response from councils during emergencies, as well as efforts during recovery.

The LGA is also represented by its CEO on the State Emergency Management Committee, several of its sub-committees and other related committees, as well as providing input into state and national policies in emergency management.

This report highlights the involvement of the Local Government Functional Support Group (LGFSG) in assisting control agencies and coordinating and supporting councils during emergencies over the past twelve months.

Bushfires

There was a significant level of fire, storm, and flooding activity across South Australia over the 2019/2020 summer, resulting in the LGFSG providing assistance with the following events:

- Duck Ponds Fire, Port Lincoln - 11 November 2019 – 228 Ha
- Yorketown Fire – Yorketown, Yorke Peninsula - 20 November 2019 – 5,017 Ha
- Cudlee Creek Fire, Mount Lofty Ranges - 20 December 2019 – 23,295 Ha
- Angle Vale Fire, Gawler - 20 December 2019 – 68 Ha
- Kangaroo Island Fires, Kangaroo Island - 20 December 2019 – 211,474 Ha
- Keilira Fire, Kingston, Lower South East - 30 December 2019 – 26,055 Ha

This support has included:

- Providing coordination of local government resources.
- Providing staff at the State Emergency Centre.
- Providing local government liaison officers at the CFS Incident Command Centre.
- Representation on the State Recovery Operations Group.
- Assisting and coordinating local government recovery efforts.

South Australian councils have also stepped up to help each other in this time of need. A summary of the sector's involvement in assisting these affected councils includes:

- 34 councils involved
- Approximately 350 crew members
- Approximately 12,000 council staff hours
- 68 units of council plant and equipment
- 17 LGA seconded staff worked 792 hours

This support came not only from metropolitan areas but also from some very small regional councils, who sent the limited staff and resources they have available.

It says a lot about the strength and solidarity of our sector that so many councils offered their time, staff and resources to respond to events often hundreds of kilometres away.

Many other councils offered their staff and resources to assist affected councils. The LGFSG attempted to share the workload around so not to disadvantage any one council over another and facilitated the resources used based on the skills and resources available to meet the required work. In addition, the LGFSG chose to limit the resources used from both the South East and the Eyre Peninsula in case a further event occurred in these regions.

The LGA has worked closely with its members to help prepare for emergency events through programs such as i-Responda and Council Ready, and during the past year we have seen the benefits of this preparation.

The LGA Workers Compensation Scheme (LGAWCS) also established a crisis counselling service that supported elected members and council staff that have been impacted by these events and/or assisted in responding to these events.

Incident Debrief

The 2019/20 fires have been the biggest test of the LGFSG since its inception in 2016. As a result, it was important to assess our efforts over the summer fires, determine what worked and what could be improved and most importantly determine what lessons we have learnt from this experience so we can be more prepared next time.

As a result, the LGA commissioned former CFS Deputy Chief Officer Andrew Lawson to independently review the operations of the LGFSG over the summer's incidents, in accordance with the South Australian Lessons Management Framework (as found in Part 3 of the State Emergency Management Plan).

Andrew Lawson interviewed almost 100 individuals, spoke to numerous councils, Control Agencies, the Coordinating Agency (SAPOL) and many of the Support Agencies, as well as attending or obtained notes from numerous debriefs from across the state. In total, the LGFSG 2019/20 debrief process gathered just over 800 individual 'Observations'.

The *Lawson Report* found that there were many successes in the first major test of the LGFSG. The Report also identified areas where the LGFSG could improve its effectiveness. It also found that the LGA should actively explore every avenue of sourcing and securing additional funding to address several key priority areas identified.

Overall, it is believed that these events have demonstrated the benefits and value of the LGFSG in coordinating the sector's response to emergencies and assisting with the coordination of local recovery efforts.

COVID-19

Since the declaration of COVID-19 as a pandemic in Australia, the LGA and LGFSG have been active on several fronts including:

- meeting its requirements under the State Emergency Management Plan and activating the LGFSG.
- providing assistance and advice to councils in managing COVID-19 and meeting their legislative requirements.
- ensuring that the LGA Secretariat has adapted to a COVID-19 working environment and undertaken the necessary risk assessments, addressed its IR/HR/WHS responsibilities and assessed the impact of COVID-19 on the LGA and its subsidiaries operations.

The LGA approach to each is discussed in more details below.

Emergency Response

The LGA, under the State Emergency Management Plan, is responsible for coordinating local government efforts and to ensure that a consistent approach is taken by the sector in times of emergencies, this is not just limited to fires and floods. Once COVID-19 was declared a pandemic by the Australian Government, the SA Government declared a “state of emergency”. This meant that the State Emergency Management arrangements were activated, including the activation of the State Emergency Management Centre. This also resulted in the LGA activating the LGFSG and setting up the Local Government State Coordination Centre in LG House to coordinate local government efforts.

Since its activation, the LGFSG has worked with SA Health and SAPOL to keep councils informed of their responsibilities as a result of COVID-19 and has sought to ensure a coordinated response to support these agencies where required. The LGFSG has also sought to coordinate the flow of information between councils and SAPOL/SA Health and has sought to find answers to any question councils may have regarding COVID-19 and the impact on their activities. The LGFSG is staffed by a combination of LGA and council staff.

More specifically, the LGFSG (and LGA):

- Attended State Emergency Centre briefings and State Emergency Management Committee meetings on COVID-19.
- Had a local government liaison officer in the Health Incident Management Team (7 days a week).
- Set up a Local Government Coordination Centre in LG House (LGA and council staff).
- Determined the sector’s procurement needs of core items (eg hand sanitizers, PPE etc.) to enable it to continue to undertake critical tasks.
- Represented the sector on the State’s “Head of Procurement” team.
- Worked with SAPOL and SA Health on monitoring and enforcing state directions.
- Worked with council Environmental Health Officers (EHO) on their powers and responsibilities under the Public Health Act by producing multiple fact sheets and undertaking weekly briefing sessions.
- Monitored constant changing information from various sources.
- Set up Public Health, Waste, Libraries and ICT groups to facilitate discussion and resolve issues within these areas.

- Set up weekly surveys and reporting from councils on issues of concerns and general statistics around COVID-19.
- Facilitated questions from councils in relation to COVID-19.
- Set up a dedicated COVID-19 email and hotline for council use.
- Assisted the LGA Secretariat with its forums, fact sheets and general sector assistance.
- Planned for what might come next.

It is expected that the activities of the LGFSG will continue for some months. While the number of COVID-19 cases are currently low to nil, there has been significant planning undertaken to ensure a swift response to an outbreak should one occur.

Sector Support

The local government sector works best when it works together. The LGFSG has exemplified this. The LGFSG is jointly funded by the LGA (\$400,000pa), LGASA Mutual (\$90,000pa for i-Responda training and \$1m over three years for Council Ready) and has recently received a once off grant of \$350,000 from the Local Government Finance Authority. This funding is to assist the local government sector to be ready to provide support to our communities during emergencies in a safe, coordinated, and effective manner.

The LGFSG is also highly reliant on individual councils releasing their staff and equipment when required during emergencies. The LGFSG has received extensive support from councils during the year.

Together we are building capacity within the sector and resilience within our community.

Financial and Resource Implications

While the LGA has doubled its contribution to the LGFSG in its 2020/21 budget (primarily to employ an additional FTE), has received once-off funding from the LGFA, is receiving ongoing support from LGASA Mutual, and in-kind support from its member councils; the LGA will be working over the next 12 months to determine a sustainable funding model for the LGFSG.

6.10 Pricing Methodology and Pricing Schedule

LGA Business

| | | |
|-----------------|-------------------------------------------------------------------------------------------|--------------------|
| 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 | 29 October 2020 |
| ECM: | 720312 | Attachment: 715672 |

Recommendation

That the Annual General Meeting notes the report.

Discussion

The LGA Constitution and Ancillary Document 'Membership Proposition' details the relationship between the LGA and its member councils. The Membership Proposition outlines a suite of obligations that the LGA has to its members. The LGA is required to provide councils with a Pricing Methodology and Pricing Schedule for the services provided by the LGA to its members.

The Pricing Methodology and Pricing Schedule seeks to outline to members what services the LGA will provide as part of their membership subscriptions, what services a charge will apply to and how the charges are calculated. This document guides the LGA on setting fees and charges each year as part of its annual budget process and is revised each year and approved by the LGA Board as part of the process of adopting its priorities, plans and key activities for the ensuing year.

The following are the key changes from last year's pricing methodology and pricing schedule:

- Emergency Services - Following the Bushfire crisis and COVID-19, there has been an increased demand from councils for emergency services training and equipment. New courses and a new fee structure have been established. An annual membership is now available to councils allowing access to essential courses and obtain discounts on training courses and equipment during the year.
- Education and Training - The education and training team has moved away from a sliding scale of discounts based on the number of participants, to a fixed flat fee for all attendees.
- Events and Conferences - The discount structure for conference events will be considered separately for each event. This will allow some flexibility to set discounts that will encourage more members to attend the LGA's events.
- Web Services - During the implementation of the new Squiz content management systems in 2019/20, councils were notified that prices would increase by CPI + 1%. The 1% above CPI allows the LGA to recover some of the capital cost of the purchase and implementation of the system.
- Subscriptions - 1.4% increase in membership subscriptions as adopted by the LGA Board at its July 2020 meeting.

The 2020/21 Pricing Methodology and Pricing Schedule was adopted by the LGA Board of Directors in September 2020 and is published on the LGA's website.

Financial and Resource Implications

The LGA's Annual Business Plan and Budget includes the 2020/21 Pricing Methodology and Schedule.

Pricing Methodology & Pricing Schedule 2020/21

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Purpose

The Local Government Association of South Australia (LGA) provides a large range of services to its member councils. Traditionally the majority of these services have been funded from annual member subscription or grants.

Results from the LGA's annual membership surveys have shown that members would like more services from the LGA. The provision of fee-for-service activities allows members to obtain new services without increasing membership subscriptions as members only pay for services they need. The services are value for money as they take advantage of the collective buying power of the entire sector.

This approach is supported by the LGA's long term financial plan which also shows that it is not financially sustainable to rely on member subscriptions and grants as its primary source of funding.

This document outlines the services that the LGA provides as part of its membership subscriptions, the circumstances where the LGA will charge for these services, as well as the pricing methodology employed for those services which the LGA charges members for the delivery of these activities.

This document will guide the LGA on setting fees and charges each year as part of its annual budget process. This document will be revised, considered and adopted by the LGA board each year as part of the process of adopting its priorities, budget and key activities for the ensuing year.

In 2020/21, the LGA will focus on increasing the use of its existing services amongst members. New contracts such as the relationship with Norman Waterhouse for delivery of legal services provides substantial value to members. The LGA's new Web Service's content management system, emergency management training and increased presence with online training all provide value to the sector.

Link to Strategic Plan

The Pricing Methodology and Pricing Schedule aligns to the LGA's Strategic Plan, which sets as its vision for every South Australian to have the best local government experience. This vision is backed up by the LGA's mission which is to provide leadership, support, representation and advocacy on behalf of South Australian Councils, for the benefit of the community.

The LGA's Strategic Plan is broken down into three Key Initiatives:

- **Key Initiative 1: Leadership & Advocacy** (Advocacy) - achieving greater influence for local government in matters affecting councils and communities.
- **Key Initiative 2: Capacity Building & Sustainability** (Assist) - working with member councils to build capacity and increased sustainability. An integrated and coordinated local government.
- **Key Initiative 3: Best Practice & Continuous Improvement** (Advance) - facilitating continuous improvement in councils and the LGA

At general meetings setting high level policy positions that represent sector-wide views/a vision for the State



LGA delivering membership value through
Advocate • Assist • Advance

This pricing methodology enables the LGA to achieve the three Key Initiatives that are broadly summarised as Advocacy, Assisting and Advancing local government and the communities they represent.

This document will guide the LGA on setting fees and charges each year as part of its annual budget process. It will, together with the 'Value Proposition' form a key attachment to the Members Proposition agreement between the LGA and each individual member council.

Pricing principles

This section seeks to outline the LGA's general principles for the pricing of its services. It provides details on potential issues around the cross subsidisation of services, details its pricing authority and negotiation process and describes the LGA's fair use policy, as well as informing members of the LGA's pricing, invoicing, and service dispute process.

General principles

1. The LGA is established to support the South Australian local government sector. Constituted by its members as a not-for-profit organisation, it must operate in a financially sustainable way and, by extension, shall seek to charge fairly for the goods and services it provides.
2. The membership subscriptions paid by councils entitle members to a defined range of products and services. Products and services offered in addition to those covered under the membership subscription are to be fairly charged for.
3. It is acknowledged that there can be a differentiation in the nature of products and services provided based on the member. Preference is for a minimum price point to be set with no upper limit, thus providing flexibility and incentive to appropriately cost services based on council need, costs incurred, and the member's capacity to pay.
4. When setting the price point for all products and services, the full costs to the LGA are to be considered. At times, the Board or CEO may deem it appropriate to deviate from this principle if it is of strategic benefit to the Association and/or its membership. Any deviation would be in accordance with the other general principles of fairness and capacity to pay.
5. Where possible, or commercially appropriate, members should be provided in writing with the full (GST inclusive) costs prior to any purchase decision or activity. When publishing prices, all amounts are to be expressed in GST inclusive terms.
6. Unless otherwise agreed or negotiated, all billing to councils will occur immediately upon the provision of the product or at the conclusion of any service delivered. For extended arrangements that last longer than 5 weeks, the preference is that monthly billing cycles be implemented.
7. Pre-payment for the provision of products or services to private sector customers should be considered if appropriate.
8. All invoicing terms should be no more than 30 days.
9. Any customer disputes regarding costs shall be dealt with by the CEO in accordance with the principles detailed within this document.
10. In recognition of good business practice, the LGA will seek to fairly maximise its revenues on the sale of any goods or services deemed to be outside of the membership subscription.

Cross subsidisation

Funds collected through the membership subscriptions shall be best utilised to fund those matters that are of either state-wide or are of a specific significant segment interest.

Undertaking substantive matters on behalf of individual or small collectives of members under the auspices of a council membership, has the potential to weaken the value of the current membership model. In such situations, there is a risk that an inequitable cross subsidisation may result, with all members contributing to effort or outcomes that may benefit only limited numbers of members.

By extension, cross subsidisation, if left unchecked, has the material risk of placing an upward pressure on annual membership subscription rates and eroding over time the perceived value of membership for some councils.

At times the Board or CEO may deem it appropriate to deviate from this principle if it is of strategic benefit to the Association and/ or its membership.

Unless approval is granted by the CEO or Board, a fair use test should be applied to determine whether any activity should be recovered through its membership subscription or fee-for-service.

A fair use policy is outlined on Page 6.

Pricing authority, negotiation and discounts

The CEO is ultimately responsible for ensuring staff understand and comply with this pricing policy.

The CEO may delegate authority to any officer the responsibility of offering for sale any product or service.

It is the responsibility of the delegated officer to ensure that the sale of any good or service conforms to the agreed pricing methodology and that any contracts entered into with a member or customer shall conform to the relevant LGA policies.

It is also the responsibility of delegated officers to ensure all invoicing activities conform to the approved pricing methodology.

Unless detailed explicitly within this document, no officer may offer additional discounting, other financial offsets or inducements to any member or customer, unless pre-approved by the CEO or Board.

The LGA also acknowledges that a number of its services are provided on a cost recovery basis with little or no margins, meaning that discounts may not be readily available.

Fair use policy

The LGA exists to service and support members, and to offer support and guidance for any matters of concern or difficulty. Within the context of this policy, all member councils are entitled to an agreed level of face-to-face, email and telephone support for the duration of their membership.

It is however unreasonable for the LGA to provide indefinite or unlimited support for members on individual matters that, due to their nature, will see the LGA incur higher than budgeted costs. As a rule-of-thumb, members can be asked to make a financial contribution when either of the following conditions are met:

- a. The issue requires a material response or extended application of time/effort and affects less than 14 member councils (20% of the member base)
- b. The Board or CEO consider the costs or efforts of resolving an issue are likely to exceed the Association's capacity to respond to, or fund, a response.

Condition 'b' is the default position for all member requests - any material impacts in terms of costs, labour or time that fall outside of the approved budget will require consideration and review by the CEO or General Manager.

The calculation for determining a member's co-contribution will be assessed in advance of providing the services at the applicable cost for all labour and direct costs in excess of the threshold.

Pricing, invoicing & service disputes

The LGA Corporate Services team under the direction of the Director Corporate Services is responsible for debt collection.

For invoices in dispute, the issue will be referred to in the first instance to the authorising or responsible LGA officer to resolve. The relevant Executive Director or CEO must authorise any proposed resolution that results in a material change or reduction to the original invoice amount.

Any resolution that will result in the pricing levels in Appendix 3 being breached or modified by a factor greater than 20% must be referred to and approved by the CEO.

If no resolution can be negotiated to the satisfaction of the member or customer, the issue is to be escalated to the CEO for a final decision.

LGA Membership subscription

Under the LGA constitution, member councils must pay an annual membership subscription fee which is payable in advance.

LGA member subscription fees fund the core activities of the LGA. These fees are calculated by applying a formula which has been designed to achieve the following basic principles in relation to the benefit of membership:

- a. some services have a fixed benefit to all members, irrespective of population or revenue base
- b. some services provide benefits relative to the size of the population of the council
- c. some services provide benefits relative to the revenue base of the council.

The LGA's membership subscriptions are calculated as follows:

1. There should be an equal flat component for each member designed to collect at least 20% of the overall subscriptions
2. A 40% population and 60% revenue (3 year average) split for the balance of the subscription
3. There is no a cap on the subscription limit. The LGA applies a declining block contribution rate for set increments in population and revenue. This results in larger councils (population and revenue) paying more than smaller ones, but at a lesser rate of increase.

Services Funded by Member Subscriptions

Traditionally, the LGA has charged its members an annual subscription fee which has been used to fund a significant proportion of the LGA's expenditure. A summary of the core services funded by the LGA's members subscriptions are highlighted in the table below.

|  <h3>Advocate</h3> <p><i>Achieving greater influence for local government in matters affecting councils and communities.</i></p> |  <h3>Assist</h3> <p><i>Working with members councils to build capacity and increase sustainability. An integrated and coordinated local government.</i></p> |  <h3>Advance</h3> <p><i>Facilitating continuous improvement in councils and the LGA.</i></p> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • Awareness campaigns • Advocacy campaigns • LGA Advocacy Plan • Planning reforms • Local Government reforms • Media coverage • Social media • Policy development and advice • Research and publications • Submissions • Stakeholder engagement • Nominations to outside bodies | <ul style="list-style-type: none"> • LGA Training • Best practice resources and model policies • Governance advice • Local Government Governance Panel • Local Government Functional Support Group • Council Ready program • Local Government Research and Development Scheme • Conferences, forums and events • Special Local Roads Program • CWMS Program • Benchmarking and data analysis • Planning Reform • Disability Access and Inclusion Program • Heavy Vehicle Access program • Disability Information Linkages Grants | <ul style="list-style-type: none"> • LGA Legal Connect • LGASA Mutual Liability Scheme • LGASA Workers Compensation Scheme • LGA Procurement • Web Solutions • Media Training • Energy Services • Travel Management • Social Media Archiving |

LGA's annual review of membership benefits reports that if a Council uses all services provided by the LGA, the council would receive in excess of \$2.5 million of benefits in a year. This translates to more than \$142 million in savings across the sector every year.

There is also a significant non-financial benefit of membership. Membership of the LGA therefore, is an important tool for councils and their elected members in seeking to commit to ongoing improvement in the efficiency and effectiveness of service delivery.

The LGA, like its member councils, only has a limited amount of revenue available to meet the increasing demands of its members. That is, while each member council pays an annual subscription to the LGA, the LGA is not able to provide every service every council seeks from its membership of the LGA.

The LGA Board, through its annual budget process, determines the resources that it has available and the sector's priorities and produces an Annual Business Plan which sets out the services and its works plan for the ensuing twelve months (also refer to the section on the LGA's Fair use Policy on page 6).

The Annual Business Plan sets out LGA's objectives, the level of services to be delivered, the resources available to deliver those services via its membership subscriptions and those services that will be funded by a fee-for-service.

The LGA's membership subscription entitles member councils to:

- Phone and email support for all matters of concern or difficulty within the areas that align with the core capabilities of the LGA [Fair Use Policy Applies].
- Policy and advocacy support for all matters of state-wide and local government sector interest.
- Ability to submit motions for the consideration of the membership via SAROC & GAROC.
- Access to a defined range of membership services at no additional charge as agreed to annually by the Board are fully funded through the LGA Budget.

This membership does not generally include:

- Additional or ongoing support for any issue that is in outside of the Fair Use Policy.
- Products, services, support or advocacy for discrete or individual council matters.
- Products, services, material support or dedicated advocacy for matters that generally affect or impact less than 14 member councils (20% of membership).

While traditionally the majority of the LGA's services have been funded by member subscriptions; the LGA is currently seeking to deliver a variety of fee-for-service products that have the potential to ultimately deliver a dividend to the LGA to be used to minimise any future increases in its membership subscription fees and/or provide an opportunity for the LGA of SA to increase the core services it is able to provide to councils as part of their members' subscriptions.

Fee-for Service Activities

Introduction

The LGA has a strong tradition of providing paid services to its members at below market rates, providing a return to members with higher level of service and benefits than can be obtained from the private sector.

The LGA also provides several services that it delivers on behalf of members, with funding received from the state and federal governments.

The LGA also employs an Executive Director Member Services who is tasked with expanding the range of paid services that can be delivered to member councils. If the LGA can expand the range of services it can provide member councils, it will be able to provide more services below existing market rates thereby providing savings to councils and providing members with value added services. This will enable the LGA to reinvest in new fee-for-service activities and to off-set the reliance on member subscriptions for the core range of services it provides.

Funded projects

The LGA regularly undertakes a number of funded projects on behalf of the sector. These funded projects can include delivering programs on behalf of state and federal governments (grant programs and scheme) projects funded by the Research and Development Scheme as well as projects on behalf of, or in conjunction with, other non-for-profit organisations. Recent examples of grant programs and schemes include:

- Research and Development Scheme
- Community Wastewater Management Scheme
- Emergency Management, “Council Ready” program

Generally, the LGA will seek to undertake these services on a full cost recovery basis for all funded projects. All direct project costs including direct labour, materials, project support and contractors will be recovered and contribute to all LGA indirect costs including office space, information technology, human resources, finance and records management costs. The LGA does **not** seek to make a ‘profit’ or return a dividend to its general operations from funded projects.

There will be times when the LGA may choose to subsidise funded projects, either as a result of receiving other external funding for the project such as R&D funding or from a deliberate decision of the LGA that the project is of such a benefit to the sector that it should be subsidised from the LGA’s membership subscriptions.

In addition, there may be occasions when it may be appropriate for the LGA to ask its members for a co-contribution to funded programs where there is an individual benefit to a council; or where funded projects do not cover all the LGA’s cost in delivering the program and it is beyond the LGA’s resources to fund the program from LGA membership subscriptions.

The LGA also runs a number of number of programs based on a subsidy funded model, such as the CWMS program, where the LGA administers the state government's contributions to programs jointly funded by councils.

Local Government Governance Panel

The principal function of the Local Government Governance Panel is to assist councils in addressing complaints about the conduct of council members under Part 2 of the Code of Conduct for Council Members (Code), as made by regulation and as varied from time to time.

The Panel Manager, appointed by the LGA, will make an initial assessment of each complaint referred to the Panel, to determine if the matter falls within the remit of the Panel, or whether the complaint should be referred elsewhere in relation to the Code (for example, to the Office for Public Integrity or to the Ombudsman). The cost for an initial assessment of a complaint is up to \$426.80 (inc GST)

The cost of the investigation is based on an hourly rate, plus travel and accommodation where applicable. The hourly rate of the panel member may vary dependent on the panel member assigned to the investigation and the particular skill mix required to resolve the complaint received.

The Panel Manager, in consultation with the selected Panel Member, will make an estimate of the time required to undertake the investigation and prepare the report and recommendation. This will be used to provide an estimate of costs to the respective council before commencing the investigation. The timeframe for dealing with the matter will also be confirmed.

LGA Training

LGA Training is one of many LGA Member services designed to support the needs of LGA's member councils. LGA Training aims to promote, facilitate, enhance and make accessible education and training activities, opportunities and products for the Local Government sector in South Australia.

In 2019, LGA Training carried out a thorough training needs analysis (TNA) of the local government sector by visiting 65 of its 68 member councils. Feedback confirmed that members saw value in training tailored to the local government sectors' needs, increasing regional access, and investing in people and the sector.

LGA Training will:

- continue to develop and deliver quality training that adds value for members
- tailor content relevant to member needs
- work with reputable and engaging providers in building sector capability
- deliver training through multiple methods (face to face and on-line) and,
- offer fair and competitive pricing.

Standard rates for LGA Training are based on the duration of the course provided. All training sessions are priced according to a range of variables including costs associated with content development and updates, facilitation of sessions, administration and promotion of

sessions, venue hire, catering, classroom resources, travel and accommodation. Any savings or surplus generated is reinvested into the sector.

As a result of the TNA in 2019, LGA Training commenced an 'Expression of Interest' process for course offerings to minimise the risk of cancellations and maximise the opportunity to offer more flexible and competitive pricing for regional hub sessions.

LGA Training aims to reduce the cost of courses provided to its regional members by increasing the number of on-line learning opportunities (i.e. virtual training, webinars and on-line courses) as well as offering competitive quotes for face to face hub sessions. These initiatives reduce the costs of regional members accommodation, travel, loss of productivity and other out of pocket expenses associated with travelling to Adelaide for courses.

LGA Training delivers regional training to its member councils at the same fee offered to its metropolitan members. Additional accommodation and travel costs may be subsidised by councils participating in the training. Where a regional program has been custom designed for a single council, the council involved will be required to pay all accommodation and travel costs associated with that LGA Training activity.

The LGA will seek to recover all direct and indirect LGA Training costs.

There will be times when the LGA may determine to subsidise LGA Training services when it is deemed that a program is of such benefit to the sector that it should be subsidised from the LGA's membership subscriptions, or for a strategic or commercial reason.

Emergency Management development activities and i-Responda Partner Package

The LGA provides several training and development opportunities to members in the field of emergency management. These include training in i-Responda essentials, training around specific hazards such as flooding and bushfire, training to support the operations of the Local Government Functional Support Group and general emergency management training.

The LGA and the LGASA Mutual Pty Ltd (managers of the LGAWCS & LGAMLS) recognise the importance of council staff being able to assist in emergency situation and the requirement for council staff to have the skills, knowledge and training to enable them to operate in this environment. As such, subject to the funding made available by LGASA Mutual Pty Ltd, the LGA will provide i-Responda Essentials training free to any council or group of councils that require it.

For 2020/21 the LGA has established an i-Responda Partner Package to provide a pre-paid development and engagement activity package to councils at a discounted price. The package consists of the following core activities/products as a standard inclusion and additional activities and products are added at a discounted price as detailed in Appendix 2.

| Service Areas | Services | 2020/21 Fee |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Emergency Services | I-Responda Partner Package Including: <ul style="list-style-type: none"> • 2 Courses – I-Responda Essentials • 2 Tickets – LG EM Seminar 2020 Discounts: Varying between 10% to 20% on Training and Other. | \$1,595 |

The Package is a pre-approved activity under the LGAMLS and LGAWCS Risk Incentive Program, and councils can request funds through the program to invest in this.

All other training in emergency management will be provided on a cost recovery basis. These courses can be tailored to suit the individual or group of councils needs.

Events

The LGA provides a number of key events each year including:

- Minor events such as briefing sessions and topical issues discussions
- LGA Conference and Annual General Meeting
- Council Next Practice Showcase and LGA Ordinary General Meeting
- LGA Roads & Works conference

The following is a summary of the LGA's pricing schedule in relation to the major events it hosts each year.

| Activity | Details |
|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Minor Events/advocacy sessions | Direct external costs of holding sessions is charged to participants. Cost determined on a case by case basis. |
| LGA Conference & AGM | Direct costs of holding the major events, LGA Conference & AGM; Council Next Practice Showcase & OGM & LGA Roads & Works Conference are offset by the sponsorship raised and registration fees. These events are run on a break-even basis. Where sponsorship gained and registrations received exceeded the budget then surplus funds are moved into the operational budget. Alternatively, the LGA may make a contribution if the revenue is below the cost of the conference. |
| Council Next Practice Showcase and OGM | |
| LGA Roads & Works conference | |

Minor events, Public Affairs/Advocacy Sessions

(Meetings, seminars, briefings, forums etc.)

These include any public affairs, advocacy topics, Presidents forums, updates on new legislation or requirements or topical issues forums. These Minor events can be in the form of a seminar, briefing and forums and are generally recognised as a cost of doing business. As such, the LGA will only charge its member councils the direct external costs of holding these sessions.

There will be times when the LGA may choose to subsidise a Minor Event or attendance as a service free of charge. This would occur when the LGA receives external funding to provide a session, sponsorship by a third party or from a deliberate decision of the LGA to use Member Subscriptions due to the benefits from the Minor event.

Major Events: LGA Conference & AGM; Council Next Practice Showcase and OGM & LGA Roads & Works Conference

Unlike meetings or seminars, conferences by their nature can carry significantly more risk. These include financial risks in that many significant costs are carried up-front and are often

pre-paid. This outlay for elements such as venue hire, AV services, meals for attendees, fees for topical speakers and their travel and accommodation costs, hire of booth structures, tables and chairs for sponsorship firms and other costs incurred to hold a major event require a minimum number of attendees to ensure that these costs are recouped.

The LGA seeks to reduce the cost of these events to members by offering commercial sponsorship opportunities. The LGA, offers a range of sponsorship opportunities, which are detailed in its annual 'LGA Sponsorship Proposal'. The levels of sponsorship for the Conference & AGM and Showcase & OGM are outlined in Appendix 2.

The LGA will seek to recover all direct and indirect conference costs with the addition of a mark-up on the cost to cover a margin for risk

The margin acknowledges that some conference financial returns can fluctuate because of attendance numbers and costs can fluctuate which can affect their profitability. The margin provides capacity to the Events team to remain sustainable and to potentially reinvest some surpluses into subsidising further events.

In addition to the general delegate pricing to these conferences, the LGA will also offer the following pricing options:

External Delegates: Non-government or non-members may, at the discretion of the relevant Executive Director or the CEO, be charged an additional premium for attending.

Discounts: Individuals who directly contribute to a conference program as a speaker or workshop presenter may be extended a discount. Other additional incentives to attract an unpaid speakers may be offered at the discretion of the CEO.

The CEO will be responsible for approval of the pricing schedule for events and conferences. The pricing schedule may include discounts for multiple delegate registrations, add-ons of other offers to encourage attendances.

Stand-alone conference meals / dinners: When a non-conference guest, such as a partner or casual visitor seeks to join a conference, meal pricing is to be at full cost recovery including a 10% margin. Meal costs for all delegates may be off-set through sponsorships.

Web Solutions

The LGA provides web solutions to its members which focus on the delivery a number of core projects including:

- Content Management System (LGA Squiz platform)
- My Local Services App
- SA Tenders & contracts
- SynergyOnline on-line transactions
- Other Services

Annual increase

An annual increase of CPI + 1% is applied to all charging for web solutions products and services in order to pay for the upfront capital infrastructure investment incurred to developed the services.

LGA Squiz platform Content Management System

The LGA Squiz platform offers South Australian councils a flexible and dynamic platform for digital engagement. Using the Squiz Matrix platform, councils can offer quality digital experiences by seamlessly transforming complex content into personalised applications and services that create meaningful user interactions.

As a result of a thorough procurement process by the LGA, the Squiz Matrix platform is offered to South Australian member councils at a highly competitive rate while providing access to a world class suite of website delivery and customer engagement technology.

The pricing tiers reflect the usage of website platforms hosted by councils and provides councils of varying size, (based on population), with a fixed annual cost for budgeting purposes.

| Pricing tier | Population ^{*i} | Annual licence, hosting, support, usage (inc GST) | Inclusions |
|--------------|--------------------------|---------------------------------------------------|------------|
| Enterprise | 100,001 + | \$17,971 | 6 Sites |
| Large | 20,001 to 100,000 | \$13,421 | 4 Sites |
| Medium plus | 15,001 to 20,000 | \$10,009 | 3 Sites |
| Medium | 7,001 to 15,000 | \$8,871 | 3 Sites |
| Small | 5,001 to 7,000 | \$5,459 | 2 Sites |
| Extra small | Up to 5,000 | \$4,322 | 2 Sites |

Additional costs

Additional websites can be purchased:

\$1,784 (ex GST) per annum for one additional

\$4,653 (ex GST) per annum for three additional websites

My Local Services App

The My Local Services App has been developed by the LGA on behalf of its members.

Ongoing support, including any additional costs for spatial mapping and operating system updates are incorporated into the following cost charged to councils for the My Local Services App product.

| Pricing tier | Annual licence, hosting, support, usage (inc GST) |
|---------------------|---------------------------------------------------|
| Non Squiz Council | \$4,550 |
| Large Squiz Council | \$2,275 |
| Small Squiz Council | \$1,137 |

SA Tenders and Contracts

The LGA is charged a per-tender placed fee by the State Government's Shared Services for councils lodging a tender on the SA Tenders and Contracts system www.tenders.sa.gov.au.

The LGA is also charged for the cost of Advertising for the weekly Composite Ad placed in The Advertiser on a Tuesday.

Councils are charged the following amounts by the LGA:

| Service | Cost |
|-----------------------------------------------------|--------------------------------------|
| On-line or selective tenders placed | \$68.20 (inc GST) per advertisement |
| Line Ad in the weekly Composite advert + On-line Ad | \$380.60 (inc GST) per advertisement |

Other IT Services

The LGA also provides a range of other ITC services including:

- Synergy On-line Transaction platform** - The Synergy Online service is provided to councils running the LGA Squiz platform and IT Vision's SynergySoft. This allows for councils to deploy an integrated on-line payments and on-line transactions system. The LGA runs a separate cloud based server and provides support to councils running this service. Participating councils are charged a hosting, maintenance and support fee.

- **Videoconferencing** - Costs for the videoconferencing and webinar equipment and broadband connection are covered by the LGA Information Technology budget. The web solutions team charge the following hourly fees:
- **Training** - Face-to-face Unity training is provided to councils onsite, at the LGA or via Zoom videoconferencing for the following hourly fees. Additional costs of flights, car-hire, and accommodation are charged at cost if travel is required.
- **Website development** – A range of website development and consulting work is provided to councils and related entities at the following hourly fees detailed in appendix 2.

Other Member Services

The LGA continues to expand its fee-based services to reduce its reliance on member subscriptions and to expand the range of services available. The aim of the Member Services division is to provide a superior level of services to its members below the cost of the services in the general market, while delivering value to member councils and a potential dividend to the LGA.

Each new service is required to have its own business case. The business case will consider the current market for the new service, its competitors, current pricing of the service in the market, expected demand for the service, the expected cost of the service and the risks involved with the service. Revenue may be derived by commission-based fees, charging a fee-for-service, or facilitating a service which is provided by and charged by a third party. In all cases the method used to determine the pricing and why the LGA has chosen to price the service, will be clearly outlined in the relevant service's business case.

It is acknowledged that new services will take time to establish with revenue being retained to further expand the service or seed funding other new services.

There will be times when the LGA may choose to subsidise some fee-based activities. This would occur if the LGA receives external funding to provide an activity or from a deliberate decision of the LGA to provide subsidised benefit to the sector from the LGA's membership subscriptions.

2020/21 will be a phase of consolidation for the Member Services team with a larger focus on utilising existing contracts in place such as the Norman Waterhouse legal services contract. Norman Waterhouse will be developing a human resource library, legal training program and the contract provides a competitive rate for legal advice to the sector. Other services new services include PageFreezer and Energy Audits. PageFreezer allows users to take snapshots of social media pages for records management purposes and Energy Audits involve the engagement of speciality consultants to review a council's use of electricity identifying ways to reduce consumption.

Appendix 1: Members Subscription Fees 2020/21

| Members | LGA Subscriptions | LGA Subscriptions |
|---------------------------------|-------------------|-------------------|
| | 2020/21 | 2019/20 |
| | \$ | \$ |
| Adelaide, City of | \$84,852 | \$85,277 |
| Adelaide Hills Council | \$52,580 | \$51,753 |
| Adelaide Plains | \$19,987 | \$19,596 |
| Alexandrina Council | \$46,804 | \$45,617 |
| Anangu Pitjantjatjara Yunta | \$9,868 | \$9,797 |
| Barossa Council | \$41,694 | \$41,236 |
| Barunga West DC | \$12,457 | \$12,222 |
| Berri Bamera Council | \$23,434 | \$23,405 |
| Burnside, City of | \$56,757 | \$56,242 |
| Campbelltown City Council | \$61,700 | \$59,795 |
| Ceduna DC | \$15,911 | \$15,295 |
| Charles Sturt, City of | \$91,441 | \$90,848 |
| Clare & Gilbert Valleys Council | \$23,364 | \$22,867 |
| Cleve DC | \$12,114 | \$11,488 |
| Coober Pedy DC | \$16,959 | \$16,881 |
| The Coorong DC | \$19,560 | \$19,499 |
| Copper Coast DC | \$33,715 | \$33,159 |
| Elliston DC | \$11,129 | \$10,699 |
| Flinders Ranges Council | \$10,832 | \$10,664 |
| Franklin Harbour DC | \$10,491 | \$10,125 |
| Gawler, Corp of the Town | \$36,005 | \$35,172 |
| Goyder Regional Council | \$17,264 | \$16,599 |
| Grant DC | \$20,951 | \$20,530 |
| Holdfast Bay, City of | \$60,345 | \$60,033 |
| Kangaroo Island Council | \$19,564 | \$18,787 |
| Karoonda East Murray DC | \$10,187 | \$9,809 |
| Kimba DC | \$10,360 | \$10,075 |
| Kingston DC | \$12,647 | \$12,309 |
| Light Regional Council | \$28,687 | \$27,875 |
| Lower Eyre Peninsula DC | \$17,658 | \$17,261 |
| Loxton Waikerie DC | \$26,795 | \$26,322 |
| Marion, City of | \$80,128 | \$79,482 |
| Mid Murray Council | \$25,589 | \$25,042 |
| Mitcham, City of | \$69,332 | \$69,208 |
| Mount Barker DC | \$51,962 | \$50,053 |
| Mount Gambier, City of | \$39,028 | \$38,048 |
| Mount Remarkable DC | \$13,926 | \$13,701 |
| Murray Bridge, Rural City of | \$40,139 | \$39,015 |
| Naracoorte Lucindale Council | \$23,403 | \$22,961 |
| Northern Areas Council | \$17,147 | \$16,869 |

| Members | LGA Subscriptions | LGA Subscriptions |
|---------------------------------------|--------------------|--------------------|
| | 2020/21 | 2019/20 |
| | \$ | \$ |
| Norwood Payneham & St Peters, City of | \$50,895 | \$50,377 |
| Onkaparinga, City of | \$109,541 | \$108,608 |
| Orroroo / Carrieton DC | \$9,928 | \$9,439 |
| Peterborough DC | \$11,248 | \$11,037 |
| Playford, City of | \$82,524 | \$81,494 |
| Port Adelaide Enfield, City of | \$91,600 | \$90,803 |
| Port Augusta, City of | \$34,629 | \$36,064 |
| Port Lincoln, City of | \$27,133 | \$26,717 |
| Port Pirie Regional Council | \$31,968 | \$31,146 |
| Prospect, City of | \$32,376 | \$31,871 |
| Renmark Paringa DC | \$21,630 | \$21,068 |
| Robe DC | \$12,327 | \$12,132 |
| Roxby Downs, Municipal Council | \$19,962 | \$19,976 |
| Salisbury, City of | \$95,059 | \$94,387 |
| Southern Mallee DC | \$13,187 | \$12,921 |
| Streaky Bay DC | \$14,192 | \$13,775 |
| Tatiara DC | \$20,708 | \$20,287 |
| Tea Tree Gully, City of | \$81,425 | \$81,098 |
| Tumby Bay DC | \$13,000 | \$12,769 |
| Unley, City of | \$54,565 | \$53,839 |
| Victor Harbor, City of | \$30,715 | \$30,345 |
| Wakefield Regional Council | \$20,202 | \$19,812 |
| Walkerville, Corp of the Town | \$18,444 | \$18,297 |
| Wattle Range Council | \$28,671 | \$28,112 |
| West Torrens, City of | \$68,899 | \$68,582 |
| Whyalla, Corp of the City | \$36,623 | \$36,119 |
| Wudinna DC | \$11,669 | \$11,156 |
| Yankalilla DC | \$19,404 | \$19,188 |
| Yorke Peninsula DC | \$31,133 | \$30,657 |
| Total | \$2,370,421 | \$2,337,694 |

Appendix 2: Other fees & charges 2020/21

*All fees are GST Inclusive

| Service Area | Services | 2020/21 Fee | 2019/20 Fee |
|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|---------------------------------------------------------|
| Education & Training | Half Day Training <ul style="list-style-type: none"> Per Participant 2 to 5 Participants 6 to 10 Participants 11+ Participants | \$385 Flat Rate per person | \$363.00 \$330.00 \$313.50 By Neg. |
| | Full Day Training <ul style="list-style-type: none"> Per Participant 2 to 5 Participants 6 to 10 Participants 11+ Participants | \$605 Flat Rate per person | \$473.00 \$429.00 \$401.50 By Neg. |
| | Two Day Training <ul style="list-style-type: none"> Per Participant 2 to 5 Participants 6 to 10 Participants 11+ Participants | \$880 Flat Rate per person | \$748.00 \$676.50 \$638.00 By Neg. |
| | One Day Forum <ul style="list-style-type: none"> Per Participant 2 to 5 Participants 6 to 10 Participants 11+ Participants | \$755 Flat Rate per person | \$517.00 \$467.50 \$445.50 By Neg. |
| | Two Day Forum <ul style="list-style-type: none"> Per Participant 2 to 5 Participants 6 to 10 Participants 11+ Participants Additional Dinner Guests | \$1,140 Flat Rate per person | \$808.50 \$726.00 \$687.50 By Neg. \$110.00 |

| Service Area | Services | 2020/21 Fee | 2019/20 Fee |
|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|
| Web Services | Squizy Web Site Hosting <ul style="list-style-type: none"> Small council's Large Councils Support Fee Bandwidth rate (\$/MB) Database Charge (\$/gig) | Refer page 17 for Squiz fees | \$2,200 \$4,400 \$660 \$22 \$132 |
| | Squiz Training <ul style="list-style-type: none"> Online training Face to Face (ex. Travel & Accommodation costs) | \$159/hr (video conference or face to face) | \$55/hr \$144/hr |
| | My Local Services App <ul style="list-style-type: none"> Small councils Large Councils Non-Unity Councils | Refer page 17 for Squiz fees | Refer page 17 for Squiz fees |
| | SynergyOnline | \$1,043.90 per year | |
| | SA Tenders <ul style="list-style-type: none"> On-line or Selective Tender Places Line add in weekly composite Ad | \$68.20 per advert \$380.60 advert | \$60.50 per advert \$375.50 per advert Check GST) |
| | Video Conference Facilities <ul style="list-style-type: none"> Internal Programs External use | \$79.20/hr \$159.50/hr | \$78.10/hr \$154/hr |

| Service Area | Services | 2020/21 Fee | 2019/20 Fee |
|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|
| Web Services | Squizy Web Site Hosting <ul style="list-style-type: none"> Small council's Large Councils Support Fee Bandwidth rate (\$/MB) Database Charge (\$/gig) | Refer page 17 for Squiz fees | \$2,200 \$4,400 \$660 \$22 \$132 |
| | Squiz Training <ul style="list-style-type: none"> Online training Face to Face (ex. Travel & Accommodation costs) | \$159/hr (video conference or face to face) | \$55/hr \$144/hr |
| | My Local Services App <ul style="list-style-type: none"> Small councils Large Councils Non-Unity Councils | Refer page 17 for Squiz fees | Refer page 17 for Squiz fees |
| | SynergyOnline | \$1,043.90 per year | |
| | SA Tenders <ul style="list-style-type: none"> On-line or Selective Tender Places Line add in weekly composite Ad | \$68.20 per advert \$380.60 advert | \$60.50 per advert \$375.50 per advert Check GST) |
| | Video Conference Facilities <ul style="list-style-type: none"> Internal Programs External use | \$79.20/hr \$159.50/hr | \$78.10/hr \$154/hr |

| Service Area | Services | 2020/21 Fee | 2019/20 Fee |
|------------------------------------|---------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|-------------|
| Energy Audits | Assisting councils in reduce energy consumption costs. | \$2,750 | N/A |
| Page Freezer – Social Media | Software to capture social media webpages for records management purposes | \$150 Up front \$99 per month for 5 accounts \$20 per month for every additional account | N/A |

| Service Area | Services | 2020/21 Fee | | 2019/20 Fee | |
|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------|-------------|----------|
| Events | Major Events | At Cost | | At- Cost | |
| | LGA Conference and Annual General Meeting – ex GST | Member | N/Member | Member | N/Member |
| | <ul style="list-style-type: none"> Full event pass (both days & dinner) Full conference pass (excludes dinner) Day 2 pass Day 1 pass Conference Reception pass | TBD | TBD | TBD | TBD |
| | Council Next Practice Showcase and LGA Ordinary General Meeting – ex GST | Member | N/Member | Member | N/Member |
| | <ul style="list-style-type: none"> Full event pass (both days & dinner) Full conference pass (excludes dinner) Day 1 pass Day 2 pass Dinner pass | TBD | TBD | TBD | TBD |
| | Local Government Association Roads & Works conference | Member | N/Member | Member | N/Member |
| | <ul style="list-style-type: none"> Full event pass (both days & dinner) Full conference pass (excludes dinner) Day 2 pass Day 1 pass Pre-Conference Reception pass | TBD | TBD | TBD | TBD |
| | Sponsorship* | | | | |
| | Platinum | | | | |
| | Gold | | | | |
| Silver | | | | | |
| Bronze | | | | | |
| Exhibitor | | | | | |
| | | TBD | | TBD | |

| Service Areas | Services | 2020/21 Fee | 2019/20 Fee |
|-------------------|--------------------------------------------------------------------------------------------------------------|--------------------------------|-----------------------------------|
| Governance | Governance Panel <ul style="list-style-type: none"> Initial Assessment Investigation | \$759 Individually Assessed | \$412.50 Individually Assessed |

| Service Areas | Services | 2020/21 Fee | 2019/20 Fee |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------|
| Emergency Services | I-Responda Partner Package Including: <ul style="list-style-type: none"> • 2 Course – I-Responda Essentials • 2 Tickets – LG EM Seminar 2020 Discounts: Varying between 10% to 20% on Training and Other. | \$1,595 per member | N/A |

| Emergency Services - Systems | | | | |
|------------------------------|-------------------------------------|----------------------------------------------------------------|-------------------------------------|---------------------------------------------------------|
| Activity | Unit | Included | 2020 LGA Members price Per annum | 2020 i-Responda Partner price Per annum / Discount % |
| Systems | Access to LG xMatters | 4 hrs of support/set up, 30 users (additional users @ \$15/yr) | \$1000 per member | \$850 |
| | i-Responda App – access to M-i area | 4 hrs of support/set up, unlimited users & annual hosting fee | \$1000 per member | \$850 |

| Emergency Services - Training | | | | | | | |
|-------------------------------|-----------------------------------------------|------------|----------|------------------------|-------------------------------------------|---------|-----|
| Activity | Unit | Max part. | Duration | 2020 LGA Members price | 2020 i-Responda Partner price/ discount % | | |
| Development Activities | i-Responda Essentials | Per course | 30 | 3.0 hrs | \$0 | \$0 | \$0 |
| | i-Responda Bushfire | Per course | 30 | 3.0 hrs | \$1,650 | \$1,320 | 20% |
| | I-Responda Bushfire Plant | Per course | 30 | 1.5 hrs | \$770 | \$528 | 31% |
| | i-Responda Water | Per course | 30 | 2.0 hrs | \$330 | \$220 | 33% |
| | i-Responda Hazmat | Per course | 30 | 2.0 hrs | \$1,100 | \$825 | 25% |
| | i-Responda Essentials Update | Per course | 30 | 1.5 hrs | \$0 | \$0 | \$0 |
| | Personal Bushfire Safety Information Session | Per course | 50 | 1.0 hrs | \$715 | \$528 | 26% |
| | Workplace Bushfire Safety Information Session | Per course | 50 | 1.0 hrs | \$715 | \$528 | 26% |
| | i-Responda Bushfire Update | Per course | 30 | 1.5 hrs | \$990 | \$792 | 20% |

| | | | | | | |
|-----------------------------|------------|-----|---------|-------|-------|-----|
| Incident Management 3 (IM3) | Per person | 8 | 8.0 hrs | \$413 | \$330 | 20% |
| LG Liaison Officer | Per person | 8 | 8.0 hrs | \$242 | \$220 | 9% |
| LG EM Seminar 2020 | Per person | N/A | 1 day | \$413 | \$330 | 20% |
| Regional Forums | Per person | N/A | 1 day | \$0 | \$0 | \$0 |

* Subsidised by LGA & LGASA Mutual Pty Ltd

| Emergency Services - Products | | | | | | |
|--------------------------------------|----------------------------|-------------------|--------------------------------------------------------------------------|--------------------------------------------|------|-----|
| Activity | Unit | Included Duration | 2020 LGA Members price | 2020 i-Responda Partner price / Discount % | | |
| Products | IM Tabard | Each | Standard LG Incident Management Tabard (vest) – not including panel sets | \$77 | \$72 | 7% |
| | IM Tabard Panels | Each | Custom panels available | \$61 | \$50 | 18% |
| | i-Responda Pocket Notebook | Each | | \$2 | \$0 | - |
| | IM Log Book – A4 | Each | | \$28 | \$22 | 20% |
| | IM Log Book – A5 | Each | | \$28 | \$22 | 20% |
| | I-Responda Folder – A5 | Each | | \$39 | \$33 | 14% |
| | Bushfire Kit 1 | Each | | TBA | TBA | |
| | Bushfire Kit 2 | Each | | TBA | TBA | |
| | Bushfire Kit 3 | Each | | TBA | TBA | |

6.11 Local Government Financial Indicators 2020

LGA Business

| | | |
|-----------------|------------------------------------------------|--------------------|
| From: | Rebecca Muller, Senior Policy Officer | |
| Key Initiative: | K.I 3 Best practice and continuous improvement | |
| Strategy: | 3B Benchmark, innovate and research | |
| Meeting: | Annual General Meeting | 29 October 2020 |
| ECM: | 717630 | Attachment: 717629 |

Recommendation

That the Annual General Meeting notes the report.

Discussion

From 2006 to 2017, the LGA worked with South Australian councils and the State Government on a comprehensive Financial Sustainability Program to implement the recommendations of the *2005 Independent Inquiry into Financial Sustainability of Local Government in South Australia*.

The attached *SA Local Government Sector Financial Indicators Report 2020* (the report) delivers on a recommendation from the Inquiry that the LGA reports to each Annual General Meeting on the latest values, history and comparisons of key financial sustainability indicators for the sector as a whole.

The SA Productivity Commission's final report on local government costs and efficiency included a recommendation to councils regarding the development of an annual 'State of the Sector' report on sector-wide performance. This report goes some way to addressing that recommendation. The LGA is currently scoping a sector-wide benchmarking framework, which will enhance future reports about the financial health and sustainability of the sector and assist decision making by councils.

The 2020 Financial Indicators report presents analysis of the most recent SA Local Government Grants Commission Database Reports 2018-19 and demonstrates the long-term improvement in both the financial performance and financial position of the sector as a whole.

In 2018-19:

- The sector's **operating surplus ratio was 2 per cent** – showing that existing levels of income are sufficient to cover day-to-day operations.
- The sector's **net financial liabilities ratio was 34 per cent** – showing that the net amount owed to others is only a modest portion of one-year's income. The sector's net amount owed to others of \$806 million at 30 June 2019 is also very low when put in the context of infrastructure and other physical assets valued at \$25.4 billion.
- There were substantial variations in the **asset renewal funding ratio** recorded by individual councils. While most councils are renewing and replacing their assets in either a satisfactory or optimal way, there are some councils that could improve on the capital spending needed to cost-effectively maintain desired and affordable service levels from their assets.

In summary, the evidence shows that South Australian local government is living within its means, has a low level of indebtedness, and generally is managing its assets satisfactorily.



SA Local Government Sector

**Financial Indicators Report
FY 2018-19**

September 2020

1. Introduction

In order to provide an understanding of the current financial performance and position of the local government sector in South Australia, the Local Government Association (LGA) has undertaken analysis of the most recent SA Local Government Grants Commission Database Reports 2018-19.

The following report highlights the very sound financial performance and position of the local government sector as a whole. The evidence shows that South Australian local government is living within its means, has a very low level of indebtedness, and generally is managing its assets satisfactorily.

In 2018-19:-

- the sector's **operating surplus ratio was 2 per cent** – showing that existing levels of income are sufficient to cover day-to-day spending. Overall, the sector's income exceeded operating expenses by \$48 million;
- the sector's **net financial liabilities ratio was 34 per cent** – showing that the net amount owed to others is only a modest portion of one-year's income. The sector's net amount owed to others of \$806 million at 30 June 2019 also is very low when put in the context of infrastructure and other physical assets valued at \$25.4 billion. It is comparable to a family living in a \$500,000 house having a mortgage of only \$13,000 and no other debts; and
- there were substantial variations in the **asset sustainability ratio** recorded by individual councils. While most councils are renewing and replacing their assets in either a satisfactory or optimal way, there are some councils that could improve on the capital spending needed to cost-effectively maintain desired and affordable service levels from their assets.

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 seek to improve the services they provide to their local communities.

South Australian councils collectively manage an annual budget of more than \$2.4 billion and maintain infrastructure and other physical assets worth \$25.4 billion.

Taxation revenue raised by councils (from general and other rates on property) was \$1,743 million in 2018-19. Together with other own-source funding (mainly user and statutory charges), approximately 86 per cent of local government operating revenue is from its own sources. The remaining revenue comes from grants from federal and state 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 difficult constraints. Local government can raise only one type of tax (council rates), has very low indebtedness, receives the lowest per capita level of state government grants in the nation, and relies on an ongoing extension of the Supplementary Local Roads Program to ensure a fair share of federal

government grant funding. Local government in South Australia receives the lowest total revenue per capita of any Australian State or Territory.

Cost shifting from State to local government continues to apply pressure to council budgets. Key cost shifting pressures include mandatory 75% rate rebates provided to Housing SA properties transferred to community housing providers, the solid waste levy (which increased by 15 per cent in 2018-19 and 40 per cent during 2020), and a shortfall in the reimbursement of council costs incurred in collecting the State's Natural Resource Management (NRM) levy.

Within this context, South Australian councils are doing a lot with a little and often providing an increased range or level of services to a high standard.

2. Local government financial sustainability

The LGA worked with South Australian councils and the State Government on a comprehensive Financial Sustainability Program to implement the recommendations of the *2005 Independent Inquiry into Financial Sustainability of Local Government in South Australia*¹.

This report delivers on one of the Inquiry's recommendations that the LGA reports to each Annual General Meeting on the latest values, history and comparisons of 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 management of infrastructure and other assets, planned performance measurement and benchmarking, improved internal controls and better 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.

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 Federal 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 (IPWEA) 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.²

3. 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.

The aggregate level of local government's annual operating deficit reduced steadily from 2000-01 (when expenses exceeded income by \$75 million) until 2007-08 (when the operating deficit was eliminated). Subsequently, an approximate 'break-even' operating result was recorded for five years up until 2012-13. Since then, there has been a significant improvement in the financial performance of councils, culminating in an operating surplus of \$48 million in 2018-19.

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.

A total of 39 councils recorded an operating surplus in 2018-19 compared with only 16 councils in 2000-01.

A modest operating surplus ratio suggests that a council is setting rates and/or other fees and charges at appropriate levels with respect to their operating expenses and to fund the required maintenance or replacement of assets.

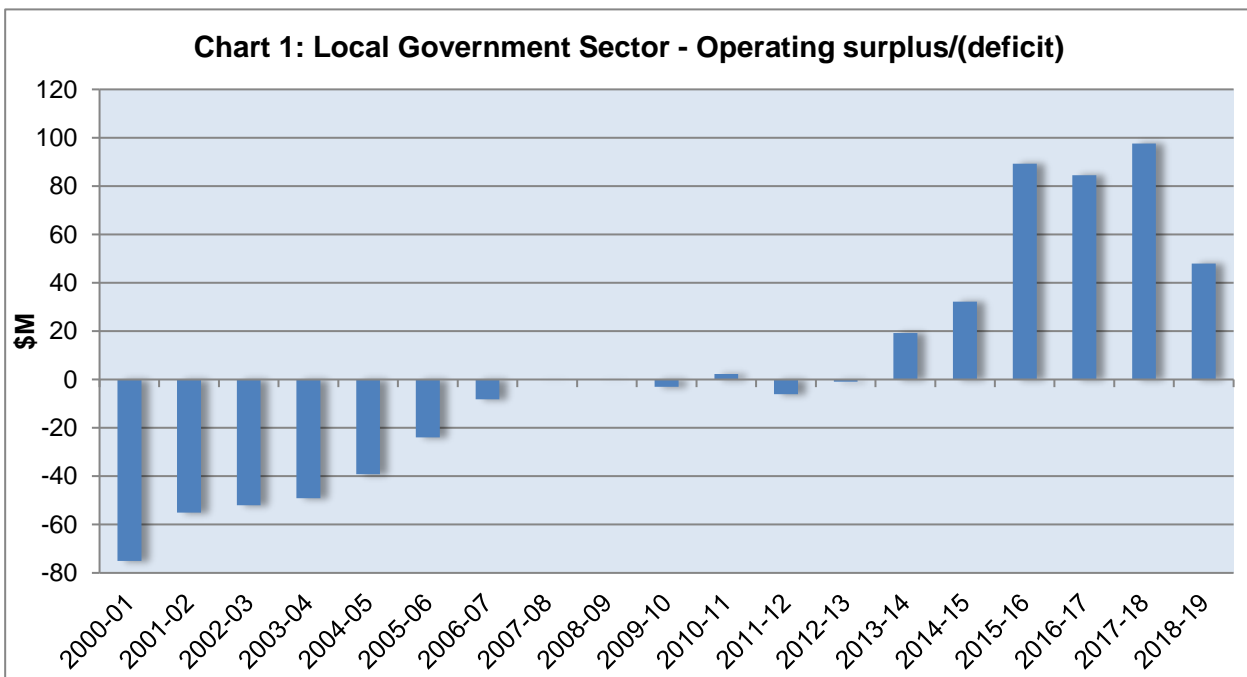


Chart 1 provides aggregate data from 2000-01 until 2018-19 covering the sector's operating surplus/(deficit). The data has been adjusted to remove the distortion otherwise caused by the irregular timing of receipt of Federal financial assistance grants (FAGs) received in some years since 2008-09.

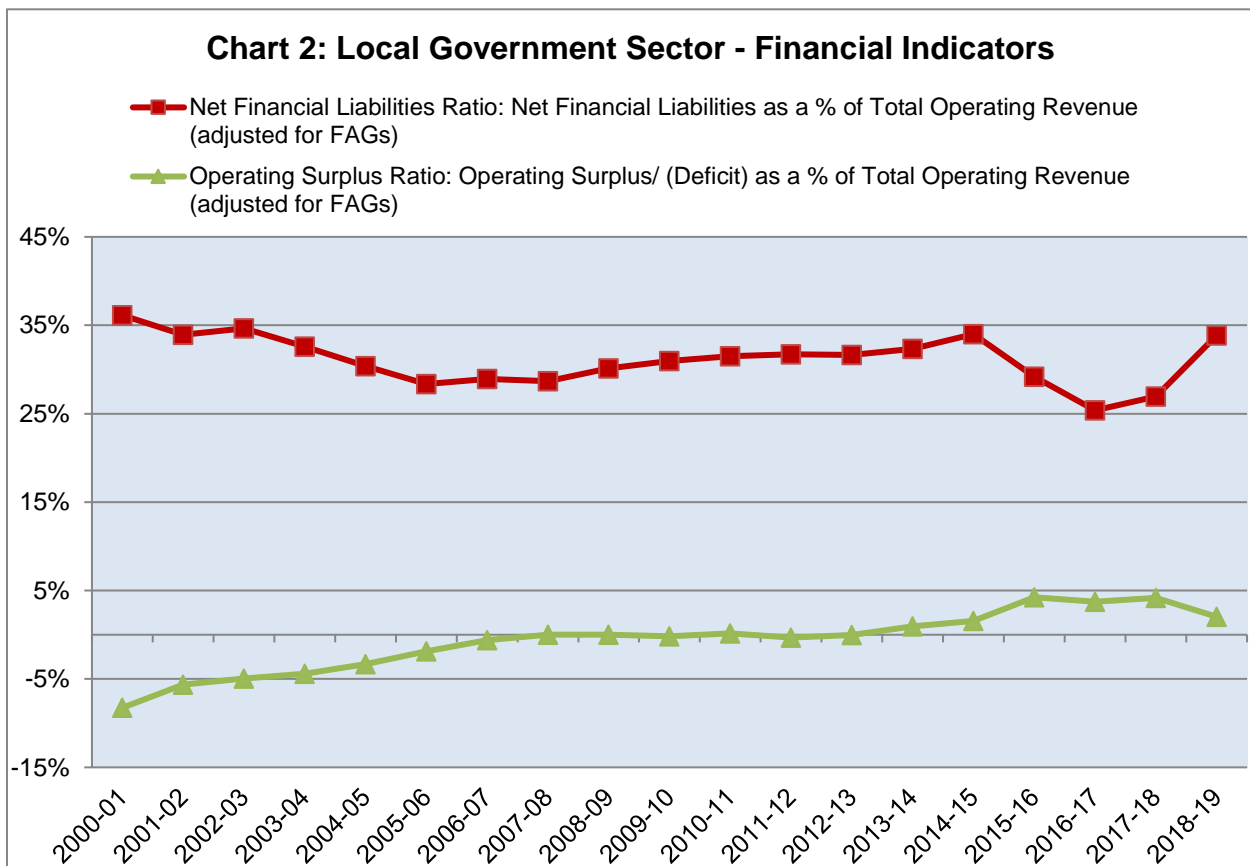
² <https://www.lga.sa.gov.au/member-services/financial-sustainability/financial-sustainability>

4. 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 its financial performance (operating surplus ratio) and financial position (net financial liabilities ratio).

Chart 2 below provides aggregate data from 2000-01 until 2018-19 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 (FAGs) in some years since 2008-09.



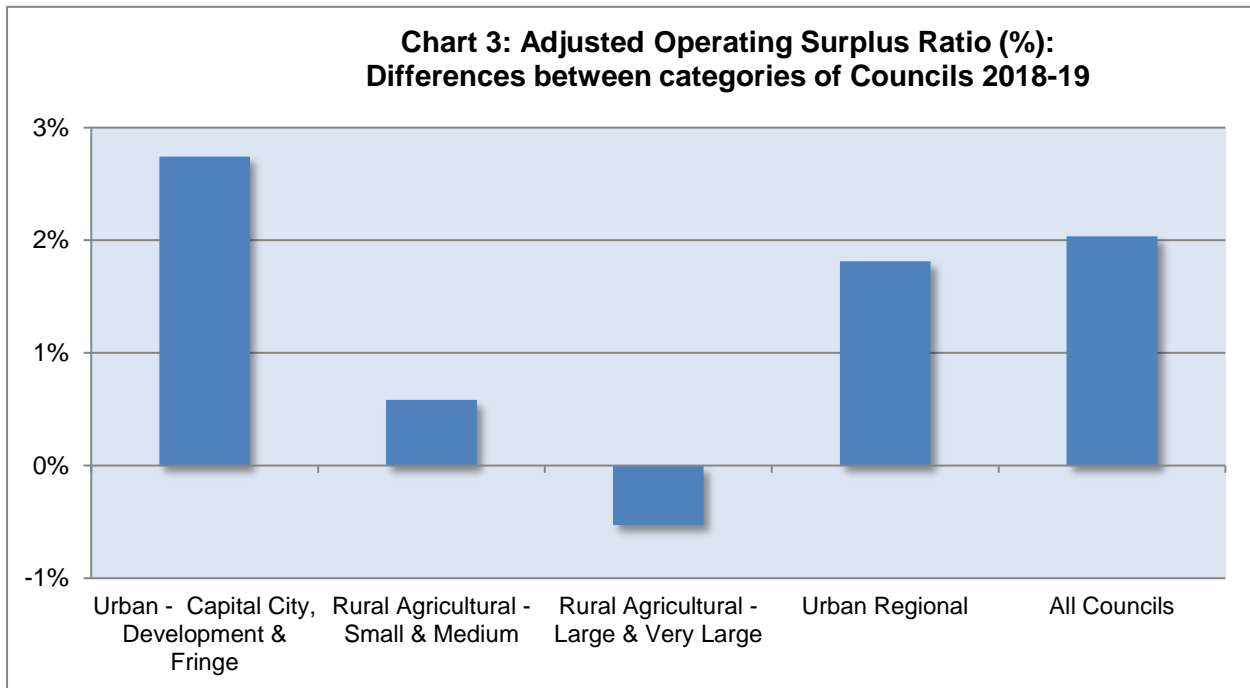
Indicator 1: Operating Surplus Ratio

The operating surplus ratio is calculated as the percentage by which the annual operating surplus or deficit varies from total operating income. The suggested target range for an operating surplus ratio, on average over time, is between 0 per cent and 10 per cent.

As shown in **Chart 2** above, the local government sector's operating surplus ratio in 2018-19 was 2 per cent. This result compares with an operating surplus ratio of negative 8.3 per cent in 2000-01 and represents a significant improvement in the financial sustainability of councils over an 18-year period.

The local government sector's operating surplus ratio has consistently been within the target range since 2007-08.

Chart 3 below shows the differences in the operating surplus ratios between categories of councils recorded in 2018-19.



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.

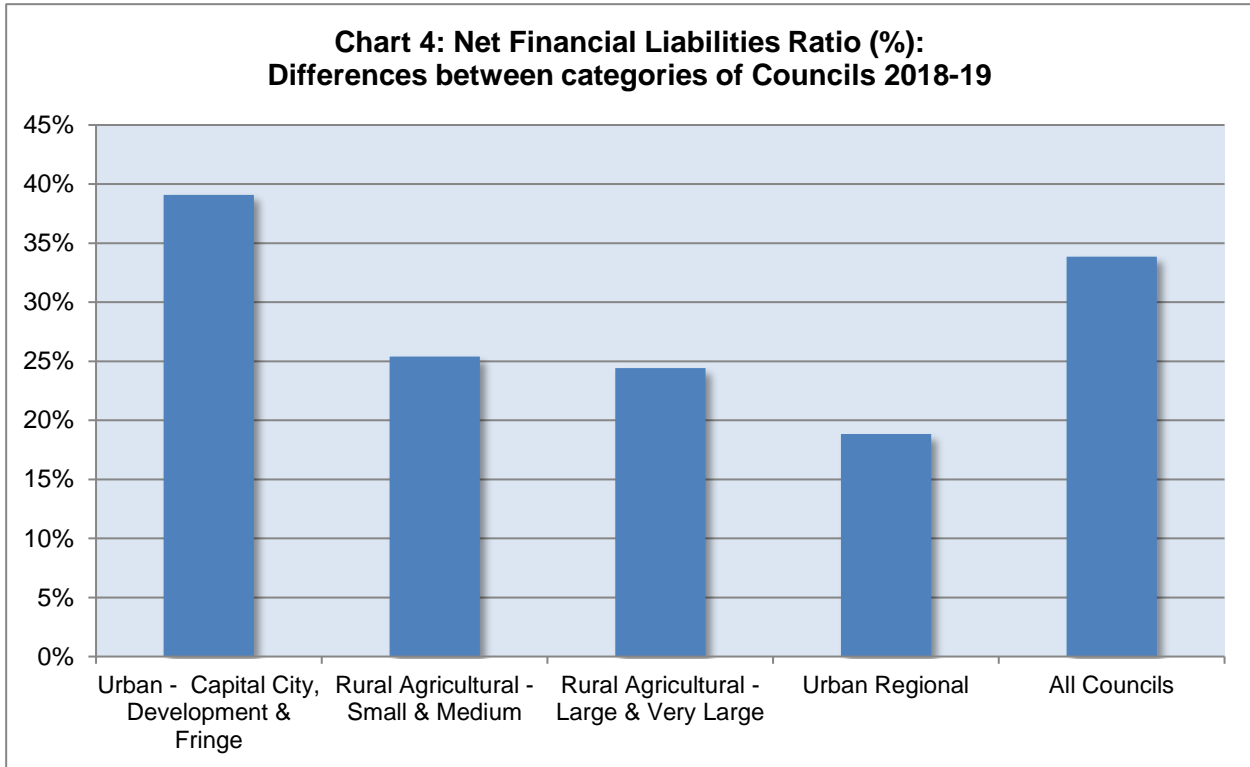
At 30 June 2019, the level of net financial liabilities was \$806 million. This is very low when put in the context of local government infrastructure and other physical assets valued at \$25.4 billion.

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.

There is no right or wrong target range for the net financial liabilities ratio. Councils generally seek to achieve a target range of between zero and 100 per cent, but higher than 100 per cent may be appropriate in some circumstances. A target range should be set by a council having regard to the target for its operating surplus ratio and the needs that are identified in its long-term financial plan and its infrastructure and asset management plan.

As shown in **Chart 2** (on the previous page), the net financial liabilities ratio for the local government sector in 2018-19 was 34 per cent. The ratio has consistently landed between 25 to 40 percent (ie. in the middle of the suggested target range) over the last 18 years.

Chart 4 below shows the differences in the net financial liabilities ratios between categories of councils recorded in 2018-19. The chart highlights that some councils are averse to incurring debt to help finance the cost of infrastructure. This may lead to these councils under-investing in infrastructure relative to what their operating revenue streams will allow. Their service levels will be lower as a result.



Provided operating deficits are avoided, there appears to be considerable scope for some councils to increase their level of borrowings (or liquidate some of their stock of cash and investments, which is equivalent to borrowing) to finance capital expenditure. Such borrowings 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.

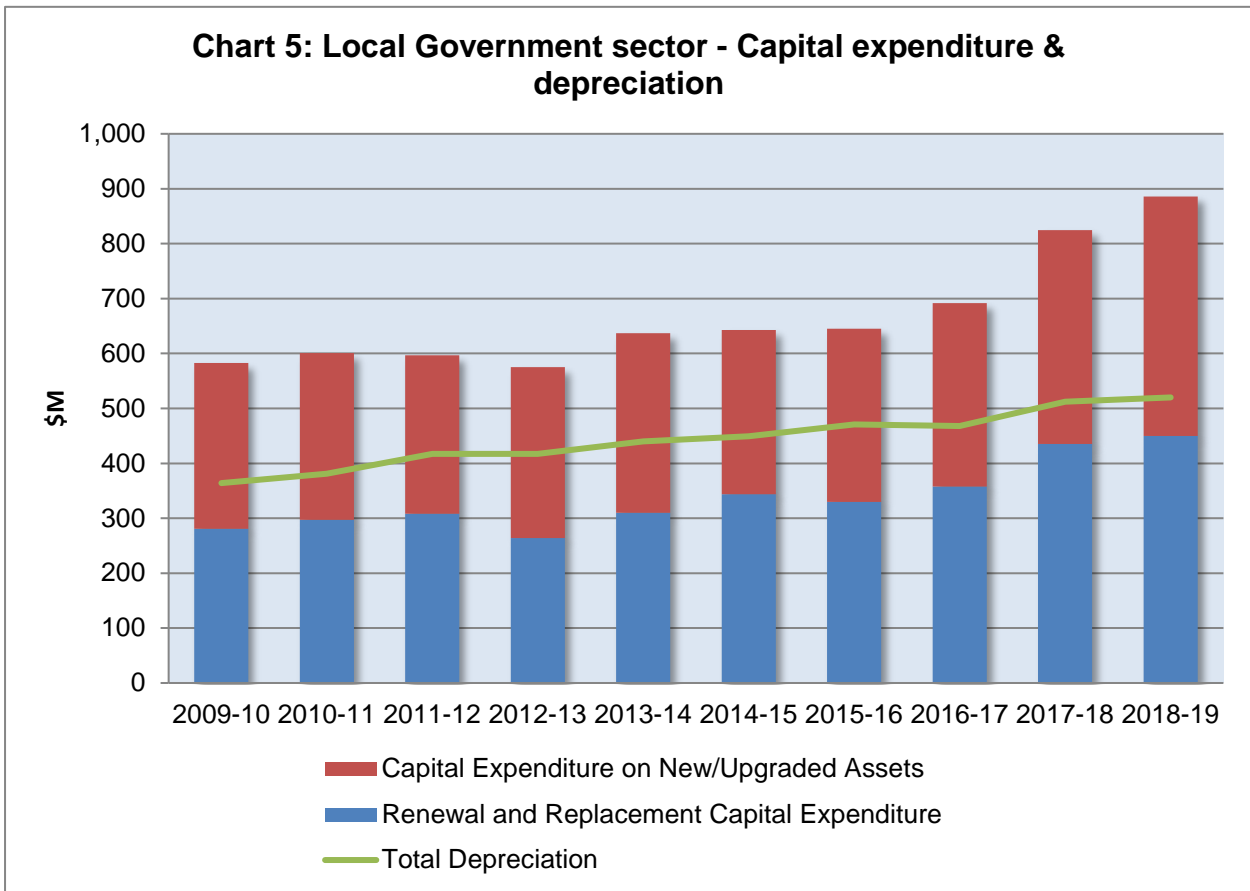
Of course, where a council is not achieving an underlying operating surplus, or trending towards doing so in the medium term, then generally any capital expenditure on upgrading or expanding infrastructure needs to be modest and targeted, because it normally will lead to additional maintenance and depreciation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

Capital Investment Expenditure

Overall, capital expenditure in 2018-19 was a record high \$886 million.

One of the findings of the aforementioned *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 Renewal Funding Ratio

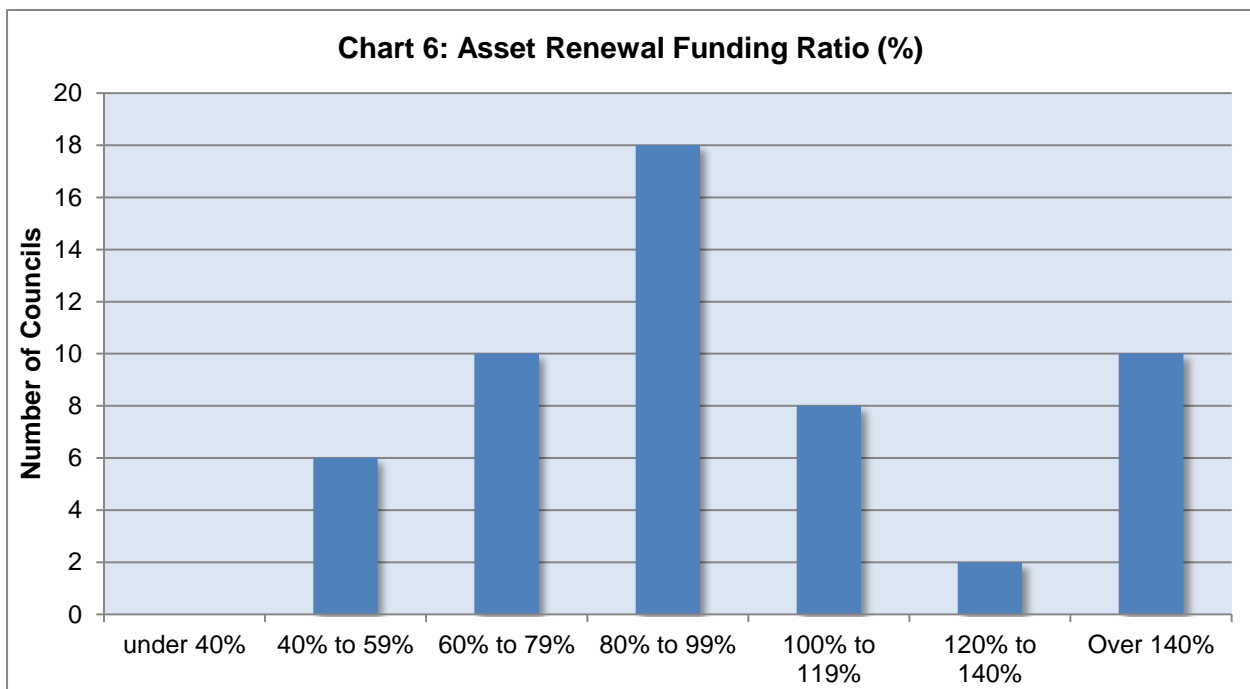
A third financial indicator adopted by the sector in recent years covers the asset management performance of councils. The asset renewal funding ratio represents the level of capital expenditure on renewal and replacement of assets relative to the level of such expenditure identified as warranted in 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 renewal funding 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 54 councils in 2018-19.

Chart 6 below provides summary information for the asset renewal funding ratio in 2018-19. Of the 54 councils for which data on an asset sustainability ratio is available, 70 per cent of councils had a ratio higher than 80 per cent.



A note on the differing financial performance of councils

This report demonstrates the significant improvement over the past 18 years in the financial performance and financial position of the sector as a whole.

However, it needs to be emphasised that the current financial condition of individual councils varies substantially.

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.

6.12 LGA Board and Committee Member Allowances and Expenses Policy

LGA Business

| | | |
|-----------------|-------------------------------------------------------------------------------------------|-------------------------------------|
| From: | Andrew Johnson, Executive Director Corporate Governance | |
| 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 | 29 October 2020 |
| ECM: | 718729 | Attachments: 83590, 673980 & 693869 |

Recommendation

That the Annual General Meeting adopts the attached revised Board and Committee Member Allowances and Expenses Policy.

Discussion

The LGA Board of Directors makes significant decisions regarding the finances, risk management, corporate policies, and operations of the LGA and its subsidiaries. Remuneration is provided to the LGA Board of Directors in recognition of the skills, knowledge and experience required to fulfil the requirements of the role, as well as the governance requirements, expectations, and fiduciary duties of a Board Director.

The role of the Board of Directors is distinct from the representative and advocacy role of other LGA committees, such as SAROC and GAROC in that the Board of Directors has higher levels of corporate and individual responsibility and accountability.

Clause 6.10 of the LGA Constitution adopted by Members at the 2018 Ordinary General Meeting and approved by the Minister for Local Government provides that for the purpose of fulfilling the objects and undertaking its functions, the LGA Board has the power to determine allowances and expenses for Directors or members of committees established under the Constitution.

Best practice corporate governance principles developed by the ASX Corporate Governance Council recommend that no individual director or committee member should be involved in deciding their own remuneration.

The Board and Committee Member Allowances and Expenses Policy, adopted at the 2019 AGM by the membership, states that *'the LGA Board of Directors shall review the quantum of LGA allowances and expenses and all other provisions of this Policy every two years (at the conclusion of the term of current LGA Office Bearers), and shall make recommendations to its Members at the LGA AGM as to what Board and Committee Member allowance and expenses policy should be adopted for the next two years'*

The LGA Board of Directors considered the Board and Committee Member Allowances and Expenses Policy at its September 2020 meeting. The Board:

- acknowledges that the current President's and Director's remuneration is not set at a level that adequately reflects the responsibilities, risks and time commitment required to undertake their role effectively and professionally;
- authorises the attached Policy to be included in the agenda for the 2020 LGA AGM for the consideration of its membership; and
- requested that the CEO writes to the Remuneration Tribunal to request that they advise the LGA on the future setting of LGA Board Director and related entity remuneration.

The purpose of this report is to seek Members' endorsement of a revised LGA Board and Committee Member Allowances and Expenses Policy.

Background

The LGA Board and Committee Member Allowances and Expenses Policy was last considered by the Board and the membership in 2019. At the 2019 LGA AGM the membership, on the recommendation of the Board, agreed to keep the President's and Directors remuneration unchanged.

Current Situation

The Board and Committee Member Allowances and Expenses Policy, adopted at the 2019 AGM, provides that the following guiding principles will apply when determining the level and payment of allowances and expenses for the LGA Board of Directors:

- a. the level of work required to fulfil the duties and responsibilities of each office.
- b. the size, complexity, commercial activities, management of Schemes, activities and advocacy undertaken by the LGA, for and on behalf of member councils.
- c. the role and responsibilities of Board Directors as outlined in the LGA's Constitution.
- d. the general governance requirements and other expectations of a Board Director.
- e. the reasonable level of out of pocket expenses required in respect of each office.
- f. comparison with allowances / sitting fees paid to similar positions in other relevant organisations.
- g. other special circumstances considered relevant by the LGA Board of Directors.

The current policy is based on 2018/19 review that was undertaken by the Board prior to the full implementation of the current governance arrangements, including the formation of GAROC and SAROC and reduced numbers on the Board of Directors (reduced from 18 to 10). The review was also conducted prior to the implementation of LGASA Mutual governance reform, which has seen the LGA Board having to take on a higher level of governance oversight of the Schemes and the LGA's operations more generally.

As a result, in reviewing the LGA Board and Committee Member Allowances and Expenses Policy, the LGA Board of Directors have considered the assumptions made during the 2018/19 review and noted that a number of the assumptions related to the level of work required to fulfil the duties and responsibilities of each office were underestimated - particularly in the number of meetings - as indicated in the table below

| Board & Remuneration | Remuneration Considerations (Sept 2018) | Remuneration Considerations (Sept 2020) |
|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| LGA Board President \$47,982 Director \$4,291 | <ul style="list-style-type: none"> Total consolidated revenue \$50m & total Assets \$147m | <ul style="list-style-type: none"> Unchanged |
| | <ul style="list-style-type: none"> Meetings to be held bi-monthly | <ul style="list-style-type: none"> Meetings have been held monthly for the past two years |
| | <ul style="list-style-type: none"> Duration of meetings: 3-4 hours | <ul style="list-style-type: none"> Unchanged (excluding travel) |
| | <ul style="list-style-type: none"> Preparation for meetings and other interactions with LGA business: ½ to 1 day per meeting | <ul style="list-style-type: none"> Unchanged but noting the increase in the number of meetings held |
| | <ul style="list-style-type: none"> Annual total work approximately 6 – 9 days | <ul style="list-style-type: none"> Annual total work approximately 12-18 days |
| | <ul style="list-style-type: none"> Additional workload for President (media, additional meetings and functions; discussions with MPs; member visits; etc) Presidents remuneration based on Mayoral allowance average of all council groups | <ul style="list-style-type: none"> Unchanged (although with the LG Reform Bill; PDI Act and various other matters has seen the number of meetings increase) |

In accordance with the policy, the review has also considered a comparison with allowances / sitting fees paid to similar positions in other relevant organisations. The level of remuneration paid to other interstate Associations (as at September 2018), is outlined in the table below.

| | SA | LGA 1 | LGA 2 | LGA 3 | LGA 4 | LGA 5 | LGA 6 |
|-----------------------|----------------|------------------------------|---------------------------------|------------------------------|---------------------|----------|--------------------|
| President | \$47,982 | \$112,400 | \$130,852 | \$128,850 | \$46,246 | \$15,000 | \$173,000 |
| Vice President | NA | \$13,300 x 2 | \$26,608.52 per annum x 3 | \$32,212 per annum | \$11,572 | Nil | Data not available |
| Board Members | \$4,291 x 9 | \$9,056 per annum x 10 | \$455 per meeting x 15 | \$3,300 per annum x 24 | \$191.50 per day | Nil | Data not available |

When considering the guiding principles, as outlined in the policy, which will apply when determining the level and payment of allowances and expenses for the LGA Board of Directors, it is noted that:

- The level of work required to fulfil the duties and responsibilities of the President and Directors is significantly greater than anticipated. The LGA Board of Directors remuneration was based on bi-monthly meetings. Since the new Board has been in place it has met monthly and this is set to continue into the future due to the volume of work currently being undertaken by the LGA.
- The complexity of the roles undertaken by the LGA Board of Directors has increased significantly. For example, the Board has been required to take a much stronger corporate governance focus due to the restructure of the Schemes and the new governance arrangements introduced as part of the new LGA Constitution adopted in 2018, as well as monitoring and approving the LGA's fee-for-service activities and partnerships.
- The role and responsibilities of Board Members as outlined in the LGA's Constitution have changed significantly following the 2018 governance review, as reflected in the attached Position Descriptions. LGA Board of Directors have several legal responsibilities and take on a much greater level of personal responsibility and accountability than an elected member of a council.
- When considering the general governance requirements and other expectations of a Board Director, the LGA:
 - has a greater risk of insolvency than a council;
 - has greater director responsibilities under the Corporations Act;
 - operates a number of diverse subsidiaries and fee-for service operations which have their own inherent risks which the Board must manage; and
 - relies on limited revenue streams.
- When compared to the allowances / sitting fees paid to similar positions in other relevant organisations, it is noted that from a national perspective, the LGASA President's remuneration is significantly lower than the current national average of \$93,475. Directors fees nationally vary significantly.
- The LGA Board of Directors remuneration was based on the "average of all council groups" (per Remuneration Tribunal groupings). However, if the LGA was a council, it would be a Group 2 council (based on revenue of \$50m and total assets of \$147m) with an allowance of \$17,270 per board member and \$69,080 for the President, potentially being pro-rata based on time required and number of meetings per month.

Concluding Comments

The next President's and Director's remuneration should be set at a level that more adequately reflect the responsibilities, risks and time commitment required to undertake their roles effectively and professionally. It is also noted that the current remuneration for the position of President has not been increased for 6 years. Had the remuneration been indexed by Adelaide CPI from 2016, the Presidents remuneration would be \$52,120 and Directors \$4,660.

It is therefore recommended that the Board and Committee Member Allowances and Expenses Policy be revised to incorporate a modest increase in the remuneration of the President and the LGA Board of Directors to reflect in part, the increased responsibilities of the Board, and to make up from previous lack of indexation since 2014. It is also noted that the LGA Board of Directors, believes that their allowance should be set by or guided by an independent body and has resolved to request that the CEO writes to the Remuneration Tribunal to request that they advise the LGA

on the setting of future LGA Board Director and related entity remuneration. The CEO has now written to the remuneration tribunal and made this request.

It is not proposed to vary the Committees allowances.

Financial and Resource Implications

Additional fees totalling \$27,399 have not been incorporated into the LGA adopted budget and the budget would need to be adjusted and can be accommodated in the next budget review.

GP02 Board and Committee Member Allowances and Expenses

| | |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------|
| First Issue/Approved | October 2004 |
| LGA File Reference | ECM 83590 |
| Last Reviewed | June 2019 - approved by LGA Board of Directors at the meeting held 20/06/2019 and endorsed by membership at 2019 AGM |
| Next Review | March 2020 2022 |
| Responsible Officer | Director Corporate Services |
| Related Documents | Claim for Reimbursement Form (ECM 669180) |

1. Purpose

This Policy is designed to outline the remuneration, allowances and expenditure reimbursements payable by the LGA to the LGA Board of Directors, SAROC, GAROC and the CEO Advisory Group.

2. Scope

This policy is applicable for all remuneration, allowances and expenditure reimbursed / payable to the LGA Board of Directors, SAROC, GAROC and the CEO Advisory Group. This Policy excludes the LGA Audit and Risk Committee and the LGA subsidiaries Boards, which are subject to a separate Policy.

3. Principles

The following principles apply to the allowances and expenses paid by the LGA to its President, other Members of the LGA Board of Directors, SAROC, GAROC and the CEO Advisory Group:

1. No-one should be left personally out of pocket as a result of their membership of the LGA Board of Directors, SAROC, GAROC or the CEO Advisory Group.
2. The allowance (where payable) and any expenses paid under this Policy have regard to the allowances that are separately funded to Board/Committee members by their respective councils.
3. The allowances (where payable) are not a 'wage' and should be used for reimbursement of routine out of pocket expenses associated with LGA business not covered by this policy.
4. No person shall be disadvantaged in their allowance / sitting fee due to their current position in a council and/or their location.
5. The LGA shall pay for all accommodation, reasonable meals and taxi fares when a Board/Committee Member is away on official LGA business. When not accompanied by the Chief Executive Officer (who shall generally be responsible for payment of these expenses), reimbursement of these expenses may be claimed after consultation with the Chief Executive Officer.
6. Where a Board/Committee Member is provided a fully funded vehicle to undertake their council role, no reimbursement for travel expenditure associated with its use of this vehicle will be made by the LGA.
7. The Chief Executive Officer may refer a request for reimbursement of additional expenses to the LGA Board of Directors if, in his/her opinion, the request for reimbursement is not consistent with these guidelines.

4. Policy Statement

4.1 Decision Making and Review

Clause 6.10 of the LGA's Constitution adopted by Members at the 13 April 2018 Ordinary General Meeting and approved by the Minister for Local Government provides that for the purpose of fulfilling the objectives and

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undertaking its functions, the LGA Board of Directors has the power to determine remuneration for Directors or members of committees established under the Constitution.

However, it is acknowledged that best practice corporate governance principles developed by the ASX Corporate Governance Council recommend that no individual director or committee member should be involved in deciding their own remuneration.

As a result the LGA Board of Directors shall review the quantum of LGA allowances and expenses and all other provisions of this Policy every two years (at the conclusion of the term of current LGA Office Bearers), and shall make recommendations to its Members at the LGA AGM as to what Board and Committee Member allowance and expenses policy should be adopted for the next two years.

In the transitional phase of this policy, this policy will initially be adopted by the LGA Board of Directors, in accordance with Clause 6.10 of the LGA's Constitution, and then be referred to the next general meeting of members for endorsement.

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4.2 Board of Directors

The following guiding principles apply when determining the level and payment of allowances and expenses for the LGA Board of Directors:

1. the President's allowance shall be adjusted to be not less than the average of the allowances for all Council Principal Members (excluding Adelaide City), and shall be increased in line with CPI adjustments for Council Principal Members (if any) which may be made by the Local Government Remuneration Tribunal from time to time.
2. the President's allowance shall be paid monthly, in arrears.
3. allowances to all other LGA Board Members shall be paid quarterly, in arrears, and shall be increased in line with annual CPI adjustments¹.
4. the quantum of allowances shall be determined having regard to:
 - a. the level of work required to fulfil the duties and responsibilities of each office.
 - b. the size, complexity, commercial activities, management of Schemes, activities and advocacy undertaken by the LGA, for and on behalf of member councils.
 - c. the role and responsibilities of Board Members as outlined in the LGA's Constitution.
 - d. the general governance requirements and other expectations of a Board Director.
 - e. the reasonable level of out of pocket expenses required in respect of each office.
 - f. comparison with allowances / sitting fees paid to similar positions in other relevant organisations.
 - g. other special circumstances considered relevant by the LGA Board of Directors.
5. it is recognised that in many cases a Board member also holds the position of Mayor/Chairperson, and their respective council provides them a vehicle with all associated expenses associated with this vehicle being paid for by their council.
6. in circumstances where a Board member does not have access to a council vehicle clause 4.6 of this policy will apply.
7. the amount of allowance paid to Board members is exclusive of any amount that the LGA is required to pay in respect of that allowance under the Supersaturation Guarantee Levy Act.
8. if required to under legislation or at the request of the Board member, income tax may be deducted from the Board allowance.

¹ Allowances to be increased on 12 November following each the LGA AGM of each year in line with annual CPI adjustments. (All groups index for Adelaide percentage change from the September to September quarters) published by the Australian Bureau of Statistics.

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In considering the above factors, the following remuneration structure for LGA Board directors was adopted at the October ~~2018~~ 2020 Annual General Meeting:

| | Allowance |
|-----------------------------------------------------------|---------------------------|
| President | \$47,98260.000 |
| Directors (x 9 including the Immediate Past President) | \$4,2916.000 |

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4.3 SAROC, GAROC and CEO Advisory Group Members

In setting the allowances and expenses for GAROC, SAROC and CEO Advisory Group members' consideration is given to the principle set out in section 3 of this Policy.

SAROC, GAROC and CEO Advisory Group members:

- Are not entitled to a sitting fee or allowance for their role on these committees.
- Are entitled to reasonable travel costs associated with attending their respective GAROC, SAROC and CEO Advisory Group meetings, which are not met by their respective regions and/or councils.
Reasonable travel costs include:
 - Airfares (See Section 4.5)
 - Vehicle travel (see section 4.6)
 - Car parking (See section 4.8)
- Are entitled to reasonable accommodation costs associated with attending meetings where it is impractical/unsafe to travel to and from the meeting in the same day.

4.4 Conferences / Seminars

Board Director, SAROC and GAROC members may seek reimbursement of expenses incurred in attending approved conferences / seminars that will assist them to carry out their functions or duties for the LGA.

The LGA will fund / reimburse the fees, accommodation, reasonable meals and travel costs for attendance at conferences / seminars that have been approved by the Board, SAROC or GAROC.

Members attending conferences / seminars will be required to provide a written report to the LGA Board and / or relevant committee sharing the key learnings from their attendance.

4.5 Airfares and accommodation

The LGA will only reimburse economy class airfares for Board Director, SAROC, GAROC and CEO Advisory Group members attending approved LGA meetings and activities.

4.6 Travel expenditure

Where a council provides a Board Director, SAROC, GAROC and CEO Advisory Group member with a full funded vehicle to undertake their council role, no reimbursement for travel expenditure associated with the use of this vehicle will be made by the LGA.

In all other cases, where approval is given for reimbursement of travel the rate of reimbursement for motor vehicle costs will be at a rate equal to the appropriate rate per kilometre prescribed for the purposes of

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calculating deductions for car expenses under section 82KX(1)(a) of the Income Tax Assessment Act 1936 of the Commonwealth.

4.7 Car parking for Board Directors

By arrangement with the Adelaide City Council, the LGA will provide electronic swipe cards or other suitable means of entry to car parks located within close proximity of LG House to Board Directors. The terms and conditions of this arrangement will be:

- the cards will be provided only to Board Members and must be returned to the LGA at the conclusion of each Member's term of office, unless re-elected;
- the LGA will pay the costs of the use of these cards by Board Members for parking associated with attendance at meetings of the LGA Board of Directors;
- the LGA will also pay the costs of the use of the cards by Board Members for attendance at meetings of other standing committees and working groups, and for other casual meetings at LG House for the purposes of conducting LGA business;
- private use of U Park swipe cards is strictly not permitted and will be treated as a breach of the LGA's code of conduct; and
- where U Park facilities are not available for LGA related business, members are asked to find ticket parking and seek reimbursement for these costs from the LGA.

4.8 Car parking for SAROC, GAROC and CEO Advisory Group Members

The LGA will reimburse SAROC, GAROC and CEO Advisory Group members the cost of car parking associated with attending their respective meetings and associated activities in their capacity as members of SAROC, GAROC and CEO Advisory Group.

4.9 Frequent flyer points

From time to time, the Director, SAROC, GAROC and CEO Advisory Group member may be required to travel by air to conduct LGA business.

As part of these travel arrangements, Members may earn frequent flyer points or other similar rewards to be credited for future air travel. These types of reward schemes allocate the reward to the individual, rather than the organisation they represent.

The LGA acknowledges that the Members of the LGA Board/Committees are not fully compensated for their time and commitment for their LGA role, and volunteer significant amounts of their own time to help conduct the business of the LGA. It is appropriate that this contribution be recognised by allowing Members unrestricted use of frequent flyer points or other rewards earned by them while traveling on the LGA's behalf.

Frequent Flyer points and other incentives or rewards which are earned by Members of the LGA Board when traveling by air to conduct the business of the LGA, shall be the exclusive property of the Member and may be used by the Member in any way he or she chooses.

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5. Reporting expenditure

The Board will be provided with a quarterly report on the allowances and reimbursed expenses paid to each Director, SAROC, GAROC and CEO Advisory Group member during the previous quarter.

The LGA's annual report will also disclose the amount of allowances and reimbursed expenses paid to each Director, SAROC, GAROC and CEO Advisory Group member during the year.

6. Policy review

This policy will be reviewed ~~initially in 12 months (March 2020) to determine its effectiveness, and thereafter~~ every two years, or as required to improve its effectiveness.

Position Description

LGA Board Director

| | |
|--------------------------------|--------------------------------------------------------------------------------------------|
| Position Title: | Board Director |
| Position Status: | Elected for two year term |
| Reporting Arrangements: | This position reports to the LGA Board of Directors |
| Location: | Local Government House, 148 Frome Street, Adelaide |
| Special Conditions: | Some intra/interstate travel with overnight stays is required. Out of hours work required. |

LGA Values and Behaviours

| | Value and Respect | Optimism | Integrity | Connectivity | Excellence |
|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| Our Values | | | | | |
| Our Individual Behaviour | <p>I am considerate of others' priorities and workloads.</p> <p>I communicate with respect and am approachable, professional and polite.</p> | <p>I always look for the positive opportunity, even when challenged.</p> | <p>I uphold the values of the LGA and adhere to my workplace responsibilities.</p> | <p>I welcome opportunities to engage with others and build positive working relationships.</p> | <p>I am a leader and role model through my actions and behaviour.</p> <p>I value everyone equally.</p> <p>I am a driver of constructive change.</p> |
| Our Organisational Behaviour | <p>We engage with, and have confidence and trust in the ability and judgement of all of our staff.</p> <p>We provide regular, honest and constructive feedback.</p> | <p>We recognise the importance of a positive work/life balance.</p> <p>We recognise the best qualities in our staff and harness all abilities.</p> | <p>We are consistent in decision making and are honest when dealing with staff and stakeholders.</p> | <p>We provide a safe, supportive and informative workplace with clear and regular communication.</p> <p>We commit to removing barriers that impact on effective work practices.</p> | <p>We empower, support and encourage our staff.</p> <p>We lead toward clear and inspiring goals and vision.</p> |

Position Objectives

The Board of Directors is the governing entity of the LGA.

The Board of Directors consists of:

- the President;
- the Immediate Past President;
- the chairperson of SAROC and the chairperson of GAROC; and
- 6 additional persons (each of which must be a Council Member) with relevant business and governance experience elected in equal proportions from the Council Members of SAROC (3 persons) and the Council Members of GAROC (3 persons).

The role of the Board of Directors is to oversee the corporate governance of the LGA and provide strategic direction and leadership. The Directors do not represent SAROC, GAROC or a specific Member or Members.

Each Director must:

- undertake his or her role as a Director honestly and act with reasonable care and diligence in the performance and discharge of functions and duties;
- not make improper use of information acquired by virtue of his or her position as a Director to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA;
- not make improper use of his or her position as a Director to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA; and
- not act in any matter where the Director has a conflict of interest (provided that an interest shared in common with all or a substantial proportion of the Directors will not be an interest giving rise to a conflict of interest).

Functions, Duties and Powers

The functions of the Board of Directors include:

- appointing a Chief Executive and superintending of his or her performance;
- holding the Chief Executive accountable for the performance of the LGA Office;
- advocating for the LGA, the Members and the local government community;
- superintending the activities of the LGA;
- determining matters which may be placed on the agenda of a General Meeting; and
- undertaking such other functions as may be provided for, or envisioned by, the LGA Constitution.

The Board of Directors must ensure that:

- the LGA acts in accordance with applicable laws and this Constitution;
- the LGA acts ethically and with integrity, respecting diversity and striving for gender balance participation in all activities;
- the activities of the LGA are conducted efficiently and effectively and that the assets of the LGA are properly managed and maintained;
- 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

Position Description

- the LGA performs to its business plan and achieves or betters the financial outcomes projected in its budget.

The Board of Directors may exercise the powers of the LGA. The Board of Directors also has power to:

- establish committees consisting of any person with relevant experience, skill or expertise for any purpose and determine the terms of reference for such committees; and
- recommend to the Members at a General Meeting to amend the provisions of the Constitution.

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 functions of an audit committee as determined by the Board of Directors; and
- an advisory group comprised of at least 8 persons each being a chief executive officer of a Member.

The Board of Directors will report the activities of Board of Directors, the Audit Committee, the CEO Advisory Group and any committee to Members at each General Meeting.

The Key Responsibilities of the LGA Board of Directors includes:

- Supporting the CEO and Secretariat to fulfill the duties and obligations of the LGA;
- Providing strategic direction to the organisation and deciding upon the organisation's strategies and objectives in conjunction with the CEO;
- Setting the key strategic direction of the organisation and the attainment of its strategies and objectives in conjunction with the executive;
- Setting the operational and financial position and performance of the organisation generally;
- Driving organisational performance so as to deliver value to members;
- Assuring a prudential and ethical base to the organisation's conduct and activities having regard to the relevant interests of its stakeholders;
- Assuring the principal risks faced by the organisation are identified and overseeing that appropriate control and monitoring systems are in place to manage the impact of these risks;
- Reviewing and approving the organisation's internal compliance and control systems and codes of conduct;
- Assuring that the organisation's financial and other reporting mechanisms are designed to result in adequate, accurate and timely information being provided to the board;
- Appointing and, where appropriate, removing the CEO;
- Overseeing and evaluating the performance of the CEO, and through the CEO, receiving reports on the performance of the organisation's strategies and objectives and their attainment;
- Reviewing and approving the CEO's remuneration;
- Formulating and approving the organisation's budgets and business plans and monitoring major capital expenditures, acquisitions and divestitures and capital management generally;
- Ensuring that the organisation's financial results are appropriately and accurately reported on in a timely manner in accordance with constitutional and regulatory requirements;
- Ensuring that the organisation's affairs are conducted with transparency and accountability;

Position Description

- Overseeing the design, implementation and periodic review of appropriate and effective policies, processes and codes for the organisation, which depending on the organisation, may include with respect to ethics, values, conduct, securities trading, disclosure of securities' price sensitive information, employment, remuneration, diversity and otherwise;
- Ensuring sound board succession planning including strategies to assure the Board is comprised of individuals who are able to meet the responsibilities of directors of the organisation;
- Overseeing member and stakeholder engagement, reporting and information flows.

Person Specification - Skills, Knowledge and Experience

It is expected that collectively the Board of Directors will have the following skills, knowledge and experience:

- **Knowledge of a director's responsibilities** – includes an understanding of the role as well as the legal, ethical, fiduciary and financial responsibilities;
- **Strategic expertise** – the ability to review the strategy through constructive questioning and suggestion and contribute to the effective decision making of the board;
- **Accounting and finance** – the ability to read and comprehend the company's accounts, financial material presented to the board, financial reporting requirements and some understanding of corporate finance;
- **Legal** – the board's responsibility involves overseeing compliance with numerous laws as well as understanding the individual director's legal duties and responsibilities;
- **Risk Management** – experience in managing areas of major risk management to the organisation;
- **Managing people and achieving change** – experience in current management thinking on employment, branding, engagement, strategic vision and stakeholder communication; experience in executive remuneration and compensation;
- **Industry knowledge** – experience in local government;
- **Integrity** – fulfilling a director's duties and responsibilities, acting ethically, appropriate independence, putting the organisation's interests before personal interests;
- **Collaborative yet curious and courageous** – a director must be able to function as an effective team member but also must have the curiosity to ask questions and the courage to persist in robust discussions with management and fellow board members where required;
- **Emotional intelligence** – as well as self-awareness and self-management, a director needs to demonstrate empathy manifested through strong interpersonal skills. A director must work well in a group, listen well, be tactful yet able to communicate in a cogent and candid viewpoint;
- **Commercial judgement and instinct** – a director needs to demonstrate good business instinct and acumen, and be able to assimilate and synthesise complex information;
- **Active contribution** - a director needs to be an active contributor with genuine interest in the company and its business.

Performance/Accountability

The Board of Directors will conduct an annual performance review to assess its performance as a Board and in meeting the LGA's objectives and strategies.

Position Description

Remuneration

The remuneration of Directors is outlined in the LGA policy Board and Committee Member Allowances and Expenses.

Position Description

LGA President

| | |
|--------------------------------|--------------------------------------------------------------------------------------------|
| Position Title: | LGA President |
| Position Status: | Elected for two year term |
| Reporting Arrangements: | This position reports to the LGA Board of Directors |
| Location: | Local Government House, 148 Frome Street, Adelaide |
| Special Conditions: | Some intra/interstate travel with overnight stays is required. Out of hours work required. |

LGA Values and Behaviours

| | Value and Respect | Optimism | Integrity | Connectivity | Excellence |
|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| Our Values | | | | | |
| Our Individual Behaviour | <p>I am considerate of others' priorities and workloads.</p> <p>I communicate with respect and am approachable, professional and polite.</p> | <p>I always look for the positive opportunity, even when challenged.</p> | <p>I uphold the values of the LGA and adhere to my workplace responsibilities.</p> | <p>I welcome opportunities to engage with others and build positive working relationships.</p> | <p>I am a leader and role model through my actions and behaviour.</p> <p>I value everyone equally.</p> <p>I am a driver of constructive change.</p> |
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Position Description

Position

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The Board of Directors consists of:

- the President;
- the Immediate Past President;
- the chairperson of SAROC and the chairperson of GAROC; and
- 6 additional persons (each of which must be a Council Member) with relevant business and governance experience elected in equal proportions from the Council Members of SAROC (3 persons) and the Council Members of GAROC (3 persons).

Each Director must:

- undertake his or her role as a Director honestly and act with reasonable care and diligence in the performance and discharge of functions and duties;
- not make improper use of information acquired by virtue of his or her position as a Director to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA;
- not make improper use of his or her position as a Director to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA; and
- not act in any matter where the Director has a conflict of interest (provided that an interest shared in common with all or a substantial proportion of the Directors will not be an interest giving rise to a conflict of interest).

Functions, Duties and Powers

1. Chair and lead the LGA Board of Directors who have the following roles, functions and duties:

- The role of the Board of Directors is to oversee corporate governance of the LGA and provide strategic direction and leadership. The Directors do not represent SAROC, GAROC or a specific Member or Members.
- The functions of the Board of Directors include:
 - appointing a Chief Executive and superintending his or her performance;
 - holding the Chief Executive accountable for the performance of the LGA Office;
 - advocating for the LGA, the Members and the local government community;
 - superintending the activities of the LGA;
 - determining matters which may be placed on the agenda of a General Meeting; and
 - undertaking such other functions as may be provided for, or envisioned by, this Constitution.
- The Board of Directors must ensure that:
 - the LGA acts in accordance with applicable laws and the Constitution;
 - the LGA acts ethically and with integrity, respecting diversity and striving for gender balance participation in all activities;
 - the activities of the LGA are conducted efficiently and effectively and that the assets of the LGA are properly managed and maintained;
 - 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

- the LGA performs to its business plan and achieves or better the financial outcomes projected in its budget.

2. The President shall:

- preside at all General Meetings and meetings of the Board of Directors, but in his or her absence a member of the Board of Directors chosen by the Board of Directors shall preside at the meeting.
- act as the principal spokesperson of the LGA.
- exercise other functions of the LGA as the LGA Board of Directors determines.
- represent the LGA to government, stakeholders and events.

The key responsibilities of the LGA President

The President acts as an important link between the Board and the organisation's management via the CEO. The President is responsible for leadership of the Board including:

- Facilitating proper information flow to the Board.
- Facilitating the effective functioning of the Board including managing the conduct, frequency and length of Board meetings.
- Communicating the views of the Board, in conjunction with the CEO, to the LGA's members, State and Federal Government, broader stakeholders and to the public.
- Facilitating open and constructive communications amongst Board members and encouraging their contribution to Board deliberations.
- Overseeing and facilitating Board, committee and Board member evaluation reviews and succession planning.
- Liaising and interfacing with the CEO as the primary contact between the Board and management.
- Liaising with and counselling, as appropriate, board members.

Inside the boardroom the President is responsible for the following:

- Acting as an important link between the Board and management but without necessarily preventing direct access of fellow directors.
- Establishing and maintaining an effective working relationship with the CEO.
- Setting the tone for the Board, including the establishment of a common purpose.
- Chairing Board meetings efficiently and shaping the agenda in relation to goals, strategy, budget and executive performance.
- Obtaining appropriate information to present to the Board.
- Encouraging contributions by all Board members and seeking consensus when making decisions.
- Motivating Board members and where appropriate dealing with underperformance.
- Overseeing the process for appraising the Board as a whole.
- Overseeing negotiations for the CEO's employment and evaluating the CEO's performance.
- Planning for CEO succession.
- Assisting with the selection of Board and Committee members.

Position Description

Eligibility Criteria

As per clause 28 of the LGA Constitution:

- To be eligible for nomination as a candidate for the position of President, a person must be a Council Member.
- To be eligible for the position of President, a person must also be a current member of SAROC or GAROC who has undertaken that role for a period of not less than 1 year.
- The eligibility for office of President shall rotate each term between a person who is a Council Member of a Member within Regional Groupings of Members in SAROC and a Council Member of a Member within Regional Groupings of Members in GAROC.
- A nomination of a person for the office of President shall be by resolution of a Member and must be received by the Chief Executive not later than 5 pm on 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.

Performance/Accountability

The Board of Directors will conduct an annual performance review to assess its performance as a Board and in meeting the LGA's objectives and strategies. This may include a review of individual Directors including the President.

Remuneration

The remuneration of the President is outlined in the LGA policy – GP02 Board and Committee Member Allowances and Expenses (ECM 83590).

6.13 SAROC and GAROC Terms of Reference

LGA Business

| | | |
|-----------------|-------------------------------------------------------------------------------------------|-----------------------------|
| From: | Alicia Stewart, Director Governance and Legislation | |
| Key Initiative: | K.I 1 Leadership and advocacy | |
| Strategy: | 3C Improve LGA governance and operations with a focus on people, finances and our members | |
| Meeting: | Annual General Meeting | 29 October 2020 |
| ECM: | 720181 | Attachments: 687694, 687690 |

Recommendation

That the Annual General Meeting ratifies the LGA SAROC Terms of Reference (effective 8 January 2020) and LGA GAROC Terms of Reference (effective 23 July 2020).

Discussion

Clause 2.3 of the Greater Adelaide Regional Organisation of Councils (GAROC) Terms of Reference and the South Australian Regional Organisation of Councils (SAROC) Terms of Reference specify that those documents will be presented to Members at a General Meeting for ratification annually.

The SAROC Terms of Reference are unchanged since last ratified by Members at the LGA Annual General Meeting in October 2019, noting that the amendments agreed at that meeting required Ministerial approval and therefore did not take effect until Ministerial approval was received on 8 January 2020. Members are asked to re-ratify the SAROC Terms of Reference.

The GAROC Terms of Reference were amended by the LGA Board of Directors at its meeting on 23 July 2020 to fix drafting irregularities, as outlined below. Those amendments took immediate effect and are now presented to Members for ratification.

Amendments to the GAROC Terms of Reference

At the October 2018 LGA Annual General Meeting, Members adopted the GAROC Terms of Reference. At that time, the Schedule to the GAROC Terms of Reference listed all members of GAROC and that list included the City of Adelaide. In addition, clause 4.2.2. of the GAROC Terms of Reference appointed the Lord Mayor as a standing member of GAROC. At the October 2019 LGA Annual General Meeting, Members adopted amendments to the GAROC Terms of Reference to establish four (4) GAROC Regional Groupings of Members and to retain a standing position for the Lord Mayor as a member of GAROC.

To facilitate the introduction of GAROC Regional Groupings, the following terms were introduced to the GAROC Terms of Reference:

GAROC Region means the combined local government area of each Member listed in the Schedule

GAROC Regional Grouping means all the Members of the Regional Groupings of Members as identified in the Schedule.

The Schedule to the GAROC Terms of Reference was replaced with a list of GAROC member councils within their Regional Groupings. As the Lord Mayor has a standing position on GAROC,

the City of Adelaide is not included in any Regional Grouping and the City of Adelaide was not listed in the Schedule.

It has always been the intention of Members that the City of Adelaide be a member of GAROC. The unintended result of introducing GAROC regional groupings, was that the City of Adelaide was not clearly captured as a member of GAROC in the GAROC Terms of Reference.

To rectify this drafting anomaly, simple amendments to the definitions of “GAROC Region” and “GAROC Regional Grouping” in the GAROC Terms of Reference were approved by the LGA Board of Directors in July 2020. The amendments are shown below (bold and italics):

2.5 The term:

GAROC Region means the combined local government area of each Member listed in the Schedule *and the City of Adelaide.*

GAROC Regional Grouping means all of the Members of the Regional Groupings of Members as identified in the Schedule *and, for the purposes of Clause 6 of these Terms of Reference and Clause 28.6 of the Constitution, includes the City of Adelaide.*

The amendments took immediate effect because the LGA Board of Directors has the authority to make amendments under clause 2.2 of the GAROC Terms of Reference and clauses 6.25 and 24.1 of the LGA Constitution without the approval of Members or the Minister.

The amended GAROC Terms of Reference are now presented to Members for ratification.

Financial and Resource Implications

Nil

LGA SAROC Terms of Reference

Effective 8 January 2020

Local Government Association of South Australia

SAROC Terms of Reference

Adopted by the LGA Board on [insert date] and Members at the AGM held [insert date]

1. Establishment

In accordance with clause 19 of the Local Government Association of South Australia Constitution and Rules (**Constitution**) there are 2 regional organisations of Members: the South Australian Regional Organisation of Councils (**SAROC**) and the Greater Adelaide Regional Organisation of Councils (**GAROC**).

2. Terms of Reference

2.1. These Terms of Reference set out the functions to be discharged by SAROC.

2.2. The operation of the Terms of Reference may be altered by the Board of Directors either generally or in respect of specific circumstances by resolution with the exception of clauses 4.2, 4.3 and 4.4. A resolution for the purposes of this clause 2.2 will be reported to the chairperson of SAROC within 24 hours of the meeting of the Board of Directors at which the resolution was passed.

2.3. These Terms of Reference will be presented to the Members at a General Meeting for ratification annually (or more frequently as determined by the Board).

2.4. Clauses 4.2, 4.3 or 4.4 of this Terms of Reference may be altered only:

2.4.1. By resolution passed at a General Meeting of which at least 30 days' notice has been given to Members; and

2.4.2. With approval of the Minister.

2.5. The term:

SAROC Region means the combined local government area of each Member listed in the Schedule.

SAROC Regional Grouping means all of the Members of the Regional Groupings of Members as identified in the Schedule.

2.6. A capitalised term not defined in this document has the meaning provided for the term in the Constitution.

3. Status

SAROC is a committee of the LGA and is responsible to the Board of Directors for the discharge of its functions.

4. SAROC

4.1. Role

The role of SAROC is regional advocacy, policy initiation and review, leadership, engagement and capacity building in the SAROC Region.



4.2. Membership

Each Regional Grouping of Members listed in the schedule to these Terms of Reference will elect in accordance with clauses 4.3 and 4.4 from the Members of the Regional Grouping of Members, 2 Council Members as members of SAROC provided that each person elected is from a different Member.

4.3. Nominations for election to SAROC

- 4.3.1. The members of SAROC will be elected biennially.
- 4.3.2. In the year in which SAROC members will be elected, and at least 3 months before the Annual General Meeting, the Chief Executive shall write to all Members of the SAROC Regional Grouping, as listed in the schedule, calling for nominations for the membership of SAROC.
- 4.3.3. Each Member of the SAROC Regional Grouping may nominate a candidate for membership of SAROC, provided that:
 - 4.3.3.1. a person nominated as a member of SAROC must be a representative of a Member on the relevant Regional Grouping of Members; and
 - 4.3.3.2. only a Council Member can be nominated to SAROC.
- 4.3.4. A nomination of a person as a member of SAROC must be received by the Chief Executive Officer not later than 5 pm on the day specified for the closure of nominations (**Close of Nominations**). A nomination must be signed by the candidate indicating his or her willingness to stand for election and be in the form determined by the Chief Executive.

4.4. Election to SAROC

- 4.4.1. The Chief Executive shall be the returning officer for any election of members to SAROC.
- 4.4.2. After the Close of Nominations, the Chief Executive will notify Members of each Regional Grouping of Members of the candidates for membership of SAROC nominated by the Regional Grouping of Members.
- 4.4.3. If the only nominations received from a Regional Grouping of Members by the Close of Nominations match the membership positions described in clause 4.2 then the Chief Executive will declare those persons duly elected to those membership positions.
- 4.4.4. If the number of persons nominated by the Close of Nominations by a Regional Grouping of Members exceeds the number of membership positions described in clause 4.2, then an election for the purpose of clause 4.2 must be held in accordance with this clause.
- 4.4.5. In the event of an election being required, the SAROC Regional Grouping in consultation with the Chief Executive shall conduct an election.
- 4.4.6. The Chief Executive, in consultation with the SAROC Regional Grouping shall nominate the date, time and place for the counting of votes and shall invite



each candidate and a person nominated as the candidate's scrutineer to be present:

- (a) at the counting of the votes the Chief Executive shall produce unopened envelopes marked "Ballot Paper" and if satisfied that all votes are valid, count the number of votes received by each candidate;
- (b) in respect of an election for the purposes of clause 4.2, the 2 candidates from a Regional Grouping of Members with the most votes shall be deemed elected and the Chief Executive shall declare the candidates elected at the Annual General Meeting; and
- (c) in the case of candidates for membership positions described in clause 4.2 receiving the same number of votes, the Chief Executive shall draw lots at the counting of the votes to determine which candidate is elected.

4.4.7. The Chief Executive may, in his or her discretion, appoint a deputy returning officer and delegate any of his or her powers, functions or duties to that person who shall act accordingly.

4.4.8. The Chief Executive may, in his or her discretion, delegate any of his or her powers, functions or duties to an Executive Officer of a Regional Grouping of Members who shall act accordingly for the conduct of elections for the purpose of clause 4.2 in respect of the Regional Grouping of Members relevant to that Executive Officer.

4.5. Term of office

The term of office for members of SAROC shall commence after the Annual General Meeting of the year in which the member is elected. Each member of SAROC will serve for a period of 2 years or until a circumstance causing a casual vacancy as described in clause 4.7.2 occurs.

4.6. Duties

4.6.1. Each member of SAROC must:

- (a) undertake his or her role as a SAROC member honestly and act with reasonable care and diligence in the performance and discharge of functions and duties;
- (b) not make improper use of information acquired by virtue of his or her position as a SAROC member to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA;
- (c) not make improper use of his or her position as a SAROC member to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA; and
- (d) not act in any matter where the SAROC member has a conflict of interest (provided that an interest shared in common with all or a substantial proportion of the members of SAROC will not be an interest giving rise to a conflict of interest).



4.7. Absences and casual vacancies

- 4.7.1. A leave of absence may be granted to a member of SAROC by resolution of SAROC. A replacement member of SAROC will be appointed for the period of the leave of absence by resolution of the majority of Members comprising the Regional Grouping of Members relevant to the person the subject of the leave of absence.
- 4.7.2. A casual vacancy will occur in the office of a member of SAROC if the member of SAROC:
- (a) dies;
 - (b) resigns from SAROC;
 - (c) is dismissed by resolution of the Board of Directors from SAROC for Misconduct;
 - (d) ceases to be a Council Member; or
 - (e) an administrator is appointed to administer the affairs of the Member for which the member of SAROC is a Council Member.
- 4.7.3. If there is a casual vacancy in the membership of SAROC then the Regional Grouping of Members relevant to the SAROC member the subject of the casual vacancy will appoint by resolution of the majority of Members comprising the Regional Grouping of Members another Council Member to serve as a member of SAROC for the balance of the membership term.

5. Responsibilities

5.1. Board of Directors

- 5.1.1. The role of the Board of Directors is to oversee corporate governance of the LGA and provide strategic direction and leadership.
- 5.1.2. The duties of the Board of Directors are to ensure that:
- (a) the LGA acts in accordance with applicable laws and the Constitution;
 - (b) the LGA acts ethically and with integrity, respecting diversity and striving for gender balance participation in all activities;
 - (c) the activities of the LGA are conducted efficiently and effectively and that the assets of the LGA are properly managed and maintained;
 - (d) subject to any overriding fiduciary or other duty to maintain confidentiality, the affairs of the LGA are undertaken in an open and transparent manner; and
 - (e) the LGA performs to its business plan and achieves or betters the financial outcomes projected in its budget.
- 5.1.3. The Board of Directors may from time to time refer matters to SAROC for consideration.
- 5.1.4. The Board of Directors will receive, consider and respond to any report and recommendations provided to the Board of Directors by SAROC.



5.1.5. The Board of Directors will periodically review the performance of SAROC.

5.2. SAROC

5.2.1. SAROC will fulfil its functions under these Terms of Reference in a timely, objective and professional manner consistent with the 'LGA Strategic Management Framework'.

5.2.2. SAROC may, through the Chief Executive and at the LGA's expense, seek external legal, financial or other advice on matters within its functions or concerning these Terms of Reference.

5.3. Chief Executive

5.3.1. The Chief Executive will make available to SAROC information of the LGA which is relevant to the functions of SAROC.

5.3.2. The Chief Executive will ensure that administrative support and other resources are made available to SAROC as included in the SAROC approved annual business plan and budget to enable SAROC to discharge its obligations under these Terms of Reference.

5.3.3. Resources made available to SAROC will include resourcing by the LGA Office or external resources considered appropriate by the Chief Executive acting in consultation with SAROC.

6. Functions of SAROC

6.1. LGA Object

6.1.1. The object of the LGA is to achieve public value through the promotion and advancement of the interests of local government by:

- (a) advocating to achieve greater influence for local government in matters affecting councils and communities;
- (b) assisting member councils to build capacity and increase sustainability through integrated and coordinated local government; and
- (c) advancing local government through best practice and continuous improvement.

6.1.2. SAROC will assist in the achievement of the LGA's object by:

- (a) supporting the activities of the LGA at a regional level;
- (b) promoting communication between Members and between Members and the LGA;
- (c) advocating in respect of matters which affect the SAROC Regional Grouping;
- (d) encouraging engagement of Members within the SAROC Regional Grouping with SAROC and the LGA; and
- (e) participating in policy development and implementation.



6.2. Consideration and referral of Member items of business

- 6.2.1. Any Member of the SAROC Regional Grouping may raise an item of business for the consideration of the Board of Directors or a General Meeting with SAROC. The item of business must be clearly described in writing, including an indication as to whether the impact of the item is confined to the Member or has broader implications for the local government sector.
- 6.2.2. SAROC will consider each item of business raised with SAROC by a Member.
- 6.2.3. A Member may be invited by SAROC to address a meeting of SAROC in respect of the proposed item of business.
- 6.2.4. Where considered appropriate by SAROC on the basis of the nature, scope and impact or potential impact of the item on the local government sector, SAROC will refer the item to either the Board of Directors or a General Meeting.
- 6.2.5. SAROC will inform the Member which has raised the item of business as to whether or not the item will be referred to the Board of Directors or a General Meeting.
- 6.2.6. Where an item of business is not referred to the Board of Directors or a General Meeting, SAROC may provide assistance or guidance to the Member in respect of progressing the matter.

6.3. Proposals for policy development

- 6.3.1. SAROC may develop proposals for policy positions for consideration at a General Meeting either in response to an issue raised by a Member within the SAROC Regional Grouping or independently.
- 6.3.2. A policy position developed by SAROC will be referred to the Board of Directors for consideration and determination as to whether or not the position should be put for consideration and adoption to a General Meeting.

6.4. Election to Board of Directors

- 6.4.1. SAROC will elect 3 members of SAROC (each of which must be a Council Member with relevant business and governance experience) to the Board of Directors.
- 6.4.2. In addition to Directors elected under clause 6.4.1, the chairperson of SAROC will be a Director.
- 6.4.3. The term of office as a Director of the 3 persons elected to the Board of Directors by SAROC and the chairperson of SAROC will commence after the Annual General Meeting of the year in which the person is elected and shall be for 2 years or until a casual vacancy in that office occurs.
- 6.4.4. Persons elected under clause 6.4.1 are eligible for re-election for subsequent terms.

6.5. Strategic and annual business planning

- 6.5.1. SAROC will develop, in consultation with the Members of the SAROC Regional Grouping, a 4 year strategic plan for regional advocacy, policy



initiation and review, leadership, engagement and capacity building in the SAROC Region. The strategic plan will be reviewed and updated annually by SAROC by June each year.

6.5.2. SAROC will develop, in consultation with the Members within the SAROC Regional Grouping, an annual business plan for the next financial year by June each year.

6.5.3. The strategic plan and annual business plan for the next financial year will be presented to the Board of Directors for approval by June each year.

6.6. Other functions

SAROC will undertake any other functions:

6.6.1. of SAROC set out in the Constitution; and

6.6.2. delegated by the Board of Directors to SAROC.

7. Budget

7.1 SAROC will by June each year develop and adopt a budget to cover anticipated expenses of activities under the strategic plan and annual business plan during the next financial year. After adoption by SAROC, the budget will be provided to the Board of Directors for consideration and approval.

7.2 SAROC will provide a financial report to the Board of Directors no later than September providing a true and correct record of the expenditure of SAROC against the annual budget.

7.3 The chairperson of SAROC will meet with the Audit Committee of the LGA or the LGA's external auditor on request to discuss the SAROC financial report.

8. Committees

SAROC may establish committees consisting of any person with relevant experience, skill or expertise for any purpose and determine the terms of reference for such committees.

9. Meetings of SAROC

9.1. Resolution of the Board of Directors

Requirements under this clause 9 may be altered, supplemented or replaced by resolution of the Board of Directors.

9.2. Frequency of meetings and venue

9.2.1. SAROC will meet at least once in each 2 month period at such times and places as shall be determined by the Chief Executive.

9.2.2. Any member of SAROC or the Board of Directors may convene additional meetings of SAROC.

9.2.3. Notice of a meeting of SAROC will be provided in writing to members of SAROC by the Chief Executive no less than 7 days prior to the meeting providing the date, time and place of the meeting and the proposed business to be conducted at the meeting.



9.3. Chairperson

- 9.3.1. The chairperson of SAROC will be a Council Member appointed by SAROC.
- 9.3.2. The chairperson will be the official spokesperson for SAROC.
- 9.3.3. If the chairperson of SAROC is absent from a meeting of SAROC then the members attending the SAROC meeting will appoint a chairperson for the purposes of that meeting.

9.4. Decision making

- 9.4.1. All questions arising at a meeting of SAROC shall be decided by a simple majority vote of the members of SAROC present and voting on each question.
- 9.4.2. The Chair of the meeting has a deliberative vote and, if there are equal numbers of votes on any question, a casting vote.

9.5. Meeting procedure

The meeting procedures determined by the Board of Directors from time to time will apply to meetings of SAROC.

9.6. Attendance

- 9.6.1. Meetings of SAROC will be closed to the public.
- 9.6.2. SAROC may invite any person to attend its meetings.

9.7. Minutes

- 9.7.1. Minutes will be kept of all SAROC meetings including a record of the actions of SAROC.
- 9.7.2. Within 48 hours of a SAROC meeting, the chairperson will review and confirm the draft minutes. The draft minutes will then be circulated to SAROC members for comment and if necessary amendment before being certified as correct by the chairperson.

9.8. Quorum

The quorum for a meeting of SAROC is one half of the members of SAROC, plus 1 member of SAROC (provided that at least 1 member elected by each Regional Grouping of Members must be present except for a Regional Grouping of Members with no representation on SAROC).

9.9. Performance assessment

SAROC will assess its performance against:

- 9.9.1. the strategic plan and annual business plan each quarter; and
- 9.9.2. these Terms of Reference annually.

9.10. Reporting

- 9.10.1. A Director elected by SAROC will provide a verbal report to the Board of Directors on key matters being considered by SAROC at each Board of Director's meeting at which the minutes of SAROC are to be considered by the Board of Directors.



- 9.10.2. Any matter relevant to regional advocacy, policy initiation and review, leadership, engagement and capacity building in the SAROC Region considered to be of significance to the corporate governance, strategic direction and leadership of the LGA will be reported by SAROC to the Board as soon as practicable after SAROC has considered the matter.
- 9.10.3. SAROC will provide an annual report to the Board of Directors by September each year summarising:
- (a) the discharge of SAROC's responsibilities and functions under these Terms of Reference and against the strategic plan and annual business plan;
 - (b) the activities of SAROC during the financial year;
 - (c) items of business referred to the Board of Directors or a General Meeting during the financial year; and
 - (d) items being considered by SAROC which have not been reported to the Board of Directors and the intended actions in respect of those matters.

10. Access to information

- 10.1.1. SAROC is entitled, acting through the Chief Executive, to access any information or discuss matters with staff of the LGA Office.
- 10.1.2. A copy of the agenda for a SAROC meeting, reports to be considered by SAROC and minutes of SAROC meetings certified under clause 9.7.2 will be available to all Directors.
- 10.1.3. Subject to confidentiality requirements as determined by the Board of Directors or SAROC, a copy of the SAROC agenda, reports and minutes certified under clause 9.7.2. will be published on the LGA website for review by Members.

11. Administration

- 11.1.** Subject to clause 11.2, an administrator appointed to administer the affairs of the Member may exercise the rights and satisfy the obligations of the administered Member under these Terms of Reference.
- 11.2.** An administrator is ineligible to be a member of SAROC.

Schedule: List of Regional Groupings of Members in the SAROC Regional Grouping

| Regional Grouping of Members | Members |
|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Southern & Hills Councils | Alexandrina Mount Barker Victor Harbor Yankalilla Kangaroo Island |
| Legatus Councils | Adelaide Plains Barossa Barunga West Clare & Gilbert Valleys Copper Coast Goyder Light Mount Remarkable Northern Areas Orroroo Carrieton Peterborough Wakefield Yorke Peninsula Flinders Ranges |
| Eyre Peninsula | Ceduna Cleve Elliston Franklin Harbor Kimba Streaky Bay Tumby Bay Wudinna Lower Eyre Peninsula Port Lincoln |
| Limestone Coast | Grant Kingston Mount Gambier Naracoorte Lucindale Robe Tatiara Wattle Range |

| | |
|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| Murraylands & Riverland | Loxton Waikerie Mid Murray Karoonda East Murray Coorong District Southern Mallee Berri Barmera Renmark Paringa Murray Bridge |
| Spencer Gulf Cities | Port Augusta Port Pirie Whyalla |



LGA GAROC Terms of Reference

Effective 23 July 2020



Local Government Association of South Australia

GAROC Terms of Reference

Adopted by the LGA Board on [insert date] and Members at the AGM held [insert date]

1. Establishment

In accordance with clause 19 of the Local Government Association of South Australia Constitution and Rules (**Constitution**) there are 2 regional organisations of Members: the South Australian Regional Organisation of Councils (**SAROC**) and the Greater Adelaide Regional Organisation of Councils (**GAROC**).

2. Terms of Reference

- 2.1. These Terms of Reference set out the functions to be discharged by GAROC.
- 2.2. The operation of the Terms of Reference may be altered by the Board of Directors either generally or in respect of specific circumstances by resolution with the exception of clauses 4.2, 4.3 and 4.4. A resolution for the purposes of this clause 2.2 will be reported to the chairperson of GAROC within 24 hours of the meeting of the Board of Directors at which the resolution was passed.
- 2.3. These Terms of Reference will be presented to the Members at a General Meeting for ratification annually (or more frequently as determined by the Board).
- 2.4. Clauses 4.2, 4.3 or 4.4 of this Terms of Reference may be altered only:
 - 2.4.1. By resolution passed at a General Meeting of which at least 30 days' notice has been given to Members; and
 - 2.4.2. With approval of the Minister.
- 2.5. The term:

GAROC Region means the combined local government area of each Member listed in the Schedule and the City of Adelaide.

GAROC Regional Grouping means all of the Members of the Regional Groupings of Members as identified in the Schedule and, for the purposes of Clause 6 of these Terms of Reference and Clause 28.6 of the Constitution, includes the City of Adelaide.
- 2.6. A capitalised term not defined in this document has the meaning provided for the term in the Constitution.

3. Status

GAROC is a committee of the LGA and is responsible to the Board of Directors for the discharge of its functions.

4. GAROC

4.1. Role

The role of GAROC is regional advocacy, policy initiation and review, leadership, engagement and capacity building in the GAROC Region.



4.2. Membership

- 4.2.1. Each Regional Grouping of Members listed in the schedule to these Terms of Reference will elect in accordance with clause 4.3 and 4.4 from the Members of the Regional Grouping of Members, 2 Council Members of Members in the Regional Grouping of Members as members of GAROC provided that each person elected is from a different Member.
- 4.2.2. In addition to the members of GAROC elected in accordance with clause 4.2.1, the Lord Mayor of the City of Adelaide will be a standing member of GAROC.

4.3. Nominations for election to GAROC

- 4.3.1. The members of GAROC will be elected biennially.
- 4.3.2. In the year in which GAROC members will be elected, and at least 3 months before the Annual General Meeting, the Chief Executive shall write to all Members of the GAROC Regional Grouping as listed in the schedule calling for nominations for the membership of GAROC.
- 4.3.3. Each Member of the GAROC Regional Grouping may nominate a candidate for membership of GAROC, provided that:
 - (a) a person nominated as a member of GAROC must be a representative of a member on the relevant Regional Grouping of Members; and
 - (b) only a Council Member can be nominated to GAROC.
- 4.3.4. A nomination of a person as a member of GAROC must be by resolution of the Member received by the Chief Executive not later than 5 pm on the day specified for the closure of nominations (**Close of Nominations**). A nomination must be signed by the candidate indicating his or her willingness to stand for election and be in the form determined by the Chief Executive.

4.4. Election to GAROC

- 4.4.1. The Chief Executive shall be the returning officer for any election of members to GAROC.
- 4.4.2. After the Close of Nominations, the Chief Executive will notify Members of each Regional Grouping of Members of the candidates for membership of GAROC nominated by the Regional Grouping of Members.
- 4.4.3. If the only nominations received from a Regional Grouping of Members by the Close of Nominations match the membership positions described in clause 4.2.1, then the Chief Executive will declare those persons duly elected to those membership positions.
- 4.4.4. If the number of persons nominated by the Close of Nominations by a Regional Grouping of Members exceeds the number of membership positions described in clause 4.2.1, then an election for the purpose of clause 4.2.1 must be held in accordance with this clause.



- 4.4.5. In the event of an election being required, the Chief Executive shall conduct the election as follows:
- (a) at least six weeks before the Annual General Meeting, the Chief Executive shall deliver ballot papers to each Member of the Regional Grouping of Members;
 - (b) the ballot papers shall:
 - (i) list the candidates for election;
 - (ii) specify the day of closure of the election;
 - (iii) be accompanied by an envelope marked "Ballot Paper" and a second envelope marked "Returning Officer";
 - (c) each Member shall determine by resolution the candidate or candidates (as relevant) it wishes to elect;
 - (d) the chair of the meeting for that Member shall mark the ballot paper with an "X" next to the candidate or candidates (as relevant) that the Member wishes elected and seal the ballot paper in the envelope marked "Ballot Paper" inside the envelope marked "Returning Officer". Before sealing the second envelope the chair must indicate the Member's name on the inside flap of the envelope. The envelope may then be sealed and delivered to the Returning Officer;
 - (e) on receipt of the envelopes the Chief Executive must:
 - (i) open the outer envelope addressed to the "Returning Officer" and record the name of the Member which appears on the inside flap of the envelope on the roll of Member's eligible to vote; and
 - (ii) place the envelope marked "Ballot Paper" unopened into the ballot box;
 - (f) the Chief Executive shall nominate the date, time and place for the counting of votes and shall invite each candidate and a person nominated as the candidate's scrutineer to be present;
 - (g) at the counting of the votes the Chief Executive shall produce unopened envelopes marked "Ballot Paper" and if satisfied that all votes are valid, count the number of votes received by each candidate;
 - (h) in respect of an election for the purposes of clause 4.2.1, the 2 candidates from a Regional Grouping of Members with the most votes shall be deemed elected in respect of that Regional Grouping of Members and the Chief Executive shall declare the candidates elected at the Annual General Meeting; and
 - (i) in the case of candidates for membership positions described in clause 4.2.1 from a Regional Grouping of Members receiving the same number of votes, the Chief Executive shall draw lots at the counting of the votes to determine which candidate is elected.



- 4.4.6. The Chief Executive may, in his or her discretion, appoint a deputy returning officer and delegate any of his or her powers, functions or duties to that person who shall act accordingly.
- 4.4.7. The Chief Executive may, in his or her discretion, delegate any of his or her powers, functions or duties to an Executive Officer of a Regional Grouping of Members who shall act accordingly for the conduct of elections for the purpose of clause 4.2.1 in respect of the Regional Grouping of Members relevant to that Executive Officer.

4.5. Term of office

The term of office for members of GAROC shall commence after the Annual General Meeting of the year in which the member is elected. Each member of GAROC will serve for a period of 2 years or until a circumstance causing a casual vacancy as described in clause 4.7.2 occurs.

4.6. Duties

- 4.6.1. Each member of GAROC must:
 - (a) undertake his or her role as a GAROC member honestly and act with reasonable care and diligence in the performance and discharge of functions and duties;
 - (b) not make improper use of information acquired by virtue of his or her position as a GAROC member to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA;
 - (c) not make improper use of his or her position as a GAROC member to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA; and
 - (d) not act in any matter where the GAROC member has a conflict of interest (provided that an interest shared in common with all or a substantial proportion of the members of GAROC will not be an interest giving rise to a conflict of interest).

4.7. Absences and casual vacancies

- 4.7.1. A leave of absence may be granted to a member of GAROC by resolution of GAROC. A replacement member of GAROC will be appointed for the period of the leave of absence by resolution of the majority of Members comprising the Regional Grouping of Members relevant to the person the subject of the leave of absence.
- 4.7.2. A casual vacancy will occur in the office of a member of GAROC if the member of GAROC:
 - (a) dies;
 - (b) resigns from GAROC;
 - (c) is dismissed by resolution of the Board of Directors from GAROC for Misconduct;



- (d) ceases to be a Council Member;
- (e) the Member for which the member of GAROC is a Council Member is no longer a member of the Local Government Association; or
- (f) an administrator is appointed to administer the affairs of the Member for which the member of GAROC is a Council Member.

4.7.3. If there is a casual vacancy in the membership of GAROC, then the Regional Grouping of Members relevant to the GAROC member the subject of the casual vacancy will appoint by resolution of the majority of Members comprising the Regional Grouping of Members another Council Member to serve as a member of GAROC for the balance of the membership term.

5. Responsibilities

5.1. Board of Directors

- 5.1.1. The role of the Board of Directors is to oversee corporate governance of the LGA and provide strategic direction and leadership.
- 5.1.2. The duties of the Board of Directors are to ensure that:
 - (a) the LGA acts in accordance with applicable laws and the Constitution;
 - (b) the LGA acts ethically and with integrity, respecting diversity and striving for gender balance participation in all activities;
 - (c) the activities of the LGA are conducted efficiently and effectively and that the assets of the LGA are properly managed and maintained;
 - (d) subject to any overriding fiduciary or other duty to maintain confidentiality, the affairs of the LGA are undertaken in an open and transparent manner; and
 - (e) the LGA performs to its business plan and achieves or betters the financial outcomes projected in its budget.
- 5.1.3. The Board of Directors may from time to time refer matters to GAROC for consideration.
- 5.1.4. The Board of Directors will receive, consider and respond to any report and recommendations provided to the Board of Directors by GAROC.
- 5.1.5. The Board of Directors will periodically review the performance of GAROC.

5.2. GAROC

- 5.2.1. GAROC will fulfil its functions under these Terms of Reference in a timely, objective and professional manner consistent with the 'LGA Strategic Management Framework'.
- 5.2.2. GAROC may, through the Chief Executive and at the LGA's expense, seek external legal, financial or other advice on matters within its functions or concerning these Terms of Reference.



5.3. Chief Executive

- 5.3.1. The Chief Executive will make available to GAROC information of the LGA which is relevant to the functions of GAROC.
- 5.3.2. The Chief Executive will ensure that administrative support and other resources are made available to GAROC as included in the GAROC approved annual business plan and budget to enable GAROC to discharge its obligations under these Terms of Reference.
- 5.3.3. Resources made available to GAROC will include resourcing by the LGA Office or external resources considered appropriate by the Chief Executive acting in consultation with GAROC.

6. Functions of GAROC

6.1. LGA Object

- 6.1.1. The object of the LGA is to achieve public value through the promotion and advancement of the interests of local government by:
 - (a) advocating to achieve greater influence for local government in matters affecting councils and communities;
 - (b) assisting member councils to build capacity and increase sustainability through integrated and coordinated local government; and
 - (c) advancing local government through best practice and continuous improvement.
- 6.1.2. GAROC will assist in the achievement of the LGA's object by:
 - (a) supporting the activities of the LGA at a regional level;
 - (b) promoting communication between Members and between Members and the LGA;
 - (c) advocating in respect of matters which affect the GAROC Regional Grouping;
 - (d) encouraging engagement of Members within the GAROC Regional Grouping with GAROC and the LGA; and
 - (e) participating in policy development and implementation.

6.2. Consideration and referral of Member items of business

- 6.2.1. Any Member of the GAROC Regional Grouping may raise an item of business for the consideration of the Board of Directors or a General Meeting with GAROC. The item of business must be clearly described in writing, including an indication as to whether the impact of the item is confined to the Member or has broader implications for the local government sector.
- 6.2.2. GAROC will consider each item of business raised with GAROC by a Member.



- 6.2.3. A Member may be invited by GAROC to address a meeting of GAROC in respect of the proposed item of business.
- 6.2.4. Where considered appropriate by GAROC on the basis of the nature, scope and impact or potential impact of the item on the local government sector, GAROC will refer the item to either the Board of Directors or a General Meeting.
- 6.2.5. GAROC will inform the Member which has raised the item of business as to whether or not the item will be referred to the Board of Directors or a General Meeting.
- 6.2.6. Where an item of business is not referred to the Board of Directors or a General Meeting, GAROC may provide assistance or guidance to the Member in respect of progressing the matter.

6.3. Proposals for policy development

- 6.3.1. GAROC may develop proposals for policy positions for consideration at a General Meeting either in response to an issue raised by a Member within the GAROC Regional Grouping or independently.
- 6.3.2. A policy position developed by GAROC will be referred to the Board of Directors for consideration and determination as to whether or not the position should be put for consideration and adoption to a General Meeting.

6.4. Election to Board of Directors

- 6.4.1. GAROC will elect 3 members of GAROC (each of which must be a Council Member with relevant business and governance experience) to the Board of Directors.
- 6.4.2. In addition to Directors elected under clause 6.4.1, the chairperson of GAROC will be a Director.
- 6.4.3. The term of office as a Director of the 3 persons elected to the Board of Directors by GAROC and the chairperson of GAROC will commence after the Annual General Meeting of the year in which the person is elected and shall be for 2 years or until a casual vacancy in that office occurs.
- 6.4.4. Persons elected under clause 6.4.1 are eligible for re-election for subsequent terms.

6.5. Strategic and annual business planning

- 6.5.1. GAROC will develop, in consultation with the Members of the GAROC Regional Grouping, a 4 year strategic plan for regional advocacy, policy initiation and review, leadership, engagement and capacity building in the GAROC Region. The strategic plan will be reviewed and updated annually by GAROC by June each year.
- 6.5.2. GAROC will develop, in consultation with the Members within the GAROC Regional Group, an annual business plan for the next financial year by June each year.



6.5.3. The strategic plan and annual business plan for the next financial year will be presented to the Board of Directors for approval by June each year.

6.6. Other functions

GAROC will undertake any other functions:

- 6.6.1. of GAROC set out in the Constitution; and
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7. Budget

- 7.1.1. GAROC will by June each year develop and adopt a budget to cover anticipated expenses of activities under the strategic plan and annual business plan during the next financial year. After adoption by GAROC, the budget will be provided to the Board of Directors for consideration and approval.
- 7.1.2. GAROC will provide a financial report to the Board of Directors no later than September providing a true and correct record of the expenditure of GAROC against the annual budget.
- 7.1.3. The chairperson of GAROC will meet with the Audit Committee of the LGA or the LGA's external auditor on request to discuss the GAROC financial report.

8. Committees

GAROC may establish committees consisting of any person with relevant experience, skill or expertise for any purpose and determine the terms of reference for such committees.

9. Meetings of GAROC

9.1. Resolution of the Board of Directors

Requirements under this clause 9 may be altered, supplemented or replaced by resolution of the Board of Directors.

9.2. Frequency of meetings and venue

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- 9.2.2. Any member of GAROC or the Board of Directors may convene additional meetings of GAROC.
- 9.2.3. Notice of a meeting of GAROC will be provided in writing to members of GAROC by the Chief Executive no less than 7 days prior to the meeting providing the date, time and place of the meeting and the proposed business to be conducted at the meeting.

9.3. Chairperson

- 9.3.1. The chairperson of GAROC will be a Council Member appointed by GAROC.
- 9.3.2. The chairperson will be the official spokesperson for GAROC.



- 9.3.3. If the chairperson of GAROC is absent from a meeting of GAROC then the members attending the GAROC meeting will appoint a chairperson for the purposes of that meeting.

9.4. Decision making

- 9.4.1. All questions arising at a meeting of GAROC shall be decided by a simple majority vote of the members of GAROC present and voting on each question.
- 9.4.2. The Chair of the meeting has a deliberative vote and, if there are equal numbers of votes on any question, a casting vote.

9.5. Meeting procedure

The meeting procedures determined by the Board of Directors from time to time will apply to meetings of GAROC.

9.6. Attendance

- 9.6.1. Meetings of GAROC will be closed to the public.
- 9.6.2. GAROC may invite any person to attend its meetings.

9.7. Minutes

- 9.7.1. Minutes will be kept of all GAROC meetings including a record of the actions of GAROC.
- 9.7.2. Within 48 hours of a GAROC meeting, the chairperson will review and confirm the draft minutes. The draft minutes will then be circulated to GAROC members for comment and if necessary amendment before being certified as correct by the chairperson.

9.8. Quorum

The quorum for a meeting of GAROC is one half of the members of GAROC, plus 1 member of GAROC (provided that at least 1 member elected by each Regional Grouping of Members must be present except for a Regional Grouping of Members with no representation on GAROC).

9.9. Performance assessment

GAROC will assess its performance against:

- 9.9.1. the strategic plan and annual business plan each quarter; and
- 9.9.2. these Terms of Reference annually.

9.10. Reporting

- 9.10.1. A Director elected by GAROC will provide a verbal report to the Board of Directors on key matters being considered by GAROC at each Board of Director's meeting at which the minutes of GAROC are to be considered by the Board of Directors.



- 9.10.2. Any matter relevant to regional advocacy, policy initiation and review, leadership, engagement and capacity building in the GAROC Region considered to be of significance to the corporate governance, strategic direction and leadership of the LGA will be reported by GAROC to the Board as soon as practicable after GAROC has considered the matter.
- 9.10.3. GAROC will provide an annual report to the Board of Directors by September each year summarising:
- (a) the discharge of GAROC's responsibilities and functions under these Terms of Reference and against the strategic plan and annual business plan;
 - (b) the activities of GAROC during the financial year;
 - (c) items of business referred to the Board of Directors or a General Meeting during the financial year; and
 - (d) items being considered by GAROC which have not been reported to the Board of Directors and the intended actions in respect of those matters.

10. Access to information

- 10.1.1. GAROC is entitled, acting through the Chief Executive, to access any information or discuss matters with staff of the LGA Office.
- 10.1.2. A copy of the agenda for a GAROC meeting, reports to be considered by GAROC and minutes of GAROC meetings certified under clause 9.7.2 will be available to all Directors.
- 10.1.3. Subject to confidentiality requirements as determined by the Board of Directors or GAROC, a copy of the GAROC agenda, reports and minutes certified under clause 9.7.2 will be published on the LGA website for review by Members.

11. Administration

- 11.1. Subject to clause 11.2, an administrator appointed to administer the affairs of the Member may exercise the rights and satisfy the obligations of the administered Member under these Terms of Reference.
- 11.2. An administrator is ineligible to be a member of GAROC.

12. Transitional provisions

12.1. Interpretation

- 12.1.1. Transitional arrangements associated with these Terms of Reference are set out in this clause 12.
- 12.1.2. In this clause 12:



“**Commencement Date**” means the date on which both of the following criteria have been satisfied (regardless of the order in which they are satisfied):

- (a) these Terms of Reference have been adopted by resolution passed at a General Meeting of which at least 30 days’ notice has been given to Members; and
- (b) the Minister has approved the amendments to clauses 4.2, 4.3 and 4.4.

“**Previous Terms of Reference**” means the terms of reference for GAROC in operation immediately prior to the Commencement Date.

“**Transitional Period**” means the period between the Commencement Date and the Annual General Meeting in 2020.

- 12.1.3. The term of office of each member of GAROC appointed prior to the Commencement Date will expire at the Annual General Meeting in 2020 or when a casual vacancy arises under clause 4.7.2.
- 12.1.4. If a leave of absence is granted under clause 4.7.1 in respect of a member of GAROC during the Transitional Period, a replacement member of GAROC will be appointed for the period of the leave of absence by resolution of the majority of Members comprising the Regional Grouping of Members specified in the schedule to the Previous Terms of Reference.
- 12.1.5. If a casual vacancy arises under clause 4.7.2 in respect of a member of GAROC during the Transitional Period, another Council Member will be appointed to serve as a member of GAROC for the balance of the membership term by resolution of the majority of Members comprising the Regional Grouping of Members specified in the schedule to the Previous Terms of Reference.

Schedule: List of Regional Groupings of Members within the GAROC Regional Grouping

| Regional Grouping of Members | Members |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------|
| North | Gawler Playford Salisbury Tea Tree Gully |
| West | Charles Sturt Holdfast Bay Port Adelaide Enfield West Torrens |
| South | Marion Mitcham Onkaparinga |
| East | Adelaide Hills Burnside Campbelltown Norwood Payneham & St Peters Prospect Unley Walkerville |

7.1 Attendance at Meetings by electronic means (Victor Harbor)

Recommendation Reports from the SAROC Committee

| | | |
|---------------|------------------------|--------------------|
| Submitted by: | City of Victor Harbor | |
| Approved by: | SAROC Committee | |
| Meeting | Annual General Meeting | 29 October 2020 |
| ECM: | 719812 | Attachment: 715523 |

Recommendation from the SAROC Committee

That the Annual General Meeting requests the Local Government Association to lobby to the State Government or the Minister for Planning and Local Government to review the Local Government Act 1999 and Local Government (Procedures at Meetings) 2013 to include provisions for Council Members to attend Meetings and Informal Gatherings by electronic means.

SAROC Committee's Comments

SAROC acknowledged that this proposed item of business is important for regional and metropolitan councils, which have demonstrated the ability to embrace the use of technology for meetings during the COVID-19 pandemic. SAROC recognised that attendance at meetings by electronic means would provide additional flexibility for attendance to accommodate distance and other responsibilities such as childcare. The committee also discussed the need for strong governance arrangements with online participants, particularly when items are being dealt with in-confidence.

LGA Officer's Comments

(Officer: Alicia Stewart, Director Governance and Legislation)

In response to COVID-19, new temporary section 302B was inserted in the Local Government Act 1999, empowering the Minister responsible for local government to, by Notice published in the Government Gazette, vary or suspend operation of provisions of the Act where it is reasonably necessary during a public health emergency and where relevant public health emergency declarations have been made. Notices will cease to apply 28 days after emergency declarations are revoked, or upon the expiry of section 302B on 31 December 2020.

The Electronic Participation in Council Meetings Notice (No 1) 2020 was made on 31 March 2020 and provides for some or all council members to participate in a council meeting by electronic means. This has enabled councils to continue to make important decisions for their communities during difficult and uncertain times, while protecting the health and safety of council members, council staff and the public. Councils have proven during COVID-19 that electronic council meetings are possible, and in particular, that meeting integrity can be maintained, and public access ensured.

While electronic meetings are currently permitted for public health and safety reasons, there are many other reasons that electronic participation in council and committee meetings and informal gatherings could be beneficial, such as reducing night-time travel in regional areas, increasing

flexibility for council members with dependents, accommodating interstate or overseas travel, and for personal health reasons.

While there are benefits to electronic meetings, it is also important to recognise the value in face to face representation and public access to meetings. The LGA would undertake sector consultation regarding what conditions or limitations on electronic meetings would be appropriate in order to find a balance between the benefits of face to face meetings and electronic participation.

Consultation will also be undertaken to determine appropriate governance measures for meetings held electronically – for example, measures to effectively manage the exclusion of members with a declared conflict of interest. It will also be important to ensure councils retain discretion to determine the format that is preferred by council and its community, noting that some councils have preferred to return to face to face meetings as soon as it has been safe to do so following the COVID-19 pandemic.

Financial and Resource Implications

This activity is not currently anticipated in the LGA's work program but can be delivered within existing LGA resources as part of the Local Government Reform program.

LGA General Meeting – Proposed Item of Business

The purpose of this form is to request consideration by SAROC, GAROC or the Board of Directors of an item of business to be included on the agenda of an LGA General Meeting - refer Clause 16.3.1 of the LGA Constitution. Prior to submitting a proposed Item of Business, please refer to the Considering Proposed Items of Business for LGA General Meetings Guidelines.

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| Council Name | City of Victor Harbor |
| The body the item is being referred to <i>Proposals may only be submitted to the ROC of which council is a member, or to the LGA Board of Directors.</i> | South Australian Region Organisation of Councils (SAROC) |
| Subject of the proposed item of business | Attendance at Meetings by electronic means |
| Proposed motion for the General Meeting | That the Annual / Ordinary General Meeting requests the Local Government Association to lobby to the State Government or the Minister for Transport, infrastructure and Local Government to review the <i>Local Government Act 1999</i> and <i>Local Government (Procedures at Meetings) 2013</i> to include provisions for Council Members to attend Meetings and Informal Gatherings by electronic means. |
| Supporting information <i>Provide a summary of the issue(s), relevant background information, description of the impact on the sector and evidence that this is an item of strategic importance to local government.</i> | <p>The current environment where we are experiencing a Public Health Emergency (COVID-19) has seen the Minister for Transport, Infrastructure and Local Government by way of a Notice in the Government Gazette to vary, suspend the operation of specified provisions of the <i>Local Government Act 1999</i> and <i>Local Government (Procedures at Meetings) Regulations 2013</i> to allow for Electronic Participation in Council Meetings and Informal Gatherings.</p> <p>Since the implementation of these provisions, the City of Victor Harbor have held a number of meetings including Informal Gatherings, Council and Committee meetings by electronic means.</p> <p>The City of Victor Harbor have found that having the ability for members to attend by electronic means, has meant the meetings are more cost effective, efficient and provides greater flexibility to members who are unable to attend in person but can be attend by electronic means.</p> <p>It would be beneficial for the State Government to consider retaining the relevant provisions within <i>the Local Government Act 1999</i> and the <i>Local Government (Procedures at Meetings) Regulations 2013</i> to allow members to attend informal gathering by electronic means, with the proviso that Members can be heard and seen by the public.</p> <p>This would align with current provisions within the legislation that allows Section 41 Committee meetings can be conducted in a</p> |

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| | place open to the public even if one or more Committee members participate in the meeting by electronic means that allows for members of a Section 41 Committee to attend meetings by electronic means. |
| LGA Policy Manual <i>Does this item require a change to the LGA Policy Manual (new policy or amendment to existing policy)?</i> | <p>(please click here to view the LGA Policy Manual)</p> <p>The Motion supports implementation of existing policies specifically:</p> <p>1.2 Partners in Government</p> <p>1.2.4 Legislation: Local Government considers it vital that federal and state governments adequately collaborate with the Local Government Association and Councils regarding legislation that affects the sector and that formal protocols should be developed. The Local Government Association shall continue to lobby governments for introduction of protocols that provide certainty about engagement processes.</p> |
| LGA Strategic Plan reference | <p>(please click here to view the plan and identify the Key Initiative and Strategy reference)</p> <p><i>(choose only one Key Initiative and one Strategy)</i></p> <p><i>Key Initiative: 3 Best Practice and Continuous improvement Strategies C – Improve LGA governance and operations with a focus on people, finances and our members.</i></p> |
| Council Contact Officer submitting form | <p>Kyla Walker</p> <p>kwalker@victor.sa.gov.au</p> <p>088551 0500</p> |
| Council Meeting minute reference and date of meeting | <p>OC3612020</p> <p>27 July 2020</p> |
| Date submitted to LGA | 30 July 2020 |

Please return Word version of completed form to lgasa@lga.sa.gov.au.
Refer to LGA Circulars in respect to deadlines for upcoming General Meetings.

7.2 Solid Waste Levy (Berri Barmera)

Recommendation Reports from the SAROC Committee

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| Submitted by: | Berri Barmera Council | |
| Approved by: | SAROC Committee | |
| Meeting | Annual General Meeting | 29 October 2020 |
| ECM: | 719810 | Attachment: 715979 |

Recommendation

That the Annual General Meeting requests the LGA to:

1. continue to advocate for 50% of the monies accumulated in the Green Industry Fund (collected from council contributions to the Solid Waste Levy) be committed back to local government for worthwhile waste, recycling and resource recovery endeavours that support the transition towards a more circular economy;
2. advocate that State Government commit to a guaranteed minimum level of reinvestment of the Solid Waste Levy in the waste, recycling and resource recovery sector;
3. advocate for State Government to conduct ongoing research and development in collaboration with local government and other stakeholders into;
 - a. alternative waste technologies and strategies such as organics composting for food waste;
 - b. kerbside collection technologies/strategies to incentivise households to maximise recycling rates and minimise the amount of general waste going to landfill; and
 - c. Green Industries SA to expand its Waste Education/Awareness campaign to provide clear messaging on recycling and organic waste strategies to help the South Australian community.

SAROC Committee's Comments

When considering the proposed item of business, SAROC recognised that waste, recycling, resource recovery and the transition towards a circular economy is of great strategic importance to the local government sector.

SAROC also acknowledged that, on behalf of member councils, the LGA has previously developed robust policy¹ and undertaken significant advocacy² and provided assistance³ to member councils on this issue.

LGA Officer's Comments

(Officer: Brianna McGee, Policy Officer)

In proposing this item of business, Berri Barmera Council provided evidence relating to the Solid Waste Levy (SWL). In summary this evidence highlighted:

- Increases to the SWL, highlighting the 40% increase in 2019/20.

¹ LGA of SA 'Policy Manual' 4.2: Waste & Resource Recovery.

²For example: LGA Submissions < <https://www.lga.sa.gov.au/news-and-events/news/submissions> >.

³ LGA Buying it Back – Circular Procurement Project < <https://www.lga.sa.gov.au/sa-councils/part-of-your-everyday/waste-management> >.

- State Government will make available around \$64 million of funding, raised through this SWL increase, for some waste management endeavours and for non-waste, recycling and resource recovery initiatives including coastal management.
- The Waste and Resource Recovery Modernisation and Council Transition Package will deliver \$12 million of funding over four years to boost recycling and resource recovery to keep waste out of landfill.

The LGA has been advocating that the South Australian Government freeze the SWL and commit to making 50% of the money paid into the Green Industry Fund by councils each year available to councils for worthwhile waste and recycling projects.⁴

Freezing the SWL will provide councils and the industry with certainty and confidence for investment decisions at a time where significant investment is required in waste, recycling and resource recovery infrastructure.

Investment is required to transition towards a circular economy, increase the economic viability of kerbside recycling (particularly in regional areas), enable SA to positively respond to the COAG waste export ban, increase diversion of waste from landfill, reduce contamination and develop onshore end markets for recyclate to better insulate Australia from unstable international markets.

Greater hypothecation and reinvestment of monies raised through the SWL in the waste and recycling sector will also support these objectives.

Funds raised through the Solid Waste Levy

Section 17 of *Green Industries SA Act 2004* (SA) provides that at least 50% of the money collected through the Solid Waste Levy (SWL) goes to the Green Industry Fund, 5% is paid to the Environmental Protection Fund and 45% is directed to the SA Environmental Protection Authority (EPA) to deliver its regulatory and administrative functions.⁵

The EPA undertakes significant work to protect, restore and enhance the environment that benefits South Australia's communities by regulating pollution, waste, noise and radiation.⁶

The LGA supports hypothecation of monies raised through the SWL, accumulated in the Green Industry Fund, being directed back to councils and into the waste, recycling and resource recovery industry to stabilise and develop the industry and to support the industry and community in the transition towards a more circular economy.

While the LGA recognises the uses of fees, charges and levies as legitimate tools for waste management, the SWL is unlikely to influence individuals' behaviours because it is dampened amongst rate payers.

The increased hypothecation of these funds could play a very significant role in generating new industries and employment opportunities for South Australia in its transition towards a more circular economy and to assist in the economic recovery from recent fires and the impacts of COVID-19.

Nationally, there is support for "*...fully hypothecating landfill levies towards measures that reduce the creation of consumption of waste, and that increase the recycling of waste materials.*"⁷

The Environment, Resources and Development Committee in its recent Inquiry into the Recycling Industry recommended that State Government in collaboration with local government and other stakeholders:

⁴ LGA Bin Tax campaign: <<https://www.lga.sa.gov.au/sa-councils/local-government-in-sa/bin-tax>>.

⁵ Parliament of Australia, Senate Standing Committees on Environment and Communications, *Waste and Recycling Industry in Australia* (26 June 2018) Chapter 4: Waste Levies, page 64 at 4.97, <https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Environment_and_Communications/WasteandRecycling/Report>.

⁶ <https://www.epa.sa.gov.au/about_us>.

⁷ Parliament of Australia Senate Standing Committees on Environment and Communications, 'Waste and Recycling Industry in Australia Report' (2018) Recommendation 17 pp. 8.76.

“in the interests of transparency, develops and implements a long term (5-6 year) strategy for expenditure of the SWL that is consistent with shifting SA towards a circular economy.”⁸

Evidence submitted by Berri Barmera Council highlights the use of these funds for coastal protection - a non-waste or recycling activity.

Given the current challenges faced by the waste, recycling and resource recovery industry (exacerbated by insecure end markets for recyclate), hypothecation of at least 50% the waste levy back to local government and the waste and recycling industry could provide South Australia with an opportunity to successfully navigate this period of transition, fulfill the actions highlighted in the National Waste Policy Action Plan and to be proactively respond to the impacts of the National Waste Export Ban.

Ongoing research and development into alternative waste technologies that maximise waste diversion from landfill

The LGA Secretariat is supportive of research and development of waste, recycling and resource recovery technologies and endeavours that provide community focused, economically viable options that increases waste diversion from landfill and resource recovery.

Waste education/awareness campaign

In 2019 Green Industries SA in consultation with local government and relevant stakeholders developed and expanded the *Which Bin?* campaign.⁹

The LGA recognises community education and awareness as being an instrumental factor in improving kerbside diversion rates and reducing contamination rates. A state-wide campaign has the potential to expose high proportions of the South Australian public to clear messages that can produce positive results and change.

There is potential in expanding on the *Which Bin?* campaign to achieve the desired outcomes of increased waste diversion from landfill. There is also opportunity for Green Industries SA to support councils in tailoring the campaign to their communities and their specific needs.

Financial and Resource Implications

Advocacy aligned to the proposed item of business, as recommended by SAROC, has been anticipated in the LGA's work program.

On behalf of member councils, the LGA has a *Service Agreement FY 2018-21* with Green Industries SA (GISA) through which the LGA receives a grant to jointly provide a range of activities that promote waste management, resource recovery and green industry in the local government sector.

This arrangement has supported the LGA to assist member councils by:

- developing an understanding on behalf of the sector in relation to the ongoing impacts of the China National Sword Policy and the 2019 increase to the Solid Waste Levy.
- representing council interests on the national agenda including (through ALGA) in development of the 2019 National Waste Policy Action Plan and early exploration of the potential impacts of the COAG waste export ban.
- participation in the EPA Container Deposit Scheme Stakeholder Reference Group and the GISA Single-Use Plastics Stakeholder Taskforce.

⁸ Parliament of South Australia, The Environment, Resources and Development Committee, "An Inquiry into the Recycling Industry" (Tabled in the House of Assembly and ordered to be published 21 July 2020) Recommendation 4(c).

⁹ Green Industries SA, "Which Bin" < <https://www.whichbin.sa.gov.au/> >.

- working with Legatus Group (regional LGA for central local government region) to develop a project for a SA Regional Waste Management Strategy including development of an application for funding through the GISA Council Modernisation program.

LGA General Meeting – Proposed Item of Business

The purpose of this form is to request consideration by SAROC, GAROC or the Board of Directors of an item of business to be included on the agenda of an LGA General Meeting - refer Clause 16.3.1 of the LGA Constitution. Prior to submitting a proposed Item of Business, please refer to the Considering Proposed Items of Business for LGA General Meetings Guidelines.

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| Council Name | Berri Barmera Council |
| The body the item is being referred to <i>Proposals may only be submitted to the ROC of which council is a member, or to the LGA Board of Directors.</i> | SAROC |
| Subject of the proposed item of business | Solid Waste levy |
| Proposed motion for the General Meeting | <p>That the Annual / Ordinary General Meeting requests the LGA to lobby the State Government to ensure that the Solid Waste levy collected be committed to (in its entirety);</p> <p>Ongoing research and development into:</p> <ul style="list-style-type: none"> a. alternative waste technologies and strategies such as organics composting for food waste. b. Kerbside collection technology's/strategies to incentivise households to maximise recycling rates and minimise the amount of general waste going to landfill. <p>Direct Green Industries SA to develop a Waste Education/Awareness campaign which provides clear messaging on recycling and organic waste strategies to help the SA communities.</p> |
| Supporting information <i>Provide a summary of the issue(s), relevant background information, description of the impact on the sector and evidence that this is an item of strategic importance to local government.</i> | <p>On June 18, 2019, the SA government announced the levy increase in its 2019/20 State Budget. The solid waste levy will increase to \$110 per tonne on July 1, followed by \$140 per tonne on January 1, 2020.</p> <p>A statement from the SA government explained that the solid waste levy increase would provide a strong signal that all efforts should be made to reduce landfill through recycling or resource recovery.</p> <p>The government will use the levy increase to fund significant environmental projects, including more than \$64 million of new funding towards practical environmental action including coastal protection and waste management.</p> <p>The State Budget will deliver a mere \$12m of new funding over four years to the Waste and Resource Recovery Modernisation and Council Transition Package, which aims to boost recycling and resource recovery and keep waste out of landfill through</p> |

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| | investment, infrastructure, education and modernisation of council and industry collection services. |
| LGA Policy Manual <i>Does this item require a change to the LGA Policy Manual (new policy or amendment to existing policy)?</i> | No (please click here to view the LGA Policy Manual) |
| LGA Strategic Plan reference | Key Initiative 1, Strategy C (please click here to view the plan and identify the Key Initiative and Strategy reference) <i>(choose only one Key Initiative and one Strategy)</i> |
| Council Contact Officer submitting form | Karyn Burton Chief Executive Officer kburton@bbc.sa.gov.au 08 8582 1922 |
| Council Meeting minute reference and date of meeting | Ordinary Council meeting held 23 June 2020 Motion Number 5784/20 |
| Date submitted to LGA | 11 August 2020 |

Please return Word version of completed form to lgasa@lga.sa.gov.au.
Refer to LGA Circulars in respect to deadlines for upcoming General Meetings.

7.3 Recycling Services and better support for regional communities in the disposal and management of recycling (Wattle Range)

Recommendation Reports from the SAROC Committee

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|---------------|------------------------|---------------------|
| Submitted by: | Wattle Range Council | |
| Approved by: | SAROC Committee | |
| Meeting | Annual General Meeting | 29 October 2020 |
| ECM: | 719808 | Attachment: 716368a |

Recommendation

That the Annual General Meeting requests the LGA to:

1. advocate on behalf of all councils with State Government on the challenges of managing recycling and resource recovery in South Australia;
2. ask State Government to direct Green Industries SA to work more closely with local government and businesses in the development of sustainable long-term options and 'on the ground solutions' to support the transition towards a circular economy, including making a lot more funding available; and
3. advocate for a substantial increase in the level of State Government funding in the waste and resource recovery infrastructure program.

SAROC Committee's Comments

In recommending this item of business, the SAROC committee acknowledged that there is strong alignment with LGA Policy positions¹ in relation to waste, recycling and infrastructure and that this issue is of great strategic importance to the local government sector.

LGA Officer's Comments

(Officer: Brianna McGee, Policy Officer)

In proposing this item of business, Wattle Range Council has provided the following information relating to the issues, as summarised by the LGA Secretariat below:

- Local government, as a result of insecure international end markets and underdeveloped onshore end markets for recyclables, continues to face financial risks associated with waste management.
- Support is needed, beyond regional transport subsidies, to develop long-term local waste, recycling and resource recovery solutions that move towards waste becoming a processing and manufacturing business.
- Significant strategic investment in infrastructure and equipment is required to transition the waste industry.
- Local government has an interest in increased transparency in the end location of waste and recyclables collected through kerbside collection.

¹ LGA of SA, *Policy Manual*, 4.2: Waste & Resource Recovery.

Working closely with communities to develop “on the ground solutions” aligns to LGA policy in relation to the circular economy:

Local government recognises that the ultimate goal for waste management is the achievement (as far as practicable) of a circular economy. Councils shall continue to work with local markets and reduce their reliance on overseas commodity markets to develop sustainable waste management practices in South Australia, including via the procurement of recycled materials.²

The item of business strategically aligns with the SAROC Annual Business Plan 2020-21 which is assisting and supporting the development of a regional waste management strategy³ to enable the coordination of waste and recycling infrastructure across regions.⁴

Given this strategic importance, the LGA has undertaken significant advocacy⁵ and assist⁶ endeavours in relation to waste recycling, resource recovery and the transition towards a more circular economy, most recently in response to the international recyclables end market collapse and the significant unannounced increase in the state Solid Waste Levy.

In response to the challenges the waste sector has recently faced the LGA has been advocating for local government to industry, state and federal government by:

1. contributing to state and federal government inquiries, policy and legislation development, including;
 - a. the State Government single-use plastics legislation (Single-use and Other Plastic Products (Waste Avoidance) Bill 2019);
 - b. the Container Deposit Scheme review;
 - c. the COAG waste export ban (banning exports of waste plastic, paper, glass and tyres);
 - d. the State Parliament Inquiry into the waste and recycling industry;
 - e. the Federal Parliament Inquiry into Australia’s Waste Management and Recycling Industries;
2. participating in industry, state and federal government working groups;
3. contributing to ALGA by providing information and data to support advocacy endeavours;
4. undertaking media campaigns to promote local governments interests;
 - a. the Bin Tax Campaign has been advocating that the South Australian government commit to making 50% of the money paid into the Green Industries Fund by councils each year available to councils for worthwhile waste and recycling projects.

The LGA has been assisting its membership through:

1. the “buying it back” circular procurement pilot project;
2. the SAROC Regional Waste Strategy project;
3. developing model contracts and tendering toolkits for councils;

² LGA of SA ‘Policy Manual’ 4.2.5 *Circular Economy*.

³ <https://www.lga.sa.gov.au/member-services/environment/waste-and-recycling/sa-regional-waste-and-resource-recovery-strategy>

⁴ LGA of SA, SAROC Annual Business Plan 2020-21 < https://www.lga.sa.gov.au/data/assets/pdf_file/0032/469175/SAROC-Annual-Business-Plan-2020-21.pdf >.

⁵ See for example: LGA of SA Submissions < <https://www.lga.sa.gov.au/news-and-events/news/submissions>>; and LGA of SA Bin tax campaign < <https://www.lga.sa.gov.au/sa-councils/local-government-in-sa/bin-tax> >.

⁶ See for example: LGA of SA Circular Procurement Pilot Project < <https://www.lga.sa.gov.au/sa-councils/part-of-your-everyday/waste-management> >; and Model Contracts and Tendering Toolkit for SA Councils < <https://www.lga.sa.gov.au/member-services/environment/waste-and-recycling/model-contracts-and-tendering-toolkit-for-sa-councils> >.

4. conducting and commissioning research and projects to extrapolate strategically relevant data to inform LGA advocacy in relation to waste and litter; and
5. participating in high level working groups with state government and industry stakeholders on:
 - a. sustainable procurement; and
 - b. recycling education programs.

Further assistance and strategic investment in infrastructure and equipment (including upgrades to existing assets) is required in South Australia (and Australia's) waste sector.

The *National Waste Policy Action Plan*⁷ includes actions that jurisdictions agree will be critical in tackling the current problems in waste and recycling. Strategically, this item of business aligns with action 1.5 of this Action Plan which involves investing in reprocessing and remanufacturing facilities to support manufacture of recycled-content products.

Through the endeavours listed above, the LGA has been advocating for greater investment in reprocessing and remanufacturing facilities to support manufacture of recycled-content products in alignment with Action 1.5 of the National Waste Policy Action Plan.

Most recently, in the LGA submission to GISA on South Australia's draft Waste Strategy the LGA recommended in relation to regional councils:

*That state government collaborate with regional councils to identify and plan pathways (including investment in strategic investment) that provide economically viable opportunities for councils to manage waste, recycling and resource recovery and contribute to the circular economy.*⁸

The Waste Management and Resource Recovery Association of Australia (the national peak body for the waste and resource recovery industry), has identified facilitating investment in resource recovery and remanufacturing capacity as a priority advocacy area.⁹

The LGA Secretariat highlights this is particularly relevant for regional councils where the combination of the tyranny of distance, lack of economies of scale, lack of strategic infrastructure and equipment, skill shortages and lack of accessible end markets are all barriers to providing economically viable waste and recycling services.

Green Industries SA (GISA) has and continues to develop relationships with local government, industry and business to assist and support the community following the recyclable end market collapse and to assist in the transition of the sector towards a more circular economy. One example of councils and the community collaborating with GISA is through the plastics free precincts program.¹⁰

There is opportunity for GISA to collaborate more closely with regional councils, industry and communities to assist deliver innovative programs and infrastructure endeavours.

The LGA has been advocating that the South Australian Government freeze the Solid Waste Levy (SWL) and commit to making 50% of the money paid into the Green Industry Fund by councils each year available to councils for worthwhile waste and recycling projects.¹¹

⁷ <https://www.environment.gov.au/protection/waste-resource-recovery/publications/national-waste-policy-action-plan>

⁸ <https://www.lga.sa.gov.au/news-and-events/news/submissions>

⁹ WMRR, *About us*, < https://www.wmrr.asn.au/Web/About_WMRR/About_Us/Web/About_WMRR/About_Us.aspx?hkey=fb41a42a-a6d6-45dc-8464-2a9ec73e23b8 >.

¹⁰ Green Industries SA, *Plastic Free Precincts* < <https://www.greenindustries.sa.gov.au/plastic-free-precincts> >; Plastic Free SA, *South Australia's official Plastic Free Precincts program* < <https://www.plasticfreesa.org/> >.

¹¹ LGA Bin Tax campaign: <<https://www.lga.sa.gov.au/sa-councils/local-government-in-sa/bin-tax> >.

Greater hypothecation and reinvestment of monies raised through the SWL in the waste and recycling sector will assist in responding to some of the issues highlighted by Wattle Range Council.

The SA Regional Waste and Resource Recovery Strategy that is currently being developed by the Legatus group on behalf of the LGA's South Australian Regional Organisation of Councils (SAROC) committee, with funding and support from GISA, may provide GISA with investment direction.

Financial and Resource Implications

This activity aligns with current advocacy endeavours and has been anticipated in the LGA's work program and resources are available to progress this work.

LGA General Meeting – Proposed Item of Business

The purpose of this form is to request consideration by SAROC, GAROC or the Board of Directors of an item of business to be included on the agenda of an LGA General Meeting - refer Clause 16.3.1 of the LGA Constitution. Prior to submitting a proposed Item of Business, please refer to the Considering Proposed Items of Business for LGA General Meetings Guidelines.

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| Council Name | Wattle Range Council |
| The body the item is being referred to <i>Proposals may only be submitted to the ROC of which council is a member, or to the LGA Board of Directors.</i> | SAROC |
| Subject of the proposed item of business | Recycling Services and better support for regional communities in the disposal and management of recycling. |
| Proposed motion for the General Meeting | <p>That the Annual / Ordinary General Meeting requests the LGA advocate on behalf of all Councils with State Government on the challenges of managing recycled waste in South Australia. In particular we ask State Government to direct Greening Industries SA to work more closely with local government and businesses in the development of sustainable long-term options to deal with the issues around "Recycled Waste" including making a lot more funding available to address this issue.</p> <p>Whilst Local Government supports the strategies from Green industries SA the funding programs need to substantially increase level of funding in the infrastructure program, and work much more closely in the development of "on the ground solutions" to the challenges around managing recycled waste.</p> |
| Supporting information <i>Provide a summary of the issue(s), relevant background information, description of the impact on the sector and evidence that this is an item of strategic importance to local government.</i> | <p>Wattle Range Council's motion:</p> <p>Cr Dunicliff moved the Council make a submission to the LGA seeking a review on recycling services and better support for regional communities in the disposal and management of recycling. With particular focus on greening industries making funding available to provide these services.</p> <p>Cr Agnew seconded CARRIED</p> <p>It is apparent to Local Government that we face a high financial risk relating to the management of recycled waste. All Councils are faced with an ever-present increase in cost to provide for the management of recycled waste following international decisions to no longer accept waste material such as China Sword.</p> <p>Whilst Local Government is working hard to look at alternative options, we need external support and financial assistance from the other two levels of government if we are to address this issue. Short-term strategies such as "Regional Transport Subsidies" can only be that short-term. We need to find local solutions to sorting, processing and reuse of recycled waste material. Fundamentally Waste Management in its current form in Australia is a logistics</p> |

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| | <p>business. We need to move on and Waste Services needs to become a processing and manufacturing business and to be successful in a local market which will reduce the logistic burden.</p> <p>Local Government has the collection services well managed and understand this business very well with most Councils providing kerbside collection and waste recovery sites (Transfer Stations) under contracts or using in-house resources.</p> <p>Sorting and processing of Recycled Waste is the area in which most Councils use third party providers i.e. Councils dispose of the Recycled Waste to the third-party providers who make all the decisions on what happens to the material after this occurs and setting all the pricing for the service.</p> <p>Clearly this is the area in which Councils needs to focus their attention. If nothing else Local Government has a moral obligation to understand what happens to the material it is managing on behalf of its community and that it is being recycled in a sustainable way. To address this Local Government needs significant technical support to ensure the decisions are sustainable and critically we have access to funding to make these major decisions now. This is also the area in which we have the great potential to see long term economic benefits and job creation.</p> <p>Limestone Coast Local Government Association (LCLGA) is doing work currently on the viability of establishing a Material Recovery Facility (MRF). This is a significant project however if State and Federal Government want to see outcomes, they need to support the technical decision and also support the investment required. The region is looking into the level of technology that might go into the development of a regional material recovery facility and who might partner on this proposal. It will need all the local Councils in the region to support the project of disposal of waste if we are to succeed and we can see opportunities to partner with the private sector. The LCLGA sees great opportunity for business to work on reuse or value add to the material once collected and sorted and would be keen to see this happen locally.</p> <p>An example of this is the processing of the recycled plastics into a form that allows for it to be used in asphalts or spray sealing for road works. These business opportunities are best done in tandem with the decision around development of the MRF. This will ensure we make the best decisions on sorting systems at the MRF that complements the use of the material in its recycled form. The private sector will also need government investment to get them off the ground.</p> |
| <p>LGA Policy Manual</p> <p><i>Does this item require a change to the LGA Policy Manual (new policy or amendment to existing policy)?</i></p> | <p>(please click here to view the LGA Policy Manual)</p> <p>Policy Statement 4.2</p> <p>Waste & Resource Recovery</p> <p>4.2.1 Waste Management: Local government recognises its statutory obligation of managing municipal waste and its vital role in waste resource recovery. Councils shall continue to promote improved waste management practices in accordance with the waste hierarchy and work with residents and businesses to further limit the creation of waste.</p> |

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| | <p>4.2.3 State Government Partnerships: Local Government recognizes the need for strong and mutually beneficial partnerships with the state government in providing waste and resource recovery services. Local government shall continue to collaborate with the State Government along with lobbying for greater resources and easier access to funds.</p> <p>4.2.6 EPA Waste Reform Agenda: Local government acknowledges that the waste and resource recovery sector is highly regulated and recognises its role in this framework. Local government shall continue to lobby against further legislative and regulatory changes that result in councils incurring an even greater expense in providing waste management services.</p> |
| LGA Strategic Plan reference | <p><u>(please click here to view the plan and identify the Key Initiative and Strategy reference)</u></p> <p><i>(choose only one Key Initiative and one Strategy)</i></p> <p>Key Initiative 3 – Best Practice and Continuous Improvement</p> <p>Strategy B – Benchmark, innovate and research.</p> |
| Council Contact Officer submitting form | <p>Peter Halton, Director Engineering Services</p> <p>peh@wattlerange.sa.gov.au</p> <p>Mobile: 0439 283 918</p> |
| Council Meeting minute reference and date of meeting | <p>Item 16.1 – Folio 9005</p> <p>Ordinary Council Meeting – 14 July 2020</p> |
| Date submitted to LGA | |

Please return Word version of completed form to lgasa@lga.sa.gov.au.
Refer to LGA Circulars in respect to deadlines for upcoming General Meetings.

8.1 Family and Domestic Violence training, education and development (Adelaide)

Recommendation Reports from the GAROC Committee

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|---------------|------------------------|--------------------|
| Submitted by: | City of Adelaide | |
| Approved by: | GAROC Committee | |
| Meeting | Annual General Meeting | 29 October 2020 |
| ECM: | 719558 | Attachment: 699535 |

Recommendation

That the Annual General Meeting requests that the LGA:

1. **consults with member councils to determine what resources and programs currently exist to support employees and/or members of their communities impacted by Family and Domestic Violence, and identify any further resources which should be developed;**
2. **liaises with the State and Federal Government to explore partnership opportunities to support the local government sector in providing consistent, best practice support and education to employees on matters relating to Family and Domestic Violence; and**
3. **based on the outcomes of those investigations, develops a training and education package:**
 - **that can be implemented by leaders in the sector, to assist them in identifying when an employee may be in a Family and Domestic Violence situation and how they can assist in connecting them to supporting mechanisms; and**
 - **that could be provided to employees (possibly delivered by leaders) on Family and Domestic Violence.**

GAROC Committee's Comments

This item of business was approved by the GAROC committee for inclusion on the LGA Ordinary General Meeting, scheduled for 3 April 2020 and subsequently cancelled due to the COVID-19 public health emergency.

In recommending this Item of Business, GAROC considered that this motion satisfies the LGA Guidelines for agenda items for LGA General Meetings.

GAROC recognised that family and domestic violence is a significant social problem and as a sector, local government can play a leadership role in shaping the culture and attitudes of their communities through service provision, advocacy, planning and procurement, as large employers and via initiatives they run at a local level.

LGA Officer's Comments

(Officer: Belinda Caruana, Senior Policy Officer - Public Health)

The Item of Business seeks to build the capacity of councils and council staff to respond and act in the area of family and domestic violence (FDV).

Family and domestic violence is a complex, serious and widespread problem in Australia, with individual and community impacts and social costs. However, it is also ultimately preventable¹.

Councils play a role in creating safe public environments and can provide leadership across their communities in FDV prevention by promoting gender equity and equal and respectful relationships between men and women.

Local government in South Australia employs 8,952 people (FTE).² In many rural and regional areas councils are often one of the largest employers. This enables great reach and access to local communities and the opportunity to embed primary prevention in their communities through civic leadership, service provision, policies, work practices and community engagement.

As large employers, councils can influence and change workplace cultures to promote gender equity and the safety of women³.

At the LGA Annual General Meeting held on 21 October 2016, the following resolution was passed, and has subsequently been included in the LGA Policy Manual:

- a) *Local government commits to being part of the solution in the prevention of violence against women in South Australia. As the level of government closest to our communities, we recognise the damaging impact domestic and family violence has on individuals and our communities.*
- b) *Recognising local government's role to create and maintain healthy, vibrant, inclusive and safe communities, councils in South Australia will seek opportunities to work in partnership with each other and collaborate with specialist non-government organisations and agencies from other levels of government to raise awareness, facilitate, advocate and provide information to support victims of domestic violence.*
- c) *Councils in South Australia will demonstrate leadership by supporting employees through training and HR arrangements where appropriate.*

The City of Adelaide's supporting document for this proposed Item of Business references the work previously undertaken by the LGA in this area, namely the development of two resources in 2017⁴.

One of these provides information to council staff on the role that councils can play in facilitating action against domestic violence in their local communities, and the types of activities and programs that councils could consider undertaking or becoming involved in. The other is a fact sheet with pertinent information for victims of domestic and family violence, to be made available in public areas of councils.

This motion looks to consider the issue from an organisational and community perspective. Discussions with the City of Adelaide confirm that the primary intent of the motion is in the action councils can take in their role as an 'employer' and to build on this work but to focus on council's human resource and organisational development policies and practices.

LGA Submission to the Inquiry into Family, Domestic and Sexual Violence.

In July 2020, the LGA made a submission to the House of Representative's Standing Committee *Inquiry into Family, Domestic and Sexual Violence*⁵. The submission was informed by LGA Policy and contributions from member councils.

¹ <https://www.ourwatch.org.au/Understanding-Violence/Facts-and-figures>

² SA Local Government Grants Commission Database Reports 2018-2019

³ VicHealth Preventing violence against women – Local Government Action Guide 6

⁴ <https://www.lga.sa.gov.au/webdata/resources/files/fact%20sheet%20-%20final.pdf>

<https://www.lga.sa.gov.au/webdata/resources/files/Staff%20resource%20-%20final.pdf>

⁵ https://www.lga.sa.gov.au/_data/assets/pdf_file/0026/720359/ECM_710997_v9_Inquiry-into-Family,-domestic-and-sexual-violence-LGA-Submission-1.pdf

Members reported that leadership and collaboration are vital to successful and meaningful work in the prevention of violence against women and their children. Furthermore, it demonstrated that there is an appetite from members for work to be undertaken in this area.

Leadership role

In July 2020, Our Watch finalised and published the *Prevention toolkit for local government (the toolkit)*.⁶

This toolkit was an initiative of the *National Plan to Reduce Violence against Women and their Children* and recognises the critical role local government plays in preventing family and domestic violence. The City of Charles Sturt was one of five councils that trialled the toolkit across Australia.

The toolkit includes information to help local governments get prepared, set up internal practices, take action and share and improve prevention processes and activities.

The toolkit identifies four steps to making change. *Step 2 – Set up internal practices* particularly supports the recommendations in this report. It is suggested that this toolkit be promoted and supported across the sector and be included in any training or education package developed as per the recommendations.

The LGA Secretariat also acknowledges the significant work undertaken by the Municipal Association of Victoria (MAV) and recognises them as a leader in implementing DFV preventative measures. MAV has developed a *Promoting Gender Equity - Prevention of Violence Against Women Leadership Statement* that notes seven key strategies for preventing violence against women.

The first strategy is *Develop the workforce – Build knowledge and skill of a broad cross-section of your council to achieve organisation-wide capability and support for gender equality*.

The Victorian Government funds the MAV to build on their leadership and capacity building role. The MAV support councils to deliver, partner and lead gender equality and prevent violence against women work in their communities; as well as to raise the profile of the local government sector's work in this space. It is suggested that these resources could be promoted to provide examples of best practice.

Three examples of council-led initiatives undertaken in Victoria are provided in Appendix 1. Examples where councils as an employer can show further leadership in this area are through:

- increasing situational awareness through education and training for front-line staff to recognise and handle incidents and victims.
- introducing HR arrangements to support employees impacted by domestic and family violence – this includes Employee Assistance Programs and the formal adoption of special leave circumstances.
- developing respectful workplace policy and guidelines.
- introducing internal diversity and inclusion strategies to raise the profile of domestic and family violence and understanding of its impact on the individual and the organisation.
- supporting high profile campaigns and events, recognising workplaces that are taking active steps to prevent and respond to violence against women and promote gender equity and equality; and
- additionally, policies and procedures in this area would enable councils to meet requirements necessary to be accredited as an 'Employer of Choice'.

⁶ <https://handbook.ourwatch.org.au/localgovtoolkit>

Financial and Resource Implications

This activity is not currently anticipated in the LGA's work program or the LGA's Advocacy Plan. The motion recognises the need to seek partnership opportunities with the State and Federal government. This advocacy and the proposed consultation with member councils can be achieved within existing LGA resources.

However, without funding or resourcing support from the State or Federal governments, additional capacity would need to be created within the LGA Secretariat to progress part three of the proposed motion, which would require the re-prioritisation of the current activities and a future decision of the LGA Board of Directors.

Nillumbik Shire Council – Gender Equity Employment Analysis Tool

Nillumbik Shire Council's project involved researching, reviewing and developing a gender equity tool (including the development of a set of standards for gender equity) to be applied across Council's internal employment practices.

The project aimed to create behavioural and cultural change within council by applying a gender equity lens to the way it recruits and allocates work, the way staff access conditions of the Award, EBA and organisational policies. The resulting product, delivered in partnership with Banyule City Council, is a simple, three-page, user-friendly equity tool that can help to identify barriers to achieving gender equity within the workplace.

Additionally, it can be used annually to audit employment practices and systems for gender equity. The tool will be presented at the Council's next EO meeting where the committee determines the organisation's training needs and the corporate agenda.

The project has also been an important conduit for professional development in gender equity (giving officers an opportunity to learn to apply a gender lens in the workplace), and has allowed for more discussion about the need for PVAW/Gender equity work in the organisation, including the HR/OD units. The tool has been designed to be used by other councils and community organisations.

Port Phillip City Council – Family Violence/Gender Equity eLearning Module

The eLearning module was developed by the City of Port Phillip in conjunction with Women's Health in the South East, the City of Bayside, the City of Kingston, the City of Stonnington, the City of Monash, the City of Glen Eira and the Southern Metropolitan Primary Care Partnership.

It aimed to build workforce capacity to implement a whole of organisation approach to the prevention of violence against women and to embed a gendered approach to workforce development, policies, and practices.

Engaging multiple partners gave depth to the project and increased its applicability to a diverse range of audiences while simultaneously raising opportunities for its application to settings outside of local government.

The eLearning module was also successful in reinforcing the importance of all staff having a strong foundation of knowledge on gender equity and family violence, as well as highlighting the role that a broad range of council departments can play in preventing or family violence through applying a gendered lens.

West Wimmera Shire Council; Yarriambiack Shire Council; Hindmarsh Shire Council; Women's Health Grampians

This project involved the roll out of the Act@Work program across the 4 Wimmera municipalities in partnership with West Wimmera Shire Council, Yarriambiack Shire Council, Hindmarsh Shire Council, and Women's Health Grampians.

It involved a baseline attitude survey active bystander training, an organisation needs assessment, and development of an action plan to guide councils' work on the prevention of violence against women and gender equity.

It enabled councils to provide support to women experiencing violence whilst also addressing the underlying causes of violence with a view to prevent their occurrence in workplaces and in the broader community.

Throughout the development and delivery of the program across the 4 Wimmera municipalities, the Act@Work project promoted equal and respectful relationships between men and women and promoted gender equality by combatting rigid gender stereotyping, confronting workplace culture, beliefs and attitudes, and reducing discrimination against women.

LGA General Meeting – Proposed Item of Business

The purpose of this form is to request consideration by GAROC or the Board of Directors of an item of business to be included on the agenda of an LGA General Meeting - refer Clause 16.3.1 of the LGA Constitution. Prior to submitting a proposed Item of Business, please refer to the Considering Proposed Items of Business for LGA General Meetings Guidelines.

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| Council Name | |
| The body the item is being referred to <i>Proposals may only be submitted to the ROC of which council is a member, or to the LGA Board of Directors.</i> | GAROC |
| Subject of the proposed item of business | Family and Domestic Violence training, education and development |
| Proposed motion for the General Meeting | <p>That the Ordinary General Meeting requests that the LGA:</p> <ol style="list-style-type: none"> 1. consults with member councils to determine what resources and programs currently exist to support employees and/or members of their communities impacted by Family and Domestic Violence, and identify any further resources which should be developed; 2. liaises with the State and Federal Government to explore partnership opportunities to support the local government sector in providing consistent, best practice support and education to employees on matters relating to Family and Domestic Violence; and 3. based on the outcomes of those investigations, develops a training and education package: <ul style="list-style-type: none"> • that can be implemented by leaders in the sector, to assist them in identifying when an employee may be in a Family and Domestic Violence situation and how they can assist in connecting them to supporting mechanisms. • that could be provided to employees (possibly delivered by leaders) on Family and Domestic Violence. |
| Supporting information <i>Provide a summary of the issue(s), relevant background information, description of the impact on the sector and evidence that this is an item of strategic importance to local government.</i> | <p>Family and domestic violence is prevalent in Australia, and South Australia. Australian Bureau of Statistics data (2017) indicate two out of every five of all assaults reported to Police are domestic violence related. In 2016 alone, more than 8,400 occurrences of domestic violence were reported in South Australia.</p> <p>Councils play a significant role in creating safe public environments and providing health and community services. Although supporting those experiencing domestic, family and sexual violence is not a legislated council responsibility, local leaders recognise the need to work with others to do so, including by referring people to State Government, Police and not for profit organisations.</p> |

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| | <p>The LGA provides resources for Councils including:</p> <ul style="list-style-type: none"> • a fact sheet providing information on where community members can seek help if affected, and • a staff resource which supports council staff who may come into contact with people experiencing domestic violence, including information and referrals. <p>Some SA Councils have also developed and implemented programs aimed at primary prevention of Family and Domestic Violence in their communities, often with funding from the Commonwealth or State Governments.</p> <p>In addition, individual councils may choose to review their own culture and practices to ensure they support their employees who may be experiencing Family and Domestic Violence.</p> <p>The City of Adelaide recognises that sometimes employees may face situations of violence or abuse in their personal life that may affect their attendance or performance at work. Council is committed to providing support to employees in these circumstances, through mechanisms such as its Employee Assistance Program, and the capacity for reasonable changes to be made to the work place to ensure affected employees' ongoing safety. This aligns with the City of Adelaide Strategic Plan action to work with State Government, community leaders and community organisations to support vulnerable members of our community.</p> <p>To assist our sector to provide consistent support and education to employees on matters relating to Family and Domestic Violence, the City of Adelaide in 2019 requested inclusion in the Local Government Research and Development (LGR&D) Fund Business Plan for 2020-21 of a priority area concerned with Family and Domestic Violence.</p> <p>Through the LGR&D proposal, and Member Councils' support of this item of strategic importance, consultation could be undertaken with Councils, and training and education materials developed (in partnership with State or Federal Government or otherwise) to foster best practice and expansion of the supports offered to employees by Councils in relation to these matters.</p> <p>This would build on and align with the LGA's existing resource materials, to better support councils' people as well as members of the community who may be experiencing Family and Domestic Violence.</p> |
| <p>LGA Policy Manual</p> <p><i>Does this item require a change to the LGA Policy Manual (new policy or amendment to existing policy)?</i></p> | <p>(please click here to view the LGA Policy Manual)</p> <p>Provision of best practice training and education resources to support employees experiencing Family and Domestic Violence is aligned with, but not specifically mentioned in, the LGA Policy Manual at 3.1.1 Health Services, 3.1.2 Resources or 3.2.3 Crime Prevention.</p> |

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| LGA Strategic Plan reference | <p><u>(please click here to view the plan and identify the Key Initiative and Strategy reference)</u></p> <p><i>Key initiative 2 – Capacity building and sustainability</i></p> <p><i>Strategy – Support local government through training and resources</i></p> |
| Council Contact Officer submitting form | <p>Susan Rudall</p> <p>Manager, Strategy, Planning and Partnerships</p> <p>s.rudall@cityofadelaide.com.au</p> <p>8203 7068</p> |
| Council Meeting minute reference and date of meeting | <p>Item 12.4 – 2020 LGA Ordinary General Meeting</p> <p>Decision ID 19964</p> <p>Council meeting of 28 January 2020</p> |
| Date submitted to LGA | 3 February 2020 |

Please return Word version of completed form to lgasa@lga.sa.gov.au.
Refer to LGA Circulars in respect to deadlines for upcoming General Meetings.

8.2 Native Vegetation Act and Policy for SEB Guidelines (Playford)

Recommendation Reports from the GAROC Committee

| | | |
|---------------|------------------------|--------------------|
| Submitted by: | City of Playford | |
| Approved by: | GAROC Committee | |
| Meeting | Annual General Meeting | 29 October 2020 |
| ECM: | 718978 | Attachment: 715686 |

Recommendation from the GAROC Committee

That the Annual General Meeting requests the LGA to:

1. investigate the *Native Vegetation Act 1991 (SA)*, the *Native Vegetation Regulations 2017 (SA)* and relevant guidelines to consider, in particular, the effect that it has on:
 - a) road safety and function; and
 - b) cost implications to councils across the state; and
2. prepare a report for the LGA Board of Directors on the outcomes of the investigation (in part 1) to inform future advocacy to the State Government on matters relating to the management of Native Vegetation.

GAROC Committee's Comments

In considering this item of business, GAROC recognised the strategic importance of the motion to the local government sector.

The staged approach of the motion ensures any future advocacy (part 2) is informed by a sound policy basis developed through investigation of the Native Vegetation Act, and its regulations and guidelines (part 1). These investigations will develop an evidence base that reflect the impact of the issue to the local government sector as a whole, identify other Native Vegetation issues, as well as aligning issues impacting the sector that facilitates a holistic approach to possible reform.

LGA Officer's Comments

(Officer: Brianna McGee, Policy Officer)

The *Native Vegetation Act 1991 (SA)* ("the Act") provides for the management, enhancement and protection of native vegetation in South Australia. Native vegetation must not be cleared unless approval is granted by the Native Vegetation Council or it is permitted under the *Native Vegetation Regulations 2017 (SA)*.

For consent to be given for certain types of clearance of native vegetation under the Act, a Native Vegetation Council must be satisfied that actions will be taken to mitigate the impacts of the approved vegetation clearance.

This is known under the *Native Vegetation Act* as a significant environment benefit offset. A payment to the Native Vegetation Fund can be an accepted form of offset.¹

¹ *Native Vegetation Act (SA)* s 29(11)(d).

The *Policy for Significant Environmental Benefit Guidelines* purpose is to provide clarity, transparency and certainty in the assessment and approval of a significant environmental benefit.²

Road safety and management is a key concern for councils in South Australia. In 2019 the LGA, member councils and other key stakeholders developed the *Guide to a Local Government Road Safety Strategy and Action Plan*. This Strategy and Action Plan acknowledges that councils have a role in taking action to reduce road trauma, given that roads controlled by local government account for more than 50% of serious casualties across the state.

Local government acknowledges that it can influence road safety by improving safety on roads it owns and manages³ and that poorly or inadequately maintained roads exacerbate the impact of human error, contributing to road fatalities and serious injuries.⁴

Regulation 11(23) of the *Native Vegetation Regulations 2017* (SA) provides for roadside or rail corridor vegetation management.

The *Guidelines for the Management of Roadside Native Vegetation and Regrowth Vegetation* “provide the parameters for councils and the Department of Planning, Transport and Infrastructure to manage native vegetation in road reserves to maintain safety and visibility of roadsides while retaining important native vegetation values”⁵, in accordance with Regulation 11(23).⁶

It is important to strike an economically viable and practical balance in the management of roadside native vegetation to reduce risk and improve road safety.

Strategically, undertaking investigations (part 1) will assist in determining if advocating for the removal of the significant environmental benefit payment for vegetation clearance related to road safety and function will dilute the strength of other LGA advocacy endeavours related to planning, emergency management and climate change including:

1. Tree canopy cover;
2. Infrastructure and asset management planning to be based on sound evidence and identification and amelioration of risks associated with climate change;⁷
3. Design approaches to consider heat (including heat mapping); and
4. Urban green spaces.

These matters require further investigation before the LGA can adopt a strategic advocacy position.

Financial and Resource Implications

Progressing this project will require staff resources (research and consultation) and funding (legal advice). Based on estimate of 20 days of staff time and a legal budget of \$10,000, the total cost of this work is estimated to be approximately \$16,500.

This activity has not been anticipated in the LGA’s work program. This means that pursuing this activity in 2020/21 will require the re-prioritisation of other activities within the LGA’s policy team.

Current advocacy priorities for 2020/21, as outlined in the LGA’s Advocacy Plan, include:

- working with the South Australian Parliament on sensible, evidence-based local government reform.

² Government of South Australia, *Policy for Significant Environmental Benefit*, (2020) page 2.

³ LGA of SA (2019) *Guide to Local Government Road Safety Strategy and Action Plan*, page 5.

⁴ Ibid page 9.

⁵ Government of South Australia, *Guidelines for the Management of Roadside Native Vegetation and Regrowth Vegetation* (2019) page 4.

⁶ *Native Vegetation Regulations 2017* (SA).

⁷ LGA of SA, *Policy Manual*, 5.1.6.

- a stronger role for councils and communities as planning reforms are implemented.
- seeking state and federal funding, policy and legislation that supports economic and community recovery from the Covid-19 pandemic.
- securing the future funding of South Australian libraries.
- responding to waste and recycling issues including maximising the value that can be returned to communities from the escalating State Government funds collected through the Solid Waste Levy.
- supporting advocacy via the Australian Local Government Association (ALGA) to increase federal Financial Assistance Grants and secure long-term certainty of supplementary road funding for South Australia.

A snapshot of other projects currently included in the LGA's 2020/21 work plan includes the following:

- Delivery of the 2020/21 SAROC and GAROC work plans (with funding support from SAROC and GAROC)
- Review of stormwater management governance and funding arrangements
- Jetties strategy and state government management and funding agreements
- Electric vehicle pilot program
- Integrated asset and financial management guide and resources
- Cat management reform
- Strategic management plan templates
- Review and update of financial sustainability guides and resources
- Disability Access and Inclusion support for councils
- Aged care reforms – commonwealth funding advocacy and guidance to councils
- Food waste recycling initiative
- Circular procurement pilot project
- Climate change policy, resources and leadership
- Emergency management reform
- Heavy vehicle law reform

Alternatively, this activity could be deferred until the 2021/22 financial year to enable this work to be incorporated within the next LGA Annual Business Plan and Budget.

LGA General Meeting – Proposed Item of Business

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| Council Name | City of Playford |
| The body the item is being referred to <i>Proposals may only be submitted to the ROC of which council is a member, or to the LGA Board of Directors.</i> | GAROC |
| Subject of the proposed item of business | Native Vegetation Act and Policy for SEB Guidelines |
| Proposed motion for the General Meeting | <p>That the Annual / Ordinary General Meeting requests the LGA investigate the Native Vegetation Act and consider the effect that the relevant legislation has on:</p> <p><input type="checkbox"/> Road safety and function; and <input type="checkbox"/> Cost implications to councils across the state.</p> <p>That the LGA also consider the Native Vegetation Act and the significant environmental benefit which currently take precedence over road safety and function. Once considered that the LGA lobby the State Government to change the "Policy for Significant Environmental Benefit Guidelines" to see the significant environmental benefit payment for vegetation clearance related to road safety and function removed.</p> |
| Supporting information <i>Provide a summary of the issue(s), relevant background information, description of the impact on the sector and evidence that this is an item of strategic importance to local government.</i> | Purpose is to see the environmental benefits payments for vegetation clearance related to road safety and function be removed. Roadways are already marked and cleared for their function and purpose and native vegetation clearance should not take priority over the road purpose. |
| LGA Policy Manual <i>Does this item require a change to the LGA Policy Manual (new policy or amendment to existing policy)?</i> | No |
| LGA Strategic Plan reference | Key Initiative: 1 Leadership and advocacy <input type="checkbox"/> Contribute to state-wide and local policy. <input type="checkbox"/> Lead reform |
| Council Contact Officer submitting form | Janine Harding jharding@playford.sa.gov.au 08 8256 0359 |
| Council Meeting minute reference and date of meeting | Ordinary Council Meeting held on 28 July 2020 Resolution No. 4142 |
| Date submitted to LGA | 31 July 2020 |

8.3 Collaborative development of a trial local government sector framework and approach fostering greater cross council collaboration and co-funding of shared social and other facilities and infrastructure (Adelaide)

Recommendation Reports from the GAROC Committee

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| Submitted by: | City of Adelaide | |
| Approved by: | GAROC Committee | |
| Meeting | Annual General Meeting | 29 October 2020 |
| ECM: | 718979 | Attachment: 716347 |

Recommendation from the GAROC Committee

That the Annual General Meeting requests the LGA to work with interested councils to:

1. **develop a framework and approach fostering greater cross council collaboration and co-funding of social and other facilities and infrastructure which support communities across multiple council areas; and**
2. **provide materials and resources to support councils seeking partnership and co-funding arrangements with State and Federal Governments as well as private and non-government sector organisations to support such facilities and infrastructure.**

GAROC Committee's Comments

In considering the City of Adelaide's proposed item of business, GAROC recognised the importance of cross council collaboration and its alignment with the strategic plans and annual business plans of the LGA and GAROC. GAROC was supportive of two parts of the proposed motion submitted by the City of Adelaide relating to facilitating greater cross collaboration and materials/resources being recommended to the Annual General Meeting.

LGA Officer's Comments

(Officer: Rebecca Muller, Senior Policy Officer)

South Australian councils are acutely aware of their obligation to use council resources fairly, effectively and efficiently. The local government sector has a long history of working proactively to achieve greater efficiency and accountability.

South Australian councils have had resource sharing success on many levels such as service delivery (sharing skills), equipment (co-purchasing plant and machinery) and enterprise creation (such as the development of Regional Subsidiaries and Joint Planning Boards).

There are also many examples of cross council collaboration and co-funding of social and other facilities and infrastructure which support communities across multiple council areas.

The Local Government Research and Development Scheme (LGR&DS) has supported the development of a broad range of resources to foster council partnerships and collaboration on social infrastructure projects. Predominant examples include:

1. SA Regional Level Recreation and Sport Facilities Planning Guidelines (2016)¹.

The guidelines aim to *promote a collaborative approach to the planning, delivery and operation of 'Regional Level' sporting facilities* and were developed as part of a collaborative effort of a number of partner organisations including the Local Government Recreation Forum, the LGA, the Office for Recreation and Sport, and Sport SA. Member councils on the project group comprised the City of Adelaide, City of Marion, City of Onkaparinga, Mount Barker District Council, and the Rural City of Murray Bridge. Funding was provided through the Local Government Research and Development Scheme (LGR&DS) and the State Government's Community Recreation and Sport Facilities Program.

The guidelines provide the key principles for the planning and provision of regional level recreation and sport facilities.

2. Sustainable Sport & Recreation Facilities (2010)

This project aimed to develop *key policy relating to the provision, management and resourcing of local and regional sport and recreation facilities, with the aim of strengthening financial sustainability.*

Resources developed via this project include:

- Policy Research and Directions for Sustainable Recreation and Sport Facilities
- Shared use of School Facilities Policy Guide

3. Guidelines for the Sustainable Management of Community Recreation Facilities (2011)

This project *researched and developed specific guidelines, models, standards and templates to assist councils and community groups to manage local and regional recreation and sport facilities.*

Resources developed via this project include:

- Guidelines for the Sustainable Management of Community Recreation Facilities
- Three factsheets relating to 'Understanding Sustainable Management', 'Creating a Sustainable Management Environment' and 'Choosing the Right Management Model'.

These resources are available to all member councils via the LGR&DS library² in the members area of the LGA website.

Financial and Resource Implications

This activity will require staff resources that are not currently anticipated in the LGA's work program.

As there has been a significant amount of work undertaken across the local government sector over the past 10-15 years on governance models, funding models and practical guides to support cross-council collaboration and shared services. Therefore, the broad intent of the motion could potentially be achieved via a desktop review of existing materials available via the LGR&DS library and developing and/or confirming key principles.

¹ <https://www.lga.sa.gov.au/member-services/financial-sustainability/grants/research-and-publications/researchlibrary/sa-regional-level-recreation-and-sport-facilities-planning-framework-2012.33>

² <https://www.lga.sa.gov.au/member-services/financial-sustainability/grants/research-and-publications/research-library>

LGA General Meeting – Proposed Item of Business

The purpose of this form is to request consideration by SAROC, GAROC or the Board of Directors of an item of business to be included on the agenda of an LGA General Meeting - refer Clause 16.3.1 of the [LGA Constitution](#). Prior to submitting a proposed Item of Business, please refer to the [Considering Proposed Items of Business for LGA General Meetings Guidelines](#).

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| Date submitted to LGA | 14 August 2020 |
| Council Name | City of Adelaide |
| The body the item is being referred to | GAROC |
| Subject of the proposed item of business | <i>Collaborative development of a trial local government sector framework and approach fostering greater cross council collaboration and co-funding of shared social and other facilities and infrastructure</i> |
| Proposed motion for the General Meeting | <p>That the Annual General Meeting requests the LGA to work with interested councils to:</p> <ul style="list-style-type: none"> • <i>develop a framework and approach fostering greater cross council collaboration and co-funding of social and other facilities and infrastructure which support communities across multiple council areas</i> • <i>provide materials and resources to support councils seeking partnership and co-funding arrangements with State and Federal Governments as well as private and non-government sector organisations to support such facilities and infrastructure</i> • <i>trial this approach in relation to the potential redevelopment of a central Aquatic Centre within the City of Adelaide</i> • <i>advocate to State and Federal Governments to partner with the City of Adelaide and any other interested councils to co-fund redevelopment of an Aquatic Centre within the City of Adelaide.</i> |
| Supporting information Provide a summary of the issue(s), relevant background information, description of the impact on the sector and evidence that this is an item of strategic importance to local government. | <p>Increasingly Councils need to explore innovative measures to fund social infrastructure and facilities, including partnerships and co-funding arrangements between multiple councils as well as with other tiers of government, and private, community and non-government sector organisations.</p> <p>In April 2019, the City of Adelaide (CoA) and the Local Government Association (LGA) called for a number of measures to drive downward pressure on council rates, through their responses to the State Government's proposed local government reforms.</p> <p>These proposals have not been included in the State Government's Statutes Amendment (Local Government Review) Bill 2020, which is at the time of writing before the Parliament.</p> |

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| | <p>The City of Adelaide therefore seeks the support of other Councils and the LGA to foster means for the sector to encourage greater collaboration and fair and equitable commitment of resources towards shared social infrastructure and facilities.</p> <p>This proposal supports the LGA Strategic Plan Key Initiative 2: Capacity Building and Sustainability (<i>Working with member councils to build capacity and increase sustainability. An integrated and coordinated local government.</i>)</p> <p>Discussion:</p> <p><i>Local Government Act 1999</i> (the Act) principles (in section 8) provide that councils should seek to collaborate and form partnerships with other councils and regional bodies to deliver cost-effective services and facilitate community benefit, ensure that council resources are used fairly, and provide facilities and programs that are adequate and appropriate and ensure equitable access.</p> <p>Proposed amendments to the Act, before the Parliament at the time of writing, would strengthen this with a principle that councils will share resources with other councils and regional bodies for the afore-mentioned purpose.</p> <p>South Australian councils have successfully formed partnerships to achieve the following exciting outcomes:</p> <ul style="list-style-type: none"> • The joint initiative of the City of Victor Harbor and Alexandrina Council to establish the \$21m Victor Harbor Aquatic Centre. This project secured funding support from the Australian Government and South Australian Government as well as a donation of land. The Councils established the Fleurieu Regional Aquatic Centre Authority under section 43 of the Act in 2015, to enable joint ownership and management. • The Materials Recovery Facility to be established by Port Adelaide Enfield and Charles Sturt by early 2021 will also be jointly owned by both Councils and operated through a local government regional subsidiary. • The City of Adelaide collaborates with and hosts the IT infrastructure for a number of metropolitan Councils. This provides improved resilience and access to cloud technologies, as well as resulting in reported savings to those Councils. <p>Beyond the current arrangements under the Act, the development by the LGA in consultation with Councils, and trial by Councils of a framework and approach to provide further support to councils wishing to realise such projects would be of benefit to the sector. This could include assistance for interested Councils in establishing governance and other arrangements to work together on such projects.</p> |
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| | <p>The CoA therefore requests that Councils support this proposal that the LGA works with councils to determine what support would best facilitate and encourage collaboration and co-funding of regional facilities and infrastructure which supports communities across multiple council areas.</p> <p>Potential trial – Adelaide Aquatic Centre</p> <p>An independent Needs Analysis recently commissioned by the City of Adelaide in relation to the Adelaide Aquatic Centre demonstrated that it is a regional rather than local facility:</p> <ul style="list-style-type: none"> • Only 7.7% of visitations were associated with City of Adelaide residents, with 92.3% visiting from other Local Government Areas and/or Outer Regions • There is a very low level of provisions for warm water pools (hydrotherapy) and leisure pools (for children) and apart from SAALC and Playford Aquadome there are no other indoor 50m pools in the area • there are no local or state government aquatic facilities in the neighbouring areas of the City of Charles Sturt, the City of Prospect and the Town of Walkerville • Due to the current condition, age (50 years) and design of the facility, the Aquatic Centre cannot meet the anticipated future community expectations, with demand projected to increase to over 1.3M visitations per annum by 2030 • CoA is currently undertaking a high-level options analysis to explore and analyse strategic options to replace or renew the Aquatic Centre • Significant savings could be achieved through the health system from, for example, reduced risk of drowning and chronic and acute health conditions associated with providing a facility that would properly cater for projected demand. <p>As a result, there is an opportunity to establish and trial a sector framework and approach to promote the fair and equitable commitment of resources among councils to (initially) this and subsequently other shared facilities, in order to meet the future needs of communities across multiple council areas.</p> <p>This approach should also provide materials and resources to support councils seeking partnership and co-funding arrangements with State and Federal Governments as well as private and non-government sector organisations.</p> |
| <p>LGA Policy Manual</p> <p>Does this item require a change to the LGA Policy Manual (new policy or amendment to existing policy)?</p> | <p>Policy Statement Number 3.3 Community Assets recognises the importance of working with NGOs and the community and private sectors to maintain appropriate sports and recreation facilities. Theme 7 Financial Sustainability talks at 7.3 to intergovernmental partnerships but could benefit from inclusion of the opportunity</p> |

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| | for groups of councils to work together in order to better provide for facilities which are regional in nature. |
| LGA Strategic Plan reference | Key Initiative 2: Capacity Building and Sustainability Strategy B: Lead, initiate and promote working together Strategy C: Equip councils for the future |
| Council Contact Officer submitting form | Susan Rudall s.rudall@cityofadelaide.com.au 8203 7068 |
| Council Meeting minute reference and date of meeting | Item 10.13, Decision ID 20421 11 August 2020 |
| Date submitted to LGA | 14 August 2020 |

Please return Word version of completed form to lgasa@lga.sa.gov.au.

8.4 Aluminium Composite Panel Cladding (Salisbury)

Recommendation Reports from the GAROC Committee

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|---------------|------------------------|---------------------|
| Submitted by: | City of Salisbury | |
| Approved by: | GAROC Committee | |
| Meeting | Annual General Meeting | 29 October 2020 |
| ECM: | 718980 | Attachment: 716512a |

Recommendation from the GAROC Committee

That the Annual General Meeting requests the LGA on behalf of the whole local government sector to make representations to the State Government in relation to the proposed measure to increase purchaser protection for Aluminium Composite Panel Cladding by:

- 1. opposing the use of an advisory notice in the Form 1 template and Property Interest Report for potential purchasers of properties to contact the local council in relation to cladding;**
- 2. recommending that an obligation is placed on the owner of the building to make this disclosure;**
- 3. opposing any attempts by Government to place the burden of disclosure of information as to the existence of ACP cladding, or action taken to reduce the risk of buildings with ACP cladding, beyond the current statutory obligations;**
- 4. making the necessary regulatory amendment to require the vendor to disclose matters relating to the presence of Aluminium Composite Panels on a building as a matter of urgency; and**
- 5. consideration being given for a campaign to increase the general awareness of purchasers on the appropriate use of materials in a building.**

GAROC Committee's Comments

GAROC approved this item of business being placed on the agenda for the LGA Annual General meeting as it is considered being of strategic importance to the sector, recognising the potential risk impacts on both councils and communities due to the use of Aluminium Composite Cladding (ACP) on buildings.

GAROC also noted that the LGA Secretariat and LGA Mutual Liability Scheme were in current discussions with the Department of Infrastructure and the Attorney Generals Department regarding this issue.

LGA Officer's Comments

(Officer: Stephen Smith, Planning Reform Partner)

The State Government has coordinated a building audit in response to the concerns regarding the use of Aluminium Composite Panels (ACP) on buildings. ACP is frequently used for external cladding or facades, insulation and signage along with internal applications.

The building audit has been delivered across three phases with phases one and two being delivered in collaboration with councils, the Metropolitan Fire Service (MFS) and the Country Fire Service (CFS).

- Phase one identifies buildings that need to be prioritised.
- Phase two investigates the sites to determine the risk.
- Phase three provides responses relative to the risk.

The audit has sought to identify certain categories of buildings clad with ACP and provide recommendations and actions to ensure safety. If a building is identified as being a risk to safety, the owner liaises with the relevant authority – usually the Building Fire Safety Committee or the State Government.

A council's Building Fire Safety Committee or regional Building Fire Safety Committee has powers to require building owners to ensure the fire safety of an existing building.

The three phases of the audit process are identification, investigation and response.

Once the prioritised buildings have been completed, an audit of remaining buildings will start, having regard to the:

- building classification
- height and number of storeys
- occupancy profile
- presence of in-built life safety provisions.

Phase one - Identification

Buildings approved after 2010 with the following characteristics were prioritised, including:

- residential buildings more than two storeys:
 - apartments
 - hotels
 - motels
- aged care facilities
- hospitals
- schools
- assembly buildings
- any buildings with occupants who may be unfamiliar with the means of escape or require assistance to escape.

Identification of buildings in the Adelaide CBD was completed at the end of July 2017 all other councils completed Phase one by early 2018.

22 councils, including metro and regional, self-reported buildings that warranted further consideration and investigation during Phase two.

The remaining Councils (46) self-reported that they have no buildings of concern in Phase one

Phase two - Investigation

Buildings identified in Phase one were investigated. Investigations included site inspections and review of approved plans and documentation to see if the cladding presented a risk to safety.

Findings and recommendations of Phase two are now complete.

A [Summary of the South Australian Building Cladding Audit Interim Report](#) provides information about the findings to date and the Phase three commitments and timelines.

30 buildings have a risk rating of High or above. Owners' actions to address the audit findings and recommendations are being monitored.

Phase three - Respond

Under the *Development Act 1999* an authorised person, or a member of an appropriate authority – (the appropriate authority being the Building Fire Safety Committee) may take a range of actions if they believe the ACP presents a risk to safety.

These actions range from alerting an owner or occupier of any risk to their safety, through to issuing emergency orders that require immediate action be undertaken.

Rectification work could include:

- replacement of the ACPs as part of the general ongoing maintenance routine
- removal of part or all the ACPs as a matter of urgency
- additional alarms, escape points or sprinklers
- placement of barriers that prevent fire spread, should an ACP catch fire.

Councils are responsible for ensuring any buildings they own are safe. It is the responsibility of a Building Fire Safety Committee, or an authorised officer, to determine whether the fire safety of a building is adequate, and if not, to then ensure that the owners fix any privately owned buildings identified.

In many cases existing fire safety systems will provide the level of safety required if they are maintained to the relevant standards.

With additional information provided by owners or building managers, several risk ratings have been lowered. The records that a Building Fire Safety Committee may have relating to its consideration of such issues are not required to be disclosed currently in relation to a Form 1 request – unless a formal notice has been issued under Section 71(3) of the Act.

Some owners have started or completed rectification works. Updated status for buildings in the High and Extreme risk categories can be seen in the [SA Building Cladding Audit Status Report](#).

The concern is that the State Government is now proposing further measures for dealing with ACP Cladding matters. One State Government measure proposed is to increase purchaser protection by creating an ACP advisory flag which would become a part of the Additional Information component in Form 1 template and Property Interest Report for potential purchasers of properties under the *Land and Business (Sale and Conveyancing) Regulations 2010*. This advisory flag would apply to all buildings that have been identified through the state-wide audit as having ACP cladding and the flag would only be removed from South Australian Integrated Land Information System (SAILIS) if the ACP is fully removed as a rectification measure.

The proposal places an increased burden on councils to undertake a 'due diligence' for private owners. It also places councils at increased risk of providing outdated information that may not account for changes to buildings.

The recommendations being put forward to the LGA AGM are suggesting that the responsibility for notifying potential purchasers be the responsibility of the property owner.

Financial and Resource Implications

The Mutual Liability Scheme has provided resources to the LGA to support the LGA and councils in this activity.

LGA General Meeting – Proposed Item of Business

The purpose of this form is to request consideration by SAROC, GAROC or the Board of Directors of an item of business to be included on the agenda of an LGA General Meeting - refer Clause 16.3.1 of the LGA Constitution. Prior to submitting a proposed Item of Business, please refer to the Considering Proposed Items of Business for LGA General Meetings Guidelines.

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| Council Name | City of Salisbury |
| The body the item is being referred to <i>Proposals may only be submitted to the ROC of which council is a member, or to the LGA Board of Directors.</i> | GAROC |
| Subject of the proposed item of business | Aluminium Composite Panel Cladding |
| Proposed motion for the General Meeting | <p>That the Annual General Meeting requests the LGA on behalf of the whole local government sector to make representations to the State Government in relation to the proposed measure to increase purchaser protection for Aluminium Composite Panel Cladding by:</p> <ol style="list-style-type: none"> 1. Opposing the use of an advisory notice in the Form 1 template and Property Interest Report for potential purchasers of properties to contact the local council in relation to cladding; and 2. Recommends that an obligation is placed on the owner of the building to make this disclosure, similar to that used to inform potential purchasers of asbestos in a building; and 3. Consideration be given for a campaign to increase the general awareness of purchasers on the appropriate use of materials in a building. |
| Supporting information <i>Provide a summary of the issue(s), relevant background information, description of the impact on the sector and evidence that this is an item of strategic importance to local government.</i> | <p>The Department of Planning, Transport and Infrastructure have advised that the State Government is proposing measures for dealing with ACP Cladding matters.</p> <p>One State Government measure proposed is to increase purchaser protection by creating an ACP advisory flag which would become a part of the Additional Information component in Form 1 template and Property Interest Report for potential purchasers of properties under the Land and Business (Sale and Conveyancing) Regulations 2010. This advisory flag would apply to all buildings that have been identified through the state-wide audit as having ACP cladding and the flag would only be removed from South Australian Integrated Land Information System (SAILIS) if the ACP is fully removed as a rectification measure.</p> <p>The proposal places an increased burden on councils to undertake a 'due diligence' for private owners. It also places councils at increased risk of providing outdated information that may not account for changes to buildings. It is recommended that this issue be treated in the same way as, for example, the requirements for a vendor to provide a response to questions in Form 1 in relation to pollution and site contamination on the land.</p> |
| LGA Policy Manual | (please click here to view the LGA Policy Manual) |

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| Does this item require a change to the LGA Policy Manual (new policy or amendment to existing policy)? | No. |
| LGA Strategic Plan reference | <p><u>(please click here to view the plan and identify the Key Initiative and Strategy reference)</u></p> <p><i>Key Initiative 1 – Leadership and Advocacy</i></p> <p><i>Strategy B – Contribute to state-wide and local policy</i></p> |
| Council Contact Officer submitting form | <p>Mick Petrovski Manager Governance mpetrovski@salisbury.sa.gov.au 8406 8331</p> |
| Council Meeting minute reference and date of meeting | Resolution 0627; 27 July 2020 |
| Date submitted to LGA | 17 August 2020 |

Please return Word version of completed form to lgasa@lga.sa.gov.au.
Refer to LGA Circulars in respect to deadlines for upcoming General Meetings.

8.5 Regulation 119 of the Planning, Development and Infrastructure (General) Regulations 2017 (Salisbury)

Recommendation Reports from the GAROC Committee

| | | |
|---------------|------------------------|---------------------|
| Submitted by: | City of Salisbury | |
| Approved by: | GAROC Committee | |
| Meeting | Annual General Meeting | 29 October 2020 |
| ECM: | 718981 | Attachment: 716512b |

Recommendation from the GAROC Committee

That the Annual General Meeting requests the LGA on behalf of the whole local government sector:

1. **make the strongest possible representations to State Government opposing their variation to Regulation 119 of the Planning, Development and Infrastructure (General) Regulations 2017; and**
2. **write to and meet with all parties in the State Parliament to urge them to disallow the variation of Regulation 119 of the Planning, Development and Infrastructure (General) Regulations 2017.**

GAROC Committee's Comments

GAROC approved this item of business being placed on the agenda for the LGA Annual General meeting recognising the expenditure of the Planning and Development Fund on activities other than open space and associated infrastructure is an issue of concern to local government.

GAROC noted that the LGA President has written to the former Minister for Planning about this matter and that the Greens SA in July 2020 introduced a successful disallowance motion in the Legislative Council. GAROC also noted that the LGA wrote to the opposition and crossbench at the time and urged them to support the disallowance motion. The disallowance motion passed in the Upper House; however, the Government immediately reintroduced the regulations.

Proposed Alternative Recommendation

Following GAROC's consideration of this item, the LGA Secretariat was advised that a further disallowance motion has been moved by the Hon Mark Parnell MLC in the Legislative Council. This motion was voted on and subsequently passed on 23 September 2020.

The Government subsequently gazetted separate Planning, Development and Infrastructure (General) (Planning and Development Fund) Variation Regulations 2020 on 24 September.

These new Regulations, while amended, still provide for the Planning and Development Fund to be used to fund the Government's e-planning system, and do not address the concerns raised by the City of Salisbury and the additional issues raised in this report.

4—Variation of regulation 119—Application of Fund

Regulation 119—delete "a public work or public purpose that promotes or complements a policy or strategy contained in a state planning policy is authorised as a purpose for which the Planning and Development Fund may be applied." and substitute:

the Planning and Development Fund may be applied for the following purposes:

- (a) a public work or public purpose that promotes or complements a policy or strategy contained in a state planning policy;*
- (b) the establishment (in connection with the object set out in section 12(2)(b) of the Act) of a system that enables people who use or interact with the planning system to access planning information, and to undertake processes and transactions, by digital means.*

To reflect these recent developments, the Secretariat proposes that the AGM consider a slightly amended motion, as set out below:

That the Annual General Meeting requests the LGA on behalf of the whole local government sector:

- 1. make the strongest possible representations to State Government opposing their variation to Regulation 119 of the Planning, Development and Infrastructure (General) Regulations 2017; and***
- 2. write to and meet with all parties in the State Parliament to urge them to disallow the Planning, Development and Infrastructure (General) (Planning and Development Fund) Variation Regulations 2020.***

LGA Officer's Comments

(Officer: Stephen Smith, Director Policy)

On 18 June 2020 the State Government introduced various regulation amendments through the *Planning, Development and Infrastructure (General) (Miscellaneous) Variation Regulations 2020* to make amendments to the *Planning, Development and Infrastructure (General) Regulations 2017*, in particular there were changes to the use of the Planning and Development Fund ([available here see page 3426](#)). The changes enabled the contributions that have been made to the fund be used for the new e-planning system.

25—Variation of regulation 119—Application of Fund

Regulation 119—delete "a public work or public purpose that promotes or complements a policy or strategy contained in a state planning policy is authorised as a purpose for which the Planning and Development Fund may be applied." and substitute:

the Planning and Development Fund may be applied for the following purposes:

- (a) a public work or public purpose that promotes or complements a policy or strategy contained in a state planning policy;*
- (b) the establishment of projects associated with the implementation of the Act, including the establishment of -*
 - (i) the SA planning website (the SA planning portal); and*
 - (ii) the online atlas and search facility; and*
 - (iii) the online delivery of planning services; and*
 - (iv) the Planning and Design Code.*

The Department of Planning, Transport and Infrastructure's website states that the Fund: "supports the purchase, planning and enhancement of public spaces throughout South Australia."

During a time when parks and recreational areas are needed to support community health and wellbeing, the Government appears to be diverting funds that have been provided by those subdividing their land to fund the operations and functions of a Government agency.

While the importance of both the e-planning system and the Planning and Design Code are acknowledged, the funding of these essential elements of the new planning system should come from general revenue and not from the Planning and Development Fund.

It is noted that any funds that are paid directly to councils through the open space contribution scheme under the Planning, Development and Infrastructure Act must only be applied by the council for the purpose of acquiring or developing land as open space.

There is also a concern that this variation may increase the impost on councils by reducing the funds available to establish new parks and recreation areas.

In addition, councils are already making contributions for the maintenance of the e-planning system through an annual fee and the State Government will be receiving a greater proportion of planning assessment fees under the new fee regime. The ability to use open space funding for the operation of the State's new planning system is 'triple dipping' and puts greater pressure on council ratepayers to fund a new system that provides less influence to local communities in planning decisions.

The LGA CEO in September 2020 wrote to the Chair of the State Planning Commission requesting that the State Planning Commission conduct an inquiry into the use and purpose of the Planning and Development Fund.

Financial and Resource Implications

Participating in the planning reform process and advocating on behalf of members is anticipated in the LGA's work program and resources are available to progress this work.

LGA General Meeting – Proposed Item of Business

The purpose of this form is to request consideration by SAROC, GAROC or the Board of Directors of an item of business to be included on the agenda of an LGA General Meeting - refer Clause 16.3.1 of the LGA Constitution. Prior to submitting a proposed Item of Business, please refer to the Considering Proposed Items of Business for LGA General Meetings Guidelines.

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| Council Name | City of Salisbury |
| The body the item is being referred to <i>Proposals may only be submitted to the ROC of which council is a member, or to the LGA Board of Directors.</i> | GAROC |
| Subject of the proposed item of business | Regulation 119 of the Planning, Development and Infrastructure (General) Regulations 2017 |
| Proposed motion for the General Meeting | That the Annual General Meeting requests the LGA on behalf of the whole local government sector: <ul style="list-style-type: none"> a. Make the strongest possible representations to State Government opposing their variation to Regulation 119 of the Planning, Development and Infrastructure (General) Regulations 2017, as published in the South Australian Government Gazette on 18 June 2020, and b. Write to and meet with opposing parties in the State Parliament to urge them to disallow the variation Regulation 119 of the Planning, Development and Infrastructure (General) Regulations 2017. |
| Supporting information <i>Provide a summary of the issue(s), relevant background information, description of the impact on the sector and evidence that this is an item of strategic importance to local government.</i> | <p>The State Government made a variation to Regulation 119 of the Planning, Development and Infrastructure (General) Regulations 2017, as published in the South Australian Government Gazette on 18 June 2020.</p> <p>This variation allows the Planning and Development Fund to be used for the establishment of projects associated with the e-Planning system and Planning and Design Code. Previously the Fund could only be used for “a public work or public purpose that promotes or complements a policy or strategy contained in a state planning policy”.</p> <p>However, it is worth noting that the Department of Planning, Transport and Infrastructure’s website states, as at 31 July 2020, that the Fund: “supports the purchase, planning and enhancement of public spaces throughout South Australia” consistent with the original provisions of the regulations.</p> |

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| | <p>The LGA has written to Council CEOs to express concern that “during a time when parks and recreational areas are needed to support community health and wellbeing, the Government appears to be diverting funds which have been provided by those subdividing their land, to fund the operations of a Government agency”.</p> <p>It is also worth noting that this change reduces the opportunity for councils to access available funds to help them establish new parks and recreation areas. Further, this change duplicates the contributions councils are already making through an annual fee for the maintenance of the e-Planning system.</p> |
| <p>LGA Policy Manual</p> <p><i>Does this item require a change to the LGA Policy Manual (new policy or amendment to existing policy)?</i></p> | <p>(please click here to view the LGA Policy Manual)</p> <p>No.</p> |
| <p>LGA Strategic Plan reference</p> | <p>(please click here to view the plan and identify the Key Initiative and Strategy reference)</p> <p><i>Key Initiative 1 – Leadership and Advocacy</i></p> <p><i>Strategy B – Contribute to state-wide and local policy</i></p> |
| <p>Council Contact Officer submitting form</p> | <p>Mick Petrovski Manager Governance mpetrovski@salisbury.sa.gov.au 8406 8331</p> |
| <p>Council Meeting minute reference and date of meeting</p> | <p>Resolution 0627; 27 July 2020</p> |
| <p>Date submitted to LGA</p> | <p>17 August 2020</p> |

Please return Word version of completed form to lgasa@lga.sa.gov.au.
Refer to LGA Circulars in respect to deadlines for upcoming General Meetings.

9.1 State of Climate Emergency (Gawler)

Recommendation Reports from the LGA Board of Directors

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|---------------|------------------------|-----------------------------|
| Submitted by: | Town of Gawler | |
| Approved by: | LGA Board of Directors | |
| Meeting | Annual General Meeting | 29 October 2020 |
| ECM: | 719622 | Attachments: 697590, 712349 |

Recommendation

That the Annual General Meeting requests:

1. that the LGA recognise the climate crisis and declare a Climate Emergency;
2. that the LGA develop an LGA Climate Emergency Action Plan (CEAP) in partnership with its member councils (in relation to its operations and its leadership role);
3. that the LGA CEAP primarily focuses on mitigation through reduction of GHG emissions but it also focuses on adaptation and climate safety for local communities; and
4. the LGA develop a model CEAP in partnership with interested member councils for use by member councils throughout the state.

LGA Board of Directors' Comments

The LGA Board of Directors considered this issue at their meeting on 23 July 2020 and acknowledged that this motion satisfies the requirements of the LGA Guidelines for considering proposed items of business at LGA General Meetings.

The Board recognised that the implications of the LGA declaring a Climate Emergency is an issue that warrants consideration by its membership.

LGA Officer's Comments

(Officer: Lea Bacon, Director Policy)

Declaring a climate emergency

Local government is subject to extensive lobbying to declare a climate emergency as part of an international campaign. The Climate Emergency Declaration advocacy webpage hosts a broad range of information, resources, and toolkits¹ for lobbyists and councils, recognising that local government has influence on state and federal governments and are innovators in managing climate risk.

As of September 2020, a total of 1,769 governments across 30 countries have declared a climate emergency. In South Australia, 16 councils in (10 metropolitan / 6 regional) have declared a climate emergency².

In September 2019, the South Australian Legislative Council became the first House of a State Parliament to declare a climate emergency.

¹ <https://climateemergencydeclaration.org/breakthrough-guide-understanding-climate-emergency-and-local-government/>

² <https://climateemergencydeclaration.org/climate-emergency-declarations-cover-15-million-citizens/>

In November 2019, the European Parliament (EU) declared a global 'climate and environmental' emergency. Declarations have been made by peak bodies in other sectors. For example, the Australian Medical Association (AMA) has formally recognised climate change as a health emergency.

Local government associations in other Australian states and territories have not declared a climate emergency. While associations in Tasmania, Victoria, Western Australia and New South Wales, and councils attending the 2019 Local Government National General Congress, have passed resolutions, or formed policies, the specific nature and wording varies. Those that reference 'climate emergency' do not make their own declaration and specifically call on state and federal governments to acknowledge and/or make such declarations.

This recognises that state and federal governments have the greatest capacity to invest financial resources and set appropriate legislative and policy frameworks, and the single biggest action that local government can do is to advocate for stronger and more meaningful commitments from other levels of government. This is the position that has already been adopted by the LGA membership and the focus of the LGA's climate change advocacy.

An 'emergency' response

In making a declaration, the use of the term 'emergency' is intended to signal that the organisation will implement reforms beyond business-as-usual.

Declaration of a climate emergency would create an expectation that the LGA and by extension its member councils would significantly escalate their focus on climate risk mitigation and adaptation activities.

By way of example, the potential actions for the LGA and South Australia councils to undertake following their declaration of a climate emergency may include (but not be limited to):

- Moving all buildings, operations, services to 100% renewable energy.
- Electrifying council vehicle fleets, that of their suppliers, and providing electric vehicle charging.
- Implementing energy efficiency across all facilities/buildings.
- Embedding circular economy principles and renewable energy into procurement policy and practices.
- Upgrading infrastructure to capture and treat stormwater for reuse.
- Increasing coverage and frequency of recycling and green waste services.
- Increase tree coverage and revegetation activities.
- Supporting community education programs.
- Empowering residents and business activities through renewable energy projects, financing schemes and transition services.
- Ensuring that all council events are environmentally sustainable, including appropriate management of food waste and only providing a plant-based menu.

Potential legal liability issues may arise if the sector commits to an ambitious course of action which it cannot fully deliver, carrying a level of financial and reputational risk for local government, the LGA and its member councils.

LGA activity to support councils

The risks posed to local government from climate change have been recognised for some years, and South Australian councils have shown significant leadership in climate change and with the

support of the LGA many positive outcomes have been achieved. For example, the LGA has worked with member councils to:

- Advocate through budget submissions and election platforms for greater resources for councils to manage climate risks such as coastal protection, stormwater management and emergency response
- Develop climate risk management guidance notes
- Develop LGA Coastal Adaptation Decision Pathways Guidance (currently being updated)
- Provide guidance and training to support decision-makers in councils
- Provide advice to councils to support energy efficiency activities.

Working together with the State Government, councils have developed their Regional Adaptation Plans, which are responsive to and focussed on particular issues in each region. Councils now have significant work ahead to implement these Plans and embed the management of climate risks across relevant areas of council operations.

LGA Policy and Actions

The LGA Policy Manual includes a series of policy statements outlining local government's strong position on Climate Change³.

Member councils have passed climate risk resolutions at LGA General Meetings. Most recently at the LGA Annual General Meeting on 31 October 2019, member councils supported the 'State of Climate Emergency' item of business; that the Annual General Meeting:

1. *notes the October 2018 Special Report of the Intergovernmental Panel on Climate Change (IPCC) and the Federal Government's latest emissions data showing increased carbon emissions;*
2. *strengthens the LGA's 'Managing the Risks of Climate Change' Policy Statement to acknowledge that climate change poses a serious risk to local communities and ecosystems, and that all levels of government are urged to take action that will help address the effects of climate change in local communities; and*
3. *continues to lobby the State and Federal Government to prioritise climate change action, in particular advocate for greater State and Federal funding in initiatives that will assist local governments and their communities to mitigate and adapt to the effects of climate change."*

The 'Managing the Risks of Climate Change' policy statement in the LGA Policy Manual now reflects this resolution.

The LGA has continued to advocate for greater State and Federal funding and action on initiatives that will assist local government to mitigate and adapt to the effects of climate change. Recent examples of LGA submissions⁴ to State and Federal Government and their agencies that make specific reference to climate change include:

- SA draft *Waste Strategy 2020-2025* and draft *Food Waste Strategy*
- Natural Resources Committee *Inquiry into Urban Green Spaces*
- Royal Commission into National Natural Disaster Arrangements
- Future Drought Fund – draft *Drought Resilience Funding Plan 2020-24*
- Developing a *Commonwealth Strategy for Drought Preparedness and Resilience*

³ <http://www.lga.sa.gov.au/page.aspx?u=7502>

⁴ <https://www.lga.sa.gov.au/submissions>

- Senate Select Committee on *Jobs for the Future in Regional Areas*
- Infrastructure SA's *20-Year State Infrastructure Strategy*
- SA *Regional Development Strategy*
- Environment Protection Authority's Position Statement on *Thermal energy from waste activities*
- Department of Environment and Water (DEW) position papers on improving flood, levee bank and dam management in South Australia.

In its work with State Government, the LGA has also:

- commissioned advice on preparing for, and responding to, the projected impacts of climate change within the draft *Planning and Design Code Phase 3 (Urban Areas)*;
- attended a series of workshops for the *Across-Agency Climate Change Strategy* being developed by the Climate Change Branch of DEW;
- considered the State Government's *Blue Carbon Strategy*, which aims to accelerate action to protect coastal ecosystems; and
- become a core partner of Climate KIC, which is an independent, not-for-profit organisation that aims to link research, business, entrepreneurs, investors and government to drive transformational activities.

Financial and Resource Implications

The development of an LGA Climate Emergency Action Plan (CEAP) and the implementation of potential actions in relation to its own operations as per those listed above is likely to have a significant financial implication on the LGA and consequently its membership subscription levels. This would need close consideration by LGA and its members.

Aside from the declaration of a Climate Emergency and an LGA Climate Emergency Action Plan, the development of a model Climate Emergency Action Plan for councils would be a significant body of work that is not currently anticipated in the LGA's work program and resources are not available to progress this work without re-prioritising the LGA work plan and budget. Based on similar projects to develop model guides and resources, it is estimated that this work would require a budget of \$40-60k. This would include consultant fees, design and production, incidental costs and monitoring and evaluation.

An LGA staff member would be required to project manage this work, which would require re-prioritisation of the current work program.

LGA General Meeting – Proposed Item of Business

The purpose of this form is to request consideration by SAROC, GAROC or the Board of Directors of an item of business to be included on the agenda of an LGA General Meeting - refer Clause 16.3.1 of the [LGA Constitution](#). Prior to submitting a proposed Item of Business, please refer to the [Considering Proposed Items of Business for LGA General Meetings Guidelines](#).

| | |
|-------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council Name | Town of Gawler |
| The body the item is being referred to | GAROC |
| Subject of the proposed item of business | State of Climate Emergency |
| Proposed motion for the General Meeting | <p>That the Annual General Meeting requests that the LGA:</p> <ol style="list-style-type: none"> 1. That the LGA recognise the climate crisis and declare a Climate Emergency 2. That the LGA develop a Climate Emergency Action Plan in partnership with its member councils. 3. That the CEAP primarily focuses on mitigation through reduction of GHG emissions but it also focuses on adaptation and climate safety for local communities |
| Supporting information | <p>In January 2019, Town of Gawler passed a motion that recognised that we are facing a Climate Emergency and that urgent action is required by all levels of government. Climate Emergency is a growing global movement that seeks to elevate climate change action to an emergency response, calling for strong and immediate response and action. The movement elevates business as usual emission reduction actions to a mass mobilisation of people and practices at the local level with a strong focus on advocacy and influence.</p> <p>The proposed recommendation recognises that climate change poses a serious risk to local communities and eco-systems and in doing so, provides a leadership signal to state and federal governments about the seriousness of climate change.</p> <p>The Australian Local Government Association (ALGA) have now passed a Climate Emergency Declaration motion, as have the Local Government Associations of Victoria and Western Australia. These motions call upon the Australian Government to give higher priority to addressing the Climate Emergency. We now urge the LGA to declare a climate emergency and develop a Climate Emergency Action Plan.</p> |
| LGA Policy Manual | The item supports the implementation of existing Policy Statement Number 4 'Managing the Risks of Climate Change'. |
| LGA Strategic Plan reference | Key Initiative 2. Capacity building and sustainability |

| | |
|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>A. Support local government through training and resources.</p> <p>B. Lead, initiate and promote working together.</p> <p>C. Equip councils for the future.</p> <p>Key Initiative 3. Best practice & continuous improvement</p> <p>A. Lead by example.</p> |
| Council Contact Officer submitting form | <p>Jack Darzanos</p> <p>Jack.darzanos@gawler.sa.gov.au</p> <p>(08) 8522 9257</p> |
| Council Meeting minute reference and date of meeting | <p>RESOLUTION 2019:12:COU435</p> <p>17 December 2019</p> |
| Date submitted to LGA | <p>20 December 2019</p> |

Please return Word version of completed form to lgasa@lga.sa.gov.au.
Refer to LGA Circulars in respect to deadlines for upcoming General Meetings.

Gawler



Contact: Mr Henry Inat

Ref: CR20/40937

RECEIVED
30 JUN 2020

BY: _____

Town of Gawler Administration Centre

43 High Street

Gawler East SA 5118

PO Box 130

Gawler SA 5118

Phone: (08) 8522 9211

council@gawler.sa.gov.au

gawler.sa.gov.au

23 June 2020

Mr Matt Pinnegar
Chief Executive Officer
Local Government Association of South Australia
GPO Box 2693
ADELAIDE SA 5001

Dear Matt

RE: Ordinary General Meeting Motion – State of Climate Emergency

Thank you for your correspondence dated 27 April 2020 regarding the Ordinary General Meeting Motion – State of Climate Emergency.

The options presented in this correspondence were considered by Council at its meeting on 3 June 2020.

Council appreciates the enormous social, economic and environmental impact the COVID-19 pandemic is currently having across the globe.

Like all sectors Local Government is having to find new and innovative ways to mitigate these impacts, by adapting new business processes in order to respond to the emergency.

Likewise, Council recognises that the social, economic and environmental impacts of climate change will be far greater and longer lasting than those experienced by the COVID-19 pandemic.

In its deliberations on 3 June 2020, Council considered the extent of alterations made by GAROC to Council's original motion were so significant that they no longer honoured the intent of Council's original motion.

This intent of Council's original motion, if democratically resolved by its full membership, would be for the LGA to "Declare a Climate Emergency".

As a result the LGA would become an active participant in building a global movement that acknowledges a Climate Emergency, developing a Climate Emergency Action Plan for their own operations and advocacy as appropriate to their role.

The alterations made by GAROC to Council's original motion would only result in the LGA being a passive observer to individual Councils who declare a climate emergency, rather than taking a leadership role on behalf of its membership and the Local Government sector in South Australia.

However, and whilst not central to our original motion, Council was supportive of GAROC's inclusion of an additional point 4 pertaining to the preparation of a model CEAP that councils can embrace and would be very willing to assist in the preparation of this model based on our CEAP development progress to date.

ECM 712349

Mr Matt Pinnegar
23 June 2020

As such Council resolved the following motion:

RESOLUTION 2020:06:COU173

Moved: Cr I Tooley

Seconded: Cr P Little

That Council endorses that the Chief Executive Officer writes to the Local Government Association Chief Executive Officer and advises that the Town of Gawler requests that Council's original adopted motion, with the inclusion of the following point 4 be presented to LGA General Meeting for a decision:

- 1. The LGA recognise the climate crisis and declare a Climate Emergency.*
- 2. The LGA develop an LGA Climate Emergency Action Plan (CEAP) in partnership with its member councils (in relation to its operations and its leadership role).*
- 3. The LGA CEAP primarily focus on mitigation through reduction of GHG emissions but it also focuses on adaptation and climate safety for local communities.*
- 4. The LGA develop a model CEAP in partnership with interested member councils for use by councils throughout the state.*

The Town of Gawler therefore requests that Council's original motion, with the addition of GAROC's point 4 above, be presented to the LGA's full membership at the LGA Annual General meeting for a determination.

An extract from the Town of Gawler draft Climate Emergency Action Plan (Attached as Appendix 1) provides additional context about the Climate Emergency Action Movement and why we consider that it is relevant for the LGA to declare a climate Emergency and become an active participant as South Australia's peak local government organisation.

Yours faithfully



Henry Inat
Chief Executive Officer

Telephone: (08) 8522 9221
Email: Henry.Inat@gawler.sa.gov.au

Appendix 1: Extract from the draft Town of Gawler CEAP for context

Climate Emergency Action Movement

Taking action to address the Climate Emergency is part of a national and global campaign for a safe climate. In Australia, CEDAMIA (derived from Climate Emergency Declaration and Mobilisation In Action) is dedicated to recognising and promoting those organisations that are publicly declaring a climate emergency and taking action.

Globally there are 1,490 jurisdictions in 29 countries that have declared a climate emergency (27 April 2020). Populations covered by jurisdictions that have declared a climate emergency amount to over 822 million citizens.

The Town of Gawler has taken a leadership position on taking climate emergency action. Whilst we were the first council in South Australia to declare a climate emergency, there is a greater need for a collective movement for local, national and a global response. Part of the Town of Gawler's response is to encourage and advocate for other councils, the Local Government Association, state and territory governments to also declare a climate emergency and respond in a way that the science suggests that we must act, with urgency.

Current Climate Emergency Declaration status in South Australia

- There are 16 Councils in South Australia that have declared a climate emergency.
- The South Australian Local Government Association has not declared a Climate Emergency.
- The South Australian State Government Legislative Council has declared a climate emergency but the House of Assembly has not. Currently, there is an open petition inviting signatures to ask the SA House of Assembly to declare a climate emergency.
- The Federal Government has not declared a climate emergency. There are several petitions calling on the Federal Government to declare a climate Emergency

The goal is for all South Australian Councils, the LGA, State Governments and Federal Government to declare a Climate Emergency as part of a global movement for urgent collective action for a safer climate.

ACTION: - The town of Gawler will continue to advocate that local, state and federal governments and organisations declare a climate emergency and take urgent action to reduce emissions.

9.2 Voter Roll Process (MRLGA)

Recommendation Reports from the LGA Board of Directors

| | | |
|---------------|-------------------------------|--------------------|
| Submitted by: | Murraylands and Riverland LGA | |
| Approved by: | LGA Board of Directors | |
| Meeting | Annual General Meeting | 29 October 2020 |
| ECM: | 719560 | Attachment: 699923 |

Recommendation from LGA Board of Directors

That the Annual General Meeting requests the LGA to continue to advocate for a simplified process for non-resident property owners to enrol on Council's voters roll either through an online and/or automatic process and removing the requirement to purge the voters roll in the year of the ordinary election.

This item of business was approved by the LGA Board of Directors for inclusion on the LGA Ordinary General Meeting, scheduled for 3 April 2020 and subsequently cancelled due to the COVID-19 public health emergency.

LGA Board of Directors' Comments

Board directors noted that this was an issue suitable for debate at an LGA General Meeting as it has state-wide application and a resource impact on all councils.

The Board noted that these issues had also been canvassed as part of the local government reform process. The position endorsed by the LGA Board of Directors remains to prioritise online enrolment and voting for local government elections.

LGA Officer's Comments

(Officer: Andrew Lamb, Local Government Reform Partner)

Online voting was widely supported by the sector during the 2019 consultation on 'Local Government Reform' The resulting LGA November 2019 Submission on Local Government Reform recommended a review led by the Electoral Commission of SA, the Office of Local Government and the LGA.

The Statutes Amendment (Local Government Review) Bill 2020 was tabled in Parliament in June 2020 and did not facilitate online voting nor establish a review. The LGA has continued to advocate for a review of online voting.

Automation of manual process can deliver considerable savings and deliver better services. It may be possible to develop an electoral system (or modify an existing system) that keeps electoral rolls up to date in a far more accurate manner than current manual processes.

A review into online council voting options could consider:

- Available products on the market plus opportunities to develop a purpose-built IT system.
- The reliability and integrity arrangements required to give the community confidence in an online council elections process.
- Arrangements to ensure that voters with limited digital access or literacy could still participate effectively in democratic processes.

- Online mechanisms that would:
 - Facilitate the voting process.
 - Facilitate the enrolment to vote process for resident and non-resident voters.
 - Synchronise council electoral rolls with other electoral and government databases, to ensure council rolls are appropriately maintained (including electronic purges of voters no longer entitled to vote).
- Other cost savings opportunities.
- Potential changes to the Local Government Act and Local Government (Elections) Act, necessary to give effect to the recommendations of the Review.

Financial and Resource Implications

A formal review of online voting and enrolment would constitute a significant project, requiring considerable Secretariat resources. Funding for additional external expertise may also be required.

Nevertheless, the costs of council elections are high and increasing. A successful online voting and enrolment system would deliver significant cost savings to the sector and would quickly repay the initial investment in time and resources.

This activity will require significant staff resources and funding that are not currently anticipated in the LGA budget. If supported by members, funding opportunities would need to be sought to progress this work in the next financial year, such as an application to the 2021 funding rounds of the Local Government Research and Development Scheme.

LGA General Meeting – Proposed Item of Business

The purpose of this form is to request consideration by SAROC, GAROC or the Board of Directors of an item of business to be included on the agenda of an LGA General Meeting - refer Clause 16.3.1 of the LGA Constitution. Prior to submitting a proposed Item of Business, please refer to the Considering Proposed Items of Business for LGA General Meetings Guidelines.

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council Name | Murraylands and Riverland Local Government Association |
| The body the item is being referred to <i>Proposals may only be submitted to the ROC of which council is a member, or to the LGA Board of Directors.</i> | Board of Directors |
| Subject of the proposed item of business | Voter Roll Process |
| Proposed motion for the General Meeting | That the Annual / Ordinary General Meeting requests the LGA to “ <i>continue to advocate for a simplified process for non-resident property owners to enrol on Council’s voters roll either through an online and/or automatic process and removing the requirement to purge the voters roll in the year of the ordinary election.</i> ” |
| Supporting information <i>Provide a summary of the issue(s), relevant background information, description of the impact on the sector and evidence that this is an item of strategic importance to local government.</i> | <p>The above matter was subject to consideration by the Murraylands and Riverland Local Government Association on 31 January 2020. The meeting resolved to support the passage of the motion for consideration at the Ordinary General Meeting of LGA.</p> <p>Rural City of Murray Bridge moved the motion and had themselves considered the matter at their council meeting held on 28 January 2020.</p> <p>The “Reforming Local Government in South Australia Discussion Paper” (Discussion Paper) released by the SA Government in August 2019 recognises the self-enrolment process for a landlord, a business lessee or a resident non-Australian citizen is both cumbersome and costly.</p> <p>The matter of automatic enrolment for property franchise holders is confounded by the desire to see greater participation in local government elections and the costs/resourcing requirement to elicit the response.</p> <p>In light of the proposals for reform contained within the Discussion Paper - one which would require councils to better promote the need for self-enrolment by property franchise holders and the other which involves the reintroduction of automatic enrolment – it is recommended that the LGA continue to advocate for a simplified process that recognises the need for greater participation but does not add a cost burden to councils in SA.</p> |

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| LGA Policy Manual <i>Does this item require a change to the LGA Policy Manual (new policy or amendment to existing policy)?</i> | (please click here to view the LGA Policy Manual) No |
| LGA Strategic Plan reference | (please click here to view the plan and identify the Key Initiative and Strategy reference) (choose only one Key Initiative and one Strategy) Leadership and Advocacy (c) Lead Reform. |
| Council Contact Officer submitting form | Tim Smythe ceomrlga@outlook.com 0427 772 185 |
| Council Meeting minute reference and date of meeting | Minutes of 31 January 2020 MRLGA General Meeting (item 8.7.1) RCMB Council Minutes 28 January 2020 (item 14.1) |
| Date submitted to LGA | 11 February 2020 |

Please return Word version of completed form to lgasa@lga.sa.gov.au.
Refer to LGA Circulars in respect to deadlines for upcoming General Meetings.

9.3 Catastrophic Fire Days Community Relief Centres (Cool Refuge Centre) (Port Lincoln)

Recommendation Reports from the LGA Board of Directors

| | | |
|---------------|------------------------|--------------------|
| Submitted by: | City of Port Lincoln | |
| Approved by: | LGA Board of Directors | |
| Meeting | Annual General Meeting | 29 October 2020 |
| ECM: | 719563 | Attachment: 700736 |

Recommendation from the LGA Board of Directors

That the Annual General Meeting requests the LGA continue to work with appropriate agencies in developing a Joint Operating Guideline to clarify local government roles and responsibilities in supporting a relief centre (cool refuge centre) for communities during times of extreme heat and catastrophic fire danger, particularly when mains power may not be available.

LGA Board of Directors' Comments

This item of business was approved by the LGA Board of Directors for inclusion on the LGA Ordinary General Meeting, scheduled for 3 April 2020 and subsequently cancelled due to the COVID-19 public health emergency.

The LGA Board of Directors considered this issue at its meeting on 20 February 2020 and acknowledged that the ability to establish community relief centres on extreme heat and catastrophic fire days is of statewide significance. The Board also acknowledged that the motion calls for a specific response to the issue of power outages hindering the provision of relief centres.

LGA Officer's Comments

(Officer: Katherine Russell, Senior Policy Officer)

The City of Port Lincoln indicates that the Item of Business relates to the need for a 'cool refuge centre' to be established on days which are rated by the Country Fire Service as days of 'Catastrophic Fire Danger'. Such days are not always declared an emergency under s.25 of the Emergency Management Act 2004 ('the Act'), which is the mechanism that triggers a relief centre activation.

The concern expressed in the Item of Business exposes an issue in the processes under the State Emergency Management Plan (SEMP) whereby the Control Agency (which depends on the nature of the emergency) decides whether or not to establish a relief centre. Catastrophic fire danger days do not always coincide with a declaration of emergency as these are independent processes. A day of catastrophic fire danger may be particularly dry and windy, for example.

Under the Act and the SEMP, the Control Agency has power to manage and coordinate response and recovery operations only if an emergency declaration has been made. One of these operations would be the establishment of a relief centre to assist the community.

A 'relief centre' is defined under the SEMP as a one-stop centre to provide safe shelter, information, psychological support and meet immediate needs of affected people. Under the SEMP, Housing SA is the lead agency in establishment of relief centres, with support from

agencies such as Australian Red Cross and the Department of Human Services. This is not a local government responsibility.

As foreshadowed in the Item of Business, the action sought may be for a 'cool refuge centre' rather than a relief centre. This may be a safe, comfortable and accessible place with air-conditioning (back-up generator), water and toilets. A 'cool refuge centre' may be particularly useful on days of extreme heat or in case of severe storms when South Australia Power Networks (SAPN) decides to disconnect power supply due to vulnerable infrastructure for safety reasons. The scope of a 'cool refuge centre' will be clarified as part of the work already underway.

This issue is of particular relevance to regional centres due to the number of people who, in such an event, may choose to enact their personal bushfire management plans and move to a town such as Port Lincoln for the day, and for those who would seek the comfort of such a centre as a direct result of the power being disconnected. The declaration of these days as a day of State Emergency would enable the requisite agencies to be engaged and participate.

The use of a 'cool refuge centre' was proven last summer in the City of Port Lincoln to be successful on short notice and the council has identified this as an ongoing community need, although it does not have the resources nor the power to manage this as an ongoing responsibility.

Emergency Relief Functional Support Group (ERFSG)

The LGA Secretariat is already progressing this issue through its representation on the ERFSG, which is established under the SEMP and led by Housing SA.

The ERFSG is currently drafting a Joint Operating Guideline to clarify arrangements between local government and Housing SA for establishment of relief centres as well as community refuges, which would include cool refuge centres. Once complete, this Guideline will be implemented with local government to provide clarity around roles and responsibilities in supporting refuges.

Heatwave Guide for Local Government

The Item of Business is also consistent with other work being undertaken by the LGA Secretariat. The draft *Heatwave Guide for Local Government* ('the Guide') is currently being developed by the LGA under the auspices of a grant from SA Fire & Emergency Services Commission (SAFECOM). The Guide anticipates local government supporting heat refuges.

The draft Guide includes the following wording:

“Council buildings

- *Consider how council buildings may be used to provide 'respite' during extreme weather or as evacuation centres and what management practices are required to support this use. When designing new buildings, consider opportunities for being heat refuge, e.g. Yorke Peninsula Council did in application for new basketball stadium.*
- *Identify emergency management requirements for council buildings, for example back-up generators and water storage.”*

The Guide has been delayed due to COVID-19 workloads and will be released in October/November 2020.

The Keelty Review

The LGA made a submission to the *Independent Review into South Australia's 2019/2020 Bushfire Season* (*the Keelty Review*), and its report has been recently released with a key recommendation to:

“13. Better coordinate public information and warnings including evacuation plans and provide a single source of information about, the location and direction of fires, how and

when to use Safer Places, Places of Last Resort, relief and recovery centres and directed evacuations.”

The Keelty Review report addresses the issue around confusion in messaging about refuges and when to go to ‘Bushfire Safer Places’ and ‘Places of Last Resort’.

The LGA has prepared a response to the Keelty Review Report which supports many of its recommendations and highlights some omissions. At its meeting on 20 August 2020, the LGA Board of Directors approved the LGA response, and also requested an update report be provided to the LGA Board of Directors at its August 2021 meeting on progression of recommendations by the LGA, the sector and state government agencies.

The focus on refuges in the Keelty Review provides greater impetus to key agencies to undertake this work which has already commenced through the ERFSG and which is supported through the Guide.

Financial and Resource Implications

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

LGA General Meeting – Proposed Item of Business

The purpose of this form is to request consideration by SAROC, GAROC or the Board of Directors of an item of business to be included on the agenda of an LGA General Meeting - refer Clause 16.3.1 of the LGA Constitution. Prior to submitting a proposed Item of Business, please refer to the Considering Proposed Items of Business for LGA General Meetings Guidelines.

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council Name | City of Port Lincoln |
| The body the item is being referred to <i>Proposals may only be submitted to the ROC of which council is a member, or to the LGA Board of Directors.</i> | Board of Directors |
| Subject of the proposed item of business | CATASTROPHIC FIRE DAYS COMMUNITY RELIEF CENTRES (COOL REFUGE CENTER) |
| Proposed motion for the General Meeting | That the Ordinary General Meeting requests the LGA to work with appropriate agencies to determine the viability and the best method to achieve a relief center (cool refuge center) for communities during times of extreme heat and catastrophic fire danger, particularly when mains power may not be available. |
| Supporting information <i>Provide a summary of the issue(s), relevant background information, description of the impact on the sector and evidence that this is an item of strategic importance to local government.</i> | <p>On the 20th November 2019 Council established a refuge centre in the Media Room of the Nautilus Arts Centre (NAC) that was well received by the community. Since then discussions have been held with senior staff of the Local Government Association regarding a Notice of Motion for submission to the LGA OGM in April that will enable discussion on the establishment of such centres and the process in the future.</p> <p>The proposal discussed with the LGA refers to Catastrophic Fire days being declared a day of State Emergency, or similar, that enables centres to be activated with the aim to provide community members relief, especially in the event that SAPN disconnects power supply. Additionally, there is a need for refuge centres to be established during other inclement weather events where power is disconnected such as the power blackouts previously experienced in South Australia resulting from storm activity.</p> <p>With respect to Catastrophic Fire days it is considered critical, particularly in regional centres due to the number of people who enact their personal bushfire management plans and move to a centre such as Port Lincoln and metropolitan Adelaide for the day, and for those who would seek the comfort of such a centre as a direct result of the power supply being disconnected. The declaration of these days as an Emergency or similar enables the required agencies (Red Cross, SA Housing and the like) to be engaged and participate.</p> |

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| LGA Policy Manual <i>Does this item require a change to the LGA Policy Manual (new policy or amendment to existing policy)?</i> | (please click here to view the LGA Policy Manual) |
| LGA Strategic Plan reference | (please click here to view the plan and identify the Key Initiative and Strategy reference) <i>(choose only one Key Initiative and one Strategy)</i> |
| Council Contact Officer submitting form | Stephen Rufus, Chief Executive Officer stephen.rufus@plcc.sa.gov.au Tel 8621 2310 / 0438 854 274 |
| Council Meeting minute reference and date of meeting | CO20/011 LGA ORDINARY GENERAL MEETING – NOTICE OF MOTION – CATASTROPHIC FIRE DAYS RELIEF CENTRES Ordinary Council Meeting 17 February 2020 |
| Date submitted to LGA | 19 February 2020 |

Please return Word version of completed form to lgasa@lga.sa.gov.au.
Refer to LGA Circulars in respect to deadlines for upcoming General Meetings.

9.4 Installation of Sea-Level Gauge at O’Sullivan Beach (Adelaide Plains)

Recommendation Reports from the LGA Board of Directors

| | | |
|---------------|-------------------------|--------------------|
| Submitted by: | Adelaide Plains Council | |
| Approved by: | LGA Board of Directors | |
| Meeting | Annual General Meeting | 29 October 2020 |
| ECM: | 719807 | Attachment: 716357 |

Recommendation

That the Annual General Meeting requests that:

1. the LGA give a higher priority to lobbying State and Federal Governments on the installation of a Sea Level Gauge at O’Sullivan Beach to obtain accurate data regarding of Sea Level change; and
2. the LGA continue to lobby for and contribute to an improved national approach to sea level rise management and consider moving to a ‘monitor and respond’ model of adaptation.

LGA Board of Directors Comments

The LGA Board of Directors recognises the alignment of Adelaide Plain Council’s proposed item of business to existing LGA policy in relation to Coasts and Marine,¹ climate change,² and community assets.³

The LGA Board of Directors considered this item of business to be of strategic importance to the local government sector as the data obtained by a sea level gauge in the identified location can ensure the continuation of a similar data set from the decommissioned sea level monitoring system at Port Stanvac. This data can form an evidence base that can assist local government in future decision making regarding coastal protection and adaptation and it can support investment decisions.

LGA Officer's Comments

(Officer: Brianna McGee, Policy Officer)

This item of business aligns with the State Government’s new *Climate Change Science and Knowledge Plan for South Australia* (“the Plan”). The Plan identifies the “*Reinstatement of the Port Stanvac sea level monitoring station...*”⁴ which is near O’Sullivan Beach as an additional requirement that maintains the state’s evidence base of critical datasets for use in climate change modelling and decision making.⁵

This plan was released by the State Government after the Adelaide Plains Council had submitted this proposed item of business.⁶

¹ LGA of SA, *Policy Manual*, 4.1.7.

² Ibid Policy statement 4.4 and policies: 4.4.3, 4.4.5.

³ Ibid 5.2.4.

⁴ Government of South Australia Department for Environment and Waster *Climate Change Science and Knowledge Plan*, page 39.

⁵ Ibid.

⁶ Government of South Australia Department for Environment and Waster *Climate Change Science and Knowledge Plan*.

The Plan identifies the reinstatement of the Port Stanvac sea level monitoring station that was decommissioned in 2010 with the closure of Mobil Refining Australia's oil refinery.⁷ The Plan recognises the reinstatement of the Port Stanvac sea level monitoring station as an additional requirement necessary for the *“accurate monitoring of sea levels...that enables the assessment of emerging coastal inundation and erosion risks and verifies whether sea level rise is in line with projections.”*⁸

Port Stanvac is near O'Sullivan Beach (**Figure 1** below). O'Sullivan Beach/Port Stanvac is a strategic location for a sea level gauge as it will enable the continuation of a similar data set that begun in 1992. A sea level gauge can provide an indication of short-term trends and the longer a sea level gauge is in operation the more statistically significant its results are in relation to more long-term trends.

Local and accurate data is of strategic importance for local government as this data can be utilised to support future/diversified economies, which is key to sustainable economic development.⁹ Sound data promotes investment attractiveness and can strategically support maintenance of a range of community assets to a high standard of safety and efficiency.¹⁰

The LGA advocates¹¹ and assists¹² councils on strategic matters relating to coastal protection and management acknowledging:

1. the task of protecting and maintaining South Australia's coastal assets is beyond the funding capacity of coastal councils;
2. South Australia's coastline is enjoyed by the broader community, as well as visitors to the State so funding the upkeep of our coastal areas must be a shared responsibility; and
3. the impacts of climate change pose a risk to the services that councils provide and are taking action to help address the effects of climate change in local communities.

In 2020, the LGA's GAROC and SAROC committees have financially contributed to the SA Coastal Councils Alliance to ensure *“issues facing coastal councils continue to be strongly advocated and workable solutions implemented.”*¹³

This proposed item of business strategically aligns with these endeavours undertaken by the LGA to empower coastal councils to develop practical, on ground action to facilitate efficient and equitable coastal management¹⁴. This activity can also support State Government endeavours relating to blue carbon ecosystems, as outlined in the Blue Carbon Strategy for South Australia 2020-2025¹⁵ as well as the Science and Knowledge Plan for South Australia.¹⁶

Supporting evidence

The following discussion is offered on the substantial, well-researched, supporting evidence that accompanied the proposed item of business.

Climate change, that is the change in climate over periods of decades or longer impacts, contributes to sea level rise through thermal expansion and melting ice, glaciers.¹⁷ It is accepted

⁷ Government of South Australia: Coast Protection Board of South Australia, *Position Paper* (2015) < https://www.environment.sa.gov.au/files/sharedassets/public/corporate/about_us/cpb-position-paper-may-2015.pdf >.

⁸ Above n6 page 39.

⁹ LGA of SA, *Policy Manual*, 4.2.4 Community Assets (Maintenance) – Data.

¹⁰ Ibid 4.2.5 Community Assets

¹¹ LGA Advocacy Plan 2019 – 2023 – Revised July 2020 (ECM 713038) – Coastal Management Jetties, State Government funding and maintenance agreements, Planning Reform,

¹² <https://www.lga.sa.gov.au/member-services/financial-sustainability/grants/research-and-publications/research-library>

¹³ SAROC Annual Business Plan 2020-21, page 9 - 3.2 < https://www.lga.sa.gov.au/_data/assets/pdf_file/0032/469175/SAROC-Annual-Business-Plan-2020-21.pdf >.

¹⁴ LGA of SA, *Draft Local Government Association of SA Coastal Adaptation Guidelines (2020)*.

¹⁵ Department for Environment and Water, *Climate Change and Blue Carbon Strategy* (2019) < <https://www.environment.sa.gov.au/topics/climate-change/programs-and-initiatives/climate-change-blue-carbon-strategy> >.

¹⁶ Government of South Australia Department for Environment and Waster *Climate Change Science and Knowledge Plan*.

¹⁷ LGA of SA, *Draft Local Government Association of SA Coastal Adaptation Guidelines (2020)* page 10.

that sea level rise will, and does, negatively impact coastlines and it is projected that extreme sea level events will occur more frequently.¹⁸

The State Government has identified blue carbon, that is the carbon captured and stored in coastal ecosystems including seagrass meadows, saltmarshes and mangroves, as “*important due to their carbon sequestration and storage potential.*”¹⁹ Sea level rise will directly impact blue carbon environments and resources.

The structure and condition of the coast is influenced by a range of natural processes. The underlying geology of the coast influences the erodibility and hence the topography of the shore. This means that although the sea level rise will rise uniformly across a region, the way in which the rise will be experienced along the coastline will not be uniform.

A sea level gauge is a device that accurately measures daily change in sea level and ground movement (below the gauge). A sea level gauge is generally linked and referenced to a cluster of GPS satellites that detect minute ground movement.

There is currently only one active sea level gauge in South Australia at Thevenard. To measure sea level rise across other areas of South Australia the “bucket-fill” or “bathtub” approach has been utilised.²⁰ Although useful, the bucket-fill/bathtub approach is not as accurate as digital-gauge measured data as it is reliant on the quality and resolution of available elevation/terrain mapping and landform complexity.

Current evidence suggests that along South Australia’s coast, sea levels rose by 1.5 - 4 mm/year between 1965-2016.²¹ Sea levels are projected to continue to increase in the future. Adelaide Plains Council submits that sea level rise is occurring and will continue to occur, even if the climate stabilises through global mitigation efforts.

Accurate monitoring of sea-level rise in local waters will provide the data necessary to develop a baseline from which coastal monitoring programs can use. This baseline will be able to assist in identifying when the rate of change is escalating to better inform decisions regarding coastal protection and adaptation.

Adelaide Plains Council submits, and the LGA Secretariat agrees, that the clear and reliable evidence base associated with the proposed “monitor and respond” method as informed by the sea level gauge will carry sufficient impetus to better inform decision making as opposed to current, “predict and respond” methods.

The location of O’Sullivan beach is a sensible and strategic location for a sea level gauge as it is reasonably close to a decommissioned gauge (Port Stanvac) which would allow for the continuation of a similar data set. The Port Stanvac gauge operated from 1992 until 2010 and during its operation it was part of the Australian Baseline Sea Level Monitoring Project that monitors sea level around the coastline of Australia.

The highlighted locations in **Figure 2** (below) demonstrate the system of sea level rise and tidal gauges (active and inactive) that the Australian Baseline Sea Level Monitoring Project has utilised.

The installation of a sea-level gauge would provide an evidence base and data over time to inform future decisions regarding coastal protection and adaptation that can support investment decisions.

Financial and Resource Implications

The substantial, well-researched, supporting evidence provided by Adelaide Plains Council and the alignment with the recent State Government *Climate Change Science and Knowledge Plan for*

¹⁸ Ibid page 12.

¹⁹ Department for Environment and Water, *Climate Change and Blue Carbon Strategy* (2019) < <https://www.environment.sa.gov.au/topics/climate-change/programs-and-initiatives/climate-change-blue-carbon-strategy> > page 4.

²⁰ The “bucket-fill” or “bathtub” modelling approach identifies risk by raising water levels and overlay the resulting surface on existing topography.

²¹ Above n 11 page 11.

South Australia means that advocacy could be readily undertaken by the LGA, without a significant financial or resource implication.

This activity is not currently anticipated in the LGA’s work program but can be delivered within existing LGA resources.

Figure 1: Location of Port Stanvac sea level monitoring station²²

Green Arrow: Location of decommissioned Port Stanvac sea level monitoring station

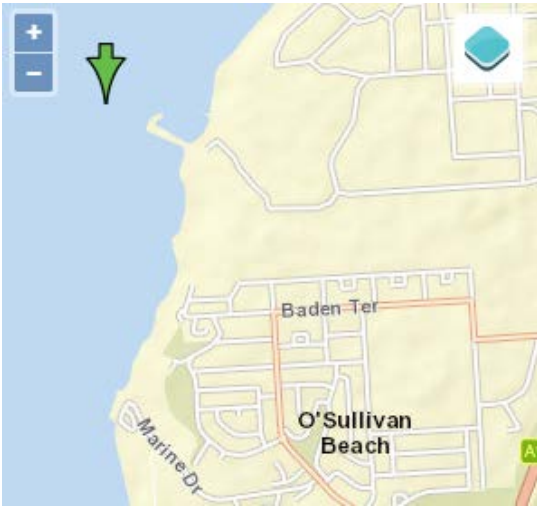
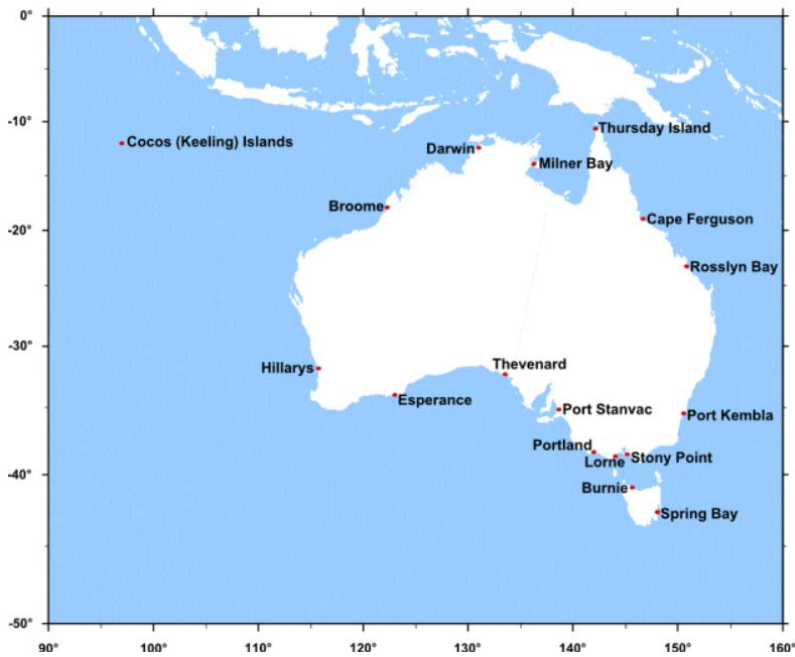


Figure 2: Map of gauges relied on by the Australian Baseline Sea Level Monitoring Project²³




²²PSMSL, Port Stanvac < <https://www.psmsl.org/data/obtaining/stations/1506.php> >.

²³ Bureau of Meteorology, Australian Baseline Sea Level Monitoring Project < <http://www.bom.gov.au/oceanography/projects/abslmp/abslmp.shtml> >.

LGA General Meeting – Proposed Item of Business

The purpose of this form is to request consideration by SAROC, GAROC or the Board of Directors of an item of business to be included on the agenda of an LGA General Meeting - refer Clause 16.3.1 of the [LGA Constitution](#). Prior to submitting a proposed Item of Business, please refer to the [Considering Proposed Items of Business for LGA General Meetings Guidelines](#).

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council Name | Adelaide Plains Council |
| The body the item is being referred to <i>Proposals may only be submitted to the ROC of which council is a member, or to the LGA Board of Directors.</i> | LGA Board of Directors |
| Subject of the proposed item of business | Installation of Sea-Level Gauge at O’Sullivans Beach |
| Proposed motion for the General Meeting | That the Annual General Meeting requests <ol style="list-style-type: none"> 1. That the LGA give a higher priority to lobbying State and Federal governments on the installation of a Sea Level Gauge at O’Sullivans Beach to obtain accurate data regarding Sea Level change 2. That the LGA continue to lobby for/contribute to an improved national approach to sea level rise management and consider moving to a ‘monitor and respond’ model of adaptation. |
| Supporting information <i>Provide a summary of the issue(s), relevant background information, description of the impact on the sector and evidence that this is an item of strategic importance to local government.</i> | Refer Attachment |
| LGA Policy Manual <i>Does this item require a change to the LGA Policy Manual (new policy or amendment to existing policy)?</i> | 4.1 The Natural Environment 4.1.7 Coasts and Marine 4.4 Managing the Risks of Climate Change |
| LGA Strategic Plan reference | Key Initiative 2 - Capacity building and sustainability Strategy C – Equip Councils for the Future |
| Council Contact Officer submitting form | Stacie Shrubsole, Administration and Executive Support Officer sshrubsole@apc.sa.gov.au 8527 0200 |
| Council Meeting minute reference and date of meeting | Resolution 2020/263, Ordinary Council Meeting held on 27 July 2020 |
| Date submitted to LGA | Friday 14 August 2020 |

| | | | |
|--------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
|  Adelaide Plains Council | 18.2 | Motion on Notice – 2020 Local Government Association Annual General Meeting – Proposed Item of Business - Installation of Sea-Level Gauge at O’Sullivans Beach | |
| | Document No: | D20/32362 | |
| Report Date: | 27 July 2020 | Submitted by: | Councillor Panella |

Acknowledgement: This report was written by Councillor Margherita Panella with the assistance of John Drexel.

Summary

Over 80% of Australians live within 50 km of the coast. The trend of people moving to the coast is set to continue, with a further one million people forecast to take up residence in coastal areas near our capital cities or in large regional centres over the coming one to two decades.

Global sea levels have risen by approximately 21cm since 1880. Thermal expansion and melting glaciers explain about 75% of the observed rise in sea levels over the past four decades. This has been driven by increasing temperatures in the atmosphere and absorption of heat by the oceans.

The observed rates of rise for Australia are consistent with global average values. There is high confidence that sea levels will continue to rise over the coming century. Compared to the period 1986–2005, global mean sea levels are projected to increase by the end of the century by:

- 0.26–0.55 m under a low emissions scenario
- 0.32–0.63 m under an intermediate scenario, where emissions stabilise mid-century
- 0.33–0.63 m under an intermediate scenario, where emissions stabilise late-century
- 0.45–0.82 m under a high emissions scenario.

Regional sea-level rise projections have been prepared for Australia and show that the extent of rise is likely to be similar around the nation, with only small differences existing between locations for different time frames and emissions scenarios.

Sea level rise is occurring and will continue to occur, even if the climate were to stabilise through global mitigation efforts. This is a sufficient basis for coastal adaptation action to occur in South Australia. However, a weakness for adaptation planning, is that future sealevel rise relies on a single tide gauge on a 5,067 kilometre coastline and ad hoc local information (i.e. not consistently collected at locations along the coast) , therefore accurate local sea-level rise data is imperative to adequately deal with sea level changes.

Proposed Motion

“that the LGA Board of Directors consider the following proposed item of business, requested by Adelaide Plains Council be included in the agenda for the LGA Annual General Meeting to be held on 29 October 2020:

That the Annual General Meeting requests:

1. **That the LGA give a higher priority to lobbying State and Federal governments on the installation of a Sea Level Gauge at O'sullivans Beach to obtain accurate data regarding Sea Level change**
2. **That the LGA continue to lobby for/contribute to an improved national approach to sea level rise management and consider moving to a 'monitor and respond' model of adaptation."**

DETAILED REPORT

Purpose

The purpose of this report is to provide Council and Local Government Association (LGA) with adequate supporting information to lobby State and Federal Governments for the installation of a sea-level gauge at O'sullivans Beach to obtain accurate data regarding sea-level change.

Definitions

Tide gauge: a device for measuring the daily change in sea level relative to a vertical datum (e.g. a measuring device or ruler on a jetty pylon) (Drexel, J 2020).

Sea level gauge: a device for very accurately measuring daily change in sea level as well as any ground movement below the gauge. A sea-level gauge is generally linked and referenced to a cluster of GPS satellites that detect minute ground movement (Drexel, J 2020).

Deep benchmark: a pole or column fixed solidly into the ground on which a GPS station is mounted to detect minute ground movements via a cluster of GPS satellites (Drexel, J 2020).

SEAFRAME Stations: an array of 14 sea-level gauges sited strategically around the Australian coastline, maintained by the Bureau of Meteorology (BoM) (Drexel, J 2020).

Background

Sea level rise that has occurred along the SouthAustralia's coast is based on:

- Data from tide gauges operating since 1992 at Thevenard and Port Stanvac; and
- A range of locally specific coastal studies either arising from planning processes, or in response to the emergence of coastal risks (Geoscience Australia and the Commonwealth Department of Climate Change and Energy Efficiency, 2010).

The sea-level gauges have not been operating long enough to provide statistically significant results, but the gauge data can provide an indication of short-term trends. The Port Stanvac gauge recorded an average annual increase in sea level of 4.7mm/year between 1992 and 2010 (at which time it was decommissioned due to removal of the jetty it was mounted on), and Thevenard an average annual increase of 5.0mm/year between 1992 and 2012 (Bureau of Meteorology, 2012).

These observations are slightly higher than average global sea level rise observations for a similar period of between 2.8 and 3.6 mm per year between 1993 and 2010 (Intergovernmental Panel on Climate Change (IPCC), 2013). The Thevenard gauge (as well as the Port Stanvac gauge when it operated) is part of the Australian Baseline Sea Level Monitoring Project that uses in situ gauges to identify long period sea level changes nationally, and calibrate satellite altimeters aspart of global sea level monitoring (National Tidal Centre, Australian Bureau of Meteorology, 2011).

Discussion

Sea level rise of 5mm per year may not seem significant, but a general rule of thumb is that sandy coastlines will typically recede by about 50 to 100 times the amount of sea level rise. Thus, meaning sea level rise of just 5mm per year, or 100mm over the last 20 years, translates to potential coastal recession in the order of 5 to 10 metres over that period. It should also be noted that sea level rise of 5mm per year since 1992 represents a significant acceleration compared with the average rise over the 20th Century of 1.5mm per year (Coast Protection Board of South Australia, 2015 p6).

Sea level rise also exacerbates coastal flooding hazard. For example, a storm surge water level currently expected to occur on average only once every 100 years on the Adelaide coast, would occur on average once every 5 years after 0.3m of sea level rise. (State Government Policy is to allow for 0.3m of sea level rise from 1990 to 2050). Sea level rise therefore affects not only the extent of flooding, but also greatly increases the frequency of flooding for areas already at risk (Coast Protection Board of South Australia, 2015 p6).

Although the sea will rise uniformly across a region, the way in which the rise will be experienced along the coastline will not be uniform. If you take a short drive along a coastline, you will likely pass numerous coastal configurations. Some locations will be more elevated, others will be lower, some resistant to erosion and others vulnerable to erosion. All these different configurations may exist within a few hundred metres of coastline. Similarly, the impact of sea level rise and storm surges will be felt differently from one location to the next. One location may be very vulnerable to impacts of the sea and another location along the coast will not be vulnerable (Environment Protection Authority (EPA), State of the Environment, 2018, commissioned Mark Western from Integrated Coasts).

In 2015, the Intergovernmental Panel on Climate Change (IPCC), produced a range of sea-level rise scenarios to account for the various trajectories that greenhouse emissions may take. The figure below depicts the projected sea-level rise trend using a high-emission scenario. The insertion of the sea-level rise policy benchmarks for 2050 and 2100 demonstrates that this scenario has been adopted by the state government (Environment Protection Authority (EPA), State of the Environment, 2018, commissioned Mark Western from Integrated Coasts).

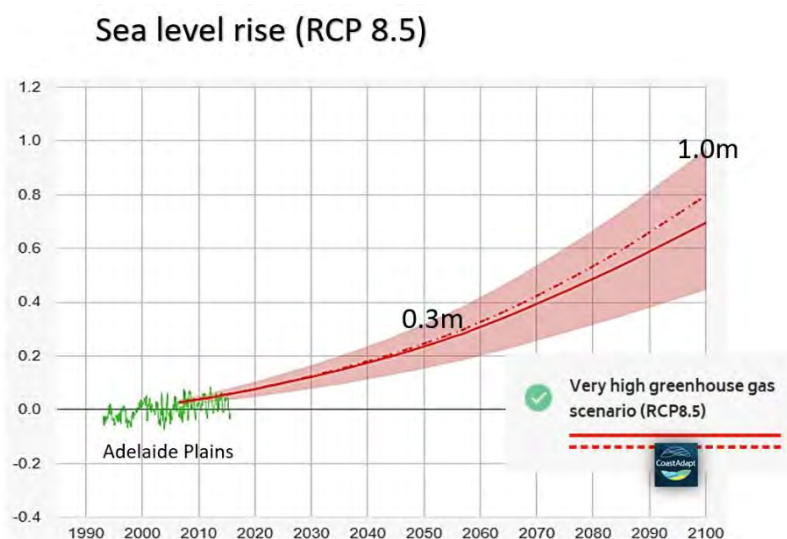


Figure CP2: Sea-level rise (RCP 8.5). Source: CoastAdapt dataset

The first half of the century is more certain. In local waters the rate of sea-level rise has averaged 4–5 mm per year since 1992 (with a small acceleration observed in the satellite data). At this current rate of sea-level rise, we are on target for the projected rise of 0.3 m by 2050. The projections for the

second half of this century are far less certain. At some stage in the future an escalation in the rate of rise must occur if the projections for 2100 are to be realised (Environment Protection Authority (EPA), State of the Environment, 2018, commissioned Mark Western from Integrated Coasts).

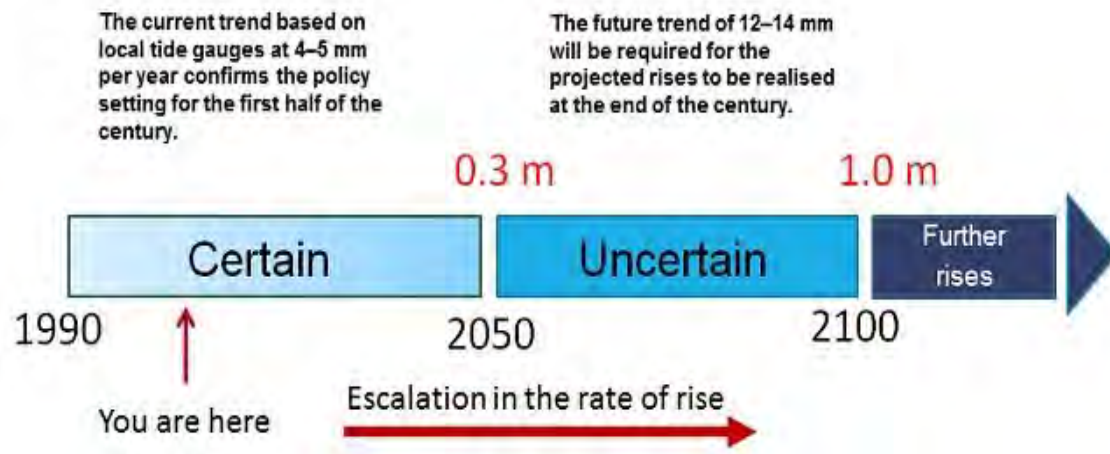


Figure CP3: Sea-level rise trend to 2100

If the projections for the end of the century are to be realised, then an escalation in the rate of sea-level rise will be identified. Global monitoring will detect this rise, but rates will vary around the world due to natural climate variability. Local data will be essential to make the political case for change. Generally, people have a higher trust for local data than they do of global data (Townsend, Murray, 2017). Accurate monitoring of sea-level rise in local waters will provide the data necessary to identify when the rate of change is escalating, either due to thermal expansion, or from rapid ice melt (Environment Protection Authority (EPA), State of the Environment, 2018, commissioned Mark Western from Integrated Coasts).

The most common approach to sea level rise mapping is known as the 'bathtub' or 'bucket-fill' method in which assumptions are made about likely sea level rise in a given location, and the increased sea level is overlaid on terrain and elevation mapping to show land likely to be inundated. The quality of this mapping varies considerably depending upon the resolution of available elevation/terrain mapping, and landform complexity. Most approaches utilise some form of Digital Elevation Model (DEM) that provides a 3D representation of the earth's surface that may or may not include built structures (URPS, 3 June 2014, p.5).

Recommendation — Creating Baselines and Monitoring change over time

Western (Mark, 2018) states 'currently, as a society we are tending to make the case for change based on projections, what we call a 'predict and respond' model of adaptation. We continually use the projections to point to the future and appeal for change. However, because of the uncertainty described above, this model of adaptation is not likely to have sufficient impetus from which to make real political and social change in the way in which we are interacting with the coastline. The recommendation is, that we should move to a 'monitor and respond' model of adaptation'(sic) (Environment Protection Authority (EPA), State of the Environment, 2018, commissioned Mark Western from Integrated Coasts).

Western (Mark, 2018) suggests 'in addition to monitoring sea-level rise in our local region, we should monitor coastal change. How fast is the shoreline eroding? How fast did it erode in the past? Where are the locations that are experiencing their first touch of erosion from rising actions of the sea?

However, before coastal monitoring programs can be activated a baseline must be created. If a baseline is not created, then the question is, ‘monitor, in relation to what?’ (Environment Protection Authority (EPA), State of the Environment, 2018, commissioned Mark Western from Integrated Coasts).

Western (Mark, 2018) suggests there are a few ways to create a baseline within urban coastal environments, but the most effective way in this current era is to create a digital baseline. The two main technologies utilised today to create digital models are LiDAR and photogrammetry. Without digital models we cannot produce scenario modelling from which to create a picture of plausible futures, nor create the necessary baseline upon which to measure coastal change over time (Environment Protection Authority (EPA), State of the Environment, 2018, commissioned Mark Western from Integrated Coasts).

Historical flood and tidal analysis can provide a baseline understanding of how the sea is currently interacting with the coastline. A study of the history of shoreline recession may provide an indication the rate of erosion over time (Environment Protection Authority (EPA), State of the Environment, 2018, commissioned Mark Western from Integrated Coasts).

Monitoring how the sea behaves in localised regions now will aid in understanding how it may behave in the future. Monitoring of data can be achieved by direct observation, photographs, videos, and interim modelling with cost-effective sea gauges. In summary, the imperative is to identify a current baseline, and then collect and analyse accurate data over time. Coastal baselines are required, and then coastal change should be monitored over time. A ‘monitor and respond’ approach to adaptation brings together all the necessary facets:

- Develop strategies that are fine grained enough to manage adaptation within localities;
- Use scenario modelling to identify plausible futures;
- Track sea-level change within local waters;
- Establish coastal baselines; and
- Monitor change on coastlines over time.

And finally, taking a ‘monitor and respond’ approach to adaptation is more likely to bring the community along the adaptation journey, rather than a fear-based approach which tends to focus on a dire future (Environment Protection Authority (EPA), State of the Environment, 2018, commissioned Mark Western from Integrated Coasts).

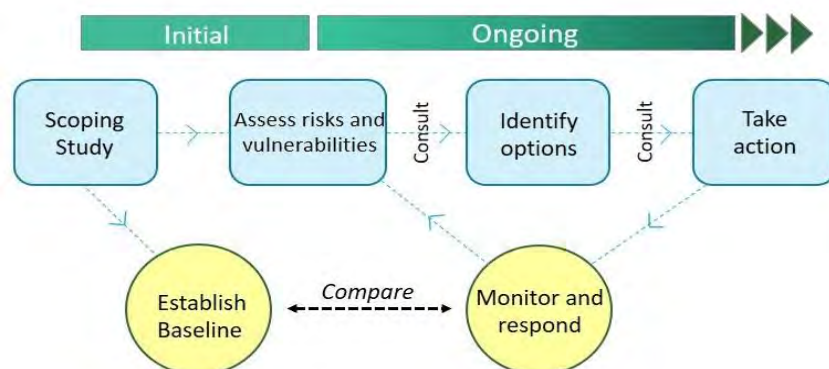


Figure CP6: Model for coastal adaptation – Monitor and respond. Source: Integrated Coast (2017)

Other considerations

There is strong evidence from around the World that some tide and sea-level gauges are sited at ports built on reclaimed land, and that land subsidence is interfering with accurate data recording. Belperio

(1993) showed conclusively that two tide gauges at Port Adelaide are recording rises in sea level of 2.5 and 2.9 mm/year. However, when corrected for compaction of marsh and swamp soils on which the port is built, he demonstrated that the land surface is subsiding by around 2.2 mm/year, and the actual sea level rise at the port is only 0.7 mm/year. This is in stark contrast to the 4.5 mm/year rise in sea level recorded previously by the now-dismantled gauge at Port Stanvac, only 40 km to the south (Drexel, J 2020).

This finding reinforces the need for a modern sea-level gauge to be installed at O'Sullivan Beach to complement the deep benchmark established 80 km to the north at Parham several years ago. The latter records ground movement (i.e. geological movement of the Gulf St Vincent sea bed), which can then be related back to data from the proposed sea-level gauge at O'Sullivan Beach to accurately record sea-level change without the expense of installing a second gauge in upper Gulf St Vincent (Drexel, J 2020).

Conclusion

In conclusion, installing a sea-level gauge at O'sullivans Beach will provide a clear approach over decades. We will have an opportunity in this era to provide a legacy to future generations, the ability to predicate decision making upon local and accurate data. The advantage of installing a Sea Frame Gauge will assist in the states future decision making and this will develop policy responses and if the data collected over time demonstrate a lack of escalation or even de-escalation, new local projects could be formulated and the policy relaxed.

Further reading

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9.5 'Buying it Back' Circular Procurement Pilot Project – recommendations for local government

Recommendation Reports from the LGA Board of Directors

| | | |
|---------------|------------------------|--------------------|
| Submitted by: | LGA Board of Directors | |
| Meeting | Annual General Meeting | 29 October 2020 |
| ECM: | 719816 | Attachment: 711712 |

Recommendation

That the Annual General Meeting:

1. **acknowledges the outcomes, learnings and support materials from the 'Buying it Back' Circular Procurement Pilot Project that has supported participating councils to increase and track their purchase of recycled content;**
2. **endorses the following recommendations of the 'Buying it Back' Circular Procurement Pilot Project, that LGA member councils:**
 - 2.1 **acknowledge that local government action is imperative for addressing the current challenges in waste and recycling (as detailed in the National Waste Policy Action Plan and including the implications of the impending national waste export ban);**
 - 2.2 **commit to increasing purchasing of recycled-content material as a high priority and as a necessary method of mitigating councils' rising waste management costs;**
 - 2.3 **amend their existing Procurement Policies to:**
 - a) **Temporarily (say, for 5 years) prioritise recycled-content through the procurement process and include a method of ensuring accountability;**
 - b) **Mandate consideration of recycled-content through design and planning processes (including where panel contracts are already in place);**
 - c) **Specifically permit consideration of the "opportunity cost" associated with a purchase (ie instead of only asking "which product is most sustainable?", also ask "what will happen to the materials if I don't purchase the recycled-content option?");**
 - d) **Require councils to track the purchase of recycled-content by weight and report publicly on purchases;**

- 2.4 **in addition to amending existing Procurement Policies, consider implementing an administrative approach outside of the policy, for example, by limiting stationery items available for purchase by council staff to those with recycled-content (noting that this approach can make data collection easier as all purchases will have recycled-content and simply need to be collated);**
- 2.5 **continue working through communities of practice to share knowledge and experiences of buying recycled and to explore and/or support development of a certification scheme for recycled-content products and materials;**
3. **endorses the LGA writing to the Commissioner for Roads as provided for in sections 23 and 24 of the Highways Act 1926 to request that work be undertaken with engineering bodies and/or Austroads to develop a generic (ie non-industry owned) specification that allows for the use of recycled-content in road construction materials (in particular, materials sourced from yellow bins including plastic and glass fines).**

LGA Board of Directors Comments

The LGA Board of Directors considered this proposed item at its meeting on 17 September 2020 and recognised the strategic importance of councils leveraging their procurement capacity by prioritising recycled content and material to assist in the development of onshore markets for South Australian recycle, which will ultimately drive down the recycling costs paid by councils.

The Board of Directors recognised that the adoption of these recommendations does not bind individual councils or dilute their ability to balance these recommendations against other relevant procurement considerations unique to councils like, for example, the need for goods, products and materials to be fit for purpose and to provide value for money.

The adoption and uptake of these recommendations by councils should reflect the process that is most suitable for the individual council, noting the varying financial capacity of councils. The tools and guiding documents developed through the “Buying it Back” Circular Procurement Pilot Project can be made available to all councils to assist with the implementation of new policies and processes.

LGA Officer's Comments

(Officer: Brianna McGee, Policy Officer)

At the October 2018 LGA Annual General Meeting, the City of Prospect put forward a successful motion¹ that required the LGA to investigate action to:

- a) *significantly increase local governments' procurement of products made partially or wholly from recycled materials through a review of procurement policies and specifications and development of templates for use across the sector; and*
- b) *establish a sector wide Memorandum of Understanding for endorsement by councils to commit to purchasing products made partially or wholly from recycled products as a demonstration of commitment and as a foundation for supporting the establishment and development of new industries within the State.*

The above item of business from the City of Prospect was progressed through the “Buying it Back” Circular Procurement Pilot Project (Pilot Project).

¹ LGA of SA, Annual General Meeting Minutes 26 October 2020, item 8.5 *Commitment to Managing Recyclable Waste (Prospect)*.

These recommendations have been developed in conjunction with the participating councils through the [Pilot Project](#). The rationale for the recommendations considered in this item of business are explored more in depth in the Consultation Paper **attached** to this report.

Consultation with councils and other interested stakeholders on the draft recommendations closed on 7 September 2020.²

Finally, the item of business and the development of circular procurement targets strategically aligns with Action 4.4 of the National Waste Policy Action Plan:

“Devise specific procurement targets across all government procurement, with details about how the target will be calculated, achieved and audited.”³

The LGA and participating councils acknowledge that these recommendations represent the beginning of cultural change for councils in this space. There is no “quick fix” method of creating markets for recyclable materials, changing the procurement practices of governments at all levels will be an iterative process and an ongoing focus for many years to come.

LGA “Buying it Back” Circular Procurement Pilot Project

Background

It is widely acknowledged that the impacts of the international recyclables end market collapse present a significant opportunity to re-shape Australia’s recycling industry by developing local markets for recyclable materials.

Additionally, the LGA estimates that councils are paying \$14.5 million more in waste costs due to increases in the solid waste levy. These developments, along with subsequent instability in the market, have contributed to councils paying around \$29 million more in waste costs.

In recent times the entire premise of recycling has been undermined, bringing into question the viability of kerbside recycling.

Leveraging government procurement capacity has been identified to increase market demand for recyclable materials.⁴

For these reasons, councils have a direct interest in solving the recycling crisis.

In December 2018, nine councils (listed below) volunteered to participate in the Pilot Project. With their support, the LGA was successful in securing a GISA “Circular Economy Market Development Grant” to progress the project. The LGA and participating councils are grateful to the State Government and GISA for the support received for this project.

- City of Prospect
- City of Onkaparinga
- City of Charles Sturt
- Adelaide Hills Council
- City of Norwood Payneham and St Peters
- City of Port Adelaide Enfield
- District Council of Mount Barker
- Rural City of Murray Bridge
- City of Burnside

Representatives from each council formed the Pilot Project’s Steering Committee.

During the first half of 2019 the Steering Committee worked hard to develop the details of councils’ commitments and in September 2019, councils executed a Memorandum of Understanding (MoU) with the LGA to implement these commitments.⁵ In summary the MoU requires councils to:

² <https://www.lga.sa.gov.au/news-and-events/news/latest-news/2020/august/circular-procurement-pilot-project-consultation-paper>

³ Department of the Environment and Energy, *National Waste Policy Action Plan* (2019) < <https://www.environment.gov.au/protection/waste-resource-recovery/publications/national-waste-policy-action-plan> >.

⁴ Ibid Target 4: Significantly increase the use of recycled content by governments and industry.

⁵ <https://www.lga.sa.gov.au/sa-councils/part-of-your-everyday/waste-management>

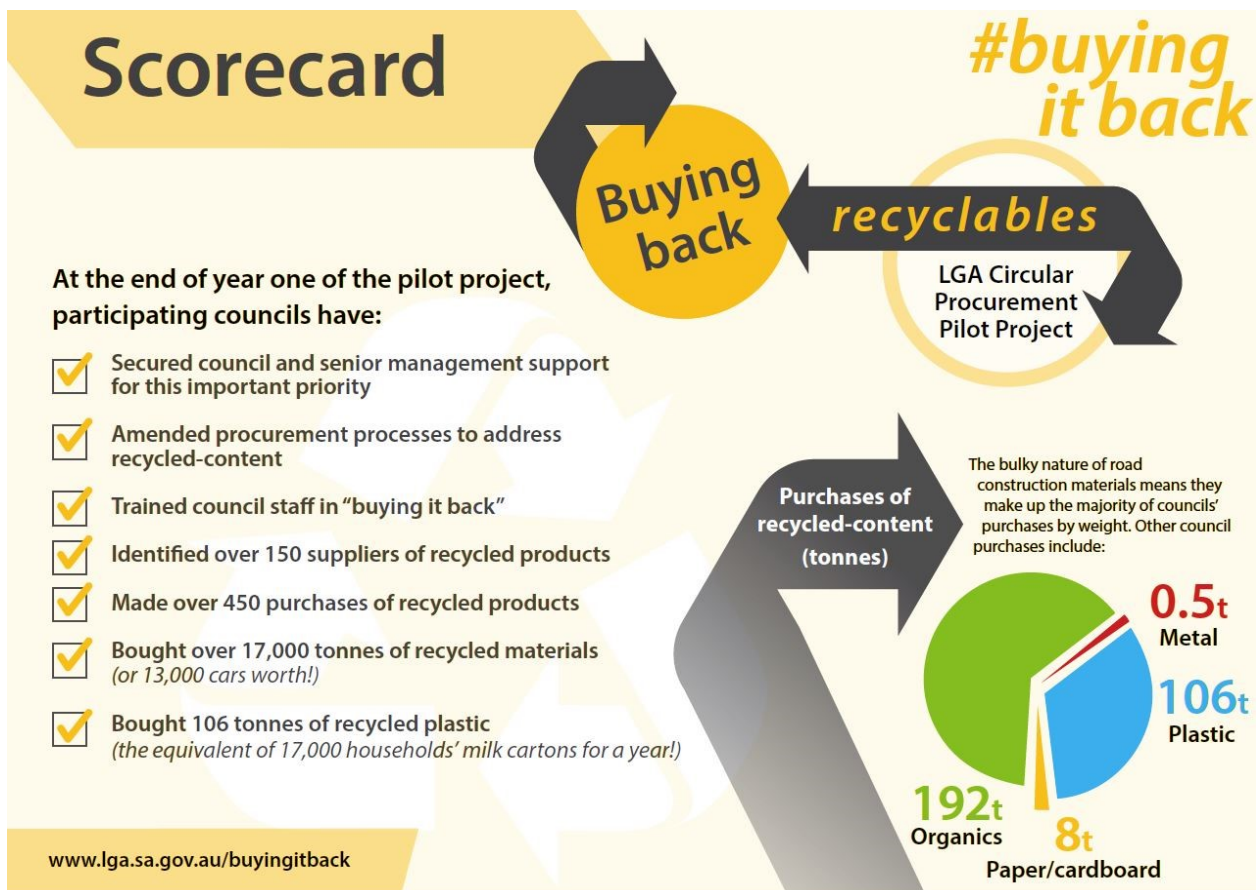
1. Prioritise the purchase of recycled-content products and materials through the procurement process;
2. Track the recycled-content purchased by weight; and
3. At the end of the 2019/20 year and subsequent years, publicly report on the amount (number of tonnes) of recycled-content products and materials they have purchased under the MoU.

Additionally, most councils adopted a circular procurement target in relation to plastic materials. Through a rolling target, relevant councils will seek to buy back 10% of the amount of recyclable plastics collected in their council area and increase this until they are seeking to buy back 50%.

Towards the end of 2019, participating councils undertook implementation action including updating procurement documentation to prioritise buying recycled, establishing systems and processes to capture data on all procurement processes that engage the MoU and conducting staff training.

Outcomes

Participating councils captured procurement data from January to July 2020. The results of this data capture are highly valuable in both establishing a baseline of council purchasing and in demonstrating progress towards achievement of the plastics target. The outcomes are as follows:





As can be seen from the results captured in the above scorecard, councils captured purchases of recycled content across all four of the target product areas including:

- Stationery and office paper;
- Fixtures (street furniture, bollards, fencing, decking, fitness equipment, garden boxes etc.);
- Compost; and
- Road construction materials.

Councils also achieved significant progress towards the plastics target, after 6 months of data capture, the councils as a block have purchased plastic materials equivalent to 38% of the amount of the target.

In addition to the outcomes of the project described above, the Steering Committee has also identified a number of areas of opportunity that are yet to be substantially progressed. These include:

- More detailed analysis of the purchasing processes captured to date to determine the relative importance of different factors including price, performance characteristics, recycled-content etc. in the ultimate purchasing decision;
- Further exploration of whether certification or accreditation of recycled-content would assist councils' purchasing decisions; and
- Undertaking a trial/pilot procurement process for road materials with recycled-content to more accurately identify the specific barriers for councils in this area and seek to resolve them.

Financial and resource implications for participating councils

The participating councils understood that while some products may have minor increased initial cost, the long-term benefits of these purchases will result in an overall saving through reduced waste management costs.

At this stage, the outcomes of the project do not demonstrate any significant financial or budget implications for the participating councils. The use of recycled materials for road construction, compost and in stationery and office paper has been found to be generally cost competitive when compared to virgin materials. Some recycled plastic “fixtures” may have a higher upfront purchase cost but there is some preliminary feedback indicating that these are offset by reduced maintenance costs over the asset life.

Reporting on council purchases has resulted in some additional administrative resource implications for council staff. Education on this process has assisted in alleviating this burden as well as alteration of procurement documentation so suppliers fill in the required reporting information. Further an administrative approach simplifies the reporting process.

Tools and guiding documents

As part of this project a suite of tools and guiding documents have been developed (and are still being developed) to more broadly assist and encourage the adoption of circular procurement practices.

These resources were developed to support the participating councils in creating a target and to address challenges posed by the project.

The adoption of the Memorandum of Understanding (MoU) and the endorsement/support of the project from Council, CEOs and higher level management combined with training of council staff and internal comms materials positively contributed to the beginning of cultural change in the participating councils.

A market sounding endeavor to develop a catalogue of information regarding products that contain recycled content (“List and Tool”) further assists staff in identifying what recycled content products/materials are available.

Internal support and education of staff through training and access to the “List and Tool” assisted in overcoming ingrained biases of staff (resulting from previous experience, personal belief etc.) and the “top down” and public reporting commitments of participating councils empower staff to make purchases of goods containing recycled content and provide participating councils with an external incentive.

Some of the resources developed as part of this pilot project include:

1. Memorandum of Understanding (MoU)
2. List and tool of recycled-content products and materials available in SA and Australia
3. Council procurement reporting tool
4. Communications materials
5. Research documents
 - a. Circular procurement case studies in Australia and around the world
 - b. Product certification schemes research and comparison

In undertaking this project participating councils identified significant opportunity to procure recycled content outside of more formal procurement processes provided. To support councils in leveraging this opportunity the LGA has engaged LGAP to develop a procurement guide.

The resources listed above (and others) will be available on the members area of the LGA Website.

Feedback on draft recommendations

The consultation on the draft recommendations was advertised to the LGA membership and other interested stakeholders through an LGA Latest News Item⁶, the LGA Website (Pilot Project consultation webpage⁷), emailing local government waste networks⁸ and an email to the South Australian waste network more broadly through Waste Management & Resource Recovery Association Australia's (WMRR) email networks.⁹

Questions were developed as part of this consultation to assist the membership and other interested stakeholders in providing feedback.

The LGA Secretariat received feedback on the draft recommendations from both metropolitan and regional councils, waste subsidiaries and other waste, recycling and resource recovery industry members (both metropolitan and regional South Australia), procurement specialists and State Government agencies.

Feedback on the draft recommendations has been summarised and reviewed in **Table 1** below.

LGA circular procurement

Acknowledging that the LGA does not have the same procurement capacity as councils the LGA has recognised an area of opportunity to support its membership through prioritising the procurement of "office supplies" (paper, books, stationery etc) containing recycled content. The LGA, like the nine councils taking part in the Pilot Project, established systems and process to:

- Prioritise recycled-content through the procurement process of office supplies;
- Track the recycled-content purchased by weight; and
- Report on the amount of recycled-content products and materials they have purchased.

All printer paper procured by the LGA is now 100% recycled. Over the period of January to June 2020 the LGA bought 445kg of office supplies, 334kg or 75% consisting of recycled content.

Financial and Resource Implications

The LGA secured funding through a Green Industries SA Circular Economy Market Development grant for the initial (first year) of the Pilot Project. The initial grant application envisaged a one-year project to trial a sustainable procurement target during the 2019-20 year, although the project has now evolved into a multi-year commitment for the participating councils.

Coordination and leadership of the Pilot Project as well as the development of the recommendations, tools and guiding documents required significant financial commitment and LGA staffing resources. Given the project represents the beginning of cultural change for councils in this space, the LGA Secretariat acknowledges that future works will need to be undertaken in support of these endeavours and additional sources of funding and support will need to be investigated.

As outlined above, the outcomes of the pilot program will be made available to all councils to assist them in considering and adopting the recommended actions.

⁶ <https://www.lga.sa.gov.au/news-and-events/news/latest-news/2020/august/circular-procurement-pilot-project-consultation-paper>

⁷ <https://www.lga.sa.gov.au/member-services/environment/waste-and-recycling/lga-circular-procurement-pilot-project>

⁸ ECM 718401

⁹ ECM 718389

Table 1: Member feedback on draft recommendations

| Feedback | | Comments on feedback |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Recommendation 1: <i>How can councils ensure that the need to buy recycled (and the complex reasons for this) are understood by council members, council staff, relevant suppliers and the broader community?</i> | | |
| 1 | <p>Education needs to be undertaken so council members, council staff, relevant suppliers and the broader community are aware of the products available and the details regarding these products (quality, style, longevity, options available). This education should also emphasise why there is a need to buy recycled.</p> <p>Knowledge of products available assists in factoring in these considerations during the design process.</p> | <p>WMRR in partnership with Green Industries SA are holding the <u>Buy Recycled Expo</u> in an effort to connect procurement staff with suppliers of goods containing recycled content.</p> <p>The LGA Secretariat sees this event as a market development opportunity that can open the dialogue between buyers and suppliers that will assist in developing the buyers understanding of what is currently available on the market and the suppliers understanding of what the market wants.</p> |
| 2 | Opportunity to address in Asset Management Plans | |
| 3 | Emphasise the National Waste Policy Action Plan that provides (Action 4.4) for all governments to devise specific procurement targets for recycled materials and contents and to report on progress in achieving those targets (Action 4.6) | |
| 4 | Emphasise ALGA's involvement in developing the National Waste Policy and that as the closest level of government to the community it is imperative local government demonstrates leadership through action. | |
| Recommendation 2: <i>Is the commitment to "buying recycled" the best and/or only method councils have of taking action to increase demand for recyclable materials? Are there other actions that should also be taken into consideration?</i> | | |
| 5 | Opportunity to avoid waste where possible | Feedback aligns with the waste hierarchy |
| 6 | Opportunity to reuse products where possible (organics, RAP etc) | |
| Recommendation 3: <i>Do the sub-recommendations adequately capture amendments that should be made to councils procurement policies? Are there other amendments that should be considered?</i> | | |
| 7 | <p>Tracking of recycled content purchased</p> <ul style="list-style-type: none"> Time consuming for council staff May be difficulty in quantifying recycled content and substantiating manufacturers claims given there is currently no accountability and verification for recycled content claims. | <p>LGA has been advocating for product stewardship/certification schemes</p> <p>Working through communities of practice will enable councils to share and compare this type of information.</p> <p>A reporting spreadsheet has been developed - some participating councils aligned the information being captured in the reporting spreadsheet with procurement documentation so suppliers provide this information to assist council staff with reporting requirements.</p> |

| | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8 | <p>May be an opportunity to develop a more interactive dashboard to assist in reporting and tracking against the target.</p> <p>If dashboard is for all of LG it may also be useful in facilitating question groups etc. for communities of practice</p> | |
| 9 | <p>Securing elected member and executive support is seen as essential to assist in buying recycled</p> | <p>Learnings from the pilot project demonstrated that “top down” support (through Council and CEO endorsement) empowered staff to consider recycled content and this also added a level of accountability.</p> |
| <p>Recommendation 4: <i>Can the objective of buying recycled be achieved through administrative action? Are there other examples of actions that could be taken to achieve this objective in addition to the example provided above?</i></p> | | |
| 10 | <p>Administrative actions as a supplementary measure to assist changes in procurement processes/considerations</p> | |
| <p>Recommendation 5: <i>How important is it for local government to work through “communities of practice”? Do we need a certification scheme for recycled-content products and materials?</i></p> | | |
| 11 | <p>Strong support for communities of practice and information sharing amongst councils while the market for these types of products is in its infancy</p> | |
| <p>Recommendation 6: <i>Is there value in the local government sector making a formal request to the Commissioner for Highways for a generic specification that allows for the use of recycled-content in roads? Are there other actions that could or should be undertaken?</i></p> | | |
| 12 | <p>Strong support for this recommendation - specifications have a high level of promotion within councils and they will assist in providing quality assurance.</p> | |
| 13 | <p>Opportunity to dictate to the market so suppliers carry risk</p> | <p>LGAP is currently undertaking work in this space to</p> |
| 14 | <p>Considerations for regional roads/heavy vehicle roads should be acknowledged in the development of these specifications that factors in limitations (distance, economies of scale of goods). Endeavours need to meet criteria and be cost-effective.</p> | |
| 15 | <p>Only low quality recyclables to be put back into roads to avoid perverse outcomes (i.e. glass to glass is preferable to glass to sand where possible).</p> | |
| <p>General feedback</p> | | |
| 16 | <p>More promotion to communities – there is an opportunity to tell a story to the wider community</p> | <p>Councils can develop their own communications plan, tailored to their community – there is opportunity to utilise materials already developed by the LGA.</p> <p>Opportunity to tell the story when reporting against the target in Council's annual report</p> |

Circular Procurement Pilot Project

LGA Consultation Paper

August 2020

Note: This is not an endorsed Discussion Paper. It has been prepared for consultation purposes only, and is subject to consideration by the LGA Board of Directors.

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Purpose of the LGA Circular Procurement Pilot Project: to more accurately identify and record the barriers to implementing circular procurement practices and to develop and test a range of supporting tools and guiding documents to help councils overcome these barriers.

Summary of draft recommendations

The LGA Secretariat is working towards proposing an item of business to the 2020 LGA Annual General Meeting (scheduled for 29 October) noting that the LGA Circular Procurement Pilot Project recommends that member councils:

Recommendation 1

Acknowledge that action by councils is imperative for addressing the current challenges in waste and recycling (as detailed in the National Waste Policy Action Plan and including the implications of the impending COAG waste export ban);

Recommendation 2

Commit to increasing purchasing of recycled-content material as a high priority and as a necessary method of mitigating councils' rising waste management costs;

Recommendation 3

Amend their existing Procurement Policies to:

- a) Temporarily (say, for 5 years) prioritise recycled-content through the procurement process and include a method of ensuring accountability;
- b) Mandate consideration of recycled-content through design and planning processes (including where panel contracts are already in place);
- c) Specifically permit consideration of the "opportunity cost" associated with a purchase (ie instead of only asking "which product is most sustainable?", also ask "what will happen to the materials if I don't purchase the recycled-content option?");
- d) Require councils to track the purchase of recycled-content by weight and report publicly on purchases;

Amendments should reconcile this priority with other priorities such as "buying local";

Recommendation 4

In addition to amending existing Procurement Policies, consider implementing an administrative approach outside of the policy, for example, by limiting stationery items available for purchase by council staff to those with recycled-content (noting that this approach can make data collection easier as all purchases will have recycled-content and simply need to be collated);

Recommendation 5

Continue working through communities of practice to share knowledge and experiences of buying recycled and to explore and/or support development of a certification scheme for recycled-content products and materials;

Recommendation 6

Endorse the LGA writing to the Commissioner for Roads as provided for in sections 23 and 24 of the Highways Act 1926 to request that work be undertaken with engineering bodies and/or Austroads to develop a generic (ie non-industry owned) specification that allows for the use of recycled-content in road construction materials (in particular, materials sourced from yellow bins including plastic and glass fines).

Invitation to comment

Get involved

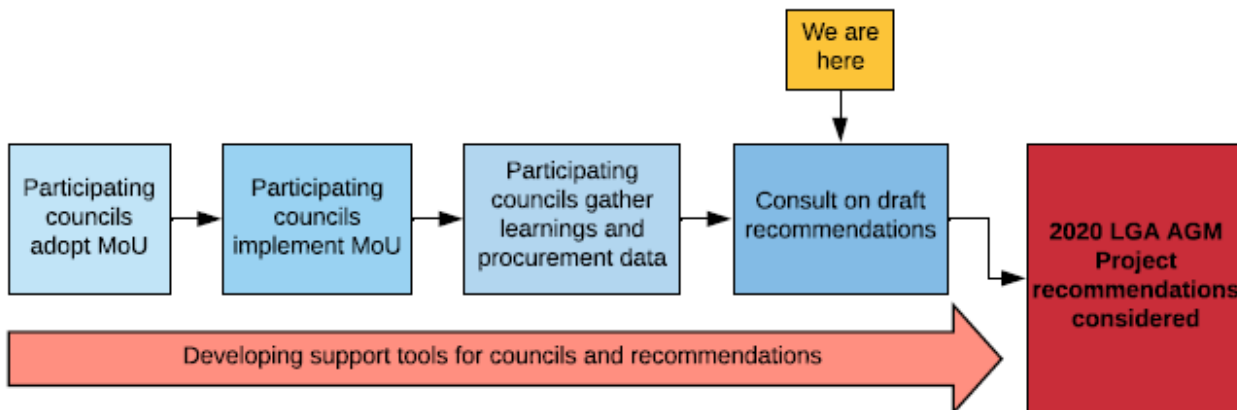
To provide feedback read the LGA Circular Procurement Pilot Project – Consultation Paper draft recommendations and provide comments to the LGA by:

- Completing the **online question survey**
- Answering the questions in Appendix 1 and sending it by email to Brianna.mcgee@lga.sa.gov.au
- Sending written feedback by email to Brianna.mcgee@lga.sa.gov.au

How can your input influence the decision?

Your feedback will help the LGA and the participating councils develop the final recommendations which will provide the local government sector with clear guidance on this important priority.

What are the next steps?



Key themes identified from feedback will be collated, reviewed, analysed and considered in the finalisation of the recommendations.

The final recommendations will be considered by the LGA membership as an item of business at the 2020 LGA Annual General Meeting.

Closing date for input

Submissions are to be made by close of business on Monday, 7 September 2020.

Background

South Australian waste, recycling and resource recovery

The LGA Circular Procurement Pilot Project (pilot project) originated as part of the local government response to the implementation of the China “National Sword” Policy. The impacts of the China Sword policy present a significant opportunity to re-shape Australia’s recycling industry by developing local markets for recyclable materials and establishing a truly circular economy.

The China Sword policy came into effect in March 2018. Prior to the adoption of this policy, up to 50% of the world’s recyclable materials (paper/cardboard and plastics) were exported to China. The policy wiped out this end market overnight and created a massive oversupply in other markets. This resulted in a “recycling crisis” whereby yellow bin materials have no viable end markets.

Whilst the broad implications of the China Sword Policy are well known, the direct impact on councils’ waste costs (and the viability of kerbside recycling in general) are much less well understood. The direct impact of the policy for councils was that they were left with no option but to pay significantly more in recyclables processing costs. The LGA estimates that South Australian councils are paying around \$15 million more in waste costs due to changes in the global market.

Additionally, the solid waste levy is a state government tax payable on waste sent to landfill which is intended to incentivise recycling by ensuring recycling is cheaper than landfilling. From July 2019, the State Government increased the amount of the solid waste levy by 40%. The LGA estimates that councils are paying \$14.5 million more in waste costs due to increase in the solid waste levy. These developments, along with subsequent instability in the market, have contributed to councils paying around \$29m more in waste costs.

For this reason, councils have a direct interest in solving the recycling crisis. Councils want to reduce their own waste costs and also to secure the ongoing viability of kerbside recycling. The only way to achieve this is to develop local markets for recyclable materials so that these materials become a valuable commodity. The pilot project is an example of councils taking a strategic approach to solving their own problem in this regard, rather than relying on state or federal governments to do this.

Whilst achievement of a “circular economy” has been a policy goal of Australian governments for some time, the imperative to achieve a circular economy has been boosted by recent changes to the market and those working in the sustainability space are enjoying increased support from the community and from decision-makers in working towards this goal.

Of course, in 2020 councils have also faced additional challenges flowing from the COVID-19 pandemic. These challenges include a loss of revenue resulting from the closure of facilities, waived rents for commercial tenants, more residents seeking to invoke hardship provisions and increased demands on resources. All of these implications only serve to highlight the need for councils to keep the cost of the facilities and services they provide as low as possible.

Councils are required by the *Local Government Act 1999* to “develop and maintain procurement policies... and procedures directed towards... (a) obtaining value in the expenditure of public money”. However, the sector’s appreciation of what constitutes “value for money” is changing and there is increased awareness that value for money does not always mean the lowest cost option.

In fact, pursuing “value for money” may allow for the consideration of policy objectives beyond the immediate qualities of the product itself. This is what the LGA Circular Procurement Pilot Project is designed to achieve, a consideration of the “big picture” of how waste and recycling markets work, in council procurement processes. As the sector with ultimate financial responsibility for residential waste, councils have the most direct incentive to develop local markets for recyclable materials so that they become a valuable commodity and bring recyclables processing costs down.

Policy changes at the national level

Following the implementation of the China Sword policy and the subsequent instability in the Australian market, the Federal Government worked with all jurisdictions through the Meeting of Environment Ministers (MEM) to update its high-level policy document on waste, by releasing the *National Waste Policy 2018: Less waste, more resources*. A year later, through the same forum, the *National Waste Policy Action Plan 2019* was released. These documents emphasise Australia’s aspirations to achieve a circular economy.

Of particular relevance to the pilot project is target 4 of the National Waste Policy Action Plan (Action Plan). Target 4 is to “significantly increase the use of recycled content by governments and industry”. The Action Plan makes the point that “if we don’t increase demand for recyclables, the industry is not sustainable”. Action 4.4 of the Action Plan requires all governments to “devise specific procurement targets across all government procurement, with details about how the target will be calculated, achieved and audited” by 2020. The pilot project is one of the first attempts by government bodies to make good on this commitment nationwide.

Target 4:

Significantly increase the use of recycled content by governments and industry



Improving the quality of our recyclable materials is important; equally important is finding ways to use that material productively. If we don't increase demand for recyclables, the industry is not sustainable.

Governments, businesses and individuals have an important role to play in buying and using recycled material to create new products, buildings and infrastructure. Recycled glass and rubber can be used in road base and asphalt; fly ash from power generation can improve the performance and quality of concrete; and soft plastics can be recycled into many products such as outdoor furniture, decking and bollards.

We need to close the loop on recycling. Without demand for products made from recycled material, they end up in landfill. Sustainable procurement by governments, businesses and individuals is needed to make the recycling sector thrive.

Reproduced with permission from Sustainability Victoria. Image © Sustainability Victoria.



WE BUY AND USE MORE PRODUCTS WITH RECYCLED CONTENT AND KEEP RESOURCES OUT OF OUR LANDFILLS

Further, target 1 of the National Waste Policy Action Plan is to implement a ban on exports of waste plastic, paper, glass and tyres commencing in the second half of 2020. This timeline was extended in response to the COVID-19 pandemic, however, planning for its implementation is continuing. The goal of the ban is to end our reliance on export markets and develop a local circular economy on our shores.

It is widely recognised that Australia needs to both increase its recyclables processing capacity (by building additional infrastructure) and increase end market demand for the processed materials. Therefore, increasing purchasing of recycled-content products and materials by governments, industry and business, and even individuals, is critical to the success of this policy intervention. Again, the pilot project is intended to be a first step towards achieving cultural change in purchasing.

“Buying it Back” - LGA Circular Procurement Pilot Project

South Australian councils have been proactive in responding to the waste and recycling crisis.

In 2018 the LGA and Green Industries SA (GISA) held a “Waste Pathways Workshop” to explore the implications of the China Sword policy and to discuss how the local government sector could be part of the solution. This workshop identified the opportunity for local government to investigate and implement stronger recycled content procurement policies and practices within local government.

At the October 2018 LGA Annual General Meeting the City of Prospect put forward a motion that was carried that requires the LGA to investigate how the local government sector can leverage its procurement capacity of products/goods made partially or wholly from recycled materials, in efforts to develop onshore end markets for recycle.¹

In December 2018, nine councils volunteered to participate in the pilot project (see list included in the flyer below) and, with their support, the LGA was successful in securing a GISA “Circular Economy Market Development Grant” to progress the project. The LGA and participating councils are grateful to the State Government and GISA for the support received for this project.

During the first half of 2019 the pilot project Steering Committee worked hard to develop the details of councils’ commitments and in September 2019, councils executed a Memorandum of Understanding (MoU) with the LGA to implement these commitments. In summary the MoU requires councils to:

1. Prioritise the purchase of recycled-content products and materials through the procurement process;
2. Track the recycled-content purchased by weight; and
3. At the end of the 2019/20 year and subsequent years, publicly report on the amount (number of tonnes) of recycled-content products and materials they have purchased under the MoU.

Additionally, most councils adopted a circular procurement target in relation to plastic materials. Through a rolling target, relevant councils will seek to buy back 10% of the amount of recyclable plastics collected in their council area and increase this until they are seeking to buy back 50%.

At the time of execution of the MoU, the pilot project was communicated to communities as follows:

¹ City of Prospect (2018) ‘Increasing Procurement of Recyclable Waste’ *Annual General Meeting 26 October*. Local Government Association of South Australia. Adelaide Entertainment Centre – item 8.6 page 7.

Participating councils are seeking to use their combined buying-power to significantly increase demand for recyclable materials in South Australia.

#buying it back

Buying back **recyclables**

LGA Circular Procurement Pilot Project

This pilot project represents a significant step towards developing local markets and on-shore processing for recyclable materials within Australia and establishing a truly circular economy.

Participating councils will, through a Memorandum of Understanding (MOU), establish systems and processes to:

- Prioritise recycled content through the procurement process;
- Track the recycled content purchased by weight; and
- Publicly report on the amount (tonnes) of recycled content products and materials they have purchased under the MOU.

Most councils have also elected to adopt a target in relation to purchasing recycled plastic materials.

Recycled products that may be purchased by councils include office stationery/paper; fixtures such as street furniture, bollards, fencing; roads and construction materials; and compost.

www.lga.sa.gov.au/buyingitback

9 participating councils have made the commitment to "buying it back" through the LGA Circular Procurement Pilot Project

Government of South Australia
Green Industries SA

Local Government Association
of South Australia

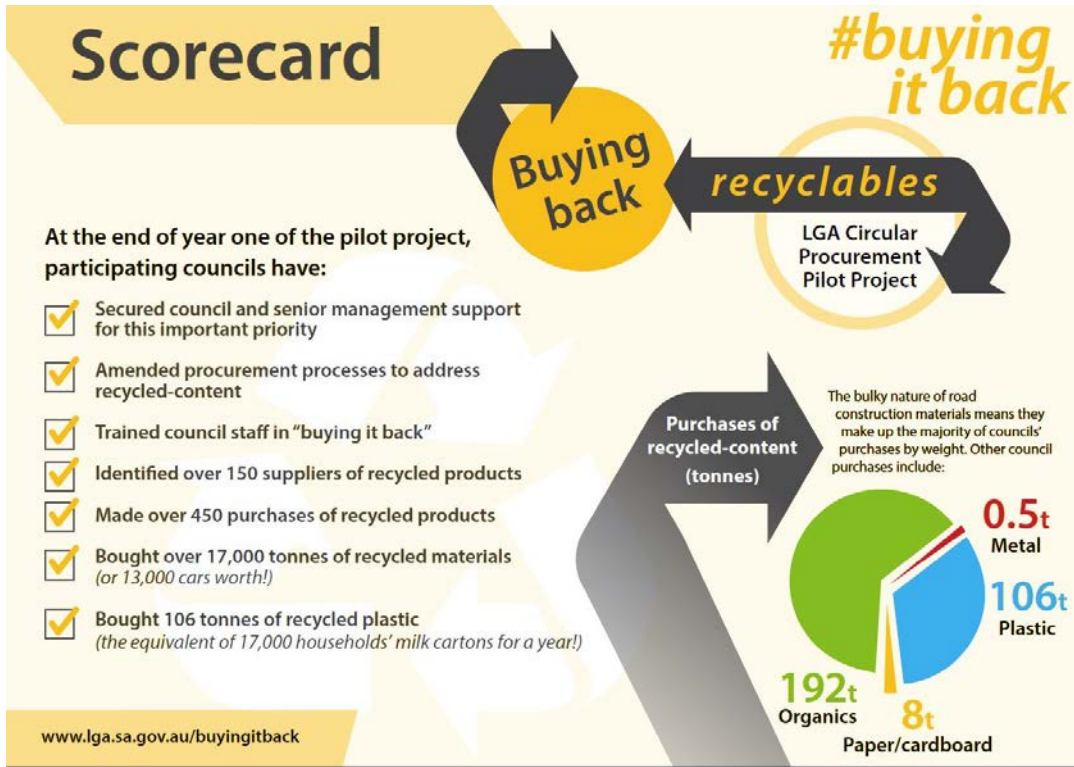
COUNCIL
buying back

Congratulations to these councils for choosing to reduce, reuse, recycle!
For more information please visit www.lga.sa.gov.au/buyingitback

Towards the end of 2019, participating councils undertook implementation action including updating procurement documentation to prioritise buying recycled, establishing systems and processes to capture data on all procurement processes that engage the MoU and conducting staff training.

Outcomes

Participating councils captured procurement data from January to July 2020. The results of this data capture are highly valuable in both establishing a baseline of council purchasing and in demonstrating progress towards achievement of the plastics target. The outcomes are as follows:



As can be seen from the results captured in the above scorecard, councils captured purchases of recycled content across all four of the target product areas including:

- Stationery and office paper;
- Fixtures (street furniture, bollards, fencing, decking, fitness equipment, garden boxes etc.);
- Compost; and
- Road construction materials.

Councils also achieved significant progress towards the plastics target, after 6 months of data capture, the councils as a block have purchased plastic materials equivalent to 36% of the amount of the target.

In addition to the outcomes of the project described above, the Steering Committee has also identified a number of areas of opportunity that are yet to be substantially progressed. These include:

1. More detailed analysis of the purchasing processes captured to date to determine the relative importance of different factors including price, performance characteristics, recycled-content etc. in the ultimate purchasing decision;
2. Further exploration of whether certification or accreditation of recycled-content would assist councils' purchasing decisions; and
3. Undertaking a trial/pilot procurement process for road materials with recycled-content to more accurately identify the specific barriers for councils in this area and seek to resolve them.

Recommendations

The LGA is now seeking feedback on the draft recommendations that have been developed through the LGA Circular Procurement Pilot Project.

Participating councils reported (quantitatively and qualitatively) to the LGA on their experiences through the pilot project and their councils' purchasing. This information was compiled and analysed to inform recommendations for the rollout of circular procurement to the local government sector as a whole.

It must be remembered that these recommendations represent the beginning of cultural change for councils in this space. There is no "quick fix" method of creating markets for recyclable materials, changing the procurement practices of governments at all levels will be an iterative process and an ongoing focus for many years to come.

Recommendation 1:

Acknowledge that action by councils is imperative for addressing the current challenges in waste and recycling (as detailed in the National Waste Policy Action Plan and including the implications of the impending COAG waste export ban);

Recommendation 1 may seem obvious but it represents the biggest barrier to councils buying recycled. Many people working in local government (both council members and staff) don't make the connection between councils' role in collecting waste (and paying for this service) and councils' ability to influence the market and the cost of these services by creating demand for end-use recycled products.

Councils acknowledging that they need to take action to address rising waste and recycling costs and instability in the market is the first step towards achieving increased purchasing of recycled-content.

Procurement staff often cite the challenges associated with mixed messaging on objectives in this regard and this is a legitimate barrier to effective action. Councils need to reconcile the objective of buying recycled with other objectives such as buying local, buying ethically, buying "sustainably" (which

is a different objective) and buying from indigenous providers. When doing this, councils should keep in mind the direct incentive they have to buy recycled (ie to reduce waste costs for communities) which may not be present for other policy objectives.

Question for feedback on recommendation 1: how can councils ensure that the need to buy recycled (and the complex reasons for this) are understood by council members, council staff, relevant suppliers and the broader community?

Recommendation 2:

Commit to “buying recycled” as a high priority and as a necessary method of mitigating councils’ rising waste management costs;

Recommendation 2 asks the sector to commit to leveraging their council’s procurement capacity to support the development of onshore end markets for recyclables to reduce long term waste and recycling costs for councils and to facilitate the transition towards a more circular economy.

Councils buying back products and materials with recycled content is adding value back to kerbside recycling bins. This policy intervention is recognised nationally and internationally as a necessary action to support the transition towards a more circular economy. A more circular economy has the potential to establish local production, end our reliance on overseas markets and create new local jobs.

The circular economy is much more than recycling – it is about maintaining the economic value in production processes for as long as possible.

Question for feedback on recommendation 2: is the commitment to “buying recycled” the best and/or only method councils have of taking action to increase demand for recyclable materials? Are there other actions that should also be taken into consideration?

Recommendation 3:

Implement this commitment by amending their existing Procurement Policies to:

- a) *Temporarily (say, for 5 years) prioritise recycled-content through the procurement process and include a method of ensuring accountability;*
- b) *Mandate consideration of recycled-content through design and planning processes (including where panel contracts are already in place);*
- c) *Specifically permit consideration of the “opportunity cost” associated with a purchase (ie instead of only asking “which product represents the best value for money in its own right?”, also ask “what will happen to the materials if I don’t purchase the recycled-content option?” and “what will this mean for the recyclable materials involved and for councils’ waste costs?”); and*
- d) *Require councils to track the purchase of recycled-content by weight and report publicly on this.*

Amendments should reconcile this priority with other priorities such as “buying local”.

Recommendation 3 is the key action identified through the pilot project to assist, advance and promote the procurement of recycled content. Alteration of existing procurement practices to prioritise recycled content is the key policy intervention underpinning the project.

Whilst the councils involved in the pilot project did not amend their procurement policies, they executed the MoU as the mechanism used to give effect to these commitments. Given that other councils will not be executing the MoU, it is recommended that they amend their procurement policies instead.

Whilst arguably, councils can prioritise buying recycled through administrative action without making a change to procurement policies, the Steering Committee believes the act of amending procurement policies is necessary to secure elected-member and senior management/executive support for the objective. Without this, sustainability staff will not have the required mandate to ask other staff members to change their practices.

Note: whilst the MoU included some template wording for procurement documentation, a number of learnings from the pilot project suggest that the template wording and documentation could be refined (including that further guidance at the point of evaluation of tenders is required). The LGA is intending to commission a further set of template procurement documentation that incorporates the learnings from the pilot project. Whilst this set of template documentation is not available for the consultation period, we welcome comments and suggestions on key matters for inclusion in these documents.

Sub-recommendations

Recommendation 3(a) is expressed to be temporary because this proposed action by councils is being recommended as a specific response to a market failure that has occurred for recyclable materials. It is hoped that, over time as markets develop, products are refined, and economies of scale are secured, these products will become preferred products for councils in their own right without the need for prioritisation through the procurement process.

Recommendation 3(b) reflects learnings from the pilot project that suggest that at the point of commencing a procurement process for many materials, it is too late to prioritise recycled-content. This policy objective needs to be considered at the point of planning and/or designing a project (for example, a playground redevelopment) otherwise by the time a tender process is undertaken the requirements and specifications that have already been developed may mean that recycled content suppliers are “locked out” of the process.

Recommendation 3(c) may provide a mechanism for ensuring that the “big picture” of waste and recycling markets and impacts on councils’ waste costs is taken into account through the procurement process. The “opportunity cost” represents the benefits that are missed when choosing a non-recycled alternative. In the context of this project, the benefits of procuring goods made of recyclable materials is that this provides an opportunity for recycle not to be landfilled (where it otherwise would be) and that the economic viability of kerbside recycling is strengthened. However, this concept will be further explored through the commissioning of an updated set of template procurement documentation which will be available prior to finalisation of the project.

Recommendation 3(d) requires councils to track the purchase of recycled-content by weight and report publicly on this. This requirement provides councils with an incentive to procure recycled content and provides a layer of transparency and accountability to the community. At the commencement of the pilot project, the Steering Committee comprehensively explored the different options available for tracking council purchasing and providing accountability in relation to the buying recycled commitment.

The two main options involved (1) tracking council spend (ie dollar value) on recycled-content purchased; or (2) tracking the weight of products purchased. Whilst both options were problematic for

various reasons, the Steering Committee believed tracking the weight purchased was the best option because it could be measured against the weight of waste collected by councils (and be easily communicated to communities through the lens of circular economy principles).

This also provides a basis for councils to adopt a target as a method of ensuring accountability if they wish. The Steering Committee recommends that this becomes a standard method for benchmarking councils' action to tackle waste and recycling challenges in South Australia.

Question for feedback on recommendation 3: do the sub-recommendations adequately capture amendments that should be made to councils procurement policies? Are there other amendments that should be considered?

Recommendation 4:

In addition to amending existing Procurement Policies, consider implementing an administrative approach outside of the policy, for example, by limiting stationery items available for purchase by council staff to those with recycled-content (noting that this approach can make data collection easier as all purchases will have recycled-content and simply need to be collated at the end of the year);

Administrative action to limit purchases to those with recycled-content where established markets exist may be undertaken in addition to amending existing Procurement Policies or may represent a lighter touch or transitional option for councils that do not wish to amend their existing Procurement Policy.

Question for feedback on recommendation 4: can the objective of buying recycled be achieved through administrative action? Are there other examples of actions that could be taken to achieve this objective in addition to the example provided above?

Recommendation 5:

Continue working through communities of practice to share knowledge and experiences of buying recycled and to explore and/or support development of a certification scheme for recycled-content products and materials

As performance results of some of these new products are currently unknown and product certification or accreditation schemes not widely adopted, sharing information around performance characteristics, maintenance costs and lifecycle options between councils and other levels of government can help to support procurement decisions. This information may also be able to be used to inform asset management plans and more long-term financial plans of councils.

Participating councils have encountered challenges in verifying, identifying and understanding the different claims and certifications for products and materials containing recycled content. It is not practical for council staff to undertake significant research to verify all claims made by companies in relation to recycled-content products and materials purchased by councils.

Whilst the template wording provided in the MoU goes some way to addressing risks for councils that may arise by relying on claims by suppliers that are unilateral and/or unverified, a systemic approach to addressing this risk by supporting the development of certification or accreditation systems is preferred. The pilot project has identified this as an area of opportunity that requires further exploration by the local government sector and/or by all levels of government seeking to undertake circular procurement.

A collaborative approach through existing communities of practice can be used to share information and send one signal to ensure this new consumer preference is communicated clearly.

Question for feedback on recommendation 5: how important is it for local government to work through “communities of practice”? Do we need a certification scheme for recycled-content products and materials?

Recommendation 6:

Endorse the LGA writing to the Commissioner for Highways as provided for in sections 23 and 24 of the Highways Act 1926 (SA) to request that work be undertaken with peak bodies or Austroads to develop a generic (i.e. non-industry owned) specification that allows for the use of recycled-content in roads (in particular, yellow bin materials including plastic and glass fines).

Local government in South Australia makes significant investment in roads annually, with roadwork spending being a big budget consideration for councils. Significant innovation in using recycled materials in road construction has occurred and numerous trials of different types of recycled content in roads have been undertaken by local and state governments across Australia and the world.

However, as is often the case with technological advancements, road innovation and technology is progressing faster than regulations and specifications required to support them. As a result, there does not seem to be a clear pathway for the local government sector to move from individual trials to a situation where the use of recycled content in roads is a standard and widely accepted practice.

One reason for this, is that the specifications used in these trials have been developed by the private sector and are subject to Intellectual Property (IP) rights and are not generally available for use by councils. There are also different considerations associated with different types of recycled-content sought to be included in the road, including environmental, operational, regulatory and risk management issues and problems.

Coordination is needed to support the development of specifications that support the widespread adoption of recycled content materials in road construction.

The Department of Planning, Transport and Infrastructure (DPTI) Master Specifications set out the requirements to achieve the quality and/or performance outcomes expected in the finished product for construction projects. These specifications are often used by councils. The Master Specifications for roads, as they stand, do not support the transition to recycled materials in roads as standard practice.

The LGA understands that DPTI may be in the process of developing a “protocol for the use of recycled materials in asphalt”, which may prove to be a valuable guiding document for local government. The LGA is also aware of various pieces of work being undertaken at the Federal level in this space, including possible “national standards for recycled content in roads” as well as work on specifications by the Australian Asphalt Pavement Association and Austroads.

The development of a specification that allows for the use of recycled-content in road construction materials (in particular, materials sourced from yellow bins including plastic and glass fines) would support the transition to widespread adoption of the use of these materials.

As the regulatory framework for roads in South Australia provides a process for a request to be made, the LGA believes there is value in the local government sector formally requesting State Government action to develop a generic specification that allows for the use of recycled-content in roads.

Question for feedback on recommendation 6: is there value in the local government sector making a formal request to the Commissioner for Highways for a generic specification that allows for the use of recycled-content in roads? Are there other actions that could or should be undertaken?

Summary of questions for feedback

| Question | Comments/feedback |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| Recommendation 1 | |
| How can councils ensure that the need to buy recycled (and the complex reasons for this) are understood by council members, council staff, relevant suppliers and the broader community? | |
| Recommendation 2 | |
| Is the commitment to “buying recycled” the best and/or only method councils have of taking action to increase demand for recyclable materials? Are there other actions that should also be taken into consideration? | |
| Recommendation 3 | |
| Do the sub-recommendations adequately capture amendments that should be made to councils procurement policies? Are there other amendments that should be considered? | |
| Recommendation 4 | |
| Can the objective of buying recycled be achieved through administrative action? Are there other examples of actions that could be taken to achieve this objective in addition to the example provided above? | |
| Recommendation 5 | |
| How important is it for local government to work through “communities of practice”? Do we need a certification scheme for recycled-content products and materials? | |
| Recommendation 6 | |
| Is there value in the local government sector making a formal request to the Commissioner for Highways for a generic specification that allows for the use of recycled-content in roads? Are there other actions that could or should be undertaken? | |