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**I hereby give notice that an Ordinary Meeting of Council will be held
on:**

Date: Tuesday, 20 August 2024
Time: 6.00 p.m.
Location: Council Chamber
Civic Centre
10 Watson Terrace
Mount Gambier

AGENDA

Ordinary Council Meeting 20 August 2024

A handwritten signature in black ink, appearing to read 'Sarah Philpott', is written over a faint, illegible background.

Sarah Philpott
Chief Executive Officer
16 August 2024

Order Of Business

1	Acknowledgement of Country	5
2	Apologies	5
3	Leave of Absence	5
4	Confirmation of Council Minutes	5
5	Mayoral Report	6
5.1	Mayoral Report - August 2024 – Report No. AR23/81572.....	6
6	Reports from Councillors	8
7	Questions with Notice	9
7.1	Question with Notice - Council Systems.....	9
7.2	Question with Notice - Erbium Laser Treatment	10
8	Questions without Notice	11
	Nil	
9	Petitions	11
	Nil	
10	Deputations	11
	Nil	
11	Notice of Motion to Rescind or Amend	12
11.1	Agenda Management System and Implementation – Report No. AR24/57321	12
12	Elected Members Information Briefing Sessions	15
12.1	Elected Member Information/Briefing Sessions from 15/07/2024 to 16/08/2024 – Report No. AR23/81518	15
13	Elected Members Training and Development	21
	Nil	
14	Council Action Items	22
14.1	Council Action Items - 16/07/2024 – Report No. AR23/81544.....	22
15	Junior Sports Assistance (Section 41) Committee Minutes and Recommendations	30
15.1	Minutes of the Junior Sports Assistance Fund held on 7 August 2024 - Go to Attachment	30
15.2	Commercial Club Inc. - Annual Donations - Exceptional Junior Program – Report No. AR24/55423.....	30
16	Audit and Risk Committee Minutes and Recommendations	31
16.1	Minutes of the Audit and Risk Committee held on 29 July 2024 - Go to Attachment	31
16.2	Correspondence Received – Report No. AR24/43693	31
16.3	Internal Audit - Payroll and Remuneration – Report No. AR24/29749	31
16.4	Internal Audit - PDI Act - Post Implementation Audit – Report No. AR24/29750	31
16.5	Quarterly Internal Audit Update Report – Report No. AR24/46781	32



16.6	Lease and Licence Update - July 2024 – Report No. AR24/49333	32
16.7	Council Policy Update – Report No. AR24/49733.....	32
16.8	2023/2024 External Audit Interim Management Report – Report No. AR24/50401	32
16.9	Audit and Risk Committee Meeting Report – Report No. AR24/29752	33
16.10	Minutes of the Audit and Risk Committee held on 14 August 2024 - Go to Attachment.....	34
16.11	Caroline Landfill 2023/2024 Post Closure Provision update – Report No. AR24/57290	34
17	Chief Executive Officer Performance Review Committee Minutes and Recommendations	35
17.1	Minutes of the Chief Executive Officer Performance Review Committee held on 22 July 2024 - Go to Attachment.....	35
18	Building Fire Safety Committee Minutes.....	36
	Nil	
19	Council Reports.....	37
19.1	Strategic Plan Annual Update – Report No. AR24/57233	37
19.2	Final Quarter Report on Annual Business Plan 2023/2024 Annual Objectives – Report No. AR24/10207.....	75
19.3	Limestone Coast Local Government Association (LCLGA) Business Plan 2024/2025 – Report No. AR24/49057	94
19.4	2024 LGA Annual General Meeting - Items of Business – Report No. AR24/58438	109
19.5	Food Business Organics Collection Trial - Final Report – Report No. AR23/14990	117
19.6	Mount Gambier and District Saleyards Update – Report No. AR24/54866	121
19.7	Submission - Dog and Cat Management (Cat Management) Amendment Bill 2024 – Report No. AR24/55695	125
19.8	Bus Parking Zones - Wehl Street South – Report No. AR24/55376.....	161
19.9	No Parking and 15 Minute Parking Zones - Blackwood Street – Report No. AR24/56706	170
19.10	Internal Review of Council Actions 2023/2024 – Report No. AR24/51064.....	180
19.11	Policy Reviews – Report No. AR24/44197	183
19.12	Review of Council Delegations Update - August 2024 – Report No. AR24/57775	241
20	Motions with Notice	246
20.1	Notice of Motion - Request for Review into High Risk Intersection (Bay Road)	246
21	Urgent Motions without Notice.....	248
22	Confidential Items of Committees.....	249
	Confidential items of the Chief Executive Officer Performance Review Committee held on 22 July 2024	249



22.2	Independent Review of Chief Executive Officer and Remuneration Review 2024 – Report No. AR24/50717	249
	Confidential items of the Audit and Risk Committee held on 29 July 2024	250
22.4	Legal/Litigation Cost/Liability (Risk) Exposure – Report No. AR24/43578	250
23	New Confidential Items.....	252
24	Meeting Close	255
	Committee Minutes and Reports / Attachments.....	256
Attachments Item 4	Ordinary Council Meeting - 16 July 2024.....	257
Attachments Item 15.1	Minutes of the Junior Sports Assistance Fund held on 7 August 2024.....	274
Attachments Item 15.2	Commercial Club Inc. - Annual Donations - Exceptional Junior Program	276
Attachments Item 16.1	Minutes of the Audit and Risk Committee held on 29 July 2024...	282
Attachments Item 16.2	Correspondence Received.....	292
Attachments Item 16.3	Internal Audit - Payroll and Remuneration	372
Attachments Item 16.4	Internal Audit - PDI Act - Post Implementation Audit.....	404
Attachments Item 16.5	Quarterly Internal Audit Update Report.....	462
Attachments Item 16.6	Lease and Licence Update - July 2024.....	471
Attachments Item 16.7	Council Policy Update	477
Attachments Item 16.8	2023/2024 External Audit Interim Management Report	482
Attachments Item 16.9	Audit and Risk Committee Meeting Report.....	497
Attachments Item 16.10	Minutes of the Audit and Risk Committee held on 14 August 2024	500
Attachments Item 16.11	Caroline Landfill 2023/2024 Post Closure Provision update	502
Attachments Item 17.1	Minutes of the Chief Executive Officer Performance Review Committee held on 22 July 2024.....	537



1 ACKNOWLEDGEMENT OF COUNTRY

WE ACKNOWLEDGE THE BOANDIK PEOPLES AS THE TRADITIONAL CUSTODIANS OF THE LAND WHERE WE MEET TODAY. WE RESPECT THEIR SPIRITUAL RELATIONSHIP WITH THE LAND AND RECOGNISE THE DEEP FEELINGS OF ATTACHMENT OUR FIRST NATIONS PEOPLES HAVE WITH THE LAND.

2 APOLOGIES

That the apology(ies) from Cr Paul Jenner be received.

3 LEAVE OF ABSENCE

Nil

4 CONFIRMATION OF COUNCIL MINUTES

[Ordinary Council Meeting - 16 July 2024](#)

RECOMMENDATION

That the minutes of the Ordinary Council meeting held on 16 July 2024 be confirmed as an accurate record of the proceedings of the meeting.



5 MAYORAL REPORT

5.1 MAYORAL REPORT - AUGUST 2024 – REPORT NO. AR23/81572

- SAROC Meeting (Adelaide)
- Tour of Eastern Regions Alliance (with SAROC) – hosted by LGA
- Radio interview with Llew Jones – 5GTR FM
- Mayoral Welcome to Mount Gambier morning tea with Tenison Woods College Japanese Exchange Students
- Meeting with Peter Gandolfi – Mount Gambier Education and Training Precinct – request for letter of support
- CEO Performance Review Committee Meeting
- Morning tea with the Probus Club and 100th birthday celebration for Isobel Phillips
- LCLGA Special Board Meeting
- Tour of Englebrecht Cave
- Elected Member Briefing with Ben Hood MLC, Shadow Assistant Minister for Regional South Australia
- Elected Member Briefing with Member for Barker, Tony Pasin MP
- Radio interview – ABC
- Introductory meeting with Craig Chatterton, Pique Global
- Meeting with Deb Brokenshire, LCLGA interim EO
- LGA Mayors and CEO's Forum – networking dinner and drinks and forum
- Meeting with Lucy Bonnin (local artist) – request for letter of support
- Internal meeting to discuss Mayor's Christmas Appeal
- Audit and Risk Committee Meeting
- Interview – Music SA live music announcement – The Border Watch
- Story Time at the Mount Gambier Library
- Prerecord radio interview – Southern Cross Austereo – State of the States Report
- Elected Member Briefing – Draft Strategic Plan 2024-2028
- Confidential Elected Member Briefing – Operational Update
- Radiation Therapy Working Group Meeting with Limestone Coast Local Health Network
- Radiation Therapy Working Group Meeting
- Funeral of Rosemary McCourt
- Meeting with Deb Brokenshire, LCLGA interim EO – LCLGA Meeting Agenda
- LCLGA Mayor's catch-up (virtual)
- Meeting with Bernadette O'Connor, Australian Renewables Academy
- Meeting with Deb Brokenshire, LCLGA interim EO
- Meeting with Sarah Philpott, CEO, and Deb Brokenshire, LCLGA interim EO



- Funeral of Joan Tremelling
- Official Book Launch – The Alex Campbell Story
- Elected Member Briefing – New Agenda Management System
- Elected Member Briefing – Council Chamber AV
- Elected Member Briefing – s92 Code of Practice, Discretionary Procedures and r6 Code of Practice
- Minister for Health and Wellbeing visit to Limestone Coast – Mount Gambier Hospital announcement and sod turning
- Minister for Health and Wellbeing meeting with Radiation Therapy Working Group
- Meeting regarding Old Mitre 10 Site
- District Council of Grant Citizenship Ceremony
- LCLGA General Meeting (hosted by District Council of Grant)
- Mount Gambier Horse Trials Presentations
- Meeting with Brigadier Tim Orders
- Elected Member Briefing – Council's Strategic Plan 2024-2028 Workshop 1
- Elected Member Briefing (with Audit and Risk Committee) – Waste Financial Modelling
- Audit and Risk Committee Meeting
- LCLGA Mayor's catch-up (virtual)
- Radiotherapy Working Group Meeting
- Vietnam Veteran's Day – wreath laying
- Meeting with Minister Nat Cook, Minister for Human Services – Updated City of Mount Gambier Partnership Priorities and Advocacy 2024-2025
- George the Farmer Concert – National Forestry Day



6 REPORTS FROM COUNCILLORS



7 QUESTIONS WITH NOTICE

7.1 QUESTION WITH NOTICE - COUNCIL SYSTEMS

Meeting: Council
CM9 Reference: AF23/328
Member: Max Bruins, Councillor

The following question on notice was received from Councillor Max Bruins.

Question

Following recent events in Wattle Range Council, which saw cybercriminals hack into Council systems and obtain sensitive data which has begun to be released online, what safeguards does the City of Mount Gambier have in place to prevent similar attacks on our systems, and have our systems been audited or reviewed following the Wattle Range incident to ensure we do not have the same vulnerabilities?

Response

To be provided at the meeting.

REPORT RECOMMENDATION

That the response to the question regarding Council systems raised by Councillor Max Bruins be received and noted.

ATTACHMENTS

Nil



7.2 QUESTION WITH NOTICE - ERBIUM LASER TREATMENT

Meeting: Council
CM9 Reference: AF23/328
Member: Max Bruins, Councillor

The following question on notice was received from Councillor Max Bruins.

Question

Following the response from the Limestone Coast Local Health Network to Council's letter to the possibility of Erbium Laser facilities being provided in the region to alleviate the need for skin cancer patients to travel to Adelaide, has any follow up been undertaken with the health professionals it was suggested that Council reach out to on this issue?

Response

To be provided at the meeting.

REPORT RECOMMENDATION

That the response to the question regarding Erbium Laser Treatment raised by Councillor Max Bruins be received and noted.

ATTACHMENTS

Nil



8 QUESTIONS WITHOUT NOTICE

Nil

9 PETITIONS

Nil

10 DEPUTATIONS

Nil



11 NOTICE OF MOTION TO RESCIND OR AMEND

11.1 AGENDA MANAGEMENT SYSTEM AND IMPLEMENTATION – REPORT NO. AR24/57321

Committee:	Council
Meeting Date:	20 August 2024
Report No.:	AR24/57321
CM9 Reference:	AF23/328
Author:	Ashlee Pasquazzi, Acting Manager Governance and Property
Authoriser:	Sarah Philpott, Chief Executive Officer
Summary:	This report is submitted in accordance with regulation 21 with a recommendation to revoke Council Resolution titled 'Information Management - Project Management - Agenda Management System and Implementation' dated 16 October 2018.
Strategic Plan Reference:	Goal 1: Our People
	Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Council Report No. AR24/57321 titled 'Agenda Management System and Implementation' as presented on 20 August 2024 be noted.
2. That, having considered Council Report No. AR24/57321 as a report submitted by the Chief Executive Officer under regulation 21 of the *Local Government (Procedures at Meetings) Regulations 2013*, Council Resolution dated 16 October 2018, as follows:
 - (a) *Coinciding with the InfoCouncil project that Standing Committee and Council Agendas be prepared in such a way that all reports and correspondence pertaining to the items are included as attachments to said Agendas.*
 - (b) *An opt in system be made available to Councillors to collect a hard copy of the full Agenda.*be revoked.



TYPE OF REPORT

Legislative

BACKGROUND

At the Council meeting in October 2018 a motion without notice titled '*Information Management - Project Management - Agenda Management System and Implementation*' was resolved. This decision came after a report was presented to the Council from the Operational Standing Committee meeting held on 9 October 2018, regarding the '*Implementation of Agenda/Minute System*', during which the Administration outlined the forthcoming changes to agenda and minute management.

At the Council meeting on 16 October 2018 Council resolved as follows:

- (a) *Coinciding with the InfoCouncil project that Standing Committee and Council Agendas be prepared in such a way that all reports and correspondence pertaining to the items are included as attachments to said Agendas.*
- (b) *An opt in system be made available to Councillors to collect a hard copy of the full Agenda.*

Further to this, the Administration have determined to change system providers for its agenda and minute management. During a Members Briefing Session on August 6, 2024, discussions were held regarding modifications to agendas, aimed at decreasing duplication and the overall volume of agenda documentation.

PROPOSAL

A recommendation to revoke Council Resolution of October 2018 is included, with this report being submitted by the Chief Executive Officer under Regulation 21 of the *Local Government (Procedures at Meetings) Regulations 2013*.

The effect of this revocation would be that the Administration will no longer include all reports and attachments from committee meetings in the Council agenda. Instead, a link will be provided in the agenda for public access to the original committee documents containing all reports and attachments.

LEGAL IMPLICATIONS

A motion the effect of which, if carried, would be to revoke or amend a resolution passed since the last general election may be by a report submitted by the Chief Executive Officer under regulation 21 of the *Local Government (Procedures at Meetings) Regulations 2013*, being an alternate to the requirement to be by written notice of motion in accordance with regulation 12(3).

Accordingly, this report is submitted under regulation 21 with a recommendation to revoke Council Resolution titled '*Information Management - Project Management - Agenda Management System and Implementation*' on 16 October 2018.

STRATEGIC PLAN

N/A

COUNCIL POLICY

[Council Determined Meeting Procedures](#)

[s92 Code of Practice for Access to Meetings and Documents](#)

ECONOMIC IMPLICATIONS

N/A

ENVIRONMENTAL IMPLICATIONS

N/A



SOCIAL IMPLICATIONS

N/A

CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

Reducing the agenda size will improve productivity and decrease system errors in agenda creation.

VALUE FOR MONEY

N/A

RISK IMPLICATIONS

Reducing the amount of documentation in the Council agenda might be seen as less transparent, which could impact public trust and accountability. To address this concern, a weblink to the original committee documents, including all reports and attachments, will be made available for public access within the Council agendas.

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A

ENGAGEMENT AND COMMUNICATION STRATEGY

N/A

IMPLEMENTATION STRATEGY

If resolved, the Administration will no longer include all reports and attachments from committee meetings in the Council agenda. Instead, a link will be provided in the agenda for public access to the original committee documents containing all reports and attachments.

CONCLUSION AND RECOMMENDATION

This report presents a recommendation by the Chief Executive Officer under regulation 21 of the *Local Government (Procedures at Meetings) Regulations 2013* to revoke Council Resolution titled '*Information Management - Project Management - Agenda Management System and Implementation*' on 16 October 2018 to enable the Administration to decrease duplication and the overall size of Council agenda documentation.

ATTACHMENTS

Nil



12 ELECTED MEMBERS INFORMATION BRIEFING SESSIONS




12.1 ELECTED MEMBER INFORMATION/BRIEFING SESSIONS FROM 15/07/2024 TO 16/08/2024 – REPORT NO. AR23/81518

Meeting: Council
CM9 Reference: AF23/328
Author: Tahlee Chant, Executive Administrator City and Community Growth
Authoriser:

REPORT RECOMMENDATION

1. That Council Report No. AR23/81518 titled 'Elected Member Information/Briefing Sessions from 15/07/2024 to 16/08/2024' as presented on 20 August 2024 be noted.

ATTACHMENTS

1. Information Briefing Session - Elected Members - Record of Proceedings - 23/07/2024 - Briefing with Hon Ben Hood MLC - Shadow Assistant Minister for Regional South Australia and Member for Barker Mr Tony Pasin MP [↓](#) 
2. Information Briefing Session - Elected Members - Record of Proceedings - 30/07/2024 - Council's Draft Strategic Plan 2024 – 2028 – Briefing on Process - Confidential Operational Update [↓](#) 
3. Information Briefing Session - Elected Members - Record of Proceedings - 06/08/2024 - New Agenda Management System - Council Chamber AV - s92 Code of Practice, Discretionary Procedures and r6 Code of Practice [↓](#) 



**INFORMATION / BRIEFING SESSION
5:00 PM, TUESDAY, 23 JULY 2024**

Ref: AF22/549

RECORD OF PROCEEDINGS
5:00 PM, TUESDAY, 23 JULY 2024
Council Chamber, Civic Centre
10 Watson Terrace, Mount Gambier

WE ACKNOWLEDGE THE BOANDIK PEOPLES AS THE TRADITIONAL CUSTODIANS OF THE LAND WHERE WE MEET TODAY. WE RESPECT THEIR SPIRITUAL RELATIONSHIP WITH THE LAND AND RECOGNISE THE DEEP FEELINGS OF ATTACHMENT OUR INDIGENOUS PEOPLES HAVE WITH THIS LAND.

The sessions described at Items 1. and 2. were open to the public.

1. ELECTED MEMBER BRIEFING WITH HON BEN HOOD MLC, SHADOW ASSISTANT MINISTER FOR REGIONAL SOUTH AUSTRALIA

MEMBERS PRESENT:-

Mayor Lynette Martin
Cr Max Bruins
Cr Sonya Meziniec
Cr Josh Lynagh

STAFF PRESENT:-

Chief Executive Officer
General Manager City Infrastructure
General Manager Corporate and Regulatory Services

MEMBERS APOLOGIES:-

Cr Paul Jenner
Cr Kate Amoroso
Cr Jason Virgo
Cr Frank Morello
Cr Mark Lovett

LEAVE OF ABSENCE:-

DISCUSSION:

Briefing from Hon Ben Hood MLC, Shadow Assistant Minister for Regional South Australia.

**2. ELECTED MEMBER BRIEFING WITH MEMBER FOR BARKER, MR TONY PASIN MP
MPDATE**

MEMBERS PRESENT:-

Mayor Lynette Martin
Cr Max Bruins
Cr Sonya Meziniec
Cr Josh Lynagh

STAFF PRESENT:-

Chief Executive Officer
General Manager City Infrastructure
General Manager Corporate and Regulatory Services

MEMBERS APOLOGIES:-

Cr Paul Jenner
Cr Kate Amoroso
Cr Jason Virgo
Cr Frank Morello
Cr Mark Lovett

LEAVE OF ABSENCE:-

DISCUSSION:

Briefing from Tony Pasin MP, Member for Barker.

Discussion closed at 6.24 p.m.



**INFORMATION / BRIEFING SESSION
5:00 PM, TUESDAY, 30 JULY 2024**

Ref: AF22/549

RECORD OF PROCEEDINGS
5:00 PM, TUESDAY, 30 JULY 2024
Council Chamber, Civic Centre
10 Watson Terrace, Mount Gambier

WE ACKNOWLEDGE THE BOANDIK PEOPLES AS THE TRADITIONAL CUSTODIANS OF THE LAND WHERE WE MEET TODAY. WE RESPECT THEIR SPIRITUAL RELATIONSHIP WITH THE LAND AND RECOGNISE THE DEEP FEELINGS OF ATTACHMENT OUR INDIGENOUS PEOPLES HAVE WITH THIS LAND.

The session described at Item 1. was open to the public.

1. Council's Draft Strategic Plan 2024 – 2028 – Briefing on Process

MEMBERS PRESENT:-

STAFF PRESENT:-

Mayor Lynette Martin
Cr Max Bruins
Cr Sonya Mezinac
Cr Frank Morello
Cr Mark Lovett
Cr Jason Virgo (arrived at 5.30 p.m.)
Cr Paul Jenner
Cr Josh Lynagh
Cr Kate Amoroso (via phone)

Chief Executive Officer
General Manager Corporate and Regulatory Services
General Manager City Infrastructure
Manager Strategic Projects
Manager Economy Strategy and Engagement

MEMBERS APOLOGIES:-

LEAVE OF ABSENCE:-

Nil

Nil

DISCUSSION:

Outline of steps and timelines on the Councils Strategic Plan, following adoption on Mount Gambier 2035.

The session described at Item 2. was not open to the public as the matter to be discussed is of a confidential nature within the ambit of Section 90(3) of the Local Government Act 1999 being:

- (a) *information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead).*

2. Confidential – Operational Update

MEMBERS PRESENT:-

STAFF PRESENT:-

Mayor Lynette Martin (left at 6.10 p.m.)
Cr Max Bruins
Cr Sonya Mezinac
Cr Frank Morello
Cr Mark Lovett
Cr Jason Virgo
Cr Paul Jenner
Cr Josh Lynagh
Cr Kate Amoroso (via phone)

Chief Executive Officer
General Manager Corporate and Regulatory Services
General Manager City Infrastructure



MEMBERS APOLOGIES:-

LEAVE OF ABSENCE:-

Nil

Nil

DISCUSSION:

Information briefing as per Section 99(2)(a) of the Local Government Act SA.
Operational update relating to a number of employment matters.

Discussion closed at 6.38 p.m.



**INFORMATION / BRIEFING SESSION
TUESDAY, 6 AUGUST 2024 COMMENCING AT 5:00 PM**

Ref: AF22/549

RECORD OF PROCEEDINGS
5:00 PM, TUESDAY, 6 AUGUST 2024
Council Chamber, Civic Centre
10 Watson Terrace, Mount Gambier

WE ACKNOWLEDGE THE BOANDIK PEOPLES AS THE TRADITIONAL CUSTODIANS OF THE LAND WHERE WE MEET TODAY. WE RESPECT THEIR SPIRITUAL RELATIONSHIP WITH THE LAND AND RECOGNISE THE DEEP FEELINGS OF ATTACHMENT OUR INDIGENOUS PEOPLES HAVE WITH THIS LAND.

The sessions described at Item 1, 2 and 3 were open to the public.

1. NEW AGENDA MANAGEMENT SYSTEM

MEMBERS PRESENT:-

Mayor Lynette Martin
Cr Max Bruins
Cr Sonya Mezinac
Cr Frank Morello
Cr Jason Virgo
Cr Paul Jenner
Cr Josh Lynagh

STAFF PRESENT:-

Chief Executive Officer (arrived at 5.08 pm)
General Manager City Infrastructure
General Corporate and Regulatory Services
IT Contractor
EXATeam
Councillor Support Officer
iServices Business System Administrator (arrived at 5.28 pm)

MEMBERS APOLOGIES:-

Cr Mark Lovett
Cr Kate Amoroso

LEAVE OF ABSENCE:-

Nil

DISCUSSION:

Presentation of the new Harbour Software Agenda Management System.

2. COUNCIL CHAMBER AV

MEMBERS PRESENT:-

Mayor Lynette Martin
Cr Max Bruins
Cr Sonya Mezinac
Cr Frank Morello
Cr Jason Virgo
Cr Paul Jenner
Cr Josh Lynagh

STAFF PRESENT:-

Chief Executive Officer
General Manager City Infrastructure
General Corporate and Regulatory Services
iServices Business System Administrator

MEMBERS APOLOGIES:-

Cr Mark Lovett
Cr Kate Amoroso

LEAVE OF ABSENCE:-

Nil



DISCUSSION:

Presentation of options for Council Chamber audio and visual equipment.

3. s92 CODE OF PRACTICE, DISCRETIONARY PROCEDURES AND r6 CODE OF PRACTICE

MEMBERS PRESENT:-

STAFF PRESENT:-

Mayor Lynette Martin
Cr Max Bruins (left at 7.25 pm)
Cr Sonya Mezinec
Cr Frank Morello
Cr Jason Virgo
Cr Paul Jenner
Cr Josh Lynagh

Chief Executive Officer
General Manager City Infrastructure
General Corporate and Regulatory Services

MEMBERS APOLOGIES:-

LEAVE OF ABSENCE:-

Cr Mark Lovett
Cr Kate Amoroso

Nil

DISCUSSION:

Presentation and discussion on meeting procedure provisions in the Local Government Act and Local Government (Procedures at Meetings) Regulations.

Discussion closed at 7.39 p.m.



13 ELECTED MEMBERS TRAINING AND DEVELOPMENT

Nil



14 COUNCIL ACTION ITEMS

14.1 COUNCIL ACTION ITEMS - 16/07/2024 – REPORT NO. AR23/81544

Meeting: Council
CM9 Reference: AF23/328
Author: Tahlee Chant, Executive Administrator City and Community Growth
Authoriser:

REPORT RECOMMENDATION

1. That Council Report No. AR23/81544 titled 'Council Action Items - 16/07/2024' as presented on 20 August 2024 be noted.

ATTACHMENTS

1. Council Action Items - 16/07/2024 [↓](#) 



Division: Council	Date From: 16/07/2024
Meeting: Council	Date To: 20/08/2024
Officer:	
Action Sheets Report	Printed: 12 August 2024 11:36 AM

Meeting	Officer/Authoriser	Section	Subject
Council 16/07/2024	McCarthy, Michael Fetherstonhaugh, Jane	Notice of Motion to Rescind or Amend	Elector Representation Review - Preferred Structure - July Update
RESOLUTION 2024/152			
Moved: Cr Max Bruins			
Seconded: Cr Sonya Meziniec			
<ol style="list-style-type: none"> 1. That Council Report No. AR24/48191 titled 'Elector Representation Review - Preferred Structure - July Update' as presented on 16 July 2024 be noted. 2. That, having considered Council Report No. AR24/48191 as a report submitted by the Chief Executive Officer under regulation 21 of the <i>Local Government (Procedures at Meetings) Regulations 2013</i>, parts 3 and 4 of Council Resolution 2024/133 dated 18 June 2024, as follows: <ol style="list-style-type: none"> 3. That Council determine, in principle for the purpose of the preparation of a draft "Representation Report", the future composition and structure which it believes should come into effect at the next Local Government elections in 2026, be comprised of: <ol style="list-style-type: none"> (a) The Council area be named The City of Mount Gambier. (b) No Ward Structure. (c) A Mayor as Principal Member elected as a representative of the area as a whole. (d) 8 or 9 Area Councillors. 4. That a draft "Representation Report" be prepared presenting Council's proposed/preferred future elector representation arrangement for consideration and endorsement by Council prior to the initiation of the public consultation process. be revoked. 3. That Council determine, in principle for the purpose of the preparation of a draft "Representation Report", the future composition and structure which it believes should come into effect at the next Local Government elections in 2026, be comprised of <ol style="list-style-type: none"> (a) The Council area be named City of Mount Gambier. (b) No Ward Structure. (c) A Mayor as Principal Member elected as a representative of the area as a whole. (d) 8 Area Councillors. 4. That a draft "Representation Report" be prepared presenting Council's proposed/preferred future elector representation arrangement for consideration and endorsement by Council prior to the initiation of the public consultation process. 			
CARRIED			
18 Jul 2024 2:22pm McCarthy, Michael - Completion			
Action completed by McCarthy, Michael			

Meeting	Officer/Authoriser	Section	Subject
Council 16/07/2024	Telford, Melissa	Council Action Items	Council Action Items - 18/06/2024



Division: Meeting: Council Officer:	Date From: 16/07/2024 Date To: 20/08/2024 Printed: 12 August 2024 11:36 AM
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<p style="text-align: right;">Philpott, Sarah</p> <p>RESOLUTION 2024/154 Moved: Cr Max Bruins Seconded: Cr Frank Morello</p> <p>1. That Council Report No. AR23/81542 titled 'Council Action Items - 18/06/2024' as presented on 16 July 2024 be noted.</p>	CARRIED
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Meeting	Officer/Authoriser	Section	Subject
Council 16/07/2024	Pasquazzi, Ashlee Fetherstonhaugh, Jane	Chief Executive Officer Performance Review Committ	Minutes of the Chief Executive Officer Performance Review Committee held on 18 June 2024
<p>RESOLUTION 2024/155 Moved: Cr Max Bruins Seconded: Cr Josh Lynagh</p> <p>That the Minutes of the Chief Executive Officer Performance Review Committee meeting held on 18 June 2024 as attached be noted.</p>			
CARRIED			
<p>24 Jul 2024 9:11am Pasquazzi, Ashlee - Completion Action completed by Pasquazzi, Ashlee</p>			

Meeting	Officer/Authoriser	Section	Subject
Council 16/07/2024	McPherson, Tegan Philpott, Sarah	Council Reports	Mount Gambier 2035: A Community Vision for our Regional Capital
<p>RESOLUTION 2024/156 Moved: Cr Paul Jenner Seconded: Cr Josh Lynagh</p> <p>1. That Council Report No. AR24/47824 titled 'Mount Gambier 2035: A Community Vision for our Regional Capital' as presented on 16 July 2024 be noted.</p>			



Division: Council	Date From: 16/07/2024
Meeting: Council	Date To: 20/08/2024
Officer:	
Action Sheets Report	Printed: 12 August 2024 11:36 AM

2. That Council endorse the community vision document – Mount Gambier 2035: A Community Vision for our Regional Capital as the community’s vision and strategic priorities to 2035.
 3. That Council undertake to create its Strategic Plan 2024 – 2028 with consideration of the community vision in developing its strategic priorities for the next four years.
- CARRIED**

Meeting	Officer/Authoriser	Section	Subject
Council 16/07/2024	Georgiou, Sinaway Cernovskis, Barbara	Council Reports	Crater Lakes Rehabilitation Report for Community Consultation
RESOLUTION 2024/157			
Moved: Cr Paul Jenner			
Seconded: Cr Max Bruins			
<ol style="list-style-type: none"> 1. That Council Report No. AR24/46073 titled 'Crater Lakes Rehabilitation Report for Community Consultation as presented on 16 July 2024 be noted. 2. That Council endorses key stakeholder and surrounding resident engagement for the Crater Lakes Rehabilitation Report, as attached to Report No. AR24/46073, be undertaken. 3. That a final report be presented to Council to consider feedback received from the key stakeholder engagement process. 4. That the blue gum fire affected area be identified at stage 2 of the rehabilitation project. 			
			Carried

Meeting	Officer/Authoriser	Section	Subject
Council 16/07/2024	Shearing, Biddie Fetherstonhaugh, Jane	Council Reports	Local Affordable Housing Plan
RESOLUTION 2024/158			
Moved: Cr Paul Jenner			
Seconded: Cr Max Bruins			



Division: Meeting: Council Officer:	Date From: 16/07/2024 Date To: 20/08/2024 Printed: 12 August 2024 11:36 AM
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1. That Council Report No. AR24/48033 titled 'Local Affordable Housing Plan' as presented on 16 July 2024 be noted.
 2. That the Local Affordable Housing Plan, as attached to Council Report No. AR24/48033, be adopted with the Chief Executive Officer authorised to include appropriate references to aged care housing and disability housing on page 3 of the document, and elsewhere if appropriate.
- CARRIED**

Meeting	Officer/Authoriser	Section	Subject
Council 16/07/2024	Shearing, Bidde Fetherstonhaugh, Jane	Council Reports	Bus Service Update
RESOLUTION 2024/159			
Moved: Cr Paul Jenner			
Seconded: Cr Frank Morello			
<ol style="list-style-type: none"> 1. That Council Report No. AR24/40014 titled 'Bus Service Update' as presented on 16 July 2024 be noted. 2. That Council thanks the Minister for the suggested minor improvement to the bus service, and reinforces that while Foodbank is a priority site, it is one of many sites for which improved access is required, as per the information provided to the Minister and DIT. 3. That Council prepares information about a bus stop for this location, as well as the bus stop audit currently being undertaken and provides Council with a further report about options to support a bus stop at this location, including seeking an update from Foodbank on their transport requirements. 4. Prior to taking any further action, the CEO writes again to the Minister reinforcing the comprehensive need to improve the overall service to include timely access to the Mount Gambier Hospital and other essential services to improve accessibility and quality of life for members of our community. 5. Council prepares a submission to the regional transport review, in order to encourage the State Government to provide a more holistic and contemporary public transport system rather than a piecemeal approach. 6. That Council submissions also be provided to Mr Troy Bell MP, Member for Mount Gambier and The Hon. Clare Scriven MLC, Minister for Primary Industries and Regional Development and Forest Industries. 			
CARRIED			

Meeting	Officer/Authoriser	Section	Subject
Council 16/07/2024	Gilmore, Kate Philpott, Sarah	Council Reports	South Australian Regional Organisation of Councils (SAROC) - Membership Nominations



Division: Council	Date From: 16/07/2024
Meeting: Council	Date To: 20/08/2024
Officer:	
Action Sheets Report	Printed: 12 August 2024 11:36 AM

RESOLUTION 2024/160

Moved: Cr Sonya Meziniec
 Seconded: Cr Jason Virgo

1. That Council Report No. AR24/44606 titled 'South Australian Regional Organisation of Councils (SAROC) - Membership Nominations' as presented on 16 July 2024 be noted.
2. That Council nominates Mayor Lynette Martin OAM for a position on the South Australian Regional Organisation of Councils (SAROC).
3. Council authorises the Chief Executive Officer to complete the required nomination form and candidate information sheet for lodgement with the Local Government Association prior to the closing date of Friday 16 August 2024.

CARRIED

24 Jul 2024 4:19pm Gilmore, Kate - Completion
 Action completed by Gilmore, Kate

Meeting	Officer/Authoriser	Section	Subject
Council 16/07/2024	McCarthy, Michael Fetherstonhaugh, Jane	Council Reports	Public Interest Disclosure Policy

RESOLUTION 2024/161

Moved: Cr Max Bruins
 Seconded: Cr Josh Lynagh

1. That Council Report No. AR24/48266 titled 'Public Interest Disclosure Policy' as presented on 16 July 2024 be noted.
2. That the draft updated Public Interest Disclosure Policy as attached to Council Report AR24/48266 (Attachment 1) be endorsed.
3. That the Chief Executive Officer or Delegate be authorised to make any necessary changes to policies arising from this meeting, together with any typographical corrections, amendments to position or organisation titles, and finalisation of the document's formatting that do not materially alter the integrity of the document.

CARRIED



Division: Council	Date From: 16/07/2024
Meeting: Council	Date To: 20/08/2024
Officer:	
Action Sheets Report	Printed: 12 August 2024 11:36 AM

RESOLUTION 2024/162
 Moved: Cr Max Bruins
 Seconded: Cr Frank Morello

- That Council Report No. AR24/49253 titled 'Proposed Items of Business - 2024 LGA Annual General Meeting' as presented on 16 July 2024 be noted.
- That, in addition to a proposed item on 'Ability to raise pro-rata rates' as resolved in February 2024, draft item/s of business for the November 2024 LGA Annual General Meeting be prepared and presented for consideration at the August Council meeting, on the following matters:
 - SA Water and infrastructure to support housing

Carried

18 Jul 2024 2:22pm McCarthy, Michael - Completion
 Action completed by McCarthy, Michael

Meeting	Officer/Authoriser	Section	Subject
Council 16/07/2024	Philpott, Sarah Philpott, Sarah	Motions with Notice	Notice of Motion - Child Psychiatrist and Child Drug and Alcohol Support

RESOLUTION 2024/163
 Moved: Cr Paul Jenner
 Seconded: Cr Jason Virgo

- That Council Report No. AR24/48017 titled 'Notice of Motion - Child Psychiatrist and Child Drug and Alcohol Support' as presented on 16 July 2024 be noted.
- That Council write to the Minister for Health and Wellbeing, Chris Picton MP, Chief Psychiatrist, Dr John Brayley and the head of Mental Health at Mount Gambier Hospital advocating for a youth drug and alcohol service and specialist youth psychologist support for the region in Mount Gambier.
- A copy of the letter be sent to Troy Bell MP, Nick McBride MP and The Honourable Clare Scriven MLC.

CARRIED

Meeting	Officer/Authoriser	Section	Subject
Council 16/07/2024	Wilson, Sally	Motions with Notice	Notice of Motion - CBD Master Plan



Action Sheets Report	Division: Meeting: Council Officer:	Date From: 16/07/2024 Date To: 20/08/2024 Printed: 12 August 2024 11:36 AM
<p>Cemovskis, Barbara</p> <p>RESOLUTION 2024/164</p> <p>Moved: Cr Frank Morello Seconded: Cr Max Bruins</p> <ol style="list-style-type: none">1. That Council Report No. AR24/48173 titled 'Notice of Motion - CBD Master Plan ' as presented on 16 July 2024 be noted.2. That Council convenes a workshop in August 2024 to progress the master-planning process.3. That costs associated with the master-plan be considered at or before Budget Review 2. <p style="text-align: right;">CARRIED</p> <p>29 Jul 2024 1:18pm Wilson, Sally - Completion Action completed by Wilson, Sally</p>		



15 JUNIOR SPORTS ASSISTANCE (SECTION 41) COMMITTEE MINUTES AND RECOMMENDATIONS

15.1 MINUTES OF THE JUNIOR SPORTS ASSISTANCE FUND HELD ON 7 AUGUST 2024 - [Go to Attachment](#)

RECOMMENDATION

That the Minutes of the Junior Sports Assistance Fund meeting held on 7 August 2024 as attached be noted.

15.2 [Commercial Club Inc. - Annual Donations - Exceptional Junior Program](#) – Report No. AR24/55423

RECOMMENDATION

1. That Junior Sports Assistance Fund Report No. AR24/55423 titled 'Commercial Club Inc. - Annual Donations - Exceptional Junior Program' as presented on 07 August 2024 be noted.
2. To assist with awarding an additional nominee funding for the Exceptional Junior Program the Junior Sports Assistance Fund will match the contribution from the Commercial Club and provide a \$1,500 donation;
2. The following juniors receive the Commercial Club Inc. donation to assist them to advance in their chosen sport and to achieve their potential:
Awardees: Kai Arbery, Mount Gambier Cycling
Bree Ridding, Mount Gambier and District Baseball League
3. The presentation of the Commercial Club Inc. donation take place at a time convenient to the recipients, member organisations, representatives of the Commercial Club Inc. and the Junior Sports Assistance Fund.
4. The media be invited to attend the presentation.



16 AUDIT AND RISK COMMITTEE MINUTES AND RECOMMENDATIONS

16.1 MINUTES OF THE AUDIT AND RISK COMMITTEE HELD ON 29 JULY 2024 - [Go to Attachment](#)

RECOMMENDATION

That the Minutes of the Audit and Risk Committee meeting held on 29 July 2024 as attached be noted.

16.2 [Correspondence Received](#) – Report No. AR24/43693

RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/43693 titled 'Correspondence Received' as presented on 29 July 2024 be noted.

16.3 [Internal Audit - Payroll and Remuneration](#) – Report No. AR24/29749

RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/29749 titled 'Internal Audit - Payroll and Remuneration' as presented on 29 July 2024 be noted.
2. That it be noted that progress achieved on the actions resulting from the Internal Audit - Payroll and Remuneration will be reported in future internal audit updates.

16.4 [Internal Audit - PDI Act - Post Implementation Audit](#) – Report No. AR24/29750

RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/29750 titled 'Internal Audit - PDI Act - Post Implementation Audit' as presented on 29 July 2024 be noted.
2. That it be noted that progress achieved on the actions resulting from the Internal Audit - PDI Act - Post Implementation Audit will be reported in future internal audit updates.
1. That the Audit and Risk Committee note the importance of recommendation 5 – *“Reintroduce regular, re-current scheduled meetings between Development Services and Operations & Engineering teams and other stakeholders”* and the significance of these meetings in fostering collaboration, ensuring effective communication, and enhancing the overall efficiency and coordination of development projects.



16.5 [Quarterly Internal Audit Update Report](#) – Report No. AR24/46781

RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/46781 titled 'Quarterly Internal Audit Update Report' as presented on 29 July 2024 be noted.
2. That a revised Internal Audit Plan including a reassessment of risk for each proposed internal audit be presented to the Audit and Risk Committee at its meeting scheduled for 25 November 2024.

16.6 [Lease and Licence Update - July 2024](#) – Report No. AR24/49333

RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/49333 titled 'Lease and Licence Update - July 2024' as presented on 29 July 2024 be noted.
2. That an update on Leases and Licences be presented to the Audit and Risk Committee at its meeting scheduled for 25 November 2024.

16.7 [Council Policy Update](#) – Report No. AR24/49733

RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/49733 titled 'Council Policy Update' as presented on 29 July 2024 be noted.
2. That an update on Council Policies including a timeline for review of each policy and the approach to be taken for timely policy reviews be presented to the Audit and Risk Committee at its meeting scheduled for 25 November 2024.

16.8 [2023/2024 External Audit Interim Management Report](#) – Report No. AR24/50401

RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/50401 titled '2023/2024 External Audit Interim Management Report' as presented on 29 July 2024 be noted.
2. That having been reviewed by the Audit and Risk Committee on 29 July 2024, the 2023/2024 External Audit Interim Management Report be adopted.
3. That the Audit and Risk Committee commend the administration on the work undertaken to reduce the actions / recommendations from the prior year's interim audit management report.



16.9 [Audit and Risk Committee Meeting Report](#) – Report No. AR24/29752

RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/29752 titled 'Audit and Risk Committee Meeting Report' as presented on 29 July 2024 be noted.



16.10 MINUTES OF THE AUDIT AND RISK COMMITTEE HELD ON 14 AUGUST 2024 - [Go to Attachment](#)

RECOMMENDATION

That the Minutes of the Audit and Risk Committee meeting held on 14 August 2024 as attached be noted.

16.11 [Caroline Landfill 2023/2024 Post Closure Provision update](#) – Report No. AR24/57290

RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/57290 titled 'Caroline Landfill 2023/2024 Post Closure Provision update' as presented on 14 August 2024 be noted.
2. That it be noted that a workshop providing detailed progress on Caroline Landfill including financial modelling, accounting treatment and associated financial impacts was held 14 August 2024.
3. The Audit and Risk Committee support the methodology of the financial model and acknowledge the extensive work in the modelling undertaken to date.
4. Acknowledges the requirement to continuously review and update financial modelling annually and ensure reflected in Long Term Financial Plan and Asset Management Plans. And that financial impacts relevant to the 2024/2025 financial year will be included in future budget revisions.



17 CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE MINUTES AND RECOMMENDATIONS

17.1 MINUTES OF THE CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE HELD ON 22 JULY 2024 - [Go to Attachment](#)

RECOMMENDATION

That the Minutes of the Chief Executive Officer Performance Review Committee meeting held on 22 July 2024 as attached be noted.



18 BUILDING FIRE SAFETY COMMITTEE MINUTES

Nil



19 COUNCIL REPORTS

19.1 STRATEGIC PLAN ANNUAL UPDATE – REPORT NO. AR24/57233

Committee:	Council
Meeting Date:	20 August 2024
Report No.:	AR24/57233
CM9 Reference:	AF23/328
Author:	Tegan McPherson, Manager Strategic Projects
Authoriser:	Sarah Philpott, Chief Executive Officer
Summary:	This report provides a final update of Council’s progress against the City of Mount Gambier’s Strategic Plan 2020 – 2024.
Strategic Plan Reference:	Goal 1: Our People
	Goal 2: Our Location
	Goal 3: Our Diverse Economy
	Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage
	Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Council Report No. AR24/57233 titled ‘Strategic Plan Annual Update ’ as presented on 20 August 2024 be noted.
2. That Council Report No. AR24/57233 titled ‘Strategic Plan Annual Update be acknowledged as the final update for the City of Mount Gambier Strategic Plan 2020 – 2024.
3. That Council notes that the process to develop a new strategic plan for the next four years, scheduled for completion by November 2024, is now underway.



TYPE OF REPORT

Corporate

BACKGROUND

Council has just completed the final year of its four year strategic plan, which was endorsed in February 2020. As part of the Strategic Planning and Reporting Framework, performance against the City of Mount Gambier Strategic Plan 2020 – 2024 will be reported annually at the end of each year.






PROPOSAL

The full update is contained within the attached report.

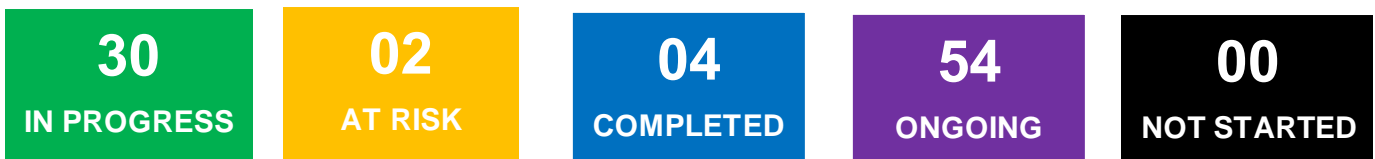
Reporting against each goal has been completed in two parts:

1. The first table under each goal, provides an update against the initiatives outlined under each theme of the goal and defined success.
2. The second table under each goal is prefaced with a dashboard summary of progress against each of the strategic priorities listed in the plan. This is followed by commentary and highlights against each priority.

Status Definitions - Each strategic priority has been allocated a status in accordance with the following key:

	In Progress	Priority/ Initiative has work underway and is on track to be delivered in accordance with the strategic plan.
	At Risk	Priority/ Initiative has work underway but may not be delivered on time/ budget/ in accordance with strategic plan.
	Completed	Priority/ Initiative has been delivered/ completed
	Ongoing	Priority/ Initiative is part of Council's ongoing programs and services.
	Not Started	Priority/ Initiative has not commenced.

Overall, the majority of strategic priorities and initiatives contained within the plan are ongoing and in progress as reflected in the below dashboard summary:



An full update against each of the priorities and initiatives is provided in the attached report.

LEGAL IMPLICATIONS

Nil



STRATEGIC PLAN

This report is an update of the progress against each of Council's five strategic goals.

COUNCIL POLICY

Nil

ECONOMIC IMPLICATIONS

Nil

ENVIRONMENTAL IMPLICATIONS

As included in the strategic priorities that relate to environmental sustainability.

SOCIAL IMPLICATIONS

As included in the strategic priorities that address social outcomes.

CULTURAL IMPLICATIONS

As included in the strategic priorities that address cultural outcomes.

RESOURCE IMPLICATIONS

The strategic priorities are being delivered in alignments with current Council resources including staffing and budget.

VALUE FOR MONEY

The strategic priorities are being delivered in line with the budget and the procurement policy and procedures.

RISK IMPLICATIONS

Nil

EQUALITIES AND DIVERSITY IMPLICATIONS

Nil

ENGAGEMENT AND COMMUNICATION STRATEGY

Nil.

IMPLEMENTATION STRATEGY

Performance against the current Strategic Plan will be considered in the development of our next Strategic Plan which is due by November 2024.

Consideration will be given to expanding on the highlights from the delivery of the City of Mount Gambier Strategic Plan 2020 – 2024 in the next annual report.

The process to develop a new strategic plan for the next four years, scheduled for completion by November 2024, is now underway. Future annual updates will be against the objectives and KPIs contained within the new strategic plan.

CONCLUSION AND RECOMMENDATION

That Council note the update as provided in this report and the attachment and acknowledge that this will be the final update for the City of Mount Gambier Strategic Plan 2020 – 2024.

ATTACHMENTS

1. City of Mount Gambier Strategic Plan - Annual Update - August 2024 [↓](#) 



Strategic Plan 2020 - 2024

Annual Update August 2024

City of
Mount Gambier



ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the Boandik peoples as the traditional custodians of the land where we meet today. We respect their spiritual relationship with the land and recognise the deep feelings of attachment our indigenous peoples have with this land.



GOAL 1 - OUR PEOPLE

This goal brings together five key themes that affect our people – whether they live, work, study or visit the City of Mount Gambier. We are seeking to grow our City and the communities from which it is comprised.

Under each theme Council made a strategic commitment and defined success. The below outlines how we are tracking against these commitments.



What will we do?	What will success look like?	How are we tracking?
1.1. Community based organisations and networks		
We will deliver a Volunteer Management Plan within the first year of the Strategic Plan.	The prioritised implementation of the Volunteer Management Plan will deliver improvements for our Volunteers, which are celebrated at an event during Volunteers Week.	Volunteer Management Plan and Volunteer Management Policy endorsed by Council in October 2023.
1.2. Community Growth		
We will implement our commitment outlined in the Small Business Friendly Council Charter.	The reporting requirements for the Small Business Friendly Council are met and an annual event to share information and celebrate success held.	Committed to the Small Business Friendly Council Initiative and has met its regular reporting requirements.

03







What will we do?	What will success look like?	How are we tracking?
1.3. Sense of community		
<p>We provide a Small Wins Fund that provides seed funding for community projects of up to \$2,000.</p>	<p>In the first year, the fund will be established and criteria set, with the first round of funding disbursed. Further disbursement will occur in years 2, 3 and 4. Each year, the Council will set an area of interest that it wants to target funding.</p>	<p>A new Grants and Sponsorship Policy was endorsed by Council in May 2024.</p>
1.4. Care for the community		
<p>We will deliver the Community and Recreation Hub and will invest in ensuring that programs are accessible and available to all in our community.</p>	<p>From the day the Community and Recreation Hub opens, a range of sporting and community activities will be subsidised to enable participation across our community.</p>	<p>Wulanda Community and Recreation Hub was opened to the public in December 2022. Since opening, mechanisms have been put in place to monitor performance with a focus on further activation of the facility.</p>
1.5. Becoming an 'earning and learning' community		
<p>We will work with TAFE and our universities to create tertiary pathways that do not currently exist.</p>	<p>By the end of the Strategic Plan period at least one new university degree course and two new pathways through TAFE and an university have been delivered.</p>	<p>Council continues to advocate to the State Government on the importance of tertiary pathways in the region. The City of Mount Gambier works proactively with the University of South Australia Mount Gambier campus to continue to cultivate accessibility, innovation and engagement within the community.</p>

GOAL 1 - Our People

Strategic Outcomes Dashboard






Strategic Priority	Responsibility	Status	Comments/ Highlights
1.1. Community based organisations and networks <i>Our community groups and networks develop an grow to achieve their aspirations</i>			
1.1.1. Fostering and supporting community-based organisations	City & Community Growth		Limestone Coast Community Services Round Table (LCCSRT). Host the Haven within the Library. Membership of local action groups and provide in-kind support including: Limestone Coast Family Violence Action Group, Drug Action Team, Children Services Network, Suicide Prevention Network, Postvention Network.
1.1.2. Supporting programs that allow our community groups to be more effective in achieving their goals	City & Community Growth		Community Strengthening Program Digital Literacy Training Space for Community Groups to meet Partnering with organisation to run programs and events.
1.1.3. Developing a Volunteer Management Plan to maximise the benefit of volunteering to the community for those who choose to donate their time to the Council	Corporate & Regulatory Services		Council endorsed Volunteer Management Plan and Policy in October 2023.
1.1.4 Improve our accommodation offering for community groups, whilst reducing total number of Council managed facilities, including investigations into a community group hub (complementary to the Community and Recreation Hub), the co-location of community groups and future sharing of facilities	Corporate & Regulatory Services		Guided by Council's Sport, Recreation and Open Space Strategy, Council has established priorities for masterplanning which will give consideration to design of accessible and well considered public spaces and multi-use facilities across the city to enable co-location and sharing of resources amongst community groups to reduce the burden of ageing and inadequate community facilities. Progressing the shared use of facilities under the Blue Lake Sports Park Masterplan.






Strategic Priority		Responsibility	Status	Comments/ Highlights
1.2.	Community growth <i>We foster a sense of community by encouraging and supporting participation in community life.</i>			
1.2.1.	Creating opportunities for existing and new businesses by being genuinely 'open for business' and ready for education, health and retirement opportunities	City & Community Growth	●	Through Mount Gambier 2035, Council has boosted engagement levels with all business sectors and progressed the development of an online platform to support investment and attraction to Mount Gambier.
1.2.2.	Helping community groups to help themselves by providing support for effective networks to develop and grow	City & Community Growth	●	Community Services Roundtable - Library, Community Space/Hub.
1.2.3.	Working in partnership with service providers get them to select Mount Gambier as their location of choice for services provided for the South East of South Australia and South West of Victoria.	City & Community Growth	●	Ongoing with updated Partnership Priorities and Advocacy 2024 - 2025 document endorsed in January 2024.
1.3.	Sense of Community <i>The community grows in real terms at a rate that helps sustain and grow the services available within the City and for the region.</i>			
1.3.1.	Supporting community events and programs that bring people together, encourage interaction and promote a sense of community	City & Community Growth	●	New Grants and Sponsorship Policy endorsed by Council in May 2024 and implementation has commenced with two community forums that were well attended.
1.3.2.	Providing opportunities to enable our community to be supported and involved.	City & Community Growth	●	As above.
1.3.3.	Raising awareness of community accomplishments	Corporate & Regulatory Services	●	Recognition of residents who have made an outstanding contribution to the community during the year or over a number of years and outstanding community event through Council's Australia Day Awards.







Strategic Priority		Responsibility	Status	Comments/ Highlights
1.4.	Care for the Community <i>We will develop our service offering to the community to ensure all members have access to required levels of support.</i>			
1.4.1.	Developing and delivering community safety initiatives that respond to local issues and concerns	City & Community Growth		Cybersafety workshops and membership of local action groups and provide in-kind support including: Limestone Coast Family Violence Action Group, Drug Action Team, Children Services Network, Suicide Prevention Network, Postvention Network.
1.4.2.	Providing integrated services and facilities that encourage active living to improve health and wellbeing	City & Community Growth		Crater Lakes Trails Plan endorsed by Council in November 2023. Shared Path Masterplan endorsed by Council in April 2024. Final concept plan for a Learn to Ride space at the Railway Lands adopted by Council in June 2024.
1.4.3.	Valuing and supporting our Boandik and multicultural communities	City & Community Growth		Council continues to deliver on its reconciliation commitments and provide local leadership in creating positive outcomes for our First Nations community. Recent community leadership has included: Ongoing work to supporting Burrendies Aboriginal Corporation to finalise the Crater Lakes Cultural Heritage Assessment project, fostering First Nations and Cultural Authority participation in Mount Gambier 2035 engagement and community panel, collaborative programming for Reconciliation Week, NAIDOC Week and Aboriginal and Torres Strait Islander Childrens Day, participation in local reconciliation and First Nations focussed agency networks.



Strategic Priority		Responsibility	Status	Comments
1.4.	Care for the Community <i>We will develop our service offering to the community to ensure all members have access to required levels of support.</i>			
1.4.4.	Planning, leading and facilitating high quality services to develop the potential of children and young people	City & Community Growth		Reinvigorated the Youth Activation Group. Supported and implemented Words Grow Minds Program. Representing Limestone Coast Community Services Round Table (LCCSRT) and Children Services Network. Delivery of targeted programs through the Library and Riddoch Arts & Cultural Centre. Collaborate with Schools and local organisations to support and run a variety of programs, activities and events throughout the year.
1.4.5.	Ensuring support services and recreational activities are accessible	City & Community Growth		Continue strong advocacy for equity of investment on public bus services and progressed additional stops for existing bus route. CBD Accessibility Audit undertaken and approved for inclusion in the Infrastructure Asset Management Plan in February 2024. Disability Access and Inclusion Plan 2020-2024 and Sport, Recreation and Open Space Strategy both endorsed with active implementation.
1.4.6.	Providing grant programs that assist the community in delivering services and projects that align with its aspirations	City & Community Growth		New Grants and Sponsorship Policy endorsed in May 2024.



Strategic Priority	Responsibility	Status	Comments
<p>1.5. Become an 'earning and learning' community <i>We are driving the development of local career, education and entrepreneurship pathways that build skills to grow the economy facilitate new businesses, and provide exciting and relevant employment opportunities for all our people as we transition to an 'earning and learning' city.</i></p>			
<p>1.5.1. Developing and implementing programs that support small business entrepreneurship and incubation, including opportunities for young entrepreneurs</p>	City & Community Growth		Reinvigoration of the Youth Activation Group has continued. Ongoing engagement with Family and Small Business Agency. Regular meetings with Mount Gambier Chamber of Commerce.
<p>1.5.2. Supporting initiatives that facilitate the expansion of regional tertiary education programs and e-learning support at our universities, TAFE and the New Venture Institute</p>	City & Community Growth		In collaboration with a range of community stakeholders, Council has continued its support for the Tertiary Health Education Grants program through the administration of this program and the direct funding for 3 grants annually. This program assists those who are required to leave this region to continue in health-related study, through the provision of grants of \$2,000 per student. We have seen a significant increase in the number of applicants for this program which has resulted in an increase in the number of grants allocated to 15.
<p>1.5.3. Facilitating the growth of high quality secondary and tertiary education courses and facilities to cater for our increasing population</p>	City & Community Growth		Council continues to advocate to the State Government on the importance of tertiary pathways in the region. Participation and support as the Education Precinct further develops.
<p>1.5.4. Support the Regional Development Australia (Limestone Coast), industry and relevant government agencies to develop and implement employment skills programs to provide a local labour market that supports industry growth</p>	City & Community Growth		Continue to contribute annual funding and support to Regional Development Australia (Limestone Coast) in FY24. Also supported the Limestone Coast Jobs & Skills Expo through venue sponsorship and hosting an expo booth at the event itself. Regular meetings with Office of Family & Small Business, plus Family Business Association.

MOUNT GAMBIER SA.GOV.AU

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GOAL 2 - OUR LOCATION

This goal brings together five key themes to attract people, business and industry to our location – including our geography, our role as a regional centre for the region and our natural and manmade assets. We want to better tell our story to a wider audience – whether it is those who want to visit or relocate their business or family.

Under each theme Council made a strategic commitment and defined success. The below outlines how we are tracking against these commitments.



What will we do?	What will success look like?	How are we tracking?
2.1. Infrastructure development and managing our current assets		
We will finish the Rail Trail and work to create further linkages across the city for walking and cycling.	We will finish the Rail Trail within the first two years of the Strategic Plan and will invest in further cross links in the last two years.	Whole length of the Rail Trail Shared Pathway within the city boundary is now completed. Installation of solar lighting along the Rail Trail Shared Pathway has been completed. Shared Path Masterplan endorsed by Council in April 2024.
2.2. Regional Collaboration		
We will enter into a Joint Planning Board with council across the Limestone Coast Region and the Minister for Planning.	By the end of the Plan period we will have a Regional Plan outlining our integrated approach to land use, transport and infrastructure planning in the Limestone Coast.	We coordinate the Regional Assessment Panel with partner Council's within the region. Process to develop a Regional Plan for the Limestone Coast is still underway, lead by the State Government.

011









What will we do?	What will success look like?	How are we tracking?
2.3. The Crater Lakes Precinct and other areas of tourism potential		
We will understand our role in tourism and have masterplans for our honeypot tourism sites.	Council will have endorsed its role in tourism and masterplans will have been adopted for all of our key natural and manmade tourist attractions, including reviews as to management.	Co-custodianship of Blue Lake/ Warwar is now in place and is being considered as part of the Crater Lakes Activation Plan. Advocacy with State Government and relevant potential partners about opportunities is ongoing in accordance with our updated Partnership Priorities and Advocacy document 2024 – 2025.
2.4. Recognition of our indoor and outdoor sporting assets and our adventurous opportunities		
We will hold six regional standard community or sporting events in the new Community Recreation Hub annually.	Six annual events held and an assessment provided annually to council on the economic, social and cultural impact of events.	Key outdoor sporting events that have been held include Gravity Mountain Bikes, 100 Mile Classic, BMX State Titles, Inside Line Mountain Bikes, Blue Lake Fun Run, Legends of the Lake and Eruption/ Disc Golf. Wulanda Recreation and Convention Centre hosted the SA Swim Championships.
2.5. Focusing on activation, revitalisation and placemaking in our CBD		
Develop a traffic model for the CBD.	The traffic model assists in development assessment and the provision of design briefs for potential redevelopment sites in the CBD.	CBD Guiding Principles 2022 completed and endorsed. CBD Accessibility Audit and Shared Path Masterplan have been completed and endorsed.







GOAL 2 – Our Location Strategic Outcomes Dashboard








Strategic Priority	Responsibility	Status	Comments/ Highlights
2.1. Infrastructure development and managing our current assets <i>We will commence work on meeting the community's aspirations for future infrastructure development, whilst managing our existing infrastructure and assets in a manner that demonstrates the pride we take in our environment.</i>			
2.1.1.	City Infrastructure		Shared Path Masterplan and CBD Accessibility Audit has been completed and endorsed. Work underway to scope next steps with the CBD Activation Strategic Project.
2.1.2.	City Infrastructure		No further PLEC projects have been incorporated to the Long Term Financial Plan at this stage, but projects completed in prior years.
2.1.3.	City Infrastructure		Shared Path Masterplan has been completed with priorities identified. Implementation will occur as funding is identified.
2.1.4	City Infrastructure		Council has adopted new Asset Management Plans which will be reviewed annually for next 3 years.
2.1.5	City & Community Growth		Developed new Visitor Servicing Model which includes digital and printed assets and placement of visitor servicing expertise where they can be more influential for our economy.
2.2. Regional collaboration <i>Significant planning work has been done by the City of Mount Gambier, Limestone Coast Councils and Regional Development Australia (Limestone Coast). Councils within the region are keen to collaborate on a number of initiatives including land use planning, infrastructure, waste management, recycling and tourism.</i>			
2.2.1.	City & Community Growth		Development of new digital platform and associated assets is progressing.








Strategic Priority	Responsibility	Status	Comments/ Highlights
<p>2.2. Regional collaboration <i>Significant planning work has been done by the City of Mount Gambier, Limestone Coast Councils and Regional Development Australia (Limestone Coast). Councils within the region are keen to collaborate on a number of initiatives including land use planning, infrastructure, waste management, recycling and tourism.</i></p>			
<p>2.2.1. Collaborating with Regional Development Australia (Limestone Coast) to develop and maintain a Mount Gambier Investment Prospectus specific to our city</p>	<p>City & Community Growth</p>		<p>Development of new digital platform and associated assets is progressing.</p>
<p>2.2.2. Taking an active role in regional working groups to realise major regional initiatives such as the delivery of a recycling facility, improved regional procurement and cohesive infrastructure planning including regional rail trails</p>	<p>City Infrastructure</p>		<p>Ongoing financial contribution and participation with Limestone Coast Local Government Association and Regional Development Australia Limestone Coast.</p>
<p>2.2.3. Encouraging growth and diversity in the forestry, food, wine production and value adding industries, as well as our service sector</p>	<p>City & Community Growth</p>		<p>Partnership Priorities and Advocacy document adopted by Council January 2024. Significant engagement with various sectors through the development of Mount Gambier 2035 Community Vision.</p>
<p>2.2.4 Working with other local government areas to develop cross-regional plans and initiatives</p>	<p>City & Community Growth</p>		<p>Working collaboratively and provide funding to Limestone Coast Local Government Association to facilitate cross-region plans and initiatives. Engaged with District Council of Grant with regard to respective strategic planning activities and land use planning. Working with District Council of Grant in relation to boundary roads and saleyards. We coordinate Regional Assessment Panel for District Council of Grant, Wattle Range Council and Robe District Council. Thanks to District Council of Grant and Wattle Range Council for their assistance in resource sharing of Environmental Health Officers this financial year.</p>







Strategic Priority		Responsibility	Status	Comments/ Highlights
2.2.	Regional collaboration <i>Significant planning work has been done by the City of Mount Gambier, Limestone Coast Councils and Regional Development Australia (Limestone Coast). Councils within the region are keen to collaborate on a number of initiatives including land use planning, infrastructure, waste management, recycling and tourism.</i>			
2.2.5	Advocating for key initiatives with State and Commonwealth Governments	City & Community Growth		Updated Partnership Priorities and Advocacy document for 2024 - 2025 which was endorsed by Council January 2024.
2.3.	The Crater Lakes Precinct and other areas of tourism potential <i>We will work with the community to investigate options that enable the Council to capitalise on the Crater Lakes Precinct and other areas of tourism potential.</i>			
2.3.1.	Understand our role in tourism and develop an aspirational masterplan for the Crater Lakes area enabling us to shared vision with the community and other key stakeholders	City & Community Growth		Crater Lakes Activation Plan progressing with continuing consultation with key stakeholders.
2.3.2.	Working with the Department of Environment and Water, Department of Planning, Transport and Infrastructure, SA Water and other stakeholders to unlock opportunities in our city, from a leasing, licencing and ownership perspective	City & Community Growth		Co-custodianship of Blue Lake/ Warwar is now in place and is being considered as part of the Crater Lakes Activation Plan. Advocacy with State Government and relevant potential partners about opportunities is ongoing. Working with Troy Bell's office and Minister Nick Champion about SA Water provision to support growth.
2.3.3.	Better understanding the constraints and seeking innovative solutions to overcome long-standing challenges through effective partnerships	City & Community Growth		Updated Partnership Priorities and Advocacy document for 2024 – 2025 endorsed by Council January 2024.
2.3.4.	Seeking to understand and build upon our unique opportunities, including our little known, but world-class rock carvings	City & Community Growth		Developed new Visitor Servicing Model which includes digital and printed assets and placement of visitor servicing expertise where we can curate our storytelling of our unique landscape.



Strategic Priority	Responsibility	Status	Comments/ Highlights
<p>2.4. Recognition of our indoor and outdoor sporting assets and our adventurous opportunities <i>We will work on capitalising on the delivery of the Community and Recreation Hub to highlight the opportunities for sporting and other community events in Mount Gambier and we will seek to leverage the adventure sports market through support to potential providers to develop activities, effective marketing and working with our partners to raise the profile of our City and region.</i></p>			
<p>2.4.1. Seeking to hold at least six regional standard community or sporting events in the new Community and Recreation Hub annually</p>	City & Community Growth		In partnership with Belgravia Leisure, Adelaide 36ers, Rotary Seminar , Limestone Coast Jobs & Skills Expo, Mount Gambier Junior Basketball Tournament, ROAR.
<p>2.4.2. Continuing to hold six regional standard sporting events (or higher) at our outdoor facilities</p>	City & Community Growth		Highlights include but not limited to: Gravity Mountain Bikes, 100 Mile Classic, Inside Line Mountain Bikes, Blue Lake Fun Run, Legends of the Lake and Eruption/ Disc Golf.
<p>2.4.3. Seeking to market our region even better for year round adventurous activities</p>	City & Community Growth		Progressed the development of 2 new digital platforms and associated assets.
<p>2.4.4. Work in partnership with our sporting clubs to improve their sporting and clubhouse facilities and to help them take advantage of accommodation opportunities for groups</p>	City & Community Growth		Sport, Recreation and Open Space Strategy has been completed and endorsed with a cross-functional project team to support delivery. Strategic Development & Recreation Coordinator working with many sporting clubs, keeping them abreast of opportunities through a monthly e-newsletter. Sport & Recreation Capital Works Fund continues.
<p>2.4.5. Understand what a hero attraction in Mount Gambier would look like and how to create the opportunity to attract external investment and to value add existing attractions</p>	City & Community Growth		Investment digital platform is progressing to house opportunities as they rise.



Strategic Priority	Responsibility	Status	Comments/ Highlights
2.5. Focusing on activation, revitalisation and placemaking in our CBD <i>We will look to create opportunity in our CBD for all year-round activation through effective placemaking and place shaping, making it a vibrant, cohesive and safe place.</i>			
2.5.1. Working with business owners and property owners to understand what mechanisms would assist them in raising the quality of buildings in the CBD	City & Community Growth		CBD Guiding Principles 2022 in place. Engagement during the development of Mount Gambier 2035 strengthened understanding of opportunities.
2.5.2. Understanding the traffic impacts and the management of delivery needs within a more pedestrian friendly environment	City Infrastructure		Shared Path Masterplan has been completed with priorities identified and endorsed by Council in April 2024. Implementation will occur as funding is identified.
2.5.3. Working with the community and developers to capitalise on opportunities as the CBD evolves	City & Community Growth		Through the Mount Gambier Housing Alliance to improve communication and capture opportunities. Affordable Housing Plan for Mount Gambier has been drafted and distributed for public consultation in June 2024 (and has since been adopted).
2.5.4. Establish a collaborative activation strategy with CBD traders that delivers a mix of hospitality, cultural and boutique offerings	City & Community Growth		CBD Guiding Principles 2022 in place. Engagement during the development of Mount Gambier 2035 strengthened understanding of opportunities. Regular meetings with Mount Gambier Chamber of Commerce.



GOAL 3 - OUR DIVERSE ECONOMY

This goal brings together five key themes that strengthen our economy – provide the right landscape for industry and business to thrive in our community. A diverse economy provides a greater range of opportunities and helps provide a degree of resilience during economic downturns.

Under each theme Council made a strategic commitment and defined success. The below outlines how we are tracking against these commitments.



What will we do?	What will success look like?	How are we tracking?
3.1. Identity, gateways and support for our businesses		
Deliver five consistent or themed entrance statements to the City of Mount Gambier in consultation with our community.	Five new entrance statements delivered in four years creating a sense of arrival in the City of Mount Gambier.	Traveller brand established and refreshed image library to assist with the Signage Strategy rollout which includes updated Dual Naming and Welcome to Berrin signage. Investment and attraction digital platform in development.
3.2. Land use planning settings		
We will work with public transport providers to deliver a more relevant service to the City of Mount Gambier, including access to the new Community and Recreation Hub.	More daily services are provided across the City and a route linking the new Community and Recreation Hub has been implemented.	Continue strong advocacy for equity of investment on public bus services and progressed additional stops for existing bus route. Key priorities captured in Council's Partnership Priorities & Advocacy Document 2024 - 2025.

019








What will we do?	What will success look like?	How are we tracking?
3.3. Appealing and affordable housing for growth		
<p>We will seek to develop a long-term boundary for the City that enables strong, planned growth and for other agencies to be able to plan for service provision supporting a growing city.</p>	<p>The boundary for the City of Mount Gambier will have been adjusted to enable current and long-term housing growth that is supported by City services, to be situated within the city, and through rates, to contribute to the provision of such services.</p>	<p>The State Government is responsible for the preparation of the Regional Plan with Council participating within the process at all opportunities.</p>
3.4. Tourism is contributing to a diverse economy and creating opportunity		
<p>We will review the policies in the Planning and Design code (when implemented), together with our own lease and license arrangements, to create new opportunities in tourism.</p>	<p>We will have one new hero tourist attraction in the City of Mount Gambier, for which the operator is able to charge for a special experience.</p>	<p>Development of new digital platform and associated assets continues. Traveller brand established, refreshed image library and updated printed collateral and contribution to the State Government's Regional Plan.</p>
3.5. Reusing, recycling and waste management		
<p>We will reduce our per capita tonnage of waste from the City going into landfill.</p>	<p>We will be producing less waste and enabling greater tonnages of reuse, recycling and organic waste to be collected.</p>	<p>FY24 continued to see a reduction in domestic waste to landfill with latest reduction of 1.6% which resulted in a 53% diversion from landfill of recyclable materials.</p>








GOAL 3 – Our Diverse Economy Strategic Outcomes Dashboard



Strategic Priority		Responsibility	Status	Comments/ Highlights
3.1.	Identity, gateways and support for our businesses <i>Establish a strong, positive, aspirational identity that includes the message that the City of Mount Gambier is 'Open for Business'.</i>			
3.1.1.	Beautifying town entrances, gateways and public spaces to create a sense of arrival, together with enhanced digital gateway to access the City from anywhere	City & Community Growth		Traveller brand established and refreshed image library to assist with the signage project rollout which includes updated Dual Naming and Welcome to Berrin signage.
3.1.2.	Generating positive messages about Mount Gambier that are heard and recognised across our region and in Adelaide, together with wider domestic and international targeting	City & Community Growth		Partnership Priorities and Advocacy 2024-2025 updated and endorsed by Council January 2024.
3.1.3.	Engaging our community leaders in strategies to address current barriers and in shaping the future	City & Community Growth		Council has worked closely with community leaders through the collaborative development of a range of significant strategic plans, initiatives and projects including the CBD Guiding Principles, Sports Recreation and Open Spaces Strategy (SROSS), Blue Lake Sports Park Master Plan and the Public Transport Review. Council has also recently worked in collaboration with the community to develop a community vision to 2035 which will inform Council's strategic planning beyond 2024.
3.1.4	Capitalising on and promoting the benefits of a multicultural community	City & Community Growth		Ongoing relationship with Migrant Resource Centre and support where appropriate. Celebrate relevant weeks/months and days throughout the year showcasing multicultural opportunities.
3.1.5	Encouraging the uptake and benefits of ultra high-speed broadband connectivity for small and growing businesses	City & Community Growth		Partnership Priorities and Advocacy 2024-2025 updated and endorsed by Council January 2024.









Strategic Priority	Responsibility	Status	Comments/ Highlights
3.1.	Identity, gateways and support for our businesses <i>Establish a strong, positive, aspirational identity that includes the message that the City of Mount Gambier is 'Open for Business'.</i>		
3.1.6	Delivering support for existing and new businesses and industries to locate into the City, underpinned by the establishment of an Economic Development Fund	City & Community Growth	 New digital platform progressing. Significant engagement with various sectors through the development of Mount Gambier 2035 Community Vision.
3.2.	Land use planning settings <i>Planning that provides for future economic and lifestyle changes and continued growth whilst protecting the natural environment.</i>		
3.2.1.	Preparing updates to the Planning and Design Code that prepare the city for growth and revitalisation over the next 15 years	Corporate & Regulatory Services	 Opportunities for amendments to the Planning and Design Code are being identified as part of the Regional Plan. Due to the time frame being extended for the Regional Plan, further work can be undertaken to commence a review of zones within the City of Mount Gambier.
3.2.2.	Preparing a new Regional Plan for the Limestone Coast that enables us to plan for the region we want to see	Corporate & Regulatory Services	 The State Government is responsible for the preparation of the Regional Plan with Council participating within the process at all opportunities.
3.2.3.	Advocating and planning for road, train, airport and communications infrastructure that better connects us with the world	City & Community Growth	 In accordance with the Partnership Priorities & Advocacy document 2024 - 2025. We are also working alongside Regional Development Australia Limestone Coast and Limestone Coast LGA in regional growth strategies and the Freight Action Plan.
3.2.4	Working with operators to deliver a public transport network that connects people to essential services, leisure activities and employment	City & Community Growth	 Contribution to the Regional Public Transport Review and active advocacy for equity of spending on bus services and implementation of new routes. Key priorities captured in Council's Partnership Priorities & Advocacy Document 2024 - 2025.







Strategic Priority	Responsibility	Status	Comments/ Highlights
3.3.	Appealing and affordable housing for growth <i>We have appealing and affordable housing appropriate to incomes, aspirations and cultures to attract and retain new residents.</i>		
3.3.1.	Planning for housing growth (including boundary adjustments) that retains the lifestyle charm of the regional city, whilst providing a range of housing options to suit students, workers and managers, along with people and cultures with special needs.	Corporate & Regulatory Services	 The Planning and Design Code enables opportunities for a wide range of dwelling types to be developed. Council is currently investigating opportunities to facilitate affordable housing within the City.
3.3.2.	Reviewing and adapting our zoning and planning processes to allow for high-end housing to attract professionals and people with discretionary spending capacity.	Corporate & Regulatory Services	 Planning Policies within the Planning and Design Code facilitates a wide range of opportunities regarding the development of housing.
3.3.3.	Working with the real estate sector, employers, educators, retailers and services to develop and implement a Relocation Package that assists skilled migrants to settle quickly and build a life for themselves and their families in Mount Gambier	City & Community Growth	 Development of the Affordable Housing Plan has supported understanding of housing needs to include resettlement of migrants. Working relationship with Migrant Resource Centre.
3.3.4	Working with community housing providers (including Housing SA, Anglicare, etc.) to improve the quality and appearance of their stock through investment and joint development opportunities	City & Community Growth	 Affordable Housing Plan for Mount Gambier is out for community consultation and is scheduled for Council endorsement in July 2024. Advocacy with Minister on social housing update.
3.3.5	Being prepared to use our powers under the Local Nuisance and Litter Control Act and the Development Act to deal with unsightly premises to maintain the standard of residential amenity	Corporate & Regulatory Services	 Council continues to deal with unsightly properties and local nuisance matters through the application of the relevant Acts as they are drawn to Council's attention.



Strategic Priority	Responsibility	Status	Comments/ Highlights
3.4. Tourism is contributing to a diverse economy and creating opportunity <i>Mount Gambier, its surrounding townships and the tourism region are positioned as an unique and desirable activity-based destination for travellers from Adelaide and Melbourne.</i>			
3.4.1. Encouraging the development of interesting niche businesses in our shops and public places, particularly aimed at weekend place activation, day trip tourism and experiences that complement key tourism driver	City & Community Growth		New Visitor Servicing Model endorsed with an implementation plan being developed to encourage the visitor economy.
3.4.2. Working with neighbouring Councils to develop and promote an integrated schedule of events that increases residential amenity and attracts tourists	City & Community Growth		Participate and contribute through Limestone Coast LGA.
3.4.3. Zoning and planning processes, together with appropriate leases and licences that support tourism activity and the development of accommodation and eateries	City & Community Growth		The State Government is responsible for the preparation of the Regional Plan with Council participating within the process at all opportunities.
3.4.4. Facilitating the provision of quality Visitor Information Services that address face-to-face information needs as well as adapting to trends in online information, booking services and electronic marketing	City & Community Growth		Developed new Visitor Servicing Model which includes digital and printed assets, placement of visitor servicing expertise where we can curate the storytelling of our unique landscape and influence the local economy.
3.4.5. Working with other tourism stakeholders to develop dispersal strategies that bring tourists into the region from across South Australia, Victoria and further afield	City & Community Growth		Before the Bounce city activation delivered. Continued work with Limestone Coast LGA.
3.5. Reusing, recycling and waste management <i>We will work with the community to ensure there is better understanding of the impacts and responsible options available for reuse, recycling and waste management, including investigations as to how the city and region can be more self-sufficient.</i>			
3.5.1. Seeking to procure or develop recycled or renewable materials for our services	City Infrastructure		Procurement criteria has been updated to try and secure recycled or renewable materials for our services.



Strategic Priority	Responsibility	Status	Comments/ Highlights
3.5. Reusing, recycling and waste management <i>We will work with the community to ensure there is better understanding of the impacts and responsible options available for reuse, recycling and waste management, including investigations as to how the city and region can be more self-sufficient.</i>			
3.5.2. Investing in sustainable waste management practices and progressive technology at the Council's Caroline Landfill facility, including methane collection and solar power options	City Infrastructure		Landfill Environment Management Plan has been adopted by EPA. Waste Strategy has been adopted by Council. Have made additions to the Asset Management Plan up until 2034. Waste Masterplan under development and due for completion in the coming year.
3.5.3. Invest in education programs to reach everyone in our community to enhance understanding of options and actions	City Infrastructure		Educational Videos have been completed and rolled out through social media and Council's website. Rebranded the new collections vehicles to include educational material.
3.5.4. Continuing to invest in the Council's ReUse Market and the range of materials that the Council accepts for recycling at the Waste Transfer Station	City Infrastructure		Continue to see a reduction in domestic waste to landfill with latest reduction of 1.6% with resulted in a 53% diversion from landfill of recyclable materials. Have grown material we are recovering and diversion from landfill with current focus on solar panels. Regular contact with contractors utilising the Waste Transfer Station/ Caroline Landfill facility to reduce waste.
3.5.5. Working with partners across the Limestone Coast region to develop solutions to our collective waste management and recycling issues, including an independent materials recovery option	City Infrastructure		Regional approach has transitioned to a more localised solution base, which will continue to be explored in the next Strategic Plan.



GOAL 4 - OUR CLIMATE, NATURAL RESOURCES, ARTS, CULTURE AND HERITAGE

This goal brings together five key themes that help tell the story of our community and help improve quality of life by giving us a sense of place and a clean, green, creative environment. Ensuring we look after our environment and celebrate the achievements of our community ensures our capacity to thrive.

Under each theme Council made a strategic commitment and defined success. The below outlines how we are tracking against these commitments.



What will we do?	What will success look like?	How are we tracking?
4.1. Natural assets		
We will continue to fund community projects in the Crater Lakes and to develop a partnership with Cleland Wildlife Park.	We will see a greater variety of native species, both flora and fauna, in the Crater Lakes precinct and better opportunities to engage our community in understanding our environment.	In partnership with Landscape SA the City of Mount Gambier has developed a number of initiatives to engage the community with our unique environment. A ClimateWatch Trail app in collaboration with EarthWatch Australia, Bureau of Meteorology and the University of Melbourne is in development and is looking to monitor at least 60 species of flora and fauna that occur in the Valley Lake Conservation Park.

027



What will we do?	What will success look like?	How are we tracking?
4.2. Open Space		
<p>We will deliver a Sport, Recreation and Open Space Strategy and Master plans within the first year.</p>	<p>Enhancements to three key reserves over the life of the plan.</p>	<p>Sport, Recreation and Open Space Strategy (SROSS) has been completed and endorsed. Draft Blue Lake Sports Park Masterplan has been endorsed. Four masterplans have been prioritised endorsed by Council for delivery over the next 3 years including Umpherston Sinkhole/ Balumbul, Vansittart Park, Olympic Park and Hastings Cunningham Reserve. Investment to support delivery has also been captured in the Long-Term Financial Plan.</p>
4.3. Planned reduction of our carbon footprint		
<p>The Council will enter into agreements to provide more renewable energy from its assets.</p>	<p>The community will see a reduction in our overall energy purchases and the implementation of improved sustainable energy supplies at the Caroline Landfill and the Community and Recreation Hub.</p>	<p>Water sensitive urban design is used in all Council developments and is encouraged in all developments within the City. Landfill gas capture system installed at Caroline Landfill. Energy audit undertaken of the Riddoch Arts and Cultural Centre. Energy fine-tuning of Wulanda undertaken. Phase 2 LED street lighting for decorative lights business case developed for consideration.</p>







What will we do?	What will success look like?	How are we tracking?
4.4. Recreational and cultural pursuits		
<p>We will adopt our first Reconciliation Action Plan and move into implementation.</p>	<p>We will see more Boandik input in the arts, culture and heritage across our city including more public art and the use of Boandik art in more Council publications and exhibitions.</p>	<p>Yerkalalpata Reconciliation Action Plan now requires review. Council continues to deliver on its reconciliation commitments and provide local leadership in creating positive outcomes for our First Nations community. Recent community leadership has included: Ongoing work to supporting Burrendies Aboriginal Corporation to finalise the Crater Lakes Cultural Heritage Assessment project, fostering First Nations and Cultural Authority participation in Mount Gambier 2035 engagement and community panel, collaborative programming for Reconciliation Week, NAIDOC Week and Aboriginal and Torres Strait Islander Childrens Day, participation in local reconciliation and First Nations focussed agency networks.</p>
4.5. A City brought to life with public art		
<p>We will establish an annual public arts fund.</p>	<p>The installation of at least one new piece of public art every year.</p>	<p>Council has pursued civic activations through the Creative Art Fund.</p>









GOAL 4 – Our Climate, Natural Resources, Arts, Culture and Heritage Strategic Outcomes Dashboard



Strategic Priority	Responsibility	Status	Comments/ Highlights
4.1. Natural assets <i>We are effective at protecting and conserving the high-quality values of our natural environment.</i>			
4.1.1.	Working in partnership with relevant organisations to ensure a sustainable environment	City Infrastructure	 Environmental Sustainability Programs. Valley Lakes Water Quality Improvement Project. Exploring leachate management opportunities with Uni SA. Engaged with local contractor and processing facility on business food waste trial. Working with RecFishSA on exploring recreational fishing opportunities for the Valley Lake. Working actively with Landscape SA in partnership to undertake the native landscaping design for the fire affected pines at the lakes area..
4.1.2.	Protecting biodiversity for future generations and the creation of wildlife corridors through the Council's own works or in new private development	City Infrastructure	 Continue to work with our volunteers in the maintenance and care of the Valley Lakes Conservation Park. Collaborative working relationship with Landscape SA.
4.1.3.	Providing opportunities and funding for community involvement in projects aimed at developing environmental sustainability	City & Community Growth	 Landscape SA/Climatewatch. Grassroot Grant. Electric Vehicle Charging Stations. New Visitor Servicing Model is support by regenerative tourism aims. Landfill gas capture system installed at Caroline Landfill. Energy audit undertaken of the Riddoch. Energy fine-tuning of Wulanda undertaken. Phase 2 LED street lighting for decorative lights business case developed for consideration.
4.2. Open Space <i>We are effective at protecting and conserving the high-quality values of our natural environment.</i>			
4.2.1.	Prepare a Sport, Recreation and Open Space Strategy and masterplans for our key reserves enabling effective and efficient multiple uses and the improvement of facilities	City & Community Growth	 Masterplans have been prioritised over the next 3 years to be Umpherston/Balumbul, Vansittart Park, Olympic Park then Hastings Cunningham Reserve.









Strategic Priority	Responsibility	Status	Comments/ Highlights
4.2. Open Space <i>We are effective at protecting and conserving the high-quality values of our natural environment.</i>			
4.2.2. Ensuring opportunities exist to access and experience natural areas	City & Community Growth		Crater Lakes Trails Plan and Wayfinding Strategy endorsed.
4.2.3. Enhancing and promoting environmental experiences to encourage the involvement of our residents and attract visitors	City & Community Growth		New Visitor Servicing Model endorsed which leans into regenerative Tourism approaches.
4.2.4. Seeking to improve connectivity between our reserves and the CBD by non-motorised forms of transport	City Infrastructure		Shared Pathways Master Plan endorsed.
4.3. Planned reduction of our carbon footprint <i>Council will lead by example in the fields of sustainable development and resource efficiency.</i>			
4.3.1. Managing water through conservation, reuse and water quality	City Infrastructure		Water sensitive urban design is used in all Council developments and is encouraged in all developments within the City. Council will adopt the South Australian Infrastructure Guidelines when considering assessment of new land divisions.
4.3.2. Reducing the environmental impact of waste and maximising conservation of natural resource	City Infrastructure		Continued education with the community and working towards best practice in our landfill management operations.
4.3.3. Planning our response to climate change	City Infrastructure		We have been part of a Local Government sector study into emergency and environmental vulnerability. Council adopted a Waste Management Strategy in line with the State Government's waste reduction targets. Continued our waste management education.



Strategic Priority	Responsibility	Status	Comments/ Highlights
4.3. Planned reduction of our carbon footprint <i>Council will lead by example in the fields of sustainable development and resource efficiency.</i>			
4.3.4. Demonstrating Council's commitment to the environment by reducing our carbon emissions and increasing our use of renewable energy sources	City Infrastructure	●	Partnered with Landscape SA on the Climatewatch initiative in the Conservation Park at the Valley Lake. Worked with RAA on the installation of electric vehicle charging stations in the Sturt St car park. Partnering with Lakes Rotary and Tenison College for small scale recycling of plastic lids and bread tags. New Visitor Servicing Model is support by regenerative tourism aims.
4.4. Recreational and cultural pursuits <i>We will ensure that community members are provided with opportunities for cultural growth and development through provision of innovative services and programs.</i>			
4.4.1. Delivering a network of safe and convenient walking trails and cycle paths linking relevant land uses and recreation opportunities	City Infrastructure	●	Shared Pathways Master Plan endorsed.
4.4.2. Providing library programs, resources and facilities that respond to the changing needs for knowledge, education and leisure	City & Community Growth	●	Developed Strategic Plan and implemented to guide library programs and events ensuring they are in line with the strategic direction of the Library. All programs delivered and feedback indicating programs events and activities are in line with the needs of the community.
4.4.3. Adopting a Reconciliation Action Plan and working to implement it sensitively	City & Community Growth	●	Reconciliation Action Plan (refer 1.4.3) now requires review.
4.4.4. Providing services, programs and facilities for the community to participate in a broad range of arts and cultural activities	City & Community Growth	●	The Riddoch program supports local and national artists to exhibit and participate in workshops. Forward programming will continue to meet this need and be guided by the Riddoch's forthcoming strategic plan and staffing restructure.



Strategic Priority		Responsibility	Status	Comments/ Highlights
4.4.	Recreational and cultural pursuits <i>We will ensure that community members are provided with opportunities for cultural growth and development through provision of innovative services and programs.</i>			
4.4.5.	Celebrating our cultural diversity	City & Community Growth		RACC, Events, NAIDOC, Reconciliation, Citizenship Ceremonies, Library programming. Support FRINGE festival.
4.5	A City brought to life with public art <i>We will ensure that opportunities for public art are created within our city, this means not just spaces for the artwork, but also spaces where creative industries can connect and flourish.</i>			
4.5.1.	Reviewing our current visitor information centre location and the use of its space and our other buildings for creative industries	City & Community Growth		New Visitor Servicing Model endorsed signalling the development of an Expression of Interest process to explore potential Creative Industries/Historical Management location at Lady Nelson site.
4.5.2.	Work collaboratively with those engaged in the creative industries by bringing together opportunities in the Library, the Main Corner, the Riddoch Art Gallery, the Sir Robert Helpmann Theatre and spaces across the City and establishing and embedding the Riddoch Arts and Cultural Complex	City & Community Growth		Collaborative programs have been formalised through new approach with Library and Events teams. Before the Bounce collaboration a highlight through programming and Straight to the Pool Room display.
4.5.3.	Create spaces in major developments, the Railway Lands and our reserves for public art and work with our community to fill these spaces and work with DPTI to include these along the Rail Trail	City & Community Growth		Beacon Art Project and Public Arts Fund in progress.
4.5.4.	Work with the owners of prominent buildings and structures across the City to increase the visibility of public art	City & Community Growth		Beacon Art Project has been launched and an assessment panel convened. Marketing strategy and implementation planning ongoing. Due to be delivered by EOFY 2025. 2 public art works completed through Creative Arts fund (Lucy Bonin Railway Lands mural and Tabitha Williams Sea Weave Project - tbc installed at Wulanda)
4.5.5.	Establish an annual public arts fund and street art event	City & Community Growth		Creative Arts Fund and Beacon Art Project established.



GOAL 5 - OUR COMMITMENT

The Council has determined the following principles to ensure delivery against the Strategic Plan 2020-2024. These principles underpin all decisions made by the Council. They guide our strategic planning, processes, service delivery and the management of assets.

Our commitment – the City of Mount Gambier will be:



Sustainable Transparent Responsive Involving Values-based Effective

Key deliverables to support Council in meeting its commitment include, but is not limited to:

- Ongoing review and continuous improvement of Council Policies, Principles and Procedures.
- Review of Asset Management Plans.
- Continued implementation of relevant changes in accordance with the Local Government Act reforms.
- Ongoing implementation and refinement of the Strategic Planning and Reporting Framework and appropriate governance.
- Worked in collaboration with the community to develop Mount Gambier 2035 – A Community Vision for our Regional Capital.
- Commenced implementation of the Volunteer Management Plan making improvements to onboarding and safety of our volunteers.
- Continued focus and development of strategic risk register and broader risk management framework.



19.2 FINAL QUARTER REPORT ON ANNUAL BUSINESS PLAN 2023/2024 ANNUAL OBJECTIVES – REPORT NO. AR24/10207

Committee:	Council
Meeting Date:	20 August 2024
Report No.:	AR24/10207
CM9 Reference:	AF23/328
Author:	Kahli Rolton, Acting Manager Financial Services
Authoriser:	Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services
Summary:	Annual objectives were incorporated in the 2023-2024 Annual Business Plan - this report summarises progress made in the final quarter.
Strategic Plan Reference:	Goal 1: Our People Goal 2: Our Location Goal 3: Our Diverse Economy Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Council Report No. AR24/10207 titled 'Final Quarter Report on Annual Business Plan 2023/2024 Annual Objectives' as presented on 20 August 2024 be noted.



TYPE OF REPORT

Corporate

BACKGROUND

1. **Purpose** - The Annual Business Plan and Budget for 2023/2024 was adopted on 27 June 2023. This reports on progress made against the annual objectives for the last quarter of the financial year ending 30 June 2024.

Snapshot - Total 30 objectives, their status at various stages of completion:

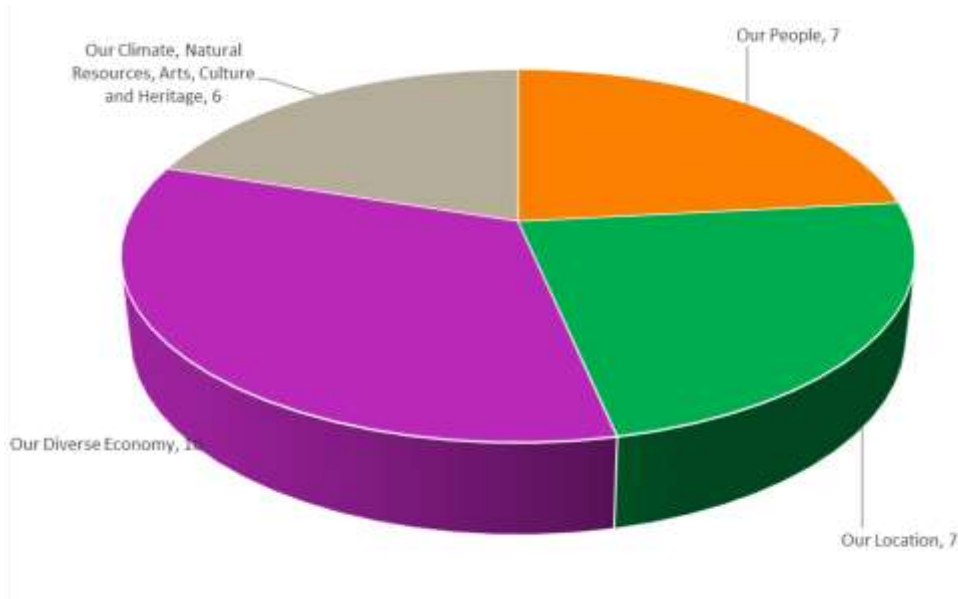


2. **Legislation** - Section 123 of the Local Government Act 1999 states the following:
(2) Each annual business plan of a council must—
 - (a) include a summary of the council's long-term objectives (as set out in its strategic management plans); and
 - (b) include an outline of—
 - (i) the council's objectives for the financial year; and
 - (ii) the activities that the council intends to undertake to achieve those objectives; and
 - (iii) the measures (financial and non-financial) that the council intends to use to assess the performance of the council against its objectives over the financial year;
(11) However, in any event, the summary of the annual business plan must include an assessment of the extent to which the council's objectives for the previous financial year have been attained (considering the provisions of the annual business plan for that financial year).






PROPOSAL

1. **Annual Objectives** - 30 annual objectives were included in the Annual Business Plan and Budget for 2023/2024 aligned with each of the four strategic goals (as shown below):
 - Our People
 - Our Location
 - Our Diverse Economy
 - Our Climate, Natural Resources, Arts, Culture and Heritage.





2. **Full Update** - Attachment 1 details progress made for each objective for the final quarter of 2023/2024 and shows comparison to the third quarter results for context.
3. **Status Definitions** - Each annual objective has been allocated a status in accordance with the following key:

	In Progress	Work is underway and is on track to be delivered in accordance with the Annual Business Plan.
	Deferred	Work has been deferred to the following/future year.
	Completed	The annual objective has been delivered/ completed
	Ongoing	The annual objective represents ongoing activities.
	Not Started	Work has not commenced.

4. **Quarter 4 Delivery** – Overall, the majority of annual objectives are now ongoing and in progress as highlighted below. Full details of progress included at Attachment 1 to this report.



- **In Progress** - 11 annual objectives are in progress.
 - Capital works program 98% projects complete.
 - Websites on track, delivery delayed by one quarter to 1st quarter FY2024/2025.
 - Strategic Property Management Plan, in development phase of project plan.
 - Master Plans – Waste Management and Blue Lake Sports Park.



- Crater Lakes Precinct, cultural heritage assessment underway.
 - Beacon Art, on track for presentation to Council in October.
 - **Deferred** – 1 annual objectives deferred.
 - Disability Access and Inclusion Plan on hold awaiting State Plan gazettal.
 - **Completed** – 4 annual objectives now complete include:
 - Implementation of a Volunteer Management Plan.
 - Implementation of a consistent approach to the administration of community grants to ensure transparency and accountability.
 - Develop a Dog and Cat Management Plan aligned with legislation.
 - Develop the Shared Use Path implementation plan.
 - **Ongoing** – 14 annual objectives now considered ongoing including:
 - Delivery of community programs,
 - operation of Wulanda Recreation and Convention Centre
 - development professional advice and assistance and legislative compliance activities
 - Regional planning, strategic planning and asset management
 - property and land review
 - waste reduction/sustainability/energy renewable activities.
 - **Not Started** – none.
5. **Next Update** - The next update will be provided to Council reporting on performance in the first quarter of FY 2025 at the October Council meeting (aligned with Budget Review 1).

LEGAL IMPLICATIONS

As detailed in the background section.

STRATEGIC PLAN

This report is an update of the progress against each of Council's annual objectives included in the Annual Business Plan aligned with the strategic plan and the four strategic goals.

COUNCIL POLICY

Nil

ECONOMIC IMPLICATIONS

Nil

ENVIRONMENTAL IMPLICATIONS

As included in the annual objectives that relate to environmental sustainability.

SOCIAL IMPLICATIONS

As included in the progress of annual objectives that address social outcomes.

CULTURAL IMPLICATIONS

As included in the progress of annual objectives that address cultural outcomes.



RESOURCE IMPLICATIONS

The annual objectives are being delivered aligned with current Council resources including staffing and budget.

VALUE FOR MONEY

The annual objectives are being delivered in line with the budget and the procurement policy and procedures.

RISK IMPLICATIONS

Nil

EQUALITIES AND DIVERSITY IMPLICATIONS

Nil

ENGAGEMENT AND COMMUNICATION STRATEGY

A report will be brought to Council on a quarterly basis.

IMPLEMENTATION STRATEGY

Nil

CONCLUSION AND RECOMMENDATION

That Council note the progress as at Quarter 4 FY2023/2024 as provided in this report and the Attachment.

ATTACHMENTS

1. City of Mount Gambier Annual Objectives Progress Q4 2024 [↓](#) 



Annual Business Plan 2023-2024

Quarter 4 Progress Against Annual Objectives

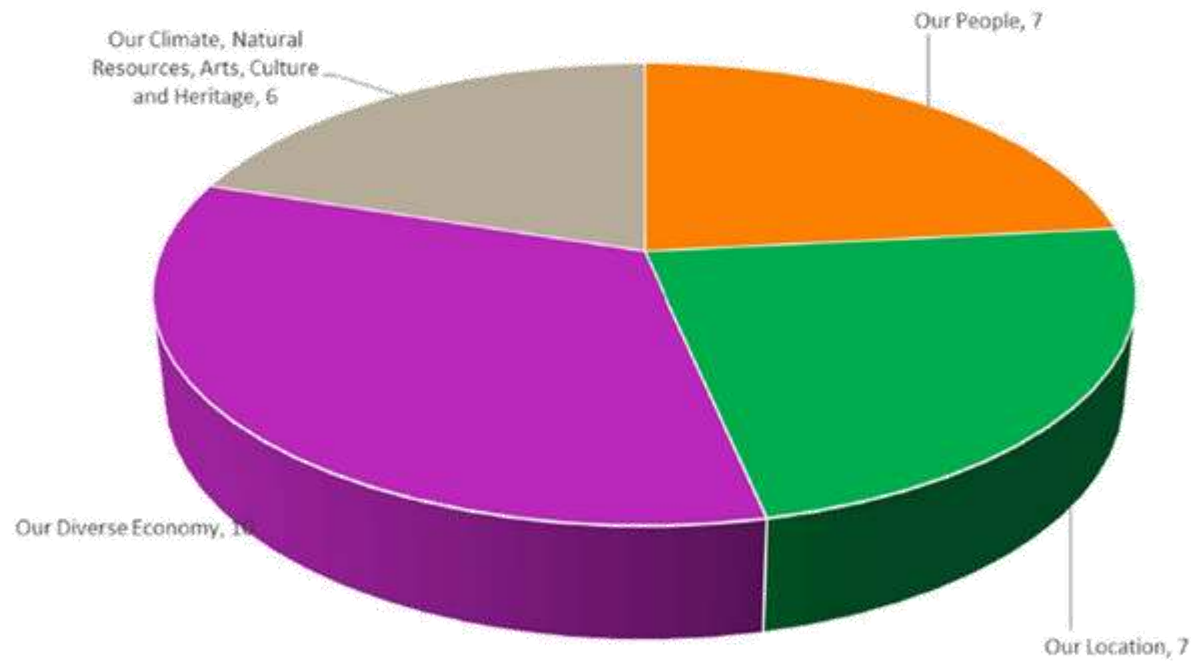
August 2024

City of
Mount Gambier



ORGANISATIONAL OVERVIEW

Annual Objectives By Strategic Goal



ORGANISATIONAL OVERVIEW

Annual Objectives Dashboard



Qtr 4



Qtr 3 comparison



GOAL 1 - Our People

Annual Objectives Dashboard

Qtr 4



Qtr 3 comparison



Annual Objective	Responsibility	Status	Comments/ Highlights
1.1.	Delivery of community programs.	Corporate & Regulatory Services	Regular Programs in the Library throughout the quarter. Author talks, School Holiday Programs, After School Clubs, U5 programs, Digital Literacy Training, Local History research support, displays, exhibitions and supporting / partnering with organisations/businesses to run one off events and programs.
1.2	Development of the Disability Access and Inclusion Plan 2024-2028 and supporting implementation plan.	Corporate & Regulatory Services	Implementation plan is complete for 2020-2024 plan. Review of existing plan is on hold awaiting the State Plan to be gazetted - a review following this is required.
1.3.	Implementation of a Volunteer Management Plan.	Corporate & Regulatory Services	The Volunteer Management Plan is complete and has been endorsed by Council. An implementation plan is in development to inform work activity for next financial year.
1.4	Implementation of a consistent approach to the administration of community grants to ensure transparency and accountability.	City Infrastructure	Grants and Sponsorship Policy adopted by Council May 2024. Community information sessions completed and implementation of the new program ready for 01 Jul 24.
1.5	Progressing development of new Reconciliation Action Plan and deliver the initial stage of actions.	City Infrastructure	Reconciliation Australia Barometer Survey completed for 2023. Review and evaluation of existing RAP underway.
1.6	Development of Affordable Housing Strategy in line with other levels of Government.	City Infrastructure	Finalising draft Affordable Housing Plan, scheduled for completion first quarter FY24/25



Annual Objective		Responsibility	Status	Comments/ Highlights
1.7	Develop a Dog and Cat Management Plan aligned with legislation.	Office of the CEO		The City of Mount Gambier Dog and Cat Management Plan 2024 - 2028 has been endorsed by Council and approved by the Dog and Cat Management Board.






GOAL 2 – Our Location Annual Objectives Dashboard

Qtr 4







Qtr 3 comparison



Annual Objectives		Responsibility	Status	Comments/ Highlights
2.1	Deliver the capital works program.	City Infrastructure		98% of projects completed, with the remaining 2% committed to be finalised with the first two weeks of July 2024. Key projects delivered in Q4 include: Roundabout Renewal Program Road Reseal Program Depot Office - Amenities Refurbishment Crouch Street South (John Watson Dr to Lake Tce East) - Road Reconstruction Wehl Street South (James St to Commercial St West) - Road Reconstruction
2.2	Phased delivery of maintenance plans identified for FY 2024.	City Infrastructure		The building valuation and condition ratings have been received and are included in the draft Building and Structures Asset Management Plan.
2.3	Develop the asset management planning approach and implement in 2023/24.	City Infrastructure		The draft Asset Management Plans, including community and Audit & Risk Committee were endorsed by Council at the Special Meeting held 25Jun24.



Annual Objectives		Responsibility	Status	Comments/ Highlights
2.4	Undertake a review of Council's property and land assets to understand risks and opportunities to Council's financial sustainability.	Corporate & Regulatory Services		Project Plan being developed for a Strategic Property Management Plan.
2.5	Support State Government in the development of the Regional Plan.	City Infrastructure		Is being prepared by the State Government, is to be referred to the State Planning Commission in early 2024. Council provides input when requested and as opportunities arise.
2.6	Progress discussions with State Government on former rail lands adjacent to Hastings Cunningham Reserve.	Corporate & Regulatory Services		Further contact has been made seeking an update, awaiting further advice from State Government on their intentions for their land.
2.7	Finalise Blue Lake Sports Park Masterplan and seek opportunities for grant funding or other options to progress the masterplan outcomes.	City Infrastructure		Actively pursuing funding opportunities. Collaboration between key stakeholders is progressing well.










GOAL 3 – Our Diverse Economy Annual Objectives Dashboard

Qtr 4






Qtr 3 comparison



Annual Objectives		Responsibility	Status	Comments/ Highlights
3.1	Create a seamless, soft landing website/ webpage for investment/attraction (and retention) in Mount Gambier.	City Infrastructure		Website under construction anticipated delivery September 2024. Slight delay, still on track.
3.2	Create a seamless, soft landing website/ webpage for Tourism in Mount Gambier.	City Infrastructure		Website under construction anticipated delivery September 2024. Slight delay, still on track.
3.3	Activate and operate the Wulanda Recreation and Convention Centre	City Infrastructure		Increased monitoring and performance measures in place.
3.4	Development of consultation activities that ensure that the community is engaged.	City Infrastructure		Extensive engagement activities occurring across a number of projects requiring varying degrees of consultation. Endorsed an Engagement Framework for Crater Lakes Activation.
3.5	To provide professional advice and assistance to Council, colleagues, industry partners and the community in respect to development matters.	Corporate & Regulatory Services		Council continues to assess Development Applications within accordance with legislative requirements. Due to a heavy workload, increasing numbers of applications are being processed at the end of the legislative timeframes..
3.6	To ensure development is carried out in accordance with relevant legislation, standards and codes to facilitate outcomes.	Corporate & Regulatory Services		Council Officers continue to undertake inspections as per the practice direction.
3.7	Provide community education, awareness and incentive programs to reduce waste.	City Infrastructure		Target has been met but additional programs continue to be delivered.



Annual Objectives		Responsibility	Status	Comments/ Highlights
3.8	Continue sift and sort activities and programs to support the reduction in waste to landfill.	City Infrastructure		This KPI is a continuing work in progress through education of the public and contractors that we receive waste from To the end of May we are currently tracking at an 8% reduction in volume to Caroline Landfill in comparison to the same period last year
3.9	Development of Waste Management Masterplan.	City Infrastructure		<p>Work on the Waste masterplan and the Caroline Long term Financial modelling is underway.</p> <ul style="list-style-type: none"> The Financial modelling Summary has been viewed by BC and JF and feedback taken and amendments made. Currently being reviewed / verified by Tonkin's before being submitted back to ELT Waste Master plan components <ul style="list-style-type: none"> Weekly Fogo Transition model awarded to Rawtec and kick off completed looking at October 2024 completion Caroline Landfill Leachate Management Options Plan (Scope Completed by Tonkin's still accessing against project brief prior to awarding) Caroline Landfill site design models (Scope to go out in September 2024)
3.10	Undertake a review of the delivery and location of visitor information services.	City Infrastructure		Visitor Servicing Modelling completed and implementation planning underway.









GOAL 4 – Our Climate, Natural Resources, Arts, Culture and Heritage Annual Objectives Dashboard

Qtr 4



Qtr 3 comparison



Annual Objectives		Responsibility	Status	Comments/ Highlights
4.1	Deliver a beacon art project and agree the approach for future similar projects.	City Infrastructure		Submissions have been assessed and will be presented to Council in October 2024. In the interim, marketing plan being developed.
4.2	Completion of holistic document to guide the activation of the Crater Lakes Precinct and delivery of supporting implementation plan.	City Infrastructure		Initial review of Draft Cultural Heritage Assessment underway.
4.3	Reduce carbon and other greenhouse gas emissions in capital projects and operational practices.	City Infrastructure		Currently reviewing existing materials supply contracts to include provision of using recyclable materials.
4.4	Establish renewable energy capability on Council facilities.	City Infrastructure		Energy audit of the Riddoch has been completed. Opportunities for efficiencies and solar have been identified. Recommended actions to be implemented as budget allows.
4.5	Develop the Shared Use Path implementation plan.	City Infrastructure		Shared Path Masterplan was adopted by Council at its meeting held on 16 April 2024. Works identified in the Shared Path Masterplan plan will be incorporated into the Infrastructure Asset Management Plan.
4.6	Develop and adopt a prioritised implementation plan (SROSS) to inform Council's actions to deliver, including required masterplans for Council's Open Space assets.	City Infrastructure		Council have endorsed masterplanning at Umpherston Sinkhole/Balumbul, Vansittart Park, Olympic Park and Hastings Cunningham Reserve to be prioritised over the next 4 financial years.



19.3 LIMESTONE COAST LOCAL GOVERNMENT ASSOCIATION (LCLGA) BUSINESS PLAN 2024/2025 – REPORT NO. AR24/49057

Committee:	Council
Meeting Date:	20 August 2024
Report No.:	AR24/49057
CM9 Reference:	AF23/328
Author:	Kate Gilmore, CEO and Mayoral Executive Support
Authoriser:	Sarah Philpott, Chief Executive Officer
Summary:	This report presents the Limestone Coast Local Government Association Budget and Business Plan for 2023/2024.
Strategic Plan Reference:	Goal 1: Our People
	Goal 2: Our Location
	Goal 3: Our Diverse Economy
	Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage
	Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Council Report No. AR24/49057 titled 'Limestone Coast Local Government Association (LCLGA) Business Plan 2024/2025' as presented on 20 August 2024 be noted.
2. That Council support the Limestone Coast Local Government Association (LCLGA) Budget and Business Plan for the 2024/2025 financial year.
3. That an Elected Member Briefing be convened for the purpose of discussing future directions and priorities of the Limestone Coast Local Government Association (LCLGA).



TYPE OF REPORT

Corporate

BACKGROUND

The Limestone Coast Local Government Association (LCLGA) ordinarily present their Business Plan and Budget for each financial year to constituent Councils for consultation, budget and approval purposes.

PROPOSAL

The LCLGA Business Plan 2024/2025 and budget is presented for Council consideration and to support its adoption by the LCLGA.

Noting the LCLGA is currently under the direction of an interim Executive Officer, the plan sustains business as usual, identifying the following key priorities:

- Undertake a comprehensive review of the LCLGA and develop options for the future models of operation
- Undertake a comprehensive governance review of the LCLGA
- Review of South Australian Tourism Commission Regional Review and Limestone Coast Destination Development Management Plan
- Complete the Regional Growth Strategy
- Continue consideration of Regional / Subregional waste options
- Continue to work regionally on priority road infrastructure with Department Infrastructure and Transport (DIT)
- Continue and maintain the existing Connected and Active Communities grant program
- Continue the operations of the Limestone Coast Regional Sporting Academy (LCRSA) and review the Business Case for the establishment of an Incorporated Association or other governance structure to operate the Sporting Academy
- Continue other operational programs including the Heritage Advisory service and South Australian Councils Coastal Alliance

The Destination Development Strategy is in its last year of increased funding, and there will be a review during 2024/25 to assess the value delivered and the future direction of the program in line with the SATC Regional Review.

City of Mount Gambier's contribution is made up of the following:

City of Mount Gambier Contribution 2024/25	\$
Subscriptions	90,301
Tourism	64,191
Connected & Active Communities	13,388
SA Coastal Alliance*	1,200
Programs	19,702
RDALC*	28,084
Heritage*	35,812
TOTAL	\$ 252,678



*It should be noted that all revenue collected from subscriptions are passed through to RDALC, the shared Heritage Services Contract and the Limestone Coast Regions South Australian Coastal Councils Alliance (SACCA).

The City of Mount Gambier 2024/2025 contribution total is slightly higher than the forward forecast set in 2021/2022 (variance of +\$3,398).

LEGAL IMPLICATIONS

Under the LCLGA Charter the LCLGA Board may charge project fees and must give notice to constituent councils of project fees and their purpose. This notice is given in the form of the presentation of a Business Plan and budget.

A constituent council may comment on the Business Plan in writing to the LCLGA Executive Officer at least fourteen (14) business days before the meeting at which the budget is to be adopted or through its Board Members at that meeting.

A constituent council may object in writing to a project fee and/or elect to be excluded from an LCLGA activity or activities. The LCLGA Board will consider an objection at a general or a special meeting and may confirm, vary or exempt a constituent council from payment of a project fee.

Through the process of the Executive Officer departing the LCLGA and an interim Executive Officer being appointed, the obligation to provide constituent council's the opportunity to meet the deadline and consider the Business Plan at least 14 days prior to the adoption of the budget was unfortunately missed. The draft budget was adopted by the LCLGA Board at their General Meeting on 21 June 2024 and the draft Annual Business Plan adopted at a Special Meeting of the LCLGA on the 23 July for it to be provided to Councils for their consideration and support. This is now being rectified through the provision of the Business Plan annexed to this report. Adoption of the budget and endorsement of the Business Plan as final will then take place as required by the LCLGA Board.

Further, given one of the focus areas for the LCLGA is to undertake a comprehensive review of the LCLGA and develop options for the future models of operation, it is recommended that a workshop is held with councillors to discuss future directions and priorities for the LCLGA to inform Mayor Martin, who is Council's representative on the LCLGA Board and President of the LCLGA.

STRATEGIC PLAN

N/A

COUNCIL POLICY

N/A

ECONOMIC IMPLICATIONS

N/A

ENVIRONMENTAL IMPLICATIONS

N/A

SOCIAL IMPLICATIONS

N/A

CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

The value of the City of Mount Gambier contribution to the LCLGA for the 2024/2025 financial year is \$252,678 representing an increase of \$11,516 or 4.8% from the 2023/2024 year.



VALUE FOR MONEY

Council should consider the aggregate benefits arising to all constituent councils from shared resources and projects under the LCLGA regional model.

RISK IMPLICATIONS

As constituent council members of the LCLGA each Limestone Coast Council contributes fees toward the services and operation of the LCLGA on a similar basis to the Local Government Association model.

The support or otherwise of any constituent council toward the LCLGA Business Plan and Budget places the services of the LCLGA at risk, the impact of which is potentially greater than the proportionate funding contribution of any single Council.

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A

ENGAGEMENT AND COMMUNICATION STRATEGY

The LCLGA Interim Executive Officer will be notified of the outcome of Council deliberations on the LCLGA Business Plan 2024/2025.

IMPLEMENTATION STRATEGY

N/A

CONCLUSION AND RECOMMENDATION

Having considered the LCLGA Business Plan 2024/2025 this report recommends that the LCLGA Interim Executive Officer be advised of the City of Mount Gambier's support.

ATTACHMENTS

1. LCLGA Draft Business Plan - 2024/2025 [↓](#) 





LIMESTONE COAST LOCAL GOVERNMENT ASSOCIATION

BUSINESS PLAN 2024/25

"LIMESTONE COAST BETTER TOGETHER"



INTRODUCTION

The Limestone Coast Local Government Association's (LCLGA) Annual Business Plan is provided for the financial year 2024/25 as required under clause 24, Schedule 2 of the Local Government Act 1999 (the Act). As a Section 43 Committee under the Act, the LCLGA operates as a subsidiary of seven member councils, each with a goal to enhancing regional collaboration to deliver efficient, effective and quality services to our communities.

Members of the LCLGA consist of the following seven Councils:

- City of Mount Gambier
- District Council of Grant
- District Council of Robe
- Kingston District Council
- Naracoorte Lucindale Council
- Tatiara District Council
- Wattle Range Council

Our committee's formation and mandate reflect the collective vision and strategic alignment of the seven councils. Together, we endeavour to address common challenges, leverage shared opportunities, and potentially achieve economies of scale in delivering essential services and programs.

This collaboration allows us to optimise resource use, share expertise, and provide more effective and innovative solutions to meet the diverse needs of the constituents of each of our Councils.

During a workshop held in April 2024, the Board unanimously agreed on four Strategic Focus areas to ensure, moving forward, we are clear about our goals and focused in our efforts to achieve them.

These four Strategic Focus areas consist of:

1. Fostering a thriving economy
2. Healthy and Vibrant Limestone Coast
3. Activate Key Infrastructure
4. Develop Member Capability and Capacity

The workshop also revealed our united agreement on the motto "Limestone Coast Better Together," which appropriately conveys our shared vision for the future. This slogan signifies our collective commitment to collaboration, emphasising that through working together, we can achieve greater success. It reflects our dedication to fostering partnerships and leveraging our combined strengths to address challenges and seize opportunities.

By strengthening our united efforts, we consolidate the strengths and concerns of the seven councils, creating a more formidable and persuasive collective voice (*stronger together*).

This increased visibility and unified stance aim to prompt government to listen, and address issues raised with greater urgency. Our united voice can also highlight issues and possible solutions for government consideration in the future.



This Annual Business Plan outlines our strategic priorities, key initiatives, and budget allocations for the upcoming year. It serves as a roadmap guiding our actions, with a focus on delivering value and achieving our strategic objectives. Through this plan, we reaffirm our commitment to transparency, accountability, and sustainable development, aiming to foster a thriving and resilient region for all our communities.

We uphold the mantra of the 2020 -2025 Strategic Plan "Collectively Building Stronger Communities" and look forward to embracing our agreed future motto "Limestone Coast Better Together". Over the next 12 months our goal is to further unite our seven councils to amplify our voice and enhance the strategic future planning of the LCLGA.

OVERVIEW

As initially reported in last year's Business Plan, the operating environment remains highly volatile. While the challenges from the COVID-19 pandemic have reduced, geopolitical tensions persist, increased interest rates are significantly impacting household budgets, and low unemployment levels, along with severe housing shortages continue to pose ongoing challenges for each of the Councils in our region.

Additionally, over the past 12 months, the role of Executive Officer saw an Interim Executive Officer for the first six months, followed by the appointment of an Executive Officer for the following five months and upon receipt of that resignation, the final month of the financial year saw another Interim Executive Officer taking on the role.

This succession caused some interruption not only for staff but also the Board and other LCLGA stakeholders, primarily due to the adjustments required in leadership styles and understanding of local government, continuity of strategic direction, and adaptation to different management approaches and priorities.

While the turnover of different Executive Officers has caused some disruption, it is an opportune time to conduct a thorough examination of the LCLGA.

The Business Plan for the next 12 months will focus on an initial in-depth examination of the LCLGA's purpose, structure and the value it provides to our member councils whilst ensuring the efficient and effective delivery of current plans and projects.

The LCLGA acknowledges the need for flexibility in delivering value to our members during these challenging times. Looking ahead to the next 12 months, we are committed to enhancing communication, transparency and in providing more measurable value for money to our members. This Business Plan is for a one-year period.



KEY PRIORITIES FOR THE COMING YEAR

1. Undertake a comprehensive review of the LCLGA and develop options for the future models of operation

Investigate through an initial in-depth examination of the LCLGA's purpose, structure and the value it provides to member councils

2. Undertake a comprehensive governance review of the LCLGA

The next 12 months will include an audit of the current suite of LCLGA policies, procedures, delegations, sub delegations and the Records Management system, including legislative policies as required under the Local Government Act 1999, along with Human Resources policies.

The audit, when complete, will highlight any deficiencies in these areas and an implementation plan will be developed to update where required.

3. Review of the South Australian Tourism Commission Regional Review and Limestone Coast Destination Development Management Plan

The Board will undertake continued investigation of the SA Tourism Commission Regional Review to better understand, and ensure benefits are received for the Limestone Coast and its destination development.

The Board will also continue to review the Limestone Coast Destination Development Strategy to ensure that the plan provides benefits and opportunities to all Councils.

4. Complete the Regional Growth Strategy

The Regional Growth Strategy is currently underway with a number of milestones completed, continue working with the consultants to ensure completion of the project.

5. Continue consideration of Regional /Subregional waste options

Explore Waste recovery options that will outline the most appropriate options for Regional and Sub Regional areas.

6. Continue to work regionally on priority road infrastructure with Department Infrastructure and Transport (DIT)

Partnering with DIT to provide advice on road infrastructure requirements in the Limestone Coast region.

The Strategic Local Roads Program (SLRP) continues to be an essential source of funding for Limestone Coast Regionally Significant roads which support economic, tourism and community activities. Regionally identified roads for this grant program is essential to successful applications.



7. Continue and maintain the existing Connected and Active Communities grant program

The Connected and Active Communities (CAC) Project is a place-based approach that aims to address poor levels of physical activity participation at a local level by investing in the strengths of our communities through a partnership approach.

By partnering with local communities, the CAC Project will identify opportunities to elevate the capacity of volunteers, decision makers and local leaders to create and deliver innovative and effective sport and recreation initiatives.

Currently this program is delivering outstanding outcomes throughout the region.

8. Continue the operations of the Limestone Coast Regional Sporting Academy (LCRSA) and review the Business Case for the establishment of an Incorporated Association or other governance structure to operate the Sporting Academy

The LCRSA exists to provide development, support and opportunities within identified sports. Every sport is different, but all have a set of national / and or state development pathways that provide the basis for identifying talent and establishing the LCRSA specific sports skill-based programs.

The LCRSA takes time to understand the overall structure of each participating sport and works with the state and /or national body to formulate a program that will provide maximum benefits to the athletes. By taking this approach the LCRSA is able to deliver a high-performance training environment that otherwise might be out of reach for regional athletes.

The Board will consider the Business Case currently being prepared by a consultant to review the governance of the LCRSA.

9. Continue other operational programs including the Heritage Advisory service and South Australian Councils Coastal Alliance

LCLGA currently has a Heritage Advisory Service in place with Arcuate Architecture who provides advice to Councils in the region on Heritage Building issues.

LCLGA is also the sponsoring body for the South Australian Coastal Councils Alliance (SACCA). The alliance provides an informed, coordinated advocacy voice for issues impacting on coastal Council in South Australia as well as information sharing and networking on coastal management issues.



Finance Overview

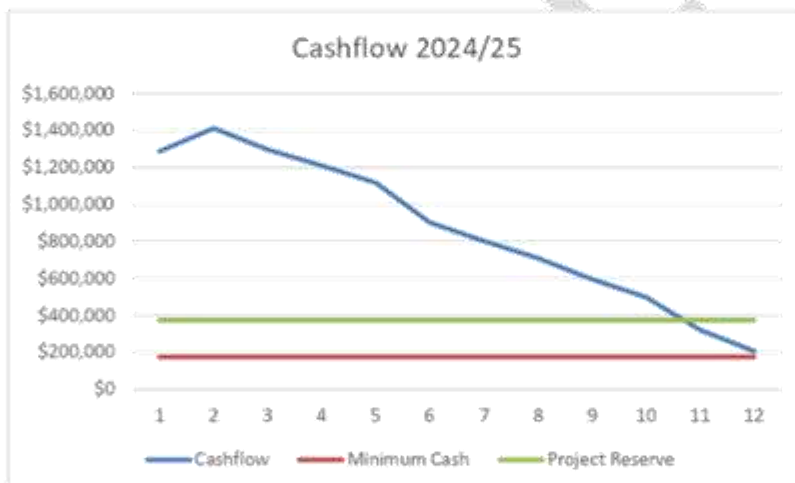
The LCLGA adopted the 2024-2025 budget at the 21 June 2024 Board Meeting.

The Budget for 2024-25 has a cash deficit budget of \$168,092 and an operating deficit of \$68,092 forecast for the 2024/2025 Year as reported in the April 2024 Board Meeting.

Cash reserves are predicted to be at \$206,851 at the end of the 2024/25 Financial Year.

As reported to the LCLGA Board on 22 March 2024 the LCLGA must ensure a sound financial position which maintains a core LCLGA reserve above \$175,000 and carries capacity for current and future programs.

2024/25 is a year in which most budget reserves will be gone leaving an opportunity to re-invest and increase funding to secure a bright and sustainable future.



Member Contributions	Subscriptions	Tourism	24//25					Heritage	Total
			Connected & Active Communities	SACCA	Programs	RDALC			
City of Mount Gambier	\$90,301	\$64,191	\$13,388	\$1,200	\$19,702	\$28,084	\$35,812	\$252,678	
District Council of Grant	\$44,116	\$31,360	\$8,932	\$1,201	\$9,625	\$13,720	\$3,602	\$112,556	
Wattle Range Council	\$72,527	\$51,556	\$13,108	\$1,201	\$15,824	\$22,558	\$15,099	\$191,873	
Naracoorte Lucindale Council	\$49,578	\$35,242	\$9,410	\$1,201	\$10,816	\$15,419	\$7,838	\$129,504	
District Council of Robe	\$19,440	\$13,819	\$1,825	\$1,201	\$4,241	\$6,046	\$14,294	\$60,866	
District Council of Tatiara	\$42,785	\$30,414	\$8,559	\$1,201	\$9,335	\$13,306	\$4,267	\$109,867	
District Council of Kingston	\$22,107	\$15,715	\$4,208	\$1,201	\$4,823	\$6,876	\$3,615	\$58,545	
Total	\$340,854	\$242,297	\$59,430	\$8,406	\$74,366	\$106,009	\$84,527	\$915,889	

LIMESTONE COAST LGA CONSOLIDATED DRAFT BUDGET 2024-2025		
STATEMENT OF COMPREHENSIVE INCOME		
2023/2024 Predicted ACTUALS \$	INCOME	2024/2025 DRAFT BUDGET \$
874,338	Local Government Council Contributions	915,889
40,000	Other Contributions	40,000
35,760	Other Income	62,100
395,583	Project Income	337,100
43,000	Interest Income	28,000
1,388,681	TOTAL REVENUES	1,383,089
	EXPENSES	
623,477	Wages and Salaries	642,509
287,227	Operating Expenses	252,715
627,098	Project Expenditure	555,958
1,537,801	Total Expenses	1,451,181
-149,121	OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS	-68,092
-	Net gain (loss) on disposal or revaluation of assets	-
-	Amounts specifically for new or upgraded assets	-
-	Physical resources received free of charge	-
-149,121	TOTAL COMPREHENSIVE INCOME	-68,092



LIMESTONE COAST LGA		
CONSOLIDATED DRAFT BUDGET 2024-2025		
CASH FLOW STATEMENT		
2023/2024		2024/2025
Predicted		DRAFT
ACTUALS		BUDGET
\$		\$
Inflows		Inflows
(Outflows)		(Outflows)
	CASHFLOWS FROM OPERATING ACTIVITIES	
	RECEIPTS	
1,090,681	Operating Receipts	1,255,089
43,000	Investment Receipts	28,000
	PAYMENTS	
-1,537,801	Operating payments to suppliers & employees	-1,451,181
-	Finance Payments	-
-404,121	Net Cash provided by (or used in) Operating Activities	-168,092
	CASH FLOWS FROM INVESTING ACTIVITIES	
-	Net Cash provided by (or used in) Investing Activities	-
	CASH FLOWS FROM FINANCING ACTIVITIES	
-	NET CASH USED IN FINANCING ACTIVITIES	-
-404,121	NET INCREASE (DECREASE) IN CASH HELD	-168,092
779,028	CASH AT BEGINNING OF YEAR	374,907
374,907	CASH AT END OF YEAR	206,815



LIMESTONE COAST LGA CONSOLIDATED DRAFT BUDGET 2024-2025		
BALANCE SHEET		
2023/2024 Predicted ACTUALS		2024/2025 DRAFT BUDGET
	ASSETS	
	CURRENT ASSETS	
\$		\$
374,907	Cash and cash equivalents	206,815
11,330	Trade & other receivables	11,330
-	Inventories	-
<u>386,237</u>	TOTAL CURRENT ASSETS	<u>218,145</u>
<u>386,237</u>	TOTAL ASSETS	<u>218,145</u>
	LIABILITIES	
	CURRENT LIABILITIES	
42,462	Trade & Other Payables	42,462
137,569	Other Liabilities	37,569
44,775	Short-term Provisions	44,775
<u>224,806</u>	TOTAL CURRENT LIABILITIES	<u>124,806</u>
	NON-CURRENT LIABILITIES	
658	Long-term Provisions	658
<u>658</u>	TOTAL NON-CURRENT LIABILITIES	<u>658</u>
<u>225,464</u>	TOTAL LIABILITIES	<u>125,464</u>
<u>160,773</u>	NET ASSETS	<u>92,681</u>
	EQUITY	
160,773	Accumulated Surplus	92,681
-	Asset Revaluation	-
-	Other Reserves	-
<u>160,773</u>	TOTAL EQUITY	<u>92,681</u>

LIMESTONE COAST LGA CONSOLIDATED DRAFT BUDGET 2024-2025		
STATEMENT OF CHANGES IN EQUITY		
2023/2024 Predicted ACTUALS		2024/2025 DRAFT BUDGET
	ACCUMULATED SURPLUS	
\$		\$
309,894	Balance at end of previous reporting period	160,773
-149,121	Net Result for Year	-68,092
0	Transfer From Reserves	0
0	Transfer To Reserves	0
<u>160,773</u>	TOTAL EQUITY AT END OF REPORTING PERIOD	<u>92,681</u>

LIMESTONE COAST LGA			
CONSOLIDATED DRAFT BUDGET 2024-2025			
UNIFORM PRESENTATION OF FINANCES			
2023/2024			2024/2025
Predicted			DRAFT
ACTUALS			BUDGET
\$			\$
1,388,681	Operating Revenues		1,383,089
-1,537,801	less Operating Expenses		-1,451,181
-149,121	Operating Surplus / (Deficit) before Capital Amounts		-68,092
	Less Net Outlays in Existing Assets		
-	Capital Expenditure on renewal and replacement of Existing Assets		-
-	less Depreciation, Amortisation and Impairment		-
-	less Proceeds from Sale of Replaced Assets		-
-			-
	Less Net Outlays on New and Upgraded Assets		
-	Capital Expenditure on New and Upgraded Assets		-
-	less Amounts received specifically for New and Upgraded Assets		-
-	less Proceeds from Sale of Surplus Assets		-
-			-
-149,121	Net Lending / (Borrowing) for Financial Year		-68,092



PROFIT AND LOSS				
INCOME	25 Draft Budget	2024 Budget	Variance	Variance %
City of Mount Gambier	\$252,678	\$241,160	\$11,518	4.78%
District Council of Grant	\$112,556	\$107,458	\$5,098	4.74%
Wattle Range Council	\$191,873	\$183,141	\$8,732	4.77%
Naracoorte Lucindale Council	\$129,504	\$123,630	\$5,874	4.75%
District Council of Robe	\$60,866	\$58,135	\$2,731	4.70%
District Council of Tatiara	\$109,867	\$104,893	\$4,974	4.74%
District Council of Kingston	\$58,545	\$55,921	\$2,624	4.69%
Interest	\$28,000	\$43,000	-\$15,000	-34.88%
Grants	\$303,500	\$362,858	-\$59,358	-16.36%
Participant Income	\$33,600	\$32,725	\$875	2.67%
LGA - SA Regional Capacity Buildi	\$40,000	\$40,000	\$0	0.00%
Other	\$62,100	\$35,760	\$26,340	73.66%
Total	\$1,383,089	\$1,388,681	-\$5,592	-0.40%

EXPENSES	25 Draft Budget	2024 Budget	Variance	Variance %
Advertising & Marketing	\$6,000	\$600	\$5,400	900.00%
Audit and Accounting Fees	\$30,500	\$28,018	\$2,482	8.86%
Bank Fees	\$540	\$782	-\$242	-30.95%
Computing & IT	\$19,200	\$30,400	-\$11,200	-36.84%
Consultancy	\$7,000	\$16,000	-\$9,000	-56.25%
Occupancy	\$21,700	\$20,824	\$876	4.21%
Governance	\$12,000	\$18,000	-\$6,000	-33.33%
Insurance	\$21,000	\$19,051	\$1,949	10.23%
Meeting Expenses	\$6,000	\$6,000	\$0	0.00%
Miscellaneous	\$6,000	\$7,000	-\$1,000	-14.29%
Printing/Stationery	\$4,800	\$3,600	\$1,200	33.33%
Seminars	\$0	\$5,000	-\$5,000	-100.00%
Subscriptions	\$1,000	\$1,000	\$0	0.00%
Telephone	\$7,500	\$9,700	-\$2,200	-22.68%
Training	\$8,000	\$10,728	-\$2,728	-25.43%
Travel/Accommodation/Meals	\$8,000	\$18,032	-\$10,032	-55.63%
Vehicle - Fuel	\$22,100	\$22,000	\$100	0.45%
Vehicle - Lease	\$53,980	\$52,651	\$1,329	2.52%
Vehicle - R & M	\$1,500	\$1,600	-\$100	-6.25%
Heritage Services	\$84,529	\$70,000	\$14,529	20.76%
Regional Development Australia LC	\$106,009	\$101,155	\$4,854	4.80%
Wages	\$562,386	\$545,071	\$17,315	3.18%
Wages - Superannuation	\$64,674	\$61,086	\$3,589	5.87%
Wages Workers Compensation	\$5,895	\$6,241	-\$346	-5.55%
Wages - FBT	\$10,000	\$10,000	\$0	0.00%
Wages Accruals	\$15,448	\$17,320	-\$1,872	-10.81%
SACCA	\$78,844	\$57,135	\$21,709	38.00%
1. Marketing	\$64,816	\$64,816	\$0	0.00%
2. Visitor Servicing	\$5,000	\$5,000	\$0	0.00%
3. Events	\$750	\$750	\$0	0.00%
4 & 5. Project Costs	\$1,000	\$1,000	\$0	0.00%
6. Governance & Collaboration	\$26,199	\$26,199	\$0	0.00%
7. Industry Capability	\$650	\$650	\$0	0.00%
8. Promote Value of Tourism	\$1,999	\$1,999	\$0	0.00%
LCRSA	\$84,000	\$100,000	-\$16,000	-16.00%
Waste Program	\$0	\$70,669	-\$70,669	-100.00%
CAC	\$39,162	\$56,000	-\$16,838	-30.07%
Roads Program	\$38,000	\$21,775	\$16,225	74.51%
Economic Program	\$25,000	\$49,950	-\$24,950	-49.95%
Oncost	\$0	\$0	\$0	#DIV/0!
Total	\$1,451,181	\$1,537,801	- 86,620.22	-5.63%

P&L	-\$68,092	-\$149,121	\$81,029	-54.34%
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Opening cash
375000
LCRCA BUSINESS PLAN 2024/25

19.4 2024 LGA ANNUAL GENERAL MEETING - ITEMS OF BUSINESS – REPORT NO. AR24/58438

Committee:	Council
Meeting Date:	20 August 2024
Report No.:	AR24/58438
CM9 Reference:	AF23/328
Author:	Ashlee Pasquazzi, Acting Manager Governance and Property
Authoriser:	Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services
Summary:	The LGA Annual General Meeting (AGM) is scheduled to be held on Friday 22 November 2024. A key purpose of the AGM is to consider items of strategic importance to local government and the LGA, as recommended by SAROC. The report presents the proposed items of business as detailed recommendations to Council for endorsement.
Strategic Plan Reference:	Goal 1: Our People Goal 2: Our Location Goal 3: Our Diverse Economy Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Council Report No. AR24/58438 titled '2024 LGA Annual General Meeting - Items of Business' as presented on 20 August 2024 be noted.
2. That Council endorse the following items of business as presented, for submission to the 2024 LGA Annual General Meeting (AGM):
 - (a) Ability to Raise Interim Rates.
 - (b) SA Water and Infrastructure to Support Housing.



TYPE OF REPORT

Corporate

BACKGROUND

At its meeting held 20 February 2024, Council resolved the following:

- “1. That Council Report No. AR24/9130 titled ‘Proposed Items of Business - 2024 ALGA National General Assembly - 2024 LGA Ordinary/Annual General Meetings’ as presented on 20 February 2024 be noted.
2. That Council writes to the LGA to advise that Council is unable to submit any items of business for the May 2024 Ordinary General Meeting.
3. That draft items of business for the October/November 2024 LGA Annual General Meeting be prepared for consideration by Council at a subsequent meeting, on the following matters:
 - Ability to raise pro rata rates
4. That Council advise ALGA that Council does not intend to submit motions for the July 2024 ALGA National General Assembly, subject to confirmation that LGA SA is progressing Councils prior resolution regarding the parental income test to ALGA. If, however, LGA SA is not progressing Councils resolution to ALGA that a proposed motion be brought to the Council’s March Meeting.”

A further report was presented at the meeting held on 16 July 2024, where Council resolved the following:

- “1. That Council Report No. AR24/49253 titled ‘Proposed Items of Business - 2024 LGA Annual General Meeting’ as presented on 16 July 2024 be noted.
2. That, in addition to a proposed item on ‘Ability to raise pro-rata rates’ as resolved in February 2024, draft item/s of business for the November 2024 LGA Annual General Meeting be prepared and presented for consideration at the August Council meeting, on the following matters:
 - SA Water and infrastructure to support housing.”

The LGA Annual General Meeting (AGM) is set for Friday, 22 November 2024. As a member council, the City of Mount Gambier can submit agenda items for approval to be included in a General Meeting through either SAROC, GAROC, or the LGA Board of Directors.

Councils have the discretion to choose whether to submit an item to SAROC (for regional councils), GAROC (for metro councils), or the LGA Board of Directors. Generally, policy and advocacy matters should be directed to SAROC or GAROC, while issues concerning the operations of the LGA should be submitted to the LGA Board.

PROPOSAL

The proposed two Items of Business have been prepared for:

Ability to Raise Interim Rates

Requesting that the LGA:

- Advocate on behalf of Local Government for changes to the Local Government Act 1999, allowing councils the ability to levy interim rates at any time when a property is revalued by the Valuer General.

SA Water and Infrastructure to Support Housing

Requesting that the LGA:



- Advocate on behalf of Local Government to ensure appropriate infrastructure planning is undertaken to enable the timely provision and installation of infrastructure associated with developments.
- Advocate for the State Government to invest appropriate resources to facilitate the provision of infrastructure to enable developments to proceed.

Attached to this report are the draft submissions for consideration by the LGA Board of Directors, to be included in the agenda of the LGA Annual General Meeting on 22 November 2024.

In order to be considered, submissions must be received no later than 5:00pm on 30 August 2024.

LEGAL IMPLICATIONS

The proposed amendments to allow for interim rating would need to align with the broader framework of South Australian law. This includes ensuring compatibility with other parts of the Local Government Act 1999 and any relevant regulations.

STRATEGIC PLAN

N/A

COUNCIL POLICY

N/A

ECONOMIC IMPLICATIONS

N/A

ENVIRONMENTAL IMPLICATIONS

Well resourced water and wastewater infrastructure for the supply of water and management of waste, both domestic and trade, is critical to maintain the integrity of underground aquifer systems.

SOCIAL IMPLICATIONS

N/A

CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

N/A

VALUE FOR MONEY

Allowing interim rates would likely provide greater revenue stability for councils, as they could adjust rates more frequently in response to changes in property values. This could lead to a more predictable financial environment for council budgeting and planning.

RISK IMPLICATIONS

There is a risk of public backlash if the introduction of interim rates leads to significant and unexpected rate increases. Effective communication strategies would be essential to mitigate this risk and ensure ratepayers understand the reasons for the changes.

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A

ENGAGEMENT AND COMMUNICATION STRATEGY

Amendments to the Local Government Act require drafting, review, and passage through the South Australian Parliament, which may involve lengthy and extensive consultation.



IMPLEMENTATION STRATEGY

The proposed business items will be submitted to the LGA by the deadline of 5:00pm on Friday 30 August 2024, in order to be considered for the 2024 Annual General Meeting.

CONCLUSION AND RECOMMENDATION



Amending the South Australian Local Government Act 1999 to include provisions for levying interim rates will enhance the financial responsiveness and stability of local councils, ensuring that rate adjustments are timely and reflect current property values.

Promoting thorough infrastructure planning in Local Government is vital for timely installation and provision related to new developments. It also highlights the need for the State Government to provide enough resources to meet the infrastructure needs for these projects to progress.

It is recommended that Council endorse the following items of business as presented, for submission to the 2024 LGA Annual General Meeting (AGM):

- (a) Ability to Raise Interim Rates.
- (b) SA Water and Infrastructure to Support Housing.

ATTACHMENTS

1. Proposed Item of Business - Ability to Raise Interim Rates [↓](#) 
2. Proposed Item of Business - SA Water and Infrastructure to Support Housing [↓](#) 





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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 Mount Gambier
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	Ability to Raise Interim Rates
Proposed motion for the General Meeting	That the Annual General Meeting requests the LGA to: Advocate on behalf of Local Government for changes to the Local Government Act 1999, allowing councils the ability to levy interim rates at any time when a property is revalued by the Valuer General.
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>Under the West Australian Local Government Act 1995, local councils are empowered to levy interim rates whenever a property is revalued by the Valuer General. The revaluation may occur due to:</p> <ul style="list-style-type: none"> • Subdivision or amalgamation of land. • Completion of new construction on the land. • Completion of additions or alterations to an existing building (including pools). • Demolition of a building. • Correction of a previous incorrect valuation. <p>When a new valuation is received from the Valuer General, the relevant council must apply that valuation and reassess the rates for the property. Any amounts already levied for the financial year are credited, and an interim rate account is raised for the difference.</p> <p>Currently, the South Australian Local Government Act 1999 does not provide a similar mechanism, potentially resulting in delayed revenue adjustments and reduced financial flexibility for councils.</p> <p>The specific clause is contained in s6.53, division 6, part 6 of the Local Government Act 1995 (WA):</p> <p><i>"6.53 Land becoming or ceasing to be rateable land</i> <i>Where during a financial year –</i> <i>(a) land that was not rateable becomes rateable land; or</i> <i>(b) rateable land becomes land that is not liable to rates,</i> <i>the owner of that land –</i></p>



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	<p>(c) is liable for rates proportionate to the portion of the year during which the land is rateable land; or</p> <p>(d) is entitled to a refund of an amount proportionate to the portion of the year during which the land is not rateable land.</p> <p>As the case requires.”</p>
<p>Regional LGA <i>(Information requested from councils in SAROC only)</i></p> <p><i>Advise if this item has been considered by your RLGA and outcome of discussion</i></p>	<p>This item has not been considered by the Limestone Coast Local Government Association.</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>No, this matter is to advocate for changes to the Local Government Act 1999.</p>
<p>LGA Strategic Plan reference</p>	<p>Strategy 1: Advocate</p> <p>Outcome 1.1 We are close to our members, seek their feedback and represent them with evidence-based advocacy on issues that matter.</p> <p>Outcome 1.2 Governments rely on our proactive contribution to policy and legislation that impacts Councils, leading to better outcomes for communities.</p>
<p>Council Contact Officer submitting form</p>	<p>Jane Fetherstonhaugh, General Manager Corporate and Regulator Services</p> <p>city@mountgambier.sa.gov.au</p> <p>(08) 8721 2555</p>
<p>Council Meeting minute reference and date of meeting</p>	<p>16 July 2024</p>
<p>Date submitted to LGA</p>	

Please return Word version of completed form to lgasa@lga.sa.gov.au.
Refer to [LGA OGM/AGM Webpage](#) in respect to deadlines for upcoming General Meetings.



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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 Mount Gambier
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	SA Water and Infrastructure to Support Housing
Proposed motion for the General Meeting	That the Annual General Meeting requests the LGA to: Advocate on behalf of Local Government to ensure appropriate infrastructure planning is undertaken to enable the timely provision and installation of infrastructure associated with developments. Advocate for the State Government to invest appropriate resources to facilitate the provision of infrastructure to enable developments to proceed.
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>	It is understood from SA Water that there are complications with their capacity to process development applications and keep up with the current demand associated with developments across the State. It is also understood that they have plans to investigate ongoing wastewater needs with respect to new developments in Mount Gambier and the development of a masterplan for future growth. Whilst Council is supportive of this, it is unfortunately of little benefit to the current situation. We are in the midst of a housing crisis and it is therefore imperative that housing projects are able to progress without further delays. There is a real risk of job losses within the construction industry, as well as significant financial implications for businesses in our city if plans are not put in place to rectify this issue as a matter of urgency, and on a statewide basis. Council considers the forward infrastructure planning for SA Water in Mount Gambier and surrounds needs to be managed appropriately. This matter impacts not only the City of Mount Gambier but regional and metropolitan communities, and is a matter of state significance. While recent announcements regarding improvements in the greater Adelaide area are noted, it is important that the regions are also considered.



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Regional LGA <i>(Information requested from councils in SAROC only)</i> <i>Advise if this item has been considered by your RLGA and outcome of discussion</i>	This item has not been considered by the Limestone Coast Local Government Association.
LGA Policy Manual <i>Does this item require a change to the LGA Policy Manual (new policy or amendment to existing policy)?</i>	No, this matter is to advocate for better infrastructure planning by State Government Agencies.
LGA Strategic Plan reference	Strategy 1: Advocate Outcome 1.1 We are close to our members, seek their feedback and represent them with evidence-based advocacy on issues that matter. Outcome 1.2 Governments rely on our proactive contribution to policy and legislation that impacts Councils, leading to better outcomes for communities.
Council Contact Officer submitting form	Barbara Cernovskis, General Manager City Infrastructure city@mountgambier.sa.gov.au (08) 8721 2555
Council Meeting minute reference and date of meeting	16 July 2024
Date submitted to LGA	

Please return Word version of completed form to lgasa@lga.sa.gov.au.
 Refer to [LGA OGM/AGM Webpage](#) in respect to deadlines for upcoming General Meetings.



19.5 FOOD BUSINESS ORGANICS COLLECTION TRIAL - FINAL REPORT – REPORT NO. AR23/14990

Committee:	Council
Meeting Date:	20 August 2024
Report No.:	AR23/14990
CM9 Reference:	AF23/328
Author:	Aaron Izzard, Environmental Sustainability Officer
Authoriser:	Barbara Cernovskis, General Manager City Infrastructure
Summary:	Council conducted a trial with food businesses to collect their organics and divert the material away from landfill. This report summarises the trial and its outcomes.
Strategic Plan Reference:	Goal 1: Our People Goal 3: Our Diverse Economy Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage

REPORT RECOMMENDATION

1. That Council Report No. AR23/14990 titled 'Food Business Organics Collection Trial - Final Report' as presented on 20 August 2024 be noted.
2. That Council acknowledge the successful diversion of over 200 tonnes of food waste away from landfill to a commercial composting business that directly supports the local circular economy and provides sound environmental benefits for our community.



TYPE OF REPORT

Corporate

BACKGROUND

Many businesses want to reduce their waste to landfill. One of the largest components of waste from food businesses is food waste. When deposited in landfill, organics such as food waste create methane – a dangerous gas, and leachate – the polluted liquid produced by landfills. Leachate is particularly problematic. The current leachate management system at Caroline Landfill is struggling to cope with the amount being produced, requiring costly interventions. As with all issues of this type, the first management step should always be reduction.

Food businesses in Mount Gambier had no option for diverting food waste away from landfill, other than Council's kerbside FOGO (Food Organics Garden Organics) service - a single 240 L kerbside bin collected fortnightly.

Council conducted an earlier trial with a local food business involving giving a café 13 x 140 L kerbside FOGO bins, which are emptied weekly. Council's waste trucks are only able to empty mobile garbage bins (wheelie bins), not skip bins. Most food businesses do not have the space to store this many bins. It is also time consuming to wheel all these bins to the kerbside, and can present manual handling issues, as they can be quite heavy when full of food waste. This single food business generates over 20 tonnes of food waste per year. It should be noted that the wheelie bin trial commenced with 240 L bins, but when full of food waste these are too heavy for the trucks to lift.

In order to address these issues, Council proposed a trial involving using 660 L skip bins to collect food waste, using a local contractor and local commercial composter. Each business was given dedicated labelled organics kitchen bins, and a supply of compostable bags.

The objective of the trial was to see if this collection system suits food businesses, and to enable them to divert large amounts of food waste away from landfill. If successful it could be rolled out more broadly, resulting in a significant reduction in food waste going to landfill, creating local employment and saving businesses money.

This project was not a pilot relating to conventional household food waste. This trial related to finding solutions for the problematic waste of organics from food businesses – a significant issue.

In mid-2021 Council applied for funding for the trial under Green Industries Council Modernisation Grants. The application was successful, and the trial commenced in August 2021. Green Industries SA have provided 50% of the funds for the trial.

PROPOSAL

For the period from mid-August 2021 to the end of the trial on 30 June 2024 the program diverted over 200 tonnes of organic waste away from landfill (the contractor sends the collection weights to Council). Towards the end of the trial almost 1.5 tonnes was being collected every week. At the commencement of the trial there were 5 businesses participating, that grew steadily over the period of the trial to 19 using the 660L skip system. Some businesses produce more organic waste and some less. Averaging out the skip bin lift weight equates to an average of 5.5 tonnes of organic waste per business per year. If all of Mount Gambier's 180 food businesses took part in the program then almost 1,000 tonnes of organic waste could be diverted from landfill.

At the start of January a survey was sent to all the participating businesses. Below are the results of the survey:

Has the trial been useful for your business?

Yes: 100% No: 0%

Did the trial assist in reducing your amount of general waste to landfill?

Yes: 90% No: 10%



If yes, how much?

A significant amount: 33% A moderate amount: 56% A small amount: 11%

How would you rate the convenience of the service?

Excellent: 40% Very good: 50% Good: 10% Fair: 0% Poor: 0%

Comments:

"It's been great to have a trial like this in the city. Makes our team manage waste more appropriately."

"This was an excellent trial in that we have been able to identify how much organic waste is produced on site. Innovations in disposable packaging and utensil have also allowed the kitchen to divert 90% of waste from landfill."

It is clear from the feedback that the trial was popular with the participating business and assisted them to reduce their food waste to landfill.

The service has now converted into a purely commercial arrangement between the food businesses and the contractor. Council is working with the contractor and local composter on a recognition program for the service. Council will continue to provide dedicated organics kitchen bins to participating businesses, and one supply of compostable bags per business per year.

LEGAL IMPLICATIONS

N/A

STRATEGIC PLAN

The project directly relates to the following objectives:

- 3.5.5 Working with partners across the Limestone Coast region to develop solutions to our collective waste management and recycling issues, including an independent materials recovery option.
- 4.1.1 Working in partnership with relevant organisations to ensure a sustainable environment.
- 4.3.2 Reducing the environmental impact of waste and maximising conservation of natural resources.
- 4.3.4 Demonstrating Council's commitment to the environment by reducing our carbon emissions and increasing our use of renewable energy sources.

COUNCIL POLICY

N/A

ECONOMIC IMPLICATIONS

The project stimulates the local circular economy through the composting of organic waste by a local composter, rather than burying the material in landfill.

Diverting this material away from landfill will increase the life of the landfill, reducing the frequency required to build new cells.

ENVIRONMENTAL IMPLICATIONS

Diverting organics away from landfill leads to significant carbon and waste reductions and minimises the production of problematic methane and leachate. It also ensure that organic waste is recycled through composting, rather than being wasted in landfill.

SOCIAL IMPLICATIONS

N/A



CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

Some staff time is required to coordinate the recognition program and forms part of the current work program. No further staff resourcing is required now that the service has converted to a commercial arrangement between the food businesses and the contractor.

VALUE FOR MONEY

N/A

RISK IMPLICATIONS

N/A

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A

ENGAGEMENT AND COMMUNICATION STRATEGY

Businesses participating in the trial are communicated with directly.

IMPLEMENTATION STRATEGY

The service has now converted into a purely commercial arrangement between the food businesses and the contractor.

CONCLUSION AND RECOMMENDATION

In conclusion, the trial program from August 2021 to June 2024 was able to successfully divert over 200 tonnes of food waste away from landfill to commercial composting business that directly supports the local circular economy and provides sound environmental benefits for our community.

ATTACHMENTS

Nil



19.6 MOUNT GAMBIER AND DISTRICT SALEYARDS UPDATE – REPORT NO. AR24/54866

Committee:	Council
Meeting Date:	20 August 2024
Report No.:	AR24/54866
CM9 Reference:	AF23/328
Author:	Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services
Authoriser:	Sarah Philpott, Chief Executive Officer
Summary:	This report provides an update in relation to the District Council of Grant’s Livestock Exchange 2030 Transformation Project and unsuccessful grant funding application, following a resolution of Council to contribute \$77,000 to the Project.
Strategic Plan Reference:	Goal 1: Our People Goal 2: Our Location Goal 3: Our Diverse Economy Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Council Report No. AR24/54866 titled ‘Mount Gambier and District Saleyards Update’ as presented on 20 August 2024 be noted.
2. That Council reiterates it’s in principle support for the Mount Gambier Districts Livestock 2030 Transformation Project, and continues to advocate for the project as appropriate.
3. That Council notes that the allocation of funding of \$38,500 for 2024/25 will not be required, and will be removed at Budget Review 1.
4. That Council notes that the details of any future application for funding or changes to scope will be presented to Council for consideration.



TYPE OF REPORT

Corporate

BACKGROUND

At its meeting on 20 February 2024, Council received a deputation from Mayor Kylie Boston, District Council of Grant, discussing the Mount Gambier Districts Livestock 2030 Transformation Project (**the Project**).

Cr Barry Kuhl, Darryl Whicker – CEO and Brad Holdman – Chair of the Combined Agents Group were also in attendance.

Following this, Council considered contributing to the Project at its meeting on 19 March 2024.

Council resolved as follows (resolution 2024/66):

1. *That Council Report No. AR24/9332 titled 'Mount Gambier and District Saleyards Transformation Project' as presented on 19 March 2024 be noted.*
2. *That the City of Mount Gambier contribute an amount of \$77,000 to the District Council of Grant's Saleyards Transformation Project over two financial years, subject to approval in the 2024/2025 budget process.*

The contribution outlined above was formally approved through the 2024/25 budget endorsement process, with \$38500 allocated for the current financial year.

The District Council of Grant was notified that it had been unsuccessful in its grant funding bid through the Federal Government's Growing Regions Program.

PROPOSAL

The District Council of Grant has further considered the Project at its Ordinary Council Meeting of 17 June 2024, and on recommendation from its Mount Gambier and District Saleyards Strategy Committee, resolved as follows:

1. *That Council receive and note the District Council of Grant Mount Gambier and District Saleyards Strategy Committee Meeting minutes for the meeting held Monday 20 May 2024.*
2. *A workshop be scheduled within 2 months to consider priority maintenance for 2024 onwards.*
3. *Council seek feedback in relation to the unsuccessful round 1 Growing Regions project.*
4. *That Council undertake due diligence and prepare for round 2 of the Growing Regions Program or other feasible grant options.*
5. *Council write to the Premier and Treasurer to seek recommitment of the financial support for the saleyards project.*

Pursuant to the above resolution, the District Council of Grant has committed to lodging a new application for the Project in the next round of the Growing Regions grant funding stream.

Whilst the opening date for this grant funding is not yet known, the District Council of Grant will advise when this is announced, and any changes to the scope or costings of their application. The outcomes of any application will not be known this financial year.

Accordingly, the funds set aside in Council's 2024/25 budget to contribute to this Project will no longer be needed. The budget will be adjusted at Budget Review 1.

Given the timing, scope and overall cost of the Project will be subject to change, it is proposed to bring a subsequent report to Council with further information, before making any change to Council's overall resolution regarding the commitment to the project.

LEGAL IMPLICATIONS

N/A



STRATEGIC PLAN

Goal 2 - Our location:

- Taking an active role in regional working groups to realise major regional initiatives
- Encouraging growth and diversity in the forestry, food, wine production and value adding industries
- Working with other local government areas to develop cross regional plans and initiatives

COUNCIL POLICY

N/A

ECONOMIC IMPLICATIONS

The Saleyards make a significant contribution to the local economy and business community as one of the biggest livestock markets in the Limestone Coast area. Over the past two financial years (21/22 and 22/23), the saleyards generated over \$274m in sales, solidifying their importance in the agricultural sector.

Ensuring the Mount Gambier and District Saleyards are a pivotal hub for the region as a livestock exchange will not only have a direct positive impact through its implementation phase to operations but continue to develop the capabilities of regional supply chains which strengthen not only the Limestone Coast but the South Australian economy. The multiplier effect of the Mount Gambier and District Saleyards Transformation Project and the benefits to the City of Mount Gambier would be a clear demonstration of efficient government supported infrastructure investment with assured outcomes into the region and its linked economies.

ENVIRONMENTAL IMPLICATIONS

The project includes a water capture and reuse with 726,000 litre capacity rainwater harvesting system available for dual use for a stock trough watering system, and fire protection as well as a solar system which is optimised for sustainability.

SOCIAL IMPLICATIONS

The Social Value of Saleyards Research indicates the important role of the Saleyards in strengthening community resilience.

CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

An allocation of \$38,500 included in the budget for contribution to the Mount Gambier Districts Livestock 2030 Transformation Project is no longer required in the 2024/24 financial year. Budget Review 1 will reflect that change.

Council committed \$77,000 in total over two financial years. The timing of the Project and when Council's contribution will be needed is currently unclear. This report proposes that no other change to Council's original resolution is made at this stage until further information is available.

VALUE FOR MONEY

The District Council of Grant is investing in this regional asset for the benefit of the region: - SED Consulting's Cost Benefit Analysis indicated that within the Limestone Coast region, economic value reaches \$14.4 million with 78 construction-related and 32 ongoing FTEs.

RISK IMPLICATIONS

Risks



Cost Overruns: The project's budget may exceed the initial estimate due to unforeseen expenses, delays, or changes in scope, especially given the grant funding timing.

Market Volatility: Fluctuations in market conditions, such as changes in demand for livestock or economic downturns, could impact the project's viability and financial sustainability.

Construction Delays: Delays in construction or infrastructure development could prolong the project timeline, resulting in increased costs and operational disruptions.

Supply Chain Disruptions: Dependencies on suppliers, contractors, or service providers could expose the project to risks related to material shortages, delivery delays, or subcontractor issues.

Mitigations

With strategic procurement supported by LGAP and partnering with Mossop Constructions, the District Council of Grant have introduced innovation to contain price escalation well below the market trend and have an option on a fixed price contract.

The City of Mount Gambier's contribution will be a fixed amount and not subject to cost overruns. However, the District Council will provide Council with an update on any scope and cost change implications as they approach the next grant round.

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A

ENGAGEMENT AND COMMUNICATION STRATEGY

The District Council of Grant have consulted with industry, and transport operator stakeholders Engaging community and industry stakeholders to validate the viability of the project.

IMPLEMENTATION STRATEGY

If accepted, the contribution will be paid over two financial years and subject to timing of the project. As noted in this report, the allocation for 2024/25 will not be required, but no overall change is proposed to the intent of Council's resolution, until such time as further information becomes available.

CONCLUSION AND RECOMMENDATION

Council recognises our commitment to the Mount Gambier Districts Livestock 2030 Transformation Project and the project's potential to positively impact the Limestone Coast region. By removing the previously allocated funding of \$38,500 for the upcoming budget review, Council remains open to future funding opportunities. Furthermore, any forthcoming applications for funding or modifications to the project's scope will be presented to the Council for consideration.

ATTACHMENTS

Nil



19.7 SUBMISSION - DOG AND CAT MANAGEMENT (CAT MANAGEMENT) AMENDMENT BILL 2024 – REPORT NO. AR24/55695

Committee:	Council
Meeting Date:	20 August 2024
Report No.:	AR24/55695
CM9 Reference:	AF23/328
Author:	Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services
Authoriser:	Sarah Philpott, Chief Executive Officer
Summary:	This report presents a proposed submission to the Dog and Cat Management (Cat Management) Amendment Bill 2024, which is currently open for consultation.
Strategic Plan Reference:	Goal 1: Our People
	Goal 2: Our Location
	Goal 3: Our Diverse Economy
	Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage
	Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Council Report No. AR24/55695 titled 'Submission - Dog and Cat Management (Cat Management) Amendment Bill 2024' as presented on 20 August 2024 be noted.
2. That the submission to the Dog and Cat Management (Cat Management) Amendment Bill 2024 as attached to Report No. AR24/55695 be approved.
3. That the Chief Executive Officer or Delegate be authorised to make any necessary changes to the document arising from feedback given at the meeting, and to make minor typographical or formatting corrections that do not materially impact the intention of the submission.



TYPE OF REPORT

Other

BACKGROUND

The *Dog and Cat Management Act 1995* (the Act) is South Australia's legal framework for managing dogs and cats in South Australia. The Act outlines the responsibilities of dog and cat owners and includes powers for cat management undertaken by local government and other stakeholders, including National Parks and Landscape Boards.

Consultation was recently undertaken by the Department of Environment and Water on proposals to introduce breeder licencing and increase dog attack penalties in the Dog and Cat Management Act and on a proposed new Animal Welfare Bill.

The Department of Environment and Water is now seeking to update sections of the Act to provide clarity to parties responsible for cat management. Managing cats is complex with responsibilities shared between individuals, local, state and federal government, as well as non-government parties.

The amendments are proposed to:

- update the powers for the management of cats in key areas of the state including areas used for primary production, State National Parks and reserves.
- provide a clear process for councils when managing seized cats and enabling lost cats to be returned to owners (based on the way in which councils handle seized dogs).

Currently, councils in South Australia operate under varying by-laws and management strategies for cats. This inconsistency has prompted the need for a comprehensive state-wide approach.

Community feedback during consultations has underscored the necessity for improved cat management practices, balancing animal welfare with ecological considerations. This was reflected locally during consultation for Council's most recent Dog and Cat Management Plan 2024 – 2028.

The Minister for the Dog and Cat Management Act 1995 has recognised the diverse challenges and sentiments surrounding cat management, leading to the government's initiative for a balanced approach to reform.

PROPOSAL

Summary of Proposed Amendments

The draft Bill aims to amend the *Dog and Cat Management Act 1995*, focusing on resolving existing issues to enable local and state governments to manage cats effectively through a balanced and appropriate approach.

The amendments are designed to assist local councils and other key stakeholders in executing cat management activities that are tailored to their specific regions. Key proposals include:

- Clarification of Procedures
Update procedures regarding the seizure, detention, and destruction of cats to make them clearer. Ensure humane treatment of cats by adopting framework similar to existing dog management provisions.
- Regulatory Flexibility
Introduce regulatory-making powers to allow councils flexibility in adapting management practices to suit local conditions and needs.
- Consistency
Implement minor updates to ensure uniformity in cat management laws, aiding in streamlining enforcement processes.



- Enhanced Authority
Strengthen the authority to assess and manage cats based on their situational context, rather than limiting it to ownership definitions.
- Expanded Definition of Authorised Officers
Broaden who is considered authorised officers under the regulations to enhance efforts in pest management and allow for more effective participation by contractors and skilled individuals in cat control initiatives.

Key Amendments and their Implications:

1. Section 63 - Power to Destroy Cats:

- Broadened language to recognise contractors and other persons lawfully performing functions under the Act and ensuring consistency in language across the various Acts that enable cat management to be undertaken.
- Amendments will allow for the destruction of cats found a prescribed distance from any place used as a genuine residence (not including a place owned or occupied by the person), with a default distance of 1 kilometre. This will enable a person to manage feral cats on their own property, as long as the distance from any other genuine place of residence is 1 kilometre or a distance set in regulation.
- Additional situations where cats can be injured or destroyed may be prescribed by the regulations.
- Regulations will make provisions that allow for circumstances in which authorised persons may destroy cats, without seizure or detention.

2. Section 64 – Power to Seize and Detain Cats:

- Authorised persons can seize and detain cats to prevent by-law contraventions, if they suspect the cat is lost, unowned, or feral, if requested by emergency services, or in other prescribed situations.
- Allow all cats to be seized and detained, not just unidentified cats, in specific scenarios.
- Councils must approve and regulate cat trapping on private properties, with trapped cats to be delivered to a council nominated facility within 12 hours.

3. Section 64AA – Procedure Following Seizure of Cat:

- Establishes procedures similar to those for dogs, including microchip scanning and posting notices for at least 72 hours at council offices and websites.

4. Section 64A – Destruction or Disposal of Seized Cat:

- Councils can destroy cats if they are suffering, unclaimed, declined by the owner, unpaid for detention, unidentified, or unowned/feral.
- Clarification is needed on who is entitled to claim a cat.
- Councils will be required to develop policies for consistent cat disposal approaches giving consideration of the following:
 - rehoming, transferring to a shelter or foster care organisation for care and rehoming, or
 - utilise humane euthanasia where rehoming is not appropriate.
- Proceeds from the sale of a disposed cat go to the facility operator.



5. Section 64D – Notification to owner of dog or cat destroyed etc

- Update to the definition of a prescribed person consistent with the changes proposed to section 63.

Positive Implications	Negative Implications
<p><u>Enhanced Public Safety and Health:</u></p> <ul style="list-style-type: none"> • Improved capacity of people to manage feral cats on their own property, as long as the distance from any other genuine place of residence is 1 kilometre or a distance set in regulation. • Reduced operational barriers that impede feral cat management under other Acts that currently result in inaction and uncontrolled breeding. 	<p><u>Lack of a State-wide approach:</u></p> <ul style="list-style-type: none"> • The absence of a similar compulsory registration requirement for cats in the Dog and Cat Management (Cat Management) Amendment Bill 2024 highlights a significant inconsistency with the provisions that are in place for dogs. • Dog registration is compulsory, providing a systematic way to manage dog populations, ensure responsible ownership, and facilitate the return of lost pets. It also provides a funding source to resource dog management activities. • The lack of a state-wide compulsory registration system means that individual councils will need to develop their own by-laws to generate registration revenue and / or use rate payer funds to subsidise the cost of the additional responsibilities required of local government under the proposed amendment.
<p><u>Streamlined Cat Management:</u></p> <ul style="list-style-type: none"> • Clear procedures for the seizure and detention of cats, including scanning for microchips and providing notice of detention, help standardise and streamline cat management practices and align with the requirements for dog management. 	<p><u>Inconsistency:</u></p> <ul style="list-style-type: none"> • The current Dog and Cat Management (Cat Management) Amendment Bill 2024 does not provide for a state-wide approach to the management of cats consistent with what is in place for dogs. In particular, there are no provisions that prevent cats from wandering at large, which would require owners to contain cats to their properties (like dogs). • Different councils may adopt varying by-laws, resulting in a patchwork of regulations across the state. This can cause confusion among residents, particularly those who move between council areas or live near council boundaries. • Effective cat management often requires cooperation between neighbouring councils. Inconsistent by-laws can hinder such cooperation, making it more difficult to address issues that span multiple



	<p>jurisdictions, such as feral cat populations.</p> <ul style="list-style-type: none"> The lack of specific regulations for different geographical areas and the default distance of 1 kilometre may result in ambiguity and inconsistent enforcement across councils. This may lead to confusion among residents and General Inspectors.
<p><u>Support for Emergency Services:</u></p> <ul style="list-style-type: none"> Authorising the seizure and detention of cats upon request by emergency services ensures that councils can support emergency operations effectively, particularly in disaster or crisis situations. 	<p><u>Operational Difficulties for Facilities:</u></p> <ul style="list-style-type: none"> The requirement to deliver trapped cats to a facility within 12 hours places operational pressure on councils and third-party facilities. If facilities are unwilling or unable to accommodate these cats, councils may struggle to comply with the regulations.
<p><u>Improved Animal Welfare:</u></p> <ul style="list-style-type: none"> By establishing clear conditions under which cats can be destroyed, the amendments aim to prevent prolonged suffering for injured or sick cats, ensuring more humane treatment. 	<p><u>Potential for Misuse and Overreach:</u></p> <ul style="list-style-type: none"> The power to destroy cats based on proximity to residences and other broad criteria could lead to misuse, where cats are harmed unnecessarily. This could be particularly problematic in areas with differing opinions on cat management.
<p><u>Clarity and Authority for Councils:</u></p> <ul style="list-style-type: none"> The amendments provide councils with clear authority to manage and dispose of seized cats, reducing uncertainty and enabling more decisive action when dealing with stray and feral cats. 	<p><u>Additional Costs and Resourcing</u></p> <ul style="list-style-type: none"> Council will face increased responsibilities to regulate and approve cat trapping on private properties, manage seized cats, and develop policies for cat disposal. There will be establishment costs to make arrangements for the detention of cats for the proposed mandatory period of 72-hours. Implementing and enforcing the new amendments will incur additional costs for council, including training staff, developing policies, and managing facilities for seized cats. The cost of developing a by-law is considerable and estimated to be in the vicinity of \$10-\$15K. There will be increased demands and community expectation of Council surrounding the management of cats. In



	<p>particular, surrounding council policies for the disposal of unclaimed, stray cats. It is difficult to estimate the total cost of this approach to each council, but in RSPCA South Australia's Cat Management Plan for South Australia (from 2019), the average cost per each cat rehomed was in excess of \$700.</p>
<p><u>Better Regulation of Cat Trapping:</u></p> <ul style="list-style-type: none"> Requiring council approval and regulation for cat trapping on private properties ensures that trapping is conducted humanely and in accordance with local regulations, preventing arbitrary or cruel practices. 	<p><u>Enforcement Challenges:</u></p> <ul style="list-style-type: none"> The amendments do not expressly authorise the seizure of cats wandering on private property, creating enforcement challenges. General Inspectors could find it difficult to intervene in such cases without clear legal backing, potentially leaving some issues unaddressed.
<p><u>Resource Allocation for Cat Management:</u></p> <ul style="list-style-type: none"> If Council were to introduce a Cat Bylaw, with mandatory registration for Cats, the registration fees would help offset the operational costs of managing stray cats. 	<p><u>Liability and Legal Issues:</u></p> <ul style="list-style-type: none"> Council could face legal challenges from cat owners whose pets are destroyed or detained under these new regulations. Clarification on who is entitled to claim a cat and the process for doing so is necessary to minimise potential legal disputes.
<p><u>Encouragement for Microchipping and Registration:</u></p> <ul style="list-style-type: none"> Microchip scanning, can encourage more pet owners to microchip and register their cats, aiding in the quick return of lost pets and reducing the number of unidentified cats. 	<p><u>Community Sentiment:</u></p> <ul style="list-style-type: none"> The amendments, particularly those allowing for the destruction of cats, could lead to negative sentiment from animal rights groups and concerned residents.

In summary, while the amendments aim to address issues related to stray and feral cats, they also introduce significant challenges and potential negative implications that will need to be carefully managed to ensure fair, humane, and effective implementation.

Council will need to be proactive in setting up policies and potentially a by-law that aligns with these amendments, considering both the legal requirements and community expectations.

Consultation Process

All feedback will be considered to refine the draft Bill before its presentation to Parliament, ensuring that community and stakeholder insights shape the final legislation. A consultation report summarising the feedback process will be published on YourSay post-consultation.

The proposed amendments to the Dog and Cat Management Act 1995 signify the South Australian government's commitment to a structured approach toward cat management that respects local conditions and community needs. Stakeholder engagement is crucial during this consultation phase



to ensure the effectiveness of the reforms and to address the diverse views and needs regarding cat management across the state.

Consultation on the proposed Dog and Cat Management (Cat Management) Amendment Bill 2024 closes on 4 September 2024.

A draft submission to the Dog and Cat Management (Cat Management) Amendment Bill 2024 is attached for Members review (**Attachment 1**).

Previous Council Community Consultation

Previous consultation was undertaken in 2023 with the Mount Gambier community regarding Council's Dog and Cat Management Plan 2024-2028. Feedback revealed that cat management was the most prominent issue, with 60% of respondents expressing concerns about stray, wandering, or trespassing cats, and 42.5% raising concerns about cats preying on wildlife.

To address these issues, respondents expressed a desire for a by-law to assist with cat management, particularly referencing the implementation of a cat curfew. The table below lists the actions for cat management contained in the plan, which includes determining future directions for cat management in the city. These plans will need to be guided by upcoming changes to the Dog and Cat Management Act and the possibility of introducing a cat by-law.



Actions	Performance measures	When
Review City of Mount Gambier's current procedure for the management of cats trapped in council-leased cat traps , including a pathway for rehoming those cats that are deemed suitable.	Procedure developed and implemented over the life of this plan.	Year 1 & ongoing
Continue to promote the Dog and Cat Management Board's information about mandatory desexing and microchipping of cats .	Promotional material posted on Council's website, social media and other formats.	Year 1 & ongoing
Develop a target campaign to encourage the use of cat runs and other appropriate containment measures to prevent cats from wandering.	Campaign developed and implemented over the life of this plan	Year 2
Encourage people to take full responsibility for unowned cats they are feeding including desexing and microchipping of cats.	Promotional material posted on Council's website, social media and other formats.	Year 1 & ongoing
Encourage cat owners to register their cats on DACO .	Increase in number of cats registered on DACO over the life of this plan.	Year 1 & ongoing
Determine future directions for cat management in the city including a cat by-law (if applicable). Future directions to be informed by pending changes to the Dog and Cat Management Act.	Investigation conducted and recommendations for consideration.	Year 2 & ongoing (subject to legislative updates).
Continue advocacy with State Government regarding cost and resourcing implications of effective cat management .	Provide feedback and input to relevant consultations and forums.	Year 1 & ongoing

LEGAL IMPLICATIONS

The amendments aim to clarify procedures for seizing and managing cats, potentially reducing legal liability for councils.

STRATEGIC PLAN

N/A

COUNCIL POLICY

[A515 Animal Control - Dogs](#)



[A520 Animal Control](#)

[Animal Management - Unclaimed Dogs](#)

ECONOMIC IMPLICATIONS

Covered in the body of the report.

ENVIRONMENTAL IMPLICATIONS

Covered in the body of the report.

SOCIAL IMPLICATIONS

N/A

CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

Covered in the body of the report.

VALUE FOR MONEY

N/A

RISK IMPLICATIONS

Covered in the body of the report.

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A

ENGAGEMENT AND COMMUNICATION STRATEGY

If resolved, Council will provide a submission to the proposed Dog and Cat Management (Cat Management) Amendment Bill 2024 by the 4 September 2024 deadline.





IMPLEMENTATION STRATEGY

N/A

CONCLUSION AND RECOMMENDATION

The proposed amendments to the Dog and Cat Management Act 1995 signify the South Australian government's commitment to a structured approach toward cat management that respects local conditions and community needs. By endorsing the draft submission, Council will be able to provide a clear and informed response to the proposed bill. It is recommended that Council endorse the draft submission to the Dog and Cat Management (Cat Management) Amendment Bill 2024.

ATTACHMENTS

1. Submission - Dog and Cat Management (Cat Management) Amendment Bill 2024 [↓](#) 
2. Draft - Dog and Cat Management (Cat Management) Amendment Bill 2024 [↓](#) 
3. Explanatory Guide - Dog and Cat Management (Cat Management) Amendment Bill 2024 [↓](#) 
4. FAQs - Dog and Cat Management (Cat Management) Amendment Bill 2024 [↓](#) 





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Reference: AF11/394

14 August 2024

Submission to the Department of Environment and Water on the Proposed Amendments to the Dog and Cat Management Act (Cat Management Amendment Bill 2024)

Introduction

The City of Mount Gambier welcomes the opportunity to provide feedback on the proposed amendments to the Dog and Cat Management Act 1995, specifically the Cat Management Amendment Bill 2024. Council recognises the importance of responsible cat management and the need for a consistent, humane, and effective approach across South Australia.

General Support for the Amendments

The City of Mount Gambier supports the overarching goals of the proposed amendments to improve cat management practices across the state. The amendments provide local councils with enhanced authority and clearer procedures for managing stray and feral cats. This will help address both public health concerns and animal welfare issues while ensuring that cat management is carried out in a humane and equitable manner.

Key Areas of Support

Clarification of Procedures:

Council appreciates the efforts to update procedures related to the seizure, detention, and destruction of cats. Aligning these procedures with those already in place for dog management ensures consistency and provides a clearer framework for councils to follow.

Support for Emergency Services:

The provision allowing for the seizure and detention of cats at the request of emergency services is crucial. This will enable councils to support emergency operations effectively, particularly during disasters.

Improved Animal Welfare:

Council supports the amendments that establish clear conditions under which cats can be destroyed. This ensures that decisions are made to prevent prolonged suffering for injured or sick cats, prioritizing humane treatment.

Better Regulation of Cat Trapping:

Requiring council approval and regulation for cat trapping on private properties is a necessary measure. This ensures that cat trapping is conducted humanely and in accordance with local regulations, preventing arbitrary or inhumane practices.



Areas of Concern

Lack of Compulsory Cat Registration:

Council is concerned about the absence of a compulsory cat registration system in the proposed amendments. Dog registration is mandatory, providing a systematic approach to managing dog populations and funding dog management activities. A similar system for cats would ensure consistency and provide a crucial funding source for managing the increased responsibilities placed on councils.

Inconsistency in Cat Management Across Councils:

Without a state-wide approach to cat management, there is a risk of inconsistency across councils. This could lead to confusion among residents, particularly those living near council boundaries, and complicate cooperation between neighbouring councils.

Increased Costs and Resourcing Requirements:

The amendments will impose additional responsibilities on councils, such as regulating cat trapping, managing seized cats, and developing disposal policies. These tasks will require significant resources, including training, facility management, and potentially the development of new by-laws. Council urges the state government to consider providing financial support or grants to assist councils in managing these additional burdens.

Potential for Misuse of Powers:

The broadened powers to destroy cats based on proximity to residences could be misused, leading to unnecessary harm to cats. Council recommends that additional safeguards be included in the legislation to prevent such misuse and ensure that all actions are taken with the welfare of the cats in mind.

Community Sentiment and Animal Welfare Concerns:

The provisions allowing for the destruction of cats without the need to comply with detention requirements may raise significant animal welfare concerns and could lead to negative sentiment from animal rights groups and concerned residents. Council recommends that these provisions be reconsidered and that alternative humane options, such as rehoming, be prioritised.

Conclusion

The City of Mount Gambier supports the intent of the Cat Management Amendment Bill 2024 to improve cat management practices across South Australia. However, Council urges the Department of Environment and Water to address the concerns raised, particularly regarding the need for a compulsory cat registration system and lack of a state-wide approach to cat management. By addressing these issues, the City of Mount Gambier believes that the amendments can provide a balanced and effective framework for managing cats in South Australia.

We appreciate the opportunity to contribute to this important consultation process and look forward to continued collaboration on this critical issue.

Submitted by:

City of Mount Gambier



Draft for comment

South Australia

Dog and Cat Management (Cat Management) Amendment Bill 2024

A BILL FOR

An Act to amend the *Dog and Cat Management Act 1995*.

Contents

Part 1—Preliminary

- 1 Short title
- 2 Commencement

Part 2—Amendment of *Dog and Cat Management Act 1995*

- 3 Insertion of section 9A
 - 9A Application of Act
- 4 Amendment of section 63—Power to destroy cats
- 5 Amendment of section 64—Power to seize and detain cats
 - 64 Power to seize and detain cats
- 6 Insertion of section 64AA
 - 64AA Procedure following seizure of cat
- 7 Substitution of section 64A
 - 64A Destruction or disposal of seized cat
- 8 Amendment of section 64D—Notification to owner of dog or cat destroyed etc under Part

The Parliament of South Australia enacts as follows:

Part 1—Preliminary

1—Short title

- 5 This Act may be cited as the *Dog and Cat Management (Cat Management) Amendment Act 2024*.

2—Commencement

This Act comes into operation on a day to be fixed by proclamation.



Draft

Dog and Cat Management (Cat Management) Amendment Bill 2024
Amendment of Dog and Cat Management Act 1995—Part 2

(4) Section 63—after subsection (1) insert:

(1a) Without limiting subsection (1), a person referred to in that subsection may, in accordance with any requirements set out in the regulations, lawfully destroy a cat that has been lawfully trapped in accordance with this or any other Act or law (and sections 64, 64AA and 64A will be taken not to apply in relation to the cat).

Note—

Those sections would, for example, otherwise require the trapped cat to be delivered to a facility for detention.

(5) Section 63(2)—delete "any of the circumstances specified in that subsection" and substitute:

the circumstances prescribed by the regulations

(6) Section 63—after subsection (5) insert:

(6) In this section—

prescribed distance, from a place of residence, means—

- (a) if the regulations prescribe a distance for the purposes of this paragraph—that distance; or
- (b) if the regulations do not prescribe a distance for the purposes of this paragraph—1 kilometre.

5—Amendment of section 64—Power to seize and detain cats

Section 64—delete section 64 and substitute:

64—Power to seize and detain cats

(1) An authorised person may seize and detain a cat—

- (a) to prevent or stop the contravention of a by-law of the relevant council; or
- (b) if the authorised person reasonably suspects that the cat is lost, unowned or feral; or
- (c) if requested to do so by a member of an emergency service; or
- (d) in any other circumstances prescribed by the regulations.

(2) A person (not being an authorised person) may seize and detain a cat—

- (a) if the person is performing functions under the *Crown Land Management Act 2009* and the cat is found in an area in respect of which the person is authorised to exercise powers under that Act;
- (b) if the person is performing functions under the *Landscape South Australia Act 2019* and the cat is found while the person is performing those functions;



Draft

Dog and Cat Management (Cat Management) Amendment Bill 2024
Part 2—Amendment of *Dog and Cat Management Act 1995*

- 5
- (c) if the person is performing functions under the *Animal Welfare Act 1985* and the cat is found while the person is performing those functions;
- (d) if the person is a veterinarian acting in the ordinary course of their profession;
- (e) if the cat is found on land owned or occupied by the person and the person is acting in accordance with an approval of the relevant council or an authorised person; or
- (f) in any other circumstances prescribed by the regulations.
- 10
- (3) An approval under subsection (2)(e)—
- (a) may be conditional or unconditional; and
- (b) must comply with any requirements set out in the regulations.
- 15
- (4) A person who seizes and detains a cat under subsection (2)(a), (b), (c), (d) or (f) must deal with the cat in accordance with the regulations.
- (5) A person who seizes and detains a cat under subsection (2)(e) must—
- 20
- (a) if conditions setting out how a cat is to be dealt with following seizure and detention are imposed on the relevant approval—deal with the cat in accordance with those conditions; or
- 25
- (b) within 12 hours deliver the cat to a facility nominated by the council in whose area the cat was seized (being a facility that agrees to being nominated for the purposes of this subsection and that is approved by the Board for the detention of cats); or
- 30
- (c) if paragraph (a) does not apply in the circumstances and it is not reasonably practicable to deliver the cat in accordance with paragraph (b)—deal with the cat in accordance with the regulations.
- (6) A person who, without reasonable excuse, contravenes subsection (4) or (5) is guilty of an offence.
Maximum penalty: \$5000.
Expiation fee: \$315.
- 35
- (7) Nothing in this section authorises a person who has seized and detained a cat to destroy the cat.



Draft

Dog and Cat Management (Cat Management) Amendment Bill 2024
Amendment of Dog and Cat Management Act 1995—Part 2

6—Insertion of section 64AA

After section 64 insert:

64AA—Procedure following seizure of cat

- 5 (1) Without limiting section 64A, if a cat is seized under this Division, it must—
- (a) be returned to a person who owns or is responsible for the control of the cat; or
- (b) be detained in a facility approved by the Board for the purpose of detaining cats; or
- 10 (c) be otherwise dealt with in accordance with the scheme set out in the regulations.
- (2) If a cat is detained, the person causing it to be detained must—
- (a) cause the cat to be scanned to determine whether it is microchipped; and
- 15 (b) either—
- (i) cause a notice to be displayed at the office of the council for the area in which the cat was seized (or if the cat was seized outside municipal and district council areas, at the police station nearest to where the cat was seized) containing—
- 20 (A) a general description of the cat; and
- (B) the day and time it was seized; and
- (C) contact details of a person or body to whom further enquiries can be made; or
- 25 (ii) cause such a notice to be published on the official website of the council for the area in which the cat was seized (or if the cat was seized outside municipal and district council areas, on the official website of SA Police).
- 30 (c) if a person who owns or is responsible for the control of the cat is known to the person or is readily ascertainable—cause notice of the detention to be given, as soon as practicable, to the owner or other person in the manner and form required by the Board.
- 35 (3) A notice under subsection (2)(b) must remain displayed for at least 72 hours.
- (4) Nothing in this section prevents a person from taking a seized or detained cat that is sick, injured or distressed to a veterinarian for assessment and treatment.



Draft

Dog and Cat Management (Cat Management) Amendment Bill 2024
Part 2—Amendment of *Dog and Cat Management Act 1995*

7—Substitution of section 64A

Section 64A—delete section 64A and substitute:

64A—Destruction or disposal of seized cat

- 5 (1) A person who is responsible for a cat that is seized and detained
under this Division (other than a person who seized or detained a cat
under section 64(2)(e)) may cause the cat to be destroyed or
otherwise disposed of—
- 10 (a) if the cat is suffering from injury, disease or sickness to the
extent that it is impracticable to maintain the cat; or
- (b) if the cat is suffering from a contagious or infectious disease
or sickness; or
- (c) if the cat is not claimed by a person entitled to the return of
the cat within 72 hours from when notice of its detention
was last given under this Division; or
- 15 (d) if a person in whose name the cat is registered declines to
take possession of the cat; or
- (e) if money due in relation to the detention of the cat is not
paid within 7 days after a request for payment; or
- (f) if the cat is an unidentified cat, or is unowned or feral; or
- 20 (g) in any other circumstances prescribed by the regulations.
- (2) If a cat is disposed of under subsection (1) by sale, the proceeds of
the sale are the property of the operator of the facility at which the
cat had been detained.

**8—Amendment of section 64D—Notification to owner of dog or cat destroyed
etc under Part**

25 Section 64D(3), definition of *prescribed person*, paragraphs (b) to (h)—delete
paragraphs (b) to (h) (inclusive) and substitute:

- (b) a person referred to in the following provisions:
- 30 (i) section 59D(c);
- (ii) section 63(1)(a) or (d) to (g) (inclusive);
- (iii) section 64(2)(a) to (d) (inclusive); or
- (c) any other person prescribed by the regulations.



Proposed amendments to the Dog and Cat Management Act to improve cat management

Explanatory Guide



Government
of South Australia
Department for
Environment and Water





Contents

Introduction.....	2
Managing cats in South Australia	3
Draft Dog and Cat Management (Cat Management) Amendment Bill 2024.....	5
Section 9A—Application of Act.....	5
Section 63 – Power to destroy cats	6
Section 64 – Power to seize and detain cats	8
Section 64AA—Procedure following seizure of cat	10
Section 64A—Destruction or disposal of seized cat.....	11
Section 64D—Notification to owner of dog or cat destroyed etc under Part	12
Looking forward.....	13



Introduction

The Department for Environment and Water is inviting South Australians to have their say on proposed changes to cat management laws in our state.

The Dog and Cat Management Act

The *Dog and Cat Management Act 1995* (the Act) is South Australia's legal framework for managing dogs and cats in South Australia. The Act outlines the responsibilities of dog and cat owners and includes powers for local government and some stakeholders with a role in dog and cat management.

The draft bill

A bill is a formal proposal for creating new laws or changing existing laws. The draft bill, available on YourSAy, includes the specific changes proposed for the *Dog and Cat Management Act 1995*.

This guide explains the rationale and intent of the proposed changes.

What are the next steps?

Once the Bill is finalised, the government will provide approval to table the bill in Parliament. The bill will then be debated in Parliament. If it is passed by both houses, it will be assented to by the Governor, and it will become an Act (law).

What else do I need to know?

Consultation was recently undertaken on proposals to introduce breeder licencing and increase dog attack penalties in the Dog and Cat Management Act and on a proposed new Animal Welfare Bill. Further information is available at www.yoursay.sa.gov.au

Have YourSAy

Your feedback will help us understand the collective community views regarding dog and cat management expectations.

You are encouraged to respond to the online questionnaire on the YourSAy page. The questionnaire asks about your support for each amendment, and includes space for optional comments to be added.

Details on how to provide feedback are on YourSAy at YourSAy.sa.gov.au



Managing cats in South Australia

Cats can have a significant impact on wildlife and biodiversity. Cats continue to drive population decline in Australian native animal species. Predation by cats is a recognised threat to over 200 nationally threatened species, and 37 listed migratory species. Cats in Australia kill over 1.5 billion native mammals, birds, reptiles and frogs, and 1.1 billion invertebrates each year.¹

South Australian cat owners are required to microchip and desex their cats. These responsible pet ownership foundations help lost cats be returned to their owners and reduce unwanted litters. Many owners have also chosen to contain their cats to their property to reduce the impact on wildlife and nuisance behaviours for neighbours, and also to keep them safe.

However, the population of cats that aren't desexed and who continue to produce litters of kittens are having an adverse impact on our primary producers, State National Parks and reserves.

Shelters and rescue organisations frequently report they are operating at capacity, requiring them to turn away requests to take cats and kittens.

In South Australia the *Dog and Cat Management Act 1995* provides the framework for the management of all cats across other relevant and associated legislation including the *Landscape SA Act 2019*, *National Parks and Wildlife Act 1972*, *Wilderness Protection Act 1992*, and *Crown Land Management Act 2009*.

This currently includes:

- Provisions under the *Animal Welfare Act 1985* ensuring appropriate treatment of animals.
- Provisions under the *Dog and Cat Management Act 1995* primarily focused on the management of owned dogs and cats.
- Provisions under the *Landscape SA Act 2019* relating to declared pests and pest management, guiding landscape staff, landholders and individuals.
- Provisions under the *National Parks and Wildlife Act 1975* for the management of National Parks.
- RSPCA, AWL, veterinary sector and other community organisations providing shelter, treatment and rehoming services.

Cats and wildlife

Predation by feral cats is listed as a key threat under the national *Environment Protection and Biodiversity Conservation Act 1999* giving rise to the development of a threat abatement plan to address these risks at a national level.

In 2020, an Australian Parliamentary Inquiry into the problem of feral and domestic cats in Australia considered an overwhelming body of scientific evidence outlining the significant impact of cats on native species, and recognising the role of cats in causing species to become threatened, endangered and even extinct.

Learn more

Draft updated threat abatement plan for predation by feral cats

<https://consult.dcceew.gov.au/draft-updated-threat-abatement-plan-for-predation-by-feral-cats>

Tackling the feral cat pandemic: a plan to save Australian wildlife, Australian Parliament, 2020

https://www.aph.gov.au/Parliamentary_Business/Committees/House/Former_Committees/Environment_and_Energy/Feralanddomesticcats/Report

Returning cats to owners

We know there are many important social and health benefits for those who choose to share their homes with one or more pets. Cats are a popular pet choice, make wonderful companions and are much loved by their owners.

Responsible cat owners have their cat desexed and microchipped with up to date contact information, and care for its wellbeing. These owners seek laws to ensure their beloved pet can be returned to them safely should they become lost, in a similar way that the Act provides for dogs.

¹ DCCEEW 2023. *Threat abatement plan for predation by feral cats*, Department of Climate Change, Energy, the Environment and Water, Canberra.

Updating cat management

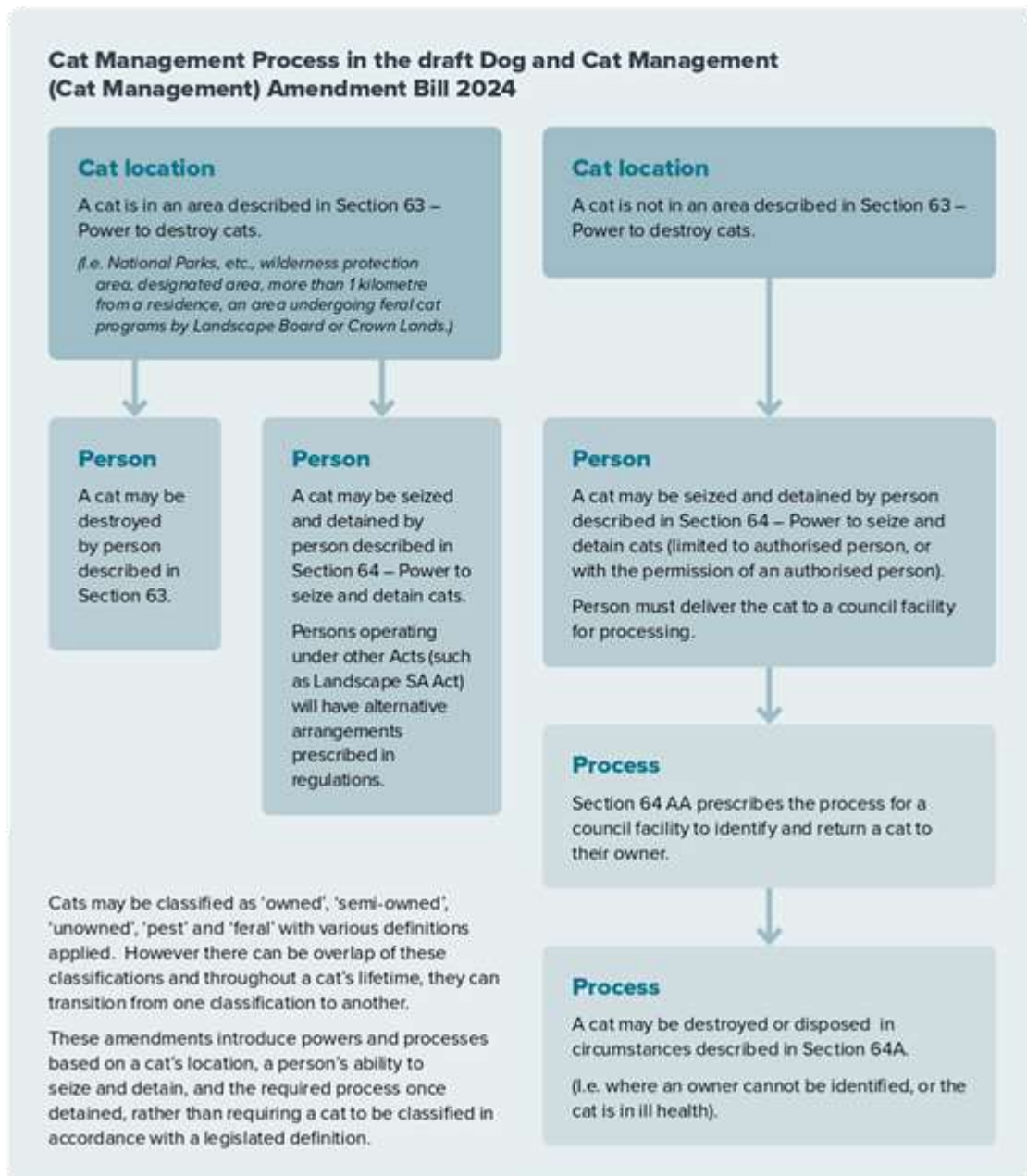
We know the current *Dog and Cat Management Act 1995* creates operational issues for officers working to manage cats in areas of the State where feral cats are problematic. This creates confusion and unintended barriers which result in inaction and further uncontrolled breeding.

Management of cats is a complex topic with shared responsibility by individuals, local, state and federal government, as well as non-government parties.

There are passionate perspectives within the community ranging from advocating for cats as part of a modified

environment, to significant concern for the wildlife impacts of feral cats. The community is interested in improvements to cat management, and this is frequently seen through public surveys, consultation and media reports and via Council's introducing by-laws.

Delivering good cat management will involve the efforts of many stakeholders and new partnerships. These proposed amendments focus on resolving existing issues in the Act, to allow local and state government to effectively manage cats in an appropriate and balanced approach.



Draft Dog and Cat Management (Cat Management) Amendment Bill 2024

The amendments included in the draft bill seek to:

- Revise and update powers and functions for councils to seize and detain cats, implement by-laws, and deal with owned and unowned cats.
- Clarify powers and remove barriers for landscape boards, National Parks, and other stakeholders to better manage feral cats.

Draft changes include:

- Insert new section 9A—Application of Act
- Amendment of section 63 – Power to destroy cats
- Amendment of section 64 – Power to seize and detain cats
- Insert new section 64AA— Procedure following seizure of cat
- Amendment of section 64A— Destruction or disposal of seized cat
- Amendment of section 64D—Notification to owner of dog or cat destroyed etc. under Part

The following pages include a detailed explanation of each amendment.

Section 9A—Application of Act

A proposed new section 9A aims to clarify a hierarchy that if there is an inconsistency between the Act and other South Australian legislation, so that the provisions of the Act are not a barrier to eradication programs for managing feral dogs or cats.

This provision does not target owned cats. This proposed new section would only be used if there is an inconsistency between the Act and another South Australian legislation in relation to undertaking a program to address feral cats and dogs. Such programs must comply with safeguards required by the other Act.

Current Dog and Cat Management Act 1995

Not in the current legislation.

Proposed change

9A—Application of Act

Nothing in this Act limits or otherwise affects a program to reduce or eradicate feral dogs or cats conducted under any other Act or law.

What do you think?

Do you agree with the introduction of Section 9A – setting out that the Dog and Cat Management Act does not limit or affect feral dog or cat control programs conducted under other Acts or laws?



Section 63 – Power to destroy cats

Various Acts enable cat management to be undertaken, including the *National Parks and Wildlife Act 1972*, *Wilderness Protection Act 1992*, *Crown Land Management Act 2009*, *Landscape South Australia Act 2019*, with the *Dog and Cat Management Act 1995* also prescribing powers under these Acts regarding cats.

We know the current *Dog and Cat Management Act 1995* creates operational issues for managing cats across the State creating barriers which result in inaction and uncontrolled breeding. The proposed amendments to section 63 aim to resolve the barriers.

N.B. the *Animal Welfare Act 1985* requires all animals to be treated humanely regardless of the powers provided in the *Dog and Cat Management Act 1995*.

Who has powers

Section 63 of the Act currently refers to 'warden', 'authorised officer' and 'inspector' in relation to the *National Parks and Wildlife Act 1972*, *Wilderness Protection Act 1992*, *Crown Land Management Act 2009*, *Landscape South Australia Act 2019* and the *Animal Welfare Act 1985*.

Contractors are often engaged to undertake pest management programs, as part of engaging a flexible workforce and bringing in expertise skills as required. Currently they are prevented from undertaking pest management programs in relation to cats.

Amendments to this provision propose to:

- Broadened language to recognise contractors and other persons lawfully performing functions under these Acts.
- Update wording in the definition of Prescribed Person, in Section 64D – Notification to owner of dog or cat destroyed etc. under Part 5A of the Act—Destruction, seizure and detention etc. of dogs and cats.

Operational barriers

Currently, a cat must be confirmed as 'unidentified' to exercise the power to destroy under *Crown Land Management Act 2009*, *Landscape South Australia Act 2019*, and *Animal Welfare Act 1985*.

This creates operational complexities and barriers for lethal feral cat control programs where trapping, frequent checking of traps, and scanning for a microchip is not practical or appropriate due to isolation of locations or urgency of biodiversity management. Lethal feral animal activities are governed by other legislation, including the Acts mentioned.

Amendments to this provision propose to:

- Treat persons lawfully performing functions under the *Crown Land Management Act 2009*, and *Landscape South Australia Act 2019* the same as those lawfully performing functions under the *National Parks and Wildlife Act 1972*, and *Wilderness Protection Act 1992*.
- Include clarifying provision to state that cats may be trapped and euthanised in these circumstances (section 63(1a)).

Amend distance from a residence where a cat may be destroyed

Currently a cat may be destroyed if found more than 1 kilometre from any genuine place of residence.

This means that landowners in rural areas have not been able to manage feral cat colonies on their own property even if it is more than 1 kilometre from a neighbouring residence.

Amendments to this provision propose to:

- Exempt a person's own place of residence. This will allow a person to manage feral cats on their own property, as long as the distance from any other genuine place of residence is greater than 1 kilometre or a distance set in regulation.
- Add a regulation making power so specific distances can be set, for example in a specific geographic location (for example Kangaroo Island).

Amend powers for persons authorised

Currently, section 63 (2) intends to give powers to authorised persons, however the wording has created barriers in application.

Amendments to this provision propose to:

- Allow for circumstances in which authorised persons may destroy cats, without seizure, to be provided in regulations.

What do you think?

Do you agree with the proposed amendments to section 63, updating the circumstances where cats may be lawfully destroyed?

Current Dog and Cat Management Act 1995

63—Power to destroy cats

- (1) A person may lawfully destroy or injure a cat in the following circumstances:
- (a) if the person is a **warden** under the National Parks and Wildlife Act 1972 or the Wilderness Protection Act 1992 and the cat is in a reserve or sanctuary (within the meaning of the National Parks and Wildlife Act 1972) or a wilderness protection area or zone (within the meaning of the Wilderness Protection Act 1992);
 - (b) if the person is the owner or occupier of a designated area, or a person authorised for the purpose by the owner or occupier of a designated area and the cat is found in the designated area;
 - (c) if the cat is found in a place that is more than 1 kilometre from any place genuinely used as a place of residence;
 - (d) if the cat is unidentified and—**
 - (i) the person is an authorised officer under the Crown Land Management Act 2009 and the cat is found in an area in respect of which the authorised officer is authorised to exercise powers under that Act; or
 - (ii) the person is an authorised officer under the Landscape South Australia Act 2019 and the cat is found while the person is acting in the ordinary course of the person's duties under that Act; or
 - (iii) the person is an inspector under the Animal Welfare Act 1985 and the cat is found while the person is acting in the ordinary course of his or her duties under that Act; or**
 - (iv) the person is a **registered veterinary surgeon** acting in the ordinary course of his or her profession; or
 - (v) the person is acting for or on behalf of 1 of the following bodies or persons in respect of a cat that has been delivered to a facility operated by the person or body:
 - (A) the Royal Society for the Prevention of Cruelty to Animals (South Australia) Incorporated;
 - (B) the Animal Welfare League of South Australia, Incorporated;
 - (C) a body or person specified by the regulations.
- (2) Without limiting subsection (1), an authorised person may lawfully destroy or injure a cat in **any of the circumstances specified in that subsection.**
- (3) Nothing in this section limits the operation of section 34B of the Animal Welfare Act 1985.
- (4) The Governor may, by proclamation made on the recommendation of the Board, declare land to be a designated area for the purposes of this section.
- (5) A proclamation under this section may be varied or revoked by further proclamation made on the recommendation of the Board.

Proposed change

63—Power to destroy cats

- (1) A person may lawfully destroy or injure a cat in the following circumstances:
- (a) if the person is **performing functions** under the National Parks and Wildlife Act 1972 or the Wilderness Protection Act 1992 and the cat is in a reserve or sanctuary (within the meaning of the National Parks and Wildlife Act 1972) or a wilderness protection area or zone (within the meaning of the Wilderness Protection Act 1992);
 - (b) if the person is the owner or occupier of a designated area, or a person authorised for the purpose by the owner or occupier of a designated area and the cat is found in the designated area;
 - (c) if the cat is found in a place that is more **than the prescribed distance from any genuine place of residence (not including a place owned or occupied by the person)**
 - (d) if the person is performing functions** under the Crown Land Management Act 2009 and the cat is found in an area in respect of which the person is authorised to exercise powers under that Act;
 - (e) if the person is performing functions** under the Landscape South Australia Act 2019 and the cat is found while the person is performing those functions;
 - (f) if the person is a veterinarian** acting in the ordinary course of their profession;
 - (g) if the person is acting for or on behalf of 1 of the following bodies or persons in respect of a cat that has been delivered to a facility operated by the person or body:**
 - (i) the Royal Society for the Prevention of Cruelty to Animals (South Australia) Incorporated;
 - (ii) the Animal Welfare League of South Australia, Incorporated;
 - (iii) a body or person specified by the regulations;
 - (h) in any other circumstances prescribed by the regulations.**
- (1a) Without limiting subsection (1), a person referred to in that subsection may, in accordance with any requirements set out in the regulations, lawfully destroy a cat that has been lawfully trapped in accordance with this or any other Act or law (and sections 64, 64AA and 64A will be taken not to apply in relation to the cat).**
- Note— Those sections would, for example, otherwise require the trapped cat to be delivered to a facility for detention.**
- (2) Without limiting subsection (1), an authorised person may lawfully destroy or injure a cat **in the circumstances prescribed by the regulations**
- (3) Nothing in this section limits the operation of section 34B of the Animal Welfare Act 1985.
- (4) The Governor may, by proclamation made on the recommendation of the Board, declare land to be a designated area for the purposes of this section.
- (5) A proclamation under this section may be varied or revoked by further proclamation made on the recommendation of the Board.
- (6) In this section—**
- prescribed distance, from a place of residence, means—**
- (a) if the regulations prescribe a distance for the purposes of this paragraph—that distance; or**
 - (b) if the regulations do not prescribe a distance for the purposes of this paragraph—1 kilometre.**



Section 64 – Power to seize and detain cats

Currently anyone can seize and detain an 'unidentified'² cat and deliver it to a facility for the care of cats, as listed in the Act.

This creates uncertainty as a person is often not able to know if a cat is 'identified' or 'unidentified' until a cat has been seized and scanned for a microchip, nor can a person prevent a microchipped cat from entering a trap and becoming seized.

Secondly, there is no requirement for the facilities listed in the Act to accept a seized cat.

Finally, for cats that can be identified by means of microchip, the current setting requires them to be released back where they were seized. This means that owned microchipped cats that are lost, have no ability to be detained, scanned and returned to the owner.

To increase protections for cats that are not creating an offence under the Act, and to also remove the impractical barriers of seizing cats, a balanced approach is required. An effort has been made to align the provisions for cats to those existing for dogs, where possible.

Amendments to this provision propose to:

- Provide clarity on how seized and detained cats must be managed.
- Allow all cats to be seized and detained, not just unidentified cats, in specific scenarios.
- Restrict the ability to seize and detain to an authorised person, persons performing functions or a person with the permission of an authorised person.
- Ensure seizing and detaining of cats is undertaken pursuant to the conditions determined by councils.

What do you think?

Do you agree with the proposed amendments to section 64, modifying the circumstances where cats may be seized and detained by local councils?

² 'Unidentified' means a cat that is not microchipped or identified in the manner set out in the Act.



Current Dog and Cat Management Act 1995

64—Power to seize and detain cats

- (1) A person may seize and detain a cat in any of the following circumstances:
- (a) the circumstances set out in section 63(1);
 - (b) any other circumstances set out in the regulations.
- (2) A person may seize and detain an unidentified cat for the purpose of delivering it within 12 hours to—
- (a) a registered veterinary surgeon; or
 - (b) a facility for the care of cats operated by—
 - (i) the Royal Society for the Prevention of Cruelty to Animals (South Australia) Incorporated; or
 - (ii) the Animal Welfare League of South Australia, Incorporated; or
 - (iii) a body or person specified by the regulations; or
 - (c) a facility nominated by a council and approved by the Board at which cats may be detained,
- however nothing in this subsection authorises the person to destroy the cat.

Proposed change

64—Power to seize and detain cats

- (1) An authorised person may seize and detain a cat—
- (a) to prevent or stop the contravention of a by-law of the relevant council; or
 - (b) if the authorised person reasonably suspects that the cat is lost, unowned or feral; or
 - (c) if requested to do so by a member of an emergency service; or
 - (d) in any other circumstances prescribed by the regulations.
- (2) A person (not being an authorised person) may seize and detain a cat—
- (a) if the person is performing functions under the Crown Land Management Act 2009 and the cat is found in an area in respect of which the person is authorised to exercise powers under that Act;
 - (b) if the person is performing functions under the Landscape South Australia Act 2019 and the cat is found while the person is performing those functions;
 - (c) if the person is performing functions under the Animal Welfare Act 1985 and the cat is found while the person is performing those functions;
 - (d) if the person is a veterinarian acting in the ordinary course of their profession;
 - (e) if the cat is found on land owned or occupied by the person and the person is acting in accordance with an approval of the relevant council or an authorised person; or
 - (f) in any other circumstances prescribed by the regulations.
- (3) An approval under subsection (2)(e)—
- (a) may be conditional or unconditional; and
 - (b) must comply with any requirements set out in the regulations.
- (4) A person who seizes and detains a cat under subsection (2)(a), (b), (c), (d) or (f) must deal with the cat in accordance with the regulations
- (5) A person who seizes and detains a cat under subsection (2)(e) must—
- (a) if conditions setting out how a cat is to be dealt with following seizure and detention are imposed on the relevant approval—deal with the cat in accordance with those conditions; or
 - (b) within 12 hours deliver the cat to a facility nominated by the council in whose area the cat was seized (being a facility that agrees to being nominated for the purposes of this subsection and that is approved by the Board for the detention of cats); or
 - (c) if paragraph (a) does not apply in the circumstances and it is not reasonably practicable to deliver the cat in accordance with paragraph (b)—deal with the cat in accordance with the regulations.
- (6) A person who, without reasonable excuse, contravenes subsection (4) or (5) is guilty of an offence.
Maximum penalty: \$5000.
Expiation fee: \$315.
- (7) Nothing in this section authorises a person who has seized and detained a cat to destroy the cat.



Section 64AA—Procedure following seizure of cat

There is a process for managing detained dogs in the Act however there is no specific process for managing cats that have been legally seized and detained. An authorised person responsible for detaining a cat has no guidance on how long to detain the cat before it can be rehomed or disposed of.

This has been creating inconsistency between council areas. Clarity is sought so that councils may choose to make arrangements for the detention of cats in a similar

manner to dogs. This approach considers that in many council areas, cat detention facilities will need to be approved over time, balanced with each community's cat management expectations.

Amendments to this provision propose to:

- Improve the outcomes for seized and detained cats, introducing a similar arrangement to the long-established process for dogs.

Current Dog and Cat Management Act 1995

Not in the current legislation.

Proposed change

64AA—Procedure following seizure of cat

- (1) Without limiting section 64A, if a cat is seized under this Division, it must—
 - (a) be returned to a person who owns or is responsible for the control of the cat; or
 - (b) be detained in a facility approved by the Board for the purpose of detaining cats; or
 - (c) be otherwise dealt with in accordance with the scheme set out in the regulations.
- (2) If a cat is detained, the person causing it to be detained must—
 - (a) cause the cat to be scanned to determine whether it is microchipped; and
 - (b) either—
 - (i) cause a notice to be displayed at the office of the council for the area in which the cat was seized (or if the cat was seized outside municipal and district council areas, at the police station nearest to where the cat was seized) containing—
 - (A) a general description of the cat; and
 - (B) the day and time it was seized; and
 - (C) contact details of a person or body to whom further enquiries can be made; or
 - (ii) cause such a notice to be published on the official website of the council for the area in which the cat was seized (or if the cat was seized outside municipal and district council areas, on the official website of SA Police).
 - (c) if a person who owns or is responsible for the control of the cat is known to the person or is readily ascertainable—cause notice of the detention to be given, as soon as practicable, to the owner or other person in the manner and form required by the Board.
- (3) A notice under subsection (2)(b) must remain displayed for at least 72 hours.
- (4) Nothing in this section prevents a person from taking a seized or detained cat that is sick, injured or distressed to a veterinarian for assessment and treatment.

What do you think?

Do you agree with the proposed introduction of section 64AA – setting out the procedure councils and other bodies must follow in relation to a seized cat?

Section 64A—Destruction or disposal of seized cat

There is currently a disparity between how dogs and cats are managed by authorities, despite both needing to be microchipped, desexed and registered on Dogs and Cats Online by owners.

Councils may dispose of cats by rehoming, transferring to a shelter or foster care organisation for care and rehoming. Councils may also utilise humane euthanasia where rehoming is not appropriate.

Amendments to this provision propose to:

- Provide instruction in determining to dispose of seized cat. These processes are based on the current processes for dogs.

Current Dog and Cat Management Act 1995

64A—Destruction or disposal of seized cat

- (1) If a cat is seized and detained under this Division, the person responsible for the cat while so detained (other than a person referred to in section 64(2)) may cause the cat to be destroyed or otherwise disposed of.
- (2) If a cat is disposed of under subsection (1) by sale, the proceeds of the sale are the property of the operator of the facility at which the cat had been detained

Proposed change

64A—Destruction or disposal of seized cat

- (1) A person who is responsible for a cat that is seized and detained under this Division (other than a person who seized or detained a cat under section 64(2)(e)) may cause the cat to be destroyed or otherwise disposed of—
- (a) if the cat is suffering from injury, disease or sickness to the extent that it is impracticable to maintain the cat; or
 - (b) if the cat is suffering from a contagious or infectious disease or sickness; or
 - (c) if the cat is not claimed by a person entitled to the return of the cat within 72 hours from when notice of its detention was last given under this Division; or
 - (d) if a person in whose name the cat is registered declines to take possession of the cat; or
 - (e) if money due in relation to the detention of the cat is not paid within 7 days after a request for payment; or
 - (f) if the cat is an unidentified cat, or is unowned or feral; or
 - (g) in any other circumstances prescribed by the regulations.
- (2) If a cat is disposed of under subsection (1) by sale, the proceeds of the sale are the property of the operator of the facility at which the cat had been detained.

What do you think?

Do you agree with the proposed amendments to section 64A – detailing the circumstances for disposal of a seized cat?

Section 64D—Notification to owner of dog or cat destroyed etc under Part

Amendments to this provision propose to:

- Update the definition of prescribed person. This reflects changes proposed for section 63, which are discussed earlier in this section.

64D—Notification to owner of dog or cat destroyed etc under Part

- (1) A person who destroys, injures, seizes or detains a dog or an identified cat under this Part must, as soon as practicable—
- take reasonable steps to inform the owner of the dog or cat of the action taken; and
 - notify—
 - if the action is taken in an area that is not within a council area—a police officer; and
 - if the action is taken within a council area—the council of that area.
- Maximum penalty: \$1 250. Expiation fee: \$210.
- (2) Subsection (1)(b) does not apply in the following circumstances:
- if the person destroying, injuring, seizing or detaining a dog or cat is a prescribed person;
 - any other circumstances prescribed by the regulations.

Current Dog and Cat Management Act 1995

64D—Notification to owner of dog or cat destroyed etc under Part

- (3) In this section—
prescribed person means—
- an authorised person; or
 - a warden under the National Parks and Wildlife Act 1972 or the Wilderness Protection Act 1992; or
 - an authorised officer under the Crown Land Management Act 2009; or
 - an authorised officer under the Landscape South Australia Act 2019; or
 - an inspector under the Animal Welfare Act 1985; or
 - a registered veterinary surgeon; or
 - a person acting for or on behalf of 1 of the following bodies or persons in respect of a dog or cat that has been delivered to a facility operated by the person or body:
 - the Royal Society for the Prevention of Cruelty to Animals (South Australia) Incorporated;
 - the Animal Welfare League of South Australia, Incorporated;
 - a body or person specified by the regulations; or
 - any other person prescribed by the regulations.

Proposed change

64D—Notification to owner of dog or cat destroyed etc under Part

- (3) In this section—
prescribed person means—
- an authorised person; or
 - a person referred to in the following provisions:
 - section 59D(c);
 - section 63(1)(a) or (d) to (g) (inclusive);
 - section 64(2)(a) to (e) (inclusive); or
 - any other person prescribed by the regulations.

What do you think?

Do you agree with the proposed amendments to section 64D? These amendments reflect proposed changes to section 63.



Looking forward

Changes proposed in the draft *Dog and Cat Management (Cat Management) Amendment Bill 2024* focus on the powers and functions of councils and/or a person performing a seizing, detaining or destroying function under the *Dog and Cat Management Act 1995* or another relevant Act, to manage cats.

These amendments do not increase or decrease obligations for cat owners. Owners are already required to desex, microchip, and register the microchip number of their cat on Dogs and Cats Online. The proposed amendments do not include annual cat registration or requirements for cats to be prevented from wandering off property, as councils may already implement these actions.

Increasingly, owners understand the many risks roaming cats encounter. Roaming cats tend to have much shorter lifespans as they are exposed to traffic, attacks from other animals, untreated health conditions and injuries as well as extreme weather. They can also cause a nuisance

to neighbours and have a significant impact on wildlife. Undesexed roaming cats contribute to unwanted litters, and unsustainable volumes of rehoming opportunities.

Reflecting community sentiment, local councils are introducing by-laws to manage cats, however there are opportunities to improve how these operate. The state government has identified priorities to support cat management action in 2024-25, including:

- Cat desexing initiatives and grants to reduce unwanted litters.
- Supporting councils to develop and implement local by-laws.
- Community education promoting responsible pet ownership.

The government is keen to hear your thoughts on what potential future amendments could be made to address these problems on a state-wide level and gather your thoughts on the future of cat management in general.

What do you think?

Provide your views on what future actions you would like to see considered for cat management in South Australia

Have YourSAy

What do you think? Your feedback will help us understand the collective community views regarding dog and cat management expectations.

We will consider all feedback to finalise the draft Bill for Parliament to consider. A consultation report will be published on YourSAy. All respondents will be notified.



To have your say, complete the submission form on YouSAy at yoursay.sa.gov.au



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Frequently asked questions

Proposed amendments to the Dog and Cat Management Act to improve cat management



What is the Dog and Cat Management Act 1995?

The *Dog and Cat Management Act 1995* outlines the legal responsibilities of dog and cat owners and includes powers for local government and stakeholders with a role in dog and cat management.

Who is responsible for the Dog and Cat Management Act 1995?

Ministerial responsibility for the *Dog and Cat Management Act 1995* is the Minister for Climate, Environment and Water.

Why are you proposing these cat changes?

Current sections of the Act designed to manage cats aren't working because they lack clarity. This creates operational barriers for local government authorities in returning lost cats to owners and managing nuisance cat complaints, as well as barriers for land managers who are responsible for feral cat control.

The proposed amendments aim to improve the way in which both owned and feral cats can be managed by authorities.

What are the changes being proposed?

The themes of the changes are:

- Revising and updating local council powers and functions for seizing and detaining cats, so they can implement their by-laws and manage cats.
- Clarifying the powers and removing barriers for landscape boards, National Parks and other stakeholders to manage feral cats better.

Who have you consulted with to propose these changes?

Cat management is a complex topic with responsibilities shared between individuals; local, state and federal governments; and non-government parties.

The *Dog and Cat Management Act 1995* was reviewed in 2022 in consultation with local government, industry, animal welfare and animal rescue groups. This included reviewing cat management. Since 2022 extended consultation has occurred with those organisations, as well as state government agencies such as PIRSA, Department for Environment and Water and landscape boards.

Feedback from targeted consultation has informed the proposed changes you are asked to comment on.

How do these changes affect me?

There are no additional state laws for cat owners. Cat owners have been required since 2018 to desex and microchip their cats and register the microchip number on Dogs and Cats Online.

However, should your cat become lost, the proposed changes will help councils collect and return cats to their owners. The changes are based on the existing laws that apply to dogs.

Please note, councils may have cat by-laws that set additional requirements for the council area. Please check with your local council for more information.



Government of South Australia
Department for Environment
and Water

Can I trap nuisance cats on my property?

Currently anyone can seize and detain a cat that does not have a collar or microchip. The problem is that one does not know whether a cat has a microchip until after it has been trapped.

Furthermore, it is illegal to release a cat.

The new laws propose to better align to the arrangements for dogs, whereby only an authorised person, or a person with permission of an authorised person from their council, can seize and detain a cat.

Residents will be able to trap (seize and detain) nuisance cats on their property after being approved by their local council. The approval to trap will include conditions that ensure the welfare of the cats, and nominate a facility to receive the cat.

What if my cat is not microchipped and is handed into council?

These amendments include a new legislative process for seized cats, where your local council will scan for a microchip to identify and return the cat to owner.

If the cat doesn't have identification, councils will keep the cat for a minimum of 72 hours and post notices on their website and offices. After 72 hours, councils may rehome or have the cat humanely euthanised.

This is the same procedure as dogs.

Owners are reminded that all cats are required to microchipped and recorded on Dogs and Cats Online.

Is my cat at risk of being destroyed?

Currently cats in specific areas may be destroyed.

The proposed amendments seek to remove barriers particularly where biodiversity protection activities are needed.

Roaming cats face many risks including vehicles, attacks from other animals, exposure to disease and extreme weather. Cat owners are encouraged to keep their cat safe from these risks and to keep them from places they are not permitted.

Why amend powers to destroy cats?

The *Dog and Cat Management Act 1995* currently contains power to destroy cats.

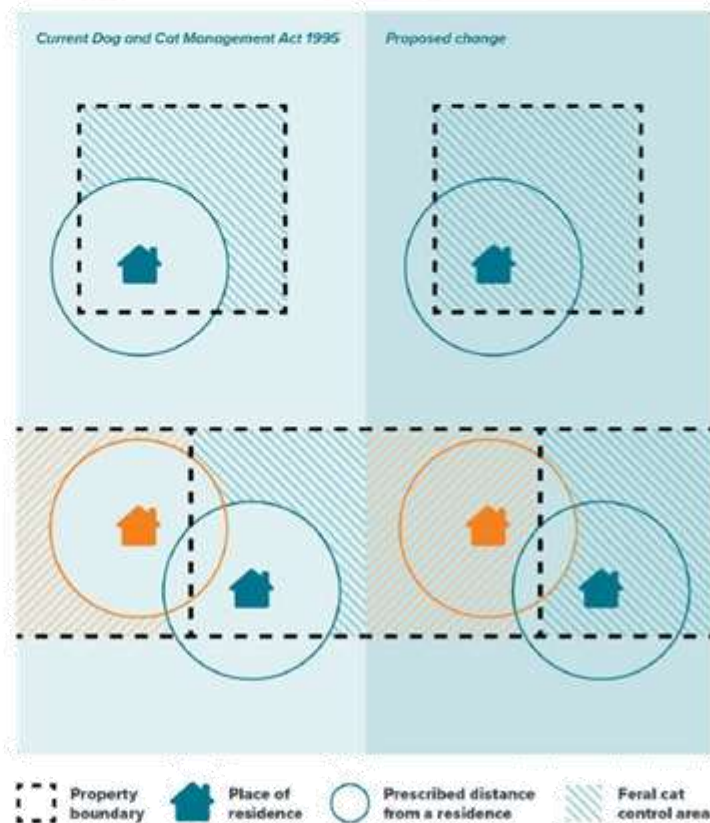
The proposed changes seek to extend these powers to persons performing functions under specific legislation, to reflect modern workforce arrangements and remove barriers for land managers to undertake biodiversity protection activities.

For example, a contractor engaged by National Parks to perform duties to destroy feral animals would have the power to destroy a cat found in the National Park.

A person would have the power destroy feral cats located on their property, if the cats aren't not found within the prescribed distance of a neighbouring residence. The distance remains one kilometre, unless otherwise prescribed by regulations.

See diagram: Prescribed area around residence

Prescribed area around residence



Aside from legislative changes, what else is being done to manage cats better in our neighbourhoods?

The proposed amendments are focussed on resolving current issues in the Act, to allow local and state government manage cats in an effective, appropriate, balanced way.

The state government has identified the following priorities for cat management action in 2024-25:

- Cat desexing initiatives and grants to reduce unwanted litters.
- Support for councils to develop and implement local by-laws.
- Community education that promotes responsible pet ownership.

Tell us what future actions you'd like to see by responding to the YourSAy questionnaire. We have a dedicated 'looking forward' page to capture your ideas.

How can I give my feedback?

Please read the explanatory guide which outlines the proposed changes, then complete the questionnaire on YourSAy. You can provide additional thoughts in the comments section.

What are the steps after consultation?

The government will review and consolidate all feedback to finalise the draft Bill for Parliament consideration.

The consultation report will be published on YourSAy.

Have YourSAy

What do you think? Your feedback will help us understand the collective community views regarding dog and cat management expectations.

We will consider all feedback to finalise the draft Bill for Parliament to consider. A consultation report will be published on YourSAy. All respondents will be notified.

To have your say, complete the submission form on YourSAy at yoursay.sa.gov.au



Government of South Australia
Department for Environment
and Water



19.8 BUS PARKING ZONES - WEHL STREET SOUTH – REPORT NO. AR24/55376

Committee:	Council
Meeting Date:	20 August 2024
Report No.:	AR24/55376
CM9 Reference:	AF23/328
Author:	Derek Ferguson, Team Leader General Inspectorate
Authoriser:	Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services
Summary:	Due to safety and accessibility concerns of the locations of bus stops we looked at the possibility of installing bus zones in more suitable locations.
Strategic Plan Reference:	Goal 2: Our People

REPORT RECOMMENDATION

1. That Council Report No. AR24/55376 titled 'Bus Parking Zones - Wehl Street South' as presented on 20 August 2024 be noted.

That the Traffic Impact Statements attached to Report No AR24/55376, be endorsed.

That Council, in accordance with the power delegated by the minister under Section 17(1) and (2) of the Road Traffic Act (Instrument of Delegation dated 22 August 2013, resolves the following.

Prohibited Area **BUS ZONE**
Ref No. 2.1.087

WEHL STREET SOUTH (Western Side) – From 44.5 metres to 66.5 metres south of the intersection with Edward Street – 8.30am to 5:00pm.

Prohibited Area **BUS ZONE**
Ref No. 2.1.088

WEHL STREET SOUTH (Western Side) – From 31.5metres to 48.5 metres south of the intersection with Shepherdson Road – 8.30am to 5:00pm.

Prohibited Area **BUS ZONE**
Ref No. 2.1.089

WILLIAM STREET (Northern Side) – From 5 metres to 25 metres east of the intersection with Bertha Street – 8.30am to 5:00pm.



TYPE OF REPORT

Other

BACKGROUND

Council has received feedback from a community member with concerns for safety and accessibility at bus stops in the Wehl Street vicinity.

This has been investigated and identified that the below existing bus stops do not currently provide a designated bus zone, meaning that other vehicles can park here and prevent access.

- Wehl Street South - Edward Street intersection.
- Wehl Street South - Shepherdson Road intersection (adjacent Reidy Park Primary School).
- William Street - Bertha Street intersection.

Further to this, it should be noted that there is broader work happening in this area and Council has commenced an audit on all existing public bus routes within our city, to assess compliance and accessibility. The coordination of regular meetings with LinkSA and representatives from Department for Infrastructure and Transport (DIT) are in process, to proactively discuss and make ongoing improvements to the bus services.

As part of these meetings, Council will be further investigating a bus stop adjacent Foodbank, improving accessibility at the Marketplace and increasing services to include the Mount Gambier Hospital. A consolidated report will be presented to Council later this year to provide an update on these matters.

PROPOSAL

To address this matter, it is proposed that designated bus zones be installed at the below existing bus stops:

- Wehl Street South (near Edward Street intersection).
- William Street (near Bertha Street intersection).

It is further proposed that the existing bus stop near Reidy Park Primary School be relocated slightly further from the Wehl Street South and Shepherdson Road intersection. This will improve safety as the intersection can be extremely busy during school drop off and pick up times.

This will restrict other vehicles from parking in these areas during 8:30am and 5:00pm.

LEGAL IMPLICATIONS

N/A

STRATEGIC PLAN

Goal 2 - Our People

- 2.1.1. Working with the community to ensure our CBD, health and education precincts, our streets and our public spaces are safe, inviting and support a positive image of the City of Mount Gambier

COUNCIL POLICY

N/A

ECONOMIC IMPLICATIONS

N/A

ENVIRONMENTAL IMPLICATIONS

N/A



SOCIAL IMPLICATIONS

N/A

CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

The Parking Inspectors will be responsible for monitoring compliance.

VALUE FOR MONEY

N/A

RISK IMPLICATIONS

N/A

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A

ENGAGEMENT AND COMMUNICATION STRATEGY

Council will communicate these improvements to the public (media release), noting that the changes will not affect users of the bus service and rather allow buses to safely pull over in existing locations.








IMPLEMENTATION STRATEGY

Accessible signage and line marking will be installed to ensure compliance with relevant regulations and standards.

CONCLUSION AND RECOMMENDATION

To install designated bus zones at existing bus stop locations on Wehl Street South (near Edward Street intersection) and William Street (near Bertha Street intersection) and relocate the existing bus stop on Wehl Street South (adjacent Reidy Park Primary School) further away from the corner of Shepherdson Road.

ATTACHMENTS

1. Traffic Impact Statements - Wehl Street  
2. Bus Parking Zone - Wehl Street South  
3. Bus Parking Zone - Wehl Street South - Reidy Park Primary School  
4. Bus Parking Zone - William Street  



TRAFFIC IMPACT STATEMENT

BUS ZONE
Wehl Street South (Western Side)
From 8.30am to 5pm

Part A – Traffic Management

It is the view of the undersigned that the installation of a Bus Zone on Wehl Street South (Western Side) from 8.30am to 5pm will not be detrimental to traffic management in the area.

Part B – Road Safety Effects

It is anticipated that the proposal will not have any negative impacts on road safety.

Conclusion

In the opinion of the undersigned, that the installation of a Bus Zone on Wehl Street South (Western Side) from 8.30pm to 5pm will not be detrimental to traffic management in the area.



Abdullah MAHMUD
MANAGER – ENGINEERING DESIGN AND ASSETS

5th August 2024

Ref. AF11/1855
LM



TRAFFIC IMPACT STATEMENT

BUS ZONE
Wehl Street South (Western Side)
From 8.30am to 5pm

Part A – Traffic Management

It is the view of the undersigned that the installation of a Bus Zone on Wehl Street South (Western Side) from 8.30am to 5pm will not be detrimental to traffic management in the area.

Part B – Road Safety Effects

It is anticipated that the proposal will not have any negative impacts on road safety.

Conclusion

In the opinion of the undersigned, that the installation of a Bus Zone on Wehl Street South (Western Side) from 8.30pm to 5pm will not be detrimental to traffic management in the area.


.....
Abdullah MAHMUD
MANAGER – ENGINEERING DESIGN AND ASSETS

5th August 2024

Ref. AF11/1855
LM



TRAFFIC IMPACT STATEMENT

BUS ZONE
William Street (Northern Side)
From 8.30am to 5pm

Part A – Traffic Management


It is the view of the undersigned that the installation of a Bus Zone on William Street (Northern Side) from 8.30am to 5pm will not be detrimental to traffic management in the area.

Part B – Road Safety Effects

It is anticipated that the proposal will not have any negative impacts on road safety.

Conclusion

In the opinion of the undersigned, that the installation of a Bus Zone on William Street (Northern Side) from 8.30pm to 5pm will not be detrimental to traffic management in the area


Abdullah MAHMUD
MANAGER – ENGINEERING DESIGN AND ASSETS

5th August 2024

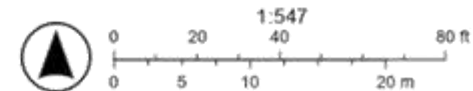
Ref. AF11/1855
LM



Bus Parking Zone - Wehl Street South



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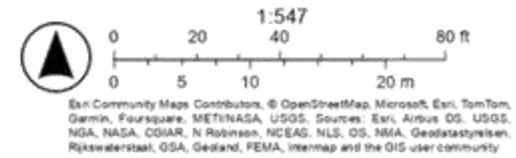
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Bus Parking Zone - Wehl Street South



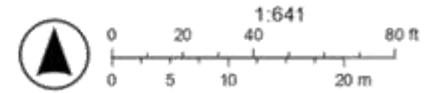
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Bus Parking Zone - William Street



09/08/2024, 12:37:19 pm



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19.9 NO PARKING AND 15 MINUTE PARKING ZONES - BLACKWOOD STREET – REPORT NO. AR24/56706

Committee: Council
Meeting Date: 20 August 2024
Report No.: AR24/56706
CM9 Reference: AF23/328
Author: Derek Ferguson, Team Leader General Inspectorate
Authoriser: Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services
Summary: This report proposes the installation of No Parking Zones on Blackwood Street (northern and southern sides) and a 15 minute Parking Zone on Blackwood Street (northern side) between the hours of 7:30am to 9:30am and 2:30pm to 4:00pm.
Strategic Plan Reference: Goal 2: Our Location

REPORT RECOMMENDATION

1. That Council Report No. AR24/56706 titled 'No Parking and 15 Minute Parking Zones - Blackwood Street' as presented on 20 August 2024 be noted.
2. That the Traffic Impact Statement and proposed area shown on the aerial map attached to Report No AR24/56706 be endorsed.

Prohibited Area **NO PARKING**
Ref No. 1.2.075

BLACKWOOD STREET (northern side) - From 51.5 metres to 73.3 metres east of the intersection with Oak Street.

To apply from 7:30am to 9:30am and 2:30pm to 4:00pm

Prohibited Area **NO PARKING**
Ref No. 1.2.076

BLACKWOOD STREET (southern Side) - From 34.8 metres to 81.5 metres east of the intersection with Oak Street.

To apply from 7:30am to 9:30am and 2:30pm to 4:00pm

Prohibited Area **15 MINUTE PARKING**
Ref No. 3.5.101

BLACKWOOD STREET (northern Side) - From 78 metres to 87.5 metres east of the intersection with Oak Street.

To apply from 7:30am to 9:30am and 2:30pm to 4:00pm



TYPE OF REPORT

Other

BACKGROUND

Council has received a request from Hopgood's Bus Service to establish no parking zones on Blackwood Street (northern and southern sides). This is due to difficulties they experience with the bus service in exiting their premises, due to the increased number of vehicles parked opposite the driveway.

Dream to Create is a neighbouring business located directly opposite Hopgood's bus service. They are in support of no parking zones, however, did raise concerns with Councillors about accessibility for their customers and the need for disabled parking or a timed drop off zone.

To allow this issue be addressed, Council initially discussed this matter on 21 May 2024, and subsequently at its meeting held on 18 June 2024 resolved:

- "1. That Council Report No. AR24/39904 titled 'No Parking Blackwood Street (Northern and Southern Sides) from 7:30am to 9:30am and 2:00pm to 5:00pm' as presented on 18 June 2024 be noted.*
- 2. That further consultation be undertaken with neighbouring businesses.*
- 3. That a further report be provided to Council."*

As per the resolution, further consultation has been undertaken with Dream to Create (with the most recent correspondence attached) and determined that a 15-minute parking zone near their entrance is the preferred option. This provides a more convenient option for drop off and pick up of customers attending Dream to Create.

PROPOSAL

It is proposed to install the below parking zones in the vicinity of Hopgood's Bus Service:

- No parking zones on both the northern and southern sides of Blackwood Street, from 7:30am to 9:30am and 2:30pm to 4:00pm.
- 15-minute parking zone on Blackwood Street (northern side).

The installation of no parking zones during these times is expected to have an impact on improving safety and reducing the risk of accidents or near misses. The installation of a 15 minute only parking zone will make it more convenient for drop off and pick up of customers at Dream to Create

With the limitation on parking vehicles on the street, there will be a reduced risk of collisions, improved visibility and reduced congestion. This will enhance the overall safety and accessibility attending the area.

LEGAL IMPLICATIONS

N/A

STRATEGIC PLAN

Goal 2 - Our People

- 2.1.1. Working with the community to ensure our CBD, health and education precincts, our streets and our public spaces are safe, inviting and support a positive image of the City of Mount Gambier.

COUNCIL POLICY

N/A

ECONOMIC IMPLICATIONS

N/A



ENVIRONMENTAL IMPLICATIONS

N/A

SOCIAL IMPLICATIONS

N/A

CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

Regular monitoring and enforcement will be required to ensure compliance with the newly installed no parking zones on Blackwood Street

VALUE FOR MONEY

N/A

RISK IMPLICATIONS

N/A

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A

ENGAGEMENT AND COMMUNICATION STRATEGY

N/A

IMPLEMENTATION STRATEGY






Signage and line marking will be installed to ensure compliance with relevant regulations and standards.

CONCLUSION AND RECOMMENDATION

It is recommended that Council install no parking zones on both sides of Blackwood Street from 7:30am to 9:30am and 2:30pm to 4:00pm, and a 15-minute parking zone on Blackwood Street (northern side).

This will mitigate the risk caused by excessive street parking, which is compromising the safety of buses departing from the nearby bus depot during these times. The installation of a 15 minute only parking zone will make it more convenient for drop off and pick up of customers at Dream to Create.

ATTACHMENTS

1. Submission from Hopgoods Bus Service [↓](#) 
2. Letter of Support from Dream to Create [↓](#) 
3. Additional Correspondence from Dream to Create [↓](#) 
4. Proposed No Parking Zones - Blackwood Street [↓](#) 
5. Traffic Impact Statements [↓](#) 



Angus Hopgood

Hopgoods Bus Service Pty Ltd

Email: contact@hopgoodbuses.com.au

9th November, 2023

General Inspectors

C/O Mount Gambier City Council

Email: city@mountgambier.sa.gov.au

Dear Sir/Madam,

Hopgood's Bus Service has operated a school bus service from the corner of Oak Street and Blackwood street for the past 15 years. Historically this property has been a bus depot for approximately 50 years with other bus companies utilizing this address prior to ourselves.

In the past 12 months our bus drivers have encountered difficulties exiting our premises on Blackwood street due to an increase in parking opposite and next to our driveway. At times our drivers have needed to politely ask vehicle owners to move their cars so that we may exit the depot to start our school bus routes which are a time sensitive and important community service.

Employees from the disability support group "Dream to Create" opposite our premises have been very accommodating in encouraging their employees and clients to park downstream from our exit point however the overall increase in parking opposite our driveway remains an ongoing exit hazard impacting traffic flow and congestion.

We would like to request implementation of no parking zones opposite and next to our driveway that would allow our buses to safely exit our premises for the following reasons:

- Our buses are heavy vehicles and therefore drivers need more room to exit the premises and the occurrence of parked cars opposite and next to our driveway greatly increases the risk of collision and at times prevents our vehicles from safely exiting the premises.
- No parking zone would improve traffic flow and ease traffic congestion.
- No parking zone would provide guidance as to where vehicles could be safely parked.
- I have discussed implementation of no parking zones with the disability support group "Dream to Create" who have provided a letter of support which is attached to this proposal.

Attached to this submission is a map detailing where we would like to request implementation of no parking zones.

Yours Sincerely



Angus Hopgood



Proposed "No Parking" zones
Blackwood Street, Mount Gambier





20 Blackwood Street Mount Gambier SA 5290 ~Tel: 0403 622 680

General Inspectors
C/O Mount Gambier City Council
Email: city@mountgambier.sa.gov.au

Dear Sir/Madam,

Dream to Create has the premises at 20 Blackwood Street Mount Gambier, directly opposite Hopgoods Bus Service Pty Ltd.

We are aware that Hopgoods Bus Service wish to apply for a "No Parking" zone for specified times in the morning and afternoon on our side of Blackwood Street and "No Parking" zones on their side of Blackwood Street. I have been in communication with Angus Hopgood regarding their application and would like to offer a letter of support for their submission.

During the current calendar year we have been in ongoing communication with our clients and employees in asking that they park away from the bus driveway exit point. This is however an imperfect solution and we feel that a no parking zone for the times that the buses need access to the roadway would provide parking clarity and improve traffic congestion and traffic safety.

Yours Sincerely

Sharyn Coulter

Manager
Dream to Create





20 Blackwood Street Mount Gambier SA 5290 ~Tel: 0403 622 680

1/7/2024

Dear Councillors

I am writing in regard to the application for changing the public parking areas in front of Dream to Create (20 Blackwood St Mt Gambier) and in front of the Hopgoods Bus Depot.

We are supportive of having timed No Parking areas for the buses to be able to have greater access and egress to and from the depot, however we have some concerns regarding the recommendations.

The photo that shows the council proposed No Parking zones on the bus side of the road (left from looking out from the bus depot) that go from the bus depot to the end of Blackwood St. This is not in line with the request from the bus company as they have proposed only part of this to be a timed No Parking zone on the photo they had submitted. The photo submitted by the council shows the entirety of the street to be No Parking. We agree to the timed No Parking zones, as per the photo submitted by Angus Hopgood up to the fire hydrant, and have no issue with any of the other locations. Should the front of Dream to Create, and either side of the bus depot be all no parking it will make it extremely difficult for our participants with disabilities to be dropped off and picked up. They would then be required to park at the railway parking and walk down. Some of these participants have mobility issues and (especially in wet weather) this walk can be quite difficult. If the timed No Parking zone is only part way up Blackwood St (bus side, as per Hopgoods proposal) then the participants can be dropped off and picked up relatively close to the centre, as they currently are.

Our hours of operation are 0900 - 1500. This means our participants are dropped off between 0845 and 0915, and collected between 1445 and 1530. After initially speaking with Angus we were asked to not have anyone park between 0830am - 0930am, and 2:30pm and 3:30pm, which we endeavour to do and this is been mostly successful. The council recommendation is for quite a considerable time longer than this. We do not have an issue with the morning parking time frame as proposed by the council but we do have issue with the afternoon time frame. We think 2pm-5pm gives us little opportunity for visitor parking in a time frame that is not required by the buses. The No Parking would be more workable for us if it was 2:30pm to 4pm.

Given we have people with disabilities that do require a closer access for drop offs and pick ups, can we please propose to have either a disability car park, or a 10 minute drop off and pick up car park with the same time frames for operation as the other No Parking zones proposed. We would like this on the street to the left of Dream to Create (facing from the front door out to the street), as per the attached photo (in red). This would allow for us to be able to have our participants dropped off and collected close by, and traffic flowing through. It would also mean the wheelchair vehicles will have access to a close car park if required, that is safe from traffic and that doesn't interfere with the buses.

In summary we:

- Would like to have the No Parking Zone to be partway up Blackwood St, as per Hopgoods photo
- Times for No Parking to be anytime-0930 and 1430-1600
- Disability parking, or 10 minute pick up/drop off zone included, as per photo



Many thanks for your consideration

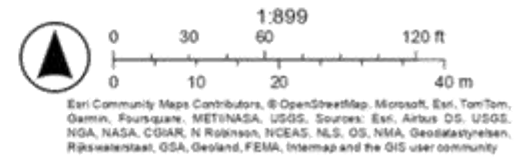
Sharyn Coulter
Manager - Dream to Create

No Parking - Blackwood Street



15/05/2024, 4:04:49 pm

-  - No parking zone
-  - 15 minute zone



TRAFFIC IMPACT STATEMENT

No Parking
Blackwood Street (Northern and Southern Sides)
Between 7.30am and 9.30am and 2.30pm and 4pm

Part A – Traffic Management

It is the view of the undersigned that the installation of No Parking Zones on Blackwood Street (Northern and Southern Sides) between 7.30am and 9.30am and 2.30pm and 4pm will not be detrimental to traffic management in the area.

Part B – Road Safety Effects

It is anticipated that the proposal will not have any negative impacts on road safety.

Conclusion

In the opinion of the undersigned, that the installation of No Parking Zones on Blackwood Street (Northern and Southern Sides) between 7.30am and 9.30am and 2.30pm and 4pm will not be detrimental to traffic management in the area.


Abdullah MAHMUD
MANAGER – ENGINEERING DESIGN AND ASSETS

1st August 2024

Ref. AF11/1855
LM

TRAFFIC IMPACT STATEMENT

15 Minute Parking
Blackwood Street (Northern Side)
Between 7.30am and 9.30am and 2.30pm and 4pm

Part A – Traffic Management

It is the view of the undersigned that the installation of a 15 Minute Parking Area on Blackwood Street (Northern Side) between times 7.30am and 9.30am and 2pm to 5pm will not be detrimental to traffic management in the area.

Part B – Road Safety Effects

It is anticipated that the proposal will not have any negative impacts on road safety.

Conclusion

In the opinion of the undersigned, that the installation of a 15 Minute Parking Zone on Blackwood Street (Northern Side) between 7.30am and 9.30am and 2.30pm and 4pm will not be detrimental to traffic management in the area.


Abdullah MAHMUD
MANAGER – ENGINEERING DESIGN AND ASSETS

1st August 2024

Ref. AF11/1855
LM

19.10 INTERNAL REVIEW OF COUNCIL ACTIONS 2023/2024 – REPORT NO. AR24/51064

Committee:	Council
Meeting Date:	20 August 2024
Report No.:	AR24/51064
CM9 Reference:	AF23/328
Author:	Ashlee Pasquazzi, Acting Manager Governance and Property
Authoriser:	Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services
Summary:	This report presents information that Council is required by Section 270(8) of the Act to consider on an annual basis and include in the Annual report of Council in relation to applications for internal review of Council actions or decisions.
Strategic Plan Reference:	Goal 1: Our People Goal 2: Our Location Goal 3: Our Diverse Economy Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Council Report No. AR24/51064 titled 'Internal Review of Council Actions 2023/2024' as presented on 20 August 2024 be noted.
2. That the background and proposal contained in Council Report No. AR24/51064 relating to Section 270 of the Local Government Act 1999 be included in Council's 2023/2024 Annual Report.



TYPE OF REPORT

Legislative

BACKGROUND

Section 270 of the Local Government Act 1999 (the Act) relates to the internal review of council actions or decisions.

Council is required by section 270(8) of the Act to initiate and consider a report on an annual basis that relates to the:

- Number of applications received under the provisions of section 270; and
- Kinds of matters to which the applications relate; and
- Outcome of applications.

The Local Government (General) Regulations further prescribes that the report required under section 270(8) is material that is to be included in the annual report of the Council.

PROPOSAL

There were no applications for a section 270 internal review of a council decision received in the 2023/2024 financial year.

LEGAL IMPLICATIONS

This report and the publication of information in Council's 2023/2024 Annual Report will fulfill the requirement to report on applications for internal review as required by section 270(8) of the Act.

STRATEGIC PLAN

N/A

COUNCIL POLICY

This report relates to applications made under Council's [Internal Review of Council's Decisions Policy C290](#).

ECONOMIC IMPLICATIONS

N/A

ENVIRONMENTAL IMPLICATIONS

N/A

SOCIAL IMPLICATIONS

N/A

CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

N/A

VALUE FOR MONEY

N/A

RISK IMPLICATIONS

N/A

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A



ENGAGEMENT AND COMMUNICATION STRATEGY

The content of this report will be published in Council's 2023/2024 Annual Report.

IMPLEMENTATION STRATEGY

The content of this report will be published in Council's 2023/2024 Annual Report.

CONCLUSION AND RECOMMENDATION

It is proposed that the background and proposal sections of this report relating to section 270 of the Local Government Act 1999 be included in Council's 2023/2024 Annual Report in fulfillment of the legislative/regulatory requirements.

ATTACHMENTS

Nil



19.11 POLICY REVIEWS – REPORT NO. AR24/44197

Committee:	Council
Meeting Date:	20 August 2024
Report No.:	AR24/44197
CM9 Reference:	AF23/328
Author:	Ashlee Pasquazzi, Acting Manager Governance and Property
Authoriser:	Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services
Summary:	This report presents amended Council Policies following review to be considered for adoption or revocation.
Strategic Plan Reference:	Goal 1: Our People Goal 2: Our Location Goal 3: Our Diverse Economy Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Council Report No. AR24/44197 titled 'Policy Reviews' as presented on 20 August 2024 be noted.
2. That the following reviewed and updated policies as attached to Council Report No. AR24/44197 be endorsed:
 - U900 - Unsolicited Proposals
 - R200 - Community Land (Reserves) - Lease/Licence/Rental Arrangements
 - F225 - Fraud, Corruption, Misconduct and Maladministration Prevention Policy
 - Onsite Wastewater Systems *previously titled B150 - Building - Sewer Connections, Waste Management Control and Provision of Toilet Facilities*
3. That the following policies as attached to Council Report No. AR24/44197 be revoked:
 - D150 - Building and Swimming Pool Inspections
 - M225 - Members - Service Recognition



TYPE OF REPORT

Corporate

BACKGROUND

Council periodically reviews its policies over the term of the Council to ensure they remain up to date with legislative, administrative or civic requirements, Council and community expectation and emerging practices in local government.

Following the Interim Audit carried out in May 2023 the review of all policies continues with an action plan and reporting on progress presented to the Executive Leadership Team on a fortnightly basis.

PROPOSAL

Since the last Council meeting, six (6) policies have been reviewed and are now submitted for the Council's endorsement or revocation:

Policy:	Proposed Changes:
<ul style="list-style-type: none"> U900 - Unsolicited Proposals 	Reviewed and reverted to Model LGA policy.
<ul style="list-style-type: none"> R200 - Community Land (Reserves) - Lease/Licence/Rental Arrangements 	Amended to reflect 2024/2025 rate increase.
<ul style="list-style-type: none"> F225 - Fraud, Corruption, Misconduct and Maladministration Prevention Policy 	Amended to extend from 12 monthly to 4 yearly reviews.
<ul style="list-style-type: none"> B150 - Building - Sewer Connections, Waste Management Control and Provision of Toilet Facilities <i>New title - Onsite Wastewater Systems</i> 	Revisions to the SA Health reference, corrections of terminology and amended title.
<ul style="list-style-type: none"> D150 - Building and Swimming Pool Inspections 	The policy specifies the requirements for building inspections in accordance with Section 144 of the PDI Act, Practice Direction 8 - Inspection Policy for Swimming Pools 2019, and Practice Direction 9 - Council Inspections 2020. In light of the specific Practice Directions issued by PlanSA, it is recommended this policy be revoked.
<ul style="list-style-type: none"> M225 - Members - Service Recognition 	Recommended to be revoked. The Local Government Association (LGA) acknowledges the contributions of Elected Members and sets standards and requirements for recognition, making this policy obsolete.

Copies of the marked-up policies are attached to this report (**Attachments 1-6**).

As at end of July 2024, 17 of Council's 80 policies require review/updating, with 6 of these presented for consideration at this meeting.

To further assist Members, a spreadsheet detailing the Council's policies, along with status update for those requiring attention, is attached (**Attachment 7**).

LEGAL IMPLICATIONS

Council and Council Officers have obligations to comply with the Act and Council Policies.



STRATEGIC PLAN

N/A

COUNCIL POLICY

This report relates to the review of the following policies as currently published on the Council website:

[M225 - Members Service Recognition](#)

[U900 - Unsolicited Proposals](#)

[R200 - Community Land \(Reserves\) - Lease/Licence/Rental Arrangements](#)

[F225 - Fraud, Corruption, Misconduct and Maladministration Prevention Policy](#)

[D150 - Building and Swimming Pool Inspections](#)

[B150 - Building - Sewer Connections, Waste Management Control and Provision of Toilet Facilities](#)

ECONOMIC IMPLICATIONS

N/A

ENVIRONMENTAL IMPLICATIONS

N/A

SOCIAL IMPLICATIONS

N/A

CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

N/A

VALUE FOR MONEY

N/A

RISK IMPLICATIONS

Simply reviewing policies does not effectively manage risk unless it is required to be completed within a specific timeframe. However, regularly examining policy provisions to remain current contributes to effective risk management.

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A

ENGAGEMENT AND COMMUNICATION STRATEGY

N/A

IMPLEMENTATION STRATEGY

The updated policies are intended to be managed in the same way as in previous years. Revoked policies will be removed from Council's website and policy index.

CONCLUSION AND RECOMMENDATION

This report recommends the following reviewed and updated policies be endorsed:

- U900 - Unsolicited Proposals
- R200 - Community Land (Reserves) - Lease/Licence/Rental Arrangements
- F225 - Fraud, Corruption, Misconduct and Maladministration Prevention Policy










- Onsite Wastewater Systems *previously titled B150 - Building - Sewer Connections, Waste Management Control and Provision of Toilet Facilities*

Additionally, this report recommends the revocation of the following policies:

- D150 - Building and Swimming Pool Inspections
- M225 - Members - Service Recognition

ATTACHMENTS

1. DRAFT Council Policy U900 - Unsolicited Proposals [↓](#) 
2. DRAFT Council Policy R200 - Reserves - Lease Licence Rental Arrangements [↓](#) 
3. DRAFT Council Policy F225 - Fraud, Corruption, Misconduct and Maladministration Prevention Policy [↓](#) 
4. DRAFT Council Policy - Onsite Wastewater Systems [↓](#) 
5. Council Policy D150 - Building and Swimming Pool Inspections [↓](#) 
6. Council Policy M225 - Members - Service Recognition [↓](#) 
7. Status of Policies Due for Review [↓](#) 



 City of Mount Gambier	COUNCIL POLICY	
	U900 UNSOLICITED PROPOSALS	
	Version No:	2
	Issued:	21 May, 2024
	Next Review:	May, 2028

1. INTRODUCTORY STATEMENT

Local Government is a natural leader in local economic development because councils know their local business communities, workforce and comparative advantages better than anyone else. Councils are perfectly positioned to work with local stakeholders to drive a place-based approach to achieve economic prosperity.

As facilitators and enablers of economic growth, Councils are open to working together with the private and not-for-profit sectors to pursue innovative ideas that will create jobs, contribute to the best use of public assets and deliver a high quality of service to communities.

These guidelines create a framework for new and innovative ideas to be brought forward. These guidelines also give confidence to investors and their community that unsolicited proposals will be considered in a consistent, transparent and lawful manner to deliver the highest standards of public value.

The development of these model guidelines was an initiative of the Metropolitan Local Government Group as part of their Economic Development priority in 2015.

2. COUNCIL'S ROLE AND FUNCTIONS

- 2.1 The Council is a council constituted under the LG Act.
- 2.2 The Council's principal role and functions are detailed in sections 6 and 7 of the LG Act.
- 2.3 The Council's strategic vision for its Council area is outlined in its Strategic Plan, a copy of which is available on the Council's website or at its Council's office.
- 2.4 Copies of other Council policies and plans are also available on its website.

3. DEFINITION OF AN UNSOLICITED PROPOSAL AND APPLICATION OF THESE GUIDELINES

- 3.1 The Council has adopted these guidelines as a policy for the purpose of section 49 of the LG Act.
- 3.2 These guidelines apply to any unsolicited proposal that a proponent submits to the Council, and in any circumstances in which the Council is considering waiving the application of any or all of its procurement policy (or policies).
- 3.3 An unsolicited proposal is a new and innovative proposal from the private and non-government sector, which has not been requested by the Council through its regular procurement processes, and which could assist the Council in achieving its strategic objectives or satisfying a community need.
- 3.4 An unsolicited proposal may include a proposal for:
 - 3.4.1 the purchase, lease or development of Council owned or managed land;
 - 3.4.2 the delivery of goods or services to or on behalf of the Council; or

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---	--------------



 City of Mount Gambier	COUNCIL POLICY	
	U900 UNSOLICITED PROPOSALS	
	Version No:	2
	Issued:	21 May, 2024
	Next Review:	May, 2028

3.5 the provision of infrastructure for the community. The minimum financial thresholds for an unsolicited proposal under these guidelines are:

3.5.1 To fall under the scope of this policy, the unsolicited proposal must have an estimated value in excess of \$50,000.

3.6 Where an unsolicited proposal involves more than one council, the relevant councils may resolve to adopt any one of their unsolicited proposals guidelines, with any required variations, to apply to that proposal in place of their individual guidelines.

4. COUNCIL'S OBJECTIVES

4.1 The following objectives will guide the Council's consideration of unsolicited proposals in accordance with these guidelines:

4.1.1 promoting the development of innovative ideas by the private and community sector to support the Council's role and functions discussed in clause 2 of these guidelines and the Council's broad objectives as outlined in its Strategic Plan;

4.1.2 ensuring that unsolicited proposals are received and assessed via an open, transparent and fair process that involves high standards of probity and public accountability;

4.1.3 ensuring that the unsolicited proposals process is not used to circumvent the Council's regular procurement processes where appropriate;

4.1.4 ensuring value for money for the Council is achieved from any unsolicited proposal;

4.1.5 maximising the benefits from unsolicited proposals for the Council and its constituents; and

4.1.6 ensuring the Intellectual Property of a proponent submitting an unsolicited proposal is appropriately protected.

5. PROCESS FOR RECEIPT AND CONSIDERATION OF UNSOLICITED PROPOSALS

5.1 Pre-lodgement meeting

Before formally submitting an unsolicited proposal via the process detailed below, the proponent may request a pre-lodgement meeting with the Chief Executive Officer. This meeting is not mandatory but it may assist the proponent to determine if their proposal is one that may be considered under these guidelines.

Proponents are encouraged to bring a draft completed Application Form

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---	--------------



 City of Mount Gambier	COUNCIL POLICY U900 UNSOLICITED PROPOSALS		Version No:	2
			Issued:	21 May, 2024
			Next Review:	May, 2028

with them to this meeting.

Nothing that is discussed at the pre-lodgement meeting binds the Council or the proponent and the proponent may continue with lodgement of its proposal notwithstanding any feedback that it may receive at or following the pre-lodgement meeting.

5.2 Receipt and assessment process

The process by which the Council will receive and consider unsolicited proposals is a three state process. The three stages are:

Stage 1 - Initial Proposal

Stage 2 - Detailed Proposal

Stage 3 - Contract Negotiation

Each of these stages is discussed in more detail below.

5.2.1 Stage 1: Initial Proposal

The objective of the initial proposal stage is to enable a proponent to provide the Council with a high level overview of its proposal which enables the Council to form a preliminary view as to whether:

5.2.1.1 the proposal may be considered under these guidelines;

5.2.1.2 the proposal should be considered further; and

5.2.1.3 the parties should enter into exclusive arrangements in relation to the proposal

A proposal should comprise a completed Application Form (which can be downloaded from the Council's website) and may also include further information that the proponent wishes to provide at this stage.

A proposal must be lodged electronically to:

city@mountgambier.sa.gov.au

A proposal will not involve negotiation at this stage. This opportunity will arise in later stages if the Council determines that the proposal should proceed.

Once a proposal has been submitted in accordance with this policy and the Chief Executive Officer determines that it has sufficient information about the proposal to consider it, then the Chief Executive Officer will convene a meeting with representatives of relevant departments of the Council depending on the subject matter of the proposal (Executive Leadership Team).

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--	--------------



 City of Mount Gambier	COUNCIL POLICY U900 UNSOLICITED PROPOSALS	
	Version No:	2
	Issued:	21 May, 2024
	Next Review:	May, 2028

The Executive Leadership Team will determine whether the proposal meets the criteria for it to be considered under these guidelines. To make its decision, the Executive Leadership Team may consult with other Council departments and professional advisers as it deems necessary.

If the Executive Leadership Team determines that the proposal should proceed to the next stage of the process, a recommendation and report on this basis will be prepared for consideration of the Council's Elected Members.

If the Executive Leadership Team recommends that the proposal not be accepted or the Council Elected Members do not endorse the proposal, the proponent will be notified in writing of this outcome by the Chief Executive Officer. This notice may also notify the proponent that the subject matter of the proposal may form the basis of a competitive bidding process.

Where the Council Elected Members endorse the proposal the proposal will proceed to Stage 2 and the proponent will be provided with the following:

- 5.2.1.4 notification that the proposal has been approved by the Council to proceed to Stage 2;
- 5.2.1.5 a copy of the Council's resolution (subject to any confidentiality);
- 5.2.1.6 the broad terms and timeframes for Stage 2 consideration of the proposal; and
- 5.2.1.7 information on any other matters relevant to the proposal and the Council's further consideration of it that the Council considers to be appropriate.

The anticipated timeframe for the completion of Stage 1, commencing from when the Chief Executive Officer determines that it has all of the information it needs to consider the proposal, is 12 months.

Any endorsement of a proposal at Stage 1 is "in principle" endorsement only so that the proposal may proceed to Stage 2 consideration.

5.2.2 Stage 2: Detailed Proposal

Stage 2 involves further consideration of the feasibility of the proposal, how it will be delivered, whether it represents value for money for the Council and what outcomes it will deliver for the Council and the community.

Stage 2 will be an interactive process between the Council and the proponent within a framework established by the Council.

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--	--------------



 City of Mount Gambier	COUNCIL POLICY	
	U900 UNSOLICITED PROPOSALS	
	Version No:	2
	Issued:	21 May, 2024
	Next Review:	May, 2028

The Council will establish a framework for Stage 2 which may include:

- 5.2.2.1 confidentiality, conflict of interest, communication and probity protocols;
- 5.2.2.2 Stage 2 participation terms and conditions;
- 5.2.2.3 Stage 2 assessment criteria;
- 5.2.2.4 timeframes;
- 5.2.2.5 information to be provided and/or shared;
- 5.2.2.6 governance requirements; and
- 5.2.2.7 any other matters that the Council considers necessary or desirable.

The matters that the Council will consider during Stage 2 are:

- 5.2.2.8 the value for money proposition from the proposal for the Council;
- 5.2.2.9 if the proposal is legally, technically and financially feasible;
- 5.2.2.10 how the proposal would best be structured to deliver the best outcome for the Council and the community;
- 5.2.2.11 a cost/benefit analysis of the proposal;
- 5.2.2.12 whether the proposal or any part of it would more appropriately be the subject of a competitive bidding process;
- 5.2.2.13 the appropriate allocation of risk;
- 5.2.2.14 government, strategic and community priority;
- 5.2.2.15 the 'uniqueness' of the proposal; and
- 5.2.2.16 the proposed delivery method.

During Stage 2 the Executive Leadership Team will:

- 5.2.2.17 convene meetings of the Executive Leadership Team with any other subject matter experts, professional advisers and other persons that the



 City of Mount Gambier	COUNCIL POLICY	
	U900 UNSOLICITED PROPOSALS	
	Version No:	2
	Issued:	21 May, 2024
	Next Review:	May, 2028

Executive Leadership Team sees fit;

- 5.2.2.18 convene meetings with the proponent;
- 5.2.2.19 request further information from the proponent as required;
- 5.2.2.20 obtain reports and further information for the Council's consideration of the proposal; and
- 5.2.2.21 arrange the preparation of a detailed report on the proposal for the Council Elected Members' consideration.

During Stage 2, a proponent must:

- 5.2.2.22 develop a detailed proposal, consistent with the requirements outlined by the Council at the end of Stage 1;
- 5.2.2.23 provide any additional information as required; and
- 5.2.2.24 make themselves available to participate in meetings requested by, and respond to communications from, the Executive Leadership Team.

At the end of Stage 2, a report and recommendation will be prepared for the Council Elected Members' consideration and the proponent will be advised in writing of the Council's resolution and one of the following:

- 5.2.2.25 that all or part of the proposal will proceed to Stage 3 on an exclusive consideration basis;
- 5.2.2.26 that all or part of proposal will not continue to be considered on an exclusive basis but that all or part of the proposal warrants a competitive bidding process; or
- 5.2.2.27 that all or part of the proposal is not suitable for further consideration and its consideration under these guidelines is now at an end.

5.2.3 Stage 3: Contract Negotiation

Stage 3 allows the Council and the proponent to negotiate a suitable contract or contracts for the implementation of the proposal.

At the commencement of Stage 3, the Chief Executive Officer will advise the proponent of the process and protocols for the development of a contract.

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---	--------------



 City of Mount Gambier	COUNCIL POLICY U900 UNSOLICITED PROPOSALS		Version No:	2
			Issued:	21 May, 2024
			Next Review:	May, 2028

Once a contract has been agreed in principle between the Council Administration and the proponent, the contract will be submitted to the Council Elected Members to seek their approval for the Contract to be executed. The Chief Executive Officer will then advise the proponent in writing of one of the following:

- 5.2.3.1 that the Council agrees to the terms and conditions of the contact and will proceed to execute it;
- 5.2.3.2 that the Council agrees to the contract, subject however to specified variations or conditions;
- 5.2.3.3 that the Council does not agree to enter into the contract but instead determined to pursue or consider pursuing the unsolicited proposal through another process, including a competitive bidding process; or
- 5.2.3.4 that the Council does not agree to enter into the contract and that its consideration of the proposal under these guidelines is now at an end.

6. PERIOD OF EXCLUSIVITY

6.1 Criteria for assessment

- 6.1.1 The Council may, in its absolute discretion, enter into a period of exclusive negotiation with a person in relation to a proposed or submitted unsolicited proposal, if the circumstances warrant it.
- 6.1.2 Exclusivity between the parties is not assumed simply by submission of an unsolicited proposal to the Council.
- 6.1.3 Exclusive negotiations may be justified in circumstances, for example, where a party's Intellectual Property should be protected or where, on a balancing of the criteria listed below, there is a clear benefit to the Council in doing so.
- 6.1.4 The criteria that the Council must consider in determining if a period of exclusivity should be entered into with a particular proponent includes:

6.1.4.1 No competing proposals

Whether the subject matter of an unsolicited proposal is already the subject of an existing or proposed procurement process or processes. If the subject matter of an unsolicited proposal is already being considered or proposed to be considered by the Council in this way, then it is unlikely that an unsolicited proposal will pass Stage 1.

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--	--------------



 City of Mount Gambier	COUNCIL POLICY	
	U900 UNSOLICITED PROPOSALS	
	Version No:	2
	Issued:	21 May, 2024
	Next Review:	May, 2028

6.1.4.2 Community need/Council priority

Whether the unsolicited proposal:

- (a) promotes the Council's role and functions discussed in clause 2 of these guidelines and generally, under the LG Act;
- (b) is broadly consistent with the Council's objectives outlined in its Strategic Plan and other relevant documents; and
- (c) provides a clear economic, social or environmental benefit for the Council.

6.1.4.3 Uniqueness

Whether the unsolicited proposal is unique, and how and why it is unique such that it justifies the Council considering it under these guidelines rather than via its usual procurement processes.

A proponent may be able to establish the uniqueness of its proposal by demonstrating that:

- (a) it cannot be readily delivered by competitors at all or within the timeframes proposed by the proponent;
- (b) the proponent owns something that would limit other parties from being able to deliver the proposal (for example, Intellectual Property or strategic landholdings);
- (c) the proponent has unique financial arrangements that enable it to deliver the proposal where other parties would not be able to; or
- (d) a combination of factors which may not stand alone as being unique but which together create a unique proposal in the circumstances.

6.1.4.4 Value for money

Whether the proposal represents value for money for the Council. The Council should consider factors such as (but not limited to) whether the proposal:

- (a) is fairly and sustainably priced relative to comparative projects and products;
- (b) will meet acceptable commercial and industry standards; and

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Page 8 of 21



 City of Mount Gambier	COUNCIL POLICY		Version No:	2
	U900 UNSOLICITED PROPOSALS		Issued:	21 May, 2024
			Next Review:	May, 2028

(c) will effectively deliver on the proposal for the price proposed and in all other respects.

(d) Note that 'value' can include:

(e) financial benefits;

(f) economic benefits; and/or

(g) community benefits.

6.1.4.5 Capacity and capability of proponent

Whether the proponent has the skills, experience and resources required to enable it to deliver the proposal.

6.2 The exclusivity period

6.2.1 If the Council determines to enter into a period of exclusive negotiation with a proponent, the following broad terms will apply:

6.2.2 during the exclusivity period, the Council will not enter into negotiations with another party in relation to another proposal that is substantially similar to the subject matter of the proposal;

6.2.3 the exclusivity period will be limited to the development of the specific proposal;

6.2.4 the exclusivity period will be for a set period as advised by the Council to the proponent in writing;

6.2.5 the Council may set specific terms and conditions for the exclusivity period which it will advise the proponent of in writing;

6.2.6 the Council may end the exclusivity period at any time and withdraw from exclusive or all negotiations with the proponent at no cost or liability to the Council; and

6.2.7 all correspondence between the Council and the proponent will be kept confidential, subject to any legislative requirements.

7. PROBITY FRAMEWORK

7.1 It is a primary objective of these guidelines to ensure the probity of the processes employed by the Council to consider unsolicited proposals. As such, in addition to any specific requirement outlined in this policy, probity principles and protocols will be established when dealing with proponents in relation to their unsolicited proposals to ensure that:

7.1.1 proposals are received, assessed and negotiated, and

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Page 9 of 21

 City of Mount Gambier	COUNCIL POLICY		Version No:	2
	U900 UNSOLICITED PROPOSALS		Issued:	21 May, 2024
			Next Review:	May, 2028

decisions are made, through an approved and transparent framework;

7.1.2 decisions are made through a robust framework and so that they will deliver the best outcomes for the Council and its community;

7.1.3 confidential information is protected; and

7.1.4 any perceived conflict of interest, bias or misconduct is eliminated.

7.2 The Council may, at any Stage outlined in these guidelines, engage a probity adviser or auditor.

8. INTELLECTUAL PROPERTY RIGHTS

8.1 The Council acknowledges the unsolicited proposals may contain Intellectual Property of the proponent and/or third parties.

8.2 If the Council declines to consider, or ends its consideration of, an unsolicited proposal submitted in accordance with these guidelines, and the Council elects to engage in a competitive bidding process or other approach to the market in relation to the subject matter of the proposal, the Council will respect any Intellectual Property rights of the proponent and/or third parties.

9. SUPPLEMENTARY INFORMATION

The Council may from time to time at its discretion publish supplementary information to assist proponents with the interpretation and application of these guidelines.

10. PUBLICATION OF DETAILS OF UNSOLICITED PROPOSALS

Council may choose to publish details of unsolicited proposals received, being considered or approved at any Stage of these guidelines subject to confidentiality orders imposed by Council under section 90 of the Local Government Act 1999.

9. GENERAL TERMS

9.1 Definitions

9.1.1 Application Form means the application form attached as Annexure B to these guidelines.

9.1.2 Intellectual Property means inventions, original designs and practical applications of good ideas protected by law through copyright, patents, registered designs, circuit layout rights and trademarks and it also includes trade secrets, proprietary know-how and other confidential information protected against unlawful use and disclosure by common law and contractual obligations.

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---	---------------



 City of Mount Gambier	COUNCIL POLICY U900 UNSOLICITED PROPOSALS		Version No:	2
			Issued:	21 May, 2024
			Next Review:	May, 2028

9.1.3 LG Act means the Local Government Act 1999 (SA).

9.2 No legal relationship

By making an unsolicited proposal the proponent acknowledges:

- 9.2.1 without confirmation in writing, that no discussions in relation to a proposed unsolicited proposal or the submission of an unsolicited proposal assumes exclusivity between the parties;
- 9.2.2 that no legally binding contract exists or is to be implied between the Council and the proponent unless and until a formal contract document is signed by both parties; and
- 9.2.3 that the Council is under no contractual or other legal obligation to the proponent with respect to the receipt, assessment, consideration, acceptance or rejection of any proposal or the failure to receive, assess, consider or accept any proposal.

9.3 Legislative obligations

In submitting a proposal proponents acknowledge that:

- 9.3.1 the Council may have legislative obligations that it will need to comply with in relation to a particular proposal and nothing in these guidelines is intended to override or circumvent those obligations; and
- 9.3.2 the processes established by these guidelines are separate from, and do not override other legislative approval processes that a proponent may need to participate in in order to progress its proposal (for example, planning approval processes).

9.4 No soliciting or outside discussions

- 9.4.1 All queries or communications in relation to unsolicited proposals must be directed to the Chief Executive Officer to ensure consistency and transparency in the unsolicited proposals process. The Council reserves the right to discontinue assessment of, or negotiations on, a proposal if the proponent discusses the proposal with members of Council staff or Elected Members otherwise than as directed by the Chief Executive Officer.
- 9.4.2 A proponent must not offer any incentive to, or otherwise attempt to, influence any person who is either directly or indirectly involved in an assessment or negotiation process. The Council reserves the right to end any consideration of a proposal if a proponent fails to comply with this requirement.

9.5 Conflict of interest

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---	---------------



 City of Mount Gambier	COUNCIL POLICY U900 UNSOLICITED PROPOSALS		Version No:	2
			Issued:	21 May, 2024
			Next Review:	May, 2028

Proponents must inform the Council of any circumstances or relationships which will constitute a conflict or potential conflict of interest if the proponent is successful in negotiating a contract for its unsolicited proposal. If any conflict or potential conflict exists, the proponent must advise the Council how it proposes to address this.

9.6 Costs of proposal

A proponent bears its own costs of preparing, discussing and negotiating any unsolicited proposal with the Council.

9.7 Use of documents

Any documents provided by the Council to a proponent during any of the Stages outlined in these guidelines must only be used for the purpose of progressing a proposal in accordance with these guidelines and must be returned to the Council at the end of the process on request.

9.8 Change in circumstances

A proponent must inform the Council promptly in writing of any material change to any of the information contained in the proponent's submission.

9.9 Interaction with other Council policies

9.9.1 Unless specifically stated in these guidelines or determined by the Council, these guidelines are not intended to override any other policy of the Council that may apply to an unsolicited proposal.

9.9.2 Any policy on the sale and disposal of Council assets and procurement policies that the Council has adopted for the purposes of section 49 of the LG Act does not apply to an unsolicited proposal that is covered by these guidelines.

9.10 General Acknowledgements

9.10.1 Proponents acknowledge when discussing, negotiating, considering, preparing or submitting an unsolicited proposal to the Council in accordance with these guidelines, that the Council:

9.10.2 makes no representations or undertakings that it will enter into a contract with any proponent in respect of the subject matter of any unsolicited proposal;

9.10.3 may undertake 'due diligence' checks on any proponents;

9.10.4 will not be responsible for any costs or expenses incurred by a proponent arising in any way from the preparation, submission or negotiation of its proposal;

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--	---------------



 City of Mount Gambier	COUNCIL POLICY	
	U900 UNSOLICITED PROPOSALS	
	Version No:	2
	Issued:	21 May, 2024
	Next Review:	May, 2028

9.10.5 accepts no responsibility for any proponents failing to undertake any investigations or understanding any matters that may impact on its proposal;

9.10.6 will not be liable for or pay any expenses or losses incurred by a proponent, whether in the preparation of a proposal or prior to the signing of any agreement relating to a proposal or otherwise; and

9.10.6.1 will not be bound by any verbal advice given or information furnished by any member, officer or agent of the Council except written advice or information furnished by the Chief Executive Officer.

9.11 Council's General Rights

The Council may, at any stage of the process of discussing, receiving, considering and/or negotiating an unsolicited proposal, at no cost to itself or acceptance of liability to the proponent in any way:

9.11.1 end consideration of the unsolicited proposal and withdraw from any negotiation with the proponent in relation to it if it considers or assesses that a proposal may not or does not meet the criteria to be considered or considered further under these guidelines, and make an approach to the market in respect of the subject matter of the proposal;

9.11.2 amend, vary or revoke and replace these guidelines at any time;

9.11.3 accept or reject any unsolicited proposal on any basis;

9.11.4 subject to any period of exclusivity determined in accordance with these guidelines, negotiate with any person in relation to the subject matter of an unsolicited proposal;

9.11.5 accept all or part of an unsolicited proposal;

9.11.6 discontinue negotiations with any proponent at any time; and

9.11.7 include any proponents name in council reports and, subject to any period of exclusivity determined in accordance with these guidelines and any agreement with a proponent to the contrary, make them public.

9.12 Ombudsman

Proponents should be aware that the Ombudsman Act 1972 (SA) empowers the Ombudsman to investigate matters in the public interest. Proponents must ensure compliance with all obligations arising under that Act.

9.13 ICAC

<i>Electronic version on TRIM is the controlled version. Printed copies are considered uncontrolled. Before using a printed copy, verify that it is the current version.</i>	Page 13 of 21
---	---------------



 City of Mount Gambier	COUNCIL POLICY U900 UNSOLICITED PROPOSALS		Version No:	2
			Issued:	21 May, 2024
			Next Review:	May, 2028

Proponents should also be aware that the Independent Commissioner Against Corruption Act 2012 establishes the Independent Commissioner Against Corruption and the Office for Public Integrity. The Act empowers the Commissioner to investigate corruption, misconduct and maladministration in public administration. Proponents must ensure compliance with all obligations arising under that Act.

9.14 Freedom of information

The Freedom of Information Act 1991 (SA) (FOIAct) gives members of the public rights to access documents of the Council. The FOI Act promotes openness in governance and accountability of government agencies and to achieve these objects confers on members of the public a legally enforceable right to be given access to documents, including contracts, held by the Council subject but not limited to such restrictions as are consistent with the public interest, commercial in confidence and/or the preservation of personal privacy in respect of those from whom information is collected and held by the Council and other public authorities.

9.15 Departure from guidelines

The Council may, by resolution, where it is justified in the circumstances, determine that these guidelines will not apply to a particular unsolicited proposal.

9.16 Review of guidelines

These guidelines will be reviewed regularly by the Council to ensure that the objectives of the guidelines remain relevant and are met.

7. REVIEW & EVALUATION

This Policy is scheduled for review by Council in May 2027; however it will be reviewed as required by any legislative changes which may occur.

8. AVAILABILITY OF POLICY

This Policy will be available for inspection at Council's principal office during ordinary business hours and on the Council's website www.mountgambier.sa.gov.au. Copies will also be provided to interested members of the community upon request, and upon payment of a fee in accordance with Council's Schedule of Fees and Charges.

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 City of Mount Gambier	COUNCIL POLICY U900 UNSOLICITED PROPOSALS	Version No:	2
		Issued:	21 May, 2024
		Next Review:	May, 2028

File Reference:	AF18/48
Applicable Legislation:	Local Government Act 1999
Reference:	Goal 3, Our Diverse Economy
Related Policies:	Procurement and Disposal of Land & Assets P420 Prudential Management P415
Related Procedures:	
Related Documents:	

DOCUMENT DETAILS

Responsibility:	General Manager Corporate and Regulatory Services
Version:	2.0
Last revised date:	21 May 2024
Effective date:	21 May 2024
Minute reference:	21 May 2024, Item No. ##### - Resolution 2024/##
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<u>Document History</u>	
First Adopted By Council:	16 July 2019, 21 May 2024
Reviewed/Amended:	



 City of Mount Gambier	COUNCIL POLICY		Version No:	2
	U900 UNSOLICITED PROPOSALS		Issued:	21 May, 2024
			Next Review:	May, 2028

Annexure A - Process Flowchart

Stage 1 - Initial Proposal		
Proponent Actions	Council Actions	Possible Outcomes
<ul style="list-style-type: none"> Submit the completed Application Form and any further information to: city@mountgambier.sa.gov.au Submit any further information that may be requested. Engage in discussions with Council about the proposal as an when requested. 	<ul style="list-style-type: none"> Determine if sufficient information has been provided to be considered under the guidelines and in terms of exclusivity. Convene a meeting of the Steering Committee. Determine whether the proposal meets the criteria for it to be considered under the guidelines. Prepare a report to the Council if the proposal is recommended for Stage 2. Advise the proponent of the Council decision. 	<ul style="list-style-type: none"> That the proposal is not suitable for further consideration and is now closed. <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> That the proposal may form the basis for a competitive bidding process. <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> That the proposal will proceed to Stage 2.

Stage 2 - Detailed Proposal		
Proponent Actions	Council Actions	Possible Outcomes
<ul style="list-style-type: none"> Submit a detailed proposal Provide additional information as requested. Attend meetings as requested with, and respond to communications from, the Council. 	<ul style="list-style-type: none"> Establish the Stage 2 framework and advise the proponent of this Arrange meetings of the Steering Committee with any other subject matter experts, professional advisers and other persons. Arrange meetings with the proponent as required. Request further information from the proponent as required. Obtain reports and further information for the Council's consideration of the proposal. Arrange the preparation of a detailed report on the proposal for the Council Elected Members' consideration. Advise the proponent of the Council's decision. 	<ul style="list-style-type: none"> That all or part of the proposal will proceed to Stage 3 on an exclusive consideration basis. <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> That all or part of proposal should not continue to be considered on an exclusive basis but that all or part of the proposal warrants a competitive bidding process. <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> That all or part of the proposal is not suitable for further consideration and its consideration under these guidelines is now at an end.

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Page 16 of 21



 City of Mount Gambier	COUNCIL POLICY		Version No:	2
	U900 UNSOLICITED PROPOSALS		Issued:	21 May, 2024
			Next Review:	May, 2028

Stage 3 - Contract Negotiation		
Proponent Actions	Council Actions	Possible Outcomes
<ul style="list-style-type: none"> Negotiate contract terms 	<ul style="list-style-type: none"> Advise the proponent of the process and protocols for the development of a contract. Negotiate the contract Submitted the agreed contract to the Council Elected Members to seek approval for the contract to be executed. Advise the proponent of the Council's decision. 	<ul style="list-style-type: none"> That the Council agrees to the terms and conditions of the contract and will proceed to execute it. <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> That the Council agrees to the contract, subject however to specified variations or conditions. <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> That the Council does not agree to enter into the contract but instead determined to pursue or consider pursuing the unsolicited proposal through another process. <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> That the Council does not agree to enter into the contract and that its consideration of the proposal under the guidelines is now at an end.



 City of Mount Gambier	COUNCIL POLICY U900 UNSOLICITED PROPOSALS	Version No:	2
		Issued:	21 May, 2024
		Next Review:	May, 2028

UNSOLICITED PROPOSALS - STAGE ONE - APPLICATION FORM

- Provide information on:**
- The objectives of the proposal and the method of the approach
 - What is needed from the City of Mount Gambier.
 - The nature and extent of the expected outcomes
 - The benefits that the proposal will deliver for the Council and community

Applicant (company or consortium name):

Legal name/s of proponents or consortium or company participants:

Address:

Date:

PROPOSAL DETAILS

Title:

Description:

Please note that additional information or pages may be attached to this form.

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Page 18 of 21



 City of Mount Gambier	COUNCIL POLICY U900 UNSOLICITED PROPOSALS	Version No:	2
		Issued:	21 May, 2024
		Next Review:	May, 2028

CONTACT PERSON

A proponent must nominate a contact person to be the only point of contact for this proposal. All communications from the Council about the proposal will be sent to this person.

Name:

Postal address:

Email address:

Phone number:

COUNCIL CONTACT DETAILS

A proponent should provide details of any person at the Council who has already been contacted regarding the proposal.

PROPOSED DURATION

Period of time for which the proposal is valid (min. of twelve months).

The proposal is to be signed by a representative of the proponent who is authorised to represent and contractually bind the proponent.

Name:

Position:

Signature:

Date:

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--	---------------



 City of Mount Gambier	COUNCIL POLICY U900 UNSOLICITED PROPOSALS		Version No:	2
			Issued:	21 May, 2024
			Next Review:	May, 2028

UNSOLICITED PROPOSALS - STAGE ONE – ASSESSMENT CRITERIA

Provide a brief description of how the proposal would meet each of the following assessment criteria detailed in clause 6.1 of the Unsolicited Proposals Policy.

No competing proposals

If the proponent is aware of any existing proposal or procurement process currently under consideration by the Council or under active consideration by another proponent then the proponent should clearly demonstrate how their proposal is distinct from these other proposals.

Community need/Council priority

The proponent should demonstrate how its proposal:

- promotes the Council's role and functions;
- is broadly consistent with the Council's objectives outlined in its Strategic Plan; and
- provides an economic, social, cultural or environmental outcome for the Council.

The information that a proponent provides should include:

- details of benefits of the proposal;
- details of any economic activity or jobs that would be created by the proposal;
- details of any unmet community need that would be met by the proposal; and
- how the proposal is aligned with the Council's strategic objectives.

Uniqueness

The proponent should provide information that demonstrates that its proposal is unique. This may be demonstrated by showing that:

- the proposal cannot be readily delivered by competitors at all or within the timeframes proposed by the proponent;
- the proponent owns something that would limit other parties from being able to deliver the proposal (for example, Intellectual Property, strategic landholdings);
- the proponent has unique finance arrangements that enable it to deliver the proposal where other parties would not be able to;
- the proponent has a genuinely innovative idea; and / or
- a combination of factors which may not stand alone as being unique but which together create a unique proposal.

Value for Money

The proponent should provide information that demonstrates how its proposal represents value for money for the Council, such as:

- financial benefits;
- economic benefits; and / or
- community benefits.

The information that a proponent provides should include:

- how the proposal is priced relative to competitors;
- the proposed sharing of costs and risks between the Council and the proponent; and
- the benefits to the Council of the proposal.

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--	---------------



 City of Mount Gambier	COUNCIL POLICY	
	U900 UNSOLICITED PROPOSALS	
	Version No:	2
	Issued:	21 May, 2024
	Next Review:	May, 2028

Capacity and capability of proponent

Proponents should provide information that demonstrates that it has the capacity and capability to deliver the proposal. Proponents should provide:

- a description of their organisation or consortium;
- details of previous experience in delivering similar projects;
- details of past performance on similar projects;
- details of relevant experience in prior dealings with the Council or another council;
- details of its skills, experience and competencies to deliver the project; and
- details of any third parties that would be proposed to be involved in the delivery of the project.

Innovation in a State sense

Proponents should explain whether and how the proposal represents innovation from a State-wide perspective.

Financial and Commercial Details

A proponent should provide a brief description of the financial and commercial details of the proposal and the proponent’s financial capacity to deliver the proposal.

Costs and Requirements of the Council

A proponent should identify what they are seeking from the Council for the proposal. This may include:

- land;
- use of assets, facilities, equipment, materials, personnel or other resources;
- finance; and / or
- assistance to obtain statutory approvals or legislative or regulatory amendments.

A proponent should state what the cost would be for the Council in providing what is sought.

Risks

Proponents should list risks arising from the proposal for the proponent and the Council.

Preferred Contract Arrangement

A proponent should provide details of its proposed contractual arrangements for the proposal if it is successful.

Intellectual Property

Proponents should provide a brief description of:

- each item of Intellectual Property involved in the proposal;
- the nature of any Intellectual Property claimed;
- details of the owner of Intellectual Property claimed;
- registration details (where applicable); and
- details of any items for which commercial confidentiality is claimed in whole or in part.

Other Information

A proponent should provide any other information that is relevant to its proposal for Stage 1 assessment.

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 City of Mount Gambier	R200 - COMMUNITY LAND (RESERVES) LEASE / LICENCE / RENTAL ARRANGEMENTS POLICY	Version No:	11
		Issued:	August 2024
		Next Review:	July 2025

1. INTRODUCTION

This document sets out the policy of the City of Mount Gambier ("Council") for:

- 1.1 Leasing / licensing of Council community land (Reserves) to community based organisations; and
- 1.2 Expense recovery where community land is occupied by a sporting association and where Council maintains the facilities.

2. DEFINITIONS

'Community Land' – any 'local government land' as defined in the Local Government Act 1999 that has not been excluded or revoked of its classification as community land, including land owned by Council or under Councils care control and management, and including reserves, ornamental grounds and parklands.

3. LEASE/LICENCE POLICY

3.1 Policy Provisions

Where Council proposes to (re)grant a lease or licence for any portion of community land to a community based not for profit organisation (including sporting clubs) pursuant to the provisions of the Local Government Act, then the conditions under which any lease or licence may be granted under (sub) delegation should include:

3.1.1 Lease Term: should not exceed ten (10) years;

3.1.2 Licence Term: should not exceed five (5) years;

3.1.3 Public Liability Insurance:

Minimum sum of \$10,000,000.

Minimum sum of \$20,000,000 if any building works to be undertaken.

3.1.4 Lease or Licence Fee:

Is the "declared" figure per annum plus GST

The "declared" figure is the annual fee that Council resolves at the commencement of each financial year.

For all subsequent years of the lease / licence then the "declared" annual fee be increased (or decreased) by the overall percentage rate increase (or decrease) that Council adopts for each financial year on a compounding calculation plus GST.

The Chief Executive Officer may waiver payment of the declared figure in exceptional circumstances (e.g. where it is considered that payment would be of unreasonable detriment to the lessee/licensee; such as in the case of a newly created organisation).

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 City of Mount Gambier	R200 - COMMUNITY LAND (RESERVES) LEASE / LICENCE / RENTAL ARRANGEMENTS POLICY	Version No:	11
		Issued:	August 2024
		Next Review:	July 2025

3.1.5 Rounding Down:

In applying part (b) of this Policy i.e. the compounding use of the overall percentage rate increase (or decrease) to the annual lease fee then the resultant calculation be rounded to the nearest whole dollars.

3.2 Annual Review of 'Declared' Figure

3.2.1 In terms of the lease or licence fee, the declared lease fee be **\$639.64** (plus GST) for the 2023/2024 financial year, calculated as follows:

$$\$575.00 + 11.24\% = \$639.64 (+GST)$$

3.2.2 The Chief Executive Officer be authorised to amend the figures in clause 3.2.1 of this Policy on the basis set out in 3.1.4 and 3.1.5 above, on an annual basis.

4. RENTAL POLICY

4.1 Where Council maintains the recreation and sporting facilities on community land that is leased/licensed, occupied or used by a sporting organisation, then the following rental policy will apply when calculating the cost recovery by Council from that sporting organisation:

4.1.1 A Base Annual Rental is set to cover the annual maintenance costs of the reserve (playing area and immediate related surrounds) incurred by Council in the previous year and in respect of that specific occupier(s) anticipated/actual level of use;

4.1.2 The Base Annual Rental, may, under certain circumstances, be discounted by a 10% to 20% reduction in maintenance costs where full and free access to the facility is allowed to members of the general public (except when being used by clubs and associations);

4.1.3 A further reduction may occur, based on each specific occupier(s) ability to pay, based on a scale of one (1) to ten (10) with each scale point equivalent to 5% of the Base Annual Rental (maximum is 50%);

4.1.4 A further reduction may occur based on each specific occupier(s) special case. i.e. consideration will be given to the following criteria (each worth 5% discount - maximum of 35% discount).

1	Large capital costs incurred by Club
2	Significant number of juniors
3	Less than significant actual use, wear or tear of Council land
4	Financial capacity of Club
5	Nominal maintenance costs by Council
6	Significant self-help by Club
7	Contribution to Mount Gambier economy (Major Events etc.)

4.1.5 Tenants are responsible for the cost of services to buildings and floodlights, such as electricity, gas, water, etc.

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--	-------------



 City of Mount Gambier	R200 - COMMUNITY LAND (RESERVES) LEASE / LICENCE / RENTAL ARRANGEMENTS POLICY	Version No:	11
		Issued:	August 2024
		Next Review:	July 2025

5. REVIEW & EVALUATION

This Policy will be reviewed during each term of Council, and at any other time as may be required by any legislative changes which may occur.

6. AVAILABILITY OF POLICY

This Policy will be available for inspection at Council's principal office during ordinary business hours and on the Council's website www.mountgambier.sa.gov.au
Copies will also be provided to interested members of the community upon request, and upon payment of a fee in accordance with Council's Schedule of Fees and Charges.



 City of Mount Gambier	R200 - COMMUNITY LAND (RESERVES) LEASE / LICENCE / RENTAL ARRANGEMENTS POLICY	Version No:	11
		Issued:	August 2024
		Next Review:	July 2025

File Reference:	AF18/48
Applicable Legislation:	Local Government Act, 1999 Chapter 11 Part 1
Reference: Community Plan 2016-2020	Goal 3: Our Diverse Economy
Related Policies:	R210 - Lease Term/Fee (superseded) R240 - Rental Where Council Maintains (superseded)
Related Procedures:	Nil
Related Documents:	Corporate and Community Services Report No. 12/1998 (Establishing Methodology)

DOCUMENT DETAILS

Responsibility:	General Manager Corporate and Regulatory Services
Version:	
Last revised date:	
Effective date:	
Minute reference:	
Next review date:	July 2025
<u>Document History</u> First Adopted By Council: Reviewed/Amended:	18 February 1999 (Superseded Policies R210 and R240) 20 May 2014, 7 July 2014 (clause 3.2.1), 31 July 2015 (clause 3.2.1), 8 August 2016 (clause 3.2.1), 13 July 2017 (clause 3.2.1), 13 July 2017, 8 August 2018 (clause 3.2.1), 8 August 2019 (clause 3.2.1), 9 July 2021 (clause 3.2.1), 11 August 2022 (clause 3.2.1), 19 July 2023 (clause 3.2.1)

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 City of Mount Gambier	F225 FRAUD, CORRUPTION, MISCONDUCT AND MALADMINISTRATION PREVENTION POLICY	Version No:	1110
		Issued:	August 2024
		Next Review:	August 2028

1. Introduction and Scope

1.1 City of Mount Gambier is committed to acting in the best interest of the community and to upholding the principles of honesty, integrity and transparency.

1.2 The purpose of this Policy is to ensure that City of Mount Gambier;

- properly fulfils its responsibilities under the Independent Commissioner Against Corruption Act 2012 (ICAC Act);
- takes appropriate steps towards compliance with relevant legislation, policies and instruments;
- provides a clear statement to all employees through practices, policies and procedures that fraudulent conduct, misconduct and/or maladministration is not acceptable and will not be tolerated;
- protects Council assets, interests and reputation from the risks associated with fraudulent conduct, misconduct and/or maladministration;
- outlines the Council's approach to the prevention, detection and response to Fraud, Corruption, Misconduct and Maladministration;
- fosters an ethical environment and culture which is conscious of, actively discourages, does not tolerate and appropriately deals with Fraud, Corruption, Misconduct and Maladministration;
- identifies the relevant responsibilities of council members, employees, the Chief Executive Officer, managers and the Audit and Risk Committee;
- educates employees and council members about their obligations to report conduct reasonably suspected of being Fraud, Corruption, Misconduct and/or Maladministration;
- evaluates practices, policies and procedures it has in place in order to further advance Council systems for preventing or minimising Fraud, Corruption, Misconduct and Maladministration; and
- develops a consistent approach to the management of relevant conduct across the organisation through the establishment and maintenance of effective systems and internal controls to guard against Fraud, Corruption, Misconduct and Maladministration.

1.3 Council has established a number of policies and procedures to assist with the prevention and control of Fraud, Corruption, Misconduct and Maladministration, and this Policy forms part of that suite of internal controls. The effectiveness of these procedures will be continuously reviewed and assessed and will remain up to date with any future developments in Fraud, Corruption, Maladministration and Misconduct prevention control techniques.

~~1.4 The Council will review and update this Policy annually as part of its policy review process.~~

1.51.4 This Policy applies to all council members, employees, contractors, consultants and volunteers of the Council. It is intended to complement and be implemented in conjunction with other relevant Council policies and procedures including:

- 1.1.1 Public Interest Disclosure Policy
- 1.1.2 Risk Management Policy
- 1.1.3 Internal Controls Policy
- 1.1.4 Code of Conduct for Council Employees
- 1.1.5 Behavioural Management Policy



 City of Mount Gambier	F225 FRAUD, CORRUPTION, MISCONDUCT AND MALADMINISTRATION PREVENTION POLICY	Version No:	1110
		Issued:	12 December 2023 August 2024
		Next Review:	July 2024 August 2028

- 1.1.6 Conduct of Meetings s92 Code of Practice
- 1.1.7 Council Members Allowances and Benefits Policy

2. Definitions

For the purposes of this Policy the following definitions apply:

- 2.1 Commissioner means the person holding or acting in the office of the Independent Commissioner Against Corruption per section 4-8 of the Independent Commissioner Against Corruption Act 2012, who holds or is acting in the office of the Independent Commission Against Corruption.
- 2.2 Corruption in public administration, as provided for in section 5(1) of the ICAC Act, means conduct that constitutes:
 - 2.2.1 an offence against Part 7 Division 4 (offences relating to public officers) of the Criminal Law Consolidation Act 1935, which includes the following offences:
 - (i) bribery or corruption of public officers;
 - (ii) threats or reprisals against public officers;
 - (iii) abuse of public office;
 - (iv) demanding or requiring benefit on basis of public office;
 - (v) offences relating to appointment to public office; or
 - 2.2.2 an offence against the Public Sector (Honesty and Accountability) Act 1995 or the Public Corporations Act 1993, or an attempt to commit such an offence; or
 - 2.2.3 an offence against the Lobbyist Act 2015, or an attempt to commit such an offence; or
 - 2.2.4 any other offence (including an offence against Part 5 (offences of dishonesty) of the Criminal Law Consolidation Act 1935 committed by a public officer while acting in his or her capacity as a public officer or by a former public officer and related to his or her former capacity as a public officer, or by a person before becoming a public officer and related to his or her capacity as a public officer, or an attempt to commit such an offence; or
 - 2.2.5 any of the following in relation to an offence referred to in a preceding paragraph:
 - (i) aiding, abetting, counselling or procuring the commission of the offence;
 - (ii) inducing, whether by threats or promises or otherwise, the commission of the offence;
 - (iii) being in any way, directly or indirectly, knowingly concerned in, or party to, the commission of the offence;
 - (iv) conspiring with others to affect the commission of the offence.
- 2.3 **Council** means City of Mount Gambier



 City of Mount Gambier	F225 FRAUD, CORRUPTION, MISCONDUCT AND MALADMINISTRATION PREVENTION POLICY	Version No:	1110
		Issued:	12 December 2023 August 2024
		Next Review:	July 2024 August 2028

- 2.4 **Directions and Guidelines** means the Directions and Guidelines issued by the Commissioner and as in force from time to time pursuant to section 18B, of the ICAC Act available at <https://www.publicintegrity.sa.gov.au>
- 2.5 **Employee** refers to all the Council's employees whether they are working in a full-time, part-time or casual capacity.
- 2.6 **False disclosure** is a disclosure of information relating to Fraud or Corruption, Maladministration or Misconduct that is made by a person who knows the information to be false.
- 2.7 **Fraud** includes an intentional dishonest act or omission done with the purpose of deceiving.
- Note:** There is no statutory or agreed common law definition of Fraud. Offences addressed under Part 5 and Part 6 of the Criminal Law Consolidation Act 1935 are considered to constitute Fraud offences. An ordinary or lay meaning of Fraud is 'to obtain dishonestly that which the person is not entitled to'. Fraud is a broad label applicable to conduct / practices that involve knowingly dishonest or deceitful behaviour meant to obtain an unjust benefit. Dishonesty is the key element in fraudulent behaviour, as provided for under section 131 of the Criminal Law Consolidation Act 1935.
- 2.8 **ICAC Act** is the Independent Commissioner Against Corruption Act 2012.
- 2.9 **Maladministration in public administration** is defined in section 5(4) of the ICAC Act and
- 2.9.1 means:
- (i) conduct of a public officer, or a practice, policy or procedure of a public authority, that results in an irregular and unauthorised use of public money or substantial mismanagement of public resources; or
 - (ii) conduct of a public officer involving substantial mismanagement in or in relation to the performance of official functions; and
- 2.9.2 includes conduct resulting from impropriety, incompetence or negligence; and
- 2.9.3 is to be assessed having regard to relevant statutory provisions and administrative instructions and directions.
- 2.10 **Misconduct in public administration** is defined in section 5(3) of the ICAC Act and means:
- 2.10.1 contravention of a code of conduct by a public officer while acting in his or her **capacity** as a public officer that constitutes a ground for disciplinary action against the officer; or
- 2.10.2 other misconduct of a public officer while acting in his or her capacity as a public officer.
- 2.11 **Office for Public Integrity (OPI)** is the office established under the ICAC Act that has the function to:



 City of Mount Gambier	F225 FRAUD, CORRUPTION, MISCONDUCT AND MALADMINISTRATION PREVENTION POLICY	Version No:	1110
		Issued:	12 December 2023 August 2024
		Next Review:	July 2024 August 2028

- 2.11.1 **receive** and assess complaints about public administration from members of the public;
- 2.11.2 receive and assess reports about corruption, misconduct and maladministration in public administration from inquiry agencies (including the Ombudsman), public authorities (including the Council) and public officers;
- 2.11.3 refer complaints and reports to inquiry agencies, public authorities and public officers in circumstances approved by the Commissioner or make recommendations as to whether and by whom complaints and reports should be investigated;
- 2.11.4 give directions or guidance to public authorities in circumstances approved by the Commissioner;
- 2.11.5 perform other functions assigned to the Office by the Commissioner
- 2.12 **PID Act** means the Public Interest Disclosure Act 2018.
- 2.13 **Public administration** is defined at section 4 of the ICAC Act and, without limiting the acts that may comprise public administration, an administrative act within the meaning of the Ombudsman Act 1972 will be taken to be carried out in the course of public administration. For the purposes of this Policy, references to Corruption, Misconduct and Maladministration are taken to mean references to such conduct in public administration.
- 2.14 **Public Officer** has the meaning given by section 4 and Schedule 1 of the ICAC Act, and includes:
- a council member; and
 - an employee or officer of the Council;
- 2.15 **Publish** is defined in section 4 of the ICAC Act, and means publish by:
- 2.15.1 newspaper, radio or television;
- 2.15.2 internet or other electronic means of creating and sharing content with the public or participating social networking with the public; or
- 2.15.3 any similar means of communication with the public.
- 2.16 **Relevant Authority** for the purposes of the PID Act means the person or entity that receives an appropriate disclosure of public interest information in accordance with the PID Act.
- 2.17 **Responsible Officer** is a person who has completed any training courses approved by the Commissioner for the purposes of the Public Interest Disclosure Regulations 2019 and has been designated by the Council as a responsible officer under section 13 of the PID Act.
- 2.18 For the purposes of the ICAC Act, misconduct or maladministration in public administration will be taken to be **serious or systemic** if the misconduct or maladministration -



 City of Mount Gambier	F225 FRAUD, CORRUPTION, MISCONDUCT AND MALADMINISTRATION PREVENTION POLICY	Version No:	1110
		Issued:	12 December 2023 August 2024
		Next Review:	July 2024 August 2028

2.18.1 is of such a significant nature that it would undermine public confidence in the relevant public authority, or in public administration generally; and

2.18.2 has significant implications for the relevant public authority or for public administration generally (rather than just for the individual public officer concerned).

Note: further information about serious or systemic misconduct or maladministration is available at the ICAC website: <https://icac.sa.gov.au/glossary>

3. Principles

3.1 The Council recognises that the occurrence of Fraud, Corruption, Misconduct and Maladministration will be more likely to prevail in an administrative environment where opportunities exist for waste and abuse.

3.2 The Council also recognises that the most effective way to prevent the occurrence of Fraud, Corruption, Misconduct and Maladministration is to instil and continually reinforce a culture across the Council of acting lawfully, ethically and in a socially responsible manner, and to support this culture with the implementation of appropriate internal control mechanisms.

3.3 The Council expects employees and council members will assist in facilitating a sound ethical culture and preventing Fraud, Corruption, Misconduct and Maladministration by:

3.3.1 understanding the responsibilities of their positions;

3.3.2 familiarising themselves with Council policies and procedures and adhering to them;

3.3.3 understanding what behaviour constitutes Fraudulent or Corrupt conduct, Misconduct and/or Maladministration;

3.3.4 maintaining an awareness of the strategies that have been implemented by Council to minimise Fraud, Corruption, Misconduct and Maladministration;

3.3.5 being continuously vigilant to the potential for Fraud, Corruption, Misconduct and Maladministration to occur in the Council environment; and

3.3.6 reporting suspected or actual occurrences of Fraud, Corruption, Misconduct and Maladministration in accordance with Part 6 and 7 of this Policy.

4. Roles and responsibilities

4.1 The table in Appendix 1 to this Policy outlines the roles and responsibilities of key individuals and groups with respect to Fraud, Corruption, Misconduct and Maladministration prevention within Council.

5. Educating for Awareness



 City of Mount Gambier	F225 FRAUD, CORRUPTION, MISCONDUCT AND MALADMINISTRATION PREVENTION POLICY	Version No:	1110
		Issued:	12 December 2023 August 2024
		Next Review:	July 2024 August 2028

- 5.1 The Council recognises that the success and credibility of this Policy will largely depend upon how effectively it is communicated throughout the organisation and beyond.
- 5.2 The Council will, therefore, from time to time take proactive steps towards ensuring that the wider community is aware of the Council's zero-tolerance stance towards Fraud, Corruption, Misconduct and Maladministration, including by:
 - 5.2.1 promoting the Council's initiatives and policies regarding the control and prevention of Fraud, Corruption, Misconduct and Maladministration on the Council website and at Council offices;
 - 5.2.2 referring to the Council's Fraud, Corruption, Misconduct and Maladministration initiatives in the Council's Annual Report; and
 - 5.2.3 facilitating public access to all of the documents that constitute the Council's Fraud, Corruption, Misconduct and Maladministration framework, including those documents identified at clause 1.41-5 of this Policy.

6. Reporting Corruption, or Systemic or Serious Misconduct and Maladministration

- 6.1 Any Public Officer who has or acquires knowledge of actual or suspected Corruption, or Systematic or Serious Misconduct or Maladministration in the Council or in other public administration must report this information to the OPI as soon as practicable.
- 6.2 All reasonable suspicions of Corruption or Systematic or Serious Misconduct or Maladministration must be reported the OPI in accordance with the Commissioner's reporting requirements as identified in the Commissioner's Directions and Guidelines.
- 6.3 A report to the OPI by a Public Officer must be made on the online report form available at <https://www.publicintegrity.sa.gov.au/make-a-complaint-or-report> in accordance with the ICAC Act and the "Directions and Guidelines".
- 6.4 When reporting actual or suspected Corruption, or Systematic or Serious Misconduct or Maladministration, in the Council or in other public administration, to the OPI under the ICAC Act, any requirements of other documents that form part of the Council's Fraud, Corruption, Misconduct and Maladministration framework (including those documents identified at clause 1.41-5 of this Policy) should also, to the extent possible, be adhered to.
- 6.5 Nothing in this section is intended to prevent a Public Officer from reporting suspected Corruption or Systematic or Serious Misconduct or Maladministration in the Council or in other public administration to a Relevant Authority, like a Council's Responsible Officer, for the purposes of the PID Act. Such a disclosure may be protected under the PID Act and, if made to the Council's Responsible Officer, will be managed in accordance with the Council's Public Interest Disclosure Policy and Procedure. Public Officers are encouraged to have regard to the Council's Public Interest Disclosure Procedure when determining where to direct a disclosure.
- 6.6 Reports by Council to the OPI The Council (that is, the Elected Member body collectively) must report to the OPI any matter that the Council reasonably suspects involve corruption in public administration unless the Council knows that the matter has already been reported to the OPI. The Chief Executive Officer is responsible for



 City of Mount Gambier	F225 FRAUD, CORRUPTION, MISCONDUCT AND MALADMINISTRATION PREVENTION POLICY	Version No:	1110
		Issued:	12 December 2023 August 2024
		Next Review:	July 2024 August 2028

preparing a report to the OPI on behalf of the Council for these purposes. (Where the matter relates to the Chief Executive Officer the Mayor is to make the report). The report must be made immediately upon receiving direction from the Council. A report to the OPI by the Chief Executive Officer on behalf of the Council must be made on the online report form available at <https://www.publicintegrity.sa.gov.au/make-a-complaint-or-report>.

7. Reporting Fraud, Misconduct or Maladministration

7.1 Where an employee, council member, contractor or volunteer has or acquires knowledge of actual or suspected Fraud or other similar conduct that does not constitute Corruption or Systematic or Serious Misconduct or Maladministration (and is therefore not required to be reported to OPI), that knowledge should be reported to the Council's Responsible Officer. Such a disclosure may be protected under the PID Act and will be managed in accordance with the Council's Public Interest Disclosure Policy and Public Interest Disclosure Procedure.

8. Confidentiality and Publication Prohibitions

8.1 A person who receives information knowing that the information is connected with a matter that forms or is the subject of a complaint, report, assessment, investigation, referral or evaluation under the *ICAC Act* must not disclose that information, other than in the limited circumstances set out in section 54(3) of the *ICAC Act*.

8.2 A person must not, other than as authorised by the Commissioner or a court, publish or cause to be published any of the following:

- 8.2.1 information tending to suggest that a particular person is, has been, may be, or may have been, the subject of a complaint, report, assessment, investigation or referral under the *ICAC Act*;
- 8.2.2 information that might enable a person who has made a complaint or report under the *ICAC Act* to be identified or located;
- 8.2.3 the fact that a person has made or may be about to make a complaint or report under the *ICAC Act*;
- 8.2.4 information that might enable a person who has given or may be about to give information or other evidence under the *ICAC Act* to be identified or located;
- 8.2.5 the fact that a person has given or may be about to give information or other evidence under this Act; or
- 8.2.6 any other information or evidence which the Commissioner has prohibited from publication.

8.3 A failure to comply with the requirements in this part can constitute an offence. A Council employee who fails to comply with these requirements may also face disciplinary action which may include dismissal from employment.

8.4 In addition to the requirements in this part, council members and employees should also be mindful of the confidentiality provisions in the Council's Public Interest Disclosure Policy.



 City of Mount Gambier	F225 FRAUD, CORRUPTION, MISCONDUCT AND MALADMINISTRATION PREVENTION POLICY	Version No:	1110
		Issued:	12 December 2023 August 2024
		Next Review:	July 2024 August 2028

9. Action by the Chief Executive Officer

9.1 Unless otherwise directed by OPI or SAPOL, the CEO will investigate how the alleged Corruption, Fraud, Misconduct or Maladministration occurred to determine the cause for the breakdown in controls and identify if any recommendations as to changes in policies, procedures or internal controls should be made to the Council. The investigation should:

- 9.1.1 occur as soon as practicable after the alleged incident; and
- 9.1.2 not impose on or detract from any investigation being undertaken by the OPI or SAPOL;
- 9.1.3 have regard to any recommendations in any report received from the Commissioner or SAPOL on the incident.

9.2 The CEO will, in conducting the investigation and deciding whether and how to report on the investigation to Council, have regard to the provisions of the Public Interest Disclosure Policy, and any confidentiality requirements under the PID Act and/or ICAC Act.

9.3 Action taken by the CEO following an investigation into alleged Corruption, Fraud, Misconduct or Maladministration may include disciplinary action against any employee involved in the incident.

10. False Disclosure

10.1 A person who knowingly makes a false disclosure or a false or misleading statement in a complaint or report will be guilty of an offence under the ICAC Act and the PID Act.

10.2 A Council employee who makes a false disclosure may also face disciplinary action which may include dismissal from employment.

12. Review & Evaluation

~~This Policy is scheduled for review by Council in August 2028; however, will be reviewed as required by any legislative changes which may occur.~~

~~This Policy is scheduled for review by Council's Audit and Risk Committee annually, however, will be reviewed as required by any legislative changes which may occur.~~

13. Availability of Policy

This Policy will be available for inspection at Council's principal office during ordinary business hours and on the Council's website www.mountgambier.sa.gov.au. Copies will also be provided to interested members of the community upon request, and upon payment of a fee in accordance with Council's Schedule of Fees and Charges.



 City of Mount Gambier	F225 FRAUD, CORRUPTION, MISCONDUCT AND MALADMINISTRATION PREVENTION POLICY	Version No:	1110
		Issued:	12 December 2023 <u>August 2024</u>
		Next Review:	July 2024 <u>August 2028</u>

File Reference:	AF18/48
Applicable Legislation:	Independent Commission Against Corruption Act 2012 Criminal Law Consolidation Act 1935 Local Government Act 1999 Local Government (Elections) Act 1999 Local Government (General) Regulations 2013 Planning, Development and Infrastructure Act 2016 Ombudsman Act 1972 Public Interest Disclosure Act 2018
Reference:	Community Plan Goal 3 Our Diverse Economy
Related Policies:	Internal Controls Policy M405 Council Members Allowances and Benefits Policy P900 Public Interest Disclosure Behavioural Management Policy
Related Procedures:	ICAC Directions & Guidelines Public Interest Disclosure Procedures and Guidelines
Related Documents:	Code of Conduct for Employees

DOCUMENT DETAILS

Responsibility:	General Manager Corporate and Regulatory Services
Version:	1011
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APPENDIX 1

Responsibilities and accountability for Fraud, Corruption, Misconduct and Maladministration prevention actions

Responsibility		Council Members	Chief Executive Officer	Managers	Employees	Audit and Risk Committees	Other (e.g. certain contractors and volunteers)
Governance and ethics							
1	Comply with this policy and any related legislation, policy, protocol or procedure.	✓	✓	✓	✓	✓	✓
2	At all times in the performance of duties or in association with their role with Council, act in an ethical manner.	✓	✓	✓	✓	✓	✓
3	Promote a culture and environment in which Fraud, Corruption, Misconduct and Maladministration is discouraged and not tolerated	✓	✓	✓	✓		✓
4	Remain scrupulous in the use of Council information, assets, funds, property, goods or services	✓	✓	✓	✓	✓	✓



Responsibility		Council Members	Chief Executive Officer	Managers	Employees	Audit and Risk Committees	Other (e.g. certain contractors and volunteers)
Awareness and training							
1	Promote community awareness of the Council's commitment to the prevention of Fraud, Corruption, Misconduct and Maladministration.	✓	✓		✓ (as appropriate)		
2	Executive employees and managers ensure all employees under their supervision have been educated regarding Fraud, Corruption, Maladministration and Misconduct.		✓	✓	✓		
3	Undertake awareness training or education regarding Fraud, Corruption, Maladministration and Misconduct.	✓	✓	✓	✓	✓	✓ (as appropriate)
4	Develop and deliver training to employees and other public officers to promote ethical conduct and an ethical culture.		✓	✓			
5	Act in an ethical manner at all times in the performance of duties, and comply with ethical obligations in accordance with any relevant code or policy regarding conduct and behaviour	✓	✓	✓	✓	✓	✓
6	Adopt and models constructive behaviours and approaches to work which promote ethical behaviours in Council employees	✓	✓	✓		✓	



Responsibility		Council Members	Chief Executive Officer	Managers	Employees	Audit and Risk Committees	Other (e.g. certain contractors and volunteers)
Fraud prevention							
1	Provide adequate security, including the provision of secure facilities for storage of assets, to assist in the prevention of Fraud, Corruption, Misconduct and Maladministration		✓	✓			
2	Develop procedures to deter fraudulent or corrupt activity from occurring	✓	✓	✓	✓		
3	Where relevant, comply with the <i>Public Interest Disclosure Act 2019</i>	✓	✓	✓	✓	✓	✓
4	Ensure appropriate internal controls are in place and operating effectively to minimise the risks of incidents	✓	✓	✓	✓	✓	
5	Ensure effective screening (e.g. criminal history) of employees, prospective employees, volunteers (as relevant) and contractors is undertaken, including by use of appropriate and effective contractual arrangements		✓	✓			



Responsibility		Council Members	Chief Executive Officer	Managers	Employees	Audit and Risk Committees	Other (e.g. certain contractors and volunteers)
6	Ensure all powers and authorities are appropriately delegated in order to minimise the risk of Fraud, Corruption, Misconduct or Maladministration	✓	✓	✓			
Detection and investigation							
1	Ensure that where appropriate, proper investigations are conducted into allegations of Fraud, Corruption, Misconduct or Maladministration.	✓	✓				
2	Facilitate cooperation with any investigations undertaken by an external authority		✓				
3	Undertakes/and or monitor risk assessments on a regular basis	✓	✓			✓	
4	Provides mechanisms for receiving allegations of Fraud, Corruption, Misconduct and Maladministration	✓	✓				
5	Investigates matters of Fraud, Corruption, Misconduct and Maladministration	✓	✓				



Responsibility		Council Members	Chief Executive Officer	Managers	Employees	Audit and Risk Committees	Other (e.g. certain contractors and volunteers)
6	Cooperate as required with any investigations undertaken whether internally or by an external authority	✓	✓	✓	✓		✓
Monitoring and reporting							
1	Report all instances of conduct known or reasonably suspected to be Fraud, Corruption, Maladministration or Misconduct in accordance with Council's policies	✓	✓	✓	✓	✓	✓ (report to Responsible Officer)
2	Develop mechanisms for receiving allegations of Fraud, Corruption, Misconduct or Maladministration including appointing a responsible officer	✓	✓				
3	Work jointly with other areas of Council to coordinate activities relating to the control, prevention, detection and management of Fraud, Corruption, Misconduct or Maladministration	✓	✓	✓		✓	



Responsibility		Council Members	Chief Executive Officer	Managers	Employees	Audit and Risk Committees	Other (e.g. certain contractors and volunteers)
4	Review the effectiveness of the implemented policies that ensure risks are identified and that controls implemented by management are adequate	✓	✓			✓	



 City of Mount Gambier	B150-BUILDING SEWER CONNECTIONS, ON-SITE WASTEWATER MANAGEMENT CONTROL AND THE PROVISION OF TOILET FACILITIES SYSTEMS	Version No:	78
		Issued:	August 2019
		Next Review:	August 2023

1. INTRODUCTION

This document sets out the policy of the City of Mount Gambier ('Council') for the connection of South Australian Water Corporation sewer to and/or the installation of wastewater systems on properties within the Council area.

For the purpose of this Policy, refer to the [SA Health On-site Wastewater System Code, for an Aerobic Wastewater Treatment System \(AWTS\)](#).

2. PLANNING - NEW BUILDINGS, LAND DIVISIONS AND DEVELOPMENTS

(a) Where planning and building consents / Development approval are granted for a new building/development on an existing parcel of land to which the SA Water Corporation sewer system is not available, then sewage disposal shall be in accordance with the following:

1. Extension of the SA Water sewer system;
2. Where (1 as above) is not practical, sewage is to be disposed of by pumping sewage or septic tank effluent from the parcel of land to the nearest SA Water Corporation sewer connection;
3. Where (2 as above) is not practical by pumping sewage to the nearest SA Water Corporation sewer connection, sewage is to be disposed of by installing an approved [aerobic-aerated](#) wastewater treatment system (AWTS), or other appropriate on-site wastewater treatment system ([eg. alternate secondary treatment system](#)).

¹ (b) Where an approved [aerobic-on-site](#) wastewater treatment system ~~or other approved system~~ is installed in accordance with this policy, the premises must be connected to the SA Water Corporation sewer system within three (3) months of such sewer becoming available to the parcel of land.

3. SEWER CONNECTIONS - EXISTING BUILDINGS

(a) All premises are to be connected to the SA Water Corporation sewer if available to the parcel of land.

(b) All premises to which sewer is not currently available are to be connected to the SA Water Corporation sewer system within three (3) months of such sewer becoming available to the parcel of land.

4. DISPOSAL OF WASTEWATER

(a) The minimum disposal area (for irrigation systems of AWTS) is 280m² to minimise storage of wastewater in the soil.

(b) ~~It is encouraged that multi-barrier solutions (e.g. Pressure Dosed Distribution Bed and Mounds) for disposal of wastewater are used in conjunction with an AWTS. Alternative wastewater disposal methods (to 4a), which are designed by a Wastewater Engineer, may be considered in association with an AWTS or other secondary treatment system. However, these solutions must meet requirements in the SA On-site Wastewater System Code and where applicable, the associated Standard, AS/NZS 1547~~

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Page 1 of 3

	B150-BUILDING SEWER CONNECTIONS, ON-SITE WASTEWATER MANAGEMENT CONTROL AND THE PROVISION OF TOILET FACILITIES SYSTEMS	Version No:	78
		Issued:	August 2019
		Next Review:	August 2023

5. ON-SITE WASTEWATER SYSTEM

- (a) Approval from Council must be received before installation of the on-site wastewater system commences.
- (b) The on-site wastewater system must be on the Department of Health and Ageing (SA Health) approved products list.

6. DISPENSATION

Council may, in any case in which Council deems it expedient, dispense with the observance of this policy, or any part thereof, either absolutely or on such terms and conditions as the Council deems proper.

7. REVIEW & EVALUATION

This Policy is scheduled for review by Council in ~~June 2019~~ August 2028; however, will be reviewed as required by any legislative changes which may occur.

8. AVAILABILITY OF POLICY

This Policy will be available for inspection at Council's principal office during ordinary business hours and on the Council's website www.mountgambier.sa.gov.au.– Copies will also be provided to interested members of the community upon request, and upon payment of a fee in accordance with Council's Schedule of Fees and Charges.



	B150-BUILDING SEWER CONNECTIONS, ON-SITE WASTEWATER MANAGEMENT CONTROL AND THE PROVISION OF TOILET FACILITIES SYSTEMS	Version No:	78
		Issued:	August 2019
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Reference: Strategic Plan – Beyond 2015	
Related Policies:	
Related Procedures:	
Related Documents:	

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 City of Mount Gambier	COUNCIL POLICY D150 - BUILDING & SWIMMING POOL INSPECTION POLICY	Version No:	7
		Issued:	August 2023
		Next Review:	August 2027

1. INTRODUCTION

This document sets out the policy of the City of Mount Gambier (“Council”) for undertaking building inspections pursuant to Section 144 of the Planning, Development and Infrastructure Act 2016, Practice Direction 8 – Inspection Policy for Swimming Pools 2019 and Practice Direction 9 – Council Inspections 2020.

Scope

- The policy applies to all Development Approvals issued for the Council area.
- The policy sets out inspection levels in accordance with mandated levels of inspection for particular Classes of building.

Purpose

Council is required under Section 144 of the Planning, Development and Infrastructure Act 2016 to carry out inspections of development undertaken with the Council area in accordance with Practice Directions 8 and 9 for the inspection of building works including swimming pools.

2. OBJECTIVES

Council is committed to comply with mandated levels of inspections including buildings that have been Privately Certified for Building Consent.

Council aims to deter persons from undertaking Building Work except in accordance with a Development Approval (or exemption) under the Planning, Development and Infrastructure Act 2016.

The policy has taken into account:

- The financial and human resources of Council.
- The impact that failure to inspect a certain number of buildings over a period of time may have on the community.
- Whether particular parts of Council area are known to be subject to poor building conditions.
- The capacity of Council to inspect works finished to the receipt of notification under Section 146 of the Planning, Development and Infrastructure Act 2016 from Developers, the capacity of Council to inspect works will be measured against the number of instances in which Council receives the required notifications in a compliant and timely manner.

3. CRITERIA FOR SELECTION OF BUILDINGS TO BE INSPECTED

Buildings will be selected for inspection in accordance with the requirements of Practice Direction 9 – Council Inspections 2020 following:

- Distribution between Owner/Builders and Registered Builders.
- Local environmental factors (e.g. wind speed, flood prone, poor soil conditions).
- Specific condition of approval.
- Any other reason as determined by the authorised officer.

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Page 1 of 5



 City of Mount Gambier	COUNCIL POLICY D150 - BUILDING & SWIMMING POOL INSPECTION POLICY	Version No:	7
		Issued:	August 2023
		Next Review:	August 2027

Where a building is determined for inspection it may be inspected at any time and more than once.

Where a complaint is received about any new or existing building including any excavation, site works, retaining walls or the like, inspection may be undertaken taking into account the urgency of the situation and resources of Council.

Inspections will be undertaken evaluating the nature of works or complaint against:

- The approved documentation approved by Council or Private Certifier.
- The National Construction Code – Building Code of Australia where documentation is silent on the relevant matter.

4. AUDIT LEVELS OF INSPECTION

Council will endeavour to undertake inspections in accord with Practice Direction 9 as follows:

- Dwellings (new and additions) & Dwelling Units – Class 1
 - Minimum 66% of building work commenced in the relevant reporting year with at least one inspection of each development
- Commercial – Class 2-9 Buildings
 - Minimum 90% of building work commenced in the relevant reporting year with at least one inspection of each development.
- Verandahs / carports / sheds / others
 - 10% of all approvals for Class 10A (verandahs etc.)
 - 10% of all approvals for Class 10B (retaining walls, fences etc.)
- Swimming Pools
 - 100% of pools and swimming pool safety features constructed over the course of the calendar year within ten business days of the council being notified
- Additional Inspections
 - Council may carry out additional inspections if it has information to indicate that the circumstances warrant it, including building work in relation to, but not limited to:
 - A building intended for use or occupation by large numbers of people, particularly simultaneously;
 - A building intended for use or occupation by vulnerable persons or persons with a disability;
 - A building in respect of which Council has been made aware of a complaint or regulatory issue, whether directly or indirectly, relating to the building or any person involved in the building work;
 - A building with energy efficiency requirements;
 - A building constructed by a person who is not a licensed building work contractor under the Building Work Contractors Act 1995;
 - A building subject to local environmental conditions in respect of which additional measures are required to protect the environment, the building and its occupants or users; or

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 City of Mount Gambier	COUNCIL POLICY D150 - BUILDING & SWIMMING POOL INSPECTION POLICY	Version No:	7
		Issued:	August 2023
		Next Review:	August 2027

- A building incorporating construction properties or products, including but not limited to fire-rated construction, fire safety elements or designated building products.

5. MANDATORY NOTIFICATIONS

Pursuant to Section 146 of the Planning, Development and Infrastructure Act 2016 and Regulation 93(1) of the Planning, Development and Infrastructure Regulations, a person undertaking building work must give Council notification, as as prescribed by the Act and in accordance with this policy for the following stages of work:

For Class 1 – 9 Buildings

- One business day notice of the intended commencement of building work on the site
- One business day notice of the intended commencement of the pouring of the footings and other reinforcing steel works
- One business day notice of the completion of wall and all roof framing forming part of the building work (including top and bottom chord restraints, bracing and tie-downs)
- One business day notice of wet areas prior to tiling
- One business day notice of the completion of building work

In Addition for Class 2-9 Buildings

At the completion of the installation of the Essential Safety Provisions

For Class 10 buildings

- One business day notice of the intended commencement of the pouring of the footings and other reinforcing steel works

For sites where the building work involves the construction of a swimming pool (including safety fences and barriers associated with such swimming pools):

- One business day notice of intended commencement of building work on the site
- One business day notice of the completion of the construction of the swimming pool (before the pool is filled with water)
- One business day notice of completion of construction of the swimming pool safety features

All applicants will be advised of the relevant notifications required in writing at the time of issuing the Development Approval.

6. RECORD KEEPING

Council Officers will keep adequate records of inspections completed in accordance with the specified audit levels in the Act and the Practice Directions.

7. COUNCIL ENDORSEMENT

This Policy was first adopted by resolution of the Council on 18th February 1999.

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 City of Mount Gambier	COUNCIL POLICY D150 - BUILDING & SWIMMING POOL INSPECTION POLICY	Version No:	7
		Issued:	August 2023
		Next Review:	August 2027

8. REVIEW & EVALUATION

This Policy is scheduled for review by Council in August 2027; however, will be reviewed as required by any legislative changes which may occur.

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Page 4 of 5



 City of Mount Gambier	COUNCIL POLICY D150 - BUILDING & SWIMMING POOL INSPECTION POLICY	Version No:	7
		Issued:	August 2023
		Next Review:	August 2027

9. AVAILABILITY OF POLICY

This Policy will be available for inspection at Council's principal office during ordinary business hours and on the Council's website www.mountgambier.sa.gov.au. Copies will also be provided to interested members of the community upon request, and upon payment of a fee in accordance with Council's Schedule of Fees and Charges.

File Reference:	AF18/48
Applicable Legislation:	Planning, Development and Infrastructure Act 2016 Planning, Development and Infrastructure Regulations 2017 Practice Direction 8 Practice Direction 9
Reference: Strategic Plan - Beyond 2015	Goal 3
Related Policies:	N/A
Related Procedures:	N/A
Related Documents:	N/A

DOCUMENT DETAILS

Responsibility:	General Manager Corporate and Regulatory Services
Version:	7
Last revised date:	15 August 2023
Effective date:	15 August 2023
Minute reference:	Council Meeting 15 August 2023 , Item 19.3 Resolution 2023/177
Next review date:	August 2027
<u>Document History</u>	
First Adopted By Council:	18 th February 1999
Reviewed/Amended:	15 th April 2003, 16 th September 2006, 17 th February 2009, 22 nd February 2018, 15 August 2023

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Page 5 of 5



 City of Mount Gambier	M225 MEMBERS - SERVICE RECOGNITION		Version No:	2
			Issued:	July, 2018
			Next Review:	July, 2022

1. INTRODUCTION

This document sets out the policy of the City of Mount Gambier ("Council") for the recognition of service of Elected Members.

2. MEMBERS - Recognition of Service

The Mayor, in association with the Local Government Association of South Australia, present to each Elected Member who complete a term on Council;

- a "Certificate of Service" after ten (10) years of service with Council, irrespective of whether that service is continuous or with a break or breaks, provided the culmination equals at least ten (10) years;
- a "Service Badge" after fifteen (15) years of service with Council, irrespective of whether that service is continuous or with a break or breaks, provided the culmination equals at least fifteen (15) years;
- the "Certificate of Meritorious Service" after twenty (20) years of service with Council, irrespective of whether that service is continuous or with a break or breaks, provided the culmination equals at least twenty (20) years;
(Note: Certificate of Meritorious Service presented at the LGA - Annual General Meeting)

As the "Certificates of Service" or "Service Badge" can only be issued once to an Elected Member, then as a matter of policy, the issue and presentation of the "Certificates of Service" or "Service Badge" be made at the completion of an Elected Members' respective years of service.

Council also provide:

- a special memento in the form of a suitably inscribed gold watch after twenty five (25) years of service with Council irrespective of whether that service is continuous or with a break or breaks provided the culmination equals at least twenty five (25) years.


As the memento can only be issued once to an Elected Member, then as a matter of policy, the issue and presentation of the memento be made at the completion of an Elected Member's twenty five years of service.

3. REVIEW & EVALUATION

This Policy is scheduled for review by Council in July 2022; however, will be reviewed as required by any legislative changes which may occur.

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 City of Mount Gambier	M225 MEMBERS - SERVICE RECOGNITION	Version No:	2
		Issued:	July, 2018
		Next Review:	July, 2022

File Reference:	AF18/51
Applicable Legislation:	
Community Plan Reference:	
Related Policies:	M160 Members Certificate of Service (Superseded) M230 Members Recognition of Service (Superseded)
Related Procedures:	
Related Documents:	

DOCUMENT DETAILS

Responsibility:	Manager Governance and Property
Version:	2.0
Last revised date:	17 July 2018
Effective date:	17 July 2018
Minute reference:	Council Meeting 17 July 2018 - Item 13.2
Next review date:	July 2022
<u>Document History</u>	
First Adopted By Council:	18 th February 1999 (Suspended Policies M160, M230)
Reviewed/Amended:	17 July 2018

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POLICIES DUE FOR REVIEW (AS AT 13/08/2024)

DATE	POLICY	REFERENCE	COMMENTS
1/11/2019	C290 - Internal Review of Council's Decisions	AR11/4211[v4]	Awaiting the final release from the LGA of the updated Template/Model Section 270 Policy(s), which is understood to be drafted but not yet finalised. This will incorporate the content of C290/C200 following the Local Government Reform Bill.
1/03/2021	C200 - Request for Service and Complaint Policy	AR11/4123[v5]	Awaiting the final release from the LGA of the updated Template/Model Section 270 Policy(s), which is understood to be drafted but not yet finalised. This will incorporate the content of C290/C200 following the Local Government Reform Bill.
1/07/2022	M225 - Members - Service Recognition	AR14/24502[v2]	Recommended to be revoked. The Local Government Association (LGA) acknowledges the contributions of Elected Members and sets standards and requirements for recognition, making this policy obsolete.
1/07/2022	M270 - Members - Mayor Seeking Legal Advice	AR11/7140[v2]	Proposed to be incorporated into Member Allowances and Benefits Policy when it is presented. This is awaiting some Member information before legal advice and draft policy/procedural recommendations can be finalised.
1/04/2023	P195 - Community Consultation and Engagement Policy	AR11/4309[v3]	Pending an updated LGA Template/Model Policy following LG Reform Bill, which in turn is pending State Government finalisation of Statewide LG Community Engagement Charter (CEC).
1/07/2023	U900 Unsolicited Proposals	AR19/38900	Reverted to LGA model policy for endorsement at August 2024 meeting.
1/08/2023	P910 - Provision of Loans or Guarantees to Community Groups TEMPORARILY SUSPENDED - COUNCIL RESOLUTION 2023/253 - 12/12/2023	AR19/47356	TEMPORARILY SUSPENDED
1/08/2023	B150 - Building - Sewer Connections, Waste Management Control and Provision of Toilet Facilities	AR11/4402[v7]	Revisions to the SA Health reference, corrections of terminology and amended title. Recommended for endorsement at August Council meeting.
1/08/2023	L130 - Land Divisions	AR14/31659[v13]	Review currently being undertaken.
1/11/2023	Emergency Management	AR20/82686	Review currently being undertaken.



POLICIES DUE FOR REVIEW (AS AT 13/08/2024)

DATE	POLICY	REFERENCE	COMMENTS
1/11/2023	E200 - Employees - Service Awards - Gifts as Resignation/Retirement TEMPORARILY SUSPENDED - COUNCIL RESOLUTION 2023/253 - 12/12/2023	AR11/4339[v3]	TEMPORARILY SUSPENDED
1/11/2023	A240 - Assemblies and Events on Streets and Other Council Land	AR11/4169[v7]	Review currently being undertaken.
1/12/2023	Unreasonable Conduct	AR20/86076	This policy also involves interactions related to internal reviews, service requests, and complaints. Therefore, it is recommended that these be reviewed and presented to the Council together after each has been aligned with the LGA Model.
1/03/2024	W125 - Waste Management - Kerbside Refuse Collection	AR11/4389[v5]	Review currently being undertaken.
1/04/2024	A900 - Asset Management	AR19/47005[v2]	Review currently being undertaken.
1/07/2024	R200 - Reserves - Lease/Licence/Rental Arrangements	AR14/13125[v11]	Amended to reflect 2024/2025 rate increase. Recommended for endorsement at August 2024 meeting.
1/07/2024	F225 - Fraud, Corruption, Misconduct and Maladministration Prevention Policy	AR11/4220[v10]	Changes to reflect review every 4 years not annually for endorsement at August 2024 meeting.
1/09/2024	Memorials	AR20/82705	
1/11/2024	T150 - Treasury Management	AR11/4120[v9]	
1/04/2025	T120 - Tree Policy	AR11/4488[v5]	
1/05/2025	R105 - Rates - Rating Policy	AR11/4090[v15]	
1/05/2025	R155 - Rates - Rebate Policy	AR11/5724[v14]	
1/06/2025	Asset Accounting	AR22/29744[v5]	
1/07/2025	P900 - Public Interest Disclosure	AR19/38894[v3]	
1/08/2025	C700 - Corporate Branding and Identity	AR17/39353[v2]	
1/11/2025	B300 - Budget Framework Policy	AR12/18558[v6]	
1/01/2026	Council Election Caretaker Policy (formerly C305 - Caretaker Policy)	AR11/4214[v5]	
1/02/2026	Dual Naming	AR22/22212	
1/05/2026	M405 - Council Members - Allowances and Benefits	AR14/44893[v4]	
1/11/2026	Behavioural Management	AR22/86585[v2]	
1/12/2026	M500 - Members Training & Development Policy	AR16/77[v3]	
1/12/2026	S400 - Supplementary Elections	AR14/44891[v3]	



POLICIES DUE FOR REVIEW (AS AT 13/08/2024)

DATE	POLICY	REFERENCE	COMMENTS
1/01/2027	S140 - Street Numbering	AR11/4161[v5]	
1/08/2027	Animal Management - Unclaimed Dogs	AR23/56504	
1/08/2027	P155 - Privacy	AR14/13130[v3]	
1/08/2027	L230 - Licensed Premises	AR11/4470[v10]	
1/08/2027	P135 - Entertainment Venues	AR11/4473[v8]	
1/08/2027	F510 - Inspectorial - Footways and Council Land - Fundraising and Promotion	AR15/11759[v4]	
1/08/2027	F505 - Footways and Council Land - Sale of Commodities	AR15/11756[v3]	
1/08/2027	F500 - Footways and Council Land - Removal of Objects	AR15/11754[v3]	
1/08/2027	F135 - Flammable Undergrowth	AR11/4417[v7]	
1/08/2027	F125 - City Burning	AR18/28145[v2]	
1/08/2027	D150 - Building and Swimming Pool Inspections	AR11/4460[v7]	The policy specifies the requirements for building inspections in accordance with Section 144 of the PDI Act, Practice Direction 8 - Inspection Policy for Swimming Pools 2019, and Practice Direction 9 - Council Inspections 2020. In light of the specific Practice Directions issued by PlanSA, it is recommended this policy be revoked.
1/08/2027	A520 - Animal Control	AR15/11766[v3]	
1/08/2027	A515 - Animal Control - Dogs	AR15/11765[v4]	
1/08/2027	Illumination of Assets	AR23/26815[v2]	
1/08/2027	W115 - Waste Management - Receiving of Waste - Caroline Landfill	AR11/4388[v4]	
1/09/2027	Grants and Sponsorship	AR24/39109	
1/09/2027	External Grant Funding	AR23/65871	
1/09/2027	Political Neutrality and Government Relations	AR23/65568	
1/09/2027	S120 - Street Signs - Directional, Tourist and Other Scenic Facility Signs	AR11/4368[v5]	
1/09/2027	C120 - Cemeteries - Carinya Gardens and Lake Terrace Cemetery	AR17/44799[v7]	
1/09/2027	P415 - Prudential Management)	AR14/45050[v3]	
1/09/2027	Internal Controls	AR22/37682[v2]	
1/09/2027	E135 - Encroachments - Protection of Public During Building and Maintenance Works	AR14/37664[v4]	
1/09/2027	R270 - Road Pavement - Excavation and Reinstatement Of	AR11/4367[v9]	
1/09/2027	F175 - Footways and Crossovers	AR14/37645[v4]	
1/09/2027	F190 - Footways - Paving in City Centre Zone	AR11/4362[v4]	
1/09/2027	F110 - Fencing Costs - Contributions by Council	AR11/4414[v4]	
1/09/2027	C355 - Council Land - Irrigation Policy	AR11/4479[v5]	
1/09/2027	S115 - Fencing of Stormwater Retention Basins	AR11/17212[v5]	
1/10/2027	Volunteer Management	AR23/74317	
1/12/2027	Internal Audit	AR23/89179	
1/12/2027	Disposal of Land and Assets	AR23/89192	
1/12/2027	Procurement	AR23/89189	



POLICIES DUE FOR REVIEW (AS AT 13/08/2024)

DATE	POLICY	REFERENCE	COMMENTS
1/12/2027	C320 - Council Chamber and Reception Area - Use of	AR11/4217[v6]	
1/01/2028	Council Determined Meeting Procedures	AR24/6538	
1/01/2028	Information Security	AR24/6584	
1/01/2028	M205 - Members - Mayor - Anniversary Messages	AR11/4234[v4]	
1/01/2028	F140 - Flags - Protocol	AR11/4133[v8]	
1/01/2028	E115 - Elections - Council Entitlement to Vote	AR11/4132[v6]	
1/01/2028	s92 Code of Practice for Access to Meeting and Documents	AR14/45048[v13]	
1/03/2028	Citizen of the Year Awards (formerly A270 - Australia Day Awards)	AR11/4170[v6]	
1/03/2028	M130 - Media - Statements on behalf of Council	AR11/4222[v3]	
1/03/2028	Riddoch Arts and Cultural Centre Hire (formerly C140 - Main Corner Complex - Hire)	AR11/4171[v9]	
1/03/2028	S135 - Street - Naming of	AR11/4474[v4]	
1/05/2028	R180 - Records Management	AR14/13683[v5]	
1/05/2028	O110 - Order Making	AR11/4427[v12]	
1/05/2028	Library Collection Development	AR23/76530	
1/06/2028	Risk Management	AR20/82678[v2]	



19.12 REVIEW OF COUNCIL DELEGATIONS UPDATE - AUGUST 2024 – REPORT NO. AR24/57775

Committee:	Council
Meeting Date:	20 August 2024
Report No.:	AR24/57775
CM9 Reference:	AF23/328
Author:	Kristine Berry, Governance and Property Officer
Authoriser:	Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services
Summary:	This report provides for the review and update of Council delegations to the Chief Executive Officer.
Strategic Plan Reference:	Goal 1: Our People Goal 2: Our Location Goal 3: Our Diverse Economy Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Council Report No. AR24/57775 titled 'Review of Council Delegations Update - August 2024' as presented on 20 August 2024 be noted.
2. That Council grants the delegation of powers and functions of the Council as provided for in the tables accompanying Council Report No. AR24/20938 to the person occupying or acting in the office of Chief Executive Officer of the Council pursuant to section 44 of the Local Government Act 1999.
3. The delegations granted in resolution (2) above pursuant to:
 - (a) the Local Government Act to the Council's Chief Executive Officer, in accordance with sections 44(4)(b) and 101 of the Local Government Act, but subject to section 44(3a) of the Local Government Actmay, unless indicated by resolution or in the tables accompanying Council Report No. AR24/20938, be further sub-delegated by the Chief Executive Officer or delegate.

Noting: no sub-delegation is permitted under the Environment Protection Act.
4. Planning, Development and Infrastructure Act Delegations
 - (a) In exercise of the power contained in Section 44 of the Local Government Act 1999 the powers and functions under the Planning, Development and Infrastructure Act 2016 and statutory instruments made thereunder contained in the table accompanying Report No. AR24/20938 titled 'Provisions - Planning Instrument A') are hereby delegated to the person occupying or acting in the office of Chief Executive Officer of the Council subject to the conditions and/or limitations, if any, specified herein or in the Schedule of Conditions in the proposed Instrument of Delegation.
 - (b) Such powers and functions delegated in resolution 4 (a) may be further sub-delegated by the Chief Executive Officer in accordance with Sections 44 and 101 of the Local Government Act 1999 and Section 100(2)(c) of the Planning, Development and Infrastructure Act 2016 as the Chief Executive Officer sees fit, unless otherwise

indicated herein or in the Schedule of Conditions contained in the relevant Instrument of Delegation;

5. General

The delegations granted in resolutions (2) to (4) above are subject to the following conditions and limitations:

- (a) If two or more delegates are nominated in respect of a power or function, then each nominated person or position is granted a delegation and may exercise the power or function independently of any other delegate.
- (b) the delegate must exercise a delegated function or power in accordance with and due regard to:
 - (i) applicable legislative and other legal requirements; and
 - (ii) relevant policies and guidelines adopted by the Council.
- (c) in regard to the following delegations under the Local Government Act:
 - (i) section 133: the power to obtain funds does not extend to imposing rates, borrowing money or obtaining other forms of financial accommodation or fixing or varying fees under sections 188(1)(d) to 188(1)(h) of the Local Government Act;
 - (ii) section 137: the power to expend funds in the performance or discharge of the council's powers, functions or duties in accordance is limited to funds allocated as part of a budget adopted by the council and the financial sub-delegation limitations set by the Chief Executive Officer;
 - (iii) section 143(1): the power to write off debts is limited to debts not exceeding \$5,000;
 - (iv) section 188(3): the powers in regard to fees and charges are limited to fees and charges imposed under sections 188(1)(a), 188(1)(b) and 188(1)(c);
- (d) Each delegation of a power or function is granted independent of, and severable from, every other delegation granted under this or any other resolution or instrument.
- (e) A delegation of a power or function determined to be invalid or unlawful will be deemed to be severed from the delegations granted under this or any other resolution or instrument and remaining delegations will continue to operate according to their terms.
- (f) These delegations will come into operation on Wednesday 21 August 2024 and remain in force until varied or revoked by resolution of the Council.
- (g) Previous delegations granted by the Council of the powers and functions delegated under these resolutions are revoked with effect from Wednesday 21 August 2024.



TYPE OF REPORT

Legislative

BACKGROUND

Delegations are the way in which Council enables other people/bodies (usually Council Officers) to undertake the many functions required for the day to day administrative activities of Council.

Section 44 of the Local Government Act 1999 provides that the Council may delegate a power or function vested or conferred under this or another Act to a Council committee, a subsidiary, an employee, an employee occupying a particular office or position, or an authorised person. Other Acts also contain specific powers of delegation.

Delegations (and sub-delegations made by the Chief Executive Officer) are accessible on the Council website <https://www.mountgambier.sa.gov.au/council/governance/registers>.

Council may review its delegations at any time, and must review all delegations within 12 months of each periodic election. Council last conducted a comprehensive review of delegations in June 2023, based upon the Local Government Association (LGA) delegations framework.

This report presents updates based upon changes made to the LGA template delegations since previous delegation reports presented in June 2023 and January 2024.

The updates are summarised in the following table:

Legislative Instrument	Amendments
<ul style="list-style-type: none">Disability Inclusion Regulations 2019	1 new provision
<ul style="list-style-type: none">Environmental Protection Regulations 2023	1 changed provision
<ul style="list-style-type: none">Instrument B – Instrument of Delegation under the Planning, Development and Infrastructure Act 2016, Regulations, Planning and Design Code and Practice Directions of Powers of a Council as a Relevant Authority	1 new provisions 2 changed provision 2 deleted provisions

PROPOSAL

Updated delegations based on changes to LGA template delegations for the abovementioned legislation are provided in tables in the Attachment.

If the Council resolves to grant the delegations, then the updated delegations will come into operation on the day following the Council meeting together with updated sub-delegations made by the Chief Executive Officer, and previous delegations for these legislative instruments being revoked.

The updated delegations will be published on the Council website [here](#).

LEGAL IMPLICATIONS

As the authority under which the Chief Executive Officer (and in turn other Council Officers) are empowered to make decisions on behalf of Council, it is imperative that valid delegations are made in accordance with relevant legislation.

Council uses the template delegations and processes as provided and updated by the Local Government Association, as amended to suit the specific circumstances applicable to the City of Mount Gambier, to ensure appropriate delegations are in place to support the activities of Council in a compliant manner.



STRATEGIC PLAN

Nil

COUNCIL POLICY

Nil

ECONOMIC IMPLICATIONS

Nil

ENVIRONMENTAL IMPLICATIONS

Nil

SOCIAL IMPLICATIONS

Nil

CULTURAL IMPLICATIONS

Nil

RESOURCE IMPLICATIONS

The making of delegations (and sub-delegations) enables the Council to give effect to the strategic and policy objectives of Council through the many and diverse transactions and activities undertaken by the administration on a daily basis.

An absence of appropriate delegations would necessitate presentation to a formal meeting of Council for decision, which would be a resource intensive, inefficient and untimely decision-making process for routine administrative matters.

VALUE FOR MONEY

The use of delegations (and sub-delegations) enables the Council, Chief Executive Officer and other Council officers to direct decision making to an appropriate (sub)delegate to enable efficient and effective administration of the many, varied and routine functions of Council.

RISK IMPLICATIONS

It is imperative that delegations are validly made as the consequences of ineffective or invalid delegations include:

- the exercise of power may fail – i.e. the decision may be liable to being overturned by a court
- the cost of a successful challenge to an unlawful decision will likely be borne by the Council
- where an unlawful decision causes loss or damage the Council may be liable.

Whilst the abovementioned risks are at the extreme, the most likely risk of ineffective or invalid delegations is on the capacity of the administration to perform the day to day functions of Council for the benefit of the community in an efficient and timely manner.

If decision making is limited to the Chief Executive Officer or the Council then the pace with which decisions can be made and implemented will reduce and administrative resources and time associated with the formalities of presenting matters to a higher authority for decision will increase.

A balance is appropriate whereby all decision makers understand the context within which decisions are made and the expectations with regard to exercising, or not exercising, delegated powers.

It is important to note that a delegation provides authority but not an obligation for a delegate to exercise the delegated power. Accordingly, some decisions may be escalated to a higher authority for consideration and determination where the delegate considers it appropriate.

It should also be noted that delegations (or sub-delegations) are revocable and in any event do not prevent the Council from acting in a matter that has not already been determined.



EQUALITIES AND DIVERSITY IMPLICATIONS

Nil

ENGAGEMENT AND COMMUNICATION STRATEGY

There is no legislative requirement to actively engage the community on the making of delegations.

A person is however entitled to inspect the record of delegations and in support of this a full extract of the delegation register is published on the Council website [here](#).

IMPLEMENTATION STRATEGY

The implementation of updated delegations (and sub-delegations) is proposed to follow the same existing process as for recent reviews and updates using a delegation (software) register.

Once delegations are made by Council, the Chief Executive Officer will re-make sub-delegations to other officers with all (sub)delegations recorded in the delegation (software) register, electronic records management system, published on the Council website, and notified to sub-delegates.

CONCLUSION AND RECOMMENDATION

This report recommends that Council endorse updated delegations to the Chief Executive Officer for the legislation listed in the report background as contained in the tables attached to Council Report No. AR24/20938.

The recommendations contain conditions associated with the grant of delegations and include the revocation of pre-existing delegations and sub-delegations associated with the relevant instruments.

ATTACHMENTS

1. Delegations updates as at August 2024 (under separate cover) 



20 MOTIONS WITH NOTICE

20.1 NOTICE OF MOTION - REQUEST FOR REVIEW INTO HIGH RISK INTERSECTION (BAY ROAD)

Meeting: Council
CM9 Reference: AF23/328
Member: Max Bruins, Councillor

I, Councillor Max Bruins, give notice that at the next Ordinary Meeting of Council to be held on 20 August 2024, I intend to move the following motion:

MOTION

1. That Council Report No. AR24/56014 titled 'Notice of Motion - Request for Review into High Risk Intersection (Bay Road)' as presented on 20 August 2024 be noted.
2. That Council write to Minister for Police, Emergency Services and Correctional Services (with responsibility for road safety), The Hon. Dan Cregan MP requesting an urgent formal review into this high risk intersection, particularly noting the following:
 - The high number of motor vehicle accidents that occur at this intersection
 - The risk that accidents at this intersection pose to pedestrians
 - The broader impact of accidents at this intersection to the community given there is above ground electricity infrastructure situated in areas frequently damaged by motor vehicle accidents
 - The impact on residents and property owners in the vicinity of this intersection who frequently have boundary fences damaged
3. That a copy of the letter also be sent to following:
 - Troy Bell MP – Member for Mt Gambier
 - The Hon. Clare Scriven MLC - Minister for Primary Industries and Regional Development
 - The Hon. Ben Hood MLC – Shadow Assistant Minister for Regional South Australia
 - The Hon. Vincent Tarzia MP – Shadow Minister for Infrastructure & Transport

RATIONALE

Having personally witnessed quite a few accidents that have occurred at this intersection over the past few years (including providing assistance to those suffering shock or other injuries whilst waiting for emergency services to arrive, it is time to demand action from the DIT in relation to this intersection for the safety of the community. The intersection has a high level of vehicle traffic, poor visibility, a high level of pedestrian traffic (including large numbers of children walking to and from nearby school) and electrical infrastructure which is in the area where accidents typically occur. Action needs to be taken as a matter of urgency to improve the safety of this intersection before somebody is seriously injured.

I commend this Notice of Motion to Council.



ATTACHMENTS

Nil



21 URGENT MOTIONS WITHOUT NOTICE



22 CONFIDENTIAL ITEMS OF COMMITTEES

CONFIDENTIAL ITEMS OF THE CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE HELD ON 22 JULY 2024

22.1 Independent Review of Chief Executive Officer and Remuneration Review 2024

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except the Mayor, Councillors and (Council Officers) be excluded from attendance at the meeting for the receipt and consideration in confidence of Agenda Item 22.2 AR24/50717 Independent Review of Chief Executive Officer and Remuneration Review 2024.

The Council is satisfied that, pursuant to section 90(3) (a) and (g) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

- information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)
- information concerning matters that must be considered in confidence in order to ensure that the Council does not:
 - breach any law, order or direction of a court or tribunal constituted by law,
 - breach any duty of confidence, or
 - breach any other legal obligation or duty

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the subject matter includes information concerning the personal employment affairs of the Chief Executive Officer, Sarah Philpott for which a duty of confidence has been established.

CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 22.2 AR24/50717 Independent Review of Chief Executive Officer and Remuneration Review 2024 and its attachments, resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (a) and (g) be kept confidential and not available for public inspection until 2 years after the initial appointment term and any renewal term of the Chief Executive Officer, Sarah Philpott has lapsed, to be reviewed at least once in every 12 month period, with the exception of the relevant salary register details which are to be updated within 28 days of any change in remuneration.
2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.



CONFIDENTIAL ITEMS OF THE AUDIT AND RISK COMMITTEE HELD ON 29 JULY 2024

22.2 Legal/Litigation Cost/Liability (Risk) Exposure

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except the Mayor, Councillors and (Council Officers) be excluded from attendance at the meeting for the receipt and consideration in confidence of Agenda Item 22.4 AR24/43578 Legal/Litigation Cost/Liability (Risk) Exposure.

The Council is satisfied that, pursuant to section 90(3) (a), (b), (d), (f), (g), (h) and (i) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

- information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)
- information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is
 - conducting business; or
 - proposing to conduct business; or
 - to prejudice the commercial position of the Council

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.

- commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected:
 - to prejudice the commercial position of the person who supplied the information, or
 - to confer a commercial advantage on a third party

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.

- information the disclosure of which could reasonably be expected to prejudice the maintenance of law, including by affecting (or potentially affecting) the:
 - prevention, detection, or investigation of a criminal offence, or
 - the right to a fair trial
- information concerning matters that must be considered in confidence in order to ensure that the Council does not:
 - breach any law, order or direction of a court or tribunal constituted by law,
 - breach any duty of confidence, or



- breach any other legal obligation or duty
- legal advice
- information relating to:
 - actual litigation, or
 - litigation that the Council or Council committee believes on reasonable grounds will take place,
 - involving the Council or an employee of the Council

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information to be considered relates to litigation that has commenced and has been provided to Council on a strictly confidential basis.

CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 22.4 AR24/43578 Legal/Litigation Cost/Liability (Risk) Exposure and its attachments, resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (a), (b), (d), (f), (g), (h) and (i) be kept confidential and not available for public inspection until further ordered by Council or released in part or full by the Chief Executive Officer under delegation, to be reviewed annually.
2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.



23 NEW CONFIDENTIAL ITEMS

23.1 UPDATE ON UNSOLICITED PROPOSAL - PROPERTY THIRD PARTY – REPORT NO. AR24/17886

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except the Mayor, Councillors and (Council Officers) be excluded from attendance at the meeting for the receipt and consideration in confidence of Agenda Item 23.1 AR24/17886 Update on Unsolicited Proposal - Property Third Party.

The Council is satisfied that, pursuant to section 90(3) (a), (b) and (d) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

- information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)
- information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is
 - conducting business; or
 - proposing to conduct business; or
 - to prejudice the commercial position of the Council
- commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected:
 - to prejudice the commercial position of the person who supplied the information, or
 - to confer a commercial advantage on a third party

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information to be received and discussed includes the client details of the unsolicited proposal applicant, and the disclosure of Council's deliberations on the proposal would confer an advantage on the applicant and their client and prejudice the Council's commercial position in obtaining best value for the community from Council assets.

CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 23.1 AR24/17886 Update on Unsolicited Proposal - Property Third Party and its attachments, resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (a), (b) and (d) be kept confidential and not available for public inspection until further order of Council after the proposal contained in the report has been settled or abandoned, with the exception of any information that is prohibited from being withheld under s91(8) being disclosed being released upon the matter being settled, or any part of the information determined by the Chief Executive Officer to be released under delegation.



2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.

23.2 CHIEF EXECUTIVE OFFICER KPI'S 2024/2025 – REPORT NO. AR24/57657

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except the Mayor, Councillors and (Council Officers) be excluded from attendance at the meeting for the receipt and consideration in confidence of Agenda Item 23.2 AR24/57657 Chief Executive Officer KPI's 2024/2025.

The Council is satisfied that, pursuant to section 90(3) (a) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

- information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the subject matter includes information concerning the personal employment affairs of the Chief Executive Officer, Sarah Philpott for which a duty of confidence has been established.

CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 23.2 AR24/57657 Chief Executive Officer KPI's 2024/2025 and its attachments, resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (a) be kept confidential and not available for public inspection until the KPI's have been adopted by Council.
2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.

23.3 WULANDA RECREATION AND CONVENTION CENTRE - PROJECT UPDATE – REPORT NO. AR24/56252

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except the Mayor, Councillors and (Council Officers) be excluded from attendance



at the meeting for the receipt and consideration in confidence of Agenda Item 23.3 AR24/56252 Wulanda Recreation and Convention Centre - Project Update.

The Council is satisfied that, pursuant to section 90(3) (b), (d), (g) and (h) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

- information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is
 - conducting business; or
 - proposing to conduct business; or
 - to prejudice the commercial position of the Council
- commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected:
 - to prejudice the commercial position of the person who supplied the information, or
 - to confer a commercial advantage on a third party
- information concerning matters that must be considered in confidence in order to ensure that the Council does not:
 - breach any law, order or direction of a court or tribunal constituted by law,
 - breach any duty of confidence, or
 - breach any other legal obligation or duty
- legal advice

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information contained within the report and attachments presents matters relating to contracts between Council and contractors associated with the construction and operation of the Wulanda Recreation and Convention Centre. The disclosure of information contained in this report and attachments could reasonably be expected to prejudice the commercial position of Council or the third parties and is considered on balance to be contrary to the public interest as it could prejudice the Council's position in obtaining best value project delivery on behalf of the community..

CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 23.3 AR24/56252 Wulanda Recreation and Convention Centre - Project Update and its attachments, resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (b), (d), (g) and (h) be kept confidential and not available for public inspection until 12 months after completion of the project..
2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.



24 MEETING CLOSE



COMMITTEE MINUTES

AND

REPORTS / ATTACHMENTS

**MINUTES OF CITY OF MOUNT GAMBIER
ORDINARY COUNCIL MEETING
HELD AT THE COUNCIL CHAMBER, CIVIC CENTRE, 10 WATSON TERRACE,
MOUNT GAMBIER ON TUESDAY, 16 JULY 2024 AT 6.00 P.M.**

PRESENT: Mayor Lynette Martin (OAM), Cr Frank Morello, Cr Josh Lynagh, Cr Max Bruins, Cr Paul Jenner, Cr Sonya Meziniec, Cr Jason Virgo

OFFICERS IN ATTENDANCE:	Chief Executive Officer	- Mrs S Philpott
	General Manager City Infrastructure	- Ms B Cernovskis
	General Manager Corporate and Regulatory Services	- Mrs J Fetherstonhaugh
	Manager Governance and Property	- Mr M McCarthy
	Manager Economy Strategy and Engagement	- Mrs B Shearing
	Manager Operations Infrastructure	- Mr K Manarangi
	Media and Communications Coordinator	- Ms S McLean
	Communications Officer	- Ms M Brookes
	Councillor Support Officer	- Mrs M Telford

1 ACKNOWLEDGEMENT OF COUNTRY

WE ACKNOWLEDGE THE BOANDIK PEOPLES AS THE TRADITIONAL CUSTODIANS OF THE LAND WHERE WE MEET TODAY. WE RESPECT THEIR SPIRITUAL RELATIONSHIP WITH THE LAND AND RECOGNISE THE DEEP FEELINGS OF ATTACHMENT OUR FIRST NATIONS PEOPLES HAVE WITH THE LAND.

2 APOLOGIES

<p>RESOLUTION 2024/148</p> <p>Moved: Cr Frank Morello Seconded: Cr Jason Virgo</p> <p>That the apologies from Cr Mark Lovett and Cr Kate Amoroso be received.</p> <p style="text-align: right;">CARRIED</p>

3 LEAVE OF ABSENCE

Nil

4 CONFIRMATION OF COUNCIL MINUTES

<p>RESOLUTION 2024/149</p> <p>Moved: Cr Sonya Meziniec</p>

Seconded: Cr Josh Lynagh

That the minutes of the Ordinary Council meeting held on 18 June 2024, the Special Council meeting held on 18 June 2024 and the Special Council meeting held on 25 June 2024 be confirmed as an accurate record of the proceedings of the meeting.

CARRIED

5 MAYORAL REPORT

5.1 MAYORAL REPORT - JULY 2024

- Elected Member Briefing – Budget Consultation and Budget Update
- Catch-up meeting with Deb Brokenshire, LCLGA Executive Officer
- Meeting with South East Art Society
- McDonald Park Primary School – Art Show judging
- LCLGA Mayors Catch Up (virtual)
- Citizenship Ceremony
- LCLGA General Meeting (Bordertown)
- Radio Interview with Llew Jones – 5GTR FM
- Special Council Meeting – Budget adoption
- Meeting with Emma Poland – Limestone Coast Local Health Network CEO
- Catch-up meeting with Deb Brokenshire, LCLGA Executive Officer
- Meeting with Prof. Chris Brebner and Prof. Romy Lawson – Flinders University
- MJ Dance Debutante Ball
- Meeting with CEO and Deb Brokenshire, LCLGA Executive Officer
- LCLGA Mayors Catch Up (virtual)
- Blue Lake Bar & Bistro – 20 Years in Business Celebrations & Opening of the Deck
- Naidoc Week – Flag Raising Ceremony

RESOLUTION 2024/150

Moved: Mayor Lynette Martin

Seconded: Cr Max Bruins

That the Mayoral report made on 16 July 2024 be received.

CARRIED

6 REPORTS FROM COUNCILLORS

Cr Max Bruins Mount Gambier Swim Club - Swimming Carnival - Short Course Competition,
Meeting with Michelle Doyle - CEO - Swimming SA regarding Country
Championships 2025

- Cr Paul Jenner NAIDOC Week Flag Raising Ceremony, NAIDOC Week – Launch of Headspace Mount Gambier at the Riddoch.
- Cr Josh Lynagh Swinging with the Stars, Refugee Week Celebrations at Mount Gambier North Primary.
- Cr Sonya Mezinec Lions Club of Mount Gambier Changeover Dinner, Ryder-Cheshire Foundation – 100th Birthday of Lady Sue Ryder, NAIDOC Week Flag Raising Ceremony and March to Pangula Manamurna and Awards Ceremony, Meeting with Events Team regarding Parade Judging, last home game of Pioneers Basketball at Wulanda Recreation and Convention Centre, Christmas Parade 2224 – 1st Advisory Group Meeting.
- Cr Jason Virgo Citizenship Ceremony

RESOLUTION 2024/151

Moved: Cr Max Bruins

Seconded: Cr Jason Virgo

That the reports made by Councillors on 16 July 2024 be received.

CARRIED**7 QUESTIONS WITH NOTICE**

Nil

8 QUESTIONS WITH NOTICE

Nil

9 PETITIONS

Nil

10 DEPUTATIONS

Nil

11 NOTICE OF MOTION TO RESCIND OR AMEND**11.1 ELECTOR REPRESENTATION REVIEW - PREFERRED STRUCTURE - JULY UPDATE****RESOLUTION 2024/152**

Moved: Cr Max Bruins

Seconded: Cr Sonya Meziniec

1. That Council Report No. AR24/48191 titled 'Elector Representation Review - Preferred Structure - July Update' as presented on 16 July 2024 be noted.
2. That, having considered Council Report No. AR24/48191 as a report submitted by the Chief Executive Officer under regulation 21 of the *Local Government (Procedures at Meetings) Regulations 2013*, parts 3 and 4 of Council Resolution 2024/133 dated 18 June 2024, as follows:
 3. *That Council determine, in principle for the purpose of the preparation of a draft "Representation Report", the future composition and structure which it believes should come into effect at the next Local Government elections in 2026, be comprised of:*
 - (a) *The Council area be named The City of Mount Gambier.*
 - (b) *No Ward Structure.*
 - (c) *A Mayor as Principal Member elected as a representative of the area as a whole.*
 - (d) *8 or 9 Area Councillors.*
 4. *That a draft "Representation Report" be prepared presenting Council's proposed/preferred future elector representation arrangement for consideration and endorsement by Council prior to the initiation of the public consultation process.*
be revoked.
3. That Council determine, in principle for the purpose of the preparation of a draft "Representation Report", the future composition and structure which it believes should come into effect at the next Local Government elections in 2026, be comprised of
 - (a) The Council area be named City of Mount Gambier.
 - (b) No Ward Structure.
 - (c) A Mayor as Principal Member elected as a representative of the area as a whole.
 - (d) 8 Area Councillors.
4. That a draft "Representation Report" be prepared presenting Council's proposed/preferred future elector representation arrangement for consideration and endorsement by Council prior to the initiation of the public consultation process.

CARRIED

12 ELECTED MEMBERS INFORMATION BRIEFING SESSIONS

12.1 ELECTED MEMBER INFORMATION/BRIEFING SESSIONS FROM 17/06/2024 TO 12/07/2024

RESOLUTION 2024/153

Moved: Cr Sonya Meziniec

Seconded: Cr Frank Morello

1. That Council Report No. AR23/81517 titled 'Elected Member Information/Briefing Sessions from 17/06/2024 to 12/07/2024' as presented on 16 July 2024 be noted.

CARRIED

13 ELECTED MEMBERS TRAINING AND DEVELOPMENT

Nil

14 COUNCIL ACTION ITEMS**14.1 COUNCIL ACTION ITEMS - 18/06/2024****RESOLUTION 2024/154**

Moved: Cr Max Bruins

Seconded: Cr Frank Morello

1. That Council Report No. AR23/81542 titled 'Council Action Items - 18/06/2024' as presented on 16 July 2024 be noted.

CARRIED**15 JUNIOR SPORTS ASSISTANCE (SECTION 41) COMMITTEE MINUTES AND RECOMMENDATIONS**

Nil

16 AUDIT AND RISK COMMITTEE MINUTES AND RECOMMENDATIONS

Nil

17 CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE MINUTES AND RECOMMENDATIONS**17.1 MINUTES OF THE CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE HELD ON 18 JUNE 2024****RESOLUTION 2024/155**

Moved: Cr Max Bruins

Seconded: Cr Josh Lynagh

That the Minutes of the Chief Executive Officer Performance Review Committee meeting held on 18 June 2024 as attached be noted.

CARRIED**18 BUILDING FIRE SAFETY COMMITTEE MINUTES**

Nil

19 COUNCIL REPORTS

19.1 MOUNT GAMBIER 2035: A COMMUNITY VISION FOR OUR REGIONAL CAPITAL

RESOLUTION 2024/156

Moved: Cr Paul Jenner

Seconded: Cr Josh Lynagh

1. That Council Report No. AR24/47824 titled 'Mount Gambier 2035: A Community Vision for our Regional Capital' as presented on 16 July 2024 be noted.
2. That Council endorse the community vision document – Mount Gambier 2035: A Community Vision for our Regional Capital as the community's vision and strategic priorities to 2035.
3. That Council undertake to create its Strategic Plan 2024 – 2028 with consideration of the community vision in developing its strategic priorities for the next four years.

CARRIED

19.2 CRATER LAKES REHABILITATION REPORT FOR COMMUNITY CONSULTATION**RESOLUTION 2024/157**

Moved: Cr Paul Jenner

Seconded: Cr Max Bruins

1. That Council Report No. AR24/46073 titled 'Crater Lakes Rehabilitation Report for Community Consultation as presented on 16 July 2024 be noted.
2. That Council endorses key stakeholder and surrounding resident engagement for the Crater Lakes Rehabilitation Report, as attached to Report No. AR24/46073, be undertaken.
3. That a final report be presented to Council to consider feedback received from the key stakeholder engagement process.
4. That the blue gum fire affected area be identified at stage 2 of the rehabilitation project.

CARRIED**19.3 LOCAL AFFORDABLE HOUSING PLAN****RESOLUTION 2024/158**

Moved: Cr Paul Jenner

Seconded: Cr Max Bruins

1. That Council Report No. AR24/48033 titled 'Local Affordable Housing Plan' as presented on 16 July 2024 be noted.
2. That the Local Affordable Housing Plan, as attached to Council Report No. AR24/48033, be adopted with the Chief Executive Officer authorised to include appropriate references to aged care housing and disability housing on page 3 of the document, and elsewhere if appropriate.

CARRIED

Pursuant to Section 74 of the Local Government Act 1999, Cr Josh Lynagh disclosed a general conflict of interest in Item 18.4.

In accordance with Section 75B Cr Josh Lynagh informed the meeting:

Nature of Interest:

I work for Clare Scriven who will also receive a copy of the letter in this motion.

Intention to Participate:

I intend to stay in the meeting and vote on the matter. I will not move or second the motion nor will I be engaging in discussion or debate on the matter.

Reason for Participating:

The action that I am taking is sufficient to address and deal with my conflict adequately by not moving or seconding the motion or speaking to the motion. I intend to vote and represent the community with my vote as I feel that is important.

In accordance with Section 75B of the Local Government Act 1999 Cr Josh Lynagh remained in the meeting for Item 18.4.

19.4 BUS SERVICE UPDATE

RESOLUTION 2024/159

Moved: Cr Paul Jenner

Seconded: Cr Frank Morello

1. That Council Report No. AR24/40014 titled 'Bus Service Update' as presented on 16 July 2024 be noted.
2. That Council thanks the Minister for the suggested minor improvement to the bus service, and reinforces that while Foodbank is a priority site, it is one of many sites for which improved access is required, as per the information provided to the Minister and DIT.
3. That Council prepares information about a bus stop for this location, as well as the bus stop audit currently being undertaken and provides Council with a further report about options to support a bus stop at this location, including seeking an update from Foodbank on their transport requirements.
4. Prior to taking any further action, the CEO writes again to the Minister reinforcing the comprehensive need to improve the overall service to include timely access to the Mount Gambier Hospital and other essential services to improve accessibility and quality of life for members of our community.
5. Council prepares a submission to the regional transport review, in order to encourage the State Government to provide a more holistic and contemporary public transport system rather than a piecemeal approach.
6. That Council submissions also be provided to Mr Troy Bell MP, Member for Mount Gambier and The Hon. Clare Scriven MLC, Minister for Primary Industries and Regional Development and Forest Industries.

CARRIED

Having participated in the meeting for Item 18.4 Cr Josh Lynagh voted in favour of the motion.

Pursuant to Section 75 of the Local Government Act 1999, Mayor Lynette Martin disclosed a material conflict of interest in Item 18.5.

In accordance with Section 75C Mayor Martin informed the meeting:

Nature of Interest:

I am a nominee named in the report and recommendation.

Intention to Participate:

I will leave the meeting.

In accordance with Section 75C(1)(b) of the Local Government Act 1999 Mayor Lynette Martin left the meeting at 6:30 PM.

In the absence of Mayor Lynette Martin, Deputy Mayor Cr Max Bruins took the chair for Item 18.5.

19.5 SOUTH AUSTRALIAN REGIONAL ORGANISATION OF COUNCILS (SAROC) - MEMBERSHIP NOMINATIONS

RESOLUTION 2024/160

Moved: Cr Sonya Meziniec

Seconded: Cr Jason Virgo

1. That Council Report No. AR24/44606 titled 'South Australian Regional Organisation of Councils (SAROC) - Membership Nominations' as presented on 16 July 2024 be noted.
2. That Council nominates Mayor Lynette Martin OAM for a position on the South Australian Regional Organisation of Councils (SAROC).
3. Council authorises the Chief Executive Officer to complete the required nomination form and candidate information sheet for lodgement with the Local Government Association prior to the closing date of Friday 16 August 2024.

CARRIED

Mayor Martin returned to the meeting at 06:33 PM and resumed the chair.

19.6 PUBLIC INTEREST DISCLOSURE POLICY

RESOLUTION 2024/161

Moved: Cr Max Bruins

Seconded: Cr Josh Lynagh

1. That Council Report No. AR24/48266 titled 'Public Interest Disclosure Policy' as presented on 16 July 2024 be noted.
2. That the draft updated Public Interest Disclosure Policy as attached to Council Report AR24/48266 (Attachment 1) be endorsed.
3. That the Chief Executive Officer or Delegate be authorised to make any necessary changes to policies arising from this meeting, together with any typographical corrections, amendments to position or organisation titles, and finalisation of the document's formatting that do not materially alter the integrity of the document.

CARRIED

19.7 PROPOSED ITEMS OF BUSINESS - 2024 LGA ANNUAL GENERAL MEETING**RESOLUTION 2024/162**

Moved: Cr Max Bruins
Seconded: Cr Frank Morello

1. That Council Report No. AR24/49253 titled 'Proposed Items of Business - 2024 LGA Annual General Meeting' as presented on 16 July 2024 be noted.
2. That, in addition to a proposed item on 'Ability to raise pro-rata rates' as resolved in February 2024, draft item/s of business for the November 2024 LGA Annual General Meeting be prepared and presented for consideration at the August Council meeting, on the following matters:
 - SA Water and infrastructure to support housing

CARRIED**20 MOTIONS WITH NOTICE**

Pursuant to Section 74 of the Local Government Act 1999, Cr Josh Lynagh disclosed a general conflict of interest in Item 18.4.

In accordance with Section 75B Cr Josh Lynagh informed the meeting:

Nature of Interest:

I work for Clare Scriven who will also receive a copy of the letter in this motion.

Intention to Participate:

I intend to stay in the meeting and vote on the matter. I will not move or second the motion nor will I be engaging in discussion or debate on the matter.

Reason for Participating:

The action that I am taking is sufficient to address and deal with my conflict adequately by not moving or seconding the motion or speaking to the motion. I intend to vote and represent the community with my vote as I feel that is important.

In accordance with Section 75B of the Local Government Act 1999 Cr Josh Lynagh remained in the meeting for Item 19.1.

20.1 NOTICE OF MOTION - CHILD PSYCHIATRIST AND CHILD DRUG AND ALCOHOL SUPPORT**RESOLUTION 2024/163**

Moved: Cr Paul Jenner
Seconded: Cr Jason Virgo

1. That Council Report No. AR24/48017 titled 'Notice of Motion - Child Psychiatrist and Child Drug and Alcohol Support' as presented on 16 July 2024 be noted.
2. That Council write to the Minister for Health and Wellbeing, Chris Picton MP, Chief Psychiatrist, Dr John Brayley and the head of Mental Health at Mount Gambier Hospital advocating for a youth drug and alcohol service and specialist youth psychologist support for the region in Mount Gambier.
3. A copy of the letter be sent to Troy Bell MP, Nick McBride MP and The Honourable Clare Scriven MLC.

CARRIED

Having participated in the meeting for Item 19.1 Cr Josh Lynagh voted in favour of the motion.

20.2 NOTICE OF MOTION - CBD MASTER PLAN

RESOLUTION 2024/164

Moved: Cr Frank Morello

Seconded: Cr Max Bruins

1. That Council Report No. AR24/48173 titled 'Notice of Motion - CBD Master Plan ' as presented on 16 July 2024 be noted.
2. That Council convenes a workshop in August 2024 to progress the master-planning process.
3. That costs associated with the master-plan be considered at or before Budget Review 2.

CARRIED

21 MOTIONS WITHOUT NOTICE

Nil

22 CONFIDENTIAL ITEMS OF COMMITTEES

22.1 CONFIDENTIAL ITEMS OF THE CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE HELD ON 18 JUNE 2024

22.2 CHIEF EXECUTIVE OFFICER - 12 MONTH PERFORMANCE UPDATE – REPORT NO. AR24/33762

RESOLUTION 2024/165

Moved: Cr Sonya Meziniec

Seconded: Cr Jason Virgo

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except the Mayor, Councillors and S Philpott, B Cernovskis, J Fetherstonhaugh, M McCarthy, S McLean and M Telford be excluded from attendance at the meeting for the receipt and consideration in confidence of Agenda Item 22.2 AR24/33762 Chief Executive Officer - 12 Month Performance Update.

The Council is satisfied that, pursuant to section 90(3) (a) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

- information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information to be presented and discussed relates to the performance review of the Chief Executive Officer, the disclosure of which would be unreasonable disclosure of personal information relating to the employment of the Chief Executive Officer, Sarah Philpott.

CARRIED

RESOLUTION 2024/166

Moved: Cr Max Bruins
Seconded: Cr Sonya Mezinec

CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 22.2 AR24/33762 Chief Executive Officer - 12 Month Performance Update and its attachments, resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (a) be kept confidential and not available for public inspection until 2 years after the initial appointment term and any renewal term of the Chief Executive Officer, Sarah Philpott has elapsed.
2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.

CARRIED**23 NEW CONFIDENTIAL ITEMS****23.1 UPDATE - MITCHELL STREET TREES – REPORT NO. AR24/39130****RESOLUTION 2024/167**

Moved: Cr Max Bruins
Seconded: Cr Frank Morello

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except the Mayor, Councillors and S Philpott, B Cernovskis, J Fetherstonhaugh, M McCarthy, S McLean and M Telford be excluded from attendance at the meeting for the receipt and consideration in confidence of Agenda Item 23.1 AR24/39130 Update - Mitchell Street Trees.

The Council is satisfied that, pursuant to section 90(3) (a), (g), (h) and (i) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

- information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)
- information concerning matters that must be considered in confidence in order to ensure that the Council does not:
 - breach any law, order or direction of a court or tribunal constituted by law,
 - breach any duty of confidence, or
 - breach any other legal obligation or duty

- legal advice
- information relating to:
 - actual litigation, or
 - litigation that the Council or Council committee believes on reasonable grounds will take place,
 - involving the Council or an employee of the Council

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the matter for consideration includes associated legal advice obtained in relation to the nuisance matters being associated with the subject matter of the report, and attachments which contain third party information for which Council has no express or implied licence to publish and disclosure of which could reasonably be expected to breach a law or duty of confidence in relation to that content.

CARRIED

RESOLUTION 2024/168

Moved: Cr Max Bruins

Seconded: Cr Josh Lynagh

1. That Council Report No. AR24/39130 titled 'Update - Mitchell Street Trees' as presented on 16 July 2024 be noted.
2. That, having considered Council Report No. AR24/39130 as a report submitted by the Chief Executive Officer under regulation 21 of the *Local Government (Procedures at Meetings) Regulations 2013*, part (b) of Council Resolution 2023/61 dated 18 April 2023, as follows:
 - (b) *That Council progresses the process to remove the Mitchell Street Norfolk Island Hibiscus trees subject to any regulatory requirements.*

be revoked.

AND

3. That Council confirms it does not support removal of the Mitchell Street Norfolk Island Hibiscus trees at this time, given the significant costs that would be incurred to remove the trees, noting that it has been affirmed that no further regulatory requirements have been identified for removal of the trees.
4. Acknowledge that further legal advice has confirmed that Development Approval is not required for the removal of the *Lagunaria patersonia* (Norfolk Island Hibiscus) street trees located in Mitchell Street, Mount Gambier.
5. Note the original consultation undertaken under the Planning Development and Infrastructure Act 2016 indicated that surrounding residents were not in favour of the removal of the *Lagunaria patersonia* (Norfolk Island Hibiscus) street trees, and that Council is also aware that some parties directly impacted by the trees are in favour of removal.

6. That a further report be presented to Council in 2 years time regarding the efficacy of the maintenance and treatment options currently being trialled on the *Lagunaria patersonia* (Norfolk Island Hibiscus) street trees located in Mitchell Street, Mount Gambier, thus allowing sufficient time to assess if current treatment options are having any discernible impact

.CARRIED

RESOLUTION 2024/169

Moved: Cr Max Bruins

Seconded: Cr Paul Jenner

CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 23.1 AR24/39130 Update - Mitchell Street Trees and its attachments, resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (a), (g), (h) and (i) be kept confidential and not available for public inspection until the matter has been considered by Council, with Resolutions/Minutes to be released immediately following consideration by Council, the covering report AR24/39130 and attachments (1, 2, 3 and 4) be retained in confidence and reviewed annually in accordance with the *Local Government Act 1999*.
2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.

CARRIED

**23.2 TENDER AF17/59 - PROCUREMENT - RECEIVAL OF RECYCLABLE MATERIALS –
REPORT NO. AR24/49283****RESOLUTION 2024/170**

Moved: Cr Jason Virgo
Seconded: Cr Josh Lynagh

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except the Mayor, Councillors and S Philpott, B Cernovskis, J Fetherstonhaugh, M McCarthy, S McLean and M Telford be excluded from attendance at the meeting for the receipt and consideration in confidence of Agenda Item 23.2 AR24/49283 Tender AF17/59 - Procurement - Receiving of Recyclable Materials.

The Council is satisfied that, pursuant to section 90(3) (k) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

- tenders for the:
 - supply of goods, or
 - the provision of services, or
 - the carrying out of works

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because tenders for the supply of goods, or the provision of services, or the carrying out of works.

CARRIED

RESOLUTION 2024/171

Moved: Cr Max Bruins
Seconded: Cr Sonya Meziniec

CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 23.2 AR24/49283 Tender AF17/59 - Procurement - Receiving of Recyclable Materials and its attachments, resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (k) be kept confidential and not available for public inspection until 12 months after the completion of the tender works, with the name of the successful tenderer and the tender contract value to be disclosed following execution of a contract.
2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.

CARRIED

24 MEETING CLOSE

The Meeting closed at 7.14 p.m.

The minutes of this meeting were confirmed at the Ordinary Council Meeting held on 20 August 2024.

.....
PRESIDING MEMBER

**MINUTES OF CITY OF MOUNT GAMBIER
JUNIOR SPORTS ASSISTANCE FUND COMMITTEE MEETING
HELD AT THE CONFERENCE ROOM, LEVEL 1 , CIVIC CENTRE, 10 WATSON TERRACE,
MOUNT GAMBIER ON WEDNESDAY, 7 AUGUST 2024 AT 5:35 PM**

PRESENT: Cr Josh Lynagh (Presiding Member), Cr Megan Dukalskis, Mrs Felicity Walker and Mr Andrew Matheson

OFFICERS IN ATTENDANCE: Councillor Support Officer - Mrs M Telford

1 ACKNOWLEDGEMENT OF COUNTRY

WE ACKNOWLEDGE THE BOANDIK PEOPLES AS THE TRADITIONAL CUSTODIANS OF THE LAND WHERE WE MEET TODAY. WE RESPECT THEIR SPIRITUAL RELATIONSHIP WITH THE LAND AND RECOGNISE THE DEEP FEELINGS OF ATTACHMENT OUR FIRST NATIONS PEOPLES HAVE WITH THE LAND.

2 APOLOGIES

COMMITTEE RESOLUTION

Moved: Cr Josh Lynagh
Seconded: Cr Megan Dukalskis

That the apologies from Ms Di Gould and Mrs Jenny Burston be received.

CARRIED

3 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Cr Josh Lynagh
Seconded: Felicity Walker

That the minutes of the Junior Sports Assistance Fund meeting held on 12 June 2024 be confirmed as an accurate record of the proceedings of the meeting.

CARRIED

4 QUESTIONS WITHOUT NOTICE

Nil

5 REPORTS

5.1 COMMERCIAL CLUB INC. - ANNUAL DONATIONS - EXCEPTIONAL JUNIOR PROGRAM

COMMITTEE RESOLUTION

Moved: Cr Megan Dukalskis
Seconded: Felicity Walker

1. That Junior Sports Assistance Fund Report No. AR24/55423 titled 'Commercial Club Inc. - Annual Donations - Exceptional Junior Program' as presented on 07 August 2024 be noted.
2. To assist with awarding an additional nominee funding for the Exceptional Junior Program the Junior Sports Assistance Fund will match the contribution from the Commercial Club and provide a \$1,500 donation;
2. The following juniors receive the Commercial Club Inc. donation to assist them to advance in their chosen sport and to achieve their potential:
Awardees: Kai Arbery, Mount Gambier Cycling
Bree Ridding, Mount Gambier and District Baseball League
3. The presentation of the Commercial Club Inc. donation take place at a time convenient to the recipients, member organisations, representatives of the Commercial Club Inc. and the Junior Sports Assistance Fund.
4. The media be invited to attend the presentation.

CARRIED

6 MEETING CLOSE

The Meeting closed at 5.56 p.m.

The minutes of this meeting were confirmed at the Junior Sports Assistance Fund held on .

.....
PRESIDING MEMBER

15.2 COMMERCIAL CLUB INC. - ANNUAL DONATIONS - EXCEPTIONAL JUNIOR PROGRAM – REPORT NO. AR24/55423

Committee:	Junior Sports Assistance Fund
Meeting Date:	7 August 2024
Report No.:	AR24/55423
CM9 Reference:	AF11/725
Author:	Melissa Telford, Councillor Support Officer
Authoriser:	Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services
Summary:	The Commercial Club Inc. provides funding to assist the Junior Sports Assistance Fund to facilitate a program to acknowledge, financially assist and celebrate an exceptional junior who has excelled in their chosen sport. Member Organisations are invited to submit up to two confidential nominations for consideration of the Committee.
Strategic Plan Reference:	Goal 1: Our People

REPORT RECOMMENDATION

1. That Junior Sports Assistance Fund Report No. AR24/55423 titled 'Commercial Club Inc. - Annual Donations - Exceptional Junior Program' as presented on 07 August 2024 be noted.
2. The following junior received the Commercial Club Inc. donation to assist that junior to advance in their chosen sport and to achieve their potential:
Awardee:
3. The presentation of the Commercial Club Inc. donation take place at a time convenient to the recipient, member organisation and a representative of the Commercial Club Inc.
4. The media be invited to attend the presentation.



TYPE OF REPORT

Other

BACKGROUND

The Commercial Club Inc. have provided ongoing support to the Junior Sports Fund in its endeavours to provide meaningful assistance to our talented young sportspeople for many years.

The Annual Exceptional Junior Program provides the resource to acknowledge a junior who has displayed the ideals, enthusiasm, skills and abilities to develop their fullest potential in their chosen sport and could advance to the highest levels of achievement, also celebrating a junior who contributes back to their respective club.

The Commercial Club has made a significant impact through its ongoing donations to the Fund. Their continued support and commitment to the Program are greatly appreciated and the Club's generous contributions to the Fund have been instrumental in driving the success of the Program.

PROPOSAL

Member Organisations were invited to submit up to two (2) confidential nominations to the Committee in accordance with the guidelines and the application form, closing on Wednesday 31 July 2024.

As at the close of applications the following nominations were received:

(i) **Applicant 1**

Mount Gambier Cycling Club - Nominee Aged 17 years:

Applicant 1 has proved to be an accomplished cyclist, representing the state for many years. He was the gold medallist in the U19 Team Sprint for a second consecutive year at Nationals. He also placed 7th in Keirin, 7th in F200m and 5th in the 1km trial. He is placed as once of the top cyclists in the State.

Applicant 1 assists the Club and its junior cyclists with advice on skills and techniques for racing. He assists the junior cyclists with gearing and equipment selection and is a sponsor for the track cycling competition.

(ii) **Applicant 2**

Mount Gambier Cycling Club . - Nominee Aged 17 years:

Applicant 2 is another top cyclist in the State also securing gold for a second consecutive year for SA in the Team Sprints along with Applicant 1. He accepted a SASI Scholarship in 2022/2023 and continued into 2023/2024. He won a silver medal at the Oceania Track Championships in New Zealand for Team Sprint in 2024 and currently holds the fastest opening lap in Australia for U19 in 2023/2024.

Applicant 2 always assists the younger athletes. He setup and ran the 3 round Sprint Series in Mount Gambier choosing not the ride but to coach to encourage and help develop young riders.



(iii) **Applicant 3**

Mount Gambier Cycling Club - Nominee Aged 13 years:

Applicant 3 was 12 when she was selected in the SA State team in 2024 as a 1st year U15 rider. As a first year rider, she competed in all events, sprints and endurance. In the sprint event she won a national bronze medal and was extremely unlucky not to win a second Medal in the 500m event. Applicant 3 has won multiple state titles and is a multiple winner of Wheelraces at the Victorian Christmas Carnivals.

Applicant 3 is a pivotal member of the Limestone Coast Regional Sporting Academy, guiding new female members by sharing her knowledge and skills. She has been a mentor for younger riders at State events.

(iv) **Applicant 4**

Mount Gambier and District Baseball League - Nominee Aged 15 years:

Applicant 4's most recent and highest representation (however not limited to) has been at a state level, representing South Australia in an all-girls baseball team. In this competition she has travelled around Australia on a number of occasions and proudly returned with a "Spirit of the game" medallion, quoting Baseball SA: Applicant 4 embodies the spirit of the game on and off the field. She's caring, compassionate and has the most contagious smile and energy". "She also had an amazing tournament making some great plays (like the championship clinching play) throwing heat on the mound." "It is no surprise this much-loved character won this award".

Applicant 4's talent is far beyond her age, and in the 2023/2024 season she made her A grade debut for Mount Gambier, being the first female to play A grade for the League.

She has been awarded a considerable number of trophies and awards at a club, league and state level.

Applicant 4 is a very special member of her respective Club and the League and valued for her willingness to assist beyond her rostered duties. She continually offers assistance to fellow members and teammates, whether that be through coaching, umpiring, canteen duties, equipment or groundskeeping. We are truly honoured and proud to have such a kind, motivated young lady within our Club and believe she is a very deserving candidate for this nomination.

(v) **Applicant 5**

Limestone Coast Football Association - Nominee Aged 15 years:

Applicant 5 has been selected in 2024 to go to the UK for the Global Football Network UK Program in the U15/16 Team in September this year. In 2023 he represented the Limestone Coast in the SAJSA State Championships U14 boys select team (represented from 2017 – 2024). Applicant 5 was chosen to represent Australia in the U14/U15's boys ultimate Fiji Cup team in 2023, a squad which consisted of other players from across Australia. Additionally, he has been awarded multiple trophies over his playing years including winning Runner Up Best and Fairest for the Limestone Coast Football Association and the Club prior to 2023.

Applicant 5 has been consistently running the lines for multiple grades, including junior and senior games, not only in 2023 but for the past few years.



He has refereed a number of junior boys U12 development and U12 games in 2023. Applicant 5 helps regularly in the kitchen and canteen and can often be found looking after the younger children and helping out with their soccer skills. He assists with trainings with senior women, helping when his dad had filled in coaching them in 2023 and in 2024. Applicant 5 is very supportive of others and is always willing to help when asked.

(vi) **Applicant 6**

Limestone Coast Football Association - Nominee Aged 15 years:

Applicant 6 attended the SAJSA State Championships in 2023 where he represented the Limestone Coast in the Under 15 Boys Squad. In addition to this he was also chosen to represent Australia in the FIJI cup where he travelled to Fiji to represent Australia in the U15 Boys Squad. This squad was made up of other talented young players from across the whole of Australia.

Applicant 6 was Runner up Best and Fairest in 2023 for his club soccer, an outstanding achievement in his first year of U17's as a 14 year old.

Applicant 6 gives back to his club by running lines for other soccer grades. For the past three seasons he has been the Lines Person for U12A's.

(vii) **Applicant 7**

Limestone Coast Football Association - Nominee Aged 14 years:

Applicant 7 was the International Soccer Club U14 Runner Up B&F 2023. In 2023 he was selected for the Singa Cup but unfortunately was unable to attend. He has represented the Limestone Coast in the SAJSA State Championships where he was identified to participate in the State Identification Program (SIP). Through this process he was selected to play for Mount Barker in 2024 and has been playing for both Mount Barker and the International Soccer Club in 2024. Through this process he has made contact with GK coaches, including Neil Tate (the State Junior GK coach). In 2023 Applicant 7 participated in the FootballSA Regional Development Centre held at Wulanda, participating in two separate weekly sessions.

Applicant 7 has run lines for some games of Senior Women in 2023. He is very supportive of others and is willing to help out when asked.

(viii) **Applicant 8**

Lakes Junior Tennis - Nominee Aged 14 years:

Applicant 8 is a promising young tennis player representing the state at the Foundation Cup Tennis Tournament in 2021, 2022, 2023 and again in 2024. She has been a very successful local player and an asset to the tennis community.

Applicant 8 assists the Secretary with administration duties from laminating certificates and sorting photographs for media purposes.

(vii) **Applicant 9**

Lakes Junior Tennis - Nominee Aged 8 years:

Applicant 9 is another young promising junior tennis player. She has been selected in 2024 State Foundation Cup.



Applicant 9 is a spokesperson for Tennis and is continually trying to drum up new players for the Association. Given her young age it is great to see a junior so passionate in her chosen sport.

LEGAL IMPLICATIONS

N/A

STRATEGIC PLAN

Our People

COUNCIL POLICY

N/A

ECONOMIC IMPLICATIONS

N/A

ENVIRONMENTAL IMPLICATIONS

N/A

SOCIAL IMPLICATIONS

The Junior Sports Assistance Fund provides financial assistance to local junior sportspersons of Mount Gambier and District who have achieved as a minimum, selection in a formal State team and who compete at National sporting events (or equivalent) and who are a member of an Affiliated Sporting Organisation to aid in the financial burden these events place on regional families.

The Fund provides an ongoing pool of money for distribution to those juniors selected to represent the State or to represent Australia or equivalent and it also provides additional funding sourced from external sponsorship which is awarded to an exceptional junior on an annual basis.

CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

The Junior Sports Assistance Fund places no additional financial implications for Council.

VALUE FOR MONEY

N/A

RISK IMPLICATIONS

N/A



EQUALITIES AND DIVERSITY IMPLICATIONS

N/A

ENGAGEMENT AND COMMUNICATION STRATEGY

The Junior Sports Assistance Fund provides financial assistance to local junior sportspersons of Mount Gambier and District who have achieved as a minimum, selection in a formal State team and who compete at National sporting events (or equivalent) and who are a member of an Affiliated Sporting Organisation to aid in the financial burden these events place on regional families.

The Fund provides an ongoing pool of money for distribution to those juniors selected to represent the State or to represent Australia or equivalent and it also provides additional funding sourced from external sponsorship which is awarded to an exceptional junior on an annual basis.

IMPLEMENTATION STRATEGY

Upon adoption, funding will be disbursed to the successful Exceptional Junior.

CONCLUSION AND RECOMMENDATION

This report presents the applications received for consideration of the Junior Sports Assistance Fund. The Exceptional Junior will be determined at the meeting.

ATTACHMENTS

Nil



**MINUTES OF CITY OF MOUNT GAMBIER
AUDIT AND RISK COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER, CIVIC CENTRE, 10 WATSON TERRACE, MOUNT
GAMBIER
ON MONDAY, 29 JULY 2024 AT 5.30 P.M.**

PRESENT: Mr Paul Duka, Mayor Lynette Martin (OAM), Cr Paul Jenner, Mr Alexander Brown, Ms Belinda Johnson

IN ATTENDANCE: Cr Jason Virgo, Corinne Garrett, UHY Haines Norton (virtual), Janna Burnham, Galpins (virtual)

OFFICERS IN ATTENDANCE:	Chief Executive Officer	- Mrs S Philpott
	General Manager City Infrastructure	- Ms B Cernovskis
	General Manager Corporate and Regulatory Services	- Mrs J Fetherstonhaugh
	Acting Manager Financial Services	- Ms K Rolton
	Executive Administrator	- Mrs A Pasquazzi

1 ACKNOWLEDGEMENT OF COUNTRY

WE ACKNOWLEDGE THE BOANDIK PEOPLES AS THE TRADITIONAL CUSTODIANS OF THE LAND WHERE WE MEET TODAY. WE RESPECT THEIR SPIRITUAL RELATIONSHIP WITH THE LAND AND RECOGNISE THE DEEP FEELINGS OF ATTACHMENT OUR FIRST NATIONS PEOPLES HAVE WITH THE LAND.

2 APOLOGY(IES)

Nil

3 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Alexander Brown
Seconded: Mayor Lynette Martin

That the minutes of the Audit and Risk Committee meeting held on 3 June 2024 be confirmed as an accurate record of the proceedings of the meeting.

CARRIED

4 QUESTIONS WITHOUT NOTICE

Nil

5 REPORTS

5.1 CORRESPONDENCE RECEIVED

COMMITTEE RESOLUTION

Moved: Mayor Lynette Martin

Seconded: Paul Duka

1. That Audit and Risk Committee Report No. AR24/43693 titled 'Correspondence Received' as presented on 29 July 2024 be noted.

CARRIED

5.2 INTERNAL AUDIT - PAYROLL AND REMUNERATION

COMMITTEE RESOLUTION

Moved: Belinda Johnson

Seconded: Mayor Lynette Martin

1. That Audit and Risk Committee Report No. AR24/29749 titled 'Internal Audit - Payroll and Remuneration' as presented on 29 July 2024 be noted.
2. That it be noted that progress achieved on the actions resulting from the Internal Audit - Payroll and Remuneration will be reported in future internal audit updates.

CARRIED

5.3 INTERNAL AUDIT - PDI ACT - POST IMPLEMENTATION AUDIT

COMMITTEE RESOLUTION

Moved: Cr Paul Jenner

Seconded: Mayor Lynette Martin

1. That Audit and Risk Committee Report No. AR24/29750 titled 'Internal Audit - PDI Act - Post Implementation Audit' as presented on 29 July 2024 be noted.
2. That it be noted that progress achieved on the actions resulting from the Internal Audit - PDI Act - Post Implementation Audit will be reported in future internal audit updates.
2. That the Audit and Risk Committee note the importance of recommendation 5 – *“Reintroduce regular, re-current scheduled meetings between Development Services and Operations & Engineering teams and other stakeholders”* and the significance of these meetings in fostering collaboration, ensuring effective communication, and enhancing the overall efficiency and coordination of development projects.

CARRIED

5.4 QUARTERLY INTERNAL AUDIT UPDATE REPORT**COMMITTEE RESOLUTION**

Moved: Paul Duka
Seconded: Alexander Brown

1. That Audit and Risk Committee Report No. AR24/46781 titled 'Quarterly Internal Audit Update Report' as presented on 29 July 2024 be noted.
2. That a revised Internal Audit Plan including a reassessment of risk for each proposed internal audit be presented to the Audit and Risk Committee at its meeting scheduled for 25 November 2024.

CARRIED**5.5 LEASE AND LICENCE UPDATE - JULY 2024****COMMITTEE RESOLUTION**

Moved: Cr Paul Jenner
Seconded: Alexander Brown

1. That Audit and Risk Committee Report No. AR24/49333 titled 'Lease and Licence Update - July 2024' as presented on 29 July 2024 be noted.
2. That an update on Leases and Licences be presented to the Audit and Risk Committee at its meeting scheduled for 25 November 2024.

CARRIED**5.6 COUNCIL POLICY UPDATE****COMMITTEE RESOLUTION**

Moved: Cr Paul Jenner
Seconded: Belinda Johnson

1. That Audit and Risk Committee Report No. AR24/49733 titled 'Council Policy Update' as presented on 29 July 2024 be noted.
2. That an update on Council Policies including a timeline for review of each policy and the approach to be taken for timely policy reviews be presented to the Audit and Risk Committee at its meeting scheduled for 25 November 2024.

CARRIED**5.7 2023/2024 EXTERNAL AUDIT INTERIM MANAGEMENT REPORT****COMMITTEE RESOLUTION**

Moved: Paul Duka

Seconded: Mayor Lynette Martin

1. That Audit and Risk Committee Report No. AR24/50401 titled '2023/2024 External Audit Interim Management Report' as presented on 29 July 2024 be noted.
2. That having been reviewed by the Audit and Risk Committee on 29 July 2024, the 2023/2024 External Audit Interim Management Report be adopted.
3. That the Audit and Risk Committee commend the administration on the work undertaken to reduce the actions / recommendations from the prior year's interim audit management report.

CARRIED

5.8 AUDIT AND RISK COMMITTEE MEETING REPORT

COMMITTEE RESOLUTION

Moved: Mayor Lynette Martin

Seconded: Belinda Johnson

1. That Audit and Risk Committee Report No. AR24/29752 titled 'Audit and Risk Committee Meeting Report' as presented on 29 July 2024 be noted.

CARRIED

6 MOTIONS WITHOUT NOTICE

Nil

7 CONFIDENTIAL ITEMS

7.1 LEGAL/LITIGATION COST/LIABILITY (RISK) EXPOSURE – REPORT NO. AR24/43578

COMMITTEE RESOLUTION

Moved: Mayor Lynette Martin
 Seconded: Alexander Brown

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the *Local Government Act 1999* the Audit and Risk Committee orders that all members of the public, except the Mayor, Councillor P Jenner, Independent Members, P Duka, A Brown, B Johnson and Council Officers, S Philpott, B Cernovskis, J Fetherstonhaugh, K Rolton and A Pasquazzi be excluded from attendance at the meeting for the receipt and consideration in confidence of Agenda Item 7.1 AR24/43578 Legal/Litigation Cost/Liability (Risk) Exposure.

The Audit and Risk Committee is satisfied that, pursuant to section 90(3) (a), (b), (d), (f), (g), (h) and (i) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

- information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)
- information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is
 - conducting business; or
 - proposing to conduct business; or
 - to prejudice the commercial position of the Council
- commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected:
 - to prejudice the commercial position of the person who supplied the information, or
 - to confer a commercial advantage on a third party
- information the disclosure of which could reasonably be expected to prejudice the maintenance of law, including by affecting (or potentially affecting) the:
 - prevention, detection, or investigation of a criminal offence, or
 - the right to a fair trial
- information concerning matters that must be considered in confidence in order to ensure that the Council does not:
 - breach any law, order or direction of a court or tribunal constituted by law,
 - breach any duty of confidence, or
 - breach any other legal obligation or duty
- legal advice
- information relating to:
 - actual litigation, or

- litigation that the Council or Council committee believes on reasonable grounds will take place,
- involving the Council or an employee of the Council

The Audit and Risk Committee is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information to be considered relates to litigation that has commenced and has been provided to Council on a strictly confidential basis.

CARRIED

COMMITTEE RESOLUTION

Moved: Cr Paul Jenner
 Seconded: Alexander Brown

CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 7.1 AR24/43578 Legal/Litigation Cost/Liability (Risk) Exposure and its attachments, resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (a), (b), (d), (f), (g), (h) and (i) be kept confidential and not available for public inspection until further ordered by Council or released in part or full by the Chief Executive Officer under delegation, to be reviewed annually.
2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.

CARRIED

8 MEETING CLOSE

The Meeting closed at 6:58 pm.

The minutes of this meeting were confirmed at the Audit and Risk Committee held on .

.....
PRESIDING MEMBER

Amended Attachment 1- Item 5.4 - Quarterly Internal Audit Update Report

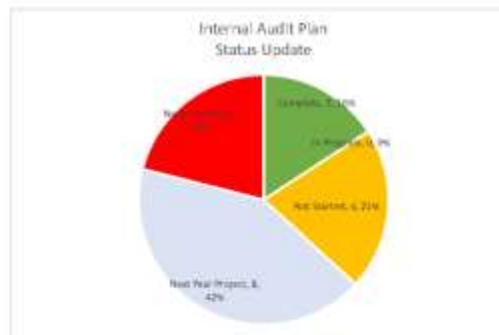
Internal Audit Plan 2023/2024-2025/2026

(June 2024 update)

No.	Internal Audit Project	Description	Strategic Risk	Category	Resource	Status	Lead	2023/ 2024	2024/ 2025	2025/ 2026	Latest Progress update
1	Internal Audit Plan Development	Development of the Internal Audit Plan following review in 2024. This will include indicative audit scopes and links to Council's Strategic Risk Register.	All Risks	All	Internal	Complete	Manager Financial Services				Reviewed and Updated by Audit and Risk Committee June 2024
2	Penetration Testing	The objective of this testing is to identify weaknesses within the COMO internal network on an ongoing basis.	Cyber Security	Operational	External	Next Year Project	Manager Organizational Development				Administration staff are working with external systems provider. Confirmed this will be undertaken by Local Government Risk Services (LGRS) in April 2024 with reporting to be brought to Audit and Risk Committee Meeting in August 2024.
3	Incident Response Plan	Review the adequacy of the incident response plan.	Cyber Security	Operational	External	Needs Review	Manager Organizational Development				
4	Payroll & Remuneration	Review onboarding, changes to staff employment terms and exit of staff.	Financial Sustainability	Operational	External	Complete	Manager Financial Services				This is now complete. Report tabled at Audit and Risk Committee meeting July 2024.
5	Payroll & Remuneration	Broader organisation wide internal audit testing a range of current employees (including the employees within the scope of the above audit) against the terms and conditions of the relevant ERs, Awards and Contracts	Financial Sustainability	Operational	External	Next Year Project	Manager Financial Services				
6	Position Description & Accreditation	Review of position descriptions across the organisation to ensure that they are in date, accurate and that accreditation has been maintained by staff.	People, Workforce and Compliance	Compliance/ Legislation	Internal	Needs Review	Manager Organizational Development				Initial meeting held with preferred provider to work through the proposed scope and timing at a high level. Audit expected to be undertaken in April 2024.....did this happen?
7	POI Act 2016 - Post Implementation Audit	Review of processes and organisational compliance further to the implementation of the POI Act 2016.	Governance, Compliance, and Legislative Obligations	Compliance/ Legislation	External	Complete	Manager Financial Services				This is now complete. Report tabled at Audit and Risk Committee meeting July 2024. 16 recommendations tabled.
8	Data Protection & Privacy	The review will assess the design of Council's process for compliance with relevant privacy legislation and testing the operating effectiveness of key controls such as data management, data storage, privacy breach response and management.	Cyber Security	Compliance/ Legislation	Internal	Not Started	Manager Organizational Development				
9	Management of Leave Entitlements	Review of staff leave entitlements focusing liabilities, and effectiveness of administrative principles and procedures.	People, Workforce and Compliance	Compliance/ Legislation	Internal	Needs Review	Manager Organizational Development				
10	Legislated Training	Review of completion of legislated training across the organisation.	Safety Compliance and WHS Management	Compliance/ Legislation	Internal	Next Year Project	Manager Organizational Development				
11	Workers Compensation Process	Review of effectiveness of administrative principles and procedures.	Safety Compliance and WHS Management	Compliance/ Legislation	External	Needs Review	Manager Financial Services				
12	Fraud Prevention	Review the effectiveness and completeness of Council's framework (gap analysis vs standard, roles, responsibilities, policies and procedures and internal training and awareness).	Governance, Compliance, and Legislative Obligations	Compliance/ Legislation	External	Not Started	Manager Financial Services				
13	Council Policies	Review of Council policies ensuring alignment with the "Better Practice model" and legislation.	Governance, Compliance, and Legislative Obligations	Compliance/ Legislation	Internal	Not Started	Manager Governance and Property				
14	Grants Management	Review of Council's "Cradle to Grave" grants process from strategy to acquittal.	Financial Sustainability	Strategic	External	Next Year Project	Manager Financial Services				

15	Investigations	Review of investigation procedures.	Safety Compliance and WHS Management	Compliance/ Legislation	External	Next Year Project	Manager Organisational Development				
16	Project Health Check	This review will include an assessment of a project's management mechanisms, governance structure, project team roles and responsibilities, and project status reporting mechanisms.	Major Infrastructure	Strategic	External	Next Year Project	Manager Financial Services				
17	Legislative Compliance	Assessment of CCMG's legislative compliance work plan, auditing one act at a time with actions monitored and managed by Council Staff.	Governance, Compliance, and Legislative Obligations	Compliance/ Legislation	External	Next Year Project	Manager Governance and Property				
18	Procurement	Assessment of compliance with the exemption from competitive process framework.	Financial Sustainability	Compliance/ Legislation	Internal	Not Started	Manager Financial Services				
19	Contract Management	Compliance with delegation register throughout the contract management life cycle.	Financial Sustainability	Compliance/ Legislation	Internal	Next Year Project	Manager Financial Services				
Future iterations											
20	Plant and Fleet				External		Manager Financial Services				Per ARC Resolution 5.10 Draft Revised Internal Audit Program COMMITTEE RESOLUTION Moved: Alexander Brown Seconded: Mayor Lynette Martin 3. That plant and fleet be subject to a future internal audit in a later iteration of the Internal Audit program.

Legend		19
Complete	Internal audit complete. Actions and recommendations arising from the audit may not yet be complete. These will be monitored separately.	3
In Progress	progress has been made towards the internal audit. This could include a number of stages including scoping of works, select RFL, appointment of an external consultant or that the internal audit itself is currently being undertaken.	5
Not Started	Planned internal audit not yet started, but still within anticipated time frames for the current financial year.	4
Next Year Project	Planned internal audit not yet started as is planned for a future financial year.	5
At Risk/Review	planned internal audit requires review to bring back on track. Plan may require updating pending review. Elements of the internal audit could be on track and some elements may be off track or require updating.	4



Complete
In Progress
Not Started
Next Year Project
Work Underway

Recommendations and Actions

Payroll and remuneration processes		Risk Rating	Lead	Status	Completion Date	Comments
1a	The Council's Administrative Principle Risk Management was issued in June 2022 and is listed on the document as due for review in June 2023. This document is overdue for review. We note that the Council adopted a reviewed Risk Management Policy in June 2024	Moderate	General Manager Corporate and Regulatory Services	Completed	Jun-24	The Risk Management Policy was reviewed by the Audit and Risk Committee and adopted by Council in June 2024.
1b	The Administration Procedure – Acting Arrangements and Higher Duties Allowance, provides guidance on the processes for higher duties but also extracts from EBs and Awards. It does not include Award Functions for field staff which has different provisions for payment at higher classifications. A procedure should extract all components from a Relevant Award or EB but be kept updated whenever those change or instead refer to the relevant Clause Numbers of the Award or EB.	Moderate	Manager Organizational Development	In Progress	Dec-24	Administration Principle is being reviewed and is scheduled to be updated by the end of the calendar year. Updated principle will be completed by 31/08/2024
2	One contract was signed manually by the employee and not signed by a witness. Two contracts were not signed by the CEO. One contract was signed by the CEO and employee via Adobe Sign; the witness box remains on the document and is unsigned. An employment contract does not need a witness when signed securely, such as using Adobe E Sign, but if the Council is not going to use a witness, the witness box should be removed. We note that the latest contracts did not have a witness box. The Council also now uses Adobe E Sign to electronically sign their employment contracts. This process ensures that all parties sign the contract and initial each page. The Contract with the missing CEO signature should be addressed.	Low to Moderate	Manager Organizational Development	Completed	Jul-24	The contracts with the missing CEO signature had a letter of offer which is issued by the CEO. The organisation has adopted signing processes to ensure a streamlined approach for the perspective employees. This was identified and implemented prior to the audit being undertaken. The areas of improvement have been rectified accordingly. One of the contracts that was not signed by the CEO covers terms and conditions within the EB. The other contract that was not signed by the CEO will be addressed as the terms and conditions fall outside of the EB.
PDI Act		Risk Rating	Lead	Status	Completion Date	Comments
1	Consider and confirm the Council's short-term intent in relation to city planning and the use of code amendments.	Moderate	Manager Development Services	Not Started	Mar-25	Council intends to wait for the finalisation of the Limestone Coast Regional Plan before commencing code amendment work. Completion date: First Qtr of 2025 - Noting Council's Budgetary Restraints - No Budget allocation for 24/25 FY Awaiting finalisation of Regional Plan to guide future code amendments.
2	Review whether the Planning Team have sufficient capacity and resources to lead Council-initiated code amendments, and/or respond to externally-driven code amendments.	Moderate	General Manager Corporate and Regulatory Services	In Progress	Jul-25	Service reviews and workforce planning project will commence in first quarter of 2024-25. Summary findings will be presented to the Audit and Risk Committee upon completion.
3	Prioritising human resourcing for the Planning Team.	High	Manager Development Services	Completed	Jul-24	Addressing via para planner / additional administration support. Para Planner position filled in mid-June 2024.
4	Consider ways to reduce the workload associated with lower-level customer requests on the Development Services team.	High	Manager Development Services	In Progress	Sep-24	Para Planner commenced June 2024, Admin assistance currently being finalised, Para planner will commence work on PAQ's in conjunction with other officers in August 2024
5	Re-introduce regular, executive scheduled meetings between Development Services and Operations & Engineering teams and other stakeholders.	Moderate	Manager Engineering Design & Assets	Work Underway	Jul-25	Meetings scheduled as required.
6	Conduct a mapping exercise to document/confirm roles and responsibilities between the Development Services and City Infrastructure teams.	Moderate	Manager Engineering Design & Assets	Not Started	Dec-24	Will be impacted by proposed legislative changes.

7. Consider how CoMG could influence planning and development activity by more proactively engaging with external stakeholders at the pre-planning stage, where applicable.	Moderate	ELT to determine	Not Started	Dec-24	<p>Guidance Development: Develop comprehensive guidance documents outlining CoMG's preferred positions on key elements of development plans. This should include clear explanations of requirements under relevant legislation like the Planning and Development Infrastructure (PDI) Act.</p> <p>Best Practice Outcomes: Define CoMG's views on best practice outcomes for holistic planning considerations such as stormwater management, established tree retention, streetscape enhancement, and heritage character preservation. This can be communicated through guidelines, policy statements, or informational materials provided to developers.</p> <p>Subject Matter Expert Availability: Identify and designate CoMG subject matter experts who can assist developers with inquiries at the pre-planning stage. Ensure that these experts are accessible and responsive to developers' needs, providing guidance and expertise to help align projects with CoMG's objectives and regulatory requirements.</p> <p>Stakeholder Engagement Platforms: Establish platforms or forums for regular engagement between CoMG representatives and external stakeholders, including developers, community groups, and industry associations. These platforms can facilitate dialogue, exchange of ideas, and collaboration on planning and development initiatives.</p> <p>Education and Awareness Programs: Conduct educational programs and outreach activities to raise awareness among developers and other stakeholders about CoMG's priorities, policies, and expectations regarding planning and development. This can include workshops, seminars, and informational materials disseminated through various channels.</p>
8. Increase capacity to perform important higher-risk compliance and enforcement actions.	Moderate	Manager Development Services	Not Started	Jun-25	<p>Prioritize Compliance Actions: Evaluate the current workload of Class 1 building inspections and identify areas where resources can be reallocated. Prioritize higher-risk compliance and enforcement actions over routine inspections to focus efforts on addressing outstanding issues.</p> <p>Training and Delegation: Provide comprehensive training to select administrative support staff to handle lower level tasks typically performed by Building Officers. Assign responsibility for tasks such as following up with developers/building owners, data reporting, and customer service provision.</p> <p>Streamlining Processes: Identify opportunities to streamline compliance and enforcement processes to improve efficiency. This may include leveraging technology for streamlined communication with stakeholders.</p>
9. Consider engaging external consultants to assist with backlogs in class 2-9 building inspections.	Moderate	Manager Development Services	Completed	TBA	<p>Backlog of inspections have been completed.</p>
10. Ensure that Council's latest/updated published Delegations Register is available on the public website.	Low	Manager Governance and Property	Completed	Jul-24	
11. Work to ensure that members of the Limestone Coast Southern Regional Assessment Panel have clarity around responsibility for maintaining/updating relevant delegations.	Low	Manager Governance and Property	Not Started	Jul-24	
12. Develop a pragmatic approach to periodically confirming that Development Services officers' delegations are up to date, correct and that officers have signed acceptance of these delegations.	Low	Manager Governance and Property	Not Started	Aug-24	
13. The IFSC consider developing a proactive approach to inspecting higher-risk buildings.	Low	Manager Development Services	Not Started	Dec-24	dependent on adequate resourcing. Final result to be reported back to Audit and Risk Committee.
14. Review and update CoMG's complaint handling policy with respect to PDI Act obligations.	Low	Manager Governance and Property	In Progress	Aug-24	Council are in the process of updating the Request for Service and Complaints Policy
15. Consider monitoring trends of community feedback/complaints to assist continuous improvement.	Low	Manager Organisational Development	Not started	Dec-24	<p>Set up a regular schedule for analysing community feedback and complaints data. This could be done monthly, quarterly, or annually, depending on the volume of feedback received. Analyse the data to identify recurring issues, trends, and areas for improvement.</p> <p>Based on the analysis of feedback and complaints data, identify specific areas within development services that require improvement. Look for patterns or common themes in the feedback to pinpoint areas where changes or adjustments may be needed.</p> <p>Develop action plans to address the identified improvement opportunities. A new suite of Customer Experience reporting is currently being developed and will be implemented by 31 August 2024</p>
16. Reconsider the need to continue maintaining the Land Division and Building and Swimming Pool Inspection policies, and either revoke them or update them to ensure consistency with legislation.	Low	Manager Engineering Design & Assets	In Progress	Sep-24	The Land Division Policy is currently under review by the Infrastructure team. The Building and Swimming Pool Inspection can be revoked.

16.2 CORRESPONDENCE RECEIVED – REPORT NO. AR24/43693

Meeting: Audit and Risk Committee

CM9 Reference: AF11/863

Author: Ashlee Pasquazzi, Executive Administrator Corporate and Regulatory Services

Authoriser: Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services

REPORT RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/43693 titled 'Correspondence Received' as presented on 29 July 2024 be noted.



BACKGROUND

The report provides details of correspondence received since the previous ordinary meeting of the Audit and Risk Committee and is provided for information.

DISCUSSION

The following correspondence has been received since the last ordinary meeting:

- Report from Independent Commission Against Corruption (ICAC) - Buying Trust Corruption Risks in Public Sector Procurement issued in June 2024.

CONCLUSION

This report presents the attached correspondence received for presentation to the Audit and Risk Committee for noting in line with the Audit and Risk Committee Terms of Reference:

13.3 Other Matters - Shall give consideration to:

- **Relevant Audits** - *Consider the findings and recommendations of relevant audits undertaken by the SA Auditor General's Office, the South Australian Ombudsmen, Independent Commissioner Against Corruption (ICAC) and other agencies to ensure Council considers the relevant recommendations.*

ATTACHMENTS

1. Independent Commission Against Corruption (ICAC) Report - Buying Trust Corruption Risks in Public Sector Procurement - June 2024





BUYING TRUST

CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT





BUYING TRUST
Corruption risks in public
sector procurement

Published June 2024

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Contents

LETTER OF TRANSMITTAL	4
COMMISSIONER'S FOREWORD	6
RECOMMENDATIONS	8
CHAPTER ONE: INTRODUCTION	12
The impact of corruption in public sector procurement	12
CHAPTER TWO: GOVERNANCE OF PUBLIC SECTOR PROCUREMENT	16
Overall perceptions of corruption risks in South Australian public sector procurement	16
Corruption risks associated with complex and compliance-based processes	17
Splitting tenders	18
Black cladding	20
CHAPTER THREE: CONFLICTS OF INTERESTS	22
Undeclared and unmanaged conflicts of interests	23
Post separation conflicts of interests	25
CHAPTER FOUR: GIFTS, BENEFITS AND HOSPITALITY	28
Policies relating to gifts, benefits and hospitality	28
Gifts, benefits and hospitality may create a conflict of interests	30
Culture of entitlement	31
CHAPTER FIVE: MISUSE OF INFORMATION	34
Policies for protecting confidential tender information	34
Leaking of confidential procurement information	35
Unequal provision of information	37
Intellectual property in procurement	38
CHAPTER SIX: TYPE OF PROCUREMENT	40
Open market approaches	40
Direct market approaches	41
Panel and multi-use list procurements	42
Unsolicited proposals	44
Incumbent suppliers	45
CHAPTER SEVEN: PROCESS INTEGRITY	48
Planning a procurement	48
Variations and extensions	49
Evaluating tenders	50
Open periods	51
Failure to segregate duties	52
Exceeding delegated authority	53
Dealing with unsuccessful tenderers	53
Record keeping	54
CHAPTER EIGHT: CAPABILITY	56
Lack of capacity	56
Information and communication technology procurement	58
Procurement under pressure	59
Procurement during times of crisis	60



2**BUYING TRUST**
CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT

CHAPTER NINE: UNDER REPORTING OF CORRUPTION AND IMPROPRIETY IN PROCUREMENT	62
Suppliers' awareness of reporting obligations	63
Procurement officers' awareness of reporting obligations	64
Fear of negative repercussions	65
Reports of potential impropriety must be actioned	66
CHAPTER TEN: CONCLUSION	68
Red flags of potential corruption in public sector procurement	69
ENDNOTES	72



Case Studies

CASE STUDY 1: The impact of perceived corruption in public sector procurement	13
CASE STUDY 2: Public officers corruptly award public infrastructure contracts	19
CASE STUDY 3: Procurement improperly influenced by a manager with an undeclared and unmanaged conflict of interests	23
CASE STUDY 4: A conflict of interests is declared but not adequately managed	24
CASE STUDY 5: Suppliers use incentives to improperly influence procurement	30
CASE STUDY 6: Culture of accepting bribes becomes entrenched in a Western Australian department	32
CASE STUDY 7: Confidential tender information is disclosed due to an undeclared and unmanaged conflict of interests	36
CASE STUDY 8: A public officer inappropriately manipulates procurement specifications	40
CASE STUDY 9: A public sector employee improperly procures an unregistered supplier	42
CASE STUDY 10: Unsolicited proposal does not follow due process	44
CASE STUDY 11: Public officers may be perceived to favour an incumbent supplier	46
CASE STUDY 12: Public sector employee improperly favours a supplier by accepting a late tender	51
CASE STUDY 13: Failure to adequately segregate procurement and financial duties results in improper procurement	52
CASE STUDY 14: Public sector employee exceeds her delegation to sign a contract that does not offer value for money	53
CASE STUDY 15: Misguided public sector employee allows neighbour to improperly secure a contract	56
CASE STUDY 16: Procurement officer's lack of experience compromises an ICT procurement	58
CASE STUDY 17: A procurement officer under pressure circumvents procurement policies and procedures	59
CASE STUDY 18: Suppliers are reluctant to report improper conduct	65
CASE STUDY 19: Public authority does not adequately address a complaint made by a supplier	66



4

BUYING TRUST
CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT

Letter of transmittal

30 May 2024

The Hon. Terence Stephens MLC
President
Legislative Council
Parliament House
North Terrace
ADELAIDE SA 5000

The Hon. Leon Bignell
Speaker
House of Assembly
Parliament House
North Terrace
ADELAIDE SA 5000

Dear President and Speaker

In accordance with section 41(2) of the *Independent Commission Against Corruption Act 2012* (SA) I present to each of you the Commission's report *Buying Trust: Corruption Risks in Public Sector Procurement*.

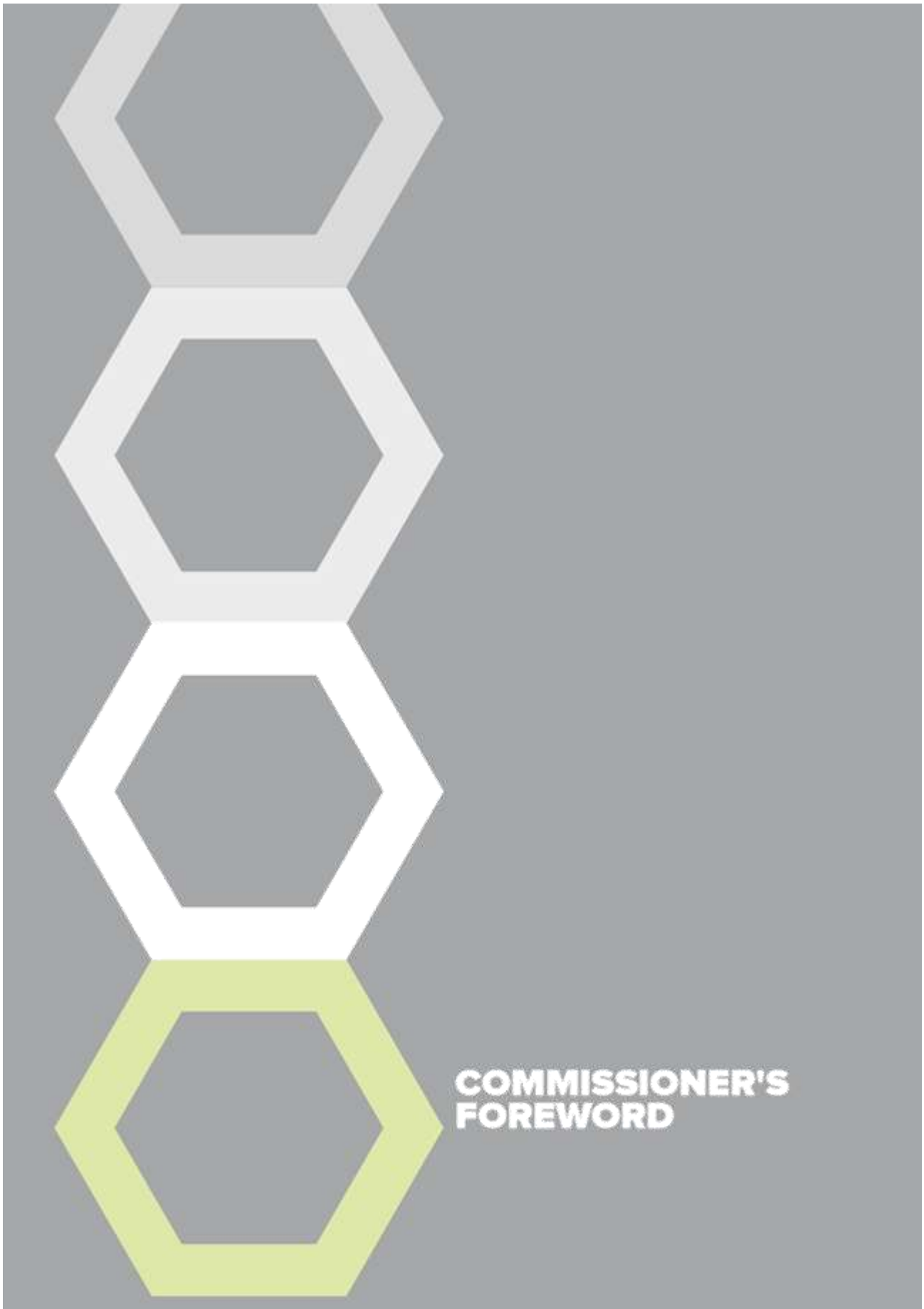
Section 41(3) of the Act requires that you each lay the report before your House of Parliament on the first sitting day after receiving it.

Yours sincerely



The Hon. Ann Vanstone KC
COMMISSIONER





6

BUYING TRUST
CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT

Commissioner's foreword

Public sector procurement is vulnerable to corruption. Corruption in procurement can be difficult to detect, may persist over long periods of time, and undermines the provision of essential public services.

Corruption in procurements for large scale infrastructure and construction projects may cost the state sector significant sums of money. Improper conduct in procurement can lead to reputational damage to public authorities and the public sector more generally, and suppliers who believe that tender decisions will be unduly influenced may be reluctant to bid. Corrupt procurement tends to delay or prevent the delivery of essential public services, and result in incomplete or substandard works that put public safety at risk.

For these reasons the Commission has conducted a study into the corruption risks in public sector procurement. This is the second report arising from this project. The first provided quantitative findings from a survey of public sector procurement officers and suppliers who have tendered, or intended to tender, for public sector contracts. This report provides analysis of qualitative survey responses and submissions, reports and complaints referred to the Commission, and insights from other integrity agencies.

While the integrity of public sector procurement in South Australia may have improved in recent years, there is still room for improvement.

Worryingly, some procurement officers are not sufficiently aware of corruption risks. Many lack adequate procurement experience or are under-resourced. Too many are not receiving training in key corruption risks. Many suppliers who hold public sector contracts are unaware of their status as public officers, and that public officers are required to report suspicions of corruption in public administration.

This report has been prepared in accordance with section 41 of the *Independent Commission Against Corruption Act 2012* (SA) to raise awareness of key corruption risks in public sector procurement. It aims to identify red flags that could indicate corruption and makes 18 recommendations to address weaknesses in public sector procurement open to exploitation by corrupt public sector employees or suppliers.



The Hon. Ann Vanstone KC

Commissioner
INDEPENDENT COMMISSION AGAINST CORRUPTION





Recommendations

RECOMMENDATION 1

Public authorities conduct regular procurement audits based on the risk profile of their procurement activities. High risk procurements may include those where the number of suppliers able to tender is limited, extensions or variations are utilised, an incumbent supplier has been reengaged, and those conducted with urgency or in emergencies. Procurements under \$55,000 should be regularly audited for evidence of tender splitting.

RECOMMENDATION 2

Public authorities prevent non-Aboriginal suppliers taking unfair advantage of schemes intended to assist Aboriginal suppliers to win public sector contracts by verifying the status of suppliers claiming Aboriginal identity.

RECOMMENDATION 3

Where relevant, public authorities conduct random audits of contracts that are required to have a mandated proportion of labour force hours to be performed by nominated groups.¹ Non-compliance needs to be reported to the Office of the Industry Advocate.

RECOMMENDATION 4

All public officers involved in procurement, including those with delegation authority, complete training on probity in procurement. This should include training on corruption risks in procurement, conflicts of interests, gifts, benefits and hospitality, the handling of confidential information and public officers' reporting obligations.

RECOMMENDATION 5

Public authorities ensure that if a participant in a procurement discloses a conflict of interests, a management plan is devised, documented, actioned and monitored.

RECOMMENDATION 6

Public authorities consider control measures to address post separation conflicts of interests for public sector employees in high risk roles, including exiting procedures, information access restrictions and monitoring, or the use of restraint clauses where reasonable.



RECOMMENDATION 7

The Commissioner for Public Sector Employment ensure that the *Gifts and Benefits Guideline* is consistent with that provided by Procurement Services SA, which recommends that public officers in high risk roles do not accept gifts, benefits or hospitality.

RECOMMENDATION 8

Public authorities ensure that internal policies include advice regarding the handling and recording of gifts, benefits and hospitality offered by suppliers in high risk functions including procurement.

RECOMMENDATION 9

Public authorities ensure they are complying with *Premier and Cabinet Circular PC035 – Proactive disclosure of regularly requested information*, including publication of information on agencies' websites.

RECOMMENDATION 10

Procurement Services SA continue its development and implementation of a Code of Conduct for suppliers.

RECOMMENDATION 11

Public authorities conduct regular audits of staff permissions, access and use of confidential procurement information to identify patterns of unusual activity or instances of misuse.

RECOMMENDATION 12

Procurement Services SA consider the need for guidance on the proper management and protection of intellectual property during procurement processes.

RECOMMENDATION 13

Entities that control panels and multi-use supplier lists vet new suppliers, regularly review existing suppliers on a panel or list, and remove suppliers if they no longer fit relevant criteria or conditions.

10

BUYING TRUST
CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT**RECOMMENDATION 14**

Public authorities consider and limit public officers' discretion over procurements and financial decision making, and ensure appropriate segregations and separations are in place.

RECOMMENDATION 15

Public authorities conduct regular audits of procurement record keeping, including ensuring all procurement decision making is documented with reasons, and relevant written and verbal communication with suppliers is recorded.

RECOMMENDATION 16

Procurement Services SA consider expanding its capacity to assist agencies that require additional support to undertake procurements, especially where that assistance would help safeguard procurements from impropriety.

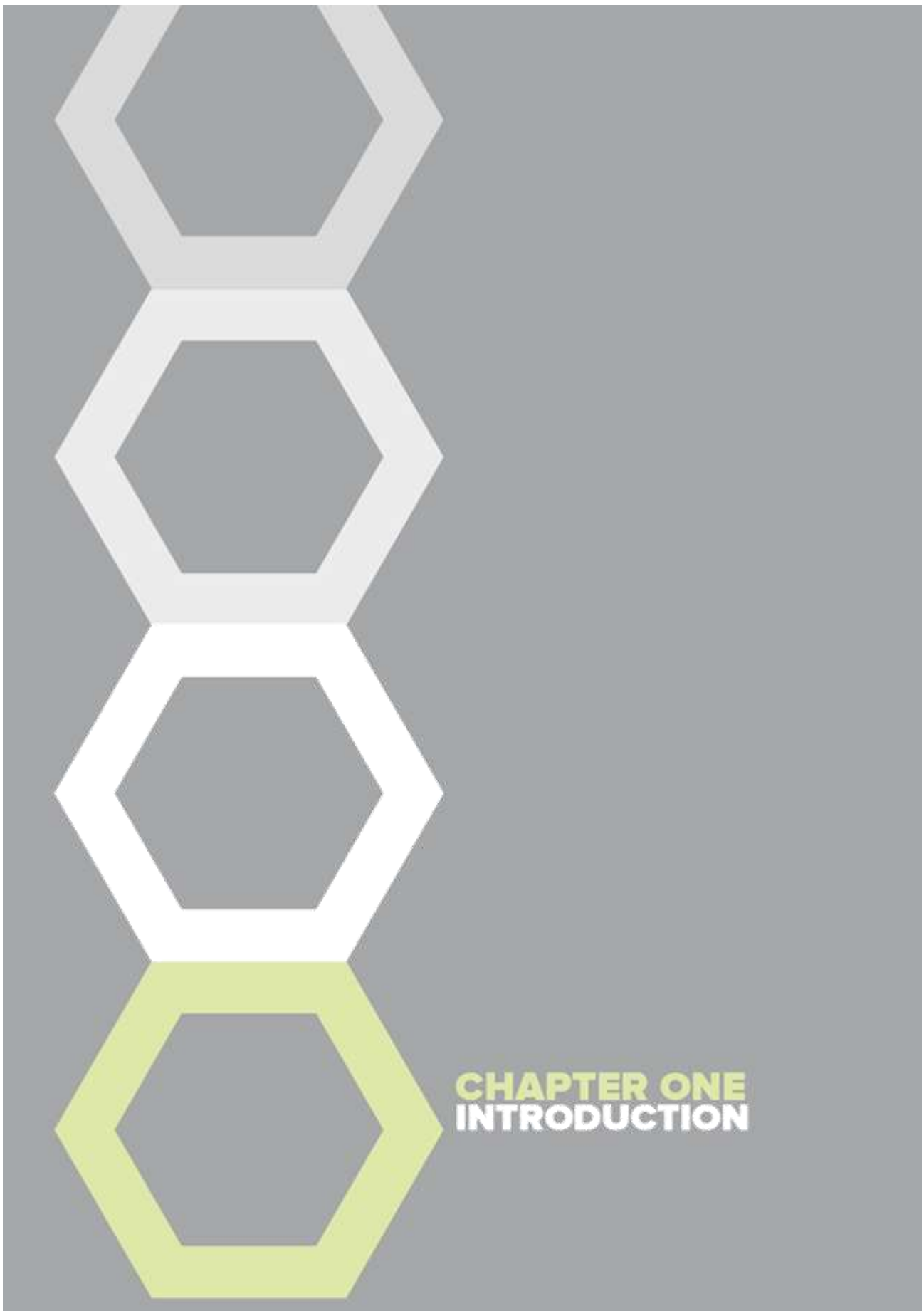
RECOMMENDATION 17

Public authorities ensure they have emergency situation procurement frameworks in place and published on their websites.

RECOMMENDATION 18

Public authorities provide suppliers with information on internal reporting policies and procedures and suppliers' reporting obligations as public officers. Public authorities ensure that contractors provide corresponding induction material to their subcontractors.





Chapter one: Introduction

Public sector procurement refers to the process by which a public authority acquires goods and services, or engages in a construction project.² It involves significant public spending, which can attract those with unscrupulous intentions. The high volume of transactions and often complex nature of procurement processes can create opportunities for improper behaviour as well as making corruption difficult to uncover. Procurement occurs at the intersection between the public and private sectors, where potential for a conflict of interests and collusive behaviour raises the prospect of corruption.

This report examines perceptions and experiences of corruption risks in public sector procurement. Recommendations are made to assist public authorities to prevent and minimise those risks. It draws on findings from surveys conducted with procurement officers and suppliers involved in public sector work,³ and submissions from stakeholders. It also provides insights from reports about potential corruption in public sector procurement referred to the Commission, and findings from other integrity agencies.

The impact of corruption in public sector procurement

Corrupt procurement may have serious consequences. It can increase the costs of goods and services, and the delivery of construction projects. Essential services may not be delivered, or the quality of those services reduced. Once corruption is detected, services may need to be interrupted or stopped and public authorities may need to pay for remedial action.

The project team received submissions from suppliers who believed they had lost work when contracts had been improperly awarded. As a result, suppliers laid off staff, moved their business interstate, and some small businesses dependent on government contracts closed.

Suppliers who believe that tenders are not assessed fairly may be deterred from bidding. Perceptions that procurements may be corrupt may deprive public authorities of contracts that offer value for money and innovation that could boost South Australia's economy. If suppliers believe that other companies are engaging in corruption, they may behave corruptly themselves.⁴

Several suppliers gave accounts of the financial and other costs incurred by being involved in a public sector procurement believed to have been corrupted (*Case study 1*).



CASE STUDY 1:**The impact of perceived corruption in public sector procurement**

One supplier described the devastating personal and professional impact of having lost contracts due to perceived corruption. The supplier had founded a business that had developed an innovative and unique product, and had succeeded in winning contracts with several public authorities.

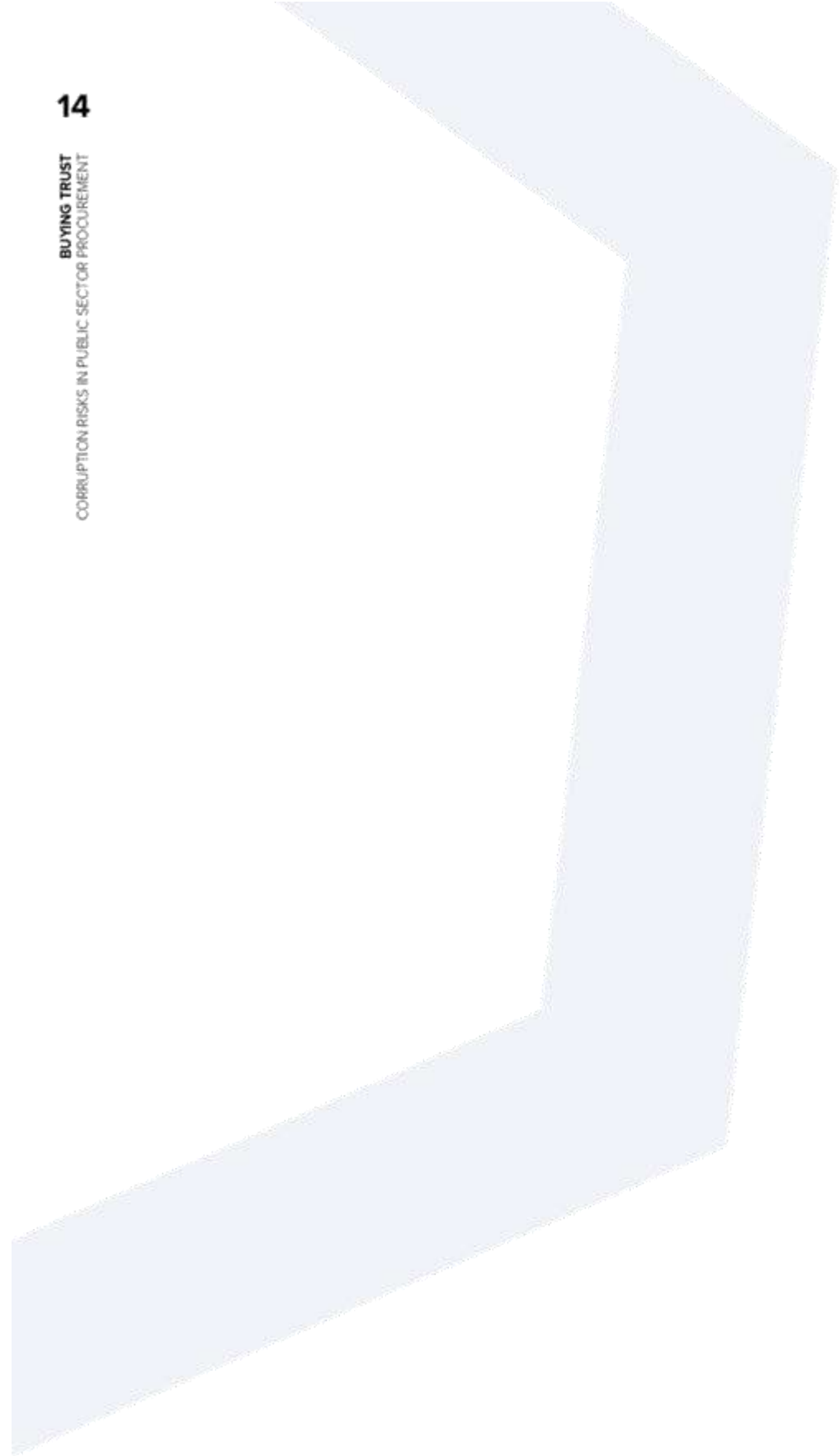
The supplier believed that their intellectual property had been inappropriately leaked to a competing supplier by a corrupt public officer during a procurement, in exchange for a benefit. The supplier alleged that a competitor used this information to replicate the product and was awarded contracts that were not open to the market.

As a result, the supplier lost a significant proportion of his business. The supplier described the psychological impact of losing his intellectual property. For someone who had built his company around a unique product, this loss was profound. The supplier felt embarrassed that he was no longer fully contributing to a business that he had founded. He decided to retire early.



14

BUYING TRUST
CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT





16

BUYING TRUST
CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT

Chapter two: Governance of public sector procurement

Public sector procurement is governed by the South Australian Government Procurement Framework (the Framework), which came into effect on 1 July 2021. The Framework provides a whole-of-government approach to procurement with common principles, standards and benchmarks. The Framework consists of *Treasurer's Instruction 18*, the *Procurement Governance Policy*, and supporting policies that set the minimum requirements for key procurement activities.⁵

Under the Framework, the Treasurer has responsibility for setting the rules and policy direction for public sector procurement. Procurement Services SA (PSSA) is the government's central procurement branch. PSSA is responsible for whole-of-government procurement policies, standards and guidance, and supporting the public sector's procurement capacity.

Chief Executive Officers of public authorities have responsibility for their own procurements. Public authorities are required to develop their own internal procurement framework, policies and procedures that are consistent with the Framework.

Overall perceptions of corruption risks in South Australian public sector procurement

For some survey respondents, the Framework has reduced integrity risks to public sector procurement, particularly in the last twelve months.



"I haven't seen any of this in past 12 months. It seems much tidier" (supplier).

"Within the last 12 months appears to have been a far fairer process and I have no concerns or criticisms about it (procurement)" (supplier).

"Much more robust processes in place these days. In my early days in the public sector, it was much easier to influence a procurement process in my view" (procurement officer).

"We have specific systems in place and so many people have to sign off on procurement that it's not up for question" (procurement officer).



Some suppliers claimed that corruption was less prevalent in South Australia than other jurisdictions.



"No recent suspicions in SA" (supplier).

"I have personally observed these issues in jurisdictions outside SA" (supplier).

"SA is one of the most compliant states I have worked in" (supplier).

The New South Wales Independent Commission Against Corruption and the Victorian Independent Broad-Based Anti-Corruption Commission have conducted similar surveys with suppliers in their jurisdictions. South Australian suppliers were less likely to believe corruption in public sector procurement to be a problem compared to respondents in New South Wales and Victoria.⁹

Not all suppliers agreed that South Australian public sector procurement was more resilient to corruption compared to other jurisdictions, although these comments were relatively few.



"South Aust is the most corrupt place to do business" (supplier).

"South Australia does not give us a really fair go. Very sad reality" (supplier).

Corruption risks associated with complex and compliance-based processes

The Framework was intended to reduce the complexity of procurement. PSSA explained that the steps required for a procurement valued above \$55,000 decreased under the Framework. Two thirds of procurement officers (67%) and over half of suppliers (58.5%) agreed that the process for their latest procurement was straightforward.

Some respondents believed that finding the correct balance between compliance and efficiency is difficult.



"Government tendering has matured and become more complex over time, and this has required professionals to help organisations understand rules. This is positive because it helps organisations to prevent corruption and impropriety, but it also makes it difficult for smaller organisations to enter the marketplace" (supplier).

"I also think that some people don't value the steps involved in a procurement process (that people complain about as being red tape) unless something goes wrong, and then they wish they followed the steps!" (procurement officer).



18

BUYING TRUST
CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT

However, some procurement officers believed that public sector procurement continues to be too compliance heavy.



"Reliance on overly complex processes chases good people out of procurement and replaces them with 'box tickers'" (procurement officer).

"Part of the issue for procurement often not complying with guidelines or policies is they are constantly changing and often the process becomes far more complex with more red tape, for no evident gain apart from ticking a box or empire building" (procurement officer).

Compliance heavy processes can distract procurement officers from attending to integrity issues. Some senior Super SA staff interviewed as part of the Commission's evaluation of Super SA (2022) saw compliance as a burden rather than a necessary integrity measure. This attitude may result in procurement policies and processes being circumvented, and a culture of non-compliance.⁷ This attitude was also expressed by some survey respondents.



"I believe that creating further bureaucracy in an effort to stamp out corruption will only lead to greater levels of corruption. There needs to be a degree of trust and accountability in policies to allow efficient procurement processes" (procurement officer).

Splitting tenders

Some procurement officers (18.6%) and suppliers (26.3%) believed that public sector procurement was highly or extremely vulnerable to tenders being split to circumvent thresholds. The Framework only applies to procurements valued over \$55,000, and it may be that procurements are split to avoid governance under the Framework. It may also be possible that procurements are split to avoid thresholds set by the Industry Participation Policy.



"As the procurement process based on TI 18 is so complex, convoluted and difficult all sorts of people are working around the system, doing 2 contracts for the same thing, using different equipment at different sites to work around the process of using the same supplier or service. This is all because to prevent fraud you have made it so time consuming and pointless, that people work hard to not hit the \$5k" (procurement officer).

"Procurement processes seen as all too hard. Too much work. Managers tell you to split contracts to avoid PARS reporting" (procurement officer).



While PSSA expressed concern about tender splitting, they observed that the number of procurements valued from \$55,000 to \$60,000 have decreased and higher value procurements have increased. PSSA contended that this may indicate that public authorities are planning ahead and consolidating rather than splitting procurements.

Even if tender splitting has decreased, it remains a risk.⁹ Tender splitting by itself may not be corrupt conduct, however it may be used to hide corruption (Case study 2).

CASE STUDY 2:

Public officers corruptly award public infrastructure contracts

Investigators from the Victorian Independent Broad-Based Anti-Corruption Commission found that two public officers had corruptly awarded public infrastructure contracts valued at \$25 million to entities they controlled or were controlled by their associates. Money that should have gone into public works was siphoned off by those public officers leaving some projects incomplete or completed to an unsatisfactory standard. Honest contractors, many regionally based, were locked out of the tendering process or unable to fairly compete.

This corrupt conduct was facilitated by serious breaches of procurement policies and procedures. Those breaches included splitting tenders so that procurements awarded to companies controlled by the public officers would not be appropriately scrutinised. When questioned by other agency staff, the public officers' explanations for the split tenders were accepted without further enquiries.

The public officers' corrupt conduct spanned seven years. Warning signs that contracts were being manipulated were ignored. A workplace culture which placed timely outcomes above compliance with procurement processes, did not provide staff with proper training on risks associated with corruption, and where management did not support procurement policies also allowed corruption to be covered up.⁹

Public authorities conduct regular procurement audits based on the risk profile of their procurement activities. High risk procurements may include those where the number of suppliers able to tender is limited, extensions or variations are utilised, an incumbent supplier has been reengaged, and those conducted with urgency or in emergencies. Procurements under \$55,000 should be regularly audited for evidence of tender splitting.

RECOMMENDATION 1

Black cladding

The Government's *Aboriginal Economic Participation Strategy* is intended to increase Aboriginal participation in the South Australian economy.¹⁰ For large projects, industry participation weighting is increased for contracts that will involve Aboriginal participation. This includes giving additional weighting to a South Australian business with an Aboriginal owner or a joint venture arrangement between Aboriginal and non-Aboriginal partners.

Aboriginal procurement policies have succeeded in including more Aboriginal suppliers in procurement bids. However, an unintended consequence of Aboriginal procurement is 'black cladding'.¹¹

'Black cladding' is defined to be:

...the practice of non-Indigenous business entity or individual taking unfair advantage of an Indigenous business entity or individual for the purpose of gaining access to otherwise inaccessible Indigenous procurement policies or contracts. Unfair advantage involves practices and arrangements that result in the disadvantage or detriment to an Indigenous business, or that do not represent a genuine demonstrated level of equitable partnership and benefit.¹²

The project team received submissions that alleged that some suppliers misrepresent their Aboriginal identity to obtain an advantage in a procurement. This problem has been reported in other jurisdictions.¹³ Public authorities can verify the identity of suppliers claiming Aboriginality, for instance ensuring that an Aboriginal supplier is registered as such with the Office of the Industry Advocate or referring joint ventures with non-Aboriginal capacity partners to Supply Nation for verification.

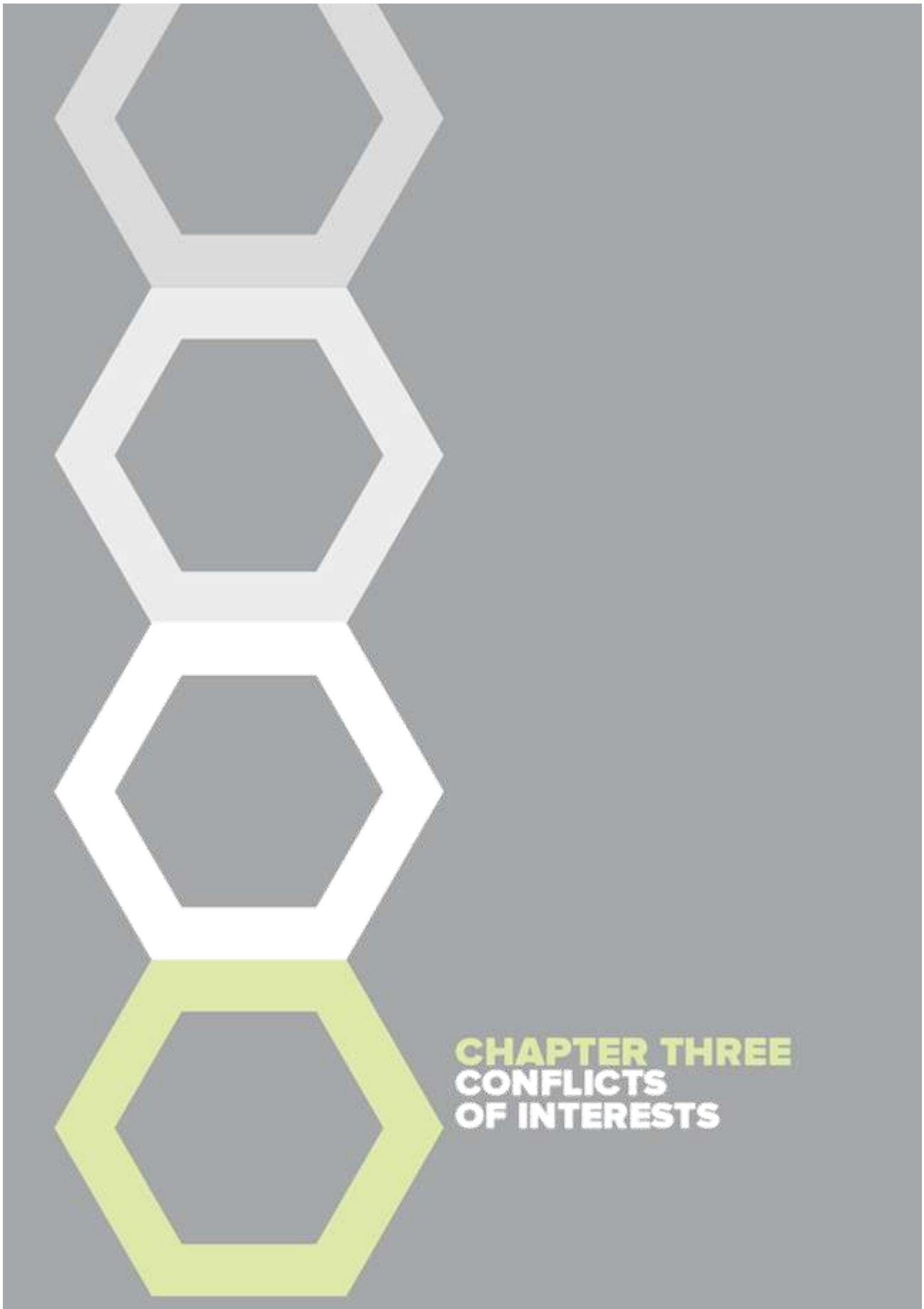
Public authorities prevent non-Aboriginal suppliers taking unfair advantage of schemes intended to assist Aboriginal suppliers to win public sector contracts by verifying the status of suppliers claiming Aboriginal identity.

RECOMMENDATION 2

It was also alleged that once a joint venture bid is successful, work is not allocated to the Aboriginal business. For South Australian construction projects valued over \$50 million, 20% of labour force hours need to be performed by nominated groups which include Aboriginal job seekers.¹⁴ While the project team did not receive submissions alleging misreported labour hours, this has been reported in other jurisdictions.¹⁵

Where relevant, public authorities conduct random audits of contracts that are required to have a mandated proportion of labour force hours to be performed by nominated groups.¹⁶ Non-compliance needs to be reported to the Office of the Industry Advocate.

RECOMMENDATION 3



Chapter three: Conflicts of interests

An undeclared conflict of interests often lies at the heart of corrupt procurement.¹⁷ PSSA's *Probity and Ethical Procurement Guideline* states that government employees, including Chief Executives, should identify, document and effectively manage conflicts of interests for every procurement. Conflicts of interests declarations should be completed by panel members prior to completing an evaluation.¹⁸

Almost all procurement officers surveyed claimed that their workplace has policies and procedures relating to conflicts of interests (97.0%), and they are required to declare conflicts when involved in procurement (96.0%). However, approximately one in three (30.1%) procurement officers responded that their workplace does not provide training, or they were unsure if their workplace provides training, in relation to conflicts of interests.

All public officers involved in procurement, including those with delegation authority, complete training on probity in procurement. This should include training on corruption risks in procurement, conflicts of interests, gifts, benefits and hospitality, the handling of confidential information, and public officers' reporting obligations.

RECOMMENDATION 4



Undeclared and unmanaged conflicts of interests

Respondents most commonly described a conflict of interests as entailing a public sector employee involved in a procurement failing to declare a relationship with a supplier. This typically involved the supplier being a family member, friend or former colleague of a public sector employee with procurement responsibilities.

Corrupt procurement sometimes involves a public sector employee awarding a contract to a private company in which they have undisclosed interests, such as being an owner or shareholder. The Commission and other integrity agencies have investigated allegations of this nature.¹⁹

Procurement officers explained that senior managers in decision making roles are the most likely to unduly influence procurement processes due to a conflict of interests.



"Managers force your hands – tell you this is what they want done. You tell anyone and your job is on the line ... Absolutely wasteful contract to their friends" (procurement officer).

"My experience shows that procurement outcomes are more likely to be influenced at higher level (i.e. senior management) than the public officer managing the procurement e.g. normally by the person who signs off or approves the procurement who may happen to know or have a business or social relationship with one of the bidders" (procurement officer).

Public sector employees do not always appreciate the corruption risks posed by an undeclared and unmanaged conflict of interests in procurement (Case study 3). The Auditor-General has reported that a conflict of interests declaration is not always completed at the commencement of a procurement evaluation.²⁰

CASE STUDY 3:

Procurement improperly influenced by a manager with an undeclared and unmanaged conflict of interests

An investigation conducted by the Commission established that a senior manager in a public authority had engaged her husband to undertake works required by the authority. The senior manager had been sent a copy of the authority's Conflicts of Interests guidelines and declaration form, although she had not completed the form. It was only after the work was completed that the senior manager declared her conflict, and admitted she had not obtained quotes. She explained she had not realised at the time that there was a conflict; she thought that no one would object to her husband doing the work, and she needed the work done quickly.

Some procurement officers explained that conflicts of interests are well managed in their workplace. However, others stated that conflicts are declared but not managed. A conflict of interests should be effectively managed by someone in a more senior role. *Case study 4* highlights the risks to procurement if a conflict of interests is declared, but not managed.

**CASE STUDY 4:
A conflict of interests is declared but not adequately managed**

The Commission referred allegations to the Ombudsman that a public sector procurement had been improperly influenced by a public sector employee with a conflict of interests. The Ombudsman found that the employee had declared that a company interested in tendering was owned by a family member. The employee was excluded from the evaluation process, and evaluation panel members were informed of the conflict.

However, the employee remained involved in administrative tasks related to the procurement as directed by her supervisors. She had access to the tender documents and communicated with tenderers. The Ombudsman concluded that the conflict was insufficiently managed, and the employee should not have had any involvement with the tender process.

The New South Wales Independent Commission Against Corruption has argued that schemes giving preference to local suppliers may lead to unnecessary lobbying and undeclared conflicts of interests.²¹ The South Australian Industry Participation Policy (SAiPP) is intended to assist South Australian suppliers. The scheme is overseen by the Industry Advocate, who assists to protect the public sector procurement from the integrity risks identified in New South Wales.

Public authorities ensure that if a participant in a procurement discloses a conflict of interests, a management plan is devised, documented, actioned and monitored.

RECOMMENDATION 5



Post separation conflicts of interests

Public sector procurement may be compromised by a post separation conflict of interests. A procurement officer who has accepted employment with a supplier may use the period in which they are still engaged in the public sector to benefit their new employer. Once the employee takes up the new position, they may reveal confidential information and manipulate relationships with previous colleagues to influence a procurement decision.

Even in circumstances where a former procurement officer has not advantaged their new employer, there may still be the perception that a procurement decision was improperly influenced. Others may perceive that the contract was awarded to a specific supplier in return for a personal benefit in the form of employment to the person making that decision.

The *Public Sector Code of Ethics for the South Australian Public Sector* states that:

Public sector employees who leave the public sector to work with a non-Government employer will avoid situations that would result in an unfair advantage for their new employer. This holds particularly in the case where the employer is bidding for a government contract or is competing for a grant or similar disbursement of public moneys.²²

However, public authorities may benefit from further guidance on how to address post separation conflicts. Steps should be taken to ensure that a public sector employee who has accepted employment with a supplier who has bid for a contract with their former agency is not able to access confidential procurement information. Public authorities may consider auditing records accessed by departing staff to ensure that procurements have not been compromised.

The *Australian Public Sector Commission's Values and Code of Conduct in Practice* suggests that public sector employees disclose conflicts of interests resulting from an employee's intention to leave the public service. Agencies may reallocate an employee's duties, move the employee to a different work area, or require the employee to take temporary leave.²³

The guidance suggests including a restraint clause in a request for tender. This clause would prevent a supplier soliciting or engaging particular public sector employees during the procurement process.²⁴

Restraint clauses cannot be used unreasonably. There needs to be a legitimate interest in imposing a restraint clause, such as preventing a departing employee from unfairly influencing a procurement in their new employer's favour. A restraint clause might reasonably be applied to a procurement officer who is in direct contact with suppliers or has a decision making role in a procurement. Restraint clauses need to be of a short duration.

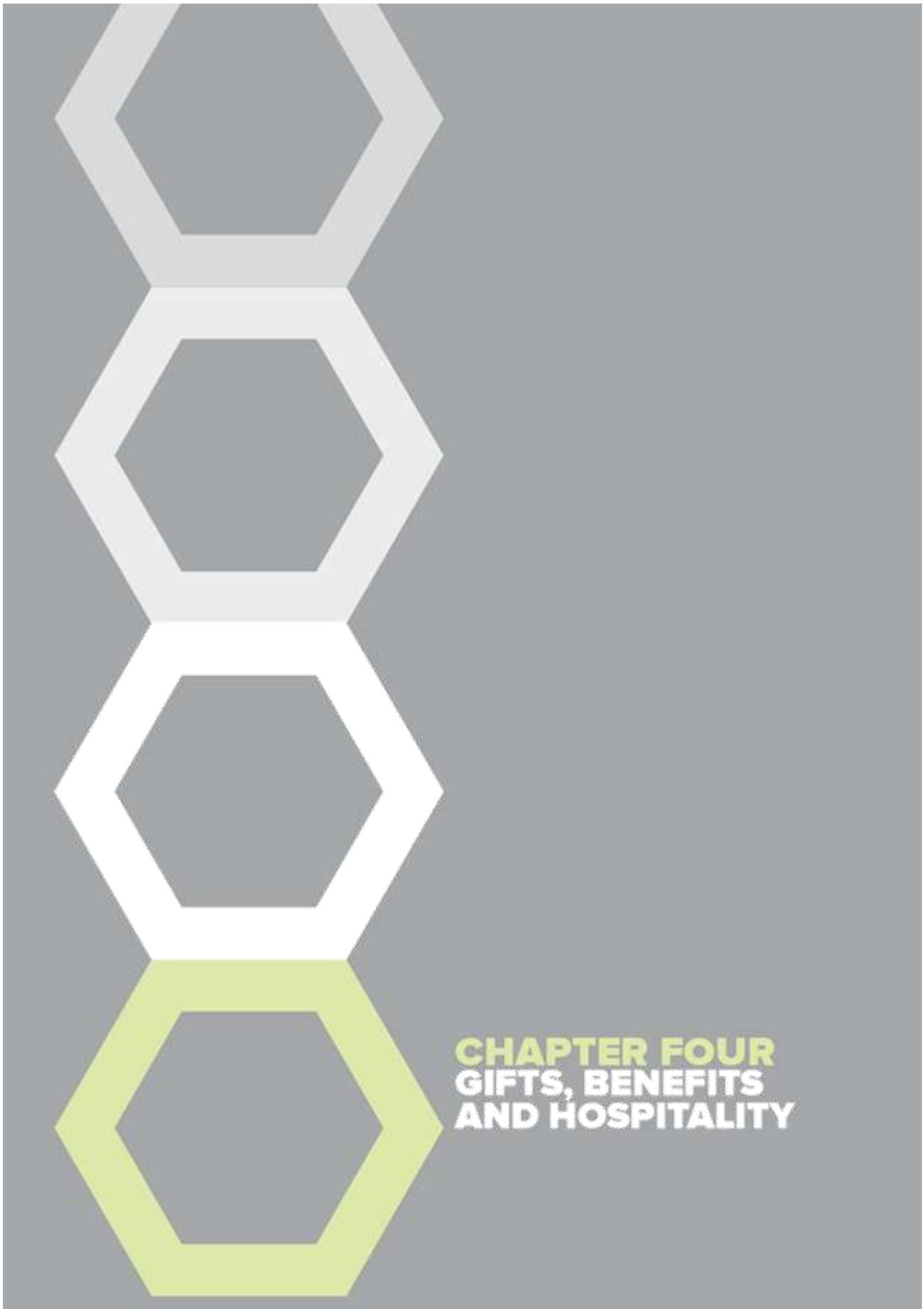
Public authorities consider control measures to address post separation conflicts of interests for public sector employees in high risk roles, including exiting procedures, information access restrictions and monitoring, or the use of restraint clauses where reasonable.

RECOMMENDATION 6

26

BUYING TRUST
CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT





Chapter four: Gifts, benefits and hospitality

A gift is anything of value offered to an employee above their normal salary or employment entitlements. A benefit is preferential treatment, privileged access, favour or other advantage. Benefits are usually intangible such as personal service and job offers. Hospitality includes offers of meals, invitations to events, sponsored travel and accommodation.²⁵

Accepting gifts, benefits or hospitality may damage the reputation of individual procurement officers and public authorities, deter suppliers from bidding for tenders, and erode public confidence in the delivery of public services.²⁶ Even if not accepted, the offer of a gift, benefit or hospitality by a supplier to a public sector employee involved in procurement may be perceived as an attempt to unduly influence the procurement process.

Public sector employees soliciting gifts, benefits or hospitality can pose a serious corruption risk. A review of New South Wales Independent Commission Against Corruption investigations found that alleged corruption in procurement was usually initiated by a public sector employee demanding cash payments or gifts in return for manipulating the procurement process to favour a specific supplier.²⁷

Policies relating to gifts, benefits and hospitality

PSSA's *Gifts and Benefits Guideline* states that:

Due to the high-risk nature of procurement and contract management, it is strongly recommended that a gift, entertainment, or benefit, even when it has low or no value is declined.²⁸

The Office of the Commissioner for Public Sector Employment's (OCPSE) *Gifts and Benefits Guideline* recommends that public officers use their judgement about whether accepting a gift, benefit or hospitality gives the impression that decision making will be unduly influenced.²⁹ However, the Guideline does not recommend that public officers in high risk roles, such as being involved in procurement, should refuse gifts, benefits and hospitality.

The Commissioner for Public Sector Employment ensure that the *Gifts and Benefits Guideline* is consistent with that provided by Procurement Services SA, which recommends that public officers in high risk roles do not accept gifts, benefits or hospitality

RECOMMENDATION 7



Some public authorities have internal policies which state that gifts, benefits and hospitality cannot be accepted during the procurement process (e.g. SA Health).³⁰ However, not all internal policies contain this advice. One third (36%) of procurement officers responded that their workplace had not provided training relating to gifts, benefits and hospitality.

Public authorities ensure that internal policies include advice regarding the handling and recording of gifts, benefits and hospitality offered by suppliers in high risk functions including procurement.

RECOMMENDATION 8

Premier and Cabinet Circular PC035 – Proactive disclosure of regularly requested information requires departments to publicly disclose their agency's gift registers every month online. The registers assist in making transparent gifts, benefits and hospitality offered to and accepted by public sector employees. Such disclosure does not always occur.

Public authorities ensure they are complying with *Premier and Cabinet Circular PC035 – Proactive disclosure of regularly requested information*, including publication of information on agencies' websites.

RECOMMENDATION 9

Most suppliers (61.2%), especially larger suppliers, stated that they have an internal gifts, benefits and hospitality policy. Small suppliers may lack the resources to put together comprehensive internal policies relating to probity in procurement. The project team understands that PSSA is considering developing and implementing a Code of Conduct for all suppliers. Some other jurisdictions have such codes in place.³¹

Procurement Services SA continue its development and implementation of a Code of Conduct for suppliers.

RECOMMENDATION 10

PSSA's guideline on gifts and benefits appears to have made some impact. Several respondents stated that they had witnessed public sector employees with procurement roles accepting gifts in the past. However, more recently gifts were being refused. The majority (86.9%) of procurement officers who responded to the survey agreed that they are not allowed to accept gifts, benefits or hospitality when involved in a procurement. Fewer suppliers stated that they offer gifts to public sector employees involved in procurement compared to Victoria and New South Wales.³²

30

BUYING TRUST
CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT

Gifts, benefits and hospitality may create a conflict of interests

The acceptance of a gift, benefit or hospitality by a public sector employee may create a conflict of interests and the expectation that the public sector employee will reciprocate.³³ Offering a gift may be the first step in a grooming process, which can lead to improper conduct (*Case study 5*).

CASE STUDY 5:

Suppliers use incentives to improperly influence procurement³⁴

In May 2010, the South Australian Crown Solicitor's Office received information from the Western Australian Crime and Corruption Commission regarding improper purchasing of toner cartridges by Western Australian state government agencies. The South Australian state government established a Procurement Working Group to examine allegations that suppliers had been persuading public sector employees to purchase printer cartridges at inflated prices in return for gifts. Public servants were found to have spent \$1.25 million on overpriced office supplies in return for gifts and benefits. These included gift cards, iPads and iPods, notebook computers, digital cameras, a television, MP4 player and game console. Some public officers were cautioned while others had their employment terminated, and one public officer pleaded guilty to charges of failing to act honestly while a public sector employee.

Procurement officers may not be sufficiently aware of these risks. One in three procurement officers (34.7%) was unaware that suppliers may offer gifts, benefits and hospitality in order to influence a procurement decision.

Respondents were asked what types of gifts, benefits or hospitality may be offered by a supplier to a public sector employee involved in procurement. Many offers were low value, such as a cup of coffee or box of chocolates. However, even trivial or token gifts can have an unconscious influence on a procurement decision.³⁵

Procurement officers and suppliers described items of greater value such as meals, accommodation and travel. Tickets to events were the most frequently mentioned benefit, including corporate tickets to events accompanied by hospitality. A few procurement officers described suppliers offering cash payment, employment, to perform work at an employee's house for free, and paid holidays including travel and accommodation for an employee and their family.



Culture of entitlement

A lack of adherence to policies and procedures relating to gifts, benefits and hospitality may encourage a culture of entitlement to develop in an agency. The Tasmanian Integrity Commission has observed gifts and benefits being accepted but not declared during procurements.³⁶ The Tasmanian public sector was described as being at risk of developing a culture where public sector employees believed that gifts were a 'reward' for their 'hard work', and the risks associated with gifts and benefits were overlooked.

A few procurement officers believed that they should be entitled to gifts, benefits or hospitality.



"Be nice to be offered something considering all the goodwill we give" (procurement officer).

"Politicians and management line up future \$300,000 per annum jobs by creating huge projects for their industry friends but hammer a lowly public servant for once getting a \$300 iPad with printer cartridges they needed anyway" (procurement officer).

A culture of entitlement may develop when procurement officers attempt to justify improper behaviour. Procurement officers described circumstances when they considered that accepting a gift, benefit or hospitality was acceptable. These included accepting a gift as if it was:

- ▶ entered into the gifts register
- ▶ declared and shared with the team
- ▶ accepted in front of someone else
- ▶ valued at less than \$50
- ▶ approved by a senior executive
- ▶ not intended to "obviously influence" the employee accepting the gift
- ▶ not perceived to create a conflict of interests.

A sense of entitlement may lead to public sector employees soliciting gifts, benefits or hospitality. One supplier described having been asked for employment during the procurement process by a probity advisor. Another described hearing rumours of public sector employees soliciting consultancy work during a procurement.

A culture of entitlement may develop if senior leaders are poor role models. Some procurement officers observed that senior leaders in their workplace accepted gifts, benefits and hospitality.



"CEOs and executive were regular [sic] provided with concert tickets. They were disused but because it was a senior member of staff it was somehow deemed OK. It wouldn't be OK if it were a junior member, but surely the more senior staff member (and decision maker) accepting the tickets carries more risk" (procurement officer).

The consequences of allowing a sense of entitlement to take root and then grow into a culture of bribery and solicitation are highlighted in *Case study 6*.

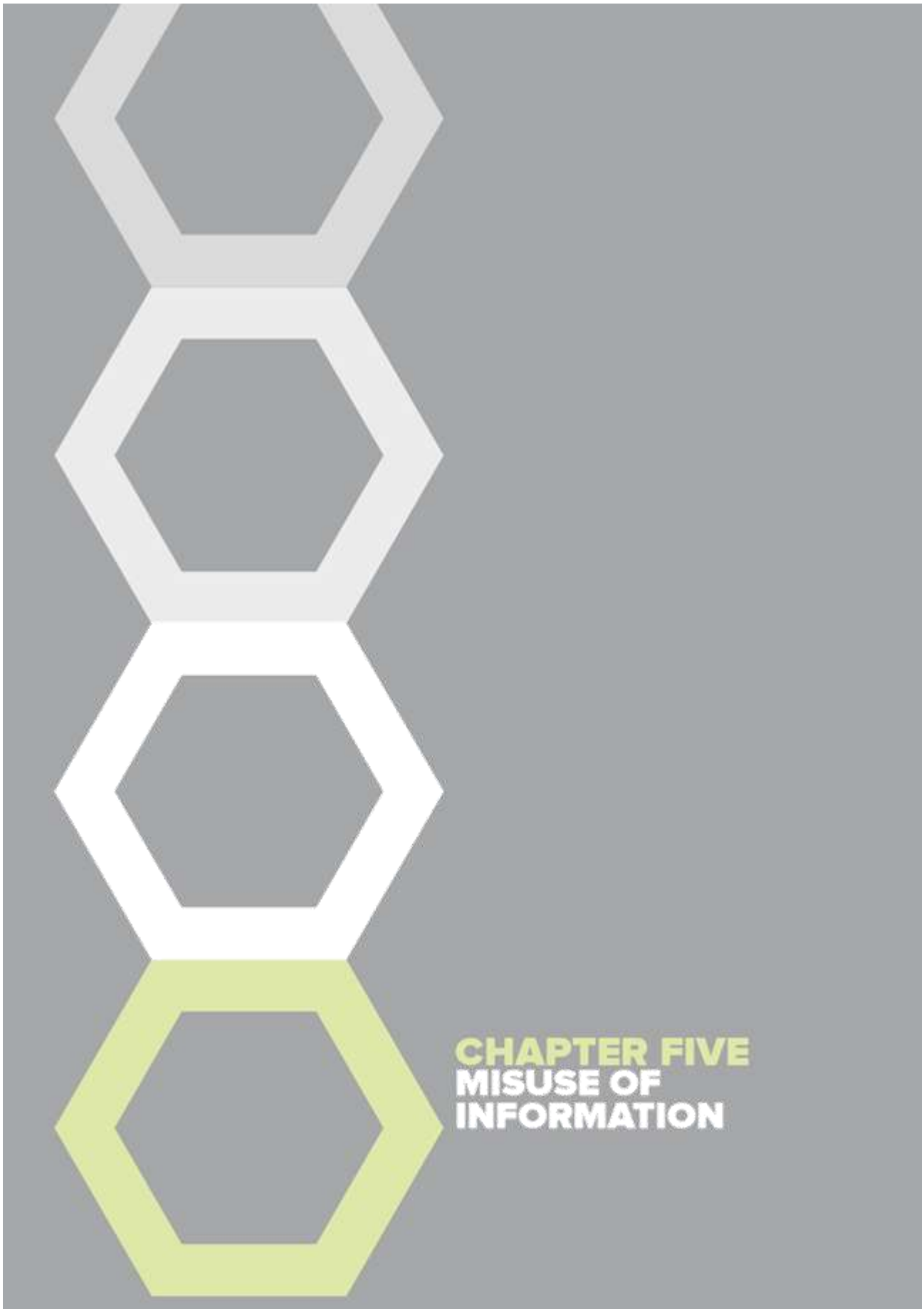
CASE STUDY 6:**Culture of accepting bribes becomes entrenched in a Western Australian department²⁷**

An investigation by the Corruption and Crime Commission, Western Australia, found that senior public officers had received lavish gifts and benefits in return for awarding contracts to favoured suppliers. Over a period of six to ten years, suppliers spent \$125,000 on lunches for public sector employees. Two executives received more than \$150,000 of personal travel, including interstate and overseas travel with business class flights, and renovations to their personal residence. Suppliers recouped the considerable sums spent to secure contracts by inflating invoices.

Other staff in the department were aware that bribes were being sought and paid, but the behaviour was not openly questioned and warning signs were overlooked. As a result, a culture of bribery and fraud flourished. Some staff did not speak out as they were worried about their jobs. Others were groomed by suppliers.

One such target was courted with expensive lunches at the same time as he was making decisions to award work and approve invoices. This public officer received \$5,000 of restaurant meals from one supplier over a one year period.





Chapter five: Misuse of information

The improper disclosure of confidential procurement information may confer an advantage to a favoured supplier. For instance, a public sector employee may improperly disclose a supplier's pricing to a competing supplier who then adjusts their bid. Misuse of information may also entail the unequal provision of information to potential tenderers. This may involve providing information to a favoured supplier, and withholding information from others.

Policies for protecting confidential tender information

PSSA's *Sourcing Policy* states that public authorities should manage the security and confidentiality of documents, and prevent unauthorised access to and dissemination of commercial-in-confidence information. All participants in a procurement evaluation are required to complete a confidentiality agreement prior to commencing an evaluation. All interested tenderers are to be provided with the same information during the procurement process, including responses to requests for information.³⁸

The *Code of Ethics for the South Australian Public Sector* requires that public sector employees do not access, or attempt to access, official information except in connection with the performance of their duties, and that they will not disclose official information without authority.³⁹

Several respondents suggested that the misuse of confidential procurement information had decreased in the past twelve months. A few suppliers commented that the SA Tenders and Contracts website helps ensure that all interested suppliers receive the same information about tenders. Several procurement officers commented that there are sufficient policies and procedures in place to ensure that confidential procurement information is handled appropriately.



"While not perfect, the system to manage these issues is much more robust these days" (procurement officer).

"There is a process to follow and probity advice is sought on all complex and strategic procurements. The risk of this happening while following process is minimal" (procurement officer).



Despite these positive comments, there is room for improvement. Approximately one in four procurement officers (27.2%) stated that they were not required to enter a confidentiality agreement during a procurement process. More than one third of procurement officers (38%) stated that they had not received training relating to handling confidential tender information. The need for training was raised by some procurement officers.



"I have never had any formal training in managing confidential information. I am very aware of confidentiality due to my years of experience as a public sector employee but have never had any formal training or discussions with management in my time at my current department. It seems to appear as if we should know right from wrong, rather than being trained formally" (procurement officer).

Leaking of confidential procurement information

One in four suppliers (26.5%) and one in ten procurement officers (9.9%) believed that confidential procurement information was highly or extremely vulnerable to being improperly handled. A similar proportion of suppliers (23.5%) stated that they have suspected that confidential procurement information has been disclosed to competitors prior to the closing of a tender. These findings are similar to those in other jurisdictions.⁴⁰

Lack of experience or training was the most common explanation for confidential information being improperly given to a supplier during a procurement. However, several respondents described incidents where they believed confidential information had been deliberately leaked.

One supplier alleged that a procurement officer had intentionally disclosed confidential tender information to a competitor during the procurement process in exchange for being given employment with the successful contractor. A procurement officer described a public sector employee deliberately providing a friend with confidential tender information to assist the friend to win a contract. The Commission has received allegations that a public sector employee involved in a procurement improperly disclosed confidential information (*Case study 7*).



CASE STUDY 7:**Confidential tender information is disclosed due to an undeclared and unmanaged conflict of interests**

The Commission received allegations that a procurement had been improperly influenced by a public sector employee who had an undeclared conflict of interests with the successful tenderer. The agency had conducted an independent review, which found that the preferred tender did not align with the scope provided in the call for Expressions of Interest. The person who had responsibility for the procurement had failed to declare that she had a long term friendship with the preferred supplier. She had disclosed information about the bid to that supplier, and engaged in direct negotiations prior to the opening of the Expression of Interest process. Following the review, the procurement process was halted and needed to be redone.

Public authorities conduct regular audits of staff permissions, access and use of confidential procurement information to identify patterns of unusual activity or instances of misuse.

RECOMMENDATION 11

Unequal provision of information

One in three suppliers (33.6%) and one in four procurement officers (26.5%) considered that public agencies were highly or extremely vulnerable to giving unequal information to suppliers during a tender. These results are comparable with perceptions in other jurisdictions.⁴¹

Most comments from procurement officers suggested that the unequal provision of confidential tender information occurs inadvertently. For instance, a procurement officer may be unaware that if one supplier asks a question then all suppliers need to be informed of that question and answer.

Several procurement officers suggested that some suppliers deliberately attempt to obtain information that is not made available to their competitors.



"Where working relationships with suppliers has already been formed through existing contracts, it's possible that suppliers try to seek information from those people, rather than the procurement contact. Most staff members have been reminded or advised that all requests need to go to the contact person, however I've experienced tenderers asking questions to other staff members" (procurement officer).

"Some bidders believe it is acceptable to approach Ministerial level people to discuss open procurements. Ministerial staffers need to be educated as the probity risks this involves and be taught how to manage accordingly" (procurement officer).

A few suppliers described instances where they had suspected the intentional unequal provision of information. Those largely consisted of allegations that specific suppliers were preferentially provided with information about tender requirements, and that procurement officers met with favoured, rather than all, suppliers.



"There appears to be a serious inequality in the level of communication with suppliers... It was observed that one organisation had 3 meetings and opportunities to change tender information each time prior to it closing. We did not receive a single meeting, nor feedback that was provided to that particular organisation and should have been accessible for other applicants" (supplier).

"Only a few select providers were called in to shortlisting meetings ... Was provided information the other tenders have not been and have been given an unfair advantage to negotiate their rates" (supplier).



Intellectual property in procurement

Several suppliers described having used their intellectual property as part of their bid, only to have lost the tender and have their intellectual property provided to the successful tenderer. Those suppliers expressed surprise and disappointment that this happened. For several suppliers, the fact that the successful tenderer was contracted to provide a product that the unsuccessful supplier had initially developed, fueled their suspicion that the contract was not won fairly.



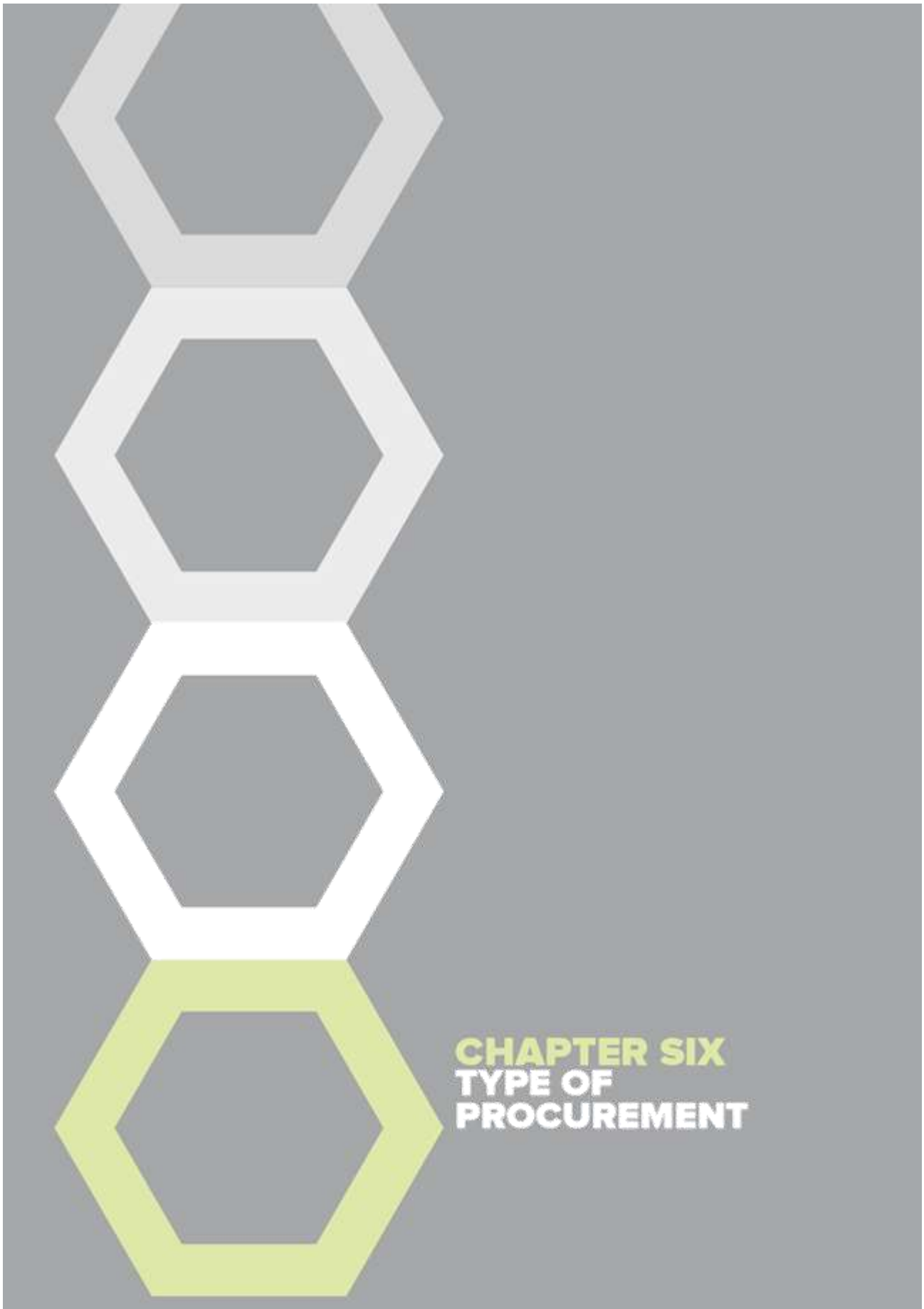
"Often the tender is based on the (stated confidential) IP of the provider offering it in good faith, and the contract (with our IP) goes to a competitor. We have stopped discussing our methodology with some agencies because we know our IP will be stolen" (supplier).

PSSA's *Intellectual Property Guideline* covers rights to intellectual property that may arise during the evaluation of a tender and once a contract has been entered.⁴² However, the guideline does not explicitly discuss the ownership of intellectual property prior to the execution of the contract, or explain how a supplier's intellectual property will be handled or protected.

Procurement Services SA consider the need for guidance on the proper management and protection of intellectual property during procurement processes.

RECOMMENDATION 12





40

BUYING TRUST
CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT

Chapter six: Type of procurement

Corruption risks vary depending on procurement type. Types of public sector procurements range from open market approaches where any interested supplier can tender, limited market approaches where certain suppliers are invited to tender, direct market approaches where a public authority approaches a single supplier, to unsolicited approaches where suppliers put new proposals to public authorities.

Open market approaches

Open market approaches were seen to be the least vulnerable to corruption. This is unsurprising as an open market approach is the most transparent type of procurement. However, this does not mean that open market procurements cannot be corrupted.

Some suppliers believed that open market tenders may be manipulated by writing specifications to unduly favour a particular supplier.



"Occasionally it appears that preferred suppliers have been approached in advance of a tender and the tender specification is steered towards that suppliers specific offering" (supplier).

"Some tender specifications are written in such a way as to favor particular products or services. This tendering practice results in the exclusion of other products and services" (supplier).

Case study 8 demonstrates how specifications can be improperly manipulated.

CASE STUDY 8:

A public officer inappropriately manipulates procurement specifications⁴³

The New South Wales Independent Commission Against Corruption established that a public officer had dishonestly awarded contracts to favoured suppliers in return for financial benefits. He did so by improperly assisting favoured suppliers to be appointed to suppliers' panels, manipulated the tender specifications so that they advantaged the favoured suppliers, and assisted them to write their submissions. This included misrepresenting the experience and technical skills of one of the suppliers and adding reports plagiarised from other suppliers. The public officer dishonestly declared that he did not have a conflict of interests with those suppliers.



The *South Australian Industry Participation Policy Procedural Guidelines* states that public authorities should ensure specifications are clear and comprehensive but not discriminatory by using Australian standards or standards regularly applied in Australia. References to a specific brand or product should only be used in exceptional circumstances, and should allow for an equivalent product.⁴⁴ However, several respondents suggested that some agencies were insisting on specific brands without an equivalent in order to favour a particular supplier.

Direct market approaches

A direct market approach involves a public authority negotiating a contract with a single supplier. The PSSA's *Procurement Planning Policy* states that a direct market approach should not be used for convenience or to avoid competition. A direct market approach must ensure that the procurement outcome provides value for money and is compliant with procurement policies and procedures.⁴⁵

A direct market approach was seen by respondents to be the procurement type most vulnerable to exploitation. Procurements involving a public authority repeatedly using the same supplier were especially perceived as suspicious.



"There is a perception that the [agency] never go out to the open market for tenders and favour a select few (usually the same 3). Some of the employees have worked at these companies or have spouses that work there. It is very difficult for a company to get an opportunity to tender. I don't think that value for money is obtained by not testing the market" (supplier).

The market approach used in procurements valued above \$55,000 is recorded in the Procurement Activity Reporting System (PARS). Analysis of the PARS data shows that some agencies use direct market approaches for the majority of their procurements. These agencies may have legitimate reasons for not using open market procurements. However, agencies should be aware of potential corruption risks if open market approaches are not used. The reasons for utilising a direct market approach should be documented. Documentation will assist a public authority to defend the integrity of a direct market approach should it be questioned.



Panel and multi-use list procurements

A panel contract is a form of standing offer with multiple suppliers for anticipated goods or services. A panel contract may be established by an agency for its own use, by a lead public authority for use by other public authorities (e.g. government schools), or by a lead agency to address an across government need (e.g. an ICT panel).⁴⁶

A multi-use list contains suppliers who have met established criteria and will be required to meet additional criteria during the formal procurement process. Prequalification provides an early indication of suppliers' capability and capacity. Prequalification is a first step in performing due diligence, but it should not be the only means of verifying a supplier's capacity.

Panels and multi-use lists have been used as a protection against procurements being unduly influenced.⁴⁷ For instance, an across government panel for stationary contracts was introduced following the misuse of incentives by suppliers to encourage public sector employees to order unnecessary toner cartridges at inflated prices.⁴⁸

However, some suppliers believed that the decision to include a supplier on a panel could be improperly influenced. Other integrity agencies have reported on corrupt public sector employees improperly assisting a supplier to gain a position on a panel, and subsequently favouring that supplier to win contracts, in return for kickbacks.⁴⁹

Some suppliers expressed disappointment that they had not received work from a panel contract. This may be due to misunderstanding that being on a panel does not guarantee a supplier will receive work. However, it is possible that a procurement officer improperly favours one supplier on a panel. Public authorities should consider auditing contracts awarded to panel providers to protect against improper favouritism.

The use of panel or multi-use lists can be mandated, with exemptions permitted only in limited circumstances.⁵⁰ The use of a supplier who is not on the mandatory list may be an indicator of improper conduct (*Case study 9*).

CASE STUDY 9:

A public sector employee improperly procures an unregistered supplier

The Commission received allegations that a public sector employee had deliberately not used a pre-qualified supplier in circumstances where their use was mandated. The allegations were referred to the relevant public authority.⁵¹ The public authority subsequently found that the employee was aware that the supplier was not registered as an approved supplier, but contracted them anyway. The employee had also split the procurement into three parts so that it would fall under the threshold for governance under the state government's procurement policy.



Some suppliers believed that panels are misused to award contracts to a favoured supplier.



"The 'Panel' contract waits until a contractor that [the public authority] 'like' finishes their works before issuing out further packages" (supplier).

"There are some departments and agencies who have had the same supplier for years, and do not go out to the market to seek quotes from other suppliers on the panel" (supplier).

"Panel contracts are often easily manipulated and a way to keep the same vendor(s) engaged. It's easy to establish an agency panel and limit the field of view and innovation that may be achieved through casting the net wider" (supplier).

Entities that control panels and multi-use supplier lists vet new suppliers, regularly review existing suppliers on a panel or list, and remove suppliers if they no longer fit relevant criteria or conditions.

RECOMMENDATION 13

44

Unsolicited proposals

An unsolicited proposal is an offer to provide unique or innovative goods or services made to a public authority by a supplier on their own initiative, rather than being formally requested. PSSA explained that unsolicited proposals from incumbent suppliers are common. However, such an offer is not always understood by the parties as an unsolicited proposal. This creates the risk that unsolicited proposals are not identified as such and do not follow due process.

Unsolicited proposals valued at more than \$3 million for infrastructure projects or \$1 million for non-infrastructure projects are assessed under guidelines set out in the *Premier and Cabinet Circular PC038 – Unsolicited Proposals*.⁵² Such proposals should be submitted to the Department of Treasury and Finance and assessed by the Unsolicited Proposals Committee, rather than being assessed as procurements under the Framework.

Under the PSSA's *Unsolicited Proposals Schedule*, suppliers need to provide an initial proposal which, if accepted, is followed by a detailed proposal.⁵³ Proposals will only be accepted if they are compliant with PSSA's *Procurement Planning Policy*.⁵⁴

The importance of following due process is highlighted in *Case study 10*.

CASE STUDY 10:

Unsolicited proposal does not follow due process

The Commission's report, *Yes Minister*, discusses an investigation of allegations that a minister had improperly used his position to arrange a contract for a personal associate. The minister received an unsolicited proposal from a business owner which did not offer value for money for the public sector. The minister referred the bid to the relevant agency, where the Chief Executive and other senior executives rejected the proposal. While there was no evidence that the referral came with an expectation that the proposal would be accepted, the Chief Executive had been placed in a "difficult position."⁵⁵

The referral of an unsolicited proposal through personal connections with a minister raises the risk of preferential treatment, or at least the perception of preferential treatment. The proposal should have been assessed in accordance with the PSSA's *Unsolicited Proposals Schedule*, which requires the proposer to have put an initial proposal to the agency, rather than approaching a minister.



Incumbent suppliers

An incumbent is a supplier with a preexisting contract with a public authority. An incumbent may have a legitimate advantage over a new bidder. Their experience may mean they can deliver goods and services at a lower cost than a new supplier, have staff in place, own necessary equipment and assets, understand the public authority's needs, have a reasonable working relationship with the public authority, or offer a unique product.⁵⁶

However, an incumbent may have an unfair advantage over competitors if a procurement decision is based on expedience rather than value for money. A quarter of procurement officers (24.5%) and approximately a third of suppliers (36%) believed that there is a high or extreme risk that existing suppliers are unfairly advantaged in procurements.



"Current knowledge of the organisation a benefit to the re-engagement. Less time spent learning about the organisation. No onboarding required, systems and policies understood" (procurement officer).

"Hard to find better value for money given a new contractor would need to be inducted and security checked to begin work and existing contractor could continue on as is" (procurement officer).

Some procurement officers stated that an incumbent was reengaged due to a lack of planning or capacity.



"I was advised that the timeframe to 'go to market' was too tight & that we needed to use the same contractor" (procurement officer).

New suppliers may be deterred from bidding if an incumbent has repeatedly won tenders with the public authority.⁵⁷ Some suppliers stated they had not bid for a tender as they believed the incumbent supplier would be favoured.



"Have not bid as it is an expensive process and believe the way the tender was written they were just going through the process and directly awarding back to the current supplier" (supplier).

"We do not bid on projects where a single supplier has repeatedly secured ongoing work at the same site location for any particular government agency. There are frequently assessment questions on 'understanding of the project', 'understanding of the site', 'relevant previous experience' all of which can unduly benefit repeat appointment of the same supplier" (supplier).

46

BUYING TRUST
CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT

Public authorities should be aware of integrity risks that may arise when an incumbent is reengaged. An incumbent may be unfairly advantaged by being asked to provide information to be used in the procurement process. They may have access to confidential tender information that is unavailable to other suppliers or have access to systems where confidential tender information is stored. An incumbent may be unfairly advantaged if the specifications substantially describe the incumbent's experience, capability or business operating model.⁵⁸

An incumbent and a public sector employee may have developed such a strong working relationship that it becomes a conflict of interests. Public sector employees involved in procurements need to be aware of suppliers attempting to exploit an existing relationship (*Case study 11*).

CASE STUDY 11:**Public officers may be perceived to favour an incumbent supplier**

The Commissioner referred allegations to the Ombudsman that an incumbent supplier had been given an unfair advantage over other bidders for a new tranche of an existing product. The allegations involved public sector employees involved in the procurement partaking in an overseas study tour arranged by the incumbent. It was alleged that the incumbent was unfairly advantaged as they used the trip as an opportunity to demonstrate a similar product developed for an overseas agency. The incumbent did not win the contract, although the outcome did not eliminate the possibility that the procurement had been improperly manipulated.

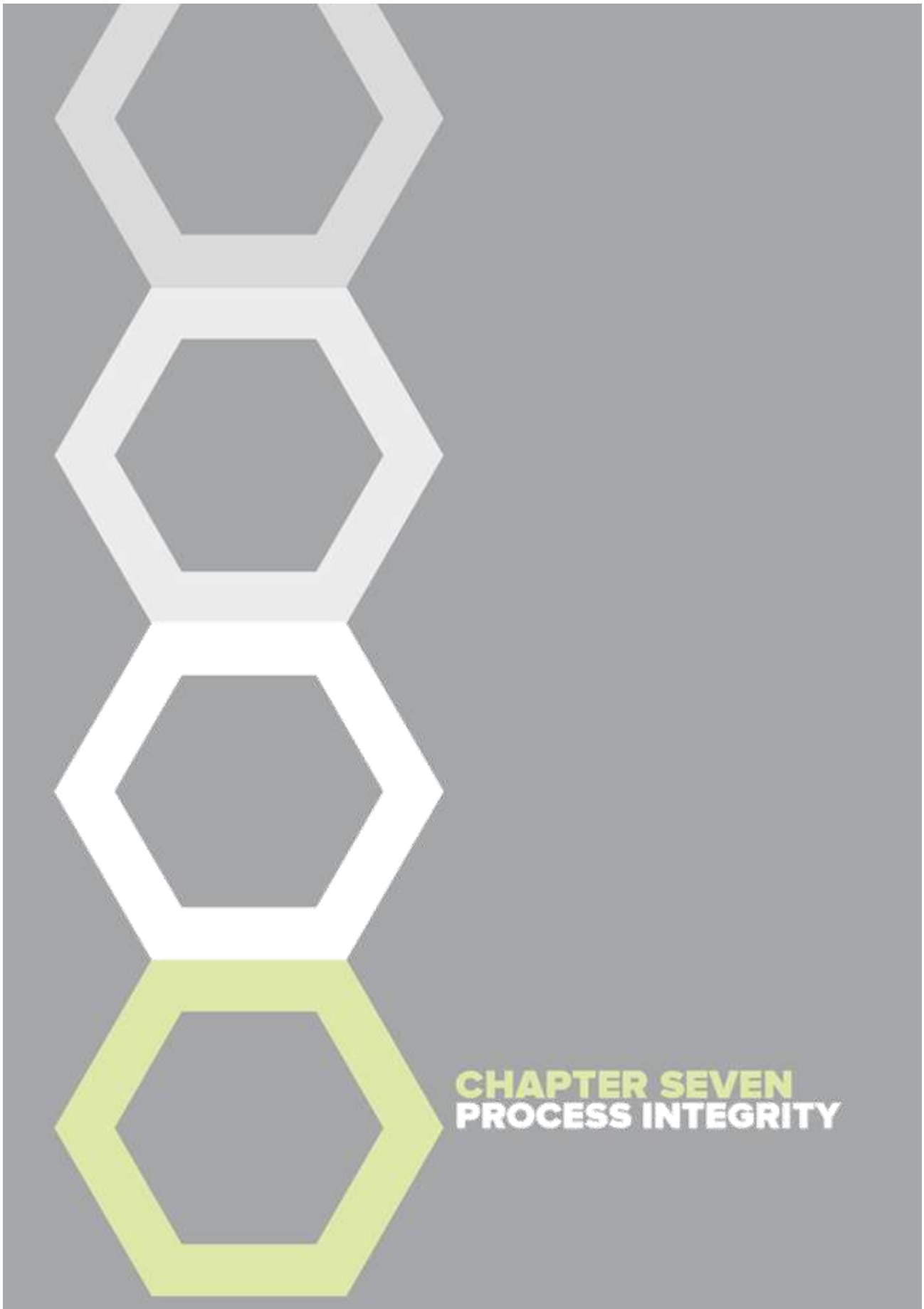
The Ombudsman found that the incumbent was aware that the trip could potentially influence the procurement in their favour. They had provided the employees with an initial itinerary, and had hoped to share travel arrangements. While overseas, the employees attended some meetings with the incumbent. They also attended an office lunch at the incumbent's overseas office while rejecting offers of lunch or dinner with another supplier who was intending to bid.

The employees claimed that they had taken steps to prevent the incumbent from influencing the procurement. They arranged the final itinerary, travel and accommodation separately, and met with other stakeholders during the trip.

The Ombudsman found that the public officers had not committed misconduct. However, the employees could have been more circumspect in their dealings with the incumbent to prevent perceptions of favouritism. The trip was not urgent, and the Ombudsman queried why it was not postponed until the tender process was complete.

Parties involved in a reengagement should declare and manage conflicts of interests. An incumbent who intends to bid for a new procurement should not be involved in developing procurement material, such as specifications. Information made available to the incumbent should be made available to all suppliers. If possible, contract managers should be regularly rotated and the contract manager should not be on the evaluation panel. If the contract manager is on the evaluation panel, their contribution should be given after other members.⁵⁹





Chapter seven: Process integrity

The Framework establishes policies and processes which, if followed, should assist in mitigating corruption in procurement. However, if the process for conducting a procurement is not robust, procurement becomes vulnerable to being manipulated by someone with improper intentions.

Planning a procurement

The Framework requires public authorities to plan procurements before they are released to the market to ensure that procurements achieve best value for money.⁶⁹ Only a small proportion of procurement officers (5.2%) and suppliers (8%) considered procurement to be vulnerable to corruption risks during the planning stage. However, procurement can be corrupted if planning is inadequate. These risks may be underestimated.

Poor planning may result in frequent changes to a procurement's scope. This may create an opportunity for a dishonest supplier to charge for work that is not needed.⁶⁹ Poorly written tender documents may be exploited by an unscrupulous supplier.



"Poorly written tender that requested items well and above its offered contract budget that ultimately got awarded to a company, but likely has had its specification extensively modified to suit said company without re-releasing the tender with the revised specification for others to quote on. At least that's our perception as to what has occurred" (supplier).

The time and documentation required in the planning stage was seen by some respondents as onerous.



"The process to get a new acquisition plan approved and open a tender and assess tenders takes a huge amount of time because of all the micro steps and re-work and double handling, so the decision was made to vary the original contract to include the new scope" (procurement officer).

However, others expressed frustration at the lack of attention paid to the initial stages of a procurement.



"There is need for training to the Executives who approve the Acquisition plan to comply the policies" (procurement officer).

"Review and approval of Acquisition Plans not given due care and attention by correct persons" (procurement officer).



Variations and extensions

Poorly planned procurements may be vulnerable to the improper use of variations or extensions. A variation involves a change to the established contract. An extension allows the contract to go beyond its expiry date. PSSA's *Contract Extensions and Variations Guideline* stipulates that an agency may extend a contract by exercising an option written into the contract, or if an option does not exist, by parties agreeing to extend the expiry date.

Several Commission investigations have involved a public sector employee failing to obtain required approvals for variations. One involved the granting of extensions despite the contract not containing any extension options. Another noted the failure to appropriately document variations. These problems have been observed in other jurisdictions.⁶²

Contracts above \$55,000 must be reported in PARS.⁶³ This includes contracts where variations have increased the contract value above the threshold. A small number of agencies were responsible for a high number of variations. Agencies need to be aware of the corruption risks associated with the misuse of variations. Variations should only be used where necessary and in line with procurement policies and procedures, and not for expediency.

Feedback from those who have attended corruption risks in procurement masterclasses run collaboratively by the Commission and PSSA suggests that corruption risks arising from the improper use of variations are not well understood:



"Use greater scrutiny in doing a variation to extend an existing agreement" (masterclass attendee).

"The training highlighted variations for me. I believe Variations can be a weak link that could be exploited" (masterclass attendee).

There is currently no requirement for public authorities to report variations to the Office of the Industry Advocate. A variation may impact upon an industry Participation Plan without the Office of the Industry Advocate being made aware of this outcome.

Evaluating tenders

PSSA's *Evaluation and Planning Guideline* requires public authorities to have an evaluation plan.⁶⁴ The guideline recommends that members of the evaluation team have the capability to understand the tender. The team should consider and document conflicts of interests, security of information, management of late and alternative offers, and the process for clarifying offers.

Approximately one fifth of procurement officers (19.9%) claimed to have observed certain suppliers being improperly favoured when evaluating bids. Respondents perceived evaluation panels to be more vulnerable to unconscious bias than explicit favouritism. Respondents suggested that favouritism could be avoided by:

- ▶ panel members being trained on addressing unconscious bias
- ▶ an external member included on evaluation panels for high value procurements
- ▶ exclusion of members with pre-existing relationships with tenderers
- ▶ panels being chaired by a procurement professional.

Several respondents made comments regarding integrity breaches that go beyond unconscious bias. One procurement officer described witnessing a senior manager improperly overturning an evaluation panel's decision. Several suppliers involved in separate procurements believed that someone on the evaluation panel had favoured a tenderer with whom they had common interests.

A few suppliers perceived that a procurement had been improperly influenced by an undeclared conflict of interests. This included one supplier who claimed that during the debrief they were told by an evaluation panel member that the evaluation panel's decision was overturned by someone in a "higher" position.



Open periods

PSSA's *Sourcing Policy* requires that suppliers are given sufficient time to prepare a high quality bid.⁹⁵ Just over half of suppliers (55%) surveyed believed that they had sufficient time to prepare their most recent bid. Short opening periods may favour a preferred supplier, particularly an incumbent supplier.

PSSA's *Sourcing Policy* allows for an extension to a procurement opening period only in limited circumstances.⁹⁶ Preferential treatment of suppliers regarding accepting late bids can confer an unfair advantage (*Case study 12*).

CASE STUDY 12:

Public sector employee improperly favours a supplier by accepting a late tender

The Commission received allegations that a procurement officer working for a local council had reopened a tender upon request from a certain supplier, and had done so without notifying his CEO or receiving approval. Competing tenderers were not offered an extension. The public officer argued that the supplier had not received preferential treatment as other tenderers could have requested an extension. However, the tender had been advertised on the SA Tenders website, which clearly stated that late bids would not be accepted. The supplier who had received the extension was awarded the contract. It was alleged that the public officer had an undeclared conflict of interests with the successful supplier.

Several suppliers explained that they had worked hard to ensure that their tender was submitted on time, only to discover that a competing supplier had successfully applied to have the closing date extended. A few suppliers expressed frustration at having the due date changed multiple times, and several believed that a preferred supplier may have received favourable treatment.



Failure to segregate duties

Corruption may occur if a single employee has end-to-end control over a procurement, especially if this control is exercised without sufficient supervision (*Case study 13*). The failure to ensure separation between decision making at each stage of the procurement may make corruption difficult to detect.

CASE STUDY 13:

Failure to adequately segregate procurement and financial duties results in improper procurement

The Commission received allegations that a purchasing officer for a local council had entered into a large number of contracts with a single supplier without following proper processes, including for contracts that exceeded their financial delegation. A review conducted by the Council found that inadequate segregation of purchasing and payment functions had allowed a single public officer to commission and authorise Council contracts without having followed relevant policies and procedures. The contracts were for services that were beyond requirements and at premium prices. The review noted that under-resourcing and a lack of centralised control of the Council's procurement function had created an opportunity for the exploitation of procurements.

Public authorities consider and limit public officers' discretion over procurements and financial decision making, and ensure appropriate segregations and separations are in place.

RECOMMENDATION 14



Exceeding delegated authority

PSSA's *Governance Arrangements Guideline* allows a public authority's Chief Executive to delegate procurement authority to any public officer within their department.⁶⁷ Commission investigations have found that public sector employees have exceeded their procurement authority, sometimes with detrimental consequences for the public interest. In some instances, the employee was unaware of the need to obtain proper authorisation (*Case study 14*). Allegations have also been investigated that delegated authority has been intentionally exceeded.

CASE STUDY 14:

Public sector employee exceeds her delegation to sign a contract that does not offer value for money

The Commission received allegations that a public sector employee had exceeded her delegation authority by signing a contract for the provision of services. It was further alleged that the public sector employee had executed the contract without undertaking prior financial assessment and without consulting the agency's CEO, Chief Financial Officer or her manager. The procurement did not provide value for money, and the agency suffered a substantial financial loss due to the contract.

Dealing with unsuccessful tenderers

PSSA's *Supplier Debrief Guideline* requires that tenderers are informed of the procurement outcome and given an opportunity to receive feedback.⁶⁸ Debriefs are important to ensure accountability and provide the public authority an opportunity to demonstrate that the procurement was conducted fairly. Public sector employees may be reluctant to provide feedback as they lack confidence or an understanding of probity. A public sector employee who is reluctant to provide feedback to suppliers may also be trying to hide improper behaviour.

Some suppliers claimed they were not offered a debrief. The failure to provide sufficient feedback may lead unsuccessful suppliers to become suspicious that the procurement decision was unduly influenced.



"By the way the tender was written, this confirmed my suspicions that the contract had been awarded before it even went out to tender. Mates, for mates ... To this date, I have had no correspondence advising me of any result." (supplier).

Record keeping

Good record keeping is essential to maintaining accountability and transparency, and may be useful to address questions about a procurement's integrity. Good record keeping may deter corruption by increasing the likelihood that improper conduct will be detected, as explained in the Commission's evaluation of the City of Playford Council:

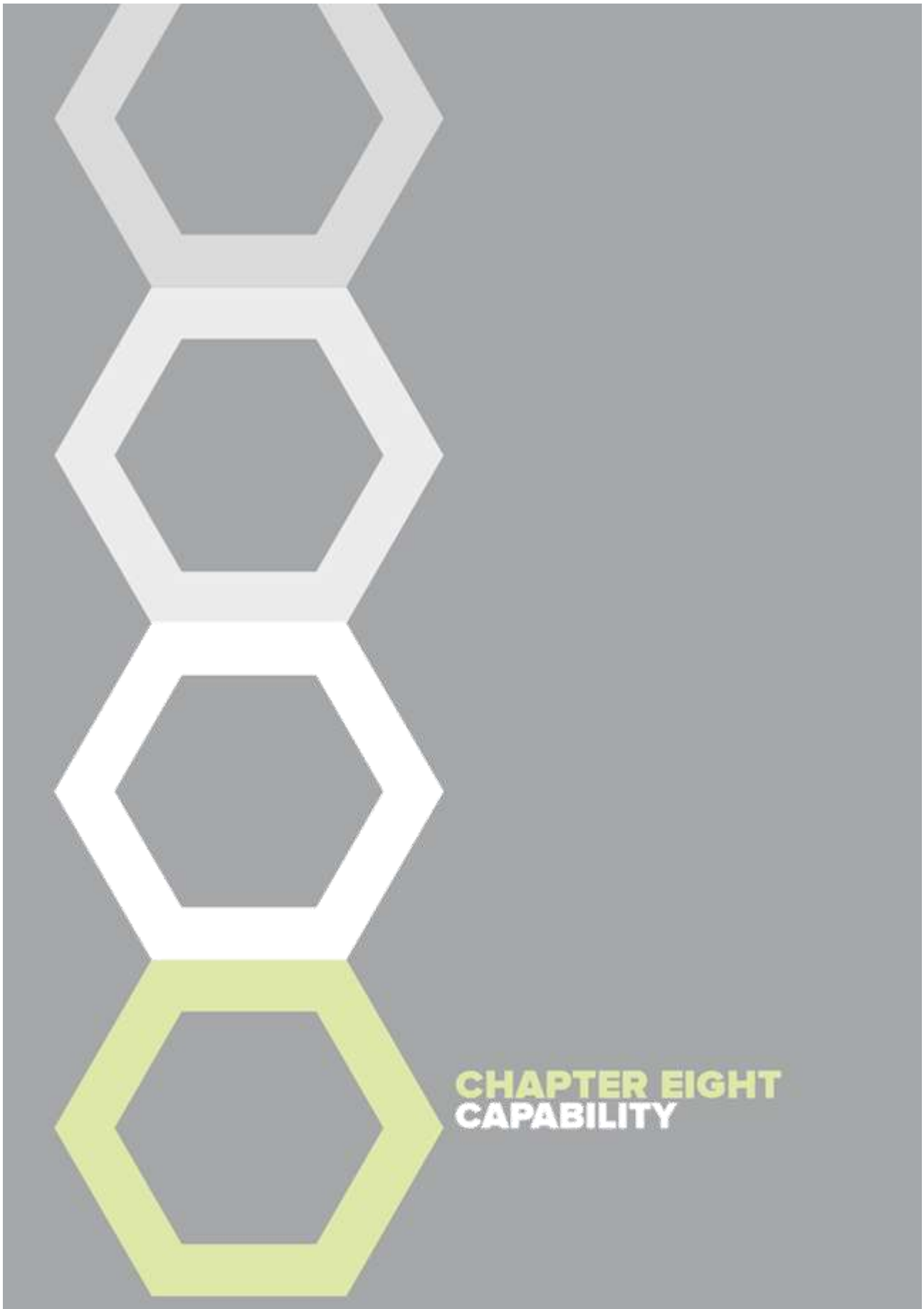
While it may be the case that each procurement was attended to with great care, the absence of important, available and auditable records relevant to the procurements puts the council at risk of assertions of unfair and unethical processes. Moreover there is a real risk that an individual or individuals will take advantage of lax processes to engage in impropriety with little chance of detection.⁶⁹

PSSA's *Procurement Governance Policy* requires that accurate records are kept for all stages of the procurement processes and decisions are documented. Documentation should be sufficient to allow for auditing or other review.⁷⁰

Most procurement officers (80.9%) responded that the process for their most recent procurement was well documented. However, Commission investigators have found that documentation in relation to public sector procurement is not always adequate. The Auditor-General has also observed that public authorities do not always keep adequate documentation. This includes public authorities not maintaining a record of contact and interactions with potential tenderers, actions taken to manage a potential conflict of interests, the assessment of probity, and how bids were assessed.⁷¹

Public authorities conduct regular audits of procurement record keeping, including ensuring that all procurement decision making is documented with reasons, and relevant written and verbal communication with suppliers is recorded.

RECOMMENDATION 15



Chapter eight: Capability

Public sector employees involved in procuring goods and services require sufficient procurement knowledge and skills to perform their jobs competently. PSSA's *Capability Development Strategy 2021–23* sets out the South Australian government's commitment to developing "a highly qualified, technically skilled workforce of procurement and contract management professionals."⁷² This involves assisting procurement leaders to develop the skills necessary to undertake their roles, and public authorities to attract and recognise skilled procurement staff.

Lack of capacity

Some procurement staff specialise in procurement, and have significant experience and relevant professional qualifications.⁷³ Suppliers described these procurement officers as having an excellent understanding of procurement processes including probity requirements.

Other public sector employees may perform procurements occasionally and alongside other duties, and may not have relevant professional qualifications in procurement.⁷⁴ Procurement officers who are infrequently involved in procurement were less aware of corruption risks in procurement compared to those with more experience.⁷⁵ Procurement officers who are not well versed in integrity risks may be manipulated by a supplier with nefarious intentions (*Case study 15*).

CASE STUDY 15:

Misguided public sector employee allows neighbour to improperly secure a contract⁷⁶

The Western Australia Corruption and Crime Commission found that a project director had mishandled the procurement of specialised equipment. Several potential suppliers were identified, and the project director had some queries about a Chinese-based supplier. The project director asked his neighbour, who was also a long term friend, for advice as he had previously procured an unrelated product from China for another government agency. The neighbour offered advice on purchasing. He recommended the project director bypass the Chinese supplier and purchase the equipment directly from a Chinese manufacturer, and offered to help translate.

The project director invited his neighbour's wife's company, in which his neighbour was a shareholder, to bid. The project director disclosed draft documents and the details of another bidder to his neighbour. The company was preferentially allowed an extension to complete tender documentation. The company won the bid despite failing the financial capacity assessment. The project director was on the evaluation panel. He declared that he had no conflicts of interests.



The procurement cost approximately \$1 million. The equipment that was eventually purchased was defective and unusable. The agency considered selling it for scrap valued at about \$24,000. While not corrupt, the project director was described as misguided, naïve, and insufficiently aware of confidentiality obligations and requirements to declare conflicts of interests. Inexperienced procurement and contract management staff aided the project director's conduct and contributed to the poor procurement outcome.

Several suppliers related experiences of dealing with a succession of newly-appointed procurement officers, and subsequent poor communication and delays in decision making. Those suppliers described the procurement process as "chaotic" and "a shambles." High staff turnover and a lack of expertise can reduce personal responsibility and accountability, and leave procurements vulnerable to corruption.⁷⁷

An evaluation panel that lacks sufficient understanding of the product being procured may award a contract to the lowest bidder, rather than the bid that offers the best value for money. Underpriced tenders may result in underperformance and excessive variations, and not provide the greatest economic benefit realisation for South Australia.

PSSA's capability development strategy will assist public authorities to undertake procurements competently. However, small agencies may continue to struggle to support their procurements. PSSA conducts procurements on a cost recovery basis for agencies that require additional assistance. This approach may provide a more viable solution to building capacity.

Procurement Services SA consider expanding its capacity to assist agencies that require additional support to undertake procurements, especially where that assistance would help safeguard procurements from impropriety.

RECOMMENDATION 16

58

BUYING TRUST
CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT

Information and communication technology procurement

The need for procurement officers to have appropriate skills and expertise is most acute in complex procurements such as in the supply of information and communication technology (ICT) services.³⁹



"The procurement for software solutions is complex and there will always be some vendors who know much more than others about the requirements and tender. In fact, the tender often doesn't supply a lot of the finer detail and a lot of assumptions need to be made. This adds risk which may increase price for those who are not very familiar with the detail within the business requirements' (supplier).

The Commission has received allegations about improper ICT procurements (Case study 16).

CASE STUDY 16:

Procurement officer's lack of experience compromises an ICT procurement

The Commission received allegations that a public authority had not followed proper processes in relation to an ICT project procurement. An investigation conducted by the public authority did not find evidence of improper conduct. However, it highlighted how the integrity of an ICT procurement can be compromised if the procurement team lacks sufficient resources and expertise.

The procurement was initially intended to secure an off the shelf software product. When no such product was available, the need for a bespoke product resulted in the procurement becoming complex. The procurement team did not sufficiently understand the business requirements of a complex ICT product, and awarded the tender to the lowest priced bidder. The procurement team did not adequately assess whether the product would fit specification, or the supplier's ability to deliver. As a result, the project was considerably delayed and incurred additional costs.

ICT procurements can be for high value, long term goods and services, and can include numerous components, some of which may be intentionally omitted. For instance, an unscrupulous procurement officer may deliberately manipulate a procurement by including software, but excluding ongoing support or upgrades, to avoid delegation threshold. The need to add components after the contract has been executed, and without an open market procurement, increases the risk of corruption.

Public sector procurement staff need to have sufficient knowledge of the public authority's requirements and the nature and full cost of products. If they do not have this knowledge, they should seek external advice such as appointing an external subject matter expert.



Procurement under pressure

Procurement conducted under pressure may be vulnerable to corruption. Pressure may arise from procurement officers undertaking procurement duties without sufficient training and support, excessive workloads, or the need to spend funds in a short period of time⁷⁹ (Case study 17).

CASE STUDY 17:

A procurement officer under pressure circumvents procurement policies and procedures

The Commission received allegations that a public sector employee had divided works into separate quotes to avoid procurement delegation thresholds. The employee had accepted quotes that contained duplication of costs and works, and had authorised work to be performed without purchase orders.

Some of these works were procured after the agency identified unexpended funds, and had directed the employee to spend this funding in a short period of time. The employee did not use a list of prioritised work that was available. Instead, he decided on required works himself. Pressure to spend funds quickly may have contributed to the employee's use of workarounds.

The employee engaged in further misconduct. He failed to declare that he was in a relationship with a manager from a supplier, and improperly directed work to the supplier. This supplier's contract was extended at least three times, despite there being no options for an extension. The employee approved work performed by this supplier without raising a purchase order. It was further alleged that the employee had improperly disclosed confidential tender information to his partner.

The investigation concluded that the employee's misconduct may have been triggered by a lack of skills, training and support needed to fulfil his duties. The employee had discretion over key business processes without appropriate scrutiny, which increased his opportunity to engage in improper conduct and the likelihood of his behaviour going undetected.

Several procurement officers commented that the greatest pressure came from ministers.



"There is a lot of pressure for public servants by incoming governments to procure goods and services quickly. This may relate to election commitments or promises made by government parties." (procurement officer).

"I have witnessed significant pressure from Ministers to get services contracted 'immediately'" (procurement officer).

These procurement officers explained that ministerial pressure can result in rushed procurements which are vulnerable to unplanned changes and expensive variations, and the improper use of direct market procurements.

Procurement during times of crisis

Procurement officers can be placed under pressure when a procurement is required in a crisis. Integrity risks may be exacerbated during a crisis, including procurement being duly influenced by an undeclared and unmanaged conflict of interests, unauthorised disclosure of confidential tender information, and the circumvention of procurement policies and processes. Further risks are discussed in the Commission's report *Public Administration in a Pandemic: Unique Challenges in the Current Climate*:

Engaging in emergency procurements, the avoidance of normal procurement practices in the interests of expedience, the increased use of credit cards to procure goods, vendors requesting contract variations and/or advance/quick payment, and the use of direct negotiations are all possible circumstances that, while potentially necessary and unavoidable in the current climate, nevertheless lend themselves to greater integrity risk. They should be carefully monitored and managed.⁶⁰

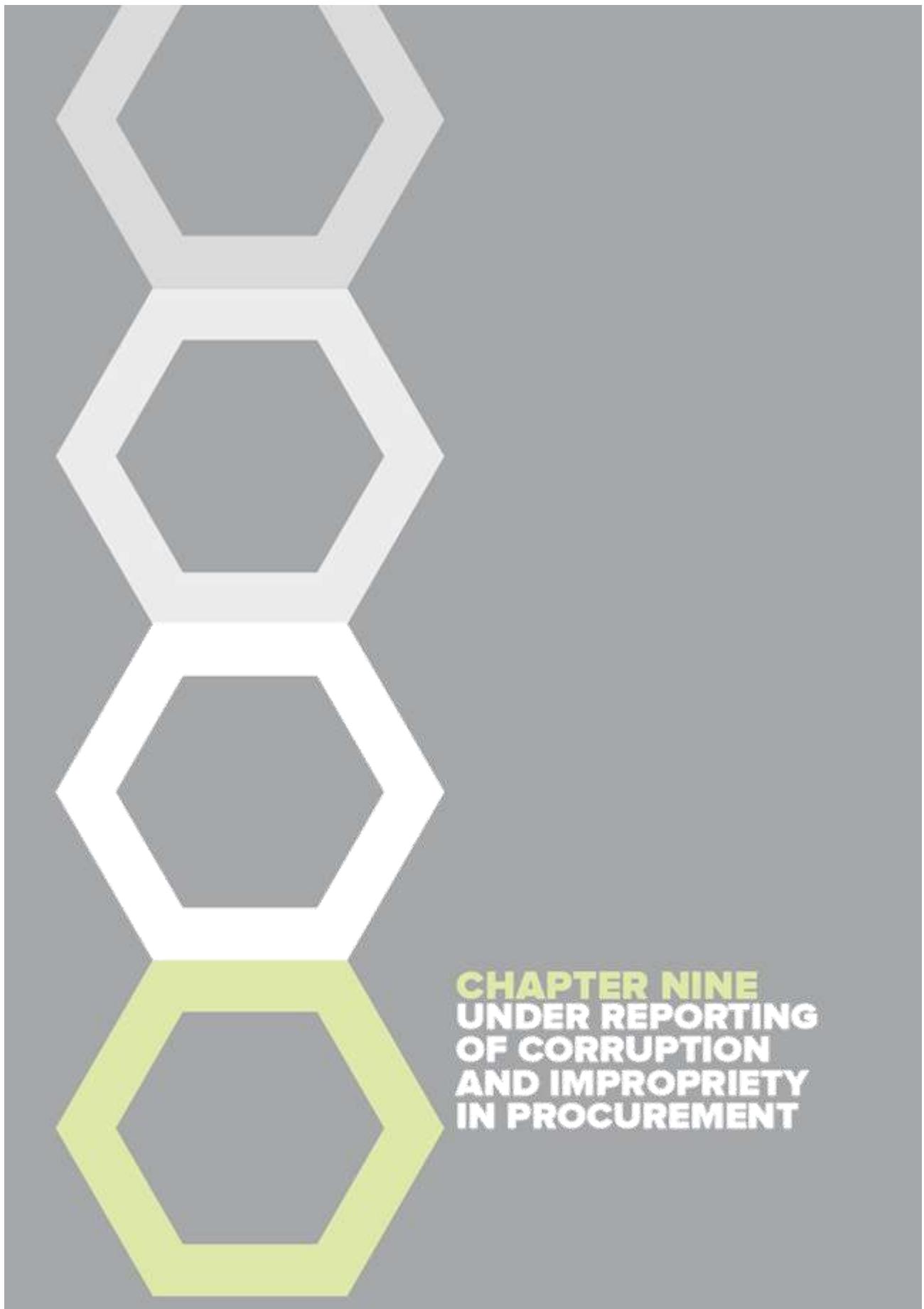
Several suppliers alleged that emergency situations may provide unscrupulous suppliers with opportunities to obtain contracts that do not offer value for money. During an emergency situation, public authorities should be alert to suppliers who are unknown to the public authority and, if possible, use pre-qualified suppliers. Documentation should not be neglected, including recording decisions made outside online financial systems. Public authorities may consider allowing suppliers to rely on force majeure clauses in contracts, or otherwise not force suppliers to meet impossible deadlines as this may encourage dishonest conduct and/or substandard work.⁶¹

PSSA's *Emergency Situation Procurement Schedule* allows for emergency protocols to be applied to situations defined as such under the *Emergency Management Act 2004*. The Schedule only applies to those public authorities who have emergency responsibilities and who are responding to an emergency, in accordance with the provisions of the State Emergency Management Plan, or formal arrangements outlined in other state or commonwealth emergency service related legislation. The *Emergency Situation Procedure Schedule* requires relevant public authorities to "develop a document strategy to ensure their readiness for undertaking procurements in the event of an emergency."⁶² However, some agencies may not have such a strategy in place.

Agencies should ensure that they fully understand when emergency situation procurements can be used. Emergency situation procurements cannot be used to avoid due planning approvals and competitive procurement processes, or for urgent or unplanned procurements which are not part of an emergency event.⁶³ The Auditor-General has reported that a public authority applied emergency situation procurement protocols when no emergency situation had been declared.⁶⁴

Public authorities ensure they have emergency situation procurement frameworks in place and published on their websites.

RECOMMENDATION 17



62

BUYING TRUST
CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT

Chapter nine: Under reporting of corruption and impropriety in procurement

The Commission's ability to detect, investigate and prevent corruption is heavily dependent on public officers making reports of suspicious behaviour. PSSA's *Supplier Complaints Schedule* states that:

Supplier complaints can be a valuable source of information on how and where issues have occurred and may pinpoint improvement opportunities in the procurement function and processes.⁸⁵

However, the Commission has received relatively few complaints and reports from suppliers. In other jurisdictions, suppliers also rarely report corruption, even when they believe that corruption is a major problem or they have lost important contracts.⁸⁶



Suppliers' awareness of reporting obligations

Suppliers who are contracted to public authorities are public officers under the *Independent Commission Against Corruption Act 2012*, and public officers have a duty to report suspected corruption to the Office for Public Integrity.⁸⁷ However, a considerable proportion of suppliers (40%) were unaware that they were classified as public officers, and almost half (48.3%) were unaware of their reporting obligations.

Only one third of suppliers (32.8%) were aware of how to report corruption or other impropriety. This is despite PSSA's *Supplier Complaints Schedule* requiring public authorities to provide "clear and accessible information for suppliers at the commencement of a procurement process on submitting a complaint or providing feedback."⁸⁸

Small suppliers in particular perceived reporting impropriety as being overly complicated.⁸⁹ Suppliers on agency-based panels were unsure about how to report.⁹⁰ Those primarily located outside of South Australia were confused about what should be reported.⁹¹

Suppliers involved in bidding for construction and infrastructure contracts were more likely than other suppliers to believe that reporting is not their responsibility and were less likely to make their subcontractors aware of their obligations as public officers. Instead of reporting, construction and infrastructure suppliers were more likely to not bid if they suspect potential corruption.⁹²

Construction and infrastructure procurements often involve large sums of money and can be especially vulnerable to corruption.⁹³ It is essential that suppliers and procurement officers involved in construction and infrastructure are prepared to report if they suspect potential corruption or other impropriety.

Attendees of masterclasses on corruption risks run collaboratively by the Commission and PSSA have suggested that contract managers could include information about reporting obligations in policies and contract documentation, and in contractor inductions. These suggestions would raise awareness among successful suppliers.

There is also a need to raise awareness of the importance of reporting among unsuccessful suppliers. Unsuccessful suppliers may be best placed to report suspicious conduct.⁹⁴ While they are not classified as public officers, they are still able to report to the Office for Public Integrity.

PSSA is developing a website for public sector suppliers that will include information on suppliers' reporting responsibilities. Agencies could include information on how to report in tender information, especially for tenders related to construction and infrastructure projects. These initiatives may encourage unsuccessful suppliers to report.



64

BUYING TRUST
CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT

Procurement officers' awareness of reporting obligations

One in four procurement officers (19.9%) were unaware that contractors are public officers while performing contract work for a public authority. More than half (53.3%) were unsure if their workplace provides contractors with information about their reporting obligations as public officers.

Feedback from masterclasses run by the Commission and PSSA on corruption risks in procurement suggests that more needs to be done to ensure that procurement officers are aware of reporting obligations.



"I was not aware of the Contractor's ICAC obligations as a Public Officer..." (masterclass attendee).

"Contractors are public officers and therefore have mandatory reporting obligations the same way that public sector employees do ... I am almost certain that most public authorities are not even aware of this fact let alone proactively inducting their contractors to comply with these legal obligations" (masterclass attendee).

The role of informing contractors of their reporting obligations primarily falls to contract managers. Nevertheless, procurement officers may have opportunities to make contractors aware of their reporting obligations, such as directing potential suppliers to PSSA's supplier website once it become available, or including information on reporting obligations in tender documents.

Public authorities provide suppliers with information on internal reporting policies and procedures and suppliers' reporting obligations as public officers. Public authorities ensure that contractors provide corresponding induction material to their subcontractors.

RECOMMENDATION 18

Fear of negative repercussions

Suppliers' reluctance to report suspicious behaviour may be due to fear of suffering negative repercussions. Almost two thirds of suppliers (61.6%) responded that they would be anxious about the personal impact of reporting corruption. More than half (58.7%) were worried that their organisation's ability to win another contract would be jeopardised if they reported.

A few suppliers stated that they had been "blacklisted" by a public authority for speaking out. During one of the Commission's investigations, suppliers explained that they had not reported problems as they wanted to protect their business (*Case study 18*).

CASE STUDY 18: Suppliers are reluctant to report improper conduct

The Commission received an allegation that a public sector employee responsible for procuring contracts under a panel arrangement had been behaving inappropriately towards suppliers. It was alleged that the employee had threatened that suppliers would not secure work if they did not agree to her rates and had insisted that she was the only point of contact. Suppliers interviewed during the investigation explained that they had not complained as they were worried that they would lose business. The matter was referred to the Ombudsman who found that while the public officer's behaviour could not be proved to be threatening or unprofessional, it did limit the ability of suppliers to raise concerns with the department.

PSSA's *Supplier Complaints Schedule* requires public authorities to appropriately handle complaints, including appropriately managing the confidentiality of identities. Some suppliers (42.6%) believed that their identity would be disclosed if they reported. Several related having their identity disclosed to the public authority at the centre of the report.



66

BUYING TRUST
CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT

Reports of potential impropriety must be actioned

Reports about improper conduct in public sector procurement must be acted upon. The failure to do so can allow corruption to continue unabated. Public officers who perceive that reporting is futile, or that reports may not remain confidential may also be deterred from speaking out.

Less than half of procurement officers (48.4%) and a quarter of suppliers (27.5%) were confident that action would be taken if they reported impropriety. Some suppliers and procurement officers who had reported impropriety were critical that appropriate action had not been taken:



"It wasn't handled, it was covered up" (procurement officer).

"I don't feel it was taken seriously" (procurement officer).

"Nothing was really done about it" (procurement officer).

"It went straight into the too hard basket" (supplier).

"It was swept under the carpet" (supplier).

"More could have been done" (supplier).

Public authorities do not always adequately act on a report of impropriety (*Case study 19*).

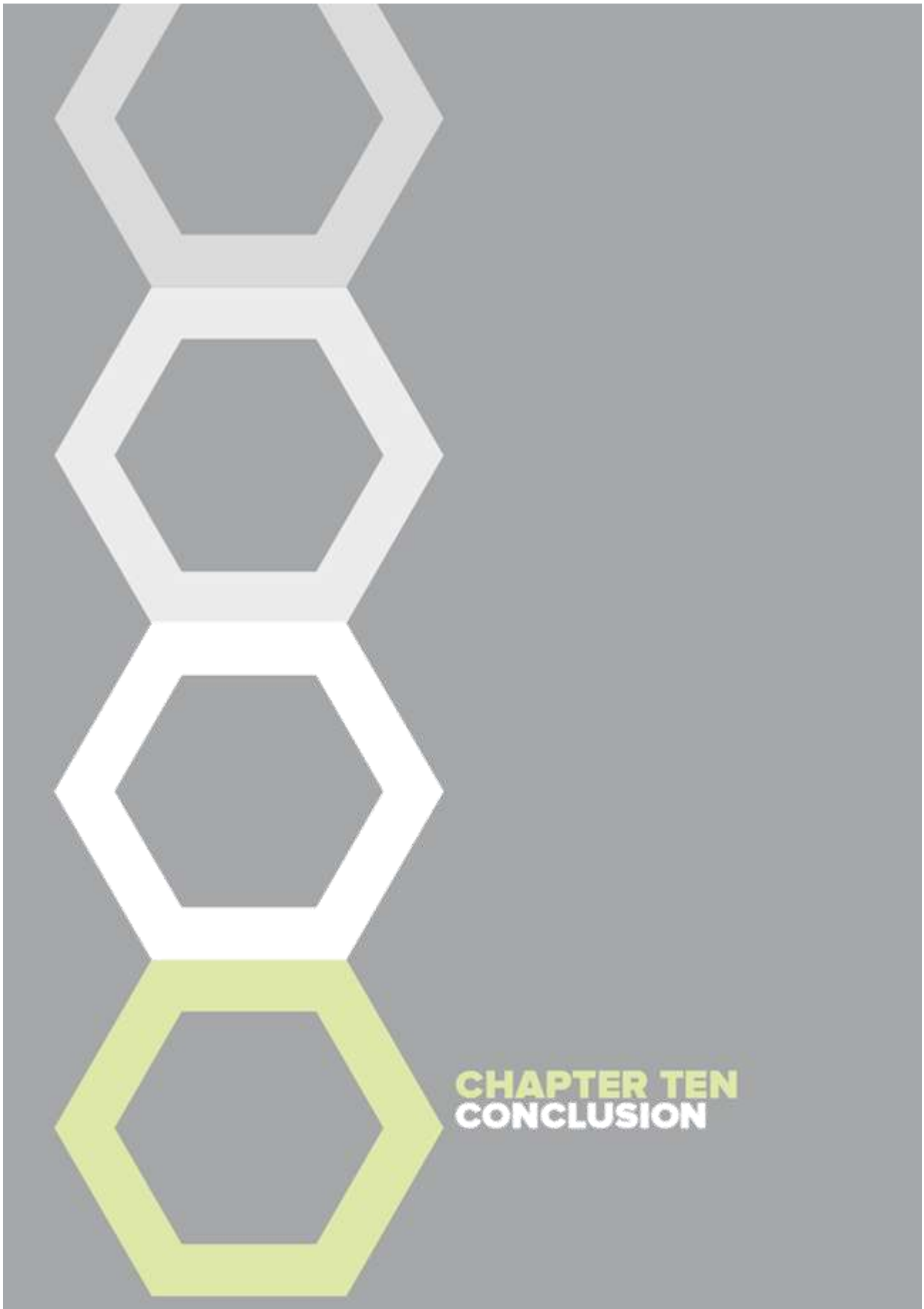
CASE STUDY 19:

Public authority does not adequately address a complaint made by a supplier

A complaint regarding procurement was referred to the Ombudsman, who concluded that the department had not adequately dealt with the initial complaint. The department had investigated the complaint, but had not clearly identified the issues raised, had not established if the issues were valid, and had not explained to the reporter what actions the department was going to take in response to deficiencies identified.

On 20 February 2023, an independent complaints process was established by PSSA. This involves the Chief Executive of the public authority informing the Procurement Review Committee within seven days of any unresolved complaints.⁹⁵





68

BUYING TRUST
CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT

Chapter ten: Conclusion

Too often corruption in public sector procurement is overlooked or undetected. Red flags that should be noticed and reported are ignored. As a result, corruption is allowed to continue unabated.⁹⁶

This problem may be partly due to public officers and others involved in the procurement process being reluctant to report suspected corruption. However, failure to act may also reflect a lack of awareness of behaviour that may indicate that procurement is being unduly influenced.

Public officers are reminded to be alert to suspicious conduct relating to public sector procurement. These warning signs do not necessarily constitute corruption *per se*. However, they should prompt public officers to make further enquiries and report suspicious conduct.



Red flags of potential corruption in public sector procurement

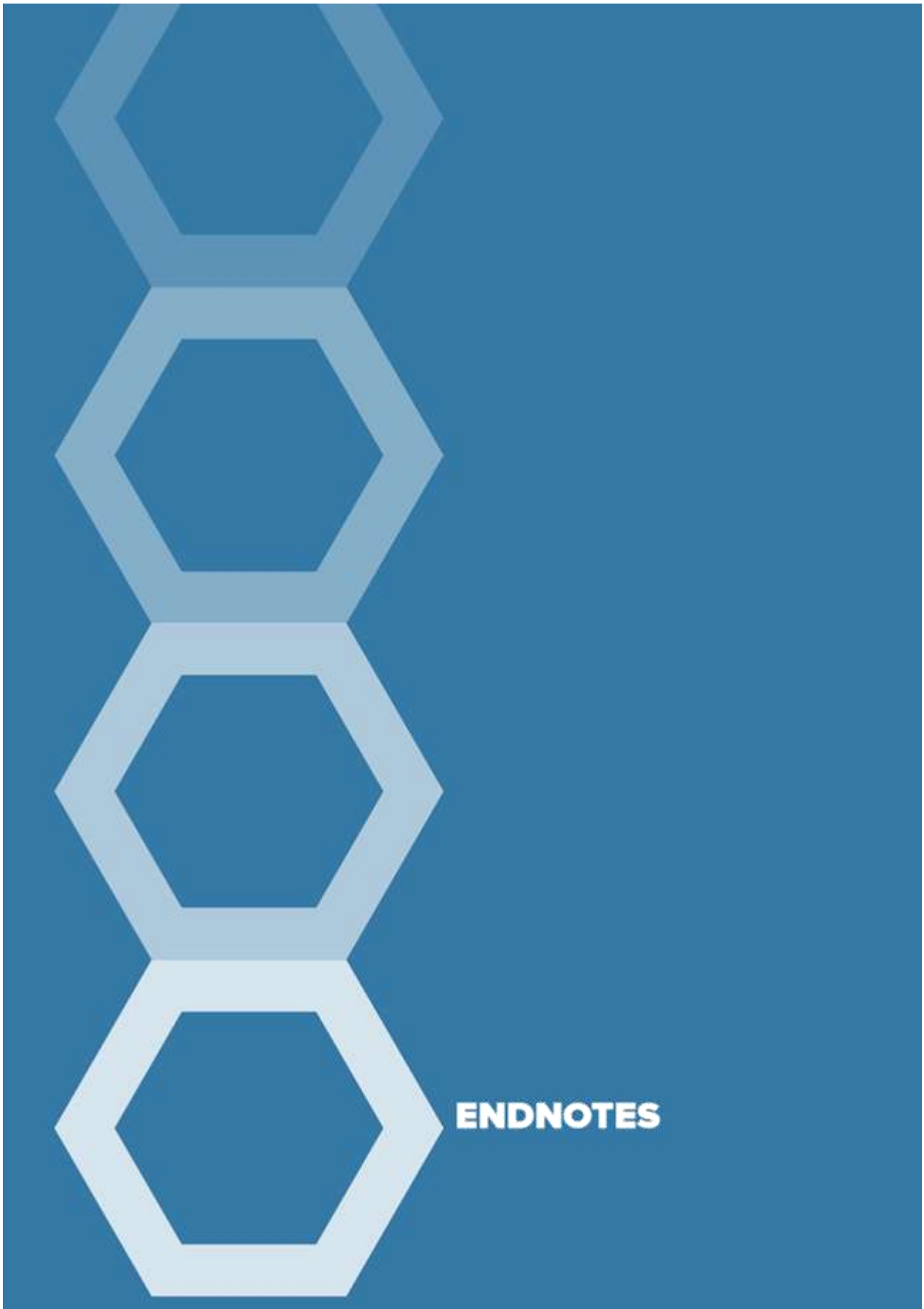
- ▶ Tenders being split so that they fall under procurement thresholds
- ▶ The inclusion of an Aboriginal supplier to increase the chances of winning a tender. Once the tender has been successful, not allocating work to the Aboriginal supplier or misrepresenting labour hours performed by Aboriginal workers
- ▶ Public officers failing to disclose and effectively manage a conflict of interests
- ▶ Public sector employees accepting or soliciting gifts, benefits or hospitality from suppliers
- ▶ Suppliers offering gifts, benefits or hospitality to public sector employees with procurement responsibilities
- ▶ Public employees or suppliers improperly accessing, or attempting to improperly access, confidential procurement information
- ▶ Public sector employees improperly disclosing confidential procurement information to suppliers, or withholding tender information from suppliers
- ▶ Misuse of limited market approaches, variations and extensions
- ▶ Suppliers or public sector employees manipulating tender documents, including influencing specifications, to favour specific suppliers
- ▶ Suppliers being improperly included on a panel or multi-use supplier list, and failures to use suppliers on mandated panels/lists without approved exemptions
- ▶ The awarding of contracts to incumbent suppliers, including those on supplier panels, which do not offer value for money
- ▶ Unsolicited proposals that have not followed proper processes
- ▶ Poorly planned procurements, overly vague specifications, and repeated changes to scope
- ▶ Late tenders accepted from one supplier, but not others
- ▶ Public sector employees having discretion over the entire procurement lifecycle
- ▶ Public sector employees exceeding their delegated authority
- ▶ Failure to maintain robust documentation relating to procurement decisions
- ▶ Lack of transparency regarding procurement decisions, including the failure to provide appropriate and timely feedback to unsuccessful suppliers
- ▶ Procurements that are rushed, under-resourced, pressured by interested parties and conducted by procurement officers who have not received sufficient training and support
- ▶ Public authorities inappropriately using emergency procurement processes



70

BUYING TRUST
CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT





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16.3 INTERNAL AUDIT - PAYROLL AND REMUNERATION – REPORT NO. AR24/29749

Committee:	Audit and Risk Committee
Meeting Date:	29 July 2024
Report No.:	AR24/29749
CM9 Reference:	AF11/863
Author:	Kahli Rolton, Acting Manager Financial Services
Authoriser:	Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services
Summary:	This report provides a summary of the Internal Audit - Payroll and Remuneration outcomes including findings and actions as prepared by UHY Haines Norton, Chartered Accountants.
Strategic Plan Reference:	Goal 1: Our People
	Goal 2: Our Location
	Goal 3: Our Diverse Economy
	Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage
	Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/29749 titled 'Internal Audit - Payroll and Remuneration' as presented on 29 July 2024 be noted.
2. That it be noted that progress achieved on the actions resulting from the Internal Audit – Payroll and Remuneration will be reported in future internal audit updates.



TYPE OF REPORT

Corporate

BACKGROUND

1. **Statutes Amendment (Local Government Review) Act 2021** – Item 83 Amendment of section 125 - Internal control policies and item 84 Amendment of section 126 – Audit and Risk committee applies greater emphasis on internal audit and risk management.
2. **Local Government Act 1999 Section 125A - Internal audit functions:**
 - (1) *The chief executive officer of a council that has an internal audit function must, before appointing a person to be primarily responsible for the internal audit function, or assigning such responsibility to an employee of the council, consult with the relevant audit and risk committee on the appointment or assignment of responsibility.*
 - (2) *Despite any other law or instrument to the contrary, the person primarily responsible for the internal audit function—*
 - (a) *must ensure that any reports they prepare relating to the internal audit function are provided directly to the audit and risk committee; and*
 - (b) *may report any matters relating to the internal audit function directly to the audit and risk committee.*
3. **Local Government Act 1999 section 126(4) – Audit and risk committee:**
The functions of a council audit and risk committee include—
 - (g)(i) *if the council has an internal audit function—*
 - (A) *providing oversight of planning and scoping of the internal audit work plan; and*
 - (B) *reviewing and commenting on reports provided by the person primarily responsible for the internal audit function at least on a quarterly basis;*
4. **Internal Audit Approach** - Council has historically not had an internal audit function or undertaken internal audits. An approach was agreed with Dean Newbery and Partners further to their appointment as Council's external auditor in 2021 as follows:
 - **Internal Financial Controls Self-Assessment** - The internal financial controls that had not been assessed since 2018 would be assessed in FY 2023;
 - **Internal Audit** - A risk-based approach would be undertaken to build an internal audit program starting with one internal audit in FY 2024.
5. **Audit and Risk Committee Terms of Reference** - The following section of the Audit and Risk Committee Terms of Reference (as adopted in April 2024) is relevant to this report:
 - 12.4 Internal Audit** *(where Council has a separate internal audit function) The Committee shall:*
 - 12.4.1 Monitor and Review** - *The effectiveness of the Council's internal audit function in the context of the Council's overall risk management system.*
 - 12.4.2 Program** - *Consider and make recommendation on the program of the internal audit function and the adequacy of its resources and access to information to enable it to perform its function effectively and in accordance with the relevant professional standards.*
 - 12.4.3 Reports** - *Review all reports on the Council's operations from the internal auditors.*

Aligned with **Sections 125A and 126 (4)** of the Local Government Act.



12.4.4 Findings and Recommendations - Review and monitor management's responsiveness to the findings and recommendations of the Internal Auditor; and

12.4.5 Direct Access - Provide the internal Auditor with the right of direct access to the Mayor of the Council and to the Presiding Member of the Committee.

6. **Internal Audit Plan** - Was reviewed at the November 2023 Audit and Risk Committee meeting and adopted at the December 2023 Council meeting. The scope of the program included an Internal Audit of Payroll and Remuneration that would utilise external resource.
7. **Quarterly Internal Audit Update Report** - Was presented to the Audit and Risk Committee for the first time at the January 2024 meeting including the following:
 - **RFQ Process** - A select Request for Quote (RFQ) process was undertaken in December 2023 and January 2024 where two external providers were provided with a copy of the Internal Audit Plan that was adopted in December 2023. Both external providers provided submissions that were reviewed by the Manager Financial Services with a recommendation provided to the General Manager.
8. **External Provider Engagement and Planning** – UHY Haines Norton was the external provider appointed to undertake the internal audit. An Initial meeting held with preferred provider to work through the proposed scope, timing and price in more detail, the provider then met with Council's external auditor.
9. **Internal Audit Scope Review** - Aligned with the adopted Internal Audit Plan 2024-2026 and the Internal Audit Policy a report was brought to the February Audit and Risk Committee to outline the scope for the Payroll and Remuneration Internal Audit.

PROPOSAL

1. **Audit Scope** - The focus of the audit was to ensure accuracy and compliance in relation to changes that take place during the employee lifecycle. In the first instance, this involved review of payroll/HR processes and supporting calculations including the following:
 - **Appointment** - When a new employee is appointed and starts at City of Mount Gambier (CoMG).
 - **Changes to employment terms** - EB changes, increment increases, temporary changes in role (e.g. higher duties/acting),
 - **Termination** – When an employee exits the organisation.
2. **Scope Exclusions** - The internal Auditor engaged with Council's External Auditor (Dean Newbery) to minimise any overlap between the external audit and this internal audit activity.
3. **Sample Size** - The sampling size for new employees was 20%, for changes to employee terms was 10%, and for terminated employees was 10%.
4. **Internal Audit Timings** - The internal audit took place in March 2024 onsite with the report produced in June 2024.
5. **Budget** - The agreed budget for this Audit is aligned with the 2023/2024 budget of \$10k.
6. **Management of Internal Audit** - The internal audit was undertaken by the external provider. This report is brought to the Audit and Risk Committee by the Acting Manager Financial Services to detail the findings and recommendations.



7. **Report General Observations** - As per the report in Attachment 1, the following observations were made:
- **Internal Controls Self-Assessment** - It was noted that Council staff undertook the self-assessment of the Better Practice Model in 2022/2023. The Council's External Auditors have advised that this should be reviewed every other year.
 - **Further Internal Audits** - This Internal Audit was confined to the scope of new employees, changes to employee terms and terminated employees. A future assessment of all employees against the terms and conditions of the relevant EBs, Awards and Contracts would be a potential Internal Audit that the Committee may wish to consider.
8. **Key Audit Findings** - The following audit findings were provided to Council staff (summary of what has been included in the attached report):

Ref	Details and Recommendation	Managers Comments	Timing	Risk Rating
1	<p>The Council's <u>Administrative Principle Risk Management</u> was issued in June 2022 and is noted on the document as due for review in June 2023. This document is overdue for review.</p> <p>The Administration Procedure – <u>Acting Arrangements and Higher Duties Allowance</u>, provides guidance on the processes for higher duties but also extracts from EBs and Awards. It does not include Mixed Functions for field staff which has different provisions for payment at higher classifications. A procedure should extract all components from a Relevant Award or EB but be kept updated whenever those change or instead refer to the relevant Clause Numbers of the Award or EB.</p>	<p>The Risk Management Policy was reviewed by the Audit and Risk Committee and adopted by Council in June 2024.</p> <p>Administration Principle is being reviewed and is scheduled to be updated by the end of the calendar year.</p> <p>This administrative principle is being reviewed and will be updated by the end of the calendar year.</p>	<p>June 2024</p> <p>December 2024</p> <p>December 2024</p>	Moderate



2	<p>One contract was signed manually by the employee and not signed by a witness. Two contracts were not signed by the CEO. One contract was signed by the CEO and employee via Adobe Sign; the witness box remains on the document and is unsigned.</p> <p>An employment contract does not need a witness when signed securely, such as using Adobe Esign, but if the Council is not going to use a witness, the witness box should be removed. We note that the latest contracts did not have a witness box. The Council also now uses Adobe Esign to electronically sign their employment contracts. This process ensures that all parties sign the contract and initial each page.</p> <p>The Contract with the missing CEO signature should be addressed.</p>	<p>The contracts with the missing CEO signatures will be addressed immediately. (since completed)</p> <p>The Council sought legal advice before changing to Adobe Esign. This advice confirmed that the Council does not require a witness when executing an electronic contract, providing the Council is using a secure and approved facility.</p> <p>The contracts with the missing CEO signature had a letter of offer which is issued by the CEO.</p> <p>One of the contracts that was not signed by the CEO covers terms and conditions within the EB.</p> <p>The other contract that was not signed by the CEO will be addressed as the terms and conditions fall outside of the EB</p>	Now	<p>Moderate until the missing signature is addressed</p> <p>Low, ongoing with Adobe Esign procedures</p>
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9. **Detailed Assessment** – full details of assessments and recommendations are provided in Attachment 1 - Internal Audit Report Payroll and Remuneration to this report.
10. **Internal Auditor Attendance** - Corinne Garrett Manager Government Consulting will be in attendance at the Audit and Risk Committee meeting to answer questions from committee members.
11. **Next Steps** – The progress against the actions arising from this internal audit will be reported back to the Audit and Risk Committee as part of the following:
 - **Quarterly Internal Audit Reporting** – Included in the quarterly report to the audit and Risk Committee and Council.
 - **Annual Report** - Aligned with Section 99 of the Local Government Act the CEO is:
 - (ib) *to report annually to the relevant audit and risk committee on the council's internal audit processes; quarterly reporting and will be included in the annual report*

LEGAL IMPLICATIONS

Local Government Act 1999, as specified above.

STRATEGIC PLAN

N/A



COUNCIL POLICY

[Internal Audit Policy](#)

[F225 Fraud and Corruption Prevention Policy](#)

[Internal Controls Policy](#)

[Risk Management Policy](#)

ECONOMIC IMPLICATIONS

N/A

ENVIRONMENTAL IMPLICATIONS

There are no environmental / climate change implications in relation to this report.

SOCIAL IMPLICATIONS

There are no social implications in relation to this report.

CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

Budget Allocation - The Internal Audit Plan 2024-2026 was created to be conducted within the current available budget. \$20k has been included in the 2023/2024 budget for two internal audits. This audit is aligned with the overall budget.

VALUE FOR MONEY

N/A

RISK IMPLICATIONS

Improved internal audit processes is in keeping with the Audit and Risk responsibilities and legislation and will result in improved risk management processes.

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A

ENGAGEMENT AND COMMUNICATION STRATEGY

N/A

IMPLEMENTATION STRATEGY

The findings and recommendations have been discussed with actions agreed with dates for completion. The actions will be implemented with reporting brought to the Audit and Risk Committee quarterly.

CONCLUSION AND RECOMMENDATION

It is recommended that the attached Payroll and Remuneration Internal Audit Report, prepared by UHY Haines Norton, Chartered Accountants, as presented is noted by Council. Progress against actions arising from this audit will be presented against future internal audit updates.

ATTACHMENTS

1. Internal Audit - Payroll and Remuneration Report

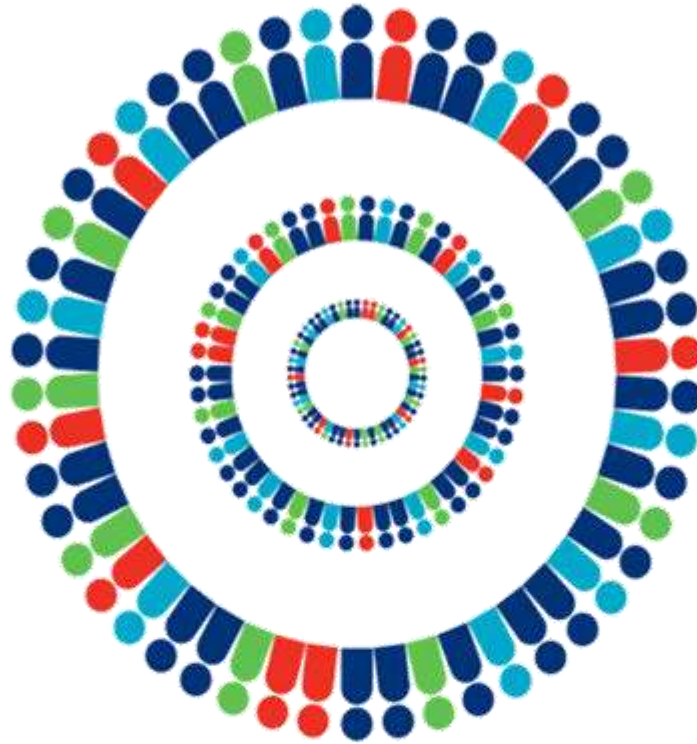




Internal Audit
Payroll and Remuneration Processes
Prepared for the City of Mount Gambier

June 2024





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Liability is limited by a scheme approved under Australian Professional Standards Legislation.

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Contents

Abbreviations.....	4
Introduction	4
Audit Objectives.....	4
Scope of Audit.....	4
Disclaimer.....	5
Audit Approach.....	5
Internal Audit Personnel	5
Audit Conclusion	6
General Observations	6
Internal Controls Self-Assessment	6
Further Internal Audits.....	6
Audit Findings	6
Key Findings	6
Appendix 1 – Detailed Assessment.....	8
1. Documented Procedures	8
2. New Employees.....	8
Our Assessment	9
3. Changes to Employee Terms.....	9
Our Assessment	10
4. Terminated Employees	10
Our Assessment	10
Control Ratings.....	11
5. Administration Staff Enterprise Agreement	11
6. Administration Staff Award	14
7. Field Staff Enterprise Agreement.....	16
8. Field Staff Award.....	19
9. Legislation.....	22
10. Better Practice Model – Internal Controls.....	23
Appendix 2 – Risk Framework.....	25



Abbreviations

The following abbreviations are used in this report;

EB Enterprise Bargaining Agreement

Introduction

The City of Mount Gambier (CoMG) engaged UHY Haines Norton to undertake an internal audit of the Council's Payroll and Remuneration Processes, specifically the onboarding, changes to staff employment terms and exit of staff.

Ensuring accuracy and compliance in these areas is crucial for employee satisfaction, legal adherence and limiting financial exposure.

Audit Objectives

The objectives of the Internal Audit were to review the CoMG's Payroll and Remuneration processes to;

- Enhance compliance: verify adherence to relevant Enterprise Bargaining Agreements, industrial awards and contracts, legislation, and Council policies.
- Optimise processes: identify opportunities to streamline and improve onboarding, changes to employment terms and staff exit procedures for increased efficiency and reduced errors.
- Minimise risk: evaluate and mitigate potential risks associated with inaccurate payroll processing, non-compliance, and inadequate documentation.
- Promote best practices: Recommend best practices and industry standards to strengthen this function.

Scope of Audit

The scope of the Internal Audit included;

- Review of relevant policies and procedures: Analyse applicable Council policies, guidelines and agreements governing employee onboarding, changes to employment terms (pay raises, promotions, higher duties, etc) and staff exit procedures.
- Onboarding process evaluation: assess the effectiveness of the Council's onboarding process, including contract review, document collection, initial payroll setup and introduction to benefits and entitlements.
- Changes to employment terms: evaluate how changes to employee salary, position, benefits, or other terms are documented, processed, and reflected in payroll records to ensure compliance with relevant Enterprise Agreements, awards, contracts, and regulations.
- Staff exit procedures: Review the effectiveness of the Council's procedures for employee terminations, final pay calculations and benefits termination.
- Internal controls assessment: evaluate the effectiveness of internal controls within the Payroll and Remuneration function, identifying potential risks and areas for improvement.
- Testing of transactions and records: sample and test employee records, payroll transactions and supporting documentation to ensure accuracy and compliance with policies, regulations, agreements, contracts, and awards in relation to the areas of this audit.



- Prepare an audit report with findings, recommendations, and action plans.
- The period for the review is the 12 months prior to March 2024.

The Council's Audit and Risk Committee also asked to check that wage rates were correct and if any payroll was made out of normal pay runs.

We checked that new employees and employees that had changes were paid in accordance with the relevant EBs. This was completed as part of our testing.

Payroll is paid at set periods, and we didn't find anything contrary to this within the scope of our testing. However, termination payments may be paid at different times. We note that the Council usually makes termination payments with the normal pay run. However, there may be circumstances where a termination payment needs to be paid before the next pay run. This is standard practice and does not create any additional risk as the same processes, reviewing, and reconciliations are still in place.

We liaised with the Council's External Auditors to ensure that this Internal Audit added value to the Council without repeating the work that the Council's External Auditors undertake.

Disclaimer

Our Internal Audit work was limited to that described in this report. It was performed in accordance with the 'International Standards for the Professional Practice of Internal Auditing' contained in the 'International Professional Practices Framework' issued by the Institute of Internal Auditors.

Audit Approach

Due professional care is exercised during the planning, execution, and reporting of the results by the reviewer. However, absolute assurance cannot be given that other non-compliance and irregularities do not exist as our analysis is limited to sample testing of key control and requirement areas for the last twelve months and within the scope of this Internal Audit.

To undertake this Internal Audit, we;

- Reviewed relevant documentation: policies, procedures, agreements, contracts, payroll records and supporting documentation.
- Interviewed key personnel: payroll staff, HR personnel, managers, and employees.
- Observed processes; undertook walkthroughs of onboarding, changes to employment terms and staff exit procedures.
- Completed data analysis and testing: sampling and testing of employee records, payroll transactions and supporting documentation.

The key findings were provided to management for discussion. Management responses are included in the Audit Conclusion section of this report.

Internal Audit Personnel

Our Audit Planning was completed by our Audit Team, including Corinne Garrett, the Chief Internal Audit Executive at UHY Haines Norton, Kristy Watson, our Senior Auditor and Shane O'Reilly, our Auditor.



Corinne is a Professional Member of the Institute of Internal Auditors Australia and holds a Graduate Certificate in Internal Auditing from the Institute. Kristy and Shane have extensive experience in Audit work with Local Government clients.

Shane O'Reilly undertook the onsite Audit work.

Audit Conclusion

General Observations

Internal Controls Self-Assessment

We note that the Council staff have undertaken the self-assessment of the Better Practice Model. The internal controls for the payroll component of the Better Practice Model were assessed by the Financial Accounting Coordinator and reviewed by the Manager of Financial Services in 2022/23. The Council's External Auditors have advised that this should be reviewed every other year.

Undertaking this self-assessment is good practice and serves as a proactive approach to identifying, evaluating, and managing risks. It is particularly important where there are new staff as it allows managers to ensure that processes have retained integrity despite staff changes.

Further Internal Audits

This Internal Audit was confined to the scope of new employees, changes to employee terms and terminated employees. Changing employee status is a potentially high-risk area. A future assessment, testing a range of current employees (excluding the employees within the scope of this audit) against the terms and conditions of the relevant EBs, Awards and Contracts, would be a potential Internal Audit that the Council may wish to consider.

Audit Findings

Key Findings

The following findings have been provided to management, and their responses are included.

The detailed assessment is contained in Appendix 1.

Finding	Details and Recommendation	Managers Comments	Timing	Risk Rating
1	<p>The Council's <u>Administrative Principle Risk Management</u> was issued in June 2022 and is noted on the document as due for review in June 2023. This document is overdue for review.</p> <p>We note that the Council adopted a reviewed Risk Management Policy in June 2024</p> <p>The Administration Procedure – <u>Acting Arrangements and Higher Duties Allowance</u>, provides guidance</p>	<p>The Administration Principle Risk Management Procedure is being reviewed and is scheduled to be updated by the end of the calendar year.</p> <p>The Risk Management Policy was reviewed and was presented to the Audit and Risk Committee on 3 June 2024 and resolved by the Council on 18 June 2024.</p> <p>This principle is being reviewed and will be updated</p>	<p>December 2024</p> <p>December 2024</p>	Moderate



	<p>on the processes for higher duties but also extracts from EBs and Awards. It does not include Mixed Functions for field staff which has different provisions for payment at higher classifications. A procedure should extract all components from a Relevant Award or EB but be kept updated whenever those change or instead refer to the relevant Clause Numbers of the Award or EB.</p>	<p>by the end of the calendar year.</p>		
2	<p>One contract was signed manually by the employee and not signed by a witness. Two contracts were not signed by the CEO. One contract was signed by the CEO and employee via Adobe Sign; the witness box remains on the document and is unsigned. An employment contract does not need a witness when signed securely, such as using Adobe Esign, but if the Council is not going to use a witness, the witness box should be removed. We note that the latest contracts did not have a witness box. The Council also now uses Adobe Esign to electronically sign their employment contracts. This process ensures that all parties sign the contract and initial each page.</p> <p>The Contract with the missing CEO signature should be addressed.</p>	<p>The contracts with the missing CEO signatures will be addressed immediately.</p> <p>The Council sought legal advice before changing to Adobe Esign. This advice confirmed that the Council does not require a witness when executing an electronic contract, providing the Council is using a secure and approved facility.</p> <p>The contracts with the missing CEO signature had a letter of offer which is issued by the CEO.</p> <p>One of the contracts that was not signed by the CEO covers terms and conditions within the EB.</p> <p>The other contract that was not signed by the CEO will be addressed as the terms and conditions fall outside of the EB</p>	Now	<p>Moderate until the missing signature is addressed</p> <p>Low, ongoing with Adobe Esign procedures</p>



Appendix 1 – Detailed Assessment

1. Documented Procedures.

The Council staff are developing a suite of updated written documented. The payroll procedures are near completion.

Document Review Dates.

We noted that both the Administration and AWU EBs are current and continue to 1 December 2025.

The following procedures are due for review:

- Administrative Procedure – Acting Arrangements and Higher Duties Allowance. Due for review in March 2024. Our onsite visit was in March 2024, and this procedure was current at the time of our visit.

The other procedures provided to us were all current.

Procedure alignment with EBs and Awards

We reviewed procedures in relation to the scope of this Internal Audit against the EBs and Awards.

- Administrative Procedure – Acting Arrangements and Higher Duties Allowance. This procedure is noted as applying to all council staff. Section 2 relates to higher duties and states that higher duties will apply for periods of acting of 5 days or greater and has the variation that occurs in relation to the Salaried Officer Award and the Local Government Employees Award.
 - The variation in the procedure for Local Government Employees Award staff is that where the staff member has previously performed the higher position, the period will become one working day or more.
 - The Local Government Employees Award Clause 5.4.1 provides that an employee engaged for 2 hours or more on any one day at a higher classification will be paid at higher duties. This relates to mixed functions.
 - Clause 5.4.2 of the award relates to higher duties, and the procedure is aligned with this clause.
 - A procedure is useful to inform staff on the process for undertaking a task. A procedure should refer to an award or EB for details or to provide assistance with interpretation. The mixed functions are not referenced in the procedure and could result in incorrect payment.
 - **Recommendation: if procedures extract information from Awards and EBs, ensure that all relevant components are extracted and updated whenever Awards and EBs change; otherwise, document a procedure to provide instruction on the process but refer to the relevant Clauses of the appropriate Awards and EBs.**

The other procedures provided to us correctly aligned with EBs and Awards.

2. New Employees

Payroll has a printed procedure that they follow for the onboarding of staff. Human Resource employees gather the initial employee documents and reports and send these through to the Records team who create an employee file. The employee information is forwarded to Payroll who inputs this information into Civica. The changed data will appear on the exception report (Maintenance Audit Report) which the Financial Accounting Coordinator reviews. The Financial Accounting Coordinator



checks all changes recorded in the Audit Report back to source documentation on the employee file and marks the Audit Report as reviewed.

The following testing was undertaken on the samples selected for new employees:

- The existence of the employee to signed Letter of Offer or signed Employment Contract
- Employee personnel file was set up.
- Tax Declaration was on file.
- Superannuation form was on file.
- Identification documents were on file – Driver’s license for field staff.
- Emergency contact information on file
- Deduction authority forms on file (if applicable)
- New employee information in the file corresponded to employee information in the payroll system.
- Existence of an audit exception report generated for each payroll period to show changes made to the payroll database.
- That employee had signed a Code of Conduct before receiving any council assets.
- That new employee has been provided with access to the Council policies and procedures.
- That the organisation chart has been updated with the new employee
- That an internal email or notice was given to the existing staff of the newly appointed employee
- A formal review of the employee was conducted prior to the end of the probation period.
- That the employee is being paid in accordance with the EB or contract agreement.

Administration and Field staff were included in the testing and both new ongoing and new contract employees were assessed.

Our Assessment

One contract was signed manually by the employee and not signed by a witness. Two contracts were not signed by the CEO. One contract was signed by the CEO and employee via Adobe Sign; the witness box remains on the document and is unsigned.

An employment contract does not need a witness, and if the Council is not going to use a witness, the witness box should be removed. We note that the latest contracts did not have a witness box. The Council also now uses Adobe Sign to electronically sign their employment contracts. This process ensures that all parties sign the contract and initial each page.

Recommendation: The Contract with the missing CEO signature should be addressed.

No other shortfalls were identified in the testing of the controls around new employees. We are satisfied with the segregation of duties in the process of creating, inputting, and processing new employees.

3. Changes to Employee Terms

The most common change is increment increases. When an employee is first set up in Civica, an increment date is set for future payroll increment changes. These appear on an ‘Employee Events Report’ prior to the increment date. The Payroll Officer actions the increment increase in the system. The increment change is shown in the Maintenance Audit Report, which is reviewed by the Financial Accounting Coordinator, who also checks all changes recorded back to source documentation on the employee file and marks the report as reviewed.



The other common change is in relation to higher duties.

The following testing was undertaken on the samples selected.

- Is there a signed authority for the change to pay conditions?
- Is the change in accordance with the relevant EB or contract?
- If acting in higher duties, have they been acting for 5 or more days?
- Has the increase been flagged in the exception report?
- Has the exception report been signed off by an authorised employee?
- Has the change been recorded correctly in future payroll reports?
- Whether the higher or alternative duties were supported by a Secondment Letter of Offer, which has been filled in and approved.

Short-term higher duties do not result in a change to the payroll master file, and therefore, the change does not show on the Maintenance Audit Report. Instead, the Pay Edit Listing Report is reviewed and signed off.

Our Assessment

For changes to employee terms, we note that there were no shortfalls identified in the testing of controls around pay rate and employment changes. We are satisfied with the segregation of duties in recording changes to employee terms.

4. Terminated Employees

When terminating staff, HR follows an Employee Exit Checklist for the offboarding process. This process creates a workflow through the council system which specifies the tasks for all relevant roles to complete in the process of termination of an employee.

The following testing was undertaken on the samples selected:

- Was the correct procedure carried out for termination?
- If termination was due to resignation,
 - is the letter of resignation retained on file?
 - Was the resignation period in accordance with the EB or contract?
- Was the terminated employee made inactive in the payroll module?
- Was termination pay calculated correctly in the payroll module?
- Did termination pay match leave balances, termination dates and hours worked?
- Was the termination payment calculations included in the employee records?
- Did net payments for selected terminated employees agree to the Bank Transfer Report?
- Did the pay period following the termination of the employee include any further payments to the terminated employee?
- Was terminated employee access to software removed?
- Were all the Council assets (laptop, phone, vehicle) noted as returned?
- Was an exit interview conducted?
- Was employee exit internally communicated?
- Was the organisational chart updated?

Employees are sent an exit interview by email, not all employees choose to fill this in.

Our Assessment

No shortfalls were identified in the testing of controls around terminated employees.



Control Ratings

The following table shows the control ratings used.

Control Rating	Description	Number of Findings
Ineffective	The control or requirement has not been implemented or completed.	
Requires significant improvement	The control or requirement has been implemented or completed but with significant deficiencies in the consistency or effectiveness of implementation.	
Partially effective	The control or requirement has been implemented or completed but with some deficiencies in the consistency and/or effectiveness in which it has been applied.	
Majority effective	The control or requirement has been implemented or completed and, in the majority of cases, has been consistently and/or effectively applied. There is potential to enhance the effectiveness of the control or to enhance the undertaking of the requirement, but only with minor adjustments.	
Effective	The control or requirement has been fully implemented or completed and has, in all cases, been consistently and/or effectively applied.	
Not Applicable	This control or requirement is not applicable, or the situation did not occur in the internal audit period or within the scope of the audit and testing.	

The following tables provide more information on the results of our testing and the review of processes against the Council's Enterprise Bargaining Agreements, Industrial Awards, Legislation and the Better Practice Model. Only components that relate to our audit scope are included in the following assessment.

5. Administration Staff Enterprise Agreement

Verify adherence to relevant Enterprise Bargaining Agreements, Industrial Awards, Contracts, Legislation and Council Policies.			
Administration Staff Enterprise Agreement Number 12, 2022			
Requirement	Details	Assessment	Control Rating
Redeployment	Affected employees will be redeployed into a position of equal classification or it is not feasible an Employee may be deployed to a lower classification. The salary is frozen at the remuneration rate before redeployment until the new position reaches an equal salary rate and, employment benefits attached to the former position are maintained, and training is provided to the employee for the new position. Within 3 months of accepting redeployment, an employee, if not the right fit, can request reconsideration of a Voluntary Separation Package.	No cases were identified within the scope. Council staff noted that there were not any redeployments within the last 12 months and none since the implementation of this clause within the EB.	N/A
Voluntary Separation Package	Where offered, a Voluntary Separation Package is calculated based on the Employee's remuneration and employment status and normal hours worked at the time the package is offered and accepted by the employee. It consists of: <ul style="list-style-type: none"> • 10 weeks' notice of termination or payment of weekly salary in lieu. • 3 weeks total weekly salary severance pay per year of service up to a maximum of 104 weeks in total (including the period of notice of termination) • If required by the employee, a reimbursement of outplacement expenses equivalent to 10% of the annual salary is provided to assist the employee in securing alternative employment. Access to this 10% only applies until the employee secures alternative 	No cases identified within the scope	N/A



Verify adherence to relevant Enterprise Bargaining Agreements, Industrial Awards, Contracts, Legislation and Council Policies.			
Administration Staff Enterprise Agreement Number 12, 2022			
Requirement	Details	Assessment	Control Rating
	<p>employment or for a maximum of 12 months from the date of separation, whichever is sooner.</p> <ul style="list-style-type: none"> • Payment of pro-rata long service leave shall be paid if the employee has completed at least 5 years of service at the date of separation. • An employee offered a Voluntary Separation Package cannot be re-employed by the council for at least 2 years. 		
Local Area Workplace Agreements	<p>The Administration EB allows for Local Area Workplace Agreements which can prescribe employment and working arrangements different from those prescribed under the Award and Agreement.</p> <p>General Inspectors are on a LAWA. The LAWA is included in Schedule 2 of the EB and sets out the hours of work, toil arrangements, loadings, and callouts.</p>	Two current employees fall under this LAWA. Neither are new nor have had any payroll changes through the last 12 months.	N/A
Reclassification	<p>According to Schedule 1 of the Award</p> <p>See Administrative Procedure – Staff Classification and Reclassification</p>	Tested employees with pay increments and employees who acted with higher duties and found no issues. There were no reclassifications within the tested employees.	
Graduates	<p>This only applies to new positions where the newly appointed person is currently studying a relevant degree or negotiates as part of their appointment, to embark on relevant degree qualifications.</p> <p>Existing employees must apply through the reclassification process to advance levels, automatic progression does not apply as part of advancing to a higher level.</p>	No cases identified within the scope	N/A
Superannuation	<p>The default fund is Hostplus unless a new employee nominates a superannuation fund of their choice.</p> <p>Salary link – advised by Hostplus.</p> <p>Market link – Superannuation guarantee levy</p>	Superannuation nomination forms were signed and filed.	
Salary Sacrificing	<p>An employee may elect to vary the amount of salary sacrifice to an eligible superannuation fund at any time. The employee's salary shall be the pre-sacrificed salary. The net salary paid to an employee will be reduced by any amount of salary sacrificed to superannuation.</p>	One of the new employees in our testing chose to salary sacrifice; there were no issues found.	
Parental Leave	<p>Whilst an employee is on paid parental or adoption leave, superannuation is paid by the Council at the superannuation guarantee entitlement for a max. Period of 52 weeks if the employee is the primary caregiver, completed at least one year's continuous service prior to commencing Parental Leave. Any periods of unpaid leave of less than 2 weeks per interval will not affect the continuity of service. The payment is made as a lump sum once the employee has returned to work and is calculated on the employee's contracted salary prior to the commencement of the leave. If the</p>	There were no employees in this situation within our testing. However, we note that there is a current Administrative Procedure – Maternity Superannuation Calculation.	N/A



Verify adherence to relevant Enterprise Bargaining Agreements, Industrial Awards, Contracts, Legislation and Council Policies.			
Administration Staff Enterprise Agreement Number 12, 2022			
Requirement	Details	Assessment	Control Rating
	employee does not return to work following the conclusion of their Parental Leave, all payments will be forgone. Should an employee utilise alternative paid leave options during their absence, which attracts superannuation, the amount of superannuation paid during these periods will be counted towards the maximum period; however, these amounts will be deducted from the lump sum payable.		
Phased Retirement	Within 5 years of retirement and choose to work part-time – by written agreement between the employee and relevant General Manager, commence phased retirement. Access up to 500 hours of accrued annual and long service leave to make up a full fortnight's (76 hours). Must have worked 5 years with the council, must retain a balance of 15 days annual or long service leave, must be medically fit to perform full-time work, not be receiving workers' compensation or temporary disability payments under a superannuation insurance policy or any income protection. Must attend work for a minimum of 3 days and a maximum of 8 days per fortnight over a 10-day fortnight and not be performing paid employment for any other employer.	No cases were identified within the scope and testing	N/A
Purchased Leave	Employees may apply to purchase additional leave upon agreement with the Council. Can purchase 1 to 2 weeks additional leave each year which is funded by salary deductions spread evenly over the year. Reduces the fortnightly salary but allows employees to continue to receive pay during the periods of purchased leave. Applications must be completed by the end of March each year for the leave to be taken in the following financial year.	No cases were identified within the scope and testing	N/A
Salary Schedule	Schedule 1 of the EB sets out the rates of pay per level and EB increases. EB increases commence from the first full pay period after the 1 st of December. Back payments are processed before the 30 th of June 2023. CPI is the September Quarter – Adelaide.	Tested pay rate changes to EB agreements. No issues were found.	
21. Overtime and Penalty rates	This section sets out the overtime and time off in lieu (toil) and needs to be considered when setting up a new employee.	Overtime and penalty rates are attributed to employee classification; we noted this was being accurately recorded in our new employees' testing.	
20. Hours of work	This section sets out the hours of work. Full-time employees work 80 hours a fortnight and are paid for 76 hours, with 4 hours accruing towards an RDO.	We noted that new employees were being paid in accordance with the EB.	



6. Administration Staff Award

Verify adherence to relevant Enterprise Bargaining Agreements, Industrial Awards, Contracts, Legislation and Council Policies.			
South Australian Municipal Salaried Officers Award			
Requirement	Details	Assessment	Control Rating
3.1.2 Casual Employment	An employee engaged for a period of 800 hours or less in any year (from the anniversary date) may be engaged as a casual on an hourly contract with a loading of 25% in addition to the ordinary time hourly rate. A casual employee does not receive annual leave and public holidays but does accrue Long Service Leave. An employee employed for more than 800 hours in a year shall be engaged as a part-time or full-time employee unless the employee and employer agree in writing and signed by both parties. A casual employee is entitled to overtime or penalty payments under 5.1 of the awards.	No cases identified within the scope	
3.1.3 Part-Time Employment	An employee with less than full-time hours is engaged as part-time. The provisions of the award apply on a pro-rata basis. Overtime and penalty rates apply where work is performed outside of the ordinary span of hours set out in clause 6.1. where in any two-month block, commencing at the beginning of a calendar year, the employee has worked sufficient additional hours to exceed the number of weekly hours for which the employee is contracted (see 3.1.3.2) The working hours of a part-time employee may be changed by mutual agreement. A part-time employee shall be required to work the equivalent hours as a full-time employee works within a 12-month period to qualify for incremental progression within the classification level.	Overtime and penalty rates are attributed to employee classification; we noted this was being accurately recorded in our new employees' testing.	
3.1.4 Fixed Term Employment	An employer may engage an employee for a fixed-term contract. This needs a written agreement setting out the terms and conditions of the contract, including the nature of the duties and award classification, and signed by the employer and employee.	We noted that new employees that we tested were being paid as per their contract or EB agreement.	
3.2 Termination by Employer	The EB may have higher requirements in this area. An employee cannot be paid less than the Award. 3.2.1 sets out the period of notice depending on years of service and according to age. It also sets out that a payment in lieu of the prescribed notice may be provided. This clause does not apply in the case of dismissal for serious misconduct, apprentices, employees engaged for a specific term and trainees under a traineeship agreement at the end of the agreement. 3.2.5 sets out the requirements for redundancy and severance pay and transfer to lower-paid duties.	There were no employees made redundant within the scope of our testing. Terminated employees that we tested were paid correctly.	
4.3 Higher Duties	An employee directed by the employer to perform duties higher than those on their normal classification shall be paid whilst performing those duties the minimum for the higher paid classification if they substantially perform the duties or a salary rate commensurate with the value of the duties they are directed to perform. They must perform those higher duties on the first	Employees working at higher duties were being paid at the relevant higher classification for the term specified in their agreements. We found no issues with this process.	



Verify adherence to relevant Enterprise Bargaining Agreements, Industrial Awards, Contracts, Legislation and Council Policies.			
South Australian Municipal Salaried Officers Award			
Requirement	Details	Assessment	Control Rating
	occasion for a continuous period of five working days or more. On subsequent occasions, if level 5 and above – 5 days, if below level 5 – 4 days or an aggregate of 10 days in a calendar month. Relief cashiers or positions containing a supervisory component, where they normally don't have a supervisory component, can only be for 1 day to become entitled to higher duty pay. An officer who performs higher duties as a relief cashier during lunch hours and other times as necessary shall be paid on each occasion for the actual time worked (with a minimum of one hour's payment for any one day) at the rate of a cashier according to years of service.		
4.4 Allowances	This clause sets out the allowances that may relate to a position. This needs to be checked when setting up a new employee or when an employee is changing positions.	Employee allowances and deductions were checked to initial input into the payroll system for our new employee samples. No problems were found.	
5 Hours of work	Hours of work – these are the minimum conditions. The EB can vary and provide additional to these. Penalties can be varied in the EB.	The contracts sighted listed hours of work.	
5.3 Library Offices	This sets out the loading that relates to library officers after 5 pm during the week and on weekends.	Not relevant to the employees tested	N/A
5.4 Overtime	It can be varied by EB, but this clause sets out the overtime rates if not covered in the EB.	Overtime is covered in the relevant EB.	
5.7 Call out	EB may be at a higher level. The Award is the minimum.	Covered in EB	
6.2 Annual Leave Loading	This needs to be set up or a manual way to ensure that this is paid.	New employees were being paid in accordance with the EB or contract, including leave loading.	
6.5 Parental Leave	6.5.11 A replacement employee for parental leave is engaged or temporarily promoted as a result of an employee starting parental leave. The replacement employee must be informed of the temporary nature of the employment and the rights of the employee who is being replaced, such as the right to return to work.	None of the tested employees were engaged to provide parental leave replacement.	N/A
6.5.5 Portability of Sick Leave	Sick leave is portable from council to council. There needs to be a process of informing the new council if an employee is leaving or getting information from the previous council for a new employee on the number of hours of sick leave accrued and the current hourly rate of the employee.	The Termination Checklist includes the preparation of a form that provides a new council with sick leave and long service leave balances.	
S1.3 Progression through the levels	At the conclusion of each 12-month period following appointment to a classification, an officer shall be eligible for incremental progression within each salary level subject to the following: <ul style="list-style-type: none"> Where the employer adopts and implements a formal, structured performance appraisal scheme, progression from the first increment to the top increment within a classification level shall be subject to the officer having given 'satisfactory service' for the prior 12 months of employment. Determining 'satisfactory service' should contain: <ul style="list-style-type: none"> Principals to ensure equity and procedural fairness. 	We tested employees with pay increments over the past 12 months and confirmed incremental progression was in line with the Award. We were informed that the Council automatically increments employees.	



Verify adherence to relevant Enterprise Bargaining Agreements, Industrial Awards, Contracts, Legislation and Council Policies.			
South Australian Municipal Salaried Officers Award			
Requirement	Details	Assessment	Control Rating
	<ul style="list-style-type: none"> ○ Current and accurate job description ○ Individual training plans where through the appraisal the need for additional training becomes apparent. ○ Appraisal to take place at least 6 months prior to the anniversary date to allow improved performance for annual increment. ○ Disputes dealt with in accordance with dispute settling procedure. • If there is not a formal structured staff appraisal scheme, increments will occur automatically on an annual basis. <p>Senior Officers – there can be an agreement for an additional amount in lieu of incremental advancement provided performance standards are achieved and those performance standards are agreed between the Senior Officer and the Council. (CEO).</p>		

7. Field Staff Enterprise Agreement

Verify adherence to relevant Enterprise Bargaining Agreements, Industrial Awards, Contracts, Legislation and Council Policies.			
AWU Enterprise Agreement No. 12 2022			
Requirement	Details	Assessment	Control Rating
11. Employment Security	No forced redundancy. Redeployment to a position of the same classification level. Redeployment to a position of lower classification level with income maintenance. Provision of Voluntary Separation Package.	No redundancies during the period tested.	N/A
13. Acceptance of Classifications	<p>Any reclassification claims or applications for reclassification are to be in writing in accordance with the Classification and Reclassification Procedure. Reclassification is considered on the basis of:</p> <ul style="list-style-type: none"> • A change in the authorised job description • An employee being appointed to a recognised position of higher classification. • An employee meeting the provisions of the Mixed Functions Clause of the Award 5.4.1.2 of the Award • Where an employee demonstrates a willingness to multi-skill as per Clause 7 of the EB <p>Any new permanent employee engaged and who might ordinarily be classified as a Municipal Employee 3 will be immediately reclassified to Grade 4 if they have a 'light truck' (LR) licence or will be reclassified upon the completion of 12 months of satisfactory service and have (as a minimum) a licence to drive a 'light truck (LR)'.</p>	Reclassifications were tested in our higher duties testing. Found no issues in regard to supporting documentation for classification changes.	



Verify adherence to relevant Enterprise Bargaining Agreements, Industrial Awards, Contracts, Legislation and Council Policies.			
AWU Enterprise Agreement No. 12 2022			
Requirement	Details	Assessment	Control Rating
16 Special Rates and Allowances	This clause lists the types of allowances that can be applied. How does the Council ensure that an employee entitled to these allowances receives them?	Employee allowances and deductions were checked to initial input into the payroll system for our new employee samples. No issues were found.	
17. Higher Duties	This clause does not apply to Coordinators, Managers or Executive Management teams. An employee engaged in duties carrying a higher rate than their ordinary classification will be paid at the higher rate in accordance with Clause 5.4 of the Award. Payment will only be made if the details of the higher duties have been recorded on the employee(s) timesheet for that day and authorised by the General Manager City Infrastructure or nominee. Higher duty payments shall not apply where an employee agrees in writing to forgo higher duty payments and undertake on-the-job training for the purposes of succession planning and/or to enhance the employees' future career opportunities.	Employees working at higher duties were being paid at the relevant higher classification for the term specified in the agreement. We found no issues with this process.	
20 – Phased Retirement	Within 5 years of retirement and choose to work part-time – by written agreement between the employee and relevant General Manager, commence phased retirement. Access up to 500 hours of accrued annual and long service leave to make up a full fortnight's (76 hours). Must have worked 5 years with the council, must retain a balance of 15 days annual or long service leave, must be medically fit to perform full-time work, not be receiving workers' compensation or temporary disability payments under a superannuation insurance policy or any income protection. Must attend work for a minimum of 3 days and a maximum of 8 days per fortnight over a 10-day fortnight and not be performing paid employment for any other employer.	None in the tested employees	N/A
20 – Purchased Leave	Employees may apply to purchase additional leave in terms approved by their General Manager. Can purchase 1 to 2 weeks additional leave each year which is funded by salary deductions spread evenly over the year. Reduces the fortnightly salary but allows employees to continue to receive pay during the periods of purchased leave. Applications must be completed by the end of March each year for the leave to be taken in the following financial year.	None in the tested employees	N/A
20 – Part Time employment	By written agreement between an employee and the council, an employee may request to change from a full-time working arrangement to part-time. The agreement must be signed by the employee and the organisation. Overtime applies to all part-time employees. Part-time employees only receive overtime payments where the employee has completed in excess of the ordinary hours of work per week in accordance with clause 22 of the EB, i.e. in excess of 10 per day worked Monday to Friday inclusive (but excluding Public Holidays) and beyond an accrual of 75 flexible hours per annum and outside of the times stated at Clause 22.	None of the tested employees on this award went from full-time to part-time or were engaged part-time.	N/A
21 - Superannuation	The default fund is Hostplus unless a new employee nominates a superannuation fund of their choice.	Superannuation nomination forms were signed and on file	



Verify adherence to relevant Enterprise Bargaining Agreements, Industrial Awards, Contracts, Legislation and Council Policies.			
AWU Enterprise Agreement No. 12 2022			
Requirement	Details	Assessment	Control Rating
	Salary link – advised by Hostplus. Market link – Superannuation guarantee levy		
Superannuation additional	A further 1% contribution will be made by the council for superannuation. This is over the mandated contribution for superannuation.	The employees we tested were being paid in accordance with the EB.	
Salary Sacrifice	An employee may elect to vary the amount of salary sacrifice paid to an eligible superannuation fund at any time. The employees' salary shall be the pre-sacrificed salary, however, the net salary paid to an employee will be reduced by any amount of salary sacrificed to superannuation.	Deduction forms were signed and on file.	
22 – Hours of work	This clause sets out the hours of work.	The employees we tested were being paid in accordance with the EB.	
23 – additional hours/overtime	This clause sets out the requirements for additional hours and overtime.	The employees we tested were being paid in accordance with the EB.	
24- On-call allowance and callouts	This section sets out the requirements for on-call allowances and callouts.	The employees we tested were being paid in accordance with the EB.	
27 Sick Leave Payment Scheme	<p>Employees can be paid out a percentage of unused accrued sick leave entitlement on termination of employment and cash-out part of the accrual of annual sick leave entitlement each year, i.e. a maximum accrual of 76 hours per year.</p> <p>Termination Pay Out – an employee must have served for a minimum of 10 continuous years with the council and have a minimum preserved accrued entitlement of 500 hours at the date of termination. Where an employee qualifies, the payment on termination equates to 50% of the accrued entitlement above 500 hours. The payment is paid at the normal base wage at the date of termination. The provisions do not apply to an employee who abandons or unlawfully terminates their own employment or in circumstances where the employer terminates on the grounds of unsatisfactory conduct and/or performance.</p> <p>Annual Cash Out: an employee must have a minimum of 500 hours' entitlement before any right to part annual cash out arises. In any year, the right for annual cash-out of leave ceases should an employee's accrued entitlement fall before 500 hours. A qualifying employee shall have the choice to either cash out part of the annual entitlement or allow accrual of the sick leave entitlement. When a qualifying employee chooses to cash out part of the annual entitlement, the maximum amount of the cash-out shall be 50% of the entitlement (76 hours, pro-rata for part-time) less the amount of leave actually taken for the year. See the EB clause for an example calculation.</p>	The termination calculation template includes the calculation of unused sick leave in line with the EB. The terminated employees tested did not have unused sick leave higher than 500 hours.	



Verify adherence to relevant Enterprise Bargaining Agreements, Industrial Awards, Contracts, Legislation and Council Policies.			
AWU Enterprise Agreement No. 12 2022			
Requirement	Details	Assessment	Control Rating
	<p>The provisions apply to employees on their individual anniversary dates.</p> <p>Should the employee have a nil Sick Leave Balance resulting from a cash-out, the employee may access Sick Leave without Pay.</p> <p>The Fair Work Ombudsman (Australian Govt) https://www.fairwork.gov.au/leave/sick-and-carers-leave/paid-sick-and-carers-leave/cashing-out-sick-and-carers-leave States that most awards don't allow employees to cash out sick leave. However, employees covered by a registered agreement can cash out sick leave if the agreement allows it. These agreements are between an employer and employees such as an EB that is registered and approved with the Fair Work Commission. The Fair Work Ombudsman also states that sick leave (if allowed under an agreement) can only be cashed out if there is a separate agreement made in writing each time leave is cashed out and the employee has a balance of at least 15 days of untaken paid sick leave after cashing out and the employee is paid at least the full amount they would have been paid if they took the leave.</p>	<p>The EB provision that allows for a cash out of sick leave requires a retention of 500 hours, which is above the amount required by the Fair Work Ombudsman.</p>	
37 – Wage Rates	Sets out the dates for increases as per the EB.	The employees tested were being paid in accordance with the relevant EBs.	

8. Field Staff Award

Verify adherence to relevant Enterprise Bargaining Agreements, Industrial Awards, Contracts, Legislation and Council Policies.			
Local Government Employees Award			
Requirement	Details	Assessment	Control Rating
4.2.4 Casual	<p>Loading of 25%</p> <p>Not entitled to leave</p> <p>Accrues Long Service Leave</p> <p>Penalties apply where relevant in the Award.</p> <p>Minimum engagement for 2 consecutive hours</p> <p>The maximum term (except for swimming pool attendants) of casual engagement working full-time (38-hour week) is 10 consecutive weeks.</p> <p>No maximum limit if casual employees work less than full-time hours.</p> <p>However, an employee on casual for a period of at least 12 months, either on a regular and systematic basis for several periods of employment or for an ongoing period of employment and</p>	<p>The employees tested were being paid in accordance with the relevant Award.</p>	



Verify adherence to relevant Enterprise Bargaining Agreements, Industrial Awards, Contracts, Legislation and Council Policies.			
Local Government Employees Award			
Requirement	Details	Assessment	Control Rating
	<p>whose employment is consistent with full-time or part-time employment (working a minimum of 10 hours per week) has the right to elect to convert to full-time or part-time employment if employment is to continue beyond the 12 month period. Employer must give notice to employee within 4 weeks of the employee attaining the qualifying period of 12 months. If an employee does not elect to convert or not to convert within 4 weeks of receiving written notice will be deemed to have elected against any conversion.</p> <p>Annual seasonal work is excluded – swimming pool employees, sale yard employees, and beach cleaning employees.</p> <p>If an employer refuses an election to convert, the reasons for doing so must be fully stated and discussed with the employee concerned and a genuine attempt to reach an agreement or go to the Dispute Settling Procedure.</p> <p>An employee can only revert to casual with a written agreement with the employer.</p>		
4.3 Termination of employment	Sets out notice for termination – EB is referred to first.	1 week notice for employees less than 1 year and 2 weeks for employees more than 1 year. Tested with no issues.	
4.3.3 Statement of Employment	The employer must provide an employee whose employment has been terminated with a written statement specifying the period of the employee’s employment and the classification or type of work performed.	This certificate is for the Centrelink Employment Separation Certificate is provided to a terminating employee upon request. One of the tested employees came under this award but did not require one.	
4.4.3 Discussions Before Termination	Describes the process before termination. EB is referred to first.	The termination process was documented and tested.	
4.4.7 Severance Pay	Sets out severance pay – EB is referred to first.	No employees were made redundant during the scope of this Internal Audit.	N/A
5.3. Allowances	Sets out the types of allowances – EB is referred to first.	Our testing found that new employees are set up for allowances correctly.	
5.4 Mixed Functions/Higher Duties	<p>Refer to EB first, if silent, then Award:</p> <p>An employee engaged for 2 hours or more on any one day on duties carrying a higher rate than their ordinary classification will be paid at the higher rate for the day. If it was less than 2 hours, then paid at the higher rate for the time worked.</p> <p>If the performance of the higher-level work becomes a normal and constant feature of the employee’s substantive position for an accumulated period of 600 hours in a 12-month period, then the employee will be reclassified to that level.</p>	This was noted during the audit visit. We sighted this in practice, the higher duties samples we tested were for full days over a distinct period of time.	



Verify adherence to relevant Enterprise Bargaining Agreements, Industrial Awards, Contracts, Legislation and Council Policies.			
Local Government Employees Award			
Requirement	Details	Assessment	Control Rating
	<p>An employee acting or relieving in a position of higher grade shall be entitled to be paid at the higher level.</p> <p>Where an Employee is MES level or below and is predominantly engaged in the relief of regular short-term absences such as sick leave, rostered days off and annual leave, and such relief is a regular and constant feature of the employee's position for an accumulated period of 1500 hours in a 12 month period then the employee will be reclassified to that level.</p> <p>Where an employee is higher than MES, and the work is specific and of a limited nature, the employer and the employee will agree on the overall period of acting up. Where the period is unknown, the employer and employee will review the acting-up arrangements after 4 months with a view to either confirming the classification or agreeing on the continuation of the higher duties and the time frames regarding the performance of such work.</p> <p>These arrangements will be in writing and include the period of acting up or the date of review.</p> <p>Where an employee acts in a position of a higher level for an accumulated period of 6 months within a 12-month period, approved leave taken shall be paid at the higher rate, provided the leave is taken within the period of acting up.</p>		
5.4.2 Higher Duties	<p>Refer to EB first</p> <p>An employee directed by their employer to perform duties of higher value shall be paid the minimum wage rate for the higher paid classification if they substantially perform the duties or a wage rate commensurate with the value of the duties directed to perform.</p> <p>On the first occasion for a period of 5 days or more and on any other subsequent occasion, for one working day or more to be entitled to higher duties.</p>	Employees working at higher duties were being paid at the relevant higher classification for the term specified in the agreement. We found no issues with this process.	
6.1 Hours of work	<p>Refer to EB first. Specific occupations and hours of work for the following are included in this clause.</p> <ul style="list-style-type: none"> • Public convenience attendants • Town hall porters, caretakers, and watch persons. • Garbage tip work employees. Garbage collection employees • Swimming pool attendants • Council community bus drivers 	Our testing found that new employees and employees on changed terms were set up correctly	
6.1.3 Early Starts and Late Finishes 6.1.4 hours arrangements	Refer to EB	Our testing found that new employees and employees on changed terms were set up correctly.	
6.2 work breaks 6.3 overtime	Refer to EB first	Our testing found that new employees and employees on changed terms were set up correctly.	



Verify adherence to relevant Enterprise Bargaining Agreements, Industrial Awards, Contracts, Legislation and Council Policies.			
Local Government Employees Award			
Requirement	Details	Assessment	Control Rating
6.4 Weekend work in ordinary time	Sets out the loadings	Our testing found that new employees and employees on changed terms were set up correctly.	
7.1 Annual Leave & Leave Loading	Refer to EB first	Our testing found that new employees and employees on changed terms were set up correctly.	
7.2 Sick Leave	Refer to EB first Note that in the first year, the entitlement to sick leave is prorated, but for each later year of continuous service, the entitlement is awarded at the beginning of the year.	Our testing found that new employees and employees on changed terms were set up correctly.	

9. Legislation

Verify adherence to relevant Enterprise Bargaining Agreements, Industrial Awards, Contracts, Legislation and Council Policies.			
Local Government Act 1999			
Requirement	Details	Assessment	Control Rating
S106 Periods of service to be regarded as continuous	If an employee leaves the service of a council and, within 13 weeks of having done so, enters the service of another council without having commenced other remunerated employment within that intervening period, the periods of service, for the purpose of calculating present and accruing rights to long service leave and sick leave be taken as constituting a single period of service.	This was taken into account for terminated employees' samples. No issues were found.	
	The new council is entitled to receive from the previous council a contribution of an amount for the Long Service Leave calculated in accordance with the regulations, and payment must be made within one month after receipt of a written notice requiring that payment. The previous council must supply the new council, on request, details of the service of the employer. Councils include subsidiaries.	None of the tested employees came from another council	N/A
Local Government (Financial Management) Regulations 2011			
R23(1)	The entities that are included for transfer of Long Service Leave include. <ul style="list-style-type: none"> The LGA Landscape Board (however, this needs to be legally checked) A group training organisation 	None of the tested employees came from another council or relevant entity	N/A
R23 (3)	Sets out the calculation for the LSL, which is transferred to another council.	The termination checklist includes the transfer of LSL to a new council.	
Long Service Leave Act 1997			



Verify adherence to relevant Enterprise Bargaining Agreements, Industrial Awards, Contracts, Legislation and Council Policies.			
Local Government Act 1999			
Requirement	Details	Assessment	Control Rating
S5 Long Service Leave Entitlement	Sets out the entitlement and notes that if a worker has completed 7 years of service, they are entitled to a pro-rata payment. LSL is not paid if an employee is terminated due to serious and willful misconduct or the contract of service is unlawfully terminated by the worker.	LSL was calculated for terminated employee samples. No issues were found.	
S6 Continuity of service	Sets out what service and breaks do not break the continuity of service	This was taken into account for terminated employees' samples. No issues were found.	

10. Better Practice Model – Internal Controls

Have the Local Government Financial Best Practice Model controls relating to payroll and HR in relation to the scope of this audit been implemented effectively?			
The risks and controls following have been extracted from the Better Practice Model – Internal Financial Controls for South Australian Councils, June 2022. These are the risks and controls included in Section 6.2 of the Model that relate to Payroll within the scope of this audit.			
Risk	Control	Assessment	Control Rating
Payroll expense is inaccurately calculated.	Where possible, standard programmed formulae perform payroll calculations.	Payroll calculations are verified in the system and checked by the Financial Accounting Coordinator.	
	There is a process in place to ensure accurate data entry of payroll source documents.	A Maintenance Audit Report is produced that shows any changes to the Masterfile. This report is reviewed by the Financial Accounting Coordinator, and changes are checked to the source documents.	
	All calculations for generating payroll payments are verified for accuracy.	Payroll calculations are verified in the system and checked by the Financial Accounting Coordinator.	
Payroll disbursements are made to incorrect or fictitious employees	The payroll system generates audit reports detailing all payroll changes, and there is a process in place to ensure all changes are reviewed and verified against source documents.	Maintenance Audit Report is generated through the system and reviewed by the Financial Accounting Coordinator to source documentation.	
	There is a process in place to ensure employees are not added to the payroll Masterfile, nor details amended, or amounts paid without receipt of the appropriate forms which have been authorised by relevant staff.	Maintenance Audit Report is generated through the system and reviewed by the Financial Accounting Coordinator to source documentation.	
	Employee records to include employment details and/or contract terms and conditions, authorisation for payroll deductions and leave entitlements.	Tested employment records showed all required information.	
	Any non-routine payroll queries or unusual payroll transactions/request are referred to management for investigation.	A Maintenance Audit Report is produced that shows any changes to the Masterfile. This report is reviewed by the Financial	



Have the Local Government Financial Best Practice Model controls relating to payroll and HR in relation to the scope of this audit been implemented effectively?			
The risks and controls following have been extracted from the Better Practice Model – Internal Financial Controls for South Australian Councils, June 2022. These are the risks and controls included in Section 6.2 of the Model that relate to Payroll within the scope of this audit.			
Risk	Control	Assessment	Control Rating
	For this Internal Audit – consider the controls in relation to changes made to an employee, when a new employee is set up or when an employee is terminated.		
		Accounting Coordinator, and changes are checked to the source documents.	
	There is a process to ensure employees are made inactive in payroll records upon termination.	Noted in our terminated employee testing that all samples were made inactive.	
Payroll Masterfile does not remain pertinent, and/or unauthorised changes are made to the payroll Masterfile.	The ability to access, modify or transfer information contained in the payroll master files is restricted to authorised staff.	This is restricted and an Audit Report is produced that shows all changes. This report is reviewed.	
	Managers periodically review listings of current employees within their departments, and variances are investigated.	Advised this is done by Managers. The Financial Accounting Coordinator keeps up-to-date files of all current employees titled "Payroll Master File", which keeps up-to-date records of employees.	
Voluntary and statutory payroll deductions are inaccurately processed or without authorisation.	The listing of payroll deductions is periodically reviewed by relevant staff for accuracy, compliance with statutory requirements and ongoing pertinence with changes compared to authorised source documents to ensure that they were input accurately.	Any changes to payroll deductions are reviewed in the Maintenance Audit Report, printed fortnightly.	
	All payroll deductions must be approved by the relevant employee.	Payroll deductions are requested and approved by relevant employees.	
	Access to the payroll deduction listing is restricted to authorised staff	As per the user access listing – is restricted	
Employees' termination payments are not in accordance with statutory and enterprise agreements.	There is a process in place to ensure termination payments comply with relevant policies, procedures, and legislation.	Employees follow an offboarding process to ensure terminations are done correctly. The Payroll Officer has a Termination Pay Calculation template that they follow when calculating a termination payment.	
	There is adequate training of payroll staff to ensure they are up to date with relevant statutory and enterprise agreements.	The Payroll Officer attends Auswide Payroll & Tax Training annually.	



Appendix 2 – Risk Framework

The City of Mount Gambier has a Risk Administration Principle. This document was issued in June 2022 and was due for review in June 2023. We note that this framework is overdue for review.

The Risk Administration Principle sets out the Council’s Risk Tolerance, Likelihood and Consequence tables for use in risk assessments as follows;

Risk Tolerance

Risk Level	Acceptance Level	Monitoring Frequency
Low	Acceptable	Quarterly/Yearly
Medium	Acceptable	Monthly/Quarterly
High	Acceptable in Some Circumstances	Weekly/Monthly
Extreme	Unacceptable in most circumstances	Daily/Weekly

Risk Likelihood

Rating	Potential for Risk to Occur	Likelihood Description	
		Operations	Projects/Business Case
Rare	Extremely low probability. This will only occur in exceptional circumstances.	May occur in exceptional circumstances. Could be incurred in a 5-10 year timeframe	Has not occurred in similar studies or projects. Conceivable, but in extreme circumstances
Unlikely	Low probability of an incident	Could be incurred in a 2-5 year timeframe	Known to happen but only rarely
Possible	Moderate probability of an incident	Could be incurred within a 1-2 year period	Incurred in a minority of similar studies or projects
Likely	Probably will occur	This will probably occur in most circumstances – several times a year	Could easily be incurred and has generally occurred in similar studies or projects
Almost Certain	Expected to occur in most circumstances	It is expected to occur again, immediately or within a short period – likely to occur in most circumstances.	This could be expected to occur more than once during the study or project delivery.

Risk Area and Consequence

Risk Area	Consequence Level	Consequence Description
Finance	Insignificant	Financial Low – Financial Loss < \$100,000 impact on operating result
	Minor	Financial Medium – Financial Loss > \$100,000 and < \$1,000,000
	Moderate	Financial High – Financial Loss > \$1,000,000 and < \$2,500,000 or 2.5% or rate revenue
	Major	Financial Major – Financial Loss > \$2,500,000 and < \$5,000,000 or 5% of rate revenue
	Catastrophic	Financial Catastrophic – Financial Loss Exposure >\$5,000,000 or 5% of rate revenue
Reputational	Insignificant	Little community interest, low profile, no news items
	Minor	Low impact, some passing interest, low news profile
	Moderate	Moderate impact, moderate public interest, public embarrassment, moderate news profile
	Major	Sustained public interest, high negative news profile, Premier/Cabinet publicly involved, third party action
Legal/ Regulatory/ Policy	Catastrophic	Widespread public agitation, Government censure, high multiple impacts, widespread negative news profile.
	Insignificant	No noticeable statutory or regulatory impact
	Minor	Minor/temporary non-compliance with statutory requirements
	Moderate	Short-term non-compliance with moderate statutory requirements
	Major	Significant non-compliance with essential statutory requirements
	Catastrophic	Long-term or indefinite non-compliance with essential statutory requirements may result in criminal charges.



Risk Area	Consequence Level	Consequence Description
Service Delivery	Insignificant	Insignificant interruption to a service – no impact on customers/business
	Minor	Minor interruption to a service with minimal impact on customers/business
	Moderate	Moderate interruption to service delivery. Customer impact up to 48 hrs. Partial BCP action may be needed.
	Major	Major interruption to service delivery or production capability, customer impact > 7 days. A component of BCP action may be needed.
	Catastrophic	Major interruption to delivery of all or most services for more than 14 days. Full BCP action required
People	Insignificant	Insignificant interruption to operational services, short-term vacancies, natural attrition
	Minor	Minor impact on workforce, skills shortage, lack of training and development
	Moderate	Moderate impact on the workforce, inability to recruit and retain core council roles and regulatory functions, loss of knowledge, ageing workforce, potential union activities, complaints and disputes, staff engagement, workplace culture and satisfaction levels.
	Major	Major impact on workforce, lack of specialised resourcing to deliver projects and strategic plans
	Catastrophic	Catastrophic impact on the organisation, ICAC enquiry, maladministration, leading to legal implications, and serious misconduct matters that impact brand reputation.
Infrastructure	Insignificant	Financial Low – Financial Loss < \$100,000 impact on operating result
	Minor	Financial Medium – Financial Loss > \$100,000 and < \$1,000,000
	Moderate	Financial High – Financial Loss > \$1,000,000 and < \$2,500,000 or 2.5% or rate revenue
	Major	Financial Major – Financial Loss > \$2,500,000 and < \$5,000,000 or 5% of rate revenue
	Catastrophic	Financial Catastrophic – Financial Loss Exposure >\$5,000,000 or 5% of rate revenue
Environmental	Insignificant	A minor instance of environmental damage. It can be reversed immediately.
	Minor	Minor impact to the environment, e.g. on-site chemical release that can be immediately contained. This can be reversed in the short term.
	Moderate	Moderate impact on the environment. Localised damage or chemical release that has the potential to spread but can be contained or reversed with intensive efforts or outside assistance
	Major	Off-site chemical release, severe loss of environmental amenity or danger of continuing environmental damage
	Catastrophic	Toxic off-site chemical release with detrimental effect, major loss of environmental amenity or irrecoverable environmental damage.

Risk Assessment Matrix

	Insignificant	Minor	Moderate	Major	Catastrophic
Rare	Low	Low	Low	Moderate	High
Unlikely	Low	Low	Moderate	Moderate	High
Possible	Low	Moderate	Moderate	High	High
Likely	Moderate	Moderate	High	High	Extreme
Almost Certain	Moderate	High	High	Extreme	Extreme



16.4 INTERNAL AUDIT - PDI ACT - POST IMPLEMENTATION AUDIT – REPORT NO. AR24/29750

Committee:	Audit and Risk Committee
Meeting Date:	29 July 2024
Report No.:	AR24/29750
CM9 Reference:	AF11/863
Author:	Kahli Rolton, Acting Manager Financial Services
Authoriser:	Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services
Summary:	This report provides a summary of the Internal Audit – PDI Act 2016 Post Implementation Audit outcomes including findings and actions as prepared by Galpins Accountants, Auditors and Business Consultants.
Strategic Plan Reference:	Goal 1: Our People Goal 2: Our Location Goal 3: Our Diverse Economy Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/29750 titled 'Internal Audit - PDI Act - Post Implementation Audit' as presented on 29 July 2024 be noted.
2. That it be noted that progress achieved on the actions resulting from the Internal Audit - PDI Act - Post Implementation Audit will be reported in future internal audit updates.



TYPE OF REPORT

Corporate

BACKGROUND

1. **Statutes Amendment (Local Government Review) Act 2021** – Item 83 Amendment of section 125 - Internal control policies and item 84 Amendment of section 126 – Audit and Risk committee applies greater emphasis on internal audit and risk management.
2. **Local Government Act 1999 Section 125A - Internal audit functions:**
 - (1) *The chief executive officer of a council that has an internal audit function must, before appointing a person to be primarily responsible for the internal audit function, or assigning such responsibility to an employee of the council, consult with the relevant audit and risk committee on the appointment or assignment of responsibility.*
 - (2) *Despite any other law or instrument to the contrary, the person primarily responsible for the internal audit function—*
 - (a) *must ensure that any reports they prepare relating to the internal audit function are provided directly to the audit and risk committee; and*
 - (b) *may report any matters relating to the internal audit function directly to the audit and risk committee.*
3. **Local Government Act 1999 section 126(4) – Audit and risk committee:**
The functions of a council audit and risk committee include—
 - (g)(i) *if the council has an internal audit function—*
 - (A) *providing oversight of planning and scoping of the internal audit work plan; and*
 - (B) *reviewing and commenting on reports provided by the person primarily responsible for the internal audit function at least on a quarterly basis;*
4. **Internal Audit Approach** - Council has historically not had an internal audit function or undertaken internal audits. An approach was agreed with Dean Newbery and Partners further to their appointment as Council's external auditor in 2021 as follows:
 - **Internal Financial Controls Self-Assessment** - The internal financial controls that had not been assessed since 2018 would be assessed in FY 2023;
 - **Internal Audit** - A risk-based approach would be undertaken to build an internal audit program starting with one internal audit in FY 2024.
5. **Audit and Risk Committee Terms of Reference** - The following section of the Audit and Risk Committee Terms of Reference (as adopted in April 2024) is relevant to this report:
 - 12.4 Internal Audit** *(where Council has a separate internal audit function) The Committee shall:*
 - 12.4.1 Monitor and Review** - *The effectiveness of the Council's internal audit function in the context of the Council's overall risk management system.*
 - 12.4.2 Program** - *Consider and make recommendation on the program of the internal audit function and the adequacy of its resources and access to information to enable it to perform its function effectively and in accordance with the relevant professional standards.*
 - 12.4.3 Reports** - *Review all reports on the Council's operations from the internal auditors.*

Aligned with **Sections 125A and 126 (4)** of the Local Government Act.



12.4.4 Findings and Recommendations - Review and monitor management's responsiveness to the findings and recommendations of the Internal Auditor; and

12.4.5 Direct Access - Provide the internal Auditor with the right of direct access to the Mayor of the Council and to the Presiding Member of the Committee.

6. **Internal Audit Plan** - Was reviewed at the November 2023 Audit and Risk Committee meeting and adopted at the December 2023 Council meeting. The scope of the program included an Internal Audit of the PDI Act 2016 – Post Implementation Audit to review processes and organisational compliance.
7. **Quarterly Internal Audit Update Report** - Was presented to the Audit and Risk Committee for the first time at the January 2024 meeting including the following:
 - **RFQ Process** - A select Request for Quote (RFQ) process was undertaken in December 2023 and January 2024 where two external providers were provided with a copy of the Internal Audit Plan that was adopted in December 2023. Both external providers provided submissions that were reviewed by the Manager Financial Services with a recommendation provided to the General Manager.
8. **External Provider Engagement** – Galpins was the external provider appointed to undertake the internal audit.

PROPOSAL

1. **Audit Scope** - The audit focuses on reviewing Council's legislative compliance in relation to development assessment processes pursuant to the Planning, Development and Infrastructure Act 2016 as well as providing assurance on the supporting frameworks in place such as delegations, authorisations, policies, procedures and plans. A detailed scope is provided at appendix 1 of Attachment 1 to this report.
2. **Scope Exclusions** - Comprehensive review of Council's implementation of the ePlanning system per a larger 'service review' engagement. The audit review considers workflows and procedures from a high-level and with a consideration of risk.
3. **Methodology** - The following methodology was used to complete the internal audit review:
 - **Interviews** – key stakeholders and team members
 - **Documentation** – review of key policies and procedures
 - **Testing** – select testing of delegations, authorisations, enforcement and compliance actions
 - **Management Response** – consideration of management responses to draft report
4. **Sample Size** - the audit assessed compliance with verification and assessment timeframes, required approvals and transparency of decision making for a sample of seven development applications submitted through the ePlanning portal. For context, the Manager Development Services provided statistics of 400 development applications lodged for FY2022/2023 and 420 in FY2021/2022.

In respect to the sample size of the audit of Development Applications it is highlighted the Accreditation Authority of the State Government also undertakes Periodic Desktop Compliance Audits in respect to development assessment and decision making.
5. **Timing** - The internal audit took place in April 2024.
6. **Management of Internal Audit** - The internal audit was undertaken by the external provider. This report is brought to the Audit and Risk Committee by the Acting Manager Financial Services to detail the findings and recommendations.



7. **Report Observations** - As per Attachment 1 to this report, the following good practices were observed:
- **Strong Level of Compliance** - with development application verification and assessment timeframes, required approvals and transparency of decision making.
 - **Strong Level of Accreditation** - appropriate accreditation and training in place for the team.
 - **Processes** – Consistent with legislation, demonstrated knowledge and operations in accordance with the Planning and Design Code, Practice Direction and other PlanSA guidance.
8. **Key Findings and Recommendations** - The internal audit concluded that the control environment is **majority effective** to address Council's strategic risk '*Non compliance with legislation requirements can result in legal implications and inability to deliver on decision-making and critical council services*'. 16 Recommendations were provided by Galpins.
- **Consistency** – found in relation to processes and timeframes with the requirements of the Act for Class 1 and 10 buildings.
 - **Non-Compliance** – failure to meet mandatory inspection targets for class 2-9 (commercial) buildings.
 - **Resourcing pressures** – greatest risk exposure in achieving PDI Act compliance appears to be due to resourcing pressure.
 - **Opportunities for Improvement** – increasing current low levels of enforcement and compliance action, and conducting proactive inspections.

Finding	Recommendation (short form)	Audit Risk Rating	CoMG Risk Rating	Expected Completion Date
2.1 Opportunity to clarify short to medium-term intention for code amendments	<p>Recommendation 1: Consider and confirm the Council's short-term intent in relation to city planning and the use of code amendments.</p> <p>Recommendation 2: Review whether the Planning Team have sufficient capacity and resources to lead Council-initiated code amendments, and/or respond to externally driven code amendments.</p>	Moderate	Moderate	
2.2 Capacity	<p>Recommendation 3: Prioritising human resourcing for the Planning Team.</p> <p>Recommendation 4: Consider ways to reduce the workload associated with lower-level customer requests on the Development Services team.</p>	High	High	
2.3 Key stakeholder relationship management and communications	<p>Recommendation 5: Re-introduce regular, recurrent scheduled meetings between Development Services and Operations & Engineering teams and other stakeholders.</p> <p>Recommendation 6: Conduct a mapping exercise to document/confirm roles and responsibilities between the Development Services and City Infrastructure teams.</p> <p>Recommendation 7: Consider how CoMG could influence planning and development activity by more proactively engaging with external stakeholders at the pre-planning stage, where applicable.</p>	Moderate	Moderate	
2.4 Development enforcement and compliance actions	<p>Recommendation 8: Increase capacity to perform important higher-risk compliance and enforcement actions.</p> <p>Recommendation 9: Consider engaging external consultants to assist with backlogs in class 2-9 building inspections.</p>	Moderate	Moderate	



Finding	Recommendation (short form)	Audit Risk Rating	CoMG Risk Rating	Expected Completion Date
2.5 Delegations – opportunity to formalise acknowledgement re the PDI Act	<p>Recommendation 10: Ensure that Council's latest/updated published Delegations Register as available on the public website.</p> <p>Recommendation 11: Work to ensure that members of the Limestone Coast Southern Regional Assessment Panel have clarity around responsibility for maintaining/updating relevant delegations.</p> <p>Recommendation 12: Develop a pragmatic approach to periodically confirming that Development Services officers' delegations are up to date, correct and that officers have signed acceptance of these delegations.</p>	Low	Low	
2.6 Governance mechanisms are in place, there is opportunity for proactive fire inspections to occur	<p>Recommendation 13: The BFSC consider developing a proactive approach to inspecting higher-risk buildings.</p>	Low	Low	
2.7 Complaints management	<p>Recommendation 14: Review and update CoMG's complaint handling policy with respect to PDI Act obligations.</p> <p>Recommendation 15: Consider monitoring trends of community feedback/complaints to assist continuous improvement.</p>	Low	Low	
2.8 A need to review and update policies	<p>Recommendation 16: Reconsider the need to continue maintaining the Land Division and Building and Swimming Pool Inspection policies, and either revoke them or update them to ensure consistency with legislation.</p>	Low	Low	

9. **Detailed Assessment** - full details of findings and recommendations are provided in Attachment 1 to this report.
10. **Internal Auditor Attendance** - Galpins have been invited to attend the Audit and Risk Committee meeting to answer questions from committee members.
11. **Next Steps** - The progress against the actions arising from this internal audit will be reported back to the Audit and Risk Committee as part of the following:
- **Quarterly Internal Audit Reporting** – Included in the quarterly report to the audit and Risk Committee and Council.
 - **Annual Report** - Aligned with Section 99 of the Local Government Act the CEO is:
 - (ib) *to report annually to the relevant audit and risk committee on the council's internal audit processes; quarterly reporting and will be included in the annual report*

LEGAL IMPLICATIONS

Local Government Act 1999, as specified above, including the application and adherence to the legislative requirements of the Planning, Development and Infrastructure Act 2016.

STRATEGIC PLAN

N/A

COUNCIL POLICY

[Internal Audit Policy](#)

[Internal Controls Policy](#)

[Risk Management Policy](#)

ECONOMIC IMPLICATIONS

N/A

ENVIRONMENTAL IMPLICATIONS

N/A

SOCIAL IMPLICATIONS

N/A

CULTURAL IMPLICATIONS

N/A



RESOURCE IMPLICATIONS

Budget Allocation - The Internal Audit Plan 2024-2026 was created to be conducted within the current available budget. \$20k has been included in the 2023/2024 budget for two internal audits. This audit is aligned with the overall budget.

Human Resourcing - Recommendations 2, 3 and 4 from the internal audit refer to the need to prioritise human resourcing for the Planning Team in relation to capacity to deliver and respond to requests.

VALUE FOR MONEY

N/A

RISK IMPLICATIONS

Strategic Risk - Governance, Compliance and Legislative Obligations. This audit specifically addresses 'Non-Compliance with legislation requirements can result in legal implications and inability to deliver on decision-making and critical services'.

Improved internal audit processes is in keeping with the Audit and Risk responsibilities and legislation and will result in improved risk management processes.

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A

ENGAGEMENT AND COMMUNICATION STRATEGY

N/A

IMPLEMENTATION STRATEGY

The findings and recommendations have been discussed with actions agreed with dates for completion. The actions will be implemented with reporting brought to the Audit and Risk Committee quarterly.

CONCLUSION AND RECOMMENDATION

It is recommended that the attached PDI Act 2016 - Post Implementation Internal Audit Report, prepared by Galpins, Accountants, Auditors and Business Consultants, as presented is noted by Council. Progress against actions arising from this audit will be presented against future internal audit updates.

ATTACHMENTS

1. Internal Audit - PDI Act - Post Implementation Audit Report





Galpins

Accountants, Auditors & Business Consultants

City of Mount Gambier

Internal Audit Report – PDI Act 2016 - Post Implementation Audit

April 2024



Table of contents

1. Executive Summary.....	3
1.1 Background	3
1.2 Objectives.....	3
1.3 Relevant Strategic Risks	3
1.4 Good Practices Observed	3
1.5 Glossary.....	4
1.6 Key Findings and Recommendations	6
2. Detailed Findings and Recommendations	9
2.1 Opportunity to clarify short to medium-term intention for code amendments.....	9
2.2 Capacity.....	12
2.3 Key stakeholder relationship management and communications	17
2.4 Development enforcement and compliance actions.....	22
2.5 Delegations – opportunity to formalise acknowledgement re the PDI Act.....	26
2.6 Governance mechanisms are in place, there is opportunity for proactive fire inspections to occur	29
2.7 Complaints management.....	32
2.8 Policies – minor updates to be considered.....	35
Appendix 1. Scope of the audit engagement.....	38
Appendix 2. Overall Control Environment Conclusion Rating Definitions.....	40
Appendix 3. Council Risk Framework.....	41
Appendix 4. Code Amendment Process.....	45
Appendix 5. Sample testing results – Development Application verification and assessment	46
Appendix 6. Assessment of CoMG’s accreditation under the PDI Act.....	47
Appendix 7. Documents reviewed	48
Appendix 8. Staff members interviewed	49
Disclaimers	50
About us	51



Document Control

Date	Revision Number	Revision Details	Author	Reviewer
22.04.2024	v1.0	Final Draft Report	Tim Muhlhausler/ Janna Burnham	Tim Muhlhausler/ Janna Burnham
26.04.2024	V2.0	Final draft report – minor clarifications	Janna Burnham	n/a
07.05.2024	V1.0	Final report	Janna Burnham (Partner)	n/a
19.7.24	V2.0	Minor wording change	Janna Burnham	n/a

Entry meeting	19.03.2024
Onsite fieldwork commenced and completed	19.03.2024 – 20.03.24
Draft report issued	22.04.2024
Exit meeting	07.05.2024
Final report issued	07.05.24
Management comments received	13.6.24
Updated final report	19.7.24



1. Executive Summary

1.1 Background

South Australia transitioned to a new planning system in March 2021. This new system is fully electronic, providing online development assessment and processing via a web based ePlanning platform, accessed via PlanSA.

The new ePlanning system applies to the whole of South Australia. The ePlanning platform brings together the PlanSA portal, the on line Planning and Design Code, the South Australian Property and Planning Atlas and the electronic Development Application processing system.

The new planning system was developed to implement the requirements specified within the *Planning, Development and Infrastructure Act 2016* (PDI Act) and relevant regulations.

1.2 Objectives

This audit reviewed the legislative compliance of Council's development assessment processes and aimed to provide assurance on the supporting frameworks in place such as delegations, authorisations, policies, procedures and plans.

The full and final audit scope is included in Appendix 1.

1.3 Relevant Strategic Risks

This audit aligns with Council's strategic risk '*Non compliance with legislation requirements can result in legal implications and inability to deliver on decision-making and critical council services*'.

1.4 Good Practices Observed

- ✓ Audit reviewed compliance with development application verification and assessment timeframes, required approvals, and transparency of decision making and found a strong level of compliance. Due to this strong result, verification and assessment compliance is not further discussed in the report, however results are summarised in **Appendix 5**.
- ✓ Audit assessed whether CoMG have appropriate accreditation and training in place for the team and found a strong level of accreditation. The council is fortunate to have these professionals in a competitive labour market, where there is a recognised shortage of skills. Due to this strong result, training is not further discussed in the report, however results are summarised in **Appendix 6**.
- ✓ Processes in place were found to be consistent with legislation, with council staff demonstrating knowledge and operations in accordance with the Planning and Design Code, Practice Directions and other PlanSA guidance.¹

¹ Note - Audit reviewed processes and evidence of appropriate consideration of requirements, however did not specifically test for adherence with technical compliance.



1.5 Glossary

The table below lists key abbreviations/terms used within this report and summarises details of these.

Term	Detail
Accredited professional	Persons holding accreditation to undertake assessment functions prescribed by regulation.
Assessment Manager	A role created in the Act, regularising the current practice of delegations made to council and planning staff. The person holding this role is an accredited professional appointed by the Chief Executive Officer.
Assessment pathways	Framework for assessments set out in the Act and include 'Deemed-to-satisfy' and 'Performance assessed' (see below).
Building consent	Assessment of a development application against the building rules. A building consent is applicable to development where building work is involved, unless exempted by the Regulations.
Building Fire Safety Committee (BFSC)	A Committee required under the Planning, Development and Infrastructure Act 2016 to take on the role of investigating buildings' fire safety levels, ensuring they are maintained and operational.
Building Officer	CoMG staff who are responsible for assessing building applications.
'the Code'	The Planning and Design Code lists the defined land uses and is the first point of reference in determining the nature of development and the applicable assessment pathway. The State Planning Commission is responsible for preparing and maintaining the Code. The Commission consults with council and other bodies when amending the Code. Councils can initiate amendments to the Code with the agreement of the Minister acting on the advice of the Commission. Also referred to as 'P&D Code'.
Code Amendments	A proposal initiated by the State, private entities or a council to change the policies, rules, or mapping within the existing Code.
Deemed-to-satisfy	Simple development applications that are assessed by an accredited professional or assessment manager and must be granted if compliant with the relevant criteria. Typically, these development applications do not require any notification or agency referral.
Development application	An application for development approval and maybe either: <ul style="list-style-type: none"> ▪ a planning consent development application (which may include a land division certificate), or ▪ a building consent application.

Term	Detail
P&D Code	Refer to 'the Code'.
PDI Act (the Act)	The Planning, Development and Infrastructure Act 2016 (SA).
Performance Assessed	Development application that is assessed on its merits by an assessment manager or assessment panel.
Planning Consent	Assessment of a development application (including land division) for compliance with the planning rules. These development applications may require notification and agency referral to complete an approval.
Planning Officer	CoMG staff who are responsible for assessing planning applications.
Portal	Refers to PlanSA's ePlanning system.
RAP	Limestone Coast Southern Regional Assessment Panel.





1.6 Key Findings and Recommendations

This internal audit assessed the controls established to address council's strategic risk '*Non compliance with legislation requirements can result in legal implications and inability to deliver on decision-making and critical council services*' in relation to the PDI Act 2016. Based on the work undertaken, and when considering the design and/or effectiveness of controls collectively, we conclude that the control environment is **majority effective**.²

Positively, based on the results of our walkthroughs and sample testing, the processes in place for planning, development and building assessments and inspections were found to be consistent with the requirements of the Act. Council have a professional team that demonstrated working hard to fulfil their role. Legislated processing timeframes for processing development applications and targets for inspecting Class 1 and 10 buildings are consistently met.

Audit also identified some non-compliance with legislation and opportunities for improvement. In particular, testing demonstrated failure to meet mandatory inspection targets for Class 2-9 (commercial) buildings.

Audit also analysed the capacity of the Development Services team and observed that Council's greatest risk exposure in achieving PDI Act compliance appears to be due to resourcing pressure. CoMG are fortunate to have a highly accredited in-house team of professionals in a competitive labour market, where there is a recognised shortage of skills. Analysis identified reduced resourcing and increased demand for the team over time.

Identified opportunities for improvement (and potential symptoms of resourcing) are around increasing current low levels of enforcement and compliance action, and conducting proactive inspections – for example around fire safety. Audit considers that resourcing pressure is linked to the risks of increased stress levels, higher incidence of errors, decreased team morale, potential staff turnover and difficulty meeting service requirements.

Since the introduction of the PDI Act, there have been no code amendments within the Council area. This is understandable, as staff reported a plan to wait until the SA Government's overarching *Limestone Coast Regional Plan* has been finalised before pursuing amendments. Audit found that the Plan has been delayed, however the need for code amendments is nearing – for example in relation to affordable housing. There is opportunity for council to consider and confirm its short to medium-term intent in this space. These projects require significant effort.

Other opportunities identified include strengthening communications between internal stakeholders, improving clarity around monitoring and tracking customer feedback and complaints, the BFSC developing a proactive approach to inspecting higher-risk buildings, and the potential to develop information guidelines that are used by the public and developers and assist in ensuring that developments align with CoMG's character and community preferences.

Findings and recommendations are summarised over page.

Galpins would like to thank the team at City of Mt Gambier for their help and input into this audit.

² Please refer to **Appendix 2**, Overall Control Effectiveness Ratings for further information.





City of Mount Gambier

Finding	Recommendation (short form)	Audit Risk Rating	CoMG Risk Rating	Expected Completion Date
2.1 Opportunity to clarify short to medium-term intention for code amendments	Recommendation 1: Consider and confirm the Council’s short-term intent in relation to city planning and the use of code amendments.	Moderate	Moderate	Q1 2025
	Recommendation 2: Review whether the Planning Team have sufficient capacity and resources to lead Council-initiated code amendments, and/or respond to externally driven code amendments.			July 2025
2.2 Capacity	Recommendation 3: Prioritising human resourcing for the Planning Team.	High	High	July 2024
	Recommendation 4: Consider ways to reduce the workload associated with lower-level customer requests on the Development Services team.			Sept 2024
2.3 Key stakeholder relationship management and communications	Recommendation 5: Re-introduce regular, recurrent scheduled meetings between Development Services and Operations & Engineering teams and other stakeholders.	Moderate	Moderate	ASAP – July 2024
	Recommendation 6: Conduct a mapping exercise to document/confirm roles and responsibilities between the Development Services and City Infrastructure teams.			December 24
	Recommendation 7: Consider how CoMG could influence planning and development activity by more proactively engaging with external stakeholders at the pre-planning stage, where applicable.			December 2024
2.4 Development enforcement and compliance actions	Recommendation 8: Increase capacity to perform important higher-risk compliance and enforcement actions.	Moderate	Moderate	June 2025
	Recommendation 9: Consider engaging external consultants to assist with backlogs in class 2-9 building inspections.			TBA





City of Mount Gambier

Finding	Recommendation (short form)	Audit Risk Rating	CoMG Risk Rating	Expected Completion Date
2.5 Delegations – opportunity to formalise acknowledgement re the PDI Act	<p>Recommendation 10: Ensure that Council’s latest/updated published Delegations Register as available on the public website.</p> <p>Recommendation 11: Work to ensure that members of the Limestone Coast Southern Regional Assessment Panel have clarity around responsibility for maintaining/updating relevant delegations.</p> <p>Recommendation 12: Develop a pragmatic approach to periodically confirming that Development Services officers’ delegations are up to date, correct and that officers have signed acceptance of these delegations.</p>	Low	Low	Complete ASAP July 2024 August 2024
2.6 Governance mechanisms are in place, there is opportunity for proactive fire inspections to occur	<p>Recommendation 13: The BFSC consider developing a proactive approach to inspecting higher-risk buildings.</p>	Low	Low	Dec 2024
2.7 Complaints management	<p>Recommendation 14: Review and update CoMG’s complaint handling policy with respect to PDI Act obligations.</p> <p>Recommendation 15: Consider monitoring trends of community feedback/complaints to assist continuous improvement.</p>	Low	Low	August 2024 December 2024
2.8 A need to review and update policies	<p>Recommendation 16: Reconsider the need to continue maintaining the Land Division and Building and Swimming Pool Inspection policies, and either revoke them or update them to ensure consistency with legislation.</p>	Low	Low	Sept 2024





2. Detailed Findings and Recommendations

2.1 Opportunity to clarify short to medium-term intention for code amendments	Audit Risk Rating	CoMG Risk Rating
	Moderate	Moderate

Key Findings

- Council has not proposed any code amendments since introduction of the PDI Act, and has been waiting for release of the *Limestone Coast Regional Plan* to inform any new amendments. Given that this Plan has been delayed, and the time since introduction of the Act, there is opportunity to confirm/consider Council’s short-term intent around code amendments.

Discussion

The audit scope called for assurance on the supporting framework(s) in place to support Council’s development assessment processes. When considering this element, it was important to obtain an overall understanding of the **strategic direction** of planning within the CoMG.

Under the PDI Act, Planning and Design Code amendments can be initiated by the State, private entities or a council. A code amendment is a proposal to change the policies, rules, or mapping within the existing Code. For example, to designate zones for specific purposes or to change the previous zoning of land, such as from rural to residential. Under the Act, CoMG has less control over reforms than previously, however there is still capacity to be proactive in driving reforms via Council-initiated code amendments.

Staff reported that there have been no code amendments within the council boundary since the introduction of the PDI Act, and that any Council-initiated work is on hold pending finalisation of the updated *Limestone Coast Regional Plan* (an SA Government initiative).³ This Plan is expected to give strategic guidance about code amendments that are required, however it is currently overdue.

Two interviewees indicated a desire for updated guidance and clarification within CoMG around:

- direction for zoning, for example to meet pressing housing shortage needs and to provide space for new housing development in a structured way
- master planning / expectations for developers within the council area (further discussed in **Section 2.3**).

Council is obliged to consider community expectations around land use when considering code amendments, and can proactively target code amendments that will facilitate growth in keeping with the desired look and feel of the City. See **Recommendation 1**.

Risk Exposure

- Council does not meet community expectations around proactively driving and influencing planning reform under the PDI Act.

³ Summary information available at: https://www.plan.sa.gov.au/data/assets/pdf_file/0003/1138638/Fact-Sheet-Limestone-Coast-Regional-Plan-Preparation.pdf.





- Privately-initiated code amendments occur in a haphazard manner before Council commences proactive code amendments, meaning that developments/buildings are allowed in areas considered undesirable by Council and the community.

Recommendation 1	<p>Consider and confirm the Council’s short-term intent in relation to city planning and the use of code amendments, for example whether Council intends to:</p> <ul style="list-style-type: none"> wait for the finalisation of the Limestone Coast Regional Plan before commencing code amendment work commence proactive council-specific planning for code amendments targeted at areas of highest need/demand. <p><i>The aim of this recommendation is to facilitate an updated discussion about Council’s intent in relation to planning. Any Council-specific code amendments will require resources. (see Recommendation 2)</i></p>
Agreed Actions	Council intends to wait for the finalisation of the Limestone Coast Regional Plan before commencing code amendment work.
Action Officer	Manager Development Services
Completion Date	First quarter of 2025 – Noting Council’s Budgetary Restraints – No Budget allocation for the 2024/2025 financial year

Resourcing Code Amendments

Internal Audit note that code amendments are resource-intensive, both for Council-initiated or privately-initiated amendments.⁴ The process is highly legislated and is summarised below.

High-level summary: code amendment process



⁴ Council staff are still required to be involved in responding and liaising re privately-initiated amendments.





A more detailed summary is in **Appendix 4**.

The Development Services Team flagged the intention to make a budget bid for the 2025/26 budget for Council to consider, and also the intention to conduct preparation work goes around Code amendments in the 2024/25 year without a budget allocation.

If, in response to Recommendation 1 above, there is a decision for CoMG to proactively drive and influence planning reform under the PDI Act, there is scope to review the capacity of the Development Services team to ensure they are able to pursue policy reform in line with the community’s expectations. This review can also consider capacity to respond to any privately-initiated code amendments.

Risk Exposure

- Council’s Planning team may be insufficiently resourced to either proactively or reactively participate in code amendments, meaning that planning and developments may not occur in a proactive way that is aligned to Council’s and the community’s expectations.

Recommendation 2	<p>Review whether the Planning Team have sufficient capacity and resources to:</p> <ul style="list-style-type: none"> ▪ lead Council-initiated code amendments, and/or ▪ respond to externally driven code amendments. <p><i>Note – even in the event that Council decide not to drive proactive code amendments in the short term, there is a need to be aware of resource implications associated with any potential privately-initiated code amendments.</i></p>
Agreed Actions	Service reviews and workforce planning project will commence in first quarter of 2024-25. Summary findings will be presented to the Audit and Risk Committee upon completion.
Action Officer	General Manager Corporate and Regulatory Services Manager Organisational Development
Completion Date	July 2025





2.2 Capacity	Audit Risk Rating	CoMG Risk Rating
	High	High

Key Findings

- The Planning and Building officers work hard to meet legislative standards. In addition, Audit observed a lack of capacity for them to complete work beyond the base minimum. These observations appear to be supported by trends observed in data.

Discussion

The scope called for a review of the adequacy of Council's processes to align to the new planning regime. Audit held discussions with staff, reviewed relevant Council policies and performed walkthroughs and sample testing of processes as documented in the PlanSA Portal. The results of this testing was positive, demonstrating alignment between CoMG policies and processes and the requirements of the Act. The timeliness of CoMG's processing of development applications is also summarised in **Appendix 5**.

Internal Audit noted delays in some building inspections,⁵ a backlog of mandatory commercial building inspections, absence of proactive fire safety inspections (**discussed in Section 2.6**), and inability to perform proactive compliance work or value add and strategic tasks. These appear to be due to resource constraints.

The Planning Team reported growing demand. Whilst statutory assessment timeframes are being met, this is achieved thanks to the Planning Officer's efficiency in processing what appears to be an above average number of applications compared to other councils (keeping in mind the inherent limitations on comparing such metrics, as discussed below) and leaves limited time for addressing customer queries or other value-add activities.

Whilst the workload of the team has reportedly always been high, staffing levels have declined in recent years and the team reported loss of access to dedicated administrative support, in conjunction with growth in workload and legislative compliance obligations. Potential future plans for council to initiate code amendments, pending finalisation of the updated *Limestone Coast Regional Plan*, will likely add considerable additional workload even if council are assisted by external consultants.

To validate these anecdotal observations, Audit has attempted to review trends in data and to compare resourcing with other councils. Whilst indicative, this analysis is flawed due to the changes in the planning system under the new scheme making prior year comparisons less meaningful, and volume comparisons with other councils challenging due to the differences in not only volume, but also nature and complexity of applications. However, the data is indicative and supports the anecdotal observations of a lean workforce and increasing workloads.

The current staff present as overextended, which can lead to increased stress levels, higher risk of errors, and decreased overall team morale. This situation may result in higher staff turnover, further exacerbating the staffing shortfall. **See Recommendation 4**.

⁵ Statutory targets for class 2-9 building inspections are not being met, exposing Council to potential reputational and legal risks and penalties. **See Section 2.4 for further discussion**.





Changes in development activity over time

Staff reported a noticeable increase in development in recent years, particularly post-Covid, a trend that has been experienced across the SA local government sector. Audit reviewed activity data from 2015 (prior to 2018 staffing reductions – discussed below) to March 2024. Whilst not quite an ‘apples for apples’ comparison,⁶ the numbers are indicative, demonstrating an increase in the average number and value of applications / approvals being processed each month over time.

Development Services activity over time

	Year	No. Approvals / Applications	Value of Approved Development \$ '000	Months of Data	Ave No. Approvals / Applications per Month	Ave Monthly Value of Approved Development \$ '000
Building Approvals	2015	409	\$ 32,853	12	34	\$ 2,738
	2016	399	\$ 35,963	12	33	\$ 2,997
	2017	401	\$ 45,474	12	33	\$ 3,790
	2018	365	\$ 38,410	12	30	\$ 3,201
	2019	330	\$ 55,592	12	27	\$ 4,633
	2020	494	\$ 118,598	12	41	\$ 9,883
	2021	472	\$ 174,272	12	39	\$ 14,523
Development Applications	2022	497	\$ 53,790	12	41	\$ 4,483
	2023	624	\$ 50,718	12	52	\$ 4,227
	2024	199	\$ 13,538	3	66	\$ 4,513

Changes in staffing levels

The following table provides an approximate timeline of staffing changes (by FTE) for the Development Services team since 2017:

indicative staffing

	2017		2018		2019		2020		2021		2022		2023		2024
	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jan-Jun
Manager	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Planning															
Senior Planning Officer	1	1	1	1	1	1	0	0	0	0	1	1	1	1	1
Planning Officer	1	1	1	1	1	1	1	0.2	0	0	0	0	0	0	0
Building															
Building Officer	2	2	1	1	2	2	2	2	2	2	2	2	2	2	2
Trainee Building Officer	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0
Total FTE	5	5	5	4	5	5	4	3.2	3	3	4	4	4	4	4

⁶ Prior to the new system going ‘live’ in March 2021, development activity levels have been estimated based on the number of building approvals. Post go-live, development activity levels have been estimated based on the number of development applications.





City of Mount Gambier

The table above shows a reduction in staffing for Planning, 2 to 1 FTE. During times that positions remained vacant, the Manager Development Services absorbs the additional workload. The current Senior Planner commenced in August 2022.

Two Environmental Health Officers (EHOs) have also left and these positions remaining unfilled, Council have recently negotiated for Wattle Range Council's EHO to assist at CoMG one day per fortnight. The Manager Development Services is also absorbing some of these duties.

Council is currently working through the recruitment process to recruit a Para Planner through an initiative with the Department of Planning and the Local Government Association.

Applications per Planning Officer comparison

Audit also analysed the number of development applications per Planning Officer during the period 01/01/2023 to 01/01/2024 for five councils – CoMG + four medium sized metro councils (names excluded for confidentiality reasons).

Application numbers have been obtained from the Plan SA Development Application Register, with staffing numbers obtained from discussions with the respective councils.

It is difficult to directly compare staff resources between different councils, as there are many factors which impact the appropriate staffing levels including experience of staff, nature and complexity of applications being assessed, and the extent of use of external support. However, the following comparisons are indicative and support anecdotal observations and staff sentiment that resourcing at CoMG is lean.

	No. of Development Applications			FTE Planning Officers	Applications Per FTE	Comments
	Under Assessment	Decision Made	Total			
City of Mt Gambier	51	329	380	1	380	No use of consultants to assist with work loads. Manager backfills when Planning Officer has leave.
Council 2	216	586	802	5	160	2 dedicated Development Admin staff, including 1 Development Administration Trainee.
Council 3	278	999	1277	6.5	196	High volume of 'Accepted Development' - only building consent is required, no planning consent is needed. Utilise consultants to assist with capacity. Business Support Team (admin) overseen by Team Leader Planning. Aim to add an additional Planner and admin support to assist with workloads.
Council 4	195	519	714	4	178	FTE includes 1 Cadet Planning Officer. Customer Liaison (admin function) overseen by Team Leader Planning, 0.8 FTE admin support.
Council 5	193	688	881	2	440	High workload has been challenging, have used many consultants to assist with high volume of applications. Utilise 3 FTE Development Technicians (admin support) to assist with work loads, reporting to Team Leader Planning.

Administrative support

Prior to 2018, the Development Services team reported a dedicated administrative resource for the team, with a direct phone number for enquires. Post 2018, this resource was replaced with a 1.8 FTE allocation of admin support from the Customer Service Team, who sit at the main reception with a

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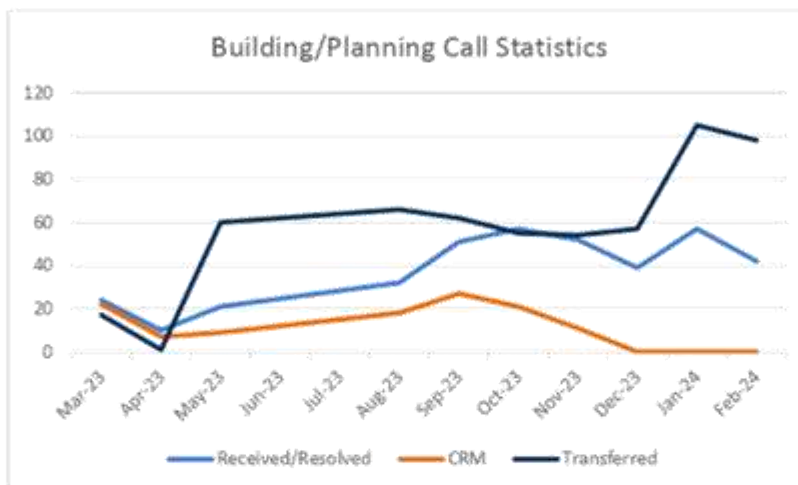
14



City of Mount Gambier

general phone line into Council and manage Council-wide enquiries. Staff reported a noticeable decline in the level of assistance able to be provided by admin support staff, for example in answering development-specific customer queries, with a resultant increase in the workload of professional planning staff.

Analysis of planning/building call requests, and the number of times calls are transferred or a phone message taken by the Customer Service Team demonstrates the upward trend in calls received by council and also transferred to Development Services:⁷



CRM = customer request raised in the 'Customer Request Module' of the system – for Development Services to specifically address.

Audit consider that the above chart indicates increased customer interaction for the Development Services Team. **See Recommendation 4.**

Risk Exposure

- Insufficient human resource capacity resulting in increased stress levels, higher risk of errors, and decreased overall team morale impacting service delivery.
- Increased risk of statutory timeframes under the PDI Act not being met.
- Insufficient capacity to appropriately initiate and/or respond to code amendments, leading to sub-optimal development within the council area.

Recommendation 3	<p>Council prioritise recruitment of additional human resourcing for the Planning Team, for example via the existing plans for appointment of a Para Planner through the initiative with the Department of Planning and the Local Government Association.</p> <p><i>Note: CoMG's current Planning Officer is a highly experienced Level 1 Planner, who is currently assessing simple applications and performing other duties that could be performed by a more junior staff member or admin resource (see also Recommendation 4). As such, additional</i></p>
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⁷ Data as provided, figures not available for June/July 2023 and demonstrated above as a static line.



	<i>resourcing does not need to be at a senior level to have a meaningful impact on capacity.</i>
Agreed Actions	Addressing via para planner / additional administration support.
Action Officer	Manager Development Services General Manager Corporate and Regulatory Services
Completion Date	July 2024

Recommendation 4	<p>Consider ways to reduce the workload associated with lower-level customer requests on the Development Services team. Options may include:</p> <ul style="list-style-type: none"> ▪ Assigning a dedicated admin resource to assist the team, providing them training and assigning responsibility for lower-level tasks otherwise being performed by Planning Officers such as customer service provision. This role may also for example check that expected information is lodged with applications (with consideration given to Schedule 8 requirements for plans and information) and data reporting. ▪ More specifically training existing Customer Service Team members about how to resolve lower-level planning and building-related queries, with a targeted reduction in call transfers. ▪ Developing reference material for the Customer Service Team to use, for example FAQs or a knowledge library that supports them to provide accurate information to customers. This may also be included on the Council website. <p><i>Note – the above are options only, the intent is to proactively identify a way to reduce administrative burden on professional planning/building officers. This would be subject to cost/benefit considerations.</i></p>
Agreed Actions	Para Planner commenced June 2024, Admin assistance currently being finalised, Para planner will commence work on FAQ's in conjunction with other officers in August 2024
Action Officer	Manager Development Services Manager Organisational Development
Completion Date	September 2024





2.3 Key stakeholder relationship management and communications	Audit Risk Rating	CoMG Risk Rating
	Moderate	Moderate

Key Findings

- There is opportunity to strengthen communication and the clarity of roles/responsibilities between Development Services and the Operations & Engineering teams in particular—with scope to document the role of key internal stakeholders and agreed workflows for internal consultation when assessing an application.
- There is potential to develop information guidelines for the public to access when planning a new development and to influence developers to align with CoMG’s character and community preferences.

Discussion

The audit scope called for a review of ‘internal relationships and workflow management between departments where appropriate’. Workflow management is important as, under the PDI Act, Planning officers refer applications to in-house specialists for input. Responses must be received in a timely way or, under the Act, applications may be deemed as approved.

To achieve this, Audit spoke with a member of the Executive, as well as the Development Services and Operations & Engineering teams about their experiences with internal collaboration. We identified two areas for strengthening workflow management: with Environmental Health Officers and the Operations & Engineering Team.

Environmental Health Officers

There are currently two Environmental Health Officer (EHO) vacancies. Prior to this, Planning staff reported referring to EHOs regularly, including via a weekly meeting. A former EHO had a logon for the ePlanning Portal and could access the data they required. Input from EHOs has naturally declined as CoMG rely on input from an EHO on a single day a fortnight basis, a shared resource from Wattle Range Council.

Operations & Engineering team

Audit identified a need for strengthened engagement and collaboration between the Operations & Engineering and Development Services teams. Both teams expressed a desire for this to occur. Causes of low engagement levels include:

- general busyness / pressure on capacity (See discussion in **Section 2.2**)
- short assessment timeframes, limiting opportunity for collaboration and the ability to influence the assessment outcome
- discontinued formal collaboration mechanisms, and
- some lack of clarity around roles and responsibilities between teams.

These are further discussed over page.





Short assessment timeframes

Stakeholders reported some delays in receiving input into development applications, and a reliance on Planning Officers' knowledge in the absence of this input. This may be addressed by formalised collaboration mechanisms (see below).

A need for formalised collaboration mechanisms

As at fieldwork, Audit observed a lack of formalised mechanisms to encourage and/or require collaboration. Examples of such mechanisms could include regular, recurrent scheduled meetings between internal stakeholders, and/or specific triggers (embedded in policy/procedures) during the assessment process requiring collaboration. Historically, there have been recurrent meetings scheduled between the Operations & Engineering and Development Services teams.

Internal engagement is a key component for achieving successful development outcomes for CoMG, as a lack of internal engagement can lead to sub-optimal development outcomes. For example, the impact of the development on infrastructure and the surrounding neighbourhood, such as stormwater, bin collection, street parking and trees onsite, may not be adequately considered. See **Recommendation 5**.

Opportunity to clarify roles and responsibilities between teams

Stakeholders expressed various areas where there is opportunity for increased clarity in the roles and responsibilities between the Operations & Engineering and Development Services teams. In summary, these points appeared to be around:

- what could be influenced through the planning assessment process, and
- what planning and infrastructure requirements must be established outside of planning assessment process.

Interviewees identified some inconsistencies in understanding of the extent to which council can influence development. Under the PDI Act, council's influence over planning direction can be limited. Short assessment timeframes, streamlined approval processes and detailed, specific and mandatory requirements of the PDI Act and the Code mean that once an application is lodged, there is limited opportunity to influence the development. Teams demonstrated desire and a need for further clarity around roles and responsibilities in this space. See **Recommendation 6**.

Opportunity to develop / provide guidance information to external stakeholders

In addition to the development assessment process, there is opportunity for Council to more proactively influence development within its capacity as the Local Government Authority. There are decision points for councils under the PDI Act that can provide opportunities for CoMG to positively influence the nature of development. This may be driven by the Engineering team, and result in reduced calls to the Planning officers. An example is outlined below.

Example – area where Council can influence planning direction

Under s102 of the PDI Act, for proposed division of land where land is to be vested in a council, the council needs to accept the vesting, and prescribed requirements regarding internal roads and drainage of the land must be met to the council's satisfaction. Early intervention by engaging with developers and providing them with clear guidance regarding CoMG expectations when evaluating the decision to accept the vesting of





land and/or infrastructure is key to giving CoMG the best chance of positively influencing the future direction of development in the city.

In relation to the vested land example above, there is reportedly some level of early engagement by the Operations & Engineering Team with developers, however this is hindered by a lack of guidance about CoMG expectations and absence of a current CoMG master plan⁵ that can be provided to developers. Engineering Team guidance that describes and promotes CoMG’s preferred position and expectations for key elements of developments may help educate developers, provide them greater opportunity to consult with CoMG subject matter experts in the pre-application stage, and allow them to identify development options that align with Council’s strategic intent and planning principles. This may also help to reduce enquiries and time impact upon Planning Officers. **See Recommendation 7.**

Risk Exposure

- Some lack of clarity around roles/responsibilities between teams may create time delays and unnecessary resource duplication in responding to customer requests and providing input into developments.
- CoMG’s influence over planning and development activity may be restrained by the limited engagement with developers in the pre-application stage.
- Lack of engagement between key internal stakeholders during the pre-application stage and when assessing an application may result in sub-optimal planning outcomes.

Recommendation 5	Re-introduce regular, recurrent scheduled meetings between Development Services and Operations & Engineering teams and other stakeholders for joint review of upcoming developments and current Performance Assessed development applications.
Agreed Actions	As per recommendation
Action Officer	Manager Development Services Manager Engineering, Design & Asset
Completion Date	ASAP – July 2024

Recommendation 6	Conduct a mapping exercise to document/confirm roles and responsibilities between the Development Services and City Infrastructure teams. This can provide further clarity and consistency to all staff on roles and responsibilities. This may also include internal service standards. <i>Note: When implementing this recommendation there is an opportunity for CoMG to liaise with peer councils and consider their service standards.</i>
Agreed Actions	As per recommendation

⁵ The Greater Mt Gambier Master Plan is currently out of date.





City of Mount Gambier

Action Officer	Manager Development Services Manager Engineering, Design & Assets
Completion Date	December 2024

Recommendation 7	Consider how CoMG could influence planning and development activity by more proactively engaging with external stakeholders at the pre-planning stage, where applicable. Solutions may include developing guidance on: <ul style="list-style-type: none"> ▪ CoMG’s preferred position on key elements of development plans, including explanation of requirements under the PDI Act ▪ CoMG’s view on best practice outcomes with respect to wholistic planning considerations such as stormwater management, established tree retention, streetscape enhancement, and heritage character preservation. ▪ CoMG subject matter experts who are available to assist developers with enquiries at the pre-planning stage.
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Agreed Actions	<p>Guidance Development: Develop comprehensive guidance documents outlining CoMG’s preferred positions on key elements of development plans. This should include clear explanations of requirements under relevant legislation like the Planning and Development Infrastructure (PDI) Act.</p> <p>Best Practice Outcomes: Define CoMG’s views on best practice outcomes for holistic planning considerations such as stormwater management, established tree retention, streetscape enhancement, and heritage character preservation. This can be communicated through guidelines, policy statements, or informational materials provided to developers.</p> <p>Subject Matter Expert Availability: Identify and designate CoMG subject matter experts who can assist developers with inquiries at the pre-planning stage. Ensure that these experts are accessible and responsive to developers’ needs, providing guidance and expertise to help align projects with CoMG’s objectives and regulatory requirements.</p> <p>Stakeholder Engagement Platforms: Establish platforms or forums for regular engagement between CoMG representatives and external stakeholders, including developers, community groups, and industry associations. These platforms can facilitate dialogue, exchange of ideas, and collaboration on planning and development initiatives.</p> <p>Education and Awareness Programs: Conduct educational programs and outreach activities to raise awareness among developers and other stakeholders about CoMG’s priorities, policies, and expectations regarding</p>
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20





City of Mount Gambier

	planning and development. This can include workshops, seminars, and informational materials disseminated through various channels.
Action Officer	Manager Development Services Manager Engineering, Design & Asset Manager Economy, Strategy and Engagement
Completion Date	December 2024





2.4 Development enforcement and compliance actions	Audit Risk Rating	CoMG Risk Rating
	Moderate	Moderate

Key Findings

- Legislative targets for Class 1 building inspections are being significantly exceeded, whilst legislative targets for inspection of Class 2-9 building inspections are not being achieved.
- There is minimal follow-up of developers' and building owner's compliance with Essential Safety Provisions (ESPs).
- The team reported limited capacity to meet all compliance and enforcement obligations, and focus on Class 1 inspections as a priority.

Discussion

The scope called for a review of council's processes, documentation and procedures for development enforcement and compliance actions, and their compliance with the relevant provisions of the PDI Act. To achieve this, audit reviewed relevant council policies / procedures, interviewed key staff with responsibilities for development enforcement and compliance actions, and reviewed data from the Portal demonstrating progress against legislative targets.

Building and Swimming Pool Inspections

State Planning Commission *PRACTICE DIRECTION 8 - Council Swimming Pool Inspections 2019* and *PRACTICE DIRECTION 9 - Council Inspections 2020* set the minimum level of inspections that must be undertaken each relevant reporting year (1 July to 30 June). "Council Policy D150 - Building & Swimming Pool Inspection Policy" reiterates the requirements of these practice directions. The policy is consistent with the Directions, with the exception of an additional target within Council's policy to undertake inspections on 10% of all approvals for Class 10A (verandas etc.) and 10% of all approvals for Class 10B (retaining walls, fences etc.). Council has not met these self-imposed targets (see **Section 2.8** for further discussion).

The following extract taken from the PlanSA Portal shows Council's inspection rate as at the time of the audit against the target:

Practice Direction 9					
Building Class	Target %	Building Works Inspected %	Building Works Commenced	Building Works Inspected	
Class 1	66%	90.34%	290	262	
Class 2-9	90%	32.97%	91	30	

Practice Direction 8					
Building Class	Target %	Building Works Inspected %	Building Works Completed	Building Works Inspected	Building Works Inspected Within Timeframe (10 Days)
Swimming Pools	100%		1		

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Opportunity to more systematically target Building Officer work tasks

As indicated on the previous page, for Class 1 buildings a minimum of 66% of building work commenced in the relevant year must be inspected. As indicated above, Council is exceeding inspection requirements, with an inspection rate of 90.34% (24% above requirements).

The Building Officer performing these inspections reported that they spent the majority of their time managing and performing building inspections, with little time to perform other responsibilities such as compliance action or inspection of Class 2-9 buildings.

Audit consider that, given inspections for Class 2-9 buildings are approximately 57% below target as at March 2024, there may be opportunity to reduce the number of inspections performed for class 1 buildings to a range closer to legislative target minimums to allow the Building Officer to prioritise other parts of their role. **See Recommendation 8.**

Shortage in inspections conducted: Class 2-9 and swimming pools

For Commercial buildings (Class 2-9 buildings) a minimum of 90% of building work commenced in the relevant reporting year must be inspected. As shown in the table on the previous page, Council is not currently meeting the required inspection targets for Class 2-9 buildings, with an inspection rate of 32.97% against a target of 90%.⁹

The table on the previous page also shows that Council did not meet timeframes in inspecting one swimming pool. **Recommendation 8 and Recommendation 9.**

Capacity to conduct proactive work

Audit note that in relation to swimming pools, Council has been advised of only 1 completed pool. Per the PDI Act, swimming pool means 'an excavation or structure that is capable of being filled with water and is used primarily for swimming, wading, paddling or the like and includes a bathing or wading pool or spa pool'.

It is noteworthy that inspection numbers are based on Council being advised that building works have commenced (or swimming pools completed). Council officers reported lack of capacity to perform proactive follow up of building works to ensure that it has a complete population of commenced / completed works, and it is likely that there are instances of owners failing to notify council. Audit understand that there are anecdotally not many swimming pools installed in Mt Gambier, however given that there is a swimming pool and spa retailer in the city, this number appears under-reported. **See Recommendation 8.**

⁹ Inspections can be undertaken by a by a Building Officer with Building Level 2 Accreditation provided buildings are no more than three storeys in height or have a floor area of no more than 2,000m². Over these limits, a Building Level 1 Accreditation is required. Council's Development Services Coordinator is currently Level 2 accredited, and in the process of achieving Level 1 accreditation. Council's Building Officer is currently Level 3 accredited, and in the process of achieving Level 2 accreditation.





Essential Safety Provision (ESP) Compliance

When Council issues consent for a commercial property, it provides the ESP Form 1 (outlining required essential safety provisions) and Form 2 (owners sign to say all ESPs installed). Owners do not always return these forms, which are required before they can have the certificate of occupancy.

For certain larger non-dwelling buildings, in accordance with regulation 94(10) and (11), a building owner must provide annual proof to council – via lodgement of a ‘Form 3’ - that maintenance and testing have been carried out on all ESPs applicable to the building. Council’s Customer Service team proactively send a reminder email to all known owners with a relevant building requiring an Annual return form. Again, not all owners complete and provide Council with their Form 3s.

Ideally, Council would conduct further proactive follow up with owners regarding their incomplete ESP Forms. No formal process is currently in place for this follow up, with the primary reason provided being a lack of capacity. In addition, staff reported that the new Portal does not facilitate an efficient process for these reviews, and that the process has deteriorated since transitioning to the new system. See **Recommendation 8**.

Building and Rectification Notifications

Council’s ‘Administrative Principle – Enforcement Of Unlawful Development’ outlines the processes for investigating and, where required, taking enforcement action to address unlawful development. Enforcement actions are tracked and monitored via the PlanSA Portal.

The policy promotes a pragmatic approach to enforcement action, with the Delegated Officer selecting the appropriate enforcement action following a decision to investigate which may include taking no action, informal action (such as a verbal advice), or formal action. In practice, Council has recorded minimal rectification activities. Of the 718 buildings requiring inspections as listed in the ‘Building and Rectification Notifications Report’ for the period 27/4/2021 to 18/03/2024 only 7 have been flagged as requiring rectification, the last of which was on 7/04/2022. Staff reported that only informal actions have been taken in recent times, as staff seek in the first instance to resolve issues through informal discussions with developers and have found this to be effective. Whilst not possible to evidence, anecdotally the low volume of enforcement actions may potentially also be influenced by the lack of capacity in the team. See **Recommendation 8** and **Section 2.2**.

Risk Exposure

- Low levels of proactive compliance and enforcement activity, and failure to meet mandated inspection targets may result in increased risk of non-compliant building works, inadequate ESPs and unsafe swimming pools in the community, exposing council to reputational risk and increased potential for legal penalties and/or fines.

Recommendation 8	Increase capacity to perform important higher-risk compliance and enforcement actions, such as further proactive follow-up of outstanding ESP Forms and failures to notify council of completion of swimming pools, by:
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	<ul style="list-style-type: none"> reducing the number of Class 1 building inspections being performed, and utilise the freed-up capacity to perform compliance and enforcement actions provide training and assign responsibility to select administrative support staff to assist with lower-level tasks otherwise being performed by Building Officers such as following up outstanding items with developers / building owners, data reporting and customer service provision, and working with local supplier(s) to ensure that they advise when swimming pools are installed.
Agreed Actions	<p>Prioritise Compliance Actions: Evaluate the current workload of Class 1 building inspections and identify areas where resources can be reallocated. Prioritize higher-risk compliance and enforcement actions over routine inspections to focus efforts on addressing outstanding issues.</p> <p>Training and Delegation: Provide comprehensive training to select administrative support staff to handle lower-level tasks typically performed by Building Officers. Assign responsibility for tasks such as following up with developers/building owners, data reporting, and customer service provision</p> <p>Streamlining Processes: Identify opportunities to streamline compliance and enforcement processes to improve efficiency. This may include leveraging technology for streamlined communication with stakeholders.</p>
Action Officer	<p>Manager Development Services Development Services Coordinator</p>
Completion Date	<p>June 2025</p>

Recommendation 9	<p>Consider engaging external consultants to assist with backlogs in class 2-9 building inspections.</p>
Agreed Actions	<p>To be considered as part of the Workforce plan and service review and will be subject to available resources. This will be considered and reported back to the Audit and Risk Committee.</p>
Action Officer	<p>Manager Development Services Development Services Coordinator</p>
Completion Date	<p>TBA – Covered in 8 as above – process improvements and better administration could significantly address this recommendation</p>





2.5 Delegations – opportunity to formalise acknowledgement re the PDI Act	Audit Risk Rating	CoMG Risk Rating
	Low	Low

Key Findings

- Delegations in relation to the PDI Act were updated in concurrence with internal audit fieldwork.
- There is some opportunity to clarify delegations in relation to the RAP, in particular where these delegations should be recorded/published.

Discussion

The audit scope called for a review of legislative compliance in relation to supporting frameworks such as delegations and authorisations.

Delegations within Reliansys System

Council uses the Reliansys system to maintain its instruments of delegations under the PDI Act. This is available both online and in-house. Staff can log into the system and view delegations relevant to them. The public/online version is currently dated 2021.¹⁰ See **Recommendation 10**.

As at the time of audit fieldwork, delegations in line with Instruments A and B of the Act were included in Reliansys. There had been some lack of clarity around whether delegations linked to Instruments C and D were Council’s responsibility to update, as these include delegations related to the Limestone Coast Southern Regional Assessment Panel (RAP). The decision was made to update Reliansys with CoMG officers’ delegations relevant to these Instruments C and D of the legislation.

Until the end of June 2024, Council is the administrator of the RAP. This panel represents four councils. Any delegations relevant to the RAP and not administered by CoMG are not currently managed by CoMG’s Governance and Property Team. Audit understand that other councils have raised questions about these delegations, indicating a need for clarity around roles/responsibilities around the management of delegations relevant to the RAP. See **Recommendation 11**.

Internal processes around delegations

The administration of delegations and authorisations is an intricate task, and council’s use of the Reliansys system assists in achieving efficiencies with this. The intent is to track all delegations and authorisations, and CoMG officers are able to log in and view all delegations associated with their role. Reliansys also has a feature to notify officers of changes to relevant legislation.

The internal process around delegations for the PDI Act is clearly documented.¹¹ Audit found that:

- the high-level process for delegation to the CEO was undertaken correctly
- sub-delegation to officers occurs via the system only, with email notification to officers upon commencement and if there are any changes

¹⁰ See: <https://cdn.mountgambier.sa.gov.au/docs/Delegations-Register-3-June-2021.pdf>

¹¹ See Administrative Procedure, RelianSys – Delegations / Authorised Officer Appointments, p.11.





- the procedure outlines a process for officers to sign their Instruments of Delegation, however this currently does not occur, with resourcing constraints cited, and
- authorisations are in place as required.

Given that Building Officers reported having over 300 delegations each, the task of manually printing and signing off on these would take time. It is important, however, to ensure that delegations are up to date and accurate, for example as any decision challenged and found to be made by someone without delegation would be overturned. See **Recommendation 12**.

RAP

Audit found that Delegation to the Assessment Manger was documented and in line with requirements, and that CoMG officers’ relevant delegations relevant to the RAP’s operations were updated and clarified as at the time of audit fieldwork.

Risk Exposure

- Incorrect delegations/authorisations and/or understanding of these may lead CoMG or RAP officers to make decisions incorrectly or without appropriate authority.

Recommendation 10	Ensure that Council’s latest/updated published Delegations Register as available on the public website.
Agreed Actions	As per recommendation
Action Officer	Manager Governance and Property
Completion Date	Completed

Recommendation 11	<p>Work to ensure that members of the Limestone Coast Southern Regional Assessment Panel have clarity around responsibility for maintaining/updating relevant delegations in association with Instruments C and D under the PDI Act.</p> <p><i>Note – this may be achieved via an email/agenda item for RAP discussion and the intent is to ensure ongoing clarity between all member councils. The action can be closed after CoMG employees have raised/worked to address the matter.</i></p>
Agreed Actions	As per recommendation
Action Officer	Manager Development Services
Completion Date	ASAP- July 2024 (Will introduce an induction for the new panel membership commencing in July 2024)





City of Mount Gambier

Recommendation 12	<p>Develop a pragmatic approach to periodically confirming that Development Services officers' delegations are up to date, correct and that officers have signed acceptance of these delegations.</p> <p>This recommendation may be considered on a cost-benefit basis. For example, this update may occur annually/biannually or be conducted within the Development Services team.</p>
Agreed Actions	As per recommendation
Action Officer	Manager Governance and Property
Completion Date	August 2024





2.6 Governance mechanisms are in place, there is opportunity for proactive fire inspections	Audit Risk Rating	CoMG Risk Rating
	Low	Low

Key Findings

- There is opportunity to strengthen the scope/operations of the Building Fire Safety Committee.

Discussion

The audit scope called for a review of the governance mechanisms introduced, including the Limestone Coast Southern Regional Assessment Panel (RAP), the Building Fire Safety Committee (BFSC) and the Assessment Manager in relation to the terms of reference, appropriateness of delegations and appointments to these authorities.

A summary of analysis of governance mechanisms is below.

Governance mechanism		Status	Comment
Assessment (Council)	Manager		<ul style="list-style-type: none"> Appropriately qualified, and the Reliansys system documents appointment to the role, as per s.87 of the Act.
RAP			<ul style="list-style-type: none"> Terms of Reference (August 2022) align with the PDI Act members have been appropriately appointed a Deputy Member has been appointed to be called upon as needed Assessment Manager appropriately appointed panel 'gazetted' May 2022, including a summary of the core provisions, panel procedures and cost sharing arrangements.
BFSC			<ul style="list-style-type: none"> Terms of Reference established, comply with requirements of s.157(17) of the Act Members appointed via Council Resolution only meets annually – this meets legislative requirements however there is opportunity to strengthen operations of the BFSC. See Recommendation 13 and discussion below.

Building Fire Safety Committee

The BFSC meets annually. A review of the 2023 Minutes indicates a report for only one property was considered, with the same property also the only property considered in 2022.



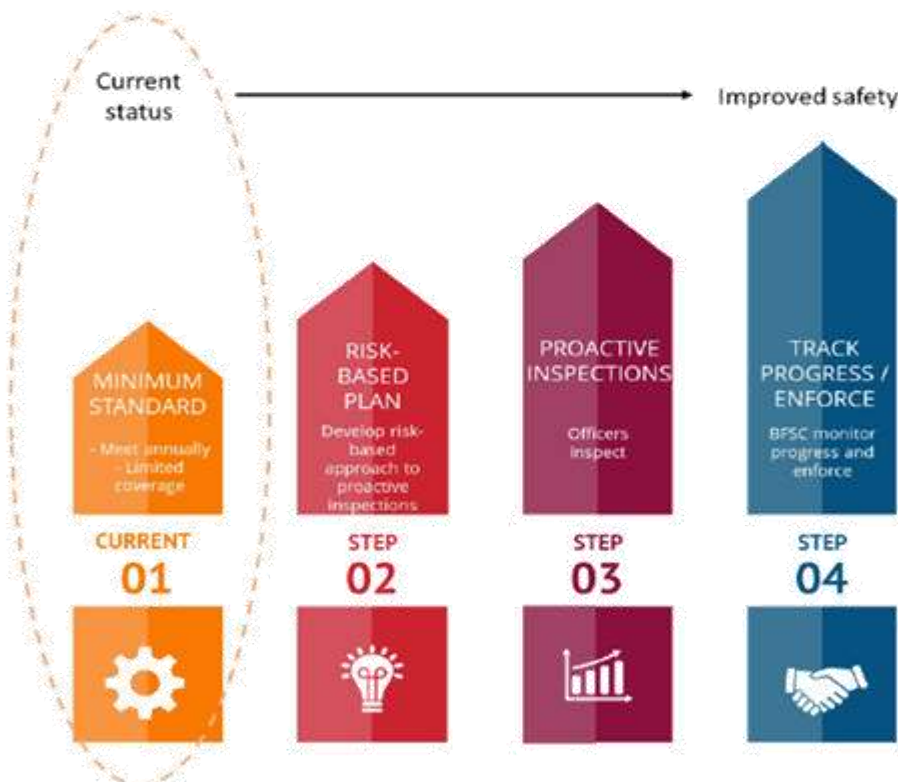


Currently, the Committee meets minimum requirements. Section 157 of the Act indicates additional scope for the Committee:

- (1) An authorised officer who holds prescribed qualifications or a member of an appropriate authority [the BFSC] may, at any reasonable time, enter and inspect any building for the purpose of determining whether the fire safety of a building is adequate.
- (2) An authorised officer who holds prescribed qualifications must conduct an inspection of a building under subsection (1) at the request of an appropriate authority or a fire authority.
- (3) If an appropriate authority is satisfied that the fire safety of a building is not adequate, the appropriate authority may cause a notice to be served on the owner of the building...

This indicates opportunity for the BFSC to be used to drive more strategic fire safety within the council area. A summary is included in the diagram below.

Potential opportunities for the BFSC – Strategic Approach to Fire Safety



The BFSC’s Terms of Reference also include an ‘Investigation and Inspection Priority Policy’. This outlines events that may trigger an inspection by an authorised officer:

- 5.1.1 Direction by a relevant fire authority
- 5.1.2 Complaint from the public





5.1.3 Audit and/or targeted buildings and businesses

The Terms of Reference further outline the Committee’s inspection priorities, ‘noting the intent is **not to carry out annual inspections**, but to address or rectify buildings as identified under 5.1, to the extent that would provide an adequate level of safety for the building occupants.’

The Terms of reference also identify that ‘Audits should be performed on a 10 yearly basis and monitored through Council’s record keeping systems with updates of inspection to BFSC.’

Other councils’ approaches

IA note that some councils have proactive fire inspection approaches. For example, one Council’s BFSC ToR notes:

The Committee shall develop and implement a fire safety inspection schedule based on:

9.1.1. Buildings identified as a high fire safety risk, including:

9.1.1.1. Ensuring high risk buildings where life safety criteria are most important are inspected first i.e.: overnight accommodation for unrelated persons; and

9.1.1.2. where large crowds congregate during operating hours ...¹²

This indicates that there is opportunity for a more proactive and scheduled approach to fire inspection. Internal Audit understand that although there is desire to conduct these inspections, they do not occur at present, reportedly due to resourcing/capacity constraints. See **Recommendation 13**.

Risk Exposure

- Council may miss opportunities to ensure that buildings meet appropriate fire safety standards due to a lack of proactive inspections.
- Council may suffer reputational damage if an event occurs and it has not performed inspections in line with community expectations.

Recommendation 13	<p>The BFSC to consider:</p> <ul style="list-style-type: none"> ▪ developing a proactive approach to inspecting higher-risk buildings, with the highest-risk buildings inspected first ▪ monitoring/tracking these inspections and ‘causing issue’ of notices to be served as required as per s157 of the PDI Act. <p><i>Note – this recommendation can be considered on a cost/benefit basis, Internal Audit understand that it involves resource considerations.</i></p>
Agreed Actions	As per recommendation but dependant on adequate resourcing. Final result to be reported back to Audit and Risk Committee.
Action Officer	Manager Development Services – Development Services Coordinator
Completion Date	December 2024

¹² City of West Torrens. BFSC Terms of Reference. Online, URL: <https://westtorrens.prelive.opencities.com/files/sharedassets/public/v/3/objective-digitalpublications/terms-of-reference/building-fire-safety-committee-terms-of-reference.pdf>



2.7 Complaints management	Audit Risk Rating	CoMG Risk Rating
	Low	Low

Key Findings

- Council currently captures limited complaints data. There is opportunity to formalise the approach to capturing and monitoring trends in customer feedback. This could relate to Development Services only, or across Council.

Discussion

To provide assurance around the adequacy of internal processes under the PDI Act, Internal Audit aimed to review complaints data and use this to understand trends/areas for strengthening and/or areas of strength. *(It is important to highlight that this part of the audit was not conducted due to concerns about the Development Services team, but as part of the planned audit process).*

The structures under the PDI Act provide for a person to make a complaint about a decision that was made, or the conduct of a decision maker, including the following:

- RAP– complaints must be lodged with the Chief Executive of PlanSA, and
- Assessment Manager – complaints must be lodged with the Chief Executive Officer of the council that appointed them.¹³

Audit note that complaints may be raised for areas within Council's control (timeliness, transparency around decisions made) or outside of Council control (e.g. approval of 'deemed to satisfy' applications). When outside of Council control, these do not meet the definition of a complaint against Council's services.

Audit aimed to review CoMG's customer feedback and complaints in relation to the Development Services Team, and identified the following:

- Council has a *C200 Request for Service and Complaint Policy* (the Policy) that outlines the approach to complaints handling
- the Policy does not refer to complaints under the PDI Act and is overdue for update
- the Policy defines a reasonable request for service, there is opportunity to define a complaint
- the Policy is not clearly found on the Council website – a search for 'complaint' on the landing page brings up a range of other operational documents staff reported that they do not lodge information about complaints received if the calls are received directly unless a threat has been made against them (lodged via Skytrust system)
- the public is able to contact Council directly to make a complaint
- complaints lodged in writing are captured in a complaints log

¹³ Plan SA 2022, 'How to make a complaint about a decision maker', URL: https://plan.sa.gov.au/have_your_say/make_a_complaint/how_to_make_a_complaint_about_a_decision_maker





- there were only two complaints documented in relation to Building and Planning staff in the last 12 months (therefore no trend information able to be considered).

Audit note that the Development Services team are professional and that processes appear thorough. They also reported dealing with abusive customers regularly. It is better practice, however, to record all complaints whether received via writing, in person or over the telephone. These can then be reviewed to identify trends and promote continuous improvement. They can also provide Council with assurance that planning /building processes are operating well, or provide insight into areas where further public information can be provided as a way to reduce complaints received. In addition, this information can be used to document unreasonable requests and support staff in dealing with these.

See **Recommendation 14** and **Recommendation 15**.

Risk Exposure

- If formalised complaints handling processes are not in place, CoMG may not comply with the PDI Act’s complaint handling requirements.
- If CoMG does not monitor customer feedback and complaints, CHB may miss opportunities to better address community expectations/preferences.

Recommendation 14	<p>Consider reviewing and updating the Customer Request and Complaint Handling policy. Items to consider include:</p> <ul style="list-style-type: none"> ▪ definition of a complaint ▪ clarity of how complaints against the Assessment Manager should be documented, lodged with the Chief Executive Officer and investigated <p>In addition, clarify what form a complaint must be in before it is formally lodged (currently written format only). This can ensure that all staff are aware of and comply with the PDI Act’s expectations around complaint handling procedures.</p> <p><i>Note – complaint management affects all of Council, this recommendation specifically addresses complaints in relation to the PDI Act only.</i></p> <p><i>Audit note that a range of peer councils capture phone call complaints to ensure that all received concerns are actioned. This may be actioned on a whole-of-Council approach, with all complaints captured (including in relation to development).</i></p>
Agreed Actions	Council are in the process of updating the Request for Service and Complaints Policy
Action Officer	Manager Governance and Property
Completion Date	August 2024



Recommendation 15	<p>Consider monitoring trends of community feedback/complaints around development services as a way to assist management in understanding areas for continuous improvement and/or to obtain assurance about processes being performed well.</p> <p><i>Note – this is a better practice recommendation only and is included for continuous improvement purposes only.</i></p>
Agreed Actions	<p>Set up a regular schedule for analysing community feedback and complaints data. This could be done monthly, quarterly, or annually, depending on the volume of feedback received. Analyse the data to identify recurring issues, trends, and areas for improvement.</p> <p>Based on the analysis of feedback and complaints data, identify specific areas within development services that require improvement. Look for patterns or common themes in the feedback to pinpoint areas where changes or adjustments may be needed.</p> <p>Develop action plans to address the identified improvement opportunities.</p>
Action Officer	<p>Manager Development Services</p> <p>Manager Organisational Development (Customer Service/Records)</p>
Completion Date	December 2024





2.8 Policies – minor updates to be considered	Audit Risk Rating	CoMG Risk Rating
	Low	Low

Key Findings

- Council’s Land Division policy is out of date, referring to repealed legislation.
- The Building & Swimming Pool Inspection Policy introduces inspection targets over and above legislative requirements, which are not being met.

Discussion

The required processes for Planning and Development are heavily regulated, and as such Council-specific policies are generally not beneficial or necessary. Rather, Council staff generally refer to the PDI Act and regulations, and Plan SA guidance and Practice Directions. Council does have two relevant policies in place, discussed below.

Policy L130 Land Divisions

This policy sets out CoMG’s requirements for land divisions and their associated road construction within the Council area. The policy is out of date (overdue for review since August 2023), and does not refer to the PDI Act.

The policy is currently published on Council’s website. In practice, staff are applying the requirements of the PDI Act, and not this policy. See **Recommendation 16**.

Council Policy D150 – Building & Swimming Pool Inspection Policy

This outlines requirements for building inspections pursuant to s144 of the PDI Act, *Practice Direction 8 – Inspection Policy for Swimming Pools 2019* and *Practice Direction 9 – Council Inspections 2020*.

The policy is consistent with the Directions, with the exception of an additional target to undertake inspections on 10% of all approvals for Class 10A (verandas etc) and 10% of all approvals for Class 10B (retaining walls, fences etc). Council has not met these self-imposed targets.

Given the existence of specific Practice Directions from PlanSA, there is opportunity to review whether this policy is required. See **Recommendation 16**.

Risk Exposure

- Policies being inconsistent with legislation increases the risk of non-compliance with legislation and/or policy.

Recommendation 16	Reconsider the need to continue maintaining the <i>Land Division</i> and <i>Building and Swimming Pool Inspection</i> policies, and either revoke them or update them to ensure consistency with legislation (including reconsidering the benefit of establishing more onerous inspection targets than those mandated by legislation).
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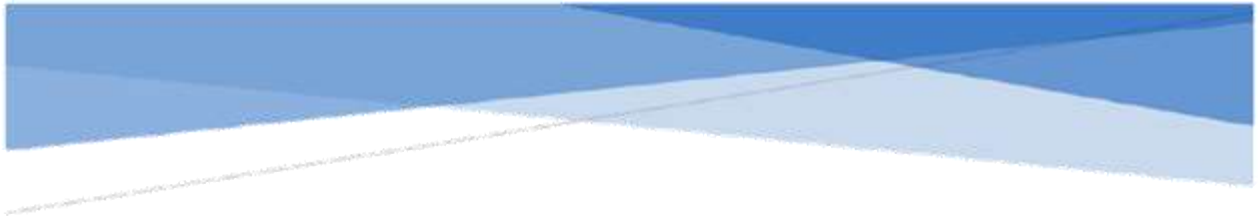




City of Mount Gambier

Agreed Actions	The Land Division Policy is currently under review by the infrastructure team. The Building and Swimming Pool Inspection can be revoked
Action Officer	Manager Engineering, Design & Assets Manager Development Services Development Services Coordinator - The Land Division Policy is an Engineering Policy
Completion Date	September 2024





Galpins

Accountants, Auditors & Business Consultants

Appendices





Appendix 1. Scope of the audit engagement



Internal Audit Scope PDI Act 2016 - Post Implementation Audit

<p>Background</p>	<p>South Australia transitioned to a new planning system in March 2021. This new system is fully electronic, providing online development assessment and processing via a web based ePlanning platform, accessed via PlanSA.</p> <p>The new ePlanning system applies to the whole of South Australia. The ePlanning platform brings together the PlanSA portal, the on line Planning and Design Code, the South Australian Property and Planning Atlas and the electronic Development Application processing system.</p> <p>The new planning system was developed to implement the requirements specified within the Planning, Development and Infrastructure Act 2016 (PDI Act) and relevant regulations.</p>
<p>Audit Objective</p>	<p>This audit will review the legislative compliance of Council's development assessment processes and as well as provide assurance on the supporting frameworks in place such as delegations, authorisations, policies, procedures and plans.</p>
<p>Scope</p>	<p>The audit scope will cover post implementation review of the system reforms including:</p> <ul style="list-style-type: none"> ▪ the adequacy of Council's processes to align to the new regime ▪ legislative compliance - including in relation to required supporting frameworks such as resources, delegations and authorisations ▪ review of Council's application of the Planning and Design Code, National Construction Code, Ministerial Specifications and Practice Directions ▪ review of the governance mechanisms introduced (RAP, Assessment Manager, Building Fire Safety Committee) in relation to terms of reference, appropriateness of delegations, appointments to these authorities ▪ review council's processes, documentation and procedures for development enforcement and compliance actions and their compliance with the relevant provisions of the PDI Act (excluding detailed analysis of operational examples – primary focus on framework and timeliness of high-risk enforcement/compliance actions) ▪ training/development for staff, and ▪ internal relationships and workflow management between departments where appropriate. <p>The audit will not include detailed testing, and/or provide a comprehensive review of Council's implementation of the ePlanning system per a larger 'service review' engagement. The review will consider workflows and procedures from a high-level and with a consideration of risk.</p>





<p>Methodology</p>	<p>In conducting the engagement, the team will:</p> <ul style="list-style-type: none"> ▪ conduct interviews with key stakeholders and team members ▪ review key Council documentation and relevant policies and procedures where applicable ▪ conduct select testing of delegations, authorisations and enforcement and compliance actions ▪ identify potential opportunities for improvement ▪ draft a report summarising findings and recommendations ▪ allow management responses to be considered as part of the draft report and the subsequent review process, and ▪ provide a final report for presentation to the Audit and Risk Committee.
<p>Relevant Risks</p>	<p>This audit aligns with Council's strategic risk/s:</p> <ul style="list-style-type: none"> ▪ <i>Governance, Compliance, and Legislative Obligations.</i>





Appendix 2. Overall Control Environment Conclusion Rating Definitions

This internal audit project aimed to assess the controls established to address a key strategic risk or risks as documented in the Executive Summary. Based on the work undertaken, and when considering the design and/or effectiveness of controls collectively, we conclude that the control environment is one of the following ratings:

Rating	Effective	Majority Effective	Partially Effective	Requires Significant Improvement	Ineffective
Definition	Controls assessed were effective in mitigating the key strategic risk or risks	Controls assessed were largely effective in mitigating the key strategic risk or risks	Controls assessed were partially effective in mitigating the key strategic risk or risks	Controls assessed require significant improvement to mitigate the key strategic risk or risks	Controls assessed were ineffective in mitigating the key strategic risk or risks





Appendix 3. Council Risk Framework

Below is a relevant extract from Council's 'Risk Management Administrative Principle' document.

Target Risk Level / Risk Tolerance

The Organisational target risk level is the risk tolerance and rating the Organisation is willing to accept after implementing controls.

Risk Level	Acceptance Level	Monitoring Frequency
Low	Acceptable	Quarterly / Yearly
Medium	Acceptable	Monthly / Quarterly
High	Acceptable in Some Circumstances	Weekly / Monthly
Extreme	Unacceptable in most circumstances	Daily/ Weekly

Risk Likelihood

The Risk Likelihood based on the potential for the risk to occur.

Rating	Potential for Risk to Occur	Likelihood Description
Rare	Extremely low probability. Will only occur in exceptional circumstances	Operations Explanation: May occur in exceptional circumstances. Could be incurred in a 5-10year timeframe Projects / Business Case Explanation: Has not occurred in similar studies or projects, Conceivable but in extreme circumstances
Unlikely	Low probability of an incident	Operations Explanation: Could be incurred in a 2-5 year timeframe Projects / Business Case Explanation: Known to happen but only rarely
Possible	Moderate probability of an incident	Operations Explanation: Could be incurred within a 1-2 year period Projects / Business Case Explanation: Incurred in a minority of similar studies or projects
Likely	Probably will occur	Operations Explanation: Will probably occur in most circumstances - several times a year Project / Business Case Explanation: Could easily be incurred and has generally occurred in similar studies or projects
Almost Certain	Expected to occur in most circumstances	Operations Explanation: It is expected to occur again, immediately or within a short period - likely to occur most Project / Business Case Explanation: Could be expected to occur more than once during the study or project delivery





Risk Area and Consequence

The Councils risk appetite and consequence level may vary based on the area of risk. The areas are defined as Financial, reputation, Legal / Regulatory / Policy, Service Delivery, People, Infrastructure and Environmental.

Finance

Consequence Level	Consequence Description
Insignificant	Financial Low - Financial Loss <\$100,000 impact on operating result
Minor	Financial Medium - Financial Loss >\$100,000 and <\$1,000,000
Moderate	Financial High - Financial Loss >\$1,000,000 and <\$2,500,000 or 2.5% rate revenue
Major	Financial Major - Financial Loss > \$2,500,000 and < \$5,000,000 or 5% rate revenue
Catastrophic	Financial Catastrophic - Financial Loss Exposure >\$5,000,000 or 5% rate revenue

Reputation

Consequence Level	Consequence Description
Insignificant	Little community interest, low profile, no news items
Minor	Low impact, some passing interest, low news profile
Moderate	Moderate impact, moderate public interest, public embarrassment, moderate news profile
Major	Sustained public interest, high negative news profile, Premier/Cabinet publicly involved, third party action
Catastrophic	Widespread public agitation, Government censure, high multiple impacts, widespread negative news profile

Legal / Regulatory / Policy

Consequence Level	Consequence Description
Insignificant	No noticeable statutory or regulatory impact
Minor	Minor/temporary non-compliance with statutory requirements
Moderate	Short-term non-compliance with moderate statutory requirements
Major	Significant non-compliance with essential statutory requirements
Catastrophic	Long term or indefinite non-compliance with essential statutory requirements and may result in criminal charges





Service Delivery

Consequence Level	Consequence Description
Insignificant	Insignificant interruption to a service – no impact to customers/business
Minor	Minor interruption to a service with minimal impact to customers/business
Moderate	Moderate Interruption to service delivery. Customer impact up to 48 hrs. Partial BCP action may be needed
Major	Major interruption to service delivery or production capability, Customer impact > 7 days. Component of BCP action may be needed.
Catastrophic	Major interruption to delivery of all or most services for more than 14 days. Full BCP action required.

People

Consequence Level	Consequence Description
Insignificant	Insignificant interruption to operational services, short term vacancies, natural attrition
Minor	Minor impact on workforce, skills shortage, lack of training and development.
Moderate	Moderate impact on workforce, inability to recruit and retain core Council roles and regulatory functions, loss of knowledge, ageing workforce, potential union activities, complaints and disputes, staff engagement, workplace culture and satisfaction levels
Major	Major impact on workforce, lack of specialised resourcing to deliver projects and strategic plans.
Catastrophic	Catastrophic impact on organisation, ICAC enquiry, maladministration, leading to legal implications, serious misconduct matters that impact brand reputation

Infrastructure

Consequence Level	Consequence Description
Insignificant	Financial Low - Financial Loss <\$100,000 impact on operating result
Minor	Financial Medium - Financial Loss >\$100,000 and <\$1,000,000
Moderate	Financial High - Financial Loss >\$1,000,000 and <\$2,500,000 or 2.5% rate revenue
Major	Financial Major - Financial Loss > \$2,500,000 and < \$5,000,000 or 5% rate revenue
Catastrophic	Financial Catastrophic - Financial Loss Exposure >\$5,000,000 or 5% rate revenue





Environmental

Consequence Level	Consequence Description
Insignificant	Minor instance of environmental damage. Can be reversed immediately
Minor	Minor impact to environment, e.g. on-site chemical release that can be immediately contained. Can be reversed in the short term.
Moderate	Moderate impact to environment. Localised damage or chemical release that has potential to spread but can be contained or reversed with intensive efforts or outside assistance
Major	Off-site chemical release, severe loss of environmental amenity or danger of continuing environmental damage.
Catastrophic	Toxic off-site chemical release with detrimental effect, major loss of environmental amenity or irrecoverable environmental damage

5. RISK ASSESSMENT MATRIX

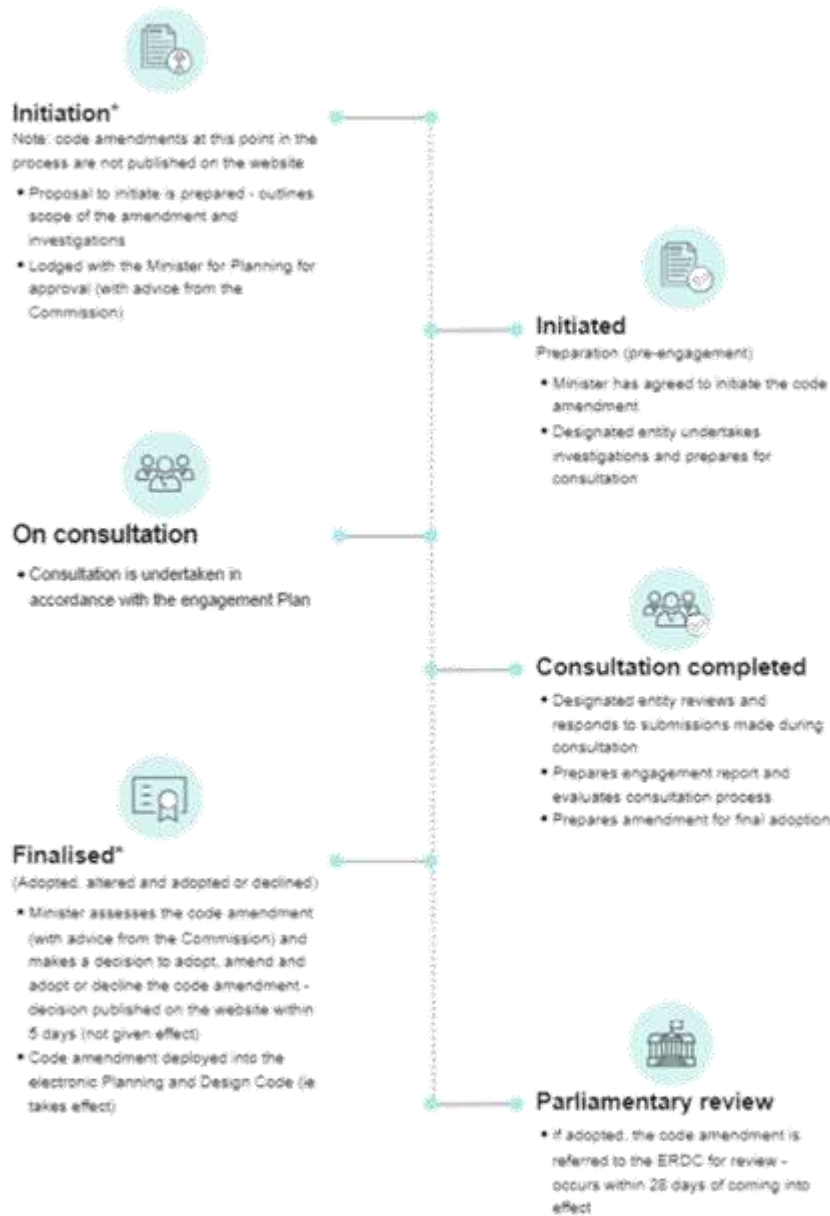
This Risk Assessment Matrix is as follows

	Insignificant	Minor	Moderate	Major	Catastrophic
Rare	Low	Low	Low	Moderate	High
Unlikely	Low	Low	Moderate	Moderate	High
Possible	Low	Moderate	Moderate	High	High
Likely	Moderate	Moderate	High	High	Extreme
Almost Certain	Moderate	High	High	Extreme	Extreme





Appendix 4. Code Amendment Process



* Fee may be required

Source: Plan SA: https://plan.sa.gov.au/have_your_say/code-amendments



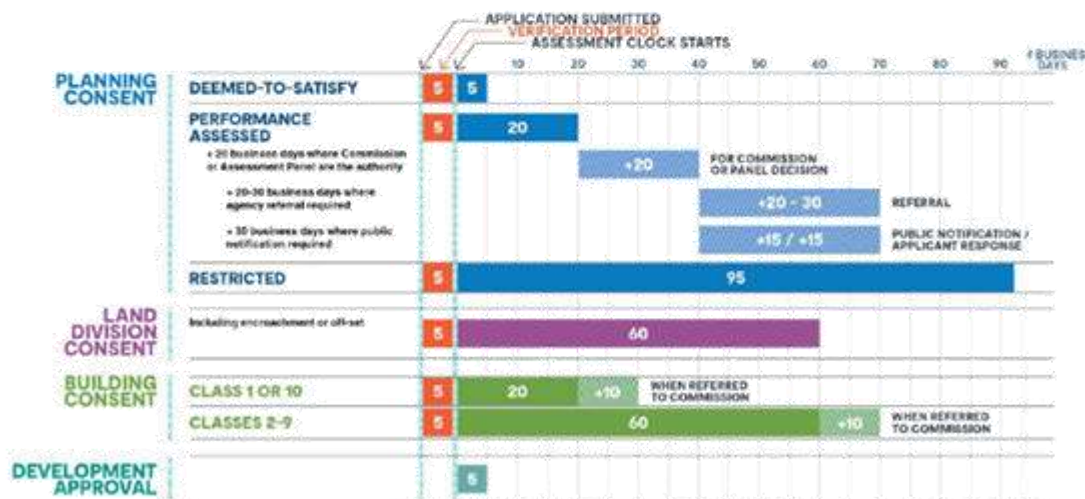


Appendix 5. Sample testing results – Development Application verification and assessment

Audit assessed compliance with verification and assessment timeframes, required approvals, and transparency of decision making for a sample of seven development applications submitted to Council through the portal and noted all required timeframes, authorisations and minimum record-keeping requirements are met. Testing results are summarised below.

Stage	Minimum requirements in the portal	Audit observation
Verification	The officer is required to provide a reason for their determination and can choose from two options: 'P&D code' or 'Other', with an optional text box to provide reason details	7 of 7 - 'P&D Code' reason on file, text box not used. 7 of 7 – Verified within required timeframe (adjusted for additional information request delays).
Assessment – deemed to satisfy	Documenting a reason for the determination is not compulsory, but an option to upload notes is available ¹⁴ .	1 of 1 relevant – Assessment report uploaded. 1 of 1 relevant – Verified within required timeframe.
Assessment – performance assessed	Upload an Assessment Report which captures the decision-making	6 of 6 relevant – Assessment report uploaded. <ul style="list-style-type: none"> ▪ 1 approved by the RAP ▪ 5 approved by Assessment Manager 6 of 6 – Verified within required timeframe (adjusted for additional information request delays).

The Act provides statutory timeframes for development assessment and approval as follows:



¹⁴ Plan SA 2020, Module 7.2 Guide Verify a Planning & Land Division Consent: Verification of a Development Application, URL https://plan.sa.gov.au/data/assets/pdf_file/0007/699028/Module_7.2_Guide_-_Verify_a_Planning_and_Land_Division_Consent.pdf.





Appendix 6. Assessment of CoMG’s accreditation under the PDI Act

Under the Accredited Professionals Scheme established by the *PDI (Accredited Professionals) Regulations 2019*, those assessing the development application must be accredited. The following is a summary of the accreditation levels at CoMG.

Assessment pathway	Delegate	Accreditations for planning applications	Accreditations for building applications
Deemed-to-satisfy	Accredited professional	2 x Level 1 accredited officers	Access to Building Level 1 accredited officer as needed (consultant) One officer has trained to achieve L1 accreditation and is finalising practical experience. Another officer has recently achieved Building Level 2 accreditation
	Assessment Manager	Assessment Manager Level 1 accredited	
Performance assessed	Assessment Manager	Assessment Manager (Planning Level 1)	Access to consultant with Building Level 1 accreditation
	Assessment panel	Panel members are accredited to Planning Level 2. One member has Planning Level 1 accreditation.	One member Building Level 1 accredited; three members are Level 2 accredited.

Council is meeting the minimum PDI Act accreditation requirements, and is particularly fortunate to have two officers accredited to Planning Level 1. In addition, training one officer with Building Level 1 accreditation means that Council will be able to issue consent for all building matters.





Appendix 7. Documents reviewed

Documentation reviewed for this audit includes but is not limited to the below:

Accredited Professionals Register - City of Mt Gambier
Administrative Principle - Enforcement of Unlawful Development - references old Act (dated 2019)
Advice of appointment to the Limestone Coast Southern Regional Assessment Panel - deputy member
AR22 57336 Signed - Section 84 Notice of Appointment Form - Limestone Coast Southern Regional Assessment Panel - various
AR22 62064 Building Fire Safety Committee Agenda - 12 09 2022
AR22 63486 Signed - Section 84 Notice of Appointment Form - Limestone Coast Southern Regional Assessment Panel – appointment forms
Authorised Officer's cards
Building Approvals Statistics 2015 - 2021
Building Fire Safety Committee - Minutes - assorted
City of Mount Gambier Risk Management Administrative Principle
Council Policy D150 Building and Swimming Pool Inspections
Council Report - Establishment of Council Building Fire Safety Committee Council 16032021
Council Resolution - Action Item - Establishment of Council Building Fire Safety Committee
Council-Policy-D150-Building-and-Swimming-Pool-Inspections
Customer Support Administration Team - Call Statistics 2023 and 2024
Development Application Register - Mt G - All development within Mt G 01.01.23 to 01.01.24
Development Services Team Structure - March 2024
Development Statistics 2023 and 2024
FW_ Land Division - Limestone Estate - Council consent to an easement
Government Gazette Notice - Limestone Coast Southern Regional Assessment Panel Notice - Page 1049 - Published 05 05 2022
Instrument A - PDI Act
Instrument B – PDI Act
Instrument C - PDI Act
Instrument D - PDI Act
L130 Land Divisions
Letter to City of Mount Gambier - Appointment of Assessment Manager - LCSRAP
Limestone Coast RAP ToR
Mt Gambier - delegations and links to online register
Organisational Chart - Corporate and Regulatory Services - February 2024
Overview - building reforms under PDI Act
PDI Accredited Professionals Regulations 2019
PDI Act 2016
Planning Building CRM's 1-1-2023 to 27-3-2024
Register - Development Team authorisations
Top 50 Development Trends For All Applications – various reports





Appendix 8. Staff members interviewed

- General Manager Corporate and Regulatory Services
- Manager Development Services / Assessment Manager to Limestone Coast Southern Regional Assessment Plan
- Senior Planning Officer
- Development Services Coordinator
- Building Officer
- Manager Executive Administration
- Manager Operations and Engineering





Disclaimers

Inherent limitations

This report has been prepared for the information and internal use of the City of Mount Gambier in accordance with the scope and objectives outlined in the Executive Summary of this report. The services provided in connection with this engagement comprise an advisory engagement which is not subject to the Australian Auditing Standards or the Australian Standards on Review and Assurance Engagements. Consequently, no express opinions or conclusions have been drawn or intended to convey assurance. Due to the inherent limitations of any internal control structure, it is possible that fraud, error or non-compliance with laws and regulations may occur and not be detected.

Further, the internal control structure, within which the control procedures that have been subject to the procedures we performed operate, has not been reviewed in its entirety and, therefore, no opinion or view is expressed as to the effectiveness of the greater internal control structure. The procedures performed were not designed to detect all weaknesses in control procedures as they are not performed continuously throughout the period and the tests performed on the control procedures were on a sample basis. Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

We believe that the statements made in this report are accurate, but no warranty of completeness, accuracy or reliability is given in relation to the statements and representations made by, and the information and documentation provided by, the City of Mount Gambier's management and personnel. We have not sought to independently verify those sources. We are under no obligation in any circumstance to update this report, in either oral or written form, for events occurring after the report has been issued in final form unless specifically agreed with the City of Mount Gambier. The internal audit findings expressed in this report have been formed on the above basis.

Third party reliance

This report is solely for the purpose set out in the Executive Summary of this report and for the City of Mount Gambier's information, and is not to be used for any other purpose or distributed to any other party without Galpins' prior written consent. This internal audit report has been prepared at the request of the City of Mount Gambier or its delegate in connection with our engagement to perform internal audit services. Other than our responsibility to City of Mount Gambier, neither Galpins nor any member or employee of Galpins undertakes responsibility arising in any way from reliance placed by a third party, including but not limited to the City of Mount Gambier's external auditor, on this internal audit report. Any reliance placed is that party's sole responsibility.



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Galpins' audit/ advisory leadership team (from L to R): Tim Muhlhauser, Jessica Kellaway, Luke Williams and Janna Burnham

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Galpins has strong experience in delivering internal audit and advisory services covering performance, compliance, financial assurance, governance and strategy, as well as consulting reviews. We aim to provide a pragmatic, valuable service to our clients and work hard to deliver quality work that meets your needs. Galpins offer a strong, skilled service and our repeated work with a range of state government clients demonstrates the ongoing quality and value of these services. Examples of clients include:

- City of Holdfast Bay
- City of West Torrens
- City of Salisbury
- Local Government Finance Authority
- Auditor-General's Department
- Department Environment and Water
- Mt Barker District Council
- City of Playford
- Coorong Council
- City of Burnside
- Department Primary Industries and Resources SA (PIRsa)
- Department Premier and Cabinet

PDI Act 2016 - Post Implementation Audit

Liability limited by a scheme approved under Professional Standards Legislation

51

16.5 QUARTERLY INTERNAL AUDIT UPDATE REPORT – REPORT NO. AR24/46781

Committee:	Audit and Risk Committee
Meeting Date:	29 July 2024
Report No.:	AR24/46781
CM9 Reference:	AF11/863
Author:	Kahli Rolton, Finance Business Partner
Authoriser:	Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services
Summary:	The purpose of this report is to provide a quarterly update on the progress of the Internal Audit Plan including actions and recommendations arising from work undertaken.
Strategic Plan Reference:	Goal 1: Our People
	Goal 2: Our Location
	Goal 3: Our Diverse Economy
	Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage
	Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/46781 titled 'Quarterly Internal Audit Update Report' as presented on 29 July 2024 be noted.



TYPE OF REPORT

Legislative

BACKGROUND**1. Local Government Act 1999 section 126(4) – Audit and risk committee:***The functions of a council audit and risk committee include—**(g)(i) if the council has an internal audit function—**(A) providing oversight of planning and scoping of the internal audit work plan; and**(B) reviewing and commenting on reports provided by the person primarily responsible for the internal audit function at least on a quarterly basis;***2. Audit and Risk Committee Terms of Reference** - The following section of the Audit and Risk Committee Terms of Reference (as adopted in April 2024) is relevant to this report:**12.4 Internal Audit** (where Council has a separate internal audit function) *The Committee shall:***12.4.1 Monitor and Review** - *The effectiveness of the Council's internal audit function in the context of the Council's overall risk management system.***12.4.2 Program** - *Consider and make recommendation on the program of the internal audit function and the adequacy of its resources and access to information to enable it to perform its function effectively and in accordance with the relevant professional standards.***12.4.3 Reports** - *Review all reports on the Council's operations from the internal auditors.*Aligned with **Sections 125A and 126 (4)** of the Local Government Act.**12.4.4 Findings and Recommendations** - *Review and monitor management's responsiveness to the findings and recommendations of the Internal Auditor; and***12.4.5 Direct Access** - *Provide the internal Auditor with the right of direct access to the Mayor of the Council and to the Presiding Member of the Committee.***3. Internal Audit Policy** – As adopted by Council in December 2023 includes the following reporting requirements:**9.2 Audit and Risk Committee** - *A number of reports will be brought to the Audit and Risk Committee to include the following:*

- **Individual Internal Audit Reports** - *Will be brought to the Council Executive and Audit and Risk Committee as required to detail the scope of the internal audit prior to commencement of the audit activity, with a further report to be brought to the Council Executive and Audit and Risk Committee to provide the internal audit report that will detail the findings and agreed actions.*
- **Quarterly Internal Audit Updates** – *A report that will provide an overview of the internal audit function at least on a quarterly basis.*
- **CEO Annual Report** - *on the council's internal audit processes, reporting as required with regard to the internal audit plan and proposed scope of each internal audit.*

4. Audit and Risk Committee Work Program - The adopted work program includes quarterly reports to be taken to the Audit and Risk Committee for the following meetings:

- 29 July 2024

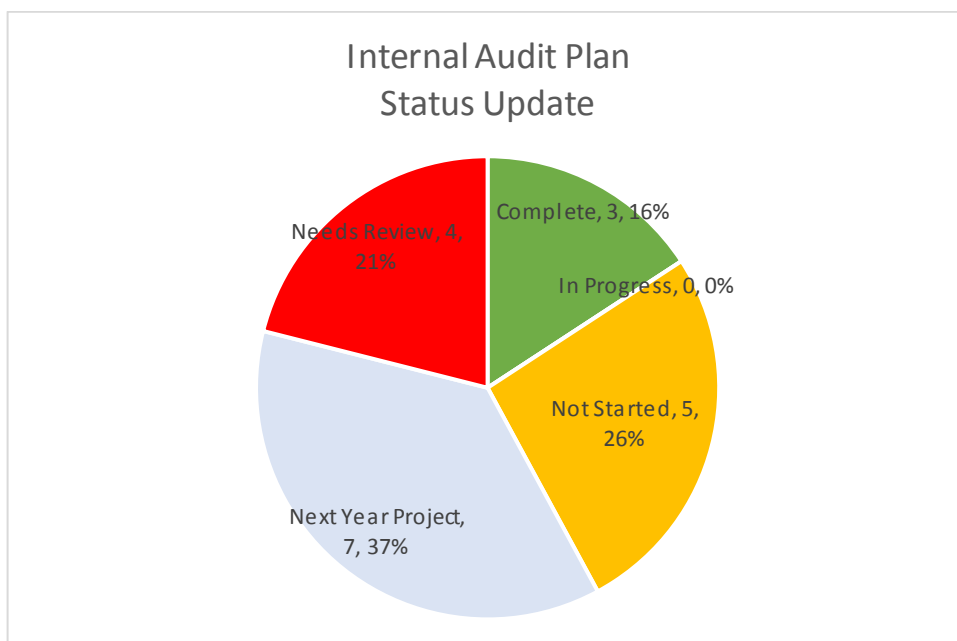


- 25 November 2024
- Meeting dates to be confirmed for 2025.

5. **Audit and Risk Committee Review and Council Adoption Of Revised Plan** - A report was taken to the Audit and Risk Committee meeting in June 2024 and Council meeting in June 2024. The purpose of the report was to provide a revised Internal Audit Plan for review by the Audit and Risk Committee prior to review and adoption by Council.

PROPOSAL

1. **Internal Audit Plan Progress** – Attachment 1 to this report tables in detail the 2023/2024-2025/2026 revised internal audit plan and progress against this plan. The graph below provides a high-level status update. There are 19 documented internal audit projects in total over the 3 year period, with 3 completed, 4 requiring further review, 5 not started as they are due in FY24/25 (the year has only just commenced) and 7 planned for FY25/26.



2. **Recommendations and Actions** – From the internal audits completed, Attachment 2 to this report provides a detailed table of recommendations, actions and completion dates with management commentary. The table below provides a high-level summary.

Internal Audit Project	Recommendations /Actions	Actions Complete	Actions Pending
Payroll and Remuneration	3	2	1
PDI Act	16	2	14

3. **Next Steps** - Individual Internal Audit Reports will be brought to the Audit and Risk Committee for review as they are completed. The next quarterly Internal Audit report will be brought to the Audit and Risk Committee on 25 November 2024.

LEGAL IMPLICATIONS

Local Government Act



STRATEGIC PLAN

N/A

COUNCIL POLICY

[Internal Audit Policy](#)

[F225 Fraud and Corruption Prevention Policy](#)

[Internal Controls Policy](#)

[Risk Management Policy](#)

ECONOMIC IMPLICATIONS

N/A

ENVIRONMENTAL IMPLICATIONS

N/A

SOCIAL IMPLICATIONS

N/A

CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

Budget Allocation - The Internal Audit Plan 2024-2026 was created to be conducted within the current available budget (pending a procurement process). \$20k has been included in the 2024/2025 budget.

VALUE FOR MONEY

Some internal audits will improve Council's efficiency and effectiveness.

RISK IMPLICATIONS

Improved Internal Audit processes is in keeping with the Audit and Risk responsibilities and legislation and will result in improved risk management processes.

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A

ENGAGEMENT AND COMMUNICATION STRATEGY

N//A

IMPLEMENTATION STRATEGY

N/A

CONCLUSION AND RECOMMENDATION

It is recommended that the quarterly Internal Audit report be noted.

ATTACHMENTS

1. Internal Audit Plan Actions and Recommendations 2024-2026



Internal Audit Plan 2023/2024-2025/2026

(June 2024 update)

No.	Internal Audit Project	Description	Strategic Risk	Category	Resource	Status	Lead	2023/ 2024	2024/ 2025	2025/ 2026	Latest Progress update
1	Internal Audit Plan Development	Development of the Internal Audit Plan following review in 2024. This will include indicative audit scopes and links to Council's Strategic Risk Register.	All Risks	All	Internal	Complete	Manager Financial Services				Reviewed and Updated by Audit and Risk Committee June 2024
2	Penetration Testing	The objective of this testing is to identify weaknesses within the COMG internal network on an ongoing basis.	Cyber Security	Operational	External	Needs Review	Manager Organisational Development				Administration staff are working with external systems provider.
3	Incident Response Plan	Review the adequacy of the incident response plan.	Cyber Security	Operational	External	Needs Review	Manager Organisational Development				Confirmed this will be undertaken by Local Government Risk Services (LGRS) in April 2024 with reporting to be brought to Audit and Risk Committee Meeting in
4	Payroll & Remuneration	Review onboarding, changes to staff employment terms and exit of staff.	Financial Sustainability	Operational	External	Complete	Manager Financial Services				This is now complete. Report tabled at Audit and Risk Committee meeting July 2024.
5	Payroll & Remuneration	Broader organisation wide internal audit testing a range of current employees (excluding the employees within the scope of the above audit) against the terms and conditions of the relevant EBs, Awards and Contracts.	Financial Sustainability	Operational	External	Next Year Project	Manager Financial Services				
6	Position Description & Accreditation	Review of position descriptions across the organisation to ensure that they are in date, accurate and that accreditation has been maintained by staff.	People, Workforce and Compliance	Compliance/ Legislation	Internal	Needs Review	Manager Organisational Development				Initial meeting held with preferred provider to work through the proposed scope and timing at a high level. Audit expected to be undertaken in April 2024.....did this happen?
7	PDI Act 2016 - Post Implementation Audit	Review of processes and organisational compliance further to the implementation of the PDI Act 2016.	Governance, Compliance, and Legislative Obligations	Compliance/ Legislation	External	Complete	Manager Financial Services				This is now complete. Report tabled at Audit and Risk Committee meeting July 2024. 16 recommendations tabled.
8	Data Protection & Privacy	The review will assess the design of Council's process for compliance with relevant privacy legislation and testing the operating effectiveness of key controls such as data management, data storage, privacy breach response and management.	Cyber Security	Compliance/ Legislation	Internal	Not Started	Manager Organisational Development				
9	Management of Leave Entitlements	Review of staff leave entitlements focusing liabilities, and effectiveness of administrative principles and procedures.	People, Workforce and Compliance	Compliance/ Legislation	Internal	Not Started	Manager Organisational Development				
10	Legislated Training	Review of completion of legislated training across the organisation.	Safety Compliance and WHS Management	Compliance/ Legislation	Internal	Next Year Project	Manager Organisational Development				
11	Workers Compensation Process	Review of effectiveness of administrative principles and procedures.	Safety Compliance and WHS Management	Compliance/ Legislation	External	Needs Review	Manager Financial Services				
12	Fraud Prevention	Review the effectiveness and completeness of Council's framework (gap analysis vs standard, roles, responsibilities, policies and procedures and internal training and awareness).	Governance, Compliance, and Legislative Obligations	Compliance/ Legislation	External	Not Started	Manager Financial Services				

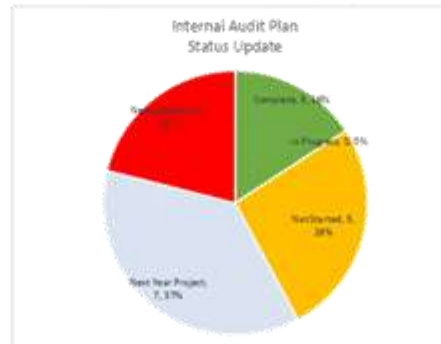


13	Council Policies	Review of Council policies ensuring alignment with the "Better Practice model" and legislation.	Governance, Compliance, and Legislative Obligations	Compliance/ Legislation	Internal	Not Started	Manager Governance and Property		
14	Grants Management	Review of Council's 'Cradle to Grave' grants process from strategy to acquittal.	Financial Sustainability	Strategic	External	Next Year Project	Manager Financial Services		
15	Investigations	Review of investigation procedures.	Safety Compliance and WHS Management	Compliance/ Legislation	External	Next Year Project	Manager Organisational Development		
16	Project Health Check	This review will include an assessment of a project's management mechanisms, governance structure, project team roles and responsibilities, and project status reporting mechanisms.	Major Infrastructure	Strategic	External	Next Year Project	Manager Financial Services		
17	Legislative Compliance	Assessment of CDMO's legislative compliance work plan, auditing one ad at a time with actions monitored and managed by Council Staff.	Governance, Compliance, and Legislative Obligations	Compliance/ Legislation	External	Next Year Project	Manager Governance and Property		
18	Procurement	Assessment of compliance with the exemption from competitive process framework.	Financial Sustainability	Compliance/ Legislation	Internal	Not Started	Manager Financial Services		
19	Contract Management	Compliance with delegation register throughout the contract management life cycle.	Financial Sustainability	Compliance/ Legislation	Internal	Next Year Project	Manager Financial Services		

Future Iterations

20	Plant and Fleet				External		Manager Financial Services		Per ARC Resolution 5.10 Draft Revised Internal Audit Program COMMITTEE RESOLUTION Moved Alexander Brown Seconded Mayor Lynette Martin 3. That plant and fleet be subject to a future internal audit in a later iteration of the Internal Audit program.
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Legend		19
Complete	Internal audit complete. Actions and recommendations arising from the audit may not yet be complete. These will be monitored separately.	3
In Progress	progress has been made towards the internal audit. This could include a number of stages including scoping of works, select RFQ, appointment of an external consultant or that the internal audit itself is currently being undertaken.	0
Not Started	Planned internal audit not yet started, but still within anticipated time frames for the current financial year.	5
Next Year Project	Planned internal audit not yet started as a planned for a future financial year.	7
Needs Review	planned internal audit requires review to bring back on track. Plan may require updating pending review. Elements of the internal audit could be on track and some elements may be off track or require updating.	4



Recommendations and Actions

Payroll and remuneration processes		Risk Rating	Lead	Status	Completion Date	Comments
1a	The Council's Administrative Principle Risk Management was issued in June 2022 and is noted on the document as due for review in June 2023. This document is overdue for review. We note that the Council adopted a reviewed Risk Management Policy in June 2024.	Moderate	General Manager Corporate and Regulatory Services	Completed	Jun-24	The Risk Management Policy was reviewed by the Audit and Risk Committee and adopted by Council in June 2024.
1b	The Administration Procedure – Acting Arrangements and Higher Duties Allowance, provides guidance on the processes for higher duties but also extracts from ES and Awards. It does not include Mixed Functions for field staff which has different provisions for payment at higher classifications. A procedure should extract all components from a Relevant Award or ES but be kept updated whenever those change or instead refer to the relevant Clause Numbers of the Award or ES.	Moderate	Manager Organisational Development	In Progress	Dec-24	Administration Principle is being reviewed and is scheduled to be updated by the end of the calendar year.
2	One contract was signed manually by the employee and not signed by a witness. Two contracts were not signed by the CEO. One contract was signed by the CEO and employee via Adobe Sign; the witness box remains on the document and is unsigned. An employment contract does not need a witness when signed securely, such as using Adobe Sign, but if the Council is not going to use a witness, the witness box should be removed. We note that the latest contracts did not have a witness box. The Council also now uses Adobe Sign to electronically sign their employment contracts. This process ensures that all parties sign the contract and initial each page. The contract with the missing CEO signature should be addressed.	Low to Moderate	Manager Organisational Development	Completed	Jul-24	The contract with the missing CEO signature had a letter of offer which is issued by the CEO. One of the contracts that was not signed by the CEO covers terms and conditions within the ES. The other contract that was not signed by the CEO will be addressed as the terms and conditions fall outside of the ES.



Recommendations and Actions

PDI Act	Risk Rating	Lead	Status	Completion Date	Comments
1. Consider and confirm the Council's short-term intent in relation to city planning and the use of code amendments.	Moderate	Manager Development Services	Not Started	Mar-25	Council intends to wait for the finalisation of the Umetstone Coast Regional Plan before commencing code amendment work. Completion date: First Qtr of 2025 - Noting Council's Budgetary Restraints - No Budget allocation for 24/25 FY Awaiting finalisation of Regional Plan to guide future code amendments.
2. Review whether the Planning Team have sufficient capacity and resources to lead Council-initiated code amendments, and/or respond to externally driven code amendments.	Moderate	General Manager Corporate and Regulatory Services	In Progress	Jul-25	Service reviews and workforce planning project will commence in first quarter of 2024-25. Summary findings will be presented to the Audit and Risk Committee upon completion.
3. Prioritising human resourcing for the Planning Team.	High	Manager Development Services	Completed	Jul-24	Addressing via para planner / additional administration support. Para Planner position filled in mid-June 2024.
4. Consider ways to reduce the workload associated with lower-level customer requests on the Development Services team.	High	Manager Development Services	In Progress	Sep-24	Para Planner commenced June 2024, Admin assistance currently being finalised, Para planner will commence work on HQ's in conjunction with other officers in August 2024
5. Re-introduce regular, recurrent scheduled meetings between Development Services and Operations & Engineering teams and other stakeholders.	Moderate	Manager Engineering Design & Assets	Not Started	Jul-25	Meetings scheduled as required.
6. Conduct a mapping exercise to document/confirm roles and responsibilities between the Development Services and City Infrastructure teams.	Moderate	Manager Engineering Design & Assets	Not Started	Dec-24	Will be impacted by proposed legislative changes.
7. Consider how CoMG could influence planning and development activity by more proactively engaging with external stakeholders at the pre-planning stage, where applicable.	Moderate	ELT to determine	Not Started	Dec-24	Guidance Development: Develop comprehensive guidance documents outlining CoMG's preferred positions on key elements of development plans. This should include clear explanations of requirements under relevant legislation like the Planning and Development Infrastructure (PDI) Act. Best Practice Outcomes: Define CoMG's views on best practice outcomes for holistic planning considerations such as stormwater management, established tree retention, streetscape enhancement, and heritage character preservation. This can be communicated through guidelines, policy statements, or informational materials provided to developers. Subject Matter Expert Availability: Identify and designate CoMG subject matter experts who can assist developers with inquiries at the pre-planning stage. Ensure that these experts are accessible and responsive to developers' needs, providing guidance and expertise to help align projects with CoMG's objectives and regulatory requirements. Stakeholder Engagement Platforms: Establish platforms or forums for regular engagement between CoMG representatives and external stakeholders, including developers, community groups, and industry associations. These platforms can facilitate dialogue, exchange of ideas, and collaboration on planning and development initiatives. Education and Awareness Programs: Conduct educational programs and outreach activities to raise awareness among developers and other stakeholders about CoMG's priorities, policies, and expectations regarding planning and development. This can include workshops, seminars, and informational materials disseminated through various channels.
8. Increase capacity to perform important higher-risk compliance and enforcement actions.	Moderate	Manager Development Services	Not Started	Jun-25	Prioritise Compliance Actions: Evaluate the current workload of Class 1 building inspections and identify areas where resources can be reallocated. Prioritize higher-risk compliance and enforcement actions over routine inspections to focus efforts on addressing outstanding issues. Training and Delegation: Provide comprehensive training to select administrative support staff to handle lower-level tasks typically performed by Building Officers. Assign responsibility for tasks such as following up with developers/building owners, data reporting, and customer service provision. Streamlining Processes: Identify opportunities to streamline compliance and enforcement processes to improve efficiency. This may include leveraging technology for streamlined communication with stakeholders.



9	Consider engaging external consultants to assist with backlog in class 2-6 building inspections.	Moderate	Manager Development Services	Completed	TBA	Backlog of inspections have been completed.
10	Ensure that Council's latest/updated published Delegations Register is available on the public website.	Low	Manager Governance and Property	Completed	Jul-24	
11	Work to ensure that members of the Limestone Coast Southern Regional Assessment Panel have clarity around responsibility for maintaining/updating relevant delegations.	Low	Manager Governance and Property	Needs Review	Jul-24	
12	Develop a pragmatic approach to periodically confirming that Development Services officers' delegations are up to date, correct and that officers have signed acceptance of these delegations.	Low	Manager Governance and Property	Not Started	Aug-24	
13	The BFSC consider developing a proactive approach to inspecting higher-risk buildings.	Low	Manager Development Services	Not Started	Dec-24	dependent on adequate resourcing. Final result to be reported back to Audit and Risk Committee.
14	Review and update CoMG's complaint handling policy with respect to PBI Act obligations.	Low	Manager Governance and Property	In Progress	Aug-24	Council are in the process of updating the Request for Service and Complaints Policy
15	Consider monitoring trends of community feedback/complaints to assist continuous improvement.	Low	Manager Organisational Development	Not Started	Dec-24	Set up a regular schedule for analysing community feedback and complaints data. This could be done monthly, quarterly, or annually, depending on the volume of feedback received. Analyse the data to identify recurring issues, trends, and areas for improvement. Based on the analysis of feedback and complaints data, identify specific areas within development services that require improvement. Look for patterns or common themes in the feedback to pinpoint areas where changes or adjustments may be needed. Develop action plans to address the identified improvement opportunities.
16	Reconsider the need to continue maintaining the Land Division and Building and Swimming Pool inspection policies, and either revoke them or update them to ensure consistency with legislation.	Low	Manager Engineering Design & Assets	In Progress	Sep-24	The Land Division Policy is currently under review by the infrastructure team. The Building and Swimming Pool Inspection can be revoked



16.6 LEASE AND LICENCE UPDATE - JULY 2024 – REPORT NO. AR24/49333

Committee:	Audit and Risk Committee
Meeting Date:	29 July 2024
Report No.:	AR24/49333
CM9 Reference:	AF11/863
Author:	Michael McCarthy, Manager Governance and Property
Authoriser:	Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services
Summary:	This report provides an update on leasing and licensing of Council properties.
Strategic Plan Reference:	Goal 1: Our People
	Goal 2: Our Location
	Goal 3: Our Diverse Economy
	Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage
	Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/49333 titled 'Lease and Licence Update - July 2024' as presented on 29 July 2024 be noted,



TYPE OF REPORT

Corporate

BACKGROUND

At the June 2023 Audit and Risk Committee Meeting, the Committee requested that a progress report regarding leases/licences (and mandatory policies) be brought back every 6 months.

Lease and Licence update reports were provided to the November 2023 and April 2024 Audit and Risk Committee meetings, with the next 6 monthly update report due in October 2024.

The April 2024 update report noted a proposed methodology for the renewal of leases and licences, in conjunction with the preparation and implementation of a considered Strategic Property Management Project Plan, that the renewal of leases/licences in the short-medium term will be guided by an order of priority endorsed by Council, as follows:

- *Sites identified as priority for master planning Yr1/Yr2 – renewal deferred until complete*
- *Sites identified for master planning in Yrs3-4 – renewal prioritised for granting 3-5year terms*

In receipt of the April 2024 update report from the Audit and Risk Committee Council subsequently resolved as follows at its April meeting:

2. That Council's resolved position of '*a strategic approach to property management issues guided by a Sport, Recreation and Open Space Plan and associated site/precinct/property category master plans including Tourism Assets Master Plan and Blue Lake Sports Park Master Plan*', be noted.
3. That the renewal of 'holding over' leases and licences occur, following Council's prioritisation of strategic site/precinct master planning to be conducted over the coming years, and taking into account other relevant factors, be noted.

Further, in consideration of master plan options, also at the April 2024 meeting, Council resolved:

2. That Council determines a priority order of master plans for the following sites:
 - Vansittart Park
 - Umpherston Sinkhole / Balumbul
 - Olympic Park
 - Hastings Cunningham Reserve

Following this master plan prioritisation it has been necessary to review the resulting implications for lease and licence renewals.

Subsequently, at the June 2024 Audit and Risk Committee meeting, in consideration of the Risk Management Report January - March 2024, a request was made for an update on leases and licences and policy reviews to the July Audit and Risk Committee.

This report provides the requested lease and licence update, noting that it is a 3 monthly rather than a 6 monthly report as previously requested and resolved.

PROPOSAL

As set out in the background, a review of the renewal implications for 'holding over' leases and licences has been necessary following Council's formal prioritisation of master plans and the proposed renewal methodology anticipated in conjunction with that prioritisation.

Council has prioritised Vansittart Park and Umpherston Sinkhole / Balumbul for master planning in Yrs 1/2. At the current time Council has only one 'holding over' tenancy between these two sites, being the Annual Seasonal Licence for North Gambier Football Club.

The proposed methodology for lease and licence renewal being to defer renewal of tenancies associated with sites prioritised for master planning in Yr 1/2, and prioritising the renewal of



tenancies for 3-5 years terms for sites identified for master planning in Yrs 3-4 (or not otherwise identified for master planning in the medium term).

The resultant outcome is that ALL of Council's tenancies that are currently 'holding over' are effectively now prioritised for renewal.

The earlier update report and Council resolution also note that renewal of 'holding over' leases and licences occur 'taking into account other relevant factors'. The relevant contributing factors for the renewal of certain leases and licences were identified in the earlier report as including, in some cases combinations of, the following:

- *pending Crown Land dedication*
- *pending review/adoption of Community Land Management Plan (inc. leasing/licencing, use)*
- *adoption/direction in other guiding documents/plans (e.g. Crater Lakes Activation Plan/Tourism Assets Master Plan/Visitor Servicing Model)*
- *review of tenants operating/governance model/constitution*
- *status of unsolicited proposal/s*
- *other site/precinct/asset and tenant activities/matters*

The prioritisation of master planning and the adoption of a lease and licence renewal methodology does not, on its own, resolve these other contributing factors.

A review of leases and licences that are 'holding over' and due to expire in the coming 6 months has identified the following as capable of being renewed as a short-term priority:

- 14 'holding over' community tenancies comprising:
 - 10 community shed and 2 sporting club tenancies at Hastings Cunningham Reserve
 - 1 sporting club tenancies at Malseed Park
 - 1 community tenancy at 'The Stables'
- 5 community tenancies with expiry dates over the coming 6 months.

Letters have been sent to each of the 14 'holding over' tenancies to advise Council's intentions, including that draft lease or licence documentation will be prepared and provided in due course. Several of the Hastings Cunningham Reserve tenancies are located on a Crown Land which require Crown Land (Ministers) approval and inclusion of any Crown requirements or conditions, which approval and requirements will be followed up as a pre-condition to lease or licence renewal.

Of the remaining 'holding over' leases and licences, the previous update report included a table listing the number of tenancies for which lease or licence renewal is affected by other contributing factors. This table is updated as follows:

Contributing Factor	No. of leases/licences affected	Other Comments
pending Crown Land dedication	1	Lake Terrace West Cemetery
Adoption/update of community land management plan(s)	13	Includes CLMP's for the following: <ul style="list-style-type: none"> - Crater Lakes (inc. Marist Park) - Olympic Park - Frew Park - Corriedale Park
Other tenancy related matters	10+	Including: <ul style="list-style-type: none"> - Constitution/governance/operating model review - Unsolicited proposals - Consolidation of multiple licences into single licence - Other tenant obligations - BLSP Implementation Plan



Whilst these varying contributing factors remain unresolved Council is not in a position to negotiate or grant renewed leases or licences for these premises or tenancies.

In particular, where there are identified deficiencies with the relevant community land management plan, (i.e., not sufficiently providing for leasing or licensing for the proposed purposes) Council is constrained from granting renewed lease or licence arrangements notwithstanding that such arrangements have previously been granted.

Accordingly, of some 36 leases and licences currently 'holding over' (not including sub-tenants and expired/non-renewed tenancies), 14 may be progressed for renewal (some subject to Crown Land/Ministers consent and conditions) whilst the remaining 22 require other bodies of work to be undertaken to resolve the other contributing factors before they may be renewed

These are matters to be addressed in a Strategic Property Management Project Plan for which organisational planning, resourcing and actions are necessary.

LEGAL IMPLICATIONS

Leasing and licensing of community land must be conducted in accordance with the relevant provisions in the Local Government Act 1999 (and other relevant legislation relating to leasing and licensing, e.g. Retail and Commercial Leases Act).

Community land leasing/licensing arrangements must be in accordance with the provisions of relevant Community Land Management Plans, guided by and consistent with the master planning of open spaces and precincts that help give effect to Council's Objects, Role, Functions and Principles set out in sections 3, 6, 7 & 8 of the Act.

STRATEGIC PLAN

Council's strategic approach to property management and other planning activities are consistent with and contribute to the goals in Council's Strategic Plan 2020-2024, including:

Our People

1.1.4 Improve our accommodation offering for community groups, whilst reducing total number of Council managed facilities, including investigations into a community group hub (complementary to the Community and Recreation Hub), the co-location of community groups and future sharing of facilities [Service Provider (Direct)].

1.2.2 Helping community groups to help themselves by providing support for effective networks to develop and grow [Partnership].

Our Location

2.1.1 Working with the community to ensure our CBD, health and education precincts, our streets and our public spaces are safe, inviting and support a positive image of the City of Mount Gambier [Owner / Custodian, Information Provider / Promoter and Partnership].

2.1.3 Consolidating, upgrading and seeking funding for a number of walking and cycling trails throughout the city, including the Rail Trail and the Crater Lakes precinct [Owner / Custodian, Advocate, Partnership].

2.1.4 Regularly reviewing and updating Council's Asset Management Plans for each asset category [Owner / Custodian].

2.1.5 Providing efficient visitor services by making tourism information access easier and more relevant [Service Provider (Direct) and (Indirect)].

2.3.1 Understand our role in tourism and develop an aspirational masterplan for the Crater Lakes area enabling us to share a vision with the community and other key stakeholders [Initiator / Facilitator, Advocate, Owner / Custodian].

2.4.4 Work in partnership with our sporting clubs to improve their sporting and clubhouse facilities and to help them take advantage of accommodation opportunities for groups [Partnership, Advocate, Owner / Custodian].

4.2.1 Prepare a Sport, Recreation and Open Space Strategy and masterplans for our key reserves enabling effective and efficient multiple uses and the improvement of facilities [Service Provider (Direct), Owner / Custodian].



Council's Sport, Recreation and Open Space Strategy identifies priorities and principles to which a strategic approach to property management contributes:

- Our open spaces will be well distributed, safe and accessible by everyone in our community, regardless of where they reside or frequent within the city.
 - Develop multipurpose facilities at each open space site that cater for a range of activities.
 - Develop Master Plans for key recreation and sporting sites across the City such as Hastings Cunningham Reserve, Olympic Park, Malseed Park, Vansittart Park, Don McDonnell Reserve, Frew Park, McDonald Park and the Rail Lands and Rail Trail.
- Our sport and recreation facilities will be nonexclusive, fit for purpose and share resources to reduce the burden on our volunteers.
 - Increase the diversity of sport and recreation opportunities in parks and reserves especially for those sports that currently do not have a home ground.
 - Co-locate active recreation facilities with existing recreation opportunities such as playspaces and playing fields.
 - Identify opportunities to incorporate unique facility components into multipurpose design.
 - Partner with peak bodies, clubs, community organisations and private operators to deliver sport and recreation opportunities targeting new participants in parks and reserves.
- We will strive for our spaces to reflect the principles of universal design by promoting physical access for all abilities and genders.
 - Address gaps in female friendly change facilities in our sporting open spaces in partnership with the local sporting clubs and State Sporting Organisations.
- Local stories, heritage and culture are considered and interpreted through design, strengthening our identity and fostering community ownership and pride of place.
 - Reflect the diverse community of Mount Gambier in the naming or renaming of open space and recreation facilities (for example, new facilities named for local persons or reflecting local cultures and languages).
- Provide unique play experiences including youth spaces that are attractive to a range of ages.
- Responsive and sustainable management practices of open space across the City.
 - Review and establish new service standards to better reflect use, profile and hierarchy of open space.
 - Deliver a best practice design manual for new and existing open space to advocate for the delivery of high quality spaces.
 - Seek funding opportunities for sport, recreation and open space developments from new and existing sources.

COUNCIL POLICY

Council's [R200 – Community Land \(Reserves\) Lease/Licence/Rental Arrangements Policy](#) relates to leases and licences (and in some cases grounds maintenance) of community land, subject to the Council resolution committing to a strategic approach to property management issues, and other relevant legislative and regulatory provisions including those relating to fees and charges.

ECONOMIC IMPLICATIONS

N/A

ENVIRONMENTAL IMPLICATIONS

N/A

SOCIAL IMPLICATIONS

Whilst Council's community/sporting leases and licences have social implications, there are no recommendations or actions arising from this update report that have any social implications, with community/sporting tenants 'holding over' on the same terms and conditions.



CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

The main direct resourcing issues associated with the renewal of leases and licences is in the preparation of documents and negotiation/execution, which can be managed over time within current resourcing.

However, this does not address any resulting resources that may arise from tenant expectations in the process of renewing a lease/licence. However, the standard terms and conditions of Council's community/sporting leases and licences place primary responsibility for leased/licensed premises upon the tenant in recognition of/exchange for the 'community' or 'peppercorn' nature of the rent.

Further, the above does not include any further organisational resourcing to address other bodies of work, such as redrafting and public consultation to update community land management plans, review of constitution and governing/operating models, and the preparation, adoption and implementation of property management frameworks and supporting policy amendments.

These resourcing matters are to be addressed in a Strategic Property Management Project Plan.

VALUE FOR MONEY

As above for Resource Implications

RISK IMPLICATIONS

The use of 'holding over' provisions as contained in standard lease and licence agreements manages the legal risk of leases/licences 'expiring' with no continuing contractual arrangements, with the resulting 'monthly tenancies' being on the same terms and conditions as the original lease, in the same manner as a renewal term.

The community and political risk associated with 'holding over' provisions lies in the security of tenure for sporting/community tenants.

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A

ENGAGEMENT AND COMMUNICATION STRATEGY

An engagement/communication strategy may be prepared to address the prioritisation of master planning and lease/licence renewal directly with affected tenants/stakeholders.

IMPLEMENTATION STRATEGY

As set out in the proposal, implementation of lease/licence renewals is proposed on a priority basis inversely aligned with the Council's priorities for strategic master planning of sites/precincts.

CONCLUSION AND RECOMMENDATION

Further updates are to be provided to the Audit and Risk Committee on a six-monthly basis.

ATTACHMENTS

Nil



16.7 COUNCIL POLICY UPDATE – REPORT NO. AR24/49733

Committee:	Audit and Risk Committee
Meeting Date:	29 July 2024
Report No.:	AR24/49733
CM9 Reference:	AF11/863
Author:	Michael McCarthy, Manager Governance and Property
Authoriser:	Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services
Summary:	This report provides an update on the review of Council Policies.
Strategic Plan Reference:	Goal 1: Our People
	Goal 2: Our Location
	Goal 3: Our Diverse Economy
	Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage
	Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/49733 titled 'Council Policy Update' as presented on 29 July 2024 be noted.



TYPE OF REPORT

Corporate

BACKGROUND

At the June 2023 Audit and Risk Committee Meeting, the Committee requested that a progress report regarding mandatory policies (and leases/licences) be brought back every 6 months.

Policy update reports were provided to the November 2023 and April 2024 Audit and Risk Committee meetings, with the next 6 monthly update report due in October 2024.

The April 2024 update report noted that, as at March 2024, 25 of Council's 84 policies require review and updating, including 4 identified as mandatory policies, with a further 6 policies falling due for review between March and 1 July 2024.

In consideration of the Policy Review update report at it's April meeting Council resolve:

2. That the Council Administration conduct periodical reviews of Council policies to ensure compliance with legislative requirements, with the aim of presenting for consideration any other policies to Council at least once during the Council term.

Subsequently, at the June 2024 Audit and Risk Committee meeting, in consideration of the Risk Management Report January - March 2024, a request was made for an update on policy reviews (and Leases and Licences) be presented to the July Audit and Risk Committee.

This report provides the requested policy review update, noting that it is a 3 monthly rather than a 6 monthly report as previously requested and resolved.

PROPOSAL

The April Policy Review update report to the Audit and Risk Committee provided the following listing of mandatory policies under the *Local Government Act 1999*:

Mandatory Policy	Section of Local Government Act 1999	Council Policy Adopted / Last Reviewed
Prudential Management	section 48(aa1)	September 2023
Procurement	section 49(a1)	December 2023
Contracts and Tenders	section 49(1)	(included in s49(a1) policy)
Public consultation	section 50	April 2020 (pending State Govt Community Engagement Charter/ LGA Policy Template following 2021 LG Reform)
Member Training and Development	section 80A	November 2022
Rating Policies	section 150	June 2023
Internal Controls	section 125(1)	September 2023
Risk Management	section 125(3)	June 2024
Road and Place Naming	section 219(5)	March 2024
Order Making	section 259	May 2024
Behaviour Management	section 262B	September 2023
Internal Review of Council Actions and Complaint Handling	section 270(a1)	March 2017 (pending updated LGA Policy Template following 2021 LG Reform)
Caretaker	section 91A (Elections Act)	January 2022

Noting that the above table does not include policies as may be required under other legislation, nor does the list include other 'policy like' documents such as Codes, Charters, Plans, Registers etc as are required to be maintained under the *Local Government Act 1999* and other legislation.



As may be seen from the above (updated) table, all mandatory policies required by the *Local Government Act 1999* are in place and have been reviewed in the current Council term with the exception of:

- Public Consultation Policy - pending the completion of a Community Engagement Charter by the State Government and the development/update of a Template/Model Policy by the Local Government Association, necessitated by local government reform changes in 2021.
- Internal Review Policy - pending the development/update of a Template/Model Policy by the Local Government Association, necessitated by local government reform changes in 2021.
- (Election) Caretaker Policy - last reviewed in January 2022 leading into the November 2022 local government elections, and next scheduled for review in January 2026 leading into the November 2026 local government elections.

Since the last policy review update provided in March 2024, policy reviews have been conducted as follows:

April 2024

- *nil*

May 2024

- *Grants and Sponsorship Policy*
- *D230 Donations Authority to Approve Requests (rescinded)*
- *O110 - Order Making*
- *R180 - Records Management*
- *Library Collection Development (new)*
- *H120 - Historical Matters – Collection (rescinded)*
- *H125 - Historical Matters - Copyright - Les Hill Collection (rescinded)*

June 2024

- *R105 Rating Policy*
- *R155 Rate Rebate Policy*
- *R130 Rates General Matters (rescinded)*
- *Asset Accounting Policy*
- *Risk Management*

July 2024

- *Public Interest Disclosure Policy*

Accordingly, as at end of July 2024 16 of Council's 79 policies remain for review/updating, including the abovementioned 3 identified as mandatory policies.

A further 2 policies have their scheduled review date falling between now and January 2025 when the next six-monthly policy review report is due for presentation to the Audit and Risk Committee. Only 8 further policies will fall due for review during the remainder of the current Council term until November 2026, with the exception of policies that are reviewed annually.

It is important to note that, whilst good practice to review policies on a periodic basis, particularly where they have been identified with a scheduled 'review date', the passing of such arbitrary dates is not fatal to the application of a policy unless it is specifically designated as a 'sunset date' or the policy lapses in accordance with some legislative provision.

Indeed, as set out in the Background above, Council resolved in April 2024 that, with the exception of policies that require review with some statutory prescribed frequency or date/period, the Administration conduct periodical reviews of Council policies with the aim of presenting for consideration at least once during the Council term.



On this basis, notwithstanding that an arbitrary review date may be contained in a policy, any policy should only be considered as being overdue for review if a statutory review requirement has not been met, the last review was conducted prior to the election preceding the election at the commencement of the current Council term i.e. a policy only being overdue in the current 2022-2026 term if the last review pre-dates the November 2018 local government elections, provided it is reviewed before (the caretaker period for) the November 2026 local government elections.

LEGAL IMPLICATIONS

The *Local Government Act 1999* and other Acts require Council to adopt certain 'mandatory' policies. Except where prescribed there is no legislative requirement to review policies with any particular frequency or time period, however it is good practice and Council has resolved to review each policy at least once during the Council term i.e. during the period November 2022 to November 2026 (noting the election caretaker period commencing in August/September 2026).

STRATEGIC PLAN

N/A

COUNCIL POLICY

N/A

ECONOMIC IMPLICATIONS

N/A

ENVIRONMENTAL IMPLICATIONS

N/A

SOCIAL IMPLICATIONS

N/A

CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

N/A

VALUE FOR MONEY

N/A

RISK IMPLICATIONS

The review of policies does not of itself manage risk, except where there is a requirement to review within a certain timeframe.

However the continual periodic review of policy provisions to ensure their currency assists with managing relevant risks.

Similarly, in circumstances where the risk of adopting policy that is at variance to legislative requirements, there is a risk in the premature review of policy ahead of other supporting resources, as is the case with the public consultation and internal review policies which are pending the release of the State Governments Community Engagement Charter and LGA Template/Model Policy.

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A

ENGAGEMENT AND COMMUNICATION STRATEGY

N/A



IMPLEMENTATION STRATEGY

N/A

CONCLUSION AND RECOMMENDATION

Further updates are to be provided to the Audit and Risk Committee on a six-monthly basis.

ATTACHMENTS

Nil



16.8 2023/2024 EXTERNAL AUDIT INTERIM MANAGEMENT REPORT – REPORT NO. AR24/50401

Committee:	Audit and Risk Committee
Meeting Date:	29 July 2024
Report No.:	AR24/50401
CM9 Reference:	AF11/863
Author:	Kahli Rolton, Acting Manager Financial Services
Authoriser:	Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services
Summary:	To formally table the 2023/2024 external audit interim management report as provided by Dean Newbery.
Strategic Plan Reference:	Goal 1: Our People
	Goal 2: Our Location
	Goal 3: Our Diverse Economy
	Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage
	Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/50401 titled '2023/2024 External Audit Interim Management Report' as presented on 29 July 2024 be noted.
2. That having been reviewed by the Audit and Risk Committee on 29 July 2024, the 2023/2024 External Audit Interim Management Report be adopted.



TYPE OF REPORT

Corporate

BACKGROUND

1. **Local Government Act 1999 sec 129 Conduct of audit (partial extract)-**

- (3) The auditor must provide to the council—
- (a) an audit opinion with respect to the financial statements; and
 - (b) an audit opinion as to whether the controls audited under subsection (1)(b) are sufficient to provide reasonable assurance that the financial transactions of the council have been conducted properly and in accordance with law.
- (4) The auditor must also provide to the council written advice on particular matters arising from an audit.

2. **Interim Audit Visit** – Was undertaken by Dean Newbery and Partners in May 2024.

3. **Introduction to New Format** – A new format has been introduced by Dean Newbery where risk ratings are no longer included. A Letter from the CEO was requested to provide responses to the recommendations raised.

4. **Memorandum** – To allow increase time for review, the 2023/2024 External Audit Interim Management Report was emailed to members of the Audit and Risk Committee, 3 July 2024.

PROPOSAL

1. **Interim Audit key issues:** Attachment 1 to this report includes a copy of the External Audit Interim Management Report. Below is a brief summary of the 4 key audit issues observed.

- I. Financial Delegation Controls** – Risk that 5 officers within the finance team have ability to change their own financial delegation without prior and/or secondary approval to beyond their own endorsed financial delegation. Recommendation to restrict ability to amend financial delegation to the IT department or implement additional system controls which requires 2 independent authorisers.
- II. Caroline Landfill Provision Valuation** – Request to document methodology behind provisions and ensure valuation of landfill liability suitably certified. Recommendation that the Audit and Risk Committee should be kept informed of the progress of the review being completed and estimated final impact to the operations of Council.
- III. Asset Valuations** – No issues found with integration to Council Asset Registers. Recommendation to update Strategic Plans with revised assumptions. Commendation for efforts of Council Administrators to ensure completed early in the financial year.
- IV. Internal Capitalised Costs** – Previous audit issues addressed with a complete review of plant hire rates, full cost attribution, internal labour hire rates inclusive of overheads and capital wage overhead allocation having been undertaken for the first time since 2019. Recommendation to update across all Council's strategic plans and ensure ongoing review is regularly performed.

2. **Interim Management Response:** Attachment 1 to this report provides a copy of Council's response incorporating:

- I. CEO Letter** – Provides a response to the four key issues raised in summary.
- II. Council Administration Response** – Provides detailed response, estimated completion dates and current status of actions against the external auditor's key issues. Of the 4 key issues raised, 3 are partially complete and 1 is not yet started.



LEGAL IMPLICATIONS

N/A

STRATEGIC PLAN

Council's Strategic Plans, including Long Term Financial Plan (LTFP) and Asset Management Plans require updating to reflect changes in regards to Caroline Waste Provision and internal capitalised costs. Asset valuations have already been incorporated.

COUNCIL POLICY

Councils Internal Controls Policy requires updating to reflect changes implemented in relation to financial delegations.

ECONOMIC IMPLICATIONS

N/A

ENVIRONMENTAL IMPLICATIONS

N/A

SOCIAL IMPLICATIONS

N/A

CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

Caroline Waste Provision – financial impacts to budget need to be realised and modelled in future versions of the LTFP. For FY23/24 a budget decrease of \$475k depreciation for cell 4A was incorporated in revision 3 on the basis that the current open Cell was continuing to be filled and reached conceptual height later than originally projected.

Asset Valuations – resulted in increases to fair values and subsequent increases to depreciation of approx. \$225k for infrastructure valuation and \$304k for building and structures valuation for FY23/24.

Internal Capitalised Costs – the FY24/25 budget has already prepared based on the improved analysis for plant hire, internal labour hire rates and capital wage allocations. Further work is being undertaken to review Council's ability to capitalise internal costs associated with disposal of existing assets required as part of preparing an asset ready for use eg disposal of road material removed at Caroline Landfill and replaced with new material, the costs associated with disposal at Caroline Landfill should form part of the capital cost of the project.

VALUE FOR MONEY

N/A

RISK IMPLICATIONS

Risk that:

- The financial statements do not reasonably reflect the true financial position of Council in relation to the fair value of Caroline Landfill assets and associated liability provisions. This could result in an audit qualification.
- Council is undervaluing its assets due to undervaluing internal labour hire rates and not allocating project management wages to capital.
- The finance team are able to change their own financial delegation without secondary approval.

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A



ENGAGEMENT AND COMMUNICATION STRATEGY

N/A

IMPLEMENTATION STRATEGY

Workshop will be held with Audit and Risk Committee inviting Council Members to provide an update on the status of Caroline Landfill financial modelling.

Phased implementation for internal capitalised costs as per Attachment 1 to this Report cover actual amendments and budget updates.

CONCLUSION AND RECOMMENDATION

That Council via the Audit and Risk Committee note the 2023/2024 external audit interim management report as provided by Dean Newbery resulted in 4 key issues/observations. Council Administration's response outlines actions in relation to these issues with 3 already in progress and 1 not yet started.

ATTACHMENTS

1. Interim Audit Response - CEO to Dean Newbery 2 July 2024





Civic Centre, 10 Watson Terrace
Mount Gambier SA 5290

PO Box 56
Mount Gambier SA 5290

Telephone 08 87212555
Facsimile 08 87249791
city@mountgambier.sa.gov.au

mountgambier.sa.gov.au

Reference:
Enquiries to: Ms Sarah Philpott

2 July 2024

Samantha Creten
Partner
Dean Newbery
PO Box 755
NORTH ADELAIDE SA 5006

Dear Samantha,

RE: City of Mount Gambier Interim Management Report 2023/24 Financial Year Response

Purpose:

Further to the new format for the Interim Audit Management Report as advised by Daniel Phillips the purpose of this letter is to provide you with Council's response to the findings and recommendations on key audit issues as outlined in the attached management report for Mr Paul Duka, City of Mount Gambier's Audit and Risk Committee Presiding Member.

Background:

1. **Action Plan** - Council staff have prepared action plans in response to the four items identified in the attached management report (Attachment 1).
2. **Legislation** - Aligned with legislation introduced in November 2023 progress against action plans will be reported to the Audit and Risk Committee.
3. **Audit and Risk Committee Report** - This letter will be included in the report to be taken to the July 2024 Audit and Risk Committee.

Proposal:

1. **Interim Management Report May 2024 Management Response** - Attachment 2 shows the response and status of all risks, noting the summary shown below:



- **Partially Complete (3 Risks)** - Including the following:
 - **Caroline Landfill Provision Valuation** - Caroline landfill waste post closure provision where independent validation/verification is expected to be completed in July 2024 with further review by Council's Executive (ELT), followed by a Council/Audit and Risk Committee workshop prior to Council's balance date audit. The implications of this review will be incorporated in the 2025/2026 budget and 2026-2035 LTFP.



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- **Asset Valuation** - The data from the condition audits and valuations for the Infrastructure and Buildings and Structures asset classes have been incorporated in the adopted LTFP and AMPs. Further work is required maintenance expected to be delivered for the 2025/2026 budget.
- **Internal Capitalised Costs** - The principles and YTD impact (as at April 2024) has been presented to relevant managers and Council's Executive. A phased approach has been planned (as detailed in Attachment 2).
- **Not Started (1 Risks)** - Actions to be taken Include reassigning the roles and responsibilities for financial delegations with a proposal to be taken to the Executive Leadership Team in July 2024.

If you have any queries relating to this letter or the attachment please contact me, Jane Fetherstonhaugh or Kahli Rolton.

Kind Regards

A handwritten signature in black ink, appearing to read "Sarah Philpott", written over a light blue horizontal line.

Sarah PHILPOTT
Chief Executive Officer



DeanNewbery

Chartered
Accountants

24 June 2024

Mr Paul Duka
Independent Chairperson – Audit & Risk Committee
City of Mount Gambier

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North Adelaide SA 5006

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Dean Newbery
ABN: 48 007 865 081

Sent via email: jscoggins@mountgambier.sa.gov.au

Dear Mr. Duka

RE: 2023/24 External Audit Interim Management Report – City of Mount Gambier

We have recently completed our Interim Audit component of the City of Mount Gambier's (Council) 2023/24 financial year (FY24) external audit.

We are pleased to provide members of the Audit & Risk Committee an update on the status of the FY24 External Audit and wish to advise our work to date has covered the following areas:

- Review of internal controls in line with the Local Government Better Practice Model to identify controls which can be relied upon for testing purposes.
- Performed Internal control walkthrough updates of key business operations relating to revenue, expenses and payroll were completed.
- Interim sample transaction testing of operating income (including rates, fees and charges income), grant revenue, operating and capital expenditure and employee payroll was completed.
- Completed a Rates regeneration to confirm the accuracy and completeness of rate revenue recognised in the general ledger.
- Reviewed work undertaken on the valuation of Land and Buildings, Stormwater, Car Parks and Retaining walls and integration of data within Council's asset register.
- Reviewed the status of Councils Landfill Provisions as a result of recommendations raised in prior financial year audit correspondence issued to the Council.
- Review of Council meeting Agenda and Minute reports were completed to determine if there were any potential issues to be considered within the Audit Plan and whether there were any contingent matters to be considered.

As a result of the work have completed, we wish to provide to you a summary of our observations, findings and recommendations on key audit issues as outlined below:

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Interim Report – 2023/24 Financial Year External Audit

1. Financial Delegation Controls

In discussions with the Administration, it was identified that the ability to amend financial delegation in Authority is permissible to 5 officers working within the Finance team. This raises a risk that these employees can change their own financial delegation without prior and/or secondary approval to beyond their own endorsed financial delegation.

To strengthen internal controls, we recommend that Council restrict the ability to amend financial delegation within the system to its IT department and/or implement additional system controls which requires financial delegation changes to be authorised by 2 independent officers.

2. Caroline Landfill Provision Valuation

Preliminary discussions were held with Council's Finance Business Partner to discuss the progress made to address the matters raised in our 2023 Audit Completion Report regarding Council's landfill capping and post closure rehabilitation provision review and update.

Council have advised that they have engaged the services of BRM Consulting to assist in preparing a landfill liability model for each provision and the Administration are in the process of completing an assessment of the financial impact on Council's financial operations as a result of the projections received (e.g. to the FY24 financial results, other relevant strategic plans, etc.).

We have requested that Council document the methodology behind the provision and ensure the eventual valuation of landfill liability be suitably certified so as to enable them to be included in the eventual FY24 financial statements.

We have recommended to the Administration that the Audit and Risk Committee should be kept informed of the progress of the review being completed and the estimated final impact to the financial operations of the Council as a result of the landfill liability valuation being completed as the adoption of the new valuation will have long-term implications to Council's Long Term Financial Plan (LTFP), Infrastructure & Asset Management Plan (IAMP) and to Council's FY25 budget which will need to be carefully considered and updated accordingly.

3. Asset Valuations

We have reviewed the external valuation reports and integration of data into Councils asset registers for Land and Buildings, Stormwater, Car Parks and Retaining Walls asset classes. We have considered the work conducted by the external valuers appointed by Council from our initial review, did not find any issues with the integration of data into Councils Asset Registers.

We recommend Council undertakes an update to its IAMP and LTFFP to ensure that updated assumptions regarding the future maintenance funding, asset replacement cost and forecasted depreciation expense are all reflected.

We commend the efforts of the Administrations to ensure that the valuations were completed early in the financial year.



Interim Report – 2023/24 Financial Year External Audit

4. Internal Capitalised Costs

To address matters raised in prior Interim Management letters, assistance provided from external consultants Galpins (external accountants) has resulted in Council being able to complete a review of Council's plant hire rates, full cost attribution, internal labour hire rates inclusive of overheads and capital wage overhead allocation for the first time since 2019.

The outcome of this review was provided to us during our interim attendance and note the updated assumptions and estimates now reflected in the calculation have now been made to address previous audit issues raised.

We recommend that the findings from this review be updated across all of Council's strategic plans where applicable to ensure that updated assumptions regarding future maintenance funding, asset replacement costs and overall full cost attribution estimates are reflected accurately.

Now that Council has completed this review, we recommend that ongoing planned reviews of these rates is regularly performed so as to ensure that Council maintains at all times, accurate costings for all of its financial strategic planning and reporting purposes.

Summary

We would like to take this opportunity to thank the Administration for their valued assistance provided during our recent attendance and for the work undertaken to address previous audit matters raised as noted above.

Should you have any further queries, please contact me on the details provided below.

Yours sincerely

DEAN NEWBERY



Samantha Creten
Director

P. 8267 4777

E. samanthac@deannewbery.com.au

C. Chief Executive Officer

C. Mayor



Interim External Audit Actions

30 June 2024

City of
Mount Gambier



ORGANISATIONAL OVERVIEW

External Audit Actions

Interim Audit 2023/2024




External Interim Audit 2023/2024

Ref	Description	Est Date	Status	Council Administration Response
1.	<p>Financial Delegation Controls:</p> <p>In discussions with the Administration, it was identified that the ability to amend financial delegation in Authority is permissible to 5 officers working within the Finance team. This raises a risk that these employees can change their own financial delegation without prior and/or secondary approval to beyond their own endorsed financial delegation.</p> <p>To strengthen internal controls, we recommend that Council restrict the ability to amend financial delegation within the system to its IT department and/or implement additional system controls which requires financial delegation changes to be authorised by 2 independent officers.</p>	July 2024	●	<ul style="list-style-type: none"> Current Responsibility - The current officers are Authority Administrators, including Team Leader Financial Accounting, Finance Officer, Finance, Procurement and as such are able to currently update financial delegations.. Scope Of Administration Required - This will include administration of new starters, temporary acting arrangements (higher duties), secondments etc. Next Steps – A proposal for the reallocation of responsibilities will be taken to the Executive Leadership Team in July for review and approval.




External Interim Audit 2023/2024

Ref	Description	Est Date	Status	Council Administration Response
3.	<p>Asset Valuations:</p> <p>We have reviewed the external valuation reports and integration of data into Councils asset registers for Land and Buildings, Stormwater, Car Parks and Retaining Walls asset classes. We have considered the work conducted by the external valuers appointed by Council from our initial review, did not find any issues with the integration of data into Councils Asset Registers.</p> <p>We recommend Council undertakes an update to its IAMP and LTFP to ensure that updated assumptions regarding the future maintenance funding, asset replacement cost and forecasted depreciation expense are all reflected.</p> <p>We commend the efforts of the Administrations to ensure that the valuations were completed early in the financial year.</p>	March 2025		<p>Infrastructure Major Classes - The results of the 30 June 2023 valuation have been incorporated in the capital forward works program within the Asset Management Plans and LTFP (2025-2034) with the depreciation updated accordingly.</p> <p>Buildings and Structures - The results of the valuation and high-level condition audits have been incorporated in this version of the Asset Management Plans and LTFP (2025-2034) with the depreciation updated accordingly.</p> <p>Other Infrastructure - The results of the valuation and condition audits have been incorporated in this version of the Asset Management Plans and LTFP (2025-2034) with the depreciation updated accordingly.</p> <p>Maintenance – Based on high level condition audits undertaken with more granular audits to be progressed in 2024/2025. This will inform a more comprehensive maintenance program planned for development as part of the 2025/2026 budget process.</p>



External Interim Audit 2023/2024

Ref	Description	Est Date	Status	Council Administration Response
4.	<p>Internal Capitalised Costs:</p> <p>To address matters raised in prior Interim Management letters, assistance provided from external consultants Galpins (external accountants) has resulted in Council being able to complete a review of Council’s plant hire rates, full cost attribution, internal labour hire rates inclusive of overheads and capital wage overhead allocation for the first time since 2019.</p> <p>The outcome of this review was provided to us during our interim attendance and note the updated assumptions and estimates now reflected in the calculation have now been made to address previous audit issues raised.</p> <p>We recommend that the findings from this review be updated across all of Council’s strategic plans where applicable to ensure that updated assumptions regarding future maintenance funding, asset replacement costs and overall full cost attribution estimates are reflected accurately.</p> <p>Now that Council has completed this review, we recommend that ongoing planned reviews of these rates is regularly performed so as to ensure that Council maintains at all times, accurate costings for all of its financial strategic planning and reporting purposes.</p>	<p>July 2024</p> <p>Sep 2024</p> <p>ongoing</p> <p>March 2025</p> <p>March 2025</p>		<p>Stakeholder Review - Prior to implementation of changes following the review of plant hire rates, labour oncost %’s, capitalisation of project management wages a workshop was held with relevant managers and Executive (4 June and 12 June 2024).</p> <p>Phased Implementation - Council Administration will implement the results of the work undertaken/to be undertaken as follows:</p> <ul style="list-style-type: none"> • Actuals - Implementation of actuals FY23/24 and continuing in future years; • BR1 - Budget revision FY24/25 to align operating and capital expenditures with revised forecasts; • AMP Improvements - Improvements to future asset management planning FY24/25 and beyond; • Budget 2025/2026 - Improvements to FY25/26 (and beyond) budget preparation at the lower level of labour hours and plant hours <p>Annual Review - Council administration plans to review the plant hire and oncost charges annually as part of its budget processes.</p>



16.9 AUDIT AND RISK COMMITTEE MEETING REPORT – REPORT NO. AR24/29752

Committee:	Audit and Risk Committee
Meeting Date:	29 July 2024
Report No.:	AR24/29752
CM9 Reference:	AF11/863
Author:	Kahli Rolton, Acting Manager Financial Services
Authoriser:	Jane Fetherstonhaugh, General Manager Corporate and Regulatory Services
Summary:	A report to Council after the Audit and Risk Committee meeting, summarising the work of the committee preceding the meeting and the outcomes of the meeting.
Strategic Plan Reference:	Goal 1: Our People Goal 2: Our Location Goal 3: Our Diverse Economy Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/29752 titled 'Audit and Risk Committee Meeting Report' as presented on 29 July 2024 be noted.



TYPE OF REPORT

Legislative

BACKGROUND

1. **Legislation** - Section 126 of the Local Government Act effective from 30 November 2023 requires that the following report is prepared as shown below:

(8) A council audit and risk committee must—

(a) provide a report to the council after each meeting summarising the work of the committee during the period preceding the meeting and the outcomes of the meeting;

PROPOSAL***Period Preceding the Meeting:***

2. **Council Member Briefing** - A meeting was held between the Council Member Audit and Risk Committee representative, the General Manager Corporate and Regulatory Services, Acting Manager Financial Services and other report authors to provide a briefing on the reports included in the agenda prior to the meeting
3. **Presiding Member Pre-Meeting** - A meeting was held between the Acting Manager Financial Services and the Presiding Member to discuss the agenda prior to the meeting.
4. **Memorandum to Committee 3 July 2024** - 2023/2024 Interim Audit Management Report and Response
5. **Email to Committee Chair 8 July 2024** - request to complete Fraud Questionnaire for those charged with Governance

Outcomes of The Meeting:

6. The outcomes of this meeting will be summarised in the minutes to be adopted by Council.

LEGAL IMPLICATIONS

Local Government Act Sections 125A, 126 and 41.

Local Government (Financial Management) Regulations 2011

Terms of Reference - Audit and Risk Committee

STRATEGIC PLAN

N/A

COUNCIL POLICY

N/A

ECONOMIC IMPLICATIONS

N/A

ENVIRONMENTAL IMPLICATIONS

N/A

SOCIAL IMPLICATIONS

N/A

CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

N/A



VALUE FOR MONEY

N/A

RISK IMPLICATIONS

N/A

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A

ENGAGEMENT AND COMMUNICATION STRATEGY

N/A

IMPLEMENTATION STRATEGY

N/A

CONCLUSION AND RECOMMENDATION

The recommendation to Council is that they note the report as presented (in conjunction with the minutes of the meeting).

ATTACHMENTS

Nil



**MINUTES OF CITY OF MOUNT GAMBIER
AUDIT AND RISK COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER, CIVIC CENTRE, 10 WATSON TERRACE, MOUNT
GAMBIER
ON WEDNESDAY, 14 AUGUST 2024 AT 5.00 P.M.**

PRESENT: Mr Paul Duka, Mayor Lynette Martin (OAM), Mr Alexander Brown (virtual), Ms Belinda Johnson (virtual)

IN ATTENDANCE: Cr Frank Morello, Cr Josh Lynagh

OFFICERS IN ATTENDANCE:	Chief Executive Officer	- Mrs S Philpott
	General Manager Corporate and Regulatory Services	- Mrs J Fetherstonhaugh
	General Manager City Infrastructure	- Ms B Cernovskis
	Acting Manager Financial Services	- Mrs K Rolton
	Manager Organisational Development	- Ms L Little
	Manager Waste, Reuse and Environment	- Mr J Martin

1 ACKNOWLEDGEMENT OF COUNTRY

WE ACKNOWLEDGE THE BOANDIK PEOPLES AS THE TRADITIONAL CUSTODIANS OF THE LAND WHERE WE MEET TODAY. WE RESPECT THEIR SPIRITUAL RELATIONSHIP WITH THE LAND AND RECOGNISE THE DEEP FEELINGS OF ATTACHMENT OUR FIRST NATIONS PEOPLES HAVE WITH THE LAND.

2 APOLOGY(IES)

<p>COMMITTEE RESOLUTION</p> <p>Moved: Mayor Lynette Martin Seconded: Paul Duka</p> <p>That the apology(ies) from Cr Paul Jenner be received.</p> <p style="text-align: right;">CARRIED</p>
--

3 CONFIRMATION OF MINUTES

<p>COMMITTEE RESOLUTION</p> <p>Moved: Alexander Brown Seconded: Belinda Johnson</p> <p>That the minutes of the Audit and Risk Committee meeting held on 29 July 2024 be confirmed as an accurate record of the proceedings of the meeting.</p> <p style="text-align: right;">CARRIED</p>
--

4 QUESTIONS WITHOUT NOTICE

Nil

The meeting was adjourned at 5:03pm for a period of 30 minutes.

The meeting resumed at 5:33pm.

5 REPORTS

5.1 CAROLINE LANDFILL 2023/2024 POST CLOSURE PROVISION UPDATE

COMMITTEE RESOLUTION

Moved: Alexander Brown

Seconded: Belinda Johnson

1. That Audit and Risk Committee Report No. AR24/57290 titled 'Caroline Landfill 2023/2024 Post Closure Provision update ' as presented on 14 August 2024 be noted.
2. That it be noted that a workshop providing detailed progress on Caroline Landfill including financial modelling, accounting treatment and associated financial impacts was held 14 August 2024.
3. The Audit and Risk Committee support the methodology of the financial model and acknowledge the extensive work in the modelling undertaken to date.
4. Acknowledges the requirement to continuously review and update financial modelling annually and ensure reflected in Long Term Financial Plan and Asset Management Plans. And that financial impacts relevant to the 2024/2025 financial year will be included in future budget revisions.

CARRIED

6 MOTIONS WITHOUT NOTICE

Nil

7 MEETING CLOSE

The Meeting closed at 5:48pm.

The minutes of this meeting were confirmed at the Audit and Risk Committee held on 28 October 2024.

.....
PRESIDING MEMBER

16.11 CAROLINE LANDFILL 2023/2024 POST CLOSURE PROVISION UPDATE – REPORT NO. AR24/57290
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Committee:	Audit and Risk Committee
Meeting Date:	14 August 2024
Report No.:	AR24/57290
CM9 Reference:	AF11/863
Author:	Kahli Rolton, Acting Manager Financial Services
Authoriser:	Barbara Cernovskis, General Manager City Infrastructure
Summary:	To Inform the Audit and Risk Committee of the progress and impact to financial operations in relation to the Caroline Landfill.
Strategic Plan Reference:	Goal 1: Our People Goal 2: Our Location Goal 3: Our Diverse Economy Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage Goal 5: Our Commitment

REPORT RECOMMENDATION

1. That Audit and Risk Committee Report No. AR24/57290 titled 'Caroline Landfill 2023/2024 Post Closure Provision update' as presented on 14 August 2024 be noted.
2. That it be noted that a workshop providing detailed progress on Caroline Landfill including financial modelling, accounting treatment and associated financial impacts was held 14 August 2024.
3. Acknowledges the requirement to continuously review and update financial modelling annually and ensure reflected in Long Term Financial Plan and Asset Management Plans. And that financial impacts relevant to the 2024/2025 financial year will be included in future budget revisions.



TYPE OF REPORT

Other

BACKGROUND

1. External Audit

Dean Newbery and Partners recently completed the Interim Audit component as part of their 2023/24 financial year external audit appointment. The Interim Audit was undertaken in May 2024. Following this, Dean Newbery and partners issued their Management Report tabling 4 key issues.

One of the key issues related to the Caroline Landfill Provision Valuation. This included a request to document methodology behind provisions and ensure valuation of landfill liability is suitably certified. It also included a recommendation that the Audit and Risk Committee should be kept informed of the progress of the review being completed and estimated final impacts to the operations of Council.

The 2023/2024 External Audit Interim Management Report was detailed at Report AR24/50401 at the Audit and Risk Committee held 29 July 2024.

2. Accounting Standards Requirement for Provisions

Australian Accounting Standards (AASB) 137 requires that restoration provisions are recognised when a legal or constructive obligation arises as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation. Further AASB 137 requires that a reliable estimate can be made about the amount of the obligation.

In the case of Caroline Landfill, the past event is the construction of cell(s) which are used to entomb waste and subsequent legal obligation to cap those cell(s). Further to this, Landfill operations are subject to other legal obligations post closure of the site including decommissioning, monitoring and ongoing maintenance of these capped cells and associated infrastructure such as leachate management systems.

3. Professional Engagements

Council Administration have made improvements to the assessment of the Caroline Landfill Post Closure Provision and engaged two independent consultants for their expertise in financial modelling and landfill engineering.

- (a) **Financial Modelling:** BRM Advisory were engaged to prepare a whole of life financial model that:
 - (i) Ensures the gate fee charged today is adequate to cover costs and risks for the life of the landfill site.
 - (ii) Provide technical compliance for the net present value (NPV) unwinding of provisions, both post closure and cell capping provisions.
- (b) **Independent Assurance:** Tonkin Engineering were engaged as specialists in landfill engineering to provide an independent review of post closure provision and recommendation based on the current operations of Caroline Landfill. Tonkin's assumption verification is located at Attachment 1 to this report.

Administration have updated figures to match Tonkin's recommendations, noting the margin for change resulted in <\$40k adjustment as at 30/06/2024.

PROPOSAL

4. Impacts to Financials



The following table summarises the initial impacts on the 2023/24 financial statements for fixed assets and provisions in relation to:

- airspace consumed of constructed cells
- associated capping provision of constructed cells
- future restoration provision and associated asset

FIXED ASSETS	Opening balance 01/07/2023	Changes required	Depreciation FY2024	Closing balance 30/06/2024	Comments
Cell 3 (CVR 14816)	-	-	-	-	Fully depreciated as at 30/06/2023. previous information supplied suggested cell was full. It has since been verified that conceptual height was not actually reached until 31/01/2024. Additional information provided below.
Cell 3 Cap (CVR 14817)	-	343,609	(343,609)	-	As per above, fully depreciated in line with cell airspace consumed. Adjustment required directly correlates to the increase in provision and will be fully depreciated in FY2024.
Cell 4A	-	-	-	-	Cell 4A construction began September 2023 and was completed July 2024. Practical completion pending final sign off by EPA. c\$3.5M held in WIP as at 30/06/2024 to be capitalised FY2025 with final costs.
Future Restoration (CVR 14889)	389,555	(231,552)	(1463)	156,540	Per Tonkins assurance verification and NPV unwinding per BRM consulting financial modelling. Adjustment offset directly to Asset Revaluation Reserve (ARR).
TOTAL FIXED ASSETS	389,555	112,057	(345,072)	156,540	
PROVISIONS	Opening balance 01/07/2023	Changes required	NPV interest unwinding FY 2024	Closing balance 30/06/2024	Comments
Cell Capping 3C	783,152	343,609	73,239	1,200,000	Cell capping provision for Cell 3C increased to take into account revised cost estimates. Adjustment directly correlates to increase in fixed asset. Capping costs will actually be incurred in FY2025.
Cell 4A Capping	-	-	-	-	No Provision has been established for this cap as it has not yet met the legal obligation under AASB137 due to pending EPA approval, i.e., there is no obligation to cap until practical completion.
Future Restoration	2,544,792	(2,386,789)	10,270	168,273	Adjustment offset to accumulated surplus. Item material, but impracticable to go back to the start of the Landfill to rework.



					Additional information provided below.
TOTAL PROVISIONS	3,327,944	(2,043,180)	83,509	1,368,273	

Additional information - Cell 3C

Cell 3C was incorrectly fully depreciated at 30 June 2023, only reaching conceptual height in January 2024. Impact of the extra 6 months depreciation is deemed immaterial, therefore no restatements processed for the amount of waste entombed from July 2023 to January 2024.

Furthermore, cell 3C has continued to be filled over its conceptually agreed height with agreeance of the EPA until Cell 4A construction reaches practical completion (overfill period February 2024 to ETA September 2024). Negotiations with the EPA are underway in regard to what happens with the waste that has been overfilled in Cell 3C. Worse case scenario, the EPA require the additional waste to be removed and entombed in Cell 4A. Best case scenario, the EPA allow the waste to remain in Cell 3C with minimal additional compliance and resourcing requirements.

Due to the ongoing nature of Cell 3C overfill and Cell 4A construction, it is not known at the time of preparation of the financial statements for 2023/2024 which course of action the EPA will require. For this reason:

- the volumetric size of cell 3C has not been increased. Increasing the Cell volume would result in airspace remaining and therefore a change to depreciation expense applied. Overall the cost of the cell has not increased, the impact relates to the consumption of the increased airspace. Airspace to conceptual height fully consumed FY23/24.
- Cell 3C capping asset and provision has not been increased in relation to additional requirements for overfilling. It is not yet known whether the EPA will allow the overfilled waste to remain in Cell 3C, but in doing so require a more robust capping arrangement that requires resourcing in excess of the estimated \$1.2M provision.

Additional information - Adjustments Future Restoration

Usual practice when accounting for a make good provision requires an increase to a fixed asset and subsequent increase to a relevant liability provision. The large difference between adjustments for the future restoration provision and associated asset are due to this not incurring in prior periods. Investigations have found the main contributors:

- In FY2023 a journal was completed transferring value from a capping provision to the future restoration provision of \$1.489M without impacting the relevant future restoration fixed asset. Also no adjustment was made for NPV calculations on the increase in the Provision.
- A revaluation of the future restoration asset was completed in FY2020 for \$512k with no corresponding adjustment to the future restoration provision, putting the two further apart in value.

Future Restoration Provision adjustments are to be offset against accumulated surplus and not the asset revaluation reserve (ARR). The adjustment requires a credit entry to the ARR, which would increase it's value by \$2.4M (for noting current balance is \$2.9M). The ARR should not be increased in value due to an error in prior year accounting practices. The future restoration provision should have minimal impact on changes to the ARR due to its nature requiring a corresponding fixed asset entry. Investigations into the makeup of the Caroline ARR current balance of \$2.9M shows:

- Majority of the balance is due to c\$2M for cells 1 & 2 being revalued in FY2012. There was no corresponding Provision for this and so the assets were brought in as part of a revaluation.
- \$713k in FY2007 that due to the length of time passed, information regarding its makeup is not readily available.

Historical and budget Information



NPV interest expense	FY21/22	FY22/23	FY23/24 Actual	FY24/25 per model
Actual/Estimate	222,073	-	83,509	(4A cap) 159,368 (restore) 10,938 Total 170,306
Budget	50,000	50,000	50,000	75,000
Variance to budget	172,073	(50,000)	33,509	95,306

Depreciation expense	FY21/22	FY22/23	FY23/24 Actual	FY24/25 per model
Actual/Estimate	c840,000	1,753,887	(3C) - (3C cap) 343,609 (restore) 1,463 Total 345,072	(4A) 617,566 (cap) 453,720 (restore) 1,463 Total 1,072,749
Budget	c770,000	1,358,074	(orig) 790,126 (BR3) 488,444	1,000,000
Variance to budget	c70,000	395,813	(143,372)	72,749

Total increase required to 2024/2025 budget \$168,055 for NPV unwinding and depreciation.

The Depreciation for FY24/25 is subject to change pending EPA requirement to shift overfilled waste from Cell 3C to Cell 4A. If this is required, an extra 7 months depreciation will be added to Cell 4A. This is essentially the Depreciation that has not been recorded in FY23/24 due to no additional costs required to increase the cell size to entomb waste over its capacity and it already being depreciated. Therefore the depreciation would have been spread over a greater volumetric capacity but at the same cost value.

LEGAL IMPLICATIONS

Corporations Act 2001 – Sect 305: As reiterated in Accounting Standard AASB101 overall considerations Aus 13.1 The Corporations Act requires an entity’s financial report to comply with Australian Accounting Standards and, if necessary to give a true and fair view, further information to be disclosed in the notes.

STRATEGIC PLAN

The Long Term Financial Plan (LTFP) has been updated to reflect changes that were known at the time of its preparation. Further updates are required to align the forecast capital expenditure and relative depreciation not already included. These items are included in red in the table below.

Capital (new only) \$'000	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Site											
Windbreaks & Fencing	121			76							
Leachate treatment facility	526			250							



Washbay, slab, fuel storage	67		50			50				
Plant & Equipment										
GEO tracking	94					94				94
Traxcavator/tana increase				470				470		
Weighbridge				3,000						
Dump Truck					750				750	
Capital Operational change										
Tarping system	158									158
Shredder & Trommel								1,000		1,000
Total NEW capital	1,466		50	3,796	750	144		470	1,750	1,252
TOTAL incl LTFP	1,466			470	750			470	1,750	1,000

COUNCIL POLICY

N/A

ECONOMIC IMPLICATIONS

N/A

ENVIRONMENTAL IMPLICATIONS

N/A

SOCIAL IMPLICATIONS

N/A

CULTURAL IMPLICATIONS

N/A

RESOURCE IMPLICATIONS

Consulting engagements totalled \$24,300 excl gst. Considerable internal staff time has been allocated by the Manager Waste Services and Acting Manager Financial Services to advance this project in a timely manner. Ongoing consulting will be required for annual rollover and to maintain pertinence of the financial model, estimate \$2-5k per year.

VALUE FOR MONEY

N/A

RISK IMPLICATIONS

Risk Category (Financial only)	Risk	Consequence	Mitigation
Accounting Standards	- Financial Statements do not accurately reflect financial position.	- Users cannot rely on information for decision making or comparison.	- Use industry experts to model NPV of provisions.



	<ul style="list-style-type: none"> - Lack of internal experience in post closure operations reasonable estimations. - Internal charges include costs that cannot be directly attributed to capital projects. - Adjustments required to balance Provisions are material. - Adjustments required are unable to be unwound or attributed to prior years due to incorrect accounting assumptions and processes. 	<ul style="list-style-type: none"> - Future Restoration Provision does not reasonably reflect estimated costs today or forecast. - CoMG issued a qualified audit by independent external auditors. - The external charge includes a Risk Margin % and recovery of FCA. These items cannot be capitalised. This would result in overstating asset values. 	<ul style="list-style-type: none"> - Seek external verification from industry experts over model and associated assumptions. - Apply a reduced rate to CoMG internal charge to remove Risk margin and FCA allocation. - Record relevant Notes to the Financial Statements.
Financial Sustainability	<ul style="list-style-type: none"> - The gate fee is set too low or too high. - The financial model does not remain pertinent or is used incorrectly. - Internal charges are not being allocated to capital projects for waste directly associated with getting an asset ready for use. - Operations are not running efficiently and planning is not up to date. - Return on investment to construct and cap cells is not maximizing airspace consumption whilst minimising other operating costs. - After 3-5 years the models accuracy decreases. - Required capital and site improvements are too low. 	<ul style="list-style-type: none"> - Gate fee too low would result in costs not being covered and increase pressure on general rates to cover the shortfall. - Gate fee too high due to inefficient operations and up to date planning could result in loss of customers to competitors. - Result in poor decision making. - Net operating position understated due to internal charges not being capitalised. - Operating/surplus ratio inaccurate and understated. - By reducing CoMG internal charge, this will increase fee for external customers. - Increased depreciation due to inefficient capital layout. 	<ul style="list-style-type: none"> - Benchmarking - Alternate disposal cost estimates (for comparison to CoMG and customers). Insource versus outsourcing. - Continuously review, monitor and update model at least annually. - Engage suitably experienced engineers to provide scenario analysis and recommendation for more efficient ways of operating the site including forecast capital constructions, leachate management and strategies to maximise airspace consumption. - Implement process to capture and assign capital projects to weighbridge data. - Smooth gate fee over a period of time (10 years) to steady impact on external customers while consultants engaged.

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A

ENGAGEMENT AND COMMUNICATION STRATEGY

Detailed workshop held with Audit and Risk Committee members 14 August 2024.

IMPLEMENTATION STRATEGY

- Financial Statements updated to reflect tabled entries in report above.
- Next iteration of LTFP to include additional capital items and realign forecast construction, capping and relative cash outflows for cells, depreciation.



- IAMP and financial modelling to updates succinctly

CONCLUSION AND RECOMMENDATION

Administration have made considerable progress toward improving its accounting treatment for the Caroline Landfill Future Restoration Provision. The purpose of this report is to formally table this progress with the Audit and Risk Committee including financial implications. This progress results in an estimated financial impact of \$168,055 in required budgeted expenditure for NPV unwinding and depreciation for FY2025. It also results in a significant decrease to the Future Restoration Provision reducing the balance from \$2,544,792 to \$168,273 for the year ended 30 June 2024.

ATTACHMENTS

1. Tonkin Engineering - Caroline Landfill - Future Rehabilitation Post Closure Assumptions Verification



Caroline Landfill

FUTURE REHABILITATION – POST CLOSURE ASSUMPTIONS VERIFICATION

City of Mount Gambier

5 August 2024
Ref: 230143R005B



Building exceptional
outcomes together





Document History and Status

Rev	Description	Author	Reviewed	Approved	Date
A	For Client Comment	MI	KB/SH	KB	31/07/2024
B	Final Issue	KB	-	KB	5/08/2024

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230143R005B Caroline Landfill | FUTURE REHABILITATION – POST CLOSURE ASSUMPTIONS VERIFICATION

2





Contents

Project: Caroline Landfill | FUTURE REHABILITATION – POST CLOSURE ASSUMPTIONS VERIFICATION
Client: City of Mount Gambier
Ref: 230143R005B

- 1 Introduction 4**
- 1.1 Background 4
- 1.2 Statutory Reporting Requirements..... 4
- 1.3 Objectives of the Assurance..... 4
- 2 Methodology: 5**
- 2.1 Data Collection: 5
- 2.2 Key Assumptions..... 5
- 2.3 Limitations of the Analysis..... 5
- 2.4 Estimates and Frequency of Costs for Provision: 6
- 3 Future Restoration/Post Closure Provision Analysis..... 9**
- 3.1 Reasonableness and Tonkin comments 9
- 3.2 Tonkin Estimated Costs and Assumptions Validation 16
- 4 Conclusions and Recommendations 27**

Tables

- Table 1: Estimates and Frequency of Cost for Provision provided by Council..... 6
- Table 2: Reasonableness of the Estimated Post Closure Costs..... 10
- Table 3 Tonkin Estimated Costs and Assumptions Validation 16





1 Introduction

The City of Mount Gambier (Council) has initiated a comprehensive review and verification process for the future restoration of the Caroline Landfill, a facility established approximately 30 years ago. As part of this effort, Council engaged Tonkin to provide professional assurance of the assumptions and dollar values provided for the landfill's post-closure restoration provisions. This report aims to provide a detailed analysis of the financial and operational assumptions underpinning the future restoration plan, ensuring compliance with statutory reporting requirements and relevant legislative obligations.

1.1 Background

The Caroline Landfill has been operating in alignment with its initial planning and external recommendations, adapting over the years to changes in both internal and external influences. Recognizing the dynamic nature of landfill operations, Council is actively working towards a robust financial understanding of the site as it stands today, with the flexibility to remodel as capital and operational requirements evolve. This proactive approach includes whole-of-life financial modelling to determine appropriate charges for users and ensure accurate financial positioning for reliable statutory reporting.

1.2 Statutory Reporting Requirements

Under Australian Accounting Standards (AASB) 137, Council is mandated to recognise a provision for future rehabilitation on its balance sheet. This legal obligation arises from past events, such as the construction of landfill cells used for waste disposal, necessitating subsequent capping and ongoing post-closure monitoring and maintenance. The financial model developed by Council, with inputs from past planning documentation, internal engineer estimations, and operational management knowledge, aims to provide a reliable estimate of the restoration provision, fulfilling both legal and constructive obligations.

1.3 Objectives of the Assurance

The primary objectives of this assurance are to:

1. Evaluate the reasonableness of the future restoration provision values provided by Council.
2. Determine a range of accuracy for materiality purposes.
3. Position the provision on a risk scale from low to high accuracy, considering various scenarios.
4. Clearly explain any limitations encountered in providing this assurance.
5. Ensure all relevant legislative obligations are met.



2 Methodology:

2.1 Data Collection:

Tonkin has been engaged by Council under the Caroline Landfill and Orchard Road Landfill Professional Services Agreement for the Provision of Engineering Services, dated 12 May 2023. Since then, Tonkin has completed and is currently undertaking several projects at Caroline Landfill, including environmental monitoring and reporting, Cell 4 Construction Quality Assurance (CQA), LEMP Revision, Cell 3C Options Assessment, and Cell 4A Leachate Production and Volumetric Capacity Analysis. Tonkin possesses extensive knowledge and experience of the site.

Upon being engaged by Council for this project, Tonkin reviewed the available information and, through the Request for Information (RFI) Ref: 230143.12, dated 27 June 2024, requested Council to confirm the validity of various documents in their possession and to provide additional documents as follows:

- Confirm that the current Landfill EPA Licence is Licence No. 2504, issued on 1 May 2021 and expires on 30 April 2026, last amendment dated 20 January 2023.
- Provide the current landfill DA Consent
- Confirm that the current DRAFT Landfill Environmental Management Plan (LEMP) (dated October 2023) including environmental monitoring and reporting requirements, number of Ground Water Monitoring points, surface water monitoring points, air quality monitoring requirements, landfill gas monitoring requirements and leachate monitoring requirements, is the most current version.
- Provide the current Landfill Master Plan including information about landfill area, number of expected cells, leachate management system and number of expected leachate sumps, planned landfill gas management system and landfill storm water management system

Council provided the requested documents and information. Additionally, a meeting was held on 18 July with Council staff to discuss the background information and obtain clarifications about the provision assumptions.

2.2 Key Assumptions

The financial model is built on several critical assumptions:

1. The remaining life of the site is estimated at 84 years, with closure anticipated in the financial year 2107.
2. A 25-year post-closure period, in line with current EPA obligations, extending to the financial year 2132.
3. The value of the post-closure provision is projected to increase from \$128,014 in 2024 to \$22.38 million by 2107.
4. Airspace volume and compaction rates, which influence the rate of space consumption and site life.
5. Waste tonnage trends, particularly the impact of external contractor waste and internal waste diversion strategies.

This report does not address those key assumptions, however it provides a comprehensive analysis of financial projections related to the Caroline Landfill's future restoration, by verifying the reasonableness and accuracy of the provisions provided by the Council in the Brief Scope.

2.3 Limitations of the Analysis

The analysis and projections provided in this report are based on the current understanding of the site conditions, available data, and assumptions as outlined in the report. However, several limitations must be acknowledged:





- 1- **Cost of Landfill Gas (LFG) Collection and Treatment System:** All costs associated with the operation, maintenance, and decommissioning of the LFG system are excluded from this analysis. These responsibilities fall under the purview of the LFG system operator as stipulated in their contract with the City of Mount Gambier.
- 2- **The data provided by Council:** The accuracy of the projections is contingent upon the completeness and reliability of the data provided by Council and other sources. Any gaps or inaccuracies in the data could affect the validity of the conclusions.
- 3- **Assumption Validity:** The financial and operational assumptions used in the model are based on current best practices and expert judgment. Changes in regulatory requirements, technological advancements, or unforeseen environmental conditions could impact these assumptions.
- 4- **Environmental Variability:** The site is subject to natural variability, including weather conditions and potential climate change impacts. These factors can influence the performance and degradation rates of the landfill components, potentially affecting the cost estimates.
- 5- **Technological Changes:** Advancements in waste management and environmental monitoring technologies could lead to changes in operational practices and cost structures that are not accounted for in the current model.
- 6- **Regulatory Changes:** Future changes in environmental regulations and standards could necessitate additional measures or adjustments to the post-closure plan, impacting cost estimates.
- 7- **Economic Factors:** Inflation, changes in material and labour costs, and other economic factors can affect the projected costs over the long-term horizon considered in this analysis.

2.4 Estimates and Frequency of Costs for Provision:

Based on the above key assumptions, post-closure costs have been estimated based on today's dollars and their expected frequency during the post-closure period, as reflected in the financial model. This approach ensures a reasonable value for the future restoration provision. The key areas considered for post-closure costs include:

- Monitoring & maintenance of final cap
- Leachate management systems
- Landfill gas management systems
- Decommissioning
- Post closure plan updates.

Table 1 (provided by Council) provides estimates and frequency of costs for provision

Table 1: Estimates and Frequency of Cost for Provision provided by Council

Future Restoration (post closure) Provision	\$	frequency	basis	Assumption detail
Monitoring & Maintenance of Final Cap				
Survey	2,500	every 5 Years	current costs	
Site maintenance (weed control etc.)	5,000	every 1 Years	current costs	





Future Restoration (post closure) Provision	\$		frequency	basis	Assumption detail
Cap repairs	45,000	every	10 Years	estimate	3 weeks hire earth moving equipment + materials at \$15k per week
Leachate management system					
Off-site disposal	100,000	in	Year 1	current costs and in consideration of high rainfall	Allows for 6meg carted to SA Water. Assumes all ponds are full and emptying all ponds as at closure date.
Pump replacement	585,000	in	Year 1	Estimate based on current cost	Assumes 9 pumps installed once all cells completed at \$65k per pump. Minor allowance for pipe work maintenance in conjunction with replacements. Useful life 25 year average – may seem high in comparison to 10 years that would be used if cells were actively producing leachate. Assume only need to replace pumps upon failure. Built in to provision at worse case being 1 st year. For reference oldest of current pumps has been in place approx. 15 years and no signs of failure yet.
Pond liner / leachate storage	100,000	in	Year 5	estimate	Testing and maintenance on x3 ponds. Average 25 year lifespan. Assumes that replacement would have occurred prior to closure.
Landfill gas management system					
Landfill gas monitoring	26,000	every	1 Years	current costs	Based on 1 report and 2 testing events per year
Groundwater monitoring	26,000	every	1 Years	current costs	Based on 1 report and 2 testing events per year
Management costs	20,000	every	1 Years	estimate	12.5% manager's time. (full remuneration of \$160k incl super etc)
Decommissioning					
Leachate system	25,000	in	Year 1	estimate	Assessment to remove or recommend alternate options for leachate system compliance post closure.





Future Restoration (post closure) Provision	\$		frequency	basis	Assumption detail
Leachate ponds	50,000	in	Year 1	estimate	assessment to remove the physical asset or other recommendations in line with estimated EPA requirements for pond remediation post closure.
Restoration plan updates					
Updating Restoration plans	21,000	every	5 Years	estimate	Assumes consultant financial modelling \$10k and technical engineering consulting of \$11k.
Statement of completion	100,000	in final year		estimate	Consulting for final report \$50k. Testing, Survey and monitoring by technical experts \$50k.
Total Restoration plan updates					
Total for Restoration Management	<i>Annual Average</i>		123,700		





3 Future Restoration/Post Closure Provision Analysis

3.1 Reasonableness and Tonkin comments

The verification process for the future restoration and post-closure provisions of the Caroline Landfill is a critical component in ensuring the financial and environmental sustainability of the site following its closure. Tonkin has undertaken a thorough examination and validation of the assumptions and financial estimates that underpin the post-closure restoration plan. Table 2 provide Tonkin's opinion of the reasonableness and accuracy of the projected costs (provided above) associated with long-term site monitoring, maintenance, and decommissioning activities as well as commentary on the basis of cost and assumptions details.





Table 2: Reasonableness of the Estimated Post Closure Costs

Future Restoration (post closure) Provision	\$	frequency	basis	Assumption detail	Reasonableness (Y/N)	Tonkin Comments
Monitoring & Maintenance of Final Cap						
Survey	2,500	every	5 Years	current costs	N	The current estimated cost accounts only for the survey of the currently active area. However, it should consider the survey of the entire site. An amended estimated cost, reflecting the survey of the whole site, is provided in Table 3.
Site maintenance (weed control etc.)	5,000	every	1 Years	current costs	Y	Note: The cost for monitoring and maintenance of the final area to be capped should be included in the capping cost for that area.
Cap repairs	45,000	every	10 Years	estimate	N	The first three years will necessitate increased cap repair work due to the anticipated settlement of the most recently capped area. Subsequently, repair sessions may be required every three years, depending on weather conditions and rainfall events.





Future Restoration (post closure) Provision	\$	frequency	basis	Assumption detail	Reasonableness (Y/N)	Tonkin Comments
Leachate management system						
Off-site disposal	100,000	in	Year 1	current costs and in consideration of high rainfall	Allows for 6meg carted to SA Water. Assumes all ponds are full and emptying all ponds as at closure date.	Y No more comment





Future Restoration (post closure) Provision	\$	frequency	basis	Assumption detail	Reasonableness (Y/N)	Tonkin Comments	
Pump replacement	585,000	in	Year 1	Estimate based on current cost	Assumes 9 pumps installed once all cells completed at \$65k per pump. Minor allowance for pipe work maintenance in conjunction with replacements. Useful life 25 year average – may seem high in comparison to 10 years that would be used if cells were actively producing leachate. Assume only need to replace pumps upon failure. Built in to provision at worst case being 1 st year. For reference oldest of current pumps has been in place approx. 15 years and no signs of failure yet.	N	The assumption to replace all pumps in the first year post-closure is overestimated. A more realistic approach would be to replace a third of the pumps every five years. The estimated cost of \$65,000 per pump is also overstated. The actual cost of pump replacement ranges between \$7,000 and \$10,000, depending on the make, model, and capacity. This cost includes all necessary accessories and some piping.





Future Restoration (post closure) Provision	\$		frequency	basis	Assumption detail	Reasonableness (Y/N)	Tonkin Comments
Pond liner / leachate storage	100,000	in	Year 5	estimate	Testing and maintenance on x3 ponds. Average 25 year lifespan. Assumes that replacement would have occurred prior to closure.	Y	No more comments from Tonkin
Landfill gas management system							
Landfill gas monitoring	26,000	every	1 Years	current costs	Based on 1 report and 2 testing events per year	N	The estimated cost is for the current landfill area, at post-closure cost shall consider the entire landfill area
Groundwater and leachate monitoring	26,000	every	1 Years	current costs	Based on 1 report and 2 testing events per year	N	the estimated cost includes the cost of sampling and analysis of leachate from the current active leachate risers, the post-closure cost shall include the sampling and analysing of leachate from all the existing and future cells
Management costs	20,000	every	1 Years	estimate	12.5% manager's time. (full remuneration of \$160k incl super etc)	Y	Subject to the continuation of the remote monitoring and control of the leachate pumping system





Future Restoration (post closure) Provision	\$	frequency	basis	Assumption detail	Reasonableness (Y/N)	Tonkin Comments
Decommissioning						
Leachate system	25,000	in	Year 1	estimate	Assessment to remove or recommend alternate options for leachate system compliance post closure.	Y No further comments
Leachate ponds	50,000	in	Year 1	estimate	assessment to remove the physical asset or other recommendations in line with estimated EPA requirements for pond remediation post closure.	Y No further comments
Restoration plan updates						
Updating Restoration plans	21,000	every	5 Years	estimate	Assumes consultant financial modelling \$10k and technical engineering consulting of \$11k.	N the technical engineering consulting will include an update to the Environmental Risk Assessment and review of the Environmental Monitoring results which costs more than the estimated amount (11K).





Future Restoration (post closure) Provision	\$	frequency	basis	Assumption detail	Reasonableness (Y/N)	Tonkin Comments
Statement of completion	100,000	in final year		estimate Consulting for final report \$50k. Testing, Survey and monitoring by technical experts \$50k.	Y	No further comment
Total Restoration plan updates						
Total for Restoration Management	<i>Annual Average</i>	123,700				





3.2 Tonkin Estimated Costs and Assumptions Validation

After thoroughly examining the assumptions provided by Council and reviewing the background information, coupled with detailed discussions with Council representatives, Tonkin has prepared the following estimates and assumptions Table 3. This section includes a comprehensive analysis of the estimated costs, risk levels, and validation comments to ensure the robustness and reliability of the future restoration and post-closure provisions.

Table 3 Tonkin Estimated Costs and Assumptions Validation

Future Restoration (post closure) Provision	\$ by Tonkin	Frequency	Tonkin Assumptions	Accuracy Risk Level	Max.	Min.	Tonkin Validation / justification/ comments
Monitoring & Maintenance of Final Cap							
Survey	20,000	every 5 Years	Assume the current cost of \$2.5K is for an area of 6 ha (measured from drawing 25701-01 by Cameron Lock Surveying) and the total landfill area to be surveyed post closure is ~53 ha (measured from drawing number 42657539 dated at Sep 2015 by URS, figure 9)	low	20,000	20,000	The cost estimation for the topographic survey is considered low risk due to the well-defined scope of work and the use of established methodologies. This ensures that the projected costs are accurate and reliable, minimizing the likelihood of significant variances.





Future Restoration (post closure) Provision	\$ by Tonkin	Frequency		Tonkin Assumptions	Accuracy Risk Level	Max.	Min.	Tonkin Validation / justification/ comments
Site maintenance (weed control, parameter fence, gates, etc.)	5,000	every	1 Years	Reasonable cost for vegetation maintenance and weed control	medium	15,000	2,000	The site maintenance cost is assessed as medium risk due to its susceptibility to weather-related damages. In the event of major rainstorms causing extensive damage, the maintenance costs could escalate significantly. Conversely, in a minimal scenario where only weed control is necessary, the costs would remain comparatively low. This variability highlights the potential for cost fluctuations based on weather conditions.





Future Restoration (post closure) Provision	\$ by Tonkin	Frequency	Tonkin Assumptions	Accuracy Risk Level	Max.	Min.	Tonkin Validation / justification/ comments	
Cap repairs	36,000	in	3 Years	Assume the last area to be capped is 2 cells of an area of 12 ha and assume 20% will be repaired during the first 3 years at an average cost of \$1.50/m ²	High	90,000	0	The cap repair costs of the recently capped area are assessed as high risk due to several influencing factors. The stability of the cap is affected by differential settlement of the waste body, which depends on various elements such as waste composition, compaction, and moisture content. Additionally, significant rain events can cause erosion, with impacts ranging from negligible to severe. Consequently, the costs can vary widely, incurring the provided minimum and maximum estimates respectively.
	30,000	every	3 years	Assume 5% of the area of the capped landfill which is measured as 39 ha (measured from drawing number 42657539 dated Sep 2015 by URS) will require repair works every 3 years @ a cost of \$1.50/m ²	High	117,000	0	The cap repair costs are assessed as high risk due to the potential effects of significant rain events, which can cause erosion. The severity of the erosion can range from negligible to severe, leading to substantial variability in costs. As a result, the expenses for cap repairs can fluctuate widely, falling within the provided minimum and maximum estimates.





Future Restoration (post closure) Provision	\$ by Tonkin	Frequency	Tonkin Assumptions	Accuracy Risk Level	Max.	Min.	Tonkin Validation / justification/ comments	
Leachate management system								
Off-site disposal	100,000	in	Year 1	Allows for 6 Megalitres carted to SA Water. Assumes all ponds are full and emptying all ponds as at closure date. At a rate of 16,670 per Megalitre	low	100,000	0	The leachate off- site disposal cost is assessed as low risk. This is based on the assumption that the post-closure leachate generation rate is 1mm/m ² /year, as indicated by preliminary results from the HELP model by Tonkin (2024). Utilizing the evaporation rate and rainfall data from the Caroline Landfill LEMP (2023), it is determined that the three leachate ponds, with a combined surface area of 5000 m ² and a capacity of 6000 m ³ , will be sufficient to evaporate the leachate produced by the landfill post-closure. This includes the additional rainfall falling on the leachate ponds, ensuring that the generated leachate is adequately managed without incurring significant costs.





Future Restoration (post closure) Provision	\$ by Tonkin	Frequency		Tonkin Assumptions	Accuracy Risk Level	Max.	Min.	Tonkin Validation / justification/ comments
Pump replacement	10,000	Every	1 year	Assume the replacement of 1 pump every year at a rate of \$10,000 per pump including the cost of pipe replacement for the leachate and compressed air pipes	medium	20,000	0	The cost of leachate pumps replacement is considered medium risk due to several influencing factors. The quality of the leachate and temperature fluctuations, as well as variations in waste composition, can impact the durability and performance of the pumps. These variables introduce uncertainty and potential variability in the replacement frequency and associated costs, leading to a medium risk assessment for the leachate pump replacement cost.





Future Restoration (post closure) Provision	\$ by Tonkin	Frequency		Tonkin Assumptions	Accuracy Risk Level	Max.	Min.	Tonkin Validation / justification/ comments
Air compressor replacement	10,000	every	5 years	Assume the replacement of the air compressor every 5 years at a cost of \$12,000 each	low	15,000	5,000	The cost of air compressor replacement is considered low risk. This assessment is based on the predictable and stable operational conditions of the compressors, which are not significantly influenced by external variables. Furthermore, the established maintenance schedules and the relatively low likelihood of unforeseen failures contribute to the confidence in the cost estimations, ensuring minimal variability and uncertainty.





Future Restoration (post closure) Provision	\$ by Tonkin	Frequency		Tonkin Assumptions	Accuracy Risk Level	Max.	Min.	Tonkin Validation / justification/ comments
Leachate system operation and maintenance cost	5000	every	year	Including the cost of power, communications, simple pipes repair, SCADA system maintenance, pumps maintenance and compressor maintenance.	Medium	10,000	2,000	The cost of operating and maintaining the leachate system is considered medium risk, excluding the costs associated with pump and compressor replacements. This assessment is due to the potential variability in factors such as leachate volume and quality, which can fluctuate based on weather conditions and waste composition. Additionally, routine maintenance and unexpected repairs can introduce some uncertainty, contributing to the medium risk classification for the overall operational and maintenance costs of the leachate system.





Future Restoration (post closure) Provision	\$ by Tonkin	Frequency	Tonkin Assumptions	Accuracy Risk Level	Max.	Min.	Tonkin Validation / justification/ comments
Pond liner / leachate storage	100,000	in Year 5	Testing and maintenance on x3 ponds. Average 25 year lifespan. Assumes that replacement would have occurred prior to closure.	low	100,000	0	The cost for the leachate pond liner / leachate storage is considered low risk. This is due to the minimal likelihood of significant flood events at the site, which are the primary factor that could impact these costs. The stable and predictable site conditions further support this low-risk assessment, ensuring that the cost estimates for the leachate pond liner and storage remain reliable and unlikely to experience substantial fluctuations.
Stormwater Dams							
Repair and desilting of the stormwater dams	22,500	every 5 years	Assume 3 equipment for 5 days (10 hours/day) every 5 years for the desilting at a cost of \$150/hour including mobilisation and demobilisation	Medium	50,000	0	the cost of the repair and desilting of the stormwater dams is considered medium risk as it's affected significantly by the weather condition





Future Restoration (post closure) Provision	\$ by Tonkin	Frequency	Tonkin Assumptions	Accuracy Risk Level	Max.	Min.	Tonkin Validation / justification/ comments	
Landfill gas management system								
Landfill gas monitoring	52,000	every	1 Years	Based on 1 report and 2 testing events per year for the entire landfill area	low	52,000	52,000	The cost estimation for the landfill gas monitoring is considered low risk due to the well-defined scope of work and the use of established methodologies. This ensures that the projected costs are accurate and reliable, minimizing the likelihood of significant variances.
Groundwater and leachate monitoring	39,000	every	1 Years	Based on 1 report and 2 testing events per year assume the sampling of all the Groundwater boreholes as well as the 9 leachate risers at \$39,000/year	low	39,000	39,000	The cost estimation for the groundwater and leachate monitoring is considered low risk due to the well-defined scope of work and the use of established methodologies. This ensures that the projected costs are accurate and reliable, minimizing the likelihood of significant variances.
Management costs	20,000	every	1 Years	Assuming 12.5% manager's time. (full remuneration of \$160k incl super etc)	low	20,000	20,000	the cost is unlikely to vary assuming the continuation of the remote monitoring and control system of the leachate pumps operation





Future Restoration (post closure) Provision	\$ by Tonkin	Frequency		Tonkin Assumptions	Accuracy Risk Level	Max.	Min.	Tonkin Validation / justification/ comments
Decommissioning								
Leachate system	25,000	in	Year 1	Assessment to remove or recommend alternate options for leachate system compliance post closure.	low	25,000	25,000	The cost of the assessment to remove or alternate the leachate collection system is not affected by any foreseen variables
Leachate ponds	50,000	in	Year 1	assessment to remove the physical asset or other recommendations in line with estimated EPA requirements for pond remediation post closure.	low	50,000	50,000	The cost of the assessment to remove or alternate the leachate ponds system is not affected by any foreseen variables
Removal of leachate system and ponds	100,000	In	Year 25	Assume the leachate quality improved and the pumping system can be disconnected and removed	low	100,000	0	The cost is not affected by any unforeseen variables, however it might be avoided if the EPA decided to keep the systems in place
Removal of Stormwater dams	10,000	In	Year 25	Assume the EPA decided to remove the dams	low	100,000	0	The cost is not affected by any unforeseen variables, however it might be avoided if the EPA decided to keep the dams in place
Restoration plan updates								
Updating Restoration plans	35,000	every	5 Years	Assumes consultant financial modelling \$10k and technical engineering consulting of \$25.	low	35,000	35,000	The cost of updating the restoration plan is not affected by any foreseen variables





Future Restoration (post closure) Provision	\$ by Tonkin	Frequency	Tonkin Assumptions	Accuracy Risk Level	Max.	Min.	Tonkin Validation / justification/ comments
Statement of completion	100,000	in final year	Consulting for final report \$50k. Testing, Survey and monitoring by technical experts \$50k.	low	100,000	100,000	The cost of updating the statement of completion is not affected by any foreseen variables





4 Conclusions and Recommendations

The verification of the post-closure provisions for the Caroline Landfill has been conducted with a thorough examination of the provided assumptions, background information, and detailed discussions with Council representatives. Based on the analysis, the following conclusions and recommendations are made:

- 1- **Overall Reasonableness:** The overall estimated post-closure costs and provisions are deemed reasonable based on the current data and assumptions. However, certain areas, such as cap repairs and pump replacement costs, exhibit higher risk and variability, as described in Table 3.
- 2- **Cost Adjustments:** Specific cost elements, particularly the replacement of leachate pumps, should be revised to reflect more realistic estimates based on industry standards and historical data. It is recommended to adopt a phased replacement approach to better manage costs.
- 3- **Risk Management:** High-risk areas, such as cap repairs, should be closely monitored, and contingency plans should be developed to address potential cost escalations due to environmental factors.
- 4- **Regular Update of the Financial Model :** The regular reviews of the assumptions and financial projections are essential to ensure the robustness of the post-closure plan. This includes updating the financial model to reflect any changes in site conditions, regulatory requirements, or technological advancements.
- 5- **Regulatory Compliance:** Ensure ongoing compliance with all relevant legislative obligations and environmental standards. Regular consultations with regulatory bodies can help anticipate and prepare for potential changes in requirements.
- 6- **Stakeholder Engagement:** Maintain open communication with all stakeholders, including the local community, regulatory authorities, and waste management professionals, to ensure transparency and build trust in the post-closure management plan.

By addressing these recommendations, Council can enhance the reliability and sustainability of the Caroline Landfill's future restoration and post-closure provisions, supporting both financial prudence and environmental stewardship.



**MINUTES OF CITY OF MOUNT GAMBIER
CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE MEETING
HELD AT THE MAYOR'S OFFICE, CIVIC CENTRE, 10 WATSON TERRACE, MOUNT GAMBIER
ON MONDAY, 22 JULY 2024 AT 12.30 P.M.**

PRESENT: Mayor Lynette Martin (OAM), Cr Max Bruins, Cr Frank Morello, Cr Sonya Meziniec, Cr Josh Lynagh

IN ATTENDANCE: Rebecca Hunt, McArthur (virtual)

OFFICERS IN ATTENDANCE: General Manager Corporate and Regulatory Services - Mrs J Fetherstonhaugh
Executive Administrator - Mrs A Pasquazzi

1 ACKNOWLEDGEMENT OF COUNTRY

WE ACKNOWLEDGE THE BOANDIK PEOPLES AS THE TRADITIONAL CUSTODIANS OF THE LAND WHERE WE MEET TODAY. WE RESPECT THEIR SPIRITUAL RELATIONSHIP WITH THE LAND AND RECOGNISE THE DEEP FEELINGS OF ATTACHMENT OUR FIRST NATIONS PEOPLES HAVE WITH THE LAND.

2 APOLOGY(IES)

Nil

3 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Cr Frank Morello
Seconded: Cr Sonya Meziniec

That the minutes of the Chief Executive Officer Performance Review Committee meeting held on 18 June 2024 be confirmed as an accurate record of the proceedings of the meeting.

CARRIED

4 QUESTIONS WITHOUT NOTICE

Nil

5 CONFIDENTIAL ITEMS

5.1 INDEPENDENT REVIEW OF CHIEF EXECUTIVE OFFICER AND REMUNERATION REVIEW 2024 – REPORT NO. AR24/50717

COMMITTEE RESOLUTION

Moved: Cr Josh Lynagh
Seconded: Cr Max Bruins

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the *Local Government Act 1999* the Chief Executive Officer Performance Review Committee orders that all members of the public, except the Mayor, Councillors and Council Officers, J Fetherstonhaugh and A Pasquazzi and Consultant, R Hunt be excluded from attendance at the meeting for the receipt and consideration in confidence of Agenda Item 5.1 AR24/50717 Independent Review of Chief Executive Officer and Remuneration Review 2024.

The Chief Executive Officer Performance Review Committee is satisfied that, pursuant to section 90(3) (a) and (g) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

- information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)
- information concerning matters that must be considered in confidence in order to ensure that the Council does not:
 - breach any law, order or direction of a court or tribunal constituted by law,
 - breach any duty of confidence, or
 - breach any other legal obligation or duty

The Chief Executive Officer Performance Review Committee is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the subject matter includes information concerning the personal employment affairs of the Chief Executive Officer, Sarah Philpott for which a duty of confidence has been established.

CARRIED

COMMITTEE RESOLUTION

Moved: Cr Max Bruins

Seconded: Cr Sonya Mezinec

CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 5.1 AR24/50717 Independent Review of Chief Executive Officer and Remuneration Review 2024 and its attachments, resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (a) and (g) be kept confidential and not available for public inspection until 2 years after the initial appointment term and any renewal term of the Chief Executive Officer, Sarah Philpott has lapsed, to be reviewed at least once in every 12 month period, with the exception of the relevant salary register details which are to be updated within 28 days of any change in remuneration.
2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.

CARRIED

6 MEETING CLOSE

The Meeting closed at 12:47 pm.

The minutes of this meeting were confirmed at the Chief Executive Officer Performance Review Committee held on .

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PRESIDING MEMBER