Notice of Meeting

Notice is hereby given to Chairman Patrick Clark and Councillors that the next meeting of Council will be held in the Elliston Council Chamber, 21 Beach Terrace on Tuesday 15th January 2013 commencing at 10:30am

Indicative Times:

10.30am Opening of Council Meeting & Commencement of Agenda
10.35am Public Open Forum
12.30pm Lunch
1.30pm Re-commence Agenda
# AGENDA

for the Elliston Council Meeting to be held on 15th January, 2013 at 10.30am in the Council Chambers at Elliston.

1. Present  
2. Apologies  
3. In Attendance  
4. Conflict of Interest  
5. Public Open Forum  
6. Confirmation of Minutes  
   6.1 – Minutes of Meeting held 18th December 2012  
7. Business Arising from Minutes  
8. Notice of Motion  
9. Elected Members – Questions With Notice  
10. Petitions  
11. Representations / Deputations  
12. Chief Executive Officer – Reports  
   12.1 – General Monthly Report  
   12.1.1 – Meetings  
   12.1.2 – Eyre Peninsula NRM Board – Annual Business Plan  
   12.1.3 – Water Industry Retail Licence  
   12.1.4 – WildEyre Biodiversity Project – Council Representation  
   12.1.5 – Acting Chief Executive Officer  
   12.1.6 – House B, 24 Beach Terrace Elliston  
   12.1.7 – D. Habner – Rating  
   12.1.8 – Justices of the Peace Listing  
   12.1.9 – Rural Property Addresses  
   12.1.10 – Lock & Districts Heritage Museum  
   12.1.11 – Recycling and Promotion  
   12.2 – Staff – Enterprise Bargaining Agreement  
   12.3 – Elliston Playground  
   12.3.1 – Elliston Playground Committee Minutes 22.06.2012  
   12.4 – Lease Agreement – Ex CFS Shed at Council Depot Elliston  
13. Manager of Corporate & Community Services - Reports  
   13.1 - General Monthly Report  
13.2 - Section 41 Committee Reports  
   13.2.1 – Audit Committee  
   13.2.2 – Coastal Facilities Committee  
   13.2.3 – CDAP Committee  
   13.2.4 – Venus Bay Toilet Committee  
   13.2.5 – Playground Committee  
14. Infrastructure & Environmental Services - Report  
15. Chairpersons Report  
16. Correspondence  
   16.1 – Email from Anne Scammell – Congratulations  
   16.2 – DPTI – Changes to DAP Processes in SA  
   16.3 – DECD – Bushfire Vegetation Management on Council Land  
   16.4 – Andrea Fuller – Eyre Contract Diving Pty Ltd  
   16.5 – RAA – Risky Roads Campaign  
   16.6 – Letter to D. Habner re: Rates Issues  
17. Elected Members – Motions Without Notice  
18. Elected Members – Questions Without Notice  
19. Elected Members – Matters of Special Interest  
20. Confidential Items
Report & Agenda

For the Council Meeting to be held on 15th January, 2013 in the Council Chambers
commencing at 10.30am

1. Present

2. Apologies

3. In attendance

(Number) people in the public Gallery.

4. Conflict of Interest

Elected Members are reminded of the requirements for disclosure by Members of direct or
indirect pecuniary benefits in items listed for consideration on the Agenda. Section 74 of the
Local Government Act 1999 requires that Elected Members declare any interest and provide full
and accurate details of the relevant interest to the Council prior to consideration of that item on
the Agenda.

Each Member of a Council has a duty to vote at all meetings unless excepted by legislation.

The major exception being where a Member has a conflict of interest.

5. Public Open Forum

6. Confirmation of Minutes

6.1 Minutes of the District Council of Elliston held on 18th December 2012

Recommendation:
That the Minutes of the District Council of Elliston Meeting held on Tuesday 18th
December 2012, as circulated, be confirmed as a true and accurate record.
6.1 Minutes of Council Meeting held 18th December 2012

WELCOME:
The Chairman presided over the meeting, declared the Ordinary Council Meeting open at 9.36am by welcoming Councillors, visitors and staff to the meeting.

1. PRESENT:
Chairman Patrick Clark, Cr Kym Callaghan, Cr Grant Rumbelow, Cr Peter Hitchcock, Cr Malcolm Hancock, Cr Creagh McGlasson, Cr Gary White, Stephen Kerrigan (Acting CEO), Nikki Meredith (Manager CCS) and Rhianna Caputo (Minute Clerk).

2. APOLOGIES:
Nil

3. IN ATTENDANCE:
1 member in the public gallery

4. CONFLICT OF INTEREST:
The Chairman reminded Councillors of the need to declare any potential Conflict of Interest with items on the Council Agenda.

5. PUBLIC OPEN FORUM:
Nil

6. CONFIRMATION OF MINUTES:

6.1 Minutes of the District Council of Elliston held on 20th November 2012

243.2012 That the Minutes of the District Council of Elliston Meeting held on Tuesday 20th November 2012, as circulated, be confirmed as a true and accurate record.

Cr Hitchcock / Cr White CARRIED

6.2 Minutes of the Special Council Meeting held on 30th November 2012

244.2012 That the minutes of the Special Council Meeting held on Friday 30th November 2012, as circulated, be confirmed as a true and accurate record.

Cr Callaghan / Cr Rumbelow CARRIED

7. BUSINESS ARISING FROM PREVIOUS MINUTES:

7.1 Cr Hancock – Fines & Interest
Discussion re: clarification on application of fines and interest as a result of amended discretionary rebates.
8. NOTICE OF MOTION:

8.1 Cr McGlasson

245.2012 That motion 221.2012 be amended by replacing Monday 7th January 2013 with Wednesday 2nd January 2013 so that the motion will read:

“That the Council office be closed from 5:00pm Friday 21st December 2012 until 9:30am Wednesday 2nd January 2013.”

Cr McGlasson / Cr Rumbelow
CARRIED

9. ELECTED MEMBERS – QUESTIONS WITH NOTICE:

Nil

10. PETITIONS

Nil

11. DEPUTATIONS

11.1 Toni Sheridan, Lock Public Library
Presentation to Council regarding changes to services in the Elliston area, including a promotional video regarding the One Card System.

Letter from Jacie Crettenden (Lock Community Library Chairperson) tabled by Toni Sheridan. (Attachment 1)

The Chairman invited questions from members, answers provided. The Chairman thanked Toni Sheridan and Jayne Taylor for their presentation.

11.2 Andrew Freeman, WildEyre
Powerpoint presentation provided to Council.

Cr Hitchcock queried action being taken in regards to feral cats in the area. Response given.

246.2012

1. That Council support the WildEyre Conservation Alliance: Implementing NatureLinks across Eyre Peninsula Project;

2. That Council appoint a representative to the WildEyre Conservation Alliance: Implementing NatureLinks across Eyre Peninsula – Project Advisory Committee;

3. That Council’s representative to the WildEyre Conservation Alliance: Implementing NatureLinks across Eyre Peninsula – Project Advisory Committee will be advised;

4. That Mr Andrew Freeman, Program Manager – Biodiversity, Natural Resources Eyre Peninsula, Department of Environment Water and Natural Resources be thanked for his informative presentation.

Cr Hitchcock / Cr Callaghan
CARRIED

Chairman adjourned the meeting for morning tea at 10.38am.
Meeting resumed at 11:00am, all Councillors present.
12. CHIEF EXECUTIVE OFFICER

12.1 General Monthly Report

12.1.1 Meetings

Noted

12.1.2 WildEyre Biodiversity Project

247.2012 That Council seek representative for the WildEyre Conservation Alliance; Implementing NatureLinks across Eyre Peninsula Project Advisory Committee from the Section 41 Coastal Trail Project committee or Council member or staff member, to be appointed at the January Council meeting.

Cr Hancock / Cr Hitchcock
CARRIED

12.1.3 SA Local Government Grants Commission Visit 2013


Cr Callaghan / Cr White
CARRIED

Acting CEO to contact SA Local Government Grants Commission regarding extending an invitation for hospitality during their visit.

12.1.4 Lock Swimming Pool – Loan

249.2012

1. That the loan agreement for $30,000 over a term up to 5 years to the Lock & District Swimming Centre Inc. includes an interest rate of 3% per annum.
2. That in relation to the loan agreement and guarantee and indemnity documents, that Council registers a security of interest over the assets of the Lock & District Swimming Centre Inc. and the Lock, Murdilda and Tooligie Progress Association Inc.
3. That the Chairman and Acting Chief Executive Officer be authorised to sign and affix the Council seal to the Loan Agreement between Council and the Lock & District Swimming Centre Inc. and to the Guarantee and Indemnity Agreement between Council and the Lock, Murdilda and Tooligie Progress Association Inc.

Cr Hancock / Cr McGlasson
CARRIED

12.1.5 Acting Chief Executive Officer

Stephen Kerrigan declared a conflict of interest as the matter pertains to his contract with Council.

250.2012

1. That Council note the extension of the service agreement dated 14 September between Council and Mr Stephen Kerrigan of Stephen Kerrigan Consulting Pty Ltd to Friday 1 March 2013.
2. That Mr Stephen Kerrigan of Stephen Kerrigan Consulting Pty Ltd be appointed as the Acting Chief Executive Officer from Monday 10 December to Friday 25 January 2013 and from Tuesday 12 February 2013 to Friday 1 March 2013.

Cr Callaghan / Cr White
CARRIED
12.1.6 Inspection of Food Premises

251.2012

1. That Councillors be provided copies of at least three other Council policies related to food inspections, with a view to consider adopting a policy for the district at the January or February meeting;
2. That Council apologises for the manner in which owners and occupiers of the seventeen food premises were advised regarding the food inspection charge, explain the costs of the service versus the charges made and seek the cooperation of the eight owners/occupiers to make payment of the outstanding fees before the end of January 2013.

Cr Callaghan / Cr Rumbelow
CARRIED

13 CORPORATE & COMMUNITY SERVICES REPORT

13.1 General Monthly Report

13.1.1 Roads to Recovery Update Report
Noted

13.1.2 Annual Financial Statements 2011-12

252.2012 That the Annual Financial Statements, including Audit opinion and Management Representation letter be received.

Cr Hitchcock / Cr Callaghan
CARRIED

13.1.3 Budget 2012-13

253.2012 That the Annual Budget report, including the audited financial figures for 2011-12, as presented be received.

Cr White / Cr Callaghan
CARRIED

254.2012 That the Corporate and Community Services Manager report as presented be received.

Cr Hitchcock / Cr White
CARRIED

13.2 Section 41 Committee Reports

13.2.1 Audit Committee Meeting – 17th December 2012
Deferred until later in the meeting

13.2.2 Coastal Facilities Committee Meeting
Nil

13.2.3 CDAP Committee Meeting – 13th December 2012
There were nil recommendations to Council arising from this meeting.

255.2012 That the minutes of the CDAP Committee Meeting be received.

Cr Hitchcock / Cr Rumbelow
CARRIED
13.2.4 Venus Bay Public Toilet Committee Meeting
Nil

13.2.5 Elliston Playground Committee Meeting
Nil

14. INFRASTRUCTURE & ENVIRONMENTAL SERVICES MANAGER:

14.1 General Monthly Report

14.1.3 Capital Works

256.2012 That Mr Ben Birdseye be invited to attend an Elliston Coastal Trail Committee meeting to be held in late January or early February 2013.

Cr Rumbelow / Cr Callaghan CARRIED

Cr McGlasson complimented the Manager IES on prompt action taken in regards to road repairs completed during harvest in the Lock area.

257.2012 That the Manager of Infrastructure & Environmental Services Report as printed in the agenda be received.

Cr McGlasson / Cr Rumbelow CARRIED

15. CHAIRPERSONS REPORT

15.1 Meetings

22 Nov Meeting with Wirangu people, Port Lincoln
7 Dec EPLGA Meeting, Whyalla
13 Dec Council Development Assessment Panel (CDAP) Meeting
17 Dec Audit Committee Meeting

The Chairman noted the good work completed by Tim Mills and Rhianna Caputo regarding lodgment of the Expression of Interest for Regional Development Australia (RDA) Round 4 Funding for the Elliston Coastal Trail Project.

16. CORRESPONDENCE

16.1 LGA – Call for Nominations for LGA President

16.2 Section 29 Amendment to the District Council of Elliston Development Plan

16.3 Letter from David Habner re: Rates – 1st September 2012

16.4 Letter from David Habner re: Rates – 5th December 2012

16.5 Letter from David Habner re: Rates – 10th December 2012

The Acting CEO’s response to Mr Habner will be presented to the January Council Meeting.

16.6 Letter from Hon. Paul Caica to Diana Laube, EPLGA

16.7 Email from Ross Searman re: Food Safety Inspections

16.8 Ian McSporran – Native Title Funding Scheme
16.9 Letter from Hon. Paul Caica re: Polda Basin

16.10 Consumer & Business Affairs – Dry Zones

The chairman adjourned the meeting for lunch at 12.34pm
The meeting resumed at 1.25pm, all Councillors were present.

13.2.1 Audit Committee Meeting – 17th December 2012

Nikki Meredith tabled the following documents:
- Budget Review Report (refer Attachment 4)
- Annual Financial Statements 2011-12 Outcomes Report (refer Attachment 5)

Recommendations arising from the Audit Committee Meeting:

250.2012
1. That Council receive the 2012-13 Budget Review.
3. That the minutes of the Audit Committee Meeting held 17th December 2012 be received.

Cr McGlasson / Cr White
CARRIED

Late Correspondence

16.11 Email from Ross Seaman re: Signs and lighting for the Venus Bay Public Toilets
Tabled at the meeting (Attachment 2)

Noted the request from Mr Seaman be referred to Manager of Infrastructure and Environmental Services and, if required, a report be presented to Council

16.12 Letter from James & Trish Boylan re: Memorial Monument
Tabled at the meeting (Attachment 3)

259.2012 That Council advise James and Trish Boylan that Council support their application to the State agency controlling the site selected for the memorial and will consider the other structures when more detail is provided.

Cr Callaghan / Cr Hitchcock
CARRIED

17. ELECTED MEMBERS – MOTIONS WITHOUT NOTICE

Nil

18. ELECTED MEMBERS – QUESTIONS WITHOUT NOTICE

18.1 Cr Hitchcock
Has action been taken in relation to previously raise matters of rural property addressing, Justices of the Peace and the transfer of the Lock Museum through State Heritage?
Acting CEO advised that staff are currently addressing the JP issue, a response will be provided in the Acting CEO report at the January meeting regarding these matters.

18.2 Cr Rumblelow
Can the staff make contact with the State Government regarding possible funding for improvements to the Anoloue Bay boat ramp?
Acting CEO advised that staff will make contact and advise Council accordingly.
18.3 Chairman Clark
Can the Council staff investigate funding in relation to Waste Management?
Acting CEO advised that staff will make contact with the funding provider and provide a report to Council.

Can Council staff arrange more advertising and promotion for Waste Management in relation to recycling?
Acting CEO advised that the matter will be discussed with staff and providing there is a budget allocation action will be taken, and if not a report will be provided to Council.

19 ELECTED MEMBERS – MATTERS OF SPECIAL INTEREST

19.1 Cr Rumbelow
Noted that there was an excellent attendance at the Community Christmas Show and received favourable comments regarding the road sealing work completed in Elliston.

19.2 Cr Hitchcock
Heritage listing of original Council Chambers in Elliston.

19.3 Cr Hancock
Expressed appreciation for grading completed recently in the Lock area.

MEETING CLOSURE

The next Ordinary Council meeting will be held on Tuesday 15th January 2013 at 9.30am at the District Council of Elliston Chambers, Beach Terrace Elliston.

The meeting closed at 2:13pm, after the Chairman had thanked all for attending.
ATTACHMENT 1: Letter from Lock Community Library Chairperson, Jackie Crettenden

Chairman of District Council of Elliston
Beach Terrace
Elliston 5670

Dear Mr Clark:

I am writing to you on behalf of the Lock Community Library Board.
You may not be aware but all Community Libraries throughout the state are
undergoing major changes in their operating systems.
To bring our library in line with the rest of the state, our staff are required to spend
many extra hours re-cataloguing and re-labelling our entire collection.
On top of this will be the financial impact on the library. To buy in to the system it will
cost $5000 and then other costs will include the purchase of new compatible
computers and printers which will need to be located at Lock, Elliston and Port Kenny
sites, where our collection is used. Not only this but the extra time involved in
preparing the collection for the 1LMS will have a major impact on our library staff.
Our Community Library is not only seen as an important hub in the Lock community
but for many years has been a valuable resource to the Elliston and Port Kenny
communities, allowing easy access to many people in the district.
As a Board we are asking if there is a possibility that Council will be able to provide
some extra funding to help with the change over to this new system.
Your support will be very much appreciated.

Yours Sincerely

Jackie Crettenden
(Lock Community Library Chairperson)
ATTACHMENT 2: Email from Ross Seaman regarding Venus Bay Toilet Block

Hi Staff & Councillors,
A Merry Christmas to you all.

On tomorrow’s agenda is it possible to put something in place to get a sign for the Public toilets. Positioned near the rubbish bins and at the beginning of the paved path leading to the toilets. This path, because of its winding design needs to have some lighting as it is a hazard in the dark.

Cheers, Ross Seaman
ATTACHMENT 3: Letter from James & Trish Boylan re: Memorial Monument at Venus Bay

JAMES & TRISH BOYLAN
PO BOX 9
SMOKY BAY SA 5680
19th December 2012

DISTRICT COUNCIL OF ELLISTON
ELLISTON SA 5670

Dear Councillors,

As you would be aware we are the parents of Luke Boylan who along with Stewart Crompton were tragically drowned at Venus Bay following a boating accident on Easter weekend this year.

We formally request that the Elliston Council consider our proposal to build a memorial structure for Luke and Stewart on the entrance point to Venus Bay where the boys were found.

The structure we would like you to consider would be built by Andrew McCombie, local resident and Stonemason of Venus Bay. He will construct the monument from limestone which will be sourced in the area, with a brass plaque attached explaining the presence of this Monument.

We are aware that the site we wish the Monument to be built is designated as National Parks ground but assure you that there will be no disturbance to the native animals and fauna in the area during the building of the Monument and following its completion.

Fund raising is in place to help in establishing this Monument therefore we request no monetary input from Council. With the funds raised we request that you also consider the erection of a BBQ, shelter area at the entrance to the walking track to the point for use by locals and tourists also to be named in memory of Luke and Stewart.

We realise that it is close to Christmas and Council will close for the holiday period and this will be your last meeting for 2012 but would be grateful if you could consider our request at this meeting and return your decision at your earliest convenience.

Thank you again for your time and consideration of our request and we look forward to your reply.

Yours truly,

JAMES & TRISH BOYLAN
ATTACHMENT 4: Budget Review Report

Audit Committee Meeting - Agenda 17 December 2012

Agenda Item 8.

Budget Review

Background

The Budget for the 2012 – 13 financial year was adopted by Council on the 2 August 2012 with an operating deficit of $232 thousand.

Discussion

Since the budget was set, various changes have resulted in an impact on Council’s estimated revenue and expenditure.

The initial budget included increases to rates revenue of $380 thousand dollars, which included increased capital values and the application of a differential rate in the dollar for primary production and commercial properties.

The revenue did not take into account the effect of legislation relating to waste service charges and the impact that this would have on the revenue raised as a result.

The Council approved a rates rebate and Council also refunded ratepayers the amount of the Waste Service charges incorrectly applied and these have been accounted for in this review, along with other major variances that will impact on Council’s position.

The changes that have been identified will be included in the six monthly Budget review, which will be undertaken in February.
# District Council of Elliston

## Financial Performance Report

### Key Financial Indicators for the Year Ending 30 June 2013

<table>
<thead>
<tr>
<th>Note</th>
<th>Original Budget y.e. 30 June</th>
<th>Forecast y.e. 30 June</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013</td>
<td>2013</td>
<td>2013</td>
</tr>
<tr>
<td>1</td>
<td>$0,000</td>
<td>$0,000</td>
<td>$0,000</td>
</tr>
<tr>
<td></td>
<td>Operating Surplus Ratio**</td>
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<tr>
<td></td>
<td>Operating Surplus</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rates - general &amp; other less NRM levy</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.157</td>
<td>1,833</td>
<td>-324</td>
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<tr>
<td></td>
<td>1</td>
<td>-11%</td>
<td>-31%</td>
</tr>
<tr>
<td>2</td>
<td>Net Financial Liabilities Ratio***</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Net Financial Liabilities</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Total Operating revenue less NRM Levy</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-2,312</td>
<td>-1,896</td>
<td>396</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>-56%</td>
<td>-57%</td>
</tr>
<tr>
<td>3</td>
<td>Asset Sustainability Ratio****</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Net Asset Renewals</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Depreciation Expanse</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>870</td>
<td>1,196</td>
<td>526</td>
</tr>
<tr>
<td></td>
<td>1,142</td>
<td>1,142</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>89%</td>
<td>108%</td>
</tr>
</tbody>
</table>

**Note 1. The decreased revenue forecasts for the 2012 - 13 financial year is reflected in an increase in the operating deficit, thus decreasing the Operating Surplus Ratio by 26%. The target range for councils to operate within is 0 - 15%.**

**Note 2. Council has no debt and this is reflected in a negative Net Financial Liabilities Ratio of 68%. The impact of both the decrease in rates revenue and the increase in forecast expenditure is reflected in a 6% movement in the Net Financial Liabilities Ratio, taking it to -51%. The target range for Councils to operate within is 0 - 100%. This reflects the strength of Councils financial position.**

**Note 3. Asset Sustainability Ratio is vastly improved due to intended expenditure on existing assets vs new expenditure. This reflects that the council is replacing the existing assets to the same speed as they are wearing out. The target range is 50% - 119%.**

**Operating Surplus ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.**

**Net Financial Liabilities ratio equals total liabilities less financial assets divided by total operating revenue less the NRM levy.**

**Asset sustainability ratio indicates whether a Council is replacing existing infrastructure, property, plant & equipment at the same rate they are wearing out.**
### District Council of Elliston

**Financial Performance Report**

**Uniform Presentation of Finances for the Year Ending 30 June 2013**

<table>
<thead>
<tr>
<th>Note</th>
<th>Original Budget</th>
<th>Forecast y.e. 30 June</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>y.e. 30 June 2013</td>
<td>y.e. 30 June 2013</td>
<td>$,000</td>
</tr>
<tr>
<td></td>
<td>$,000</td>
<td>$,000</td>
<td>$,000</td>
</tr>
<tr>
<td>1. Operating Revenue</td>
<td>4,177</td>
<td>3,862</td>
<td>(324)</td>
</tr>
<tr>
<td>Less Operating Expense</td>
<td>(4,005)</td>
<td>(4,534)</td>
<td>(125)</td>
</tr>
<tr>
<td>Operating Surplus / (Deficit) before Capital Amounts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(233)</td>
<td>(88)</td>
<td>(445)</td>
</tr>
<tr>
<td>Less Net Outlays on Existing Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Expenditure on renewal and replacement of Existing Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less Depreciation, Amortisation &amp; Impairment</td>
<td>1,142</td>
<td>1,142</td>
<td>0</td>
</tr>
<tr>
<td>Less Proceeds from Sale of Replaced Assets</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2</td>
<td>597</td>
<td>70</td>
<td>(527)</td>
</tr>
<tr>
<td>Less Net Outlays on New &amp; Upgraded Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Expenditure on New &amp; Upgraded Assets</td>
<td>(276)</td>
<td>(254)</td>
<td>22</td>
</tr>
<tr>
<td>Less Amounts specifically for new or upgraded Assets</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2</td>
<td>(276)</td>
<td>(254)</td>
<td>22</td>
</tr>
<tr>
<td>Net Lending / (Borrowing) for Financial year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(512)</td>
<td>(366)</td>
<td>(146)</td>
</tr>
<tr>
<td>Net Financial Assets at 30 June (being accumulated financial assets less liabilities)</td>
<td>2,311</td>
<td>1,958</td>
<td>(164)</td>
</tr>
</tbody>
</table>
**District Council of Elliston**  
**Financial Performance Report**  
**Uniform Presentation of Finances for the Year Ending 30 June 2013**

**NOTES TO THE UNIFORM PRESENTATION OF FINANCES**

<table>
<thead>
<tr>
<th>Operating Revenue</th>
<th>Original Budget y.e. 30 June 2013</th>
<th>Forecast y.e. 30 June 2013</th>
<th>Variances</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rates income</td>
<td>2,213</td>
<td>1,994</td>
<td>-224</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee costs</td>
<td>941</td>
<td>971</td>
<td>30</td>
</tr>
<tr>
<td>Materials, contracts &amp; other expenses</td>
<td>2,321</td>
<td>2,616</td>
<td>295</td>
</tr>
</tbody>
</table>

Note 1.1 - Initial rates income was budgeted at $2,213k. This has been reduced to take into account a rates rebate offered to primary producers and commercial sectors ($273k) and a refund to the waste services charges incorrectly applied ($112k). Total reduction ($384k).

Note 1.2 - Employee costs have been decreased by $70k to account for unfilled CEO position.

Note 1.3 - Increase to contractors charges to take into consideration estimated expenditure for recruitment of the CEO ($70k). Acting CEO Contract and expenses ($353k), increase in Legal fees ($20k), IT contract ($10k).

**Note 2: Net Outlays on Existing Assets**

At the time of setting the budget the capital works program had not been approved. The capital works program has since been approved to the value of $1,350k in total, broken down into Net Outlays on existing assets to the value of $1,154k and the balance of $206k on New and Upgraded Assets.
ATTACHMENT 5: Audited Financial Statements 2011-12 Outcomes Report

Audit Committee Meeting - Agenda 17 December 2012

Agenda item 9.

Annual Financial Statements 2011-12 - Outcomes Report

Background
Pursuant to the Local Government (Financial Management) Regulations 2011, council must by no later than 31 December in each year, prepare and consider a report showing the audited financial results of the council for the previous financial year compared with the estimated financial results set out in the budget, presented in a manner consistent with the Model Financial Statements.

Discussion
Council has undertaken an analysis of its performance for the 2011-12 financial year using the audited Annual Financial Statements and the original budget as the basis for the analysis.

The following reports monitor the performance of council against the original budgeted position for the 2011-12 financial year:

- The Financial Indicators for the Year Ending 30 June 2012
- Uniform Presentation of Finances for the Year Ending 30 June 2012
- Notes to the Uniform Presentation of Finances
District Council of Elliston

Financial Performance Report

Key Financial Indicators for the Year Ending 30 June 2012

<table>
<thead>
<tr>
<th></th>
<th>Original Budget</th>
<th>Actual Audited</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>y.a. 30 June</td>
<td>2012</td>
<td>y.a. 30 June</td>
</tr>
<tr>
<td>Note</td>
<td>$000</td>
<td>$000</td>
<td>$000</td>
</tr>
<tr>
<td>1. Operating Surplus Ratio**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Surplus</td>
<td>-657</td>
<td>361</td>
<td>1,018</td>
</tr>
<tr>
<td>Rates - general &amp; other less NRM levy</td>
<td>1,776</td>
<td>1,781</td>
<td>-4</td>
</tr>
<tr>
<td></td>
<td>-37%</td>
<td>21%</td>
<td>58%</td>
</tr>
<tr>
<td>2. Net Financial Liabilities Ratio***</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>net financial Liabilities</td>
<td>-1,453</td>
<td>-2,823</td>
<td>1,370</td>
</tr>
<tr>
<td>Total Operating revenue less NRM Levy</td>
<td>3,389</td>
<td>3,693</td>
<td>304</td>
</tr>
<tr>
<td></td>
<td>-43%</td>
<td>-75%</td>
<td>-32%</td>
</tr>
<tr>
<td>3. Asset Sustainability Ratio****</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Asset Remains</td>
<td>808</td>
<td>774</td>
<td>167</td>
</tr>
<tr>
<td>Depreciation Expense</td>
<td>1,316</td>
<td>1,027</td>
<td>-289</td>
</tr>
<tr>
<td></td>
<td>46%</td>
<td>76%</td>
<td>29%</td>
</tr>
</tbody>
</table>

Note 1 - Operating Surplus Ratio. Favorable variance = 58%

Had the early payment of the $398k financial assistance grant not been paid then the operating surplus ratio would be 3% rather than 21%.

The reasons for the favorable swing of $1,018k in operating surplus are explained in more detail as part of the variance analysis undertaken in the Uniform Presentation of Finances report that follows.


The negative NFL ratio of -75% indicates that Council has more financial assets than total liabilities.

The increase in operating revenue is due to the early payment of the $398k financial assistance grant. Had this not been received the ratio would have been -83% instead of -70%.

The Notes to the Uniform Presentation of Finances provide additional reasons for the large swing in this ratio when compared to Council’s original budget.

Note 3. Asset Sustainability Ratio

Generally Council are aiming to obtain a result of between 90% to 110% for this ratio. The improved result of 75% has occurred due to a recalculation of depreciation revealing that the originally budgeted figure was excessive. The ratio was further improved on an additional $133k was spent on capital renewal in 2011-12.

* Operating Surplus ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy
** Net Financial Liabilities ratio equals total liabilities less financial assets divided by total operating revenue less the NRM levy
*** Asset sustainability ratio indicates whether a Council is replacing existing infrastructure, property, plant & equipment at the same rate they are wearing out.
**District Council of Elliston**  
**Financial Performance Report**  
Uniform Presentation of Finances for the Year Ending 30 June 2012

<table>
<thead>
<tr>
<th>Note</th>
<th>Original Budget y.e. 30 June 2012 $'000</th>
<th>Actual Audited y.e. 30 June 2012 $'000</th>
<th>Variance $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Operating Revenue</td>
<td>3,445</td>
<td>2,749</td>
</tr>
<tr>
<td></td>
<td>less Operating Expense</td>
<td>(4,102)</td>
<td>(3,308)</td>
</tr>
<tr>
<td></td>
<td>Operating Surplus / (Deficit) before</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Capital Amounts</td>
<td>(557)</td>
<td>361</td>
</tr>
<tr>
<td>2</td>
<td>Net Outlays on Existing Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Capital Expenditure on renewal and</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>replacement of Existing Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>less Depreciation, Amortisation &amp;</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Impairment</td>
<td>(508)</td>
<td>(740)</td>
</tr>
<tr>
<td></td>
<td>less Proceeds from Sale of Reclaimed</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>less Proceeds from Sale of Reclaimed</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Assets</td>
<td>1,019</td>
<td>1,027</td>
</tr>
<tr>
<td>3</td>
<td>Net Outlays on New &amp; Upgraded Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Capital Expenditure on New &amp; Upgraded</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Assets</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>less Amounts specifically for new or</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>upgraded Assets</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Net Lending/ (Borrowing) for Financial</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>year</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
### Notes to the Uniform Presentation of Finances

**Note 1:** Operating Surplus / (Deficit) before Capital Amounts - $161k favorable variance

<table>
<thead>
<tr>
<th>Description</th>
<th>Original Budget y.e. 30 June 2012</th>
<th>Actual Audited y.e. 30 June 2012</th>
<th>Favorable Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Grants</td>
<td>1.1</td>
<td>1.373</td>
<td>0.050</td>
</tr>
<tr>
<td>Investment Income</td>
<td>1.2</td>
<td>70</td>
<td>102</td>
</tr>
<tr>
<td>Operating Expense</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees costs</td>
<td>1.3</td>
<td>755</td>
<td>579</td>
</tr>
<tr>
<td>Materials, contracts &amp; other expenses</td>
<td>1.4</td>
<td>1.996</td>
<td>1.777</td>
</tr>
<tr>
<td>Depreciation, amortisation &amp; impairment</td>
<td>1.5</td>
<td>1.318</td>
<td>1.027</td>
</tr>
<tr>
<td>Finance costs</td>
<td>1.6</td>
<td>37</td>
<td>5</td>
</tr>
</tbody>
</table>

**Note 1.1:** Operating grants included an $306k paid early in relation to financial assistance grants. This amount was not initially budgeted for.

**Note 1.2:** Additional investment income reflects higher cash balances than initially budgeted for.

**Note 1.3:** Numerous positions were unfilled throughout the year. This contributed to the less than expected level of expenditure on Salaries & Wages.

**Note 1.4:** Various work was undertaken as originally planned due to lack of staff and alternative resources at certain times throughout the year.

**Note 1.5:** Original budget was excessive. The year end actual result reconciles directly with the relevant asset registers which have been reviewed and updated as part of the AFS preparation process.

**Note 1.6:** The reduction in finance charges reflects higher cash balances than initially budgeted for.

**Note 2:** Net Outlays on Existing Assets

The original budget for depreciation was excessive. The year end actual depreciation charge reconciles directly with the relevant asset registers which have been reviewed and updated as part of the AFS preparation process.

A $133k more was spent on asset replacement than originally budgeted for; this together with the reduction in depreciation has led to an improvement in Council’s Asset Sustainability Ratio. Refer Rates report.

**Note 3:** Net Outlays on New & Upgraded Assets

Council significantly under spent on the construction of new assets. On the upside this has improved Council Cash position and has had no adverse effect on Council’s Asset Sustainability Ratio as New & Upgraded assets are not included in that calculation.

The following projects were not completed in 2011-12 as planned:

- Upgrade of Lock, OWMS: 113
- Storm Water Tailing Project - Pt Kenny: 80
- Flood Mitigation Program - Pt Kenny: 30
- High Pressure Compressor: 15
- UV Systems Venus Bay Water Supply: 18
- Little Bay Scenic Drive: 27
- Deeman Rd: 24
- Kyancutta Rd: 70
- Lock Marks St: 23
- Elliston Hall Toilet upgrade: 65
- Elliston Foreshore Steps to beach: 60
- Esplanade Esplanade - Retention of Sand: 50
- Dunes & Vegetation: 170

**Note 4:** Net Lending / (Borrowing) for Financial Year

Overall Council increased its cash reserves by $643k. The original budget was expecting Council would borrow an extra $275k throughout the year. The improved operating result as well as the reduced expenditure on new asset construction largely accounts for the $1,400k swing.
7. Business Arising from Minutes

8. Notice of Motion
   Nil

9. Elected Members – Questions With Notice
   Nil

10. Petitions
    Nil

11. Deputations
    Nil
12. Chief Executive Officer

12.1 General Monthly Report

Officer Responsible for the Report: Stephen Kerrigan, Acting Chief Executive Officer.

Goal: To provide progressive leadership and good governance which encourages confidence of the community in the Council.

12.1.1 Meetings

December 2012
17 Audit Committee
18 Chairman Cr P Clark
18 Council
19 Chairman Cr P Clark
19 J. Redden – House B
20 Staff and R. Wallace (LGA) re Enterprise Agreement
21 Deputy Chairman Cr K Callaghan

January 2013
8 Deputy Chairman Cr K Callaghan, E. Tomney & L. Amey re Port Kenny water supply
8 Meeting re EPLGA conference preparations
10 Chairman Cr P Clark

Recommendation 12.1.1
Noted

12.1.2 Eyre Peninsula NRM Board – Annual Business Plan

Background
The Eyre Peninsula Natural Resources Management Board (EPNRM) will commence consulting on its Annual Business Plan in January. The Plan will detail proposed work programs and budgets for 2013/14. The EPNRM wish to meet with Council and present information on activities proposed in the area.

Discussion
Council may wish to invite the EPNRM to either a special meeting or to the February Council meeting.

Recommendation 12.1.2
1. That Council invite the EPNRM to present information on its 2013/14 Annual Business Plan to the February Council meeting
12.1.3 Water Industry Retail Licence

**Background**
The Council applied to the Essential Services Commission of SA for a licence to cover Council activities related to water supply in the district. The Commission has approved the issue of the water industry retail licence to Council authorising the retailing of water and sewerage services.

**Discussion**
The Commission has advised that the Council needs to pay the relevant annual fee of $1,000 before 25 January and then the licence will be issued for 2013. Arrangements have been made to pay the fee.

**Recommendation 12.1.3**
Noted.

12.1.4 WildEyre Biodiversity Project – Council Representation

**Background**
Council considered a report at the November Council meeting and invited Mr Andrew Freeman to address the December meeting.

The Department of Environment Water and Natural Resources (DEWNR) and Eyre Peninsula NRM Board are participating in the WildEyre Project with other organisations.

Council has received an invitation to participate with a range of stakeholders by becoming part of a Project Advisory Committee for the WildEyre Conservation Alliance: Implementing NatureLinks across Eyre Peninsula.

Council agreed to participate at the December meeting and deferred consideration to appoint a representative.

**Refer Minute 246.2012**
1. **That** Council support the WildEyre Conservation Alliance: Implementing NatureLinks across Eyre Peninsula Project;
2. **That** Council appoint a representative to the WildEyre Conservation Alliance: Implementing NatureLinks across Eyre Peninsula – Project Advisory Committee;
3. **That** Council’s representative to the WildEyre Conservation Alliance: Implementing NatureLinks across Eyre Peninsula – Project Advisory Committee will be advised;
4. **That** Mr Andrew Freeman, Program Manager – Biodiversity, Natural Resources Eyre Peninsula, Department of Environment Water and Natural Resources be thanked for his informative presentation.

**Refer Minute 247.2012**
**That** Council seek representative for the WildEyre Conservation Alliance: Implementing NatureLinks across Eyre Peninsula Project Advisory Committee from the Section 41 Coastal Trail Project committee or Council member or staff member, to be appointed at the January Council meeting.
Discussion
Mr Freeman indicated it would be beneficial to have a representative that can discuss all topics not just coastal issues. Once the representative has been confirmed, Mr Freeman would like to catch up with them in late January to brief them before the second meeting of this advisory committee on the 5th of February in Streaky Bay.

Mr Chris Davey has indicated his interest.

Recommendation 12.1.4
That Council appoint the Manager Infrastructure & Environmental Services as Council’s representative to the WildEyre Conservation Alliance: Implementing NatureLinks across Eyre Peninsula – Project Advisory Committee.

12.1.5 Acting Chief Executive Officer

Background
Further to Council’s resolution at the December Council meeting, I have had some discussion with the Chairman, Cr Patrick Clark on the need for confirmation of the appointment of the Acting Chief Executive Officer during my absence from 26 January to 11 February 2013.

Discussion
The Council could consider appointing a Manager for this period or to appoint someone from outside the organisation such as Ms Heather Barclay.

Recommendation 12.1.5
That Ms Nikki Meredith be appointed as the Acting Chief Executive Officer from Saturday 26 January to Monday 11 February 2013.

12.1.6 House B, 24 Beach Terrace Elliston

Background
The tenant, Mr Joshua Redden vacated the Council house at 24 Beach Terrace Elliston on 8 January 2013.

The house has been inspected and was left in a clean condition, although there are a number of maintenance issues requiring attention including painting and replacements of external doors and window frames.

Discussion
There have been two approaches made from parties interested in leasing the property. One is for a long term basis and the other for shorter terms with opportunities to extend.

Although the house could be let very soon, perhaps Council should consider repairing the house in conjunction with repairs needed for the CEO house next door.

Inspections can be arranged if members wish.
**Recommendation 12.1.6**

1. **That** the Acting Chief Executive Officer arrange for cost estimates for the repairs at both House A and House B Beach Terrace Elliston and report back to Council.

2. **That** persons interested in renting House B be advised that the initial rent for 6 months would be in the order of $150 per week and that they are invited to submit a written request to the Acting Chief Executive Officer.

3. **That** Council authorise the Acting Chief Executive Officer to negotiate a residential tenancy agreement for House B, 24 Beach Terrace Elliston.

---

**12.1.7 D. Habner – Rating**

**Background**
Letters from David Habner were included on the December agenda regarding Council rating.

**Discussion**
Council requested that the Acting CEO’s response be included in the January agenda. Refer correspondence included in this agenda.

**Recommendation 12.1.7**

**Noted**

---

**12.1.8 Justices of the Peace - Listing**

**Background**
Cr Hitchcock has raised concern that the list of Justices of the Peace (JP) is not up to date. Council requested that the Acting CEO report on this matter.

**Discussion**
Following some research, there were four names removed and two names added to Council's list of JPs. The website has now been updated.

**Recommendation 12.1.8**

**Noted**

---

**12.1.9 Rural Property Addresses**

**Background**
Cr Hitchcock requested an update on the rural property addresses be provided at the January meeting.

**Discussion**
The process to apply rural property addresses in the district are almost complete. Council will recall that one road needed a name and at the meeting held on 16 October 2012 the southern boundary road was named McAskill Road (refer minute 205.2012). I understand that once the road name is gazetted, arrangements can be made to supply and erect the signs. A further progress report will be included in future Manager Infrastructure and Environmental Services' reports.

**Recommendation 12.1.9**

**Noted**
12.1.10 Lock & Districts Heritage Museum

Background
Cr Hitchcock requested an update on the transfer of the Lock Heritage Museum to the Lock Community.

Following consideration of this matter by Council at a meeting on 22 March 2010 and 15 November 2011, Council records show that a letter was received from the Lock & District Heritage Museum dated 15 October 2010 and a further two letters were received dated 20 May 2011 and 27 May 2011 formally proposing the transfer of the property to the Lock, Murdinga, Tooligie Progress Association Inc.

At the meeting on 21 June 2011 an instruction was made by Council to arrange the transfer.

Discussion
A request was made to Norman Waterhouse Lawyers and a response was received by Council dated 9 August 2012. There were several questions requiring a response from Council. It seems that no further action has been taken. I suggest that the letters be provided to members with an opportunity to provide feedback to inform a further report to Council.

Recommendation 12.1.10
That the Acting Chief Executive Officer provide the legal advice dated 9 August 2012 to all Elected Members for information and that a report be presented to the February meeting.

12.1.11 Recycling and Promotion

Background
The Chairman, Cr Clark requested an update on the current funds available for promotion for recycling of waste.

Discussion
Council's budget for the waste service charge was $301,000. The charges levied initially raised $332,000. Following corrections to the charge being applied of $111,000, this left a net charge income of $221,000. The costs for wheelie bin collection are budgeted at $285,600 as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collection</td>
<td>$176,300</td>
</tr>
<tr>
<td>Transfer of Waste</td>
<td>$10,000</td>
</tr>
<tr>
<td>Recycling</td>
<td>$99,300</td>
</tr>
</tbody>
</table>

The costs for waste facilities are budgeted at $173,000 plus the waste levy and DrumMuster at $12,200 (including $12,400 for a waste strategy). Therefore there is revenue of $221,000 and a cost of $471,000 leaving a net cost of $250,000.

Council recognise that the community involvement/participation in recycling is essential. Any discussion should include type and cost of promotion, effectiveness, ongoing review of promotional success. If Council agrees that promotion of recycling should be promoted this financial year, then this should be addressed in the Budget review.
Council also need to review their service levels. The promotion issue could also be addressed in the development of the Waste Management Strategy.

For discussion.

12.2 STAFF - ENTERPRISE AGREEMENT GDS 12.44.2.1

Attachment(s)
Attachment 12.2.1 – Draft - Elliston Enterprise Agreement
(provided under separate cover)

Background
Council is aware that an enterprise agreement covering staff was endorsed by staff on the 17th August 2012. The agreement was lodged without the endorsement of the Australian Workers Union and in the wrong jurisdiction so is not valid.
Several discussions with staff were held and there was a strong desire to pursue adoption of an agreement.
On 20th December 2012 a staff meeting was arranged to meet with Mr Rob Wallace to discuss the Enterprise Agreement. The Australian Workers Union was also represented through a telephone link.

The staff discussed a number of matters including parity of wages with other Councils and that the grace days would need to be removed from the agreement.

Comments/Discussion
There was good discussion about the relativity of wage increases and agreement was reached that the document was now in a form to be approved. As Acting Chief Executive Officer, I indicated to the staff that although it was within my ability to sign off the agreement on behalf of Council, I had been asked by Council to refer the matter to them for consideration.

Mr Rob Wallace will be attending the Council meeting to take Council through the document and explain the clauses.

Council may wish to provide their views for the Acting Chief Executive Officer to consider before signing and committing Council to the Agreement.

Recommendation 12.2

That Council:-
1. The draft Enterprise Agreement recommended by staff and the Australian Workers Union be received;
2. Note the Acting Chief Executive Officer has authority to sign off the Enterprise Agreement.
12.3 Elliston Playground  GDS 9.14.1.3

Attachment(s)
Attachment 12.3.1 – Minutes of Elliston Playground Upgrade Committee - 22 June 2012

Background
Council created a section 41 committee to assist with the major upgrade of the Elliston playground. As Council is aware this committee was very successful and their last meeting on 22 June 2012 recommended that the committee be wound up and any surplus funds transferred towards the playground at the Elliston sports centre.

The Committee minutes were presented to Council on 17 July 2012.

Refer Minute – 123.2012
That the minutes of the Elliston Playground Committee Meeting, as circulated in the agenda, be accepted.

Comments/Discussion
The project acquittals have been completed.
To ensure that there is transparency in the decision making it would be helpful for Council to confirm its decisions in full regarding the future of the committee and surplus funds.

$191,714.38 income received
$ 74,150.24 community in kind support
$265,864.62 Total

$186,472.16 Invoices paid
$ 74,150.24 community in kind support
$260,622.40 Total

Difference was $5,242.22 being unspent or surplus funds.

Recommendation 12.3

That:-
1. Council note its appreciation for the efforts of the members of the Elliston Playground Upgrade Committee;
2. Council formally wind up the section 41 committee - Elliston Playground Upgrade Committee;
3. That the surplus funds from the Elliston Playground Upgrade project of $5,242.22 be donated to the Elliston Community Sports Centre for the specific purpose to upgrade its playground
12.3.1 Elliston Playground Upgrade Committee Meeting Minutes – 22 June 2012

**Meeting of Section 41 Committee (Elliston Playground Upgrade)**

*22 June 2012*

**Present:** Julie Alchurch, Anne Scammell (EPSC members); Nikki Meredith (Finance and DCE staff representative); Cr Kym Callaghan (DCE representative); Alice Ralph (DPLG), Jo Penna, Cathy Hull

**Apologies:**

1. Meeting commenced 2:20pm in Council Chambers, Beach Tce Elliston.
2. Adoption of the Minutes
   The Minutes of the meeting of 2nd April as tabled be accepted. *Julie Alchurch / Kym Callaghan CARRIED*
3. Business Arising from the minutes
   - NRM funds paid direct to DCE; yellow and blue tug delivered and installed; plants at skate park planted; John Turpie’s birds attached to screen on barbecue pavilion; pick-up sticks sculpture installed by Julie and David Alchurch; seat on path at skate park complete.

4. Progress Report: District Council of Elliston
   **Summary**
   Income: $191,225.57 including $12,500 from DCE 2009-2010 budget; Note: with $486.71 from EPTA (see below) Grand Total = $191,714.38
   Expenditure – to date ($181,589.68)
   Balance: $9,124.49
   NOTE: Estimated expenditure still to come Works: ($3,400) BBO for volunteers ($1,000)
   
   - That the financial report be accepted. *Julie Alchurch / Kym Callaghan CARRIED*

4.3. Annual report: DCE requires an annual report from Section 41 committees
   4.3.1. **ACTION:** Nikki to send through a template to Anne and Julie.
   4.3.2. **ACTION:** Anne, Julie and Kym to write up a report on the life of the Section 41 Playground Committee, signed by the Chairperson Kym.

5. Progress Report: Elliston Playground Steering Committee
   5.1. Presentation of cheque for $486.71 being the balance of funds from EPTA from the playground account.
   5.2. Works still to be carried out: sawing of pathway; welding of orange gate and pick-up sticks sculpture; install signs on path; place extra supports for screen on pavilion; repairs to edges of the skate park where loose stones affect the safety of the skating surface.
   It is likely that these works will cost around $3,000.

5.3. Hand over to DCE by EPSC: Walk around project area; determine schedule of maintenance and inspection for ongoing oversight by DCE; obtain Certificate of Compliance from suppliers where necessary.
   5.3.1. **ACTION:** Julie and David Alchurch to meet with Chris Davey at Trudinger Park
   5.3.2. **ACTION:** Anne to write email to suppliers to find out about the Certificate of Compliance and cc Nikki Meredith.
   5.3.3. **ACTION:** Nikki to set out maintenance and inspection schedules/quotes for ongoing oversight by DCE in Trudinger Park.

   Informal barbecue for about 100 people with meat, salads, beer, wine and cool drinks to be supplied by committee from funds.
   5.4.1. **ACTION:** Julie, Anne, Cathy to create list of people to be contacted. Guests to include all those who helped with the work, those who donated goods and money, DCE staff and councillors.
   5.4.2. **ACTION:** If deemed OK by DCE then DCE will print and post out invitations.
   5.4.3. **ACTION:** EPSC to organise event and notify DCE regarding purchase orders that are necessary. *Nikki to liaise with Karen to put these in place.

5.5. Interpretive pathway opening: NRM (Louise and Rob Coventry) to organise; guests to include Wanguri, DCE, EPSC/Section 41, NRM as well as members of the community. Announcement will be made by NRM.
5.6. Minister’s acquittal - To be prepared by Nikki and Julie then signed by Kym as Chairperson.

5.7. Leftover funds: Fundraising has continued throughout the years with additional grants and donations helping to achieve all ‘milestones’ on the original concept put to the Minister and which made possible the inclusion of the yellow and blue tug boat.

5.7.1. That this committee recommends that any surplus funds as a result of fundraising be allocated to the Elliston Community Sports Centre Incorporated for use in their playground upgrade. Kym Callaghan / Anne Scammell CARRIED

5.8. Wind-up of Section 41 committee

5.8.1. That when the works, the Minister’s acquittal and all the reporting is complete that this committee be wound up. Kym Callaghan / Julie Allichur CARRIED

5.9. Future additions to Trudinger Park area: water fountain; water tap for barbecue area

Suggestion: apply to HealthTrack for funding of water fountain. Tap probably a DCE works project.

5.10. Goals: Original goals appear to have all been achieved. There are two more to add.

GOALS OF THE PROJECT (from 2010 application)

1. To provide a functional, challenging, safe and attractive play area for children of all ages from the local and regional community as well as visitors
2. To make a comfortable picnic area for travellers and the local community
3. To provide an outdoor gathering place for the community, an extension of the Hall facilities and close to the sports fields in a central location in the town
4. To celebrate the work of local artists and promotes Elliston as home of the Sculpture on the Cliffs
5. To enhance the town centre streetscape and provide a stronger sense of arrival and ‘place’
6. To create a unique and attractive park which will be known throughout the region, become a destination for tourists on the Eyre Peninsula and ultimately contribute to a growth in tourism across the whole Eyre Peninsula
7. To promote greater awareness of the local samphire ecosystem and Elliston underground aquifiers
8. To improve the amenities for children and youth in the town giving them a better sense of their place in our community
9. To improve the health and fitness of our community – children and adults
10. To draw Council and the community together through a successful landmark project in the heart of Elliston and to showcase a creative positive resilience of the local community – a real ‘can do’ approach
11. [NEW] Greater awareness of cultural diversity in the country
12. [NEW] Building and developing relationships with other government departments;

5.11. That the reports be accepted Julie Allichur / Anne Scammell CARRIED

8. Next Meeting: May not be necessary (To Be Advised)

7. Meeting closed 3.45pm

REMEMBER:

Volunteer Thank You on Sunday 15th July
12.4 Lease Agreement – Ex CFS Shed at Council Depot, Elliston

**Background**
Council currently lease the chemical shed located within the Council depot at Parndana Road Elliston to the Eyre Peninsula Natural Resources Management Board (EPNRM) for $50 per year plus GST.

That 5 year lease (Lease 33) expires on 30 September 2013.

I have been approached by officers of the EPNRM regarding the possible use for storage of their materials and equipment at the ex CFS shed at the depot which is adjacent the chemical shed.

An inspection of the shed revealed that it is used for general storage which could be sold or relocated.

**Comments/Discussion**
The first question to consider is whether Council have any objection to a lease of the shed to the EPNRM for storage. If Council agrees then the fencing could also be changed to allow the officers of the EPNRM to gain access to the shed and also access the chemical shed without using the depot access. This would reduce the number of external people accessing the Council depot premises.

Council should then consider what the lease fee and term of the lease should be offered to the Board.

It is suggested that the term be at least five (5) years, that the fee be more realistic than the current lease of $50 per annum (suggest a minimum $3,000p.a. which is about $57 per week) and that the area leased include the chemical shed and part of the depot yard so that existing gates can be used adjacent the ex CFS shed for access.

**Recommendation 12.4**

That Council offer the ex CFS shed and chemical shed and part of adjacent depot land to enable separate access to the Eyre Peninsula Natural Resources Management Board for storage of their materials and equipment on the following conditions:
1. Lease for a minimum term of five (5) years;
2. Lease fee be in the order of $ (insert)
13. Manager of Corporate and Community Services

13.1 Corporate and Community Services – General Report

File Reference:

Officer Responsible for the Report: Nikki Meredith, Corporate and Community Services Manager

Officer or Persons Consulted: Stephen Kerrigan, Acting CEO

Goal: Deliver a high standard of essential community services and show leadership in developing positive community spirit.

Social: Assist in building support, confidence and transparency with and for our community / Council.

Budget: Where there is a cost it will be manageable within the budget.

Attachments:
1. LGA Financial Sustainability Paper No.6
2. LGA Financial Sustainability Paper No.8
3. Draft Australia Day Program

13.1.1 Long Term Financial Plan and Infrastructure and Asset Management Plan / LGA Business Partners Program

Background

LGA Financial Sustainability Information Paper No. 8 Long Term Financial Plans states that: The Local Government Act 1999 requires each Council to develop and adopt a Long-Term Financial Plan covering a period of at least 10 years, along with an Infrastructure and Asset Management Plan also covering a period of at least 10 years. There is a direct link between the development and implementation of these two plans. They form part of the suite of Council Strategic Management Plans.

The Act requires Council Strategic Management Plans to address:
- The sustainability of the Council’s financial performance and position;
- The maintenance, replacement or development needs for infrastructure within its area;
- Proposals with respect to debt levels; and,
- Identification of any anticipated or predicted changes that will have a significant effect upon costs of the Council’s activities / operations.

LGA Business Partners Program

The LGA, to assist small Regional Councils with the development of the Infrastructure and Asset Management Plans and the Long Term Financial Plans, has provided funding under the Local Government Reform Fund to engage a facilitator to assist in the process over the next twelve months.
Rod Ellis from Tonkin Consulting has been assigned the facilitator for a group of four Councils in the Eyre Peninsula being the District Councils of Elliston, Streaky Bay, Wudinna and Ceduna.

The process for Elliston began in December, with Rod Ellis running a workshop with Chris Davey (Infrastructure and Environmental Services Manager) and Nikki Meredith (Corporate and Community Services Manager) with the aim of analysing the current position of Council and then establishing an action plan to address the needs of Council to implement the plans.

A detailed report will be provided by Rod Ellis to Council and the LGA that covers the following areas:
1. Existing Infrastructure and Asset Management Plans and Long Term Financial Plans
2. Finances
3. Resources
4. SWOT analysis (Strengths, Weaknesses, Opportunities, Threats)
5. Work Required
   1. Transport
   2. Stormwater
   3. CWMS
   4. Buildings
   5. LTFP
6. Elected Member Engagement
7. Next Steps

Further to that, a cluster meeting of all Councils will be held on the Tuesday, 26 February, immediately after the EPLGA conference with the CEO’s, and relevant managers to present the findings, formulate a regional view and share ideas about developing skills in the region and possible sharing of resources to assist the formulation and implementation of the plans.

The attached information papers “LGA Financial Sustainability Paper No. 6 - Infrastructure and Asset Management” and “LGA Financial Sustainability Information Paper No. 8 - Long Term Financial Plans” have been developed to assist and guide Councils in the development of these Strategic Management Plans.

13.1.2 Australia Day Celebrations – Update

The Australia Day selection panel consisted of the following members:
Deb May – last years winner
Grant Rumbelow – Council’s Elected Member representative
Kerri Williams
Kerri Fisher
Renee Lihou – Council staff member and note taker

The selection panel met on the 19 December 2012 and reviewed all of the nominations and selected the recipients for the relevant categories.

The successful recipients are:

Citizen of the Year – James Searle
Community Event of the Year – Mitchell Pearce Fundraiser

As per the Council’s Australia Day Policy, the recipient of the Citizen of the Year chose the location for the event, which will be held in Lock.

Preparation for the event is well underway with a draft program provided as an attachment for reference.

The event will be held at the Lock Sporting Centre starting with a free breakfast at 8.30am to be cooked by the Lock Local Lads. Cr Mc Glasson has arranged for the Lock Junior Singers to sing the National Anthem. The Australia Day Ambassador for the event is Francene Connor, who will be doing a speech on the day as part of the program.

Information on the event and about the Australia Day Award recipients is on Council’s website and this will be updated once the program is finalised. Notices of the recipients and advertising the event will appear in the Port Lincoln Times on Thursday 10 January 2013 and again on the 24 January 2013. In addition Meryl Weetra from Lock will be interviewing the award recipients and preparing an article to be published in the Lock local paper and regional newspapers.

A letter drop / invitation to the event has been organised for all residents in the region covering the Elliston, Lock, Port Kenny, Venus Bay and Sheringa areas.

I would like to acknowledge the efforts of the District Council of Elliston staff, particularly Renee Lihou, and also Cr Creagh Mc Glasson in coordinating the event.

Staff and Elected Members are strongly encouraged to attend and participate in this Council and Community event.

Recommendation:
That the Corporate and Community Services Manager report as presented be received.
Financial Sustainability
Information Paper 6

Infrastructure and Asset Management

Revised January 2012
LGA ‘Financial Sustainability’ Information Paper No. 6: Infrastructure and Asset Management
- Revised January 2012

Introduction
This Information Paper is one of a series of Information Papers about Financial Sustainability and Financial Governance in Local Government.

The series of Information Papers was originally published in 2006 to 2011 as part of the Financial Sustainability Program. The history of that program and a complete list of Information Papers and other resources, including a glossary of terms and abbreviations, is provided on the LGA’s “Financial Sustainability” web page: http://www.lga.sa.gov.au/qto/fspr.

The entire series of Papers was revised in early 2012 to take account of legislative changes and other developments. These Papers are addressed to, and written primarily for the benefit of Council Members and staff, but they are also available as a resource for the general public and students of Local Government.

Assets – an overview
Councils in South Australia are the custodians of over $18 billion of infrastructure and other assets on behalf of their communities. They have an obligation to ensure that assets they control are managed efficiently and effectively and that decisions regarding the acquisition of new assets and the sale and maintenance of existing assets are undertaken in an open and transparent fashion.

Relative to annual operating revenue, the South Australian Local Government sector is three times more asset intensive (i.e. value of assets/operating revenue) than the State Government and nine times more asset intensive than the Commonwealth Government. It follows that asset management is a more critical responsibility for Councils than it is for other spheres of government. Sound asset management is the key to the financial sustainability of every Council.

Each Council is required to develop and adopt an infrastructure and asset management plan (I&AMP) covering a period of at least 10 years. In addition each Council is required to adopt a long-term financial plan also covering a period of at least 10 years.¹ There is a direct link between the development and implementation of these two plans. The two plans also need to be consistent. That is to say, the long-term financial plan must reflect the optimal level of proposed asset maintenance, renewal and replacement outlays necessary to achieve the Council’s specified service levels, while minimising whole-of-life cycle asset costs, as specified in the Council’s I&AMP. To achieve this it is often necessary to review proposed service levels upon which the infrastructure and asset management plan is based and/or revenue raising proposals and forecasts specified in the long-term financial plan.

What is Asset Management?
Councils expend considerable funds on the acquisition and management of assets. They may be exposed to financial risk over the longer term if their budget processes have little regard for ongoing costs associated with the maintenance of these assets beyond the annual budget. It is incumbent on Councils to carefully consider information about their stock of infrastructure and other assets, and the financial contribution that current ratepayers are

¹ Both of these plans form part of Councils’ strategic management plans, under section 122 of the Local Government Act 1999.
LGA ‘Financial Sustainability’ Information Paper No. 6: Infrastructure and Asset Management
Revised January 2012

making to offset the consumption of assets (i.e. the gradual erosion of the remaining service potential of the assets).

Simple but soundly based asset management and financial plans allow Councils to ascertain sustainable service levels,3 affordable asset acquisition strategies, cost-effective maintenance regimes and corresponding funding requirements.

The 2005 Independent Inquiry into the Financial Sustainability of Local Government found that unless Councils addressed these issues they would be leaving a considerable financial legacy to future Councils and their communities. Coupled with the challenges of scarcity of resources and increasing costs, Councils face challenges in managing their infrastructure and other assets as a result of issues such as increasing community expectations, development growth, population drift (especially to coastal areas), replacement of ageing infrastructure, new legislative requirements and the growing demands of an ageing population.

The term “asset management” is used to describe the process by which Councils manage physical assets to meet current and future levels of service.4

“Asset Management is a systematic, structured process covering the whole life of an asset. The underlying assumption is that assets exist to support program delivery.”5

“The goal of infrastructure asset management is to meet a required level of service, in the most cost effective manner, through the management of assets for present and future customers.”6

There are three key phases in the cycle of the management of Councils’ assets as outlined below:

1. Acquisition:
   - identification of needs, including any financial constraints;
   - planning;
   - costs and expected economic life;
   - assessment of requirements;
   - feasibility study;
   - acquire/construct;
   - asset identification and recording.

2. Ownership:
   - planned maintenance;
   - unplanned maintenance;
   - maintenance of asset records;
   - condition assessment (to review maintenance needs).

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LGA ‘Financial Sustainability’ Information Paper No. 6: Infrastructure and Asset Management
- Revised January 2012

3. Disposal:
- condition assessment and likely income to be derived (to determine optimal timing of replacement/disposal);
- determination of method of disposal;
- site rehabilitation (where applicable);
- other environmental considerations (where applicable).

Council Members determine the policy framework within which existing assets are managed, new assets are acquired and the overall program for maintenance and disposal of assets. This policy framework will typically have regard to the link between the purchase, upgrade and disposal of assets, the delivery of services to communities and consultation processes required to ensure communities are well informed and able to influence the decisions of their Councils.

The role of Council staff is to assist the elected body to translate its asset management policy objectives into plans that will enable Councils to efficiently and effectively manage their asset portfolios and address issues such as:

- overall objectives for asset management having regard to the implications for service levels, financial, legal and regulatory matters;
- management of asset information systems, addressing issues such as location, condition, performance, capacity/utilisation, risk, lifecycle costs, maintenance history etc.;
- risk identification, assessment and control in the short and long term.

The purpose of an I&AMP is to recognise asset consumption and ascertain likely future asset maintenance and renewal needs and the need for new additional assets to meet future community service expectations. The costs inherent in an I&AMP need to be reflected in a Council’s long-term financial plan7 and both of these documents are integral to, and will be heavily influenced by, the strategic management plans of a Council. Where financial constraints prevent the accommodation of identified asset management outlay needs, a Council needs to revisit proposed service levels upon which its I&AMP is based. It needs to determine service levels that are compatible with its long-run revenue raising capacity and achievement of responsible financial indicator targets.8

With establishment of appropriate policy and planning mechanisms, staff can put in place operational controls and procedures to meet a Council’s objectives so as to:

- ensure that assets are properly managed and maintained;
- create and maintain suitable information and decision support systems to allow for the systematic establishment of service levels9 and the appropriate solutions to provide for those service levels;
- monitor the condition and performance of existing assets to meet the required service levels;
- ensure that appropriate records of assets are created and maintained;


DME 7577

LGA 'Financial Sustainability' Information Paper No. 8: Infrastructure and Asset Management
- Revised January 2012

- ensure that a system of internal controls safeguards assets from misuse or misappropriation;\(^{10}\)
- monitor the achievement of plans;
- provide regular reports on the achievement of plans; and,
- regularly review both the asset management plan and the long-term financial plan.

What does the Act require?

The Local Government Act 1999 and its regulations require each Council to:

- have an ISAMP, covering the management of infrastructure and other major assets of the Council for a period of at least 10 years;\(^{11}\)
- have a long-term financial plan covering a period of at least 10 years;\(^{12}\)
- maintain prudential management policies, practices and procedures for the assessment of all projects;\(^{13}\)
- prepare and consider a specially-commissioned report on the prudential aspects of a contemplated major asset acquisition or construction project (not required for road construction/maintenance or drainage);\(^{14}\)
- have a policy on the sale and disposal of assets;\(^{15}\)
- adopt an internal control policy which safeguards assets;\(^{16}\)
- maintain accounting records of assets;\(^{17}\)
- maintain a register of community land;\(^{18}\)
- maintain a register of public roads;\(^{19}\)
- regularly estimate its "asset sustainability ratio" and include the updated estimate in its:
  - long-term financial plans;\(^{20}\)
  - annual budget;\(^{21}\) and
  - mid-year budget review;\(^{22}\) and
- regularly revalue its material non-current assets in accordance with the requirements of Australian Accounting Standards.\(^{23}\)

The Local Government Act 1999 does not prescribe any particular form, content or approach for the preparation of an ISAMP. Clearly though in order to help both decision-makers and stakeholders to understand and make use of the document, the ISAMP should specify the desired and intended service levels sought to be generated from various classes (and


\(^{11}\) Local Government Act 1999 Section 122 (1)(a)(b)

\(^{12}\) Section 122 (1)(a) These two documents need to be consistent. That is to say, the long-term financial plan must take account of the cost of maintaining, renewing and replacing assets as specified in the infrastructure and asset management plan.

\(^{13}\) Local Government Act 1999 Section 48 (as1). See also Financial Sustainability Information Paper No. 27: Prudential Management at http://www.lga.sa.gov.au/goto/tsi

\(^{14}\) Section 48(1) and 49 (5)

\(^{15}\) Section 49 (1)(d)

\(^{16}\) Section 123

\(^{17}\) Section 124(1)(a)

\(^{18}\) Section 207(1)

\(^{19}\) Section 23(1)

\(^{20}\) Local Government (Financial Management) Regulations 2011 Regulation 5(c)

\(^{21}\) Regulation 7(d)

\(^{22}\) Regulation 9(2)

\(^{23}\) Regulation 12

DME 75377

sub-classes) of assets. It needs to also include details of outlays estimated to be required each year for:

- maintenance of existing assets;
- renewal or replacement of existing assets;
- maintenance of new, additional assets;
- acquisition of new, additional assets.

Many Councils find it useful to prepare an I&AMP for each asset class and this is not discouraged. Where this approach is adopted a Council must still nevertheless prepare an overall infrastructure and asset management plan providing summarised information and clearly setting out outlay forecasts as described above aggregated for all classes of assets.

**What are the issues for Councils?**

When developing an infrastructure and asset management plan, a Council should consider the following key issues:

1. Assets exist to support the delivery of a range and level of services to achieve a set of outcomes determined in consultation with the community.\(^{25}\)

2. Asset management is a subset of strategic planning and, as such it is an integral consideration in the creation of strategic management plans.

3. In evaluating alternatives for asset acquisition, the life-cycle costs and benefits of assets need to be considered and compared with the outcomes required to be produced by the asset.

4. Assets are not always renewed. Furthermore, acquiring more assets is not necessarily the solution to increased service demand.

5. Asset performance must be monitored and action taken to renew (including upgrade/rehabilitate) or retire assets that do not provide appropriate service levels and outcomes.

6. Each asset must be assigned to a person who has the responsibility to achieve service levels and outcomes with the asset.

It is communities, through their elected bodies of Council Members, who have the pre-eminence role in setting the service levels required to meet their needs.

CEOs and their management teams, working with their Council Members and communities, must ensure that assets are acquired, maintained, renewed and replaced in a manner that meets the service needs of their communities (whilst being mindful of the ‘duty of care’ that Councils have towards their communities) and in accordance with their adopted strategic management plans and budgets (including appropriate affordability and financial sustainability considerations).

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\(^{24}\) Classes or categories of assets should be determined by each Council relative to its circumstances and information needs. Consideration needs to be had to a Council’s financial reporting requirements in determining asset classes. See the discussion Determining ‘Classes’ of Assets in the LGA SA Model Financial Statements 2011 at page 75.

LGA ‘Financial Sustainability’ Information Paper No. 6: Infrastructure and Asset Management
- Revised January 2012

The following steps set out the process for good asset management in support of a Council’s asset management policies:

1. In consultation with the community, define the outcomes to be achieved and the affordable service levels that will best achieve those outcomes.
2. Ensure proposed service levels, as a minimum, satisfy Council’s duty of care obligations.
3. Incorporate the service level and outcomes into a Council’s strategic management plans, but have regard to the financial implications into the long term, and a Council’s financial sustainability considerations before setting service standards and modify proposed service standards as necessary.
4. Assess alternative methods of providing the service levels (including lower cost assets and non-asset methods where possible) and decide on the best solution. This would include an assessment of the full life-cycle costs and benefits for each of the alternatives.
5. If appropriate, acquire the assets to meet the required service levels.
6. Operate and maintain the assets to achieve up-to-date required service levels and minimise life-cycle costs.
8. Renew assets that will continue to be required to meet community needs.
9. Dispose of surplus assets or assets no longer able or required to meet community needs.

Supporting the above steps are two key elements:

- Information – about a range of matters:
  - community needs;
  - service levels;
  - financial sustainability considerations;
  - asset performance and condition;
  - financial performance targets;
  - financial indicators;\(^{26}\)
  - impact on future operating budgets (i.e. maintenance and depreciation costs).

- a decision support system which can perform:
  - life-cycle costing;
  - modelling of proposed solutions;
  - trend analysis;
  - forecasting – short and long term.

Resources

The degree of complexity of asset management will differ according to an individual Council’s corporate needs. The Local Government Association recommends that Councils have

LGA 'Financial Sustainability' Information Paper No. 8: Infrastructure and Asset Management  
- Revised January 2012

regard to the International Infrastructure Management Manual (IIIM 2011) issued by the Institute of Public Works Engineering Australia (IPWEA) in the preparation of their infrastructure and asset management policies and plans.

Typically Councils will start at a core level (focusing on current practices) and develop to a more advanced level identifying strategies to reduce life-cycle costs through improved practices and new technology. Deciding on the level at which a Council is aiming is a key strategic decision to be made by individual Councils.

Asset management will evolve in a continuous cycle of review and improvement so the quality of outputs matches the changing business needs of Councils.

Many Councils make use of the extensive range of materials prepared by IPWEA in undertaking their asset management responsibilities. They do this by subscribing to one of two programs:
- National Asset Management Strategy (NAMS.PLUS); or
- Asset Management for Small, Rural or Remote Communities (AM4SRRC)

These programs provide the tools and guidance to assist Councils write their own asset management plans based on the two approaches outlined in the IIIM – either 'core' or 'advanced'. Support material includes templates for the preparation of infrastructure and asset management policies and plans.

To assist with the integration of an I&A MP into a Council's long-term financial plan and asset accounting and asset management activity, Councils are also encouraged to have regard to the Australian Infrastructure Financial Management Guidelines (AIFMG, updated 2011) also issued by IPWEA.

A note on depreciation
Depreciation measures the consumption of an asset over a particular accounting period. The consumption of an asset is part of the cost of providing a service. The full cost of providing any service needs to be considered by communities and a Council in deciding to provide or continue services. In order to maintain financial and service level sustainability, the full cost of providing the service needs to be funded.¹⁹

Accounting standards require that assets with finite lives be depreciated over their useful lives. Asset values, useful lives and depreciation rates used to:
- maintain asset registers,
- prepare financial statements, and
- forecast timing and cost of asset replacement/renewal in an I&A M should all be consistent with each other.

Acknowledgement
This project has been assisted by the Local Government Research and Development Scheme.


DME 75377  
Financial Sustainability

Information Paper 8

Long-term Financial Plans

Revised January 2012
LGA ‘Financial Sustainability’ Information Paper No. 8: Long-term Financial Plans
Revised January 2013

Introduction
This Information Paper is one of a series of Information Papers about Financial Sustainability and Financial Governance in Local Government.

The series of Information Papers was originally published in 2006 to 2011 as part of the Financial Sustainability Program. The history of that program and a complete list of Information Papers and other resources, including a glossary of terms and abbreviations, is provided on the LGA’s “Financial Sustainability” web page: http://www.lga.sa.gov.au/gsa/fsp.

The entire series of Papers was revised in early 2012 to take account of legislative changes and other developments. These Papers are addressed to, and written primarily for the benefit of Council Members and staff, but they are also available as a resource for the general public and students of Local Government.

This Information Paper combines what were previously published as two separate Information Papers:
- No 8 – Long-Term Financial Plans
- No 16 – Long-term Financial Plan (A Model Format for Financial Information)

The previous Information Paper No. 16 has been discontinued and most of its contents merged into this revised Information Paper.

Long-term financial plans – an overview
When setting the annual budget, a Council is exposed to financial risk over the longer term if little regard is given to both operating revenue and expenses implications beyond the budget period. Long-term financial planning is arguably more critical for Councils than many other organisations. All Councils have made significant investments in long-term assets. A high proportion of these assets are reaching the stage where they will require renewing, replacing or upgrading in the foreseeable future. In addition, Councils face continuing expectations and pressures to augment service levels and keep rate rises to moderate levels.

The need for and importance of long-term financial planning in Local Government was reaffirmed in the findings and recommendations of the 2005 Independent Inquiry into the Financial Sustainability of Local Government.

What does a LTFP do?
The purpose of a Council’s long-term financial plan (“LTFP”) is to express, in financial terms, the activities that the Council proposes to undertake over the medium to longer term to achieve its stated objectives. It is similar to, but usually less detailed than, the annual budget. Just like the budget, it is a guide for future action although its preparation requires the Council to think about not just one year but the longer-term impact of capital investment expenditure proposals. The aggregation of future intended outlays and anticipated revenues enables the accumulating overall capacity implications to be readily identified and, if warranted, proposed future activities to be revised.

Operating without a LTFP is like driving a car at night in the country at the open-road speed limit without the car’s lights on ‘high-beam’. You can see the road immediately ahead but not far enough into the distance to be able to anticipate and respond quickly to needed turns in direction. A driver might get by in familiar surroundings but will be unprepared to appropriately respond to hazards that would have been recognised if the car’s lights and the driver’s eyes had been set on a longer-distance horizon.
The preparation of a LTFP generation improved information to guide decisions about the mix and timing of outlays on operating activities, renewal and replacement of existing assets, future additional assets and the funding implications of these. Without a soundly based LTFP a Council and its management team will have insufficient financial information to determine sustainable service levels and affordable asset strategies, appropriate revenue targets or optimal treasury management.

A LTFP, just like the annual budget, should be developed in an iterative way. If a draft version of a LTFP showed that proposed activities over the course of future years would have a detrimental effect on a Council’s financial sustainability, and did not project the Council achieving responsible financial indicator targets, then the Council should consider:

- reducing or deferring proposed outlays; and/or
- identifying additional revenue.

On the other hand, a LTFP showing a very sound ongoing financial performance and position would allow a Council to consider:

- raising service levels; and/or
- introducing additional activities to further satisfy community wants and needs; and/or
- reducing future proposed increases in rates and charges.

What does legislation require?

The Local Government Act 1999 (‘the Act’) requires each Council to develop and adopt a Long-Term Financial Plan (‘LTFP’) covering a period of at least 10 years, along with an Infrastructure and Asset Management Plan (I&AMP) also covering a period of at least 10 years. There is a direct link between the development and implementation of these two plans. They both form part of Councils’ suite of Strategic Management Plans (‘SMFs’).

The Act requires a Council’s SMFs to address:

- the sustainability of the Council’s financial performance and position;
- the maintenance, replacement or development needs for infrastructure within its area;
- proposals with respect to debt levels; and;
- identification of any anticipated or predicted changes that will have a significant affect upon the costs of the Council’s activities/operations.

Each Council is required to review its LTFP annually; as soon as practicable after the adoption of its annual business plan.\(^3\) There is an express statutory obligation on the Council’s CEO to report, as part of the annual review of the LTFP, on the sustainability of the Council’s long term financial performance and position, having taken into account the annual business plan and SMFs.\(^4\) Ideally, if the CEO’s report concluded that a Council was not financially sustainable under existing revenue and expenditure policy settings, the report would identify strategies to achieve financial sustainability in the future.

The annual budget must include budgeted financial statements that must be presented in a manner consistent with the Model Financial Statements.\(^5\) Likewise, the LTFP must include several components, each of which must be presented in a manner consistent with the

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1. Section 122 (1) (ah)
2. Section 122 (4)
3. Section 122 (4a)
Model Financial Statements, for each future year covered by the LTFP. These components are:

- estimated financial statements;
- a summary of proposed operating and capital investment activities;
- estimates with respect to the Council’s: operating surplus ratio,
  net financial liabilities ratio; and asset sustainability ratio.\(^5\)

What should a LTFP include?

A LTFP should specify and take account of:

- expected expenses and capital outlays for each year of the plan;
- expected revenues for each year and their source;
- financial indicators to enable assessment of the Council’s financial sustainability over the period of the plan;
- other documents in the Council’s suite of SMPs, and in particular its I&A;
- assumptions that have been used in the development of the LTFP including any proposed variations to service standards that underlie expenditure plans; and
- sensitivity analyses performed, which highlight the factors or assumptions most likely to affect long-term financial sustainability.

It should also include a brief narrative overview describing key financial content and conclusions that can be drawn from the financial data.

The above matters are discussed in more detail in the balance of this paper.

The first year of the LTFP should be consistent with the current annual budget. The content of the LTFP may become progressively less detailed in subsequent years with an emphasis on:

- ensuring that aggregate projected operating revenue can accommodate the additional operating expenses associated with discretionary new capital expenditure; and,
- proposed variations in the range and level of services provided to operate within acceptable limits of overall financial sustainability.

The starting point for the development of the following year’s budget should then be the data set out in year 2 of the LTFP. Significant variations that are made in finalising that budget need to be fed back into the next update of the LTFP, including in particular any flow-on implications for subsequent years.

What should be the financial sustainability indicators of a LTFP?

Councils need to develop targets or target ranges for financial sustainability indicators.\(^6\)

The LTFP should include tabular and graphical information showing a year by year analysis of the Council’s projected financial performance and position. This gives the reader a summary of the Council’s long-term financial trends. The tabular and graphical information

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\(^5\) Local Government (Financial Management) Regulations 2011- regulation 5

LGA ‘Financial Sustainability’ Information Paper No. 8: Long-term Financial Plans
- Revised January 2012

should include a comparison of LTFP projections against financial indicator targets set by the Council and any other appropriate Local Government benchmark comparisons.

A LTFP that showed sustained annual operating deficits over the projected 10 year period would in most circumstances imply that the proposals included in the plan, if acted upon, would result in the Council operating in a financially unsustainable manner over the period. If so it would mean, in effect, that the present generation of ratepayers would not be paying their share of the services they would be receiving.

If the LTFP showed an annual operating deficit that was improving over time it would indicate that the planned level of operating revenue was increasing relative to the planned level of operating expenses, and that the Council was proposing to take incremental steps to improve its financial sustainability.

LTFPs in the context of strategic planning

Linkages between plans

The Act requires Councils to have a suite of up to date documents that collectively form their SMPs. At the simplest level Councils must have a Strategic Management Plan (SMP), a LTFP and an I&AMP.7

It is critical that a Council’s SMP, LTFP and I&AMP are all consistent. Operating expenses and capital outlays associated with both existing and new infrastructure and other assets as projected in the LTFP must reflect the activities proposed in the I&AMP. Initiatives proposed in both the LTFP and I&AMP must be appropriate for the pursuit of the Council’s objectives and aspired outcomes as stated in its SMP.

Community consultation

A LTFP and an I&AMP need to not only reflect community wants and needs but also what can be afforded without detriment to the Council’s longer-term financial sustainability. Community input is vital if a Council is to achieve the best results from the development of its suite of SMPs.

The Act simply says that

‘a council must adopt a process or processes to ensure that members of the public are given a reasonable opportunity to be involved in the development and review of its strategic management plans’8

How this happens is up to each individual Council. Where significant changes are proposed, a Council could, for example, consult on the annual review of its LTFP at the same time as it undertakes community consultation on its annual business plan. Even if it chooses to do these consultations separately, processes followed in consulting on the annual business plan are likely to be relevant for consulting on the LTFP, given the common themes in both. However, straightforward updates to the LTFP normally would not warrant separate community consultation.

Roles and responsibilities

Without a LTFP, a Council would be at risk of providing additional services without careful consideration of the implications for the Council’s financial sustainability.

7 Local Government Act 1999 – Section 122
8 Section 122 (6)
Even where a Council considers a service to be needed, it does not automatically follow that the Council should take responsibility itself for the provision of this service. As part of its strategic planning considerations, a Council should be clear about these activities and services for which it should take responsibility and those where it should instead advocate for another sphere of government or entity to provide the service. There are various service delivery models that are available to Councils. Careful, strategic thinking by a Council in determining its roles and responsibilities can have a significant impact on the Council’s overall financial sustainability.

Infrastructure and Asset Management Plans

Councils’ activities typically are far more asset-intensive than those of the other spheres of government. Many Council assets also have very long lives. Asset maintenance, rehabilitation and replacement are critical issues for Councils. For these reasons the Act requires each Council to prepare an IAMP covering a period of at least 10 years. 8

Long-term financial sustainability, ensuring an optimal balance between revenue needs and service levels, depends crucially on strategic decisions by Councils on:

- the overall level and quality of assets;
- the acquisition and specification of new assets; and,
- the timing of asset disposal, rehabilitation or replacement

having regard to not only initial capital investment expenditure, but also ongoing operating expenses. Councils need to plan for the long-term and ensure that funds are made available to maintain assets as required so that the assets achieve their full intended service life and whole-of-life asset costs are minimised.

Often the initial capital cost of an asset is only a very small part of the total costs associated with owning, operating and maintaining it over its lifetime. The 2005 Independent Inquiry into the Financial Sustainability of Local Government found that many Councils were not spending optimally on asset management.

An IAMP should attempt to predict new and renewal infrastructure needs to meet future community service expectations and the expected associated maintenance costs based on expert technical assessment. Costs identified in a draft IAMP need to be fed into a draft LTFP to ensure projected capital investments can be accommodated without detriment to a Council’s financial sustainability. If cuts need to be made to the IAMP then deletion or deferral of additional new assets could be the source of these savings. The rationalisation of existing assets also could be a source of savings if it results in surplus assets being identified and sold. If a Council has decided to maintain existing service levels from an asset, then a reduction in a well-developed proposal for maintenance, renewal or replacement of that asset is unlikely to be cost-effective. Savings are likely to be short-term with subsequent higher maintenance costs later and will therefore impact negatively on a Council’s longer-term financial sustainability.

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DME 75132
LGA ‘Financial Sustainability’ information Paper No. 8: Long-term Financial Plans
- Revised January 2012

Funding strategy

Funding sources
An integral part of developing a LTTP is determining proposed funding sources and funding
amounts to meet projected outlays. Councils need to determine an appropriate mix of rates,
fees, charges and grant revenue having regard to expenditure proposals and long-term
financial sustainability. Borrowings are not a funding source but additional borrowings may
be warranted to meet cash flow needs, providing overall financial sustainability targets can
be met.1)

The funding strategy needs to weigh up:
- whether today’s ratepayers pay more or less than the cost of providing today’s services
to them (and the consequential implications for future ratepayers); and
- the best balance between funding from direct users of specific services (fees and
charges) and broader public beneficiaries (general rates).

The LTTP also needs to consider the implications for financial sustainability of any increase
in net interest costs from increasing indebtedness (e.g. by running down financial assets or
raising borrowings) to meet asset acquisition financing needs.12

Rating considerations
A Council’s rate revenue expectations (arising from forecast movements in the number of
rateable properties) and proposals (any intended variation in average rates payable for all or
some classes of ratepayers) are a crucial consideration in the final content of, and overall
financial sustainability forecast by, the LTTP.

A Council may identify and determine as a result of rate revenue deliberations in the
preparation of the LTTP that a review of the structure of its rating strategies is warranted.
This could include:
- consideration of equity and capacity to pay by the community overall and different
sections within it;
- benchmark comparisons of rating levels with other Councils as appropriate;
- analysis of the potential to reduce or increase reliance on rates through a variation in
revenue from other sources such as user charges;
- assessment of the impact on rate revenue from projected land use and demographic
change; and
- consideration of changes in rating policies, e.g. the introduction of fixed charges,
service rates or targeted rate relief.

Treasury management
The preparation of a LTTP is likely to help a Council determine whether its existing treasury
management policies and practices could be improved. Treasury management policies
should be explicit, but in the absence of explicit policies each Council will have practices and
procedures that presumably reflect implicit policies.

Modern approaches to treasury management, that are consistent with accrual accounting
concepts, clearly highlight that considerable savings can be made through an holistic focus
on funds management compared with undertaking separate or specific borrowings to finance

12 See Financial Sustainability Information Paper No 20: Rating Policy and Other Funding Options at:
particular projects or assets and quarantining existing financial assets in separate special
purpose accounts.11

For the purposes of this paper it is sufficient to note that in developing a LTFP, the use of
accumulated financial assets and borrowings can be identified as an important financing
source.

While it is clearly desirable that levels of indebtedness be as low as possible (subject to
intergenerational equity considerations and all other things being equal) soundly managed
borrowings are an important and appropriate financing option available to Councils to help
finance their ongoing infrastructure requirements. Councils must make treasury
management policy decisions in the context of their overall financial management and
service delivery decisions.

There are two distinct aspects of a Council’s treasury management:

- a strategy covering the level of a Council’s indebtedness over the planning cycle; and
- a strategy to minimise a Council’s net interest costs over time in a risk averse manner.

The LTFP is a key financial management tool to optimise a Council’s treasury management
strategy. It needs to clearly highlight anticipated movements in annual cash flows linking
movements in a Council’s level of borrowings and financial assets over the planning period.

Narrative Overview

A LTFP needs to include a brief narrative overview to help both decision-makers and
stakeholders understand the purpose of the document and the key conclusions that can be
drawn from the financial data. It should therefore help inform decisions and judgements
regarding future proposed service levels and major initiatives and their funding and
financing.12

Assumptions

What will actually happen in future is uncertain. Differences in assumptions regarding future
events can have a big impact on the financial projections in a LTFP. It is important therefore
that key assumptions (those that, if varied, could have a significant impact on financial
outcomes) should be documented in the LTFP and should be defensible. Examples could
include:

- whether the LTFP has been prepared in real (net of inflation) or nominal (actual
dollars of the day) values and anticipated general price movements over the planning
period;
- any proposed increase in rating levels, and/or other revenue, clearly specified;
- expected relative price variations for particular classes of outlays (where different
from the assumed general price movements and the impact is material);
- the projected rate of growth in properties served (and possibly population) and the
impact on operating revenue and operating expenses;

11 See Financial Sustainability Information Paper No. 15: Treasury Management at:
12 LGA Financial Sustainability Information Paper No. 20: Rating Policy and Other Funding Options at:
http://www.lga.sa.gov.au/gets/tfp draws a distinction between “funding” and “financing”.
“Funding” refers to the raising of revenue whereas “financing” describes how payment for an outlay
is accommodated (which might involve borrowing).
LGA ‘Financial Sustainability’ Information Paper No. 8: Long-term Financial Plans

- Revised January 2012

- details of anticipated/proposed changes in mandated and discretionary service levels where they are expected to have material impact on operating revenue or operating expenses;
- any assumed material changes in revenues beyond the Council’s control (e.g. in grants from other spheres of government); and
- whether the projections are consistent with proposals specified in the Council’s strategic management plans or other published commitments/statements of intention.

Sensitivity analysis
A Council’s finalised LTFP should outline the optimum balance of prioritised services that it considers can be funded with acceptable revenue raising proposals based on carefully considered assumptions and community consultation while ensuring achievement of responsible financial indicator targets.

When preparing its LTFP a Council needs to undertake sensitivity analyses to assess the impact of variations in underlying key assumptions. For example, small variations over time in the expected number of properties in the Council area may have a very significant impact on the Council’s projected aggregate rate revenue and hence its financial capacity and financial sustainability over the planning period.

Ultimately a LTFP must be based on best assumptions but a Council should be mindful of the probabilities and risks associated with these assumptions in its decision making. As a minimum, assumptions need to be reconsidered, and if necessary updated, in the annual review of the LTFP.

Resources
Integral to LTFPs are the financial projections which result from the assumptions adopted and on which the analysis, actions, responsibilities etc. of the plans are based.

A software product “Long-term Financial Plan Model” has been developed by the SA Local Government Financial Management Group (SALGFMG) in association with the LGA, and has been made available to Councils.

More recently, the Australian Centre of Excellence for Local Government (ACELG) has promoted a nationally consistent approach to the development of LTFPs. It has released a detailed and nationally applicable Practice Note to provide guidance on the preparation of LTFPs. The ACELG Practice Note recognises that some councils will prefer different levels of content detail in their LTFP. It nevertheless encourages a simple and strategic approach. ACELG has arranged for the Institute of Public Works Engineering Australia (PIWEA) to develop a straightforward spreadsheet model intended to facilitate preparation of a LTFP on this basis. This spreadsheet model avoids the detailed calculation of double-entry accounting transactions for all reports that the SALGFMG model is predicated upon.

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11 The SALGFMG model provides LTFP outputs that are consistent with the requirements of regulation 5 of the Local Government (Financial Management) Regulations 2011.
12 The ACELG LTFP Practice Note includes (at Appendix IV) an illustrative example of a narrative overview, as discussed above.
13 However, Regulation 5 of the Local Government (Financial Management) Regulations 2011 currently requires greater detail in a LTFP than the detail envisaged in ACELG’s proposal.
LGA ‘Financial Sustainability’ Information Paper No. 8: Long-term Financial Plans
Revised January 2012

Regardless of the format in which a Council prepares its LTFP, it is recommended that the LTFP includes graphs which show projected performance of financial indicators against the Council’s targets that have been set for those indicators.¹⁹

What are the issues for Councils?
Councils typically have very significant investments in long-term assets. In many cases these will require substantial renewal, replacement or upgrading within a 10 year period. Community demands for better and additional Local Government services continue to grow. Accordingly, it is imperative that Councils have well-developed LTFPs to help guide decision-making and protect their future sustainability.

It is emphasised that a LTFP need not be detailed and complex. It is necessary though that a LTFP provide linkages, in financial terms, between a Council’s objectives, goals and desired strategic directions. A LTFP must be consistent with a Council’s strategic objectives and take into account prioritised needs, including those identified in the Council’s I&AMP.

A well-developed LTFP will assist a Council to:
- set its future financial direction;
- protect future financial sustainability;
- assess revenue raising needs;
- assess the Council’s capacity or need to vary service levels;
- assess its capacity to undertake any major additional capital works; and
- provide goal posts for the preparation of the following year’s annual business plan and budget.

A Council’s LTFP should encourage the Council to think about the impact of all its activities on future operating revenues and expenses. From this thinking comes a better understanding of the financial implications arising from community needs and preferences identified by the Council and the capacity to effectively plan for changes in service levels and infrastructure spending.

Acknowledgements
This paper has been prepared with the benefit of contributions from:
- Mr John Conrie of JAC Conrie Pty Ltd
- Mr Michael Kelley of Walmsley Lawyers
- Mr John Wright of the Office for State/Local Government Relations and
- Mr Simon Zoberski of the City of Campbelltown

supported by a working party of representatives of the SA Local Government Financial Management Group.

The development of this information paper has also been assisted by funding from the Local Government Research and Development Scheme.

AUSTRALIA DAY PROGRAM
SATURDAY 26th JANUARY 2013

8:30am Flag Raising
   Acting CEO to introduce the National Anthem preformed by the Lock junior singers
   Flag is raised to the Anthem - Lock Local Police Officer (to be confirmed)
   Acknowledgement of Traditional Land owners

8:45am Breakfast prepared by Lock Local Lads.

9:30am Acting CEO thanks guests and advises commencement of Australia Day Ceremony

   Acting CEO introduces Chairman

   Chairman welcomes everyone to the Australia Day Award Ceremony for 2013

   Speech by Australia Day Ambassador - Francene Common

   Citizen of the Year Award - James Searle
   Chairman to introduce award and invite James Searle to come up
   Chairman to introduce David Beard (to be confirmed) in support of James Searle’s nomination
   Davis Beard to speak
   Chairman to present award to James Searle
   James Searle to respond

   Community Event of the Year - “Mitchell Pearce & Ronald McDonald House Dinner and Auction”
   Chairman to introduce award and invite Event representative to come up
   Chairman to introduce Bronwyn Pearce (to be confirmed) to speak in support of the event
   Bronwyn Pearce to speak
   Chairman to present award to the event committee
   Event Committee Representative to respond

10:15am Chairman to ask award recipients to approach for photos
13.2 Section 41 Committee Reports

13.2.1 – Audit Committee - Nil

13.2.2 – Coastal Facilities Committee - Nil

13.2.3 – Venus Bay Toilet Committee - Nil

13.2.4 – CDAP Committee - Nil

13.2.5 – Elliston Playground Committee – Nil
14.1 Infrastructure & Environmental Services – General Report

File Reference: 12.21.3.4

Officer Responsible for the Report: Tim Mills, Development, Infrastructure & Environmental Services Officer

Officer or Persons Consulted: Acting CEO

Goal: Our Economy and Infrastructure, Provide professional leadership, support and advice, deliver a high standard of essential community services and project outcomes.

Objective 3: We will collaborate to develop an integrated transport and road system that provides access for all users.

Policy / Legislation: Road Infrastructure Policy
Section 188 Local Government Act 1999

Budget: Where there is a cost it will be manageable within the budget.

WORKS PROGRESS UPDATE – 9 January 2013

The following updates are provided for Council information:

1 Painting
Painting of the Toilet Block located next to the Community Hall commenced on 07.01.13, following this painting the outside of the Council office will begin and should be completed by the Australia Day Long Weekend.

2 Bitumen Sealing
Sealing of the three main roads in Elliston Beach Terrace, Yandra Drive and Memorial Drive has been completed as well as around the Community Hall and football ground car-park.

3 Linemarking
The first coat of Line-marking around several Elliston streets has been completed and a further coat will be applied beginning on 14.01.13.

4 Little Bay Road
The building of Little Bay Road has been completed and is looking great. Guide posts will soon be added along the coast side of the road.

5 Footpath Paving
The paving work along Beach Terrace commenced on 09.01.13 with an expected completion time before the Australia Day Long weekend.

6 Television - Transmission
The problems with the transmission of Channel 7 from the Bramfield Tower have now been rectified and steps are being put in place to avoid a recurrence of this issue.
7  **Kerbing**  
The kerbing work and planting around the Pine Trees at the front of the Council has been completed.

8  **Elliston Jetty - Maintenance**  
An issue has been identified in regards to the handrails on the Elliston jetty becoming loose and staff are working to fix this as soon as possible.

9  **Elliston Jetty – Beach Access**  
The contractor (PJ & MD Clark) completed the concrete ramp/steps for the emergency beach access adjacent the Elliston jetty in December 2012. Several positive comments received. Some more work will be required to protect the ramp from swells undermining the new work.

10 **Elliston Jetty – Access Ladder**  
The contractor (PJ & MD Clark) has advised that preparation work prior to reinstallation of the ladder has commenced. A timeframe for completion was not provided.

11 **Sheringa Beach**  
The contractor (Mark Venning) has advised that other work commitments have prevented commencement of works at Sheringa Beach. Although a definite start time was not provided it would be at least another three weeks.

12 **General maintenance**  
The maintenance staff have continued with regular maintenance work throughout the Christmas/New Year break and have done a great job.

**Recommendation:**  
*That* the Infrastructure & Environmental Services Report be received
15. **Chairpersons Report**  
   *(Verbal)*

16. **Correspondence**

   **16.1 Email from Anne Scammell – Congratulations**

   **From:** Elliston Apartments [mailto:stay@ellistonapartments.com]  
   **Sent:** Friday, 21 December 2012 5:35 PM  
   **To:** Stephen Kerrigan; Chris Davey  
   **Subject:** Congratulations!

   Dear Steve and Chris,

   Congratulations on the new roads and other paving in the town centre. Great line marking and general upgrading of road surfaces as well as the long awaited paving of the car park at the Information Centre. I think the cats’ eyes in the middle of the intersection are fantastic, makes Elliston look like a town that lives in the new century as well as making the intersection safer. It looked great driving in last night. It is marvellous to have it all in place before Christmas. Our visitors will be most impressed and will probably cease making the mistake of driving up the wrong side of Beach Terrace on the their way to the foreshore. Thanks for making it happen. Happy Christmas!

   Regards,

   Anne Scammell
16.2 DPTI - Changes to Development Assessment Processes in SA

Proposed changes to development assessment processes in South Australia.

Dear Mr Kerrigan

Please find attached copies of the following documents that have been released for industry consultation—

1. Draft regulations to amend the Development Regulations 2008 that will allow private certification of residential code complying developments;

2. Discussion paper entitled *Improving building rules assessment processes in South Australia*, which addresses some of the recommendations of the Select Committee on Private Certifiers and other building rules assessment matters; and


1. Changes to the Development Regulations 2008 to allow private certification of residential code complying developments

The Development (Private Certification) Variation Regulations 2012 have been prepared to support the operation of the Development (Private Certification) Amendment Bill 2012 which was passed by Parliament on Thursday 29 November 2012.

The Act changes provide for private certification of planning consents. It is intended that the changes will operate in the same way that private building certification can occur. The draft regulations provide the procedural details regarding the operation of private certification for planning consents and specify that only residential code development can be privately certified.
2. Proposals to address recommendations of the Select Committee on Private Certifiers and other building rules assessment related matters

The Select Committee was established by a resolution of the House of Assembly on 12 May 2009 to inquire into the functions and duties of private certifiers/building surveyors in the state of South Australia. Under its Terms of Reference, the Select Committee considered a range of matters relating to the operation of Part 12 – Private Certification of the Development Act 1993. The findings of the Committee were tabled in a report to Parliament on 2 December 2009.

The Select Committee’s report included 19 recommendations that the Committee considered should be made to improve the private certification system in South Australia for building rules consents. Some of the Select Committee’s recommendations, such as auditing, have already been implemented and work has commenced to address other recommendations.

In relation to the remaining recommendations, the Department of Planning, Transport and Infrastructure has prepared the attached discussion paper ‘Improving building rules assessment processes in South Australia’, which outlines proposals to address the Committee’s recommendations that relate to -

- registration of structural engineers and building surveyors;
- establishing an independent registration body to register building surveyors and structural engineers;
- introducing rights of appeal for registered persons;
- allowing engineers to self-certify their own designs; and
- introducing further streams of private certification.

The paper also considers amendments to removing current anomalies that relate to building rules assessment processes.

3. Amendments to the Minister’s Code of Practice and development of associated Practice Notes.

A strengthened Code of Practice was a recommendation (iii) of the Select Committee on Private Certifiers. Following a series of practitioner workshops in August 2011, it was evident that as well as a revised Code of Practice there was a strong desire for Practice Notes to supplement and provide clarity regarding the provisions in the Code of Practice. A revised Code of Practice and accompanying Practice Notes were subsequently distributed for consultation. Both the Code of Practice and the Practice Notes have since been further revised based on comments received. In particular –

- Where possible, examples have been clearly separated from the main text in the Practice Notes and further examples have been provided to assist understanding of the substance of the Practice Note.
- Duplication between Practice Notes has been removed.
The opportunity has also been taken to broaden the draft Code of Practice and the Practice Notes to include the administration of applications for Development Plan Consent of residential code developments. These changes are based on the draft amendments to the Development Regulations referred to above.

Comments on these proposals should be addressed ‘Submissions on development assessment processes’ and be sent to –

General Manager Building Policy
Statutory Planning Branch
Department of Planning, Transport and Infrastructure
GPO Box 1815
ADELAIDE SA 5001
Email: dpti.pdbuildingbranch@sa.gov.au

All documents are available online at www.sa.gov.au/planning/publicconsultation. All comments on these proposals should be submitted to the department before 5.00pm on 01 February 2013.

Yours sincerely

Andrew Greer
EXECUTIVE DIRECTOR, STATUTORY PLANNING
DEPARTMENT OF PLANNING, TRANSPORT AND INFRASTRUCTURE
21/12/2012
16.2 DECD – Bushfire Vegetation Management on Council Land

Mr Stephen Kerrigan
Chief Executive Officer
District Council of Elliston
PO Box 46
ELLISTON SA 5670

Dear Mr Kerrigan

RE: Bushfire vegetation management on Council land

The Department for Education and Child Development is working with schools and preschools in your council area to prepare them for the 2012/13 fire danger season.

Schools and preschools are required to undertake vegetation management actions including tree trimming and grass slashing around their site to prepare them for the fire danger season.

The department is requesting local councils support these sites by inspecting and undertaking vegetation management activities on council land adjacent to and surrounding the following schools and preschools:

- Elliston Area School
- Lock Area School + Early Learning Centre

Thank you for your cooperation in supporting schools and preschools for the 2012/13 fire danger season.

We would appreciate a return response outlining the actions that Council have undertaken for our records, and please contact me should you wish to discuss this further.

Thank you for your support in regards to this issue.

Yours sincerely,

Ross Treadwell
DIRECTOR, CAPITAL PROGRAMS & ASSET SERVICES
Date:
16.3 Letter from Andrea Fuller - Eyre Contract Diving Pty Ltd

Eyre Contract Diving Pty Ltd
I & A Fuller
PO Box 1849
Port Lincoln, SA 5606

District Council Of Elliston
PO Box 46
Elliston SA 5670

27-12-12

Dear Stephen,

Thank you for your letter of response (Ref 2.26.1.1) to our Notice of Complaint. We are very pleased to receive acknowledgement of our correspondence and look forward to receiving a report on the matters raised early in 2013.

Now that our correspondence has finally been acknowledged and some process is in place, please find enclosed our cheque of $873.50 for the quarterly rate payment.

Yours sincerely,

Andrea Fuller
16.4 RAA – Risky Roads Campaign

Dear Sir or Madam,

RE: Risky Roads campaign

RAA is a voice for almost 600,000 South Australians on issues that include road safety and road infrastructure.

As an independent motoring body, we are regularly contacted by Members who are concerned about the condition of the roads they drive on.

It’s important that the people who drive, cycle or walk feel confident and safe about the roads they use in South Australia, and RAA wants to work more closely with both State and Local Governments to achieve this.

To better understand how the community feels about South Australian roads, RAA will be running a “Risky Roads” campaign from 21 January to 30 March 2013.

The aim of this campaign is to provide an opportunity for motorists, cyclists and pedestrians to identify roads, intersections or locations they find confusing, difficult to negotiate or that make them feel unsafe. Members of the public will be able to have their say online using a Google maps locator, by completing a form from any RAA shop or the tear-out in the autumn edition of samotor.

RAA will collate and analyse all nominations, and prepare a report that will be available to you for information.

If you have any enquiries about the Risky Roads campaign, please contact Amanda Lovelock, Senior Manager Strategic Communications, on 8202 4544 or alovelock@raa.com.au

We look forward to working better with you to improve road safety in South Australia.

Kind Regards

Ian Stone
Group Managing Director

Motoring  Insurance  Travel  Secure Services
16.5  Letter sent to David Habner re: Rates Issues

21 December 2012

Mr David Habner
PO Box 22
NORTH SHEILDS SA

Dear Mr Habner,

In response to your letters dated 1st September, 30th November and 8th December 2012, I advise that your letters were presented to Council’s meeting held on 18th December 2012.

Council declared the annual rate following a consultation process. The estimated revenue was to ensure the operation of Council and capital projects were funded. The increase in the rural rate in the dollar was to reflect the high demands to provide services for rural properties.

Council reviews the budget, actual and forecast expenditure throughout the year. There are always competing priorities and if there are savings achieved, Council will either apply these funds to reduce the deficit or allocate funds to other priorities that may not have been funded in the current budget.

It was the Council’s view in the consultation stage and at the budget meeting that a higher rate for rural properties would deliver funding to meet the needs of the community.

Council will be consulting the community again in 2013 regarding the rating strategy proposed and how the strategy will impact on Council’s operation over the next five years.

As you are aware, following requests to review Council’s rating decision; the Council reviewed the impact on rural and commercial properties and at the November meeting granted a discretionary rate rebate. A letter was recently sent to ratepayers affected, indicating the rebate had been included and an amended rate notice was also issued. There was no requirement for ratepayers to apply for the discretionary rebate.

The general rates are raised to cover Council’s operation and are not preserved for expenditure based on locality or land use. Separate rates and charges are required to be spent only for the purpose they are raised e.g. waste collection and sewerage services.

Council is aware of the need for a transparent and fair approach to rating and would welcome your comments when the draft rating strategy and draft budget are released for consultation.

I trust this information is of assistance.

Yours faithfully,

Stephen Kerrigan
Acting Chief Executive Officer
17. Elected Members – Motions Without Notice

18. Elected Members – Questions Without Notice

19. Elected Members – Matters of Special Interest

20. Confidential Items