

**ADELAIDE HILLS COUNCIL
ORDINARY COUNCIL MEETING
Tuesday 26 November 2019
AGENDA BUSINESS ITEM**

Item: 12.8

Originating Officer: Lachlan Miller, Executive Manager Governance & Performance

Responsible Director: Andrew Aitken, Chief Executive Officer

Subject: Council Member Conduct Complaint – Cr Leith Mudge

For: Decision

SUMMARY

The purpose of this report is to provide Council with the findings of a *Council Member Conduct Policy* complaint investigation regarding Cr Leith Mudge.

A complaint regarding the conduct of Cr Mudge was received in April 2019. The matter was referred to the Local Government Governance Panel (the Panel), in accordance with the *Council Member Conduct Policy Complaint Handling Procedure* (the Procedure). In consideration of the complaint, the Deputy Panel Manager conducted an Initial Assessment and determined that there were likely to be breaches of a number of the provisions of the Behavioural Standards listed in the Code and the complaint was further investigated.

The investigation has now been completed and a Final Investigation Report is at **Appendix 1**. The Deputy Panel Manager has determined that Cr Mudge has acted in breach of clauses 2.2, 2.3, 2.4, 2.5 and 2.6 of the *Code of Conduct for Council Members* (the Code).

In accordance with the provisions of the Procedure, as a breach of the Code was found by the Panel, this report sets out the details of the breach and seeks Council's consideration of the action(s) to be taken regarding the breach.

RECOMMENDATION

Council resolves:

1. That the report be received and noted
 2. To note the *Final Investigation Report* of the Local Government Governance Panel at Appendix 1 and Cr Leith Mudge's submission at Appendix 2.
 3. To determine that Cr Leith Mudge's actions on 19 April 2019 were in breach of clauses 2.2, 2.3, 2.4, 2.5 and 2.6 of the Code of Conduct for Council Members.
 4. To censure Cr Leith Mudge for breaching clauses 2.2, 2.3, 2.4, 2.5 and 2.6 of the Code of Conduct for Council Members.
 5. To request a report be prepared by the Administration regarding the development of a policy position for the use of social media.
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1. GOVERNANCE

➤ Strategic Management Plan/Council Policy

Goal: Organisational Sustainability
Strategy: Governance

A key element of the Governance Strategy within the Strategic Plan is that Council Members will ‘..diligently adhere to legislative requirements to ensure public accountability and exceed these requirements where possible.’

➤ Legal Implications

On 29 August 2013, in accordance with Regulation 6A of the *Local Government (General) Regulations 1999*, the Minister for Local Government published the *Code of Conduct for Council Members* (the Code). On 1 September 2013, the Code was made by Regulation.

The Code contains provisions for the handling of complaints under Part 2 and requires Council to adopt a process for the handling of alleged breaches under that Part.

The *Council Member Conduct Policy* (the Conduct Policy) was adopted on 25 November 2015 and is an amalgam on the mandatory *Code of Conduct for Council Members* prescribed by the Minister for Local Government and an additional agreed set of behavioural principles and standards to complement and confirm the requirements of the Code. The Policy also contains Council’s *Code of Conduct Complaint Handling Procedure* (the Procedure). The Policy can be accessed via Council’s website.

Section 63(2) of the *Local Government Act 1999* (the Act) provides that members of councils must observe the Code. The AHC Behavioural Standards apply to members of Adelaide Hills Council in accordance with the requirement of clause 2.6 of the Code which requires Council Members to comply with all Council policies, codes and resolutions.

➤ Risk Management Implications

Handling Code of Conduct complaints and investigations in accordance with the provisions of the Conduct Policy will assist in mitigating the risk of:

Poor governance practices occur which lead to a loss of stakeholder (i.e. customer and regulator) confidence and/or legislative breaches.

Inherent Risk	Residual Risk	Target Risk
Extreme (5C)	Medium (3D)	Medium (3D)

Note that there are many other controls that assist in mitigating this risk.

➤ Financial and Resource Implications

The costs associated with managing and investigating Conduct Policy complaints are accommodated in existing budgets and, where required, adjusted via budget reviews.

While a final costing has not been received, the fee estimate for the investigation component was between \$5,000 - \$5,500.

In addition, the management of Conduct Policy complaints requires the committal of resources within the Governance & Performance Department (these have not been costed for the purposes of this report).

➤ **Customer Service and Community/Cultural Implications**

There is a high expectation that Council Members conduct themselves in an appropriate manner and in accordance with legislative obligations.

Further, the community expects Council to have appropriate corporate governance processes in place to manage conduct complaints.

➤ **Environmental Implications**

Not applicable.

➤ **Engagement/Consultation with Committee, Regional Subsidiary, Advisory Group and Community**

There is no requirement in legislation or the Conduct Policy requiring engagement/consultation beyond that necessary for the conduct of the investigation.

2. **BACKGROUND**

Code of Conduct Complaint Handling Procedure

Attachment C of the Conduct Policy sets out the Procedure. The following summary of the Procedure is as it relates to the particulars of the complaint, which is the subject of this report.

Clause 4.5 of the procedure provides that the Mayor will determine whether the complaint relates to:

- behaviour which falls under Part 2 of the Code
- misconduct which triggers action under Part 3 of the Code; or
- criminal or corrupt behaviour

Clause 4.8 of the Procedure provides that the Mayor (or Deputy as required), having regard to the seriousness of the allegation and information provided, may:

- seek to resolve the matter internally
- refer the complaint to the Local Government Governance Panel (the Panel)
- dismiss the allegation.

Clause 4.11 requires that, upon being advised of the complaint, the Mayor must bring the fact of the complaint, but not the details of the allegations, to the attention of the Council at the next formal meeting of the Council.

Clause 6.3 states that where a complaint is referred to the Panel, the matter will be assessed initially by the Panel Manager who will determine the process to be followed and the person who will deal with the matter.

Clause 7.4 of the Procedure provides that if, following investigation by the Governance Panel, a breach of Part 2 is found, the breach must be the subject of a report to a public meeting of Council (clause 2.24 of the Code). The Council may, by resolution, take any of the following actions:

- Take no action;
- Pass a censure motion in respect of the Council Member;
- Request a public apology, whether written or verbal;
- Request the Council Member to attend training on the specific topic found to have been breached;
- Resolve to remove or suspend the Council Member from a position within the Council (not including the Member's elected position on Council)
- Request the member to repay monies to the Council.

The Complaint

The complainant lodged a Code of Conduct complaint on 23 April 2019 regarding the actions of Cr Leith Mudge on or about 19 April 2019 in relation to social media posts regarding the complainant's business. The complaint cited breaches of Part 2: Behavioural Code of the Conduct Policy. The elements of the complaint are set out in detail in the Panel's *Final Investigation Report (Appendix 1)*.

At the 23 April 2019 Council Meeting, Cr Mudge made a personal explanation regarding the social media posts and subsequent events. The explanation included a public apology and an undertaking to attend further training. The explanation was recorded in the Council minutes and has been reproduced on the final page of the *Final Investigation Report*.

On 30 April 2019, the Mayor determined, in relation to clause 4.5 of the Procedures that the complaint, for the purposes of the Conduct Policy, was behaviour which falls under Part 2 of the Code. Further the Mayor determined that, in relation to clause 4.8, to refer the complaint to the Local Government Governance Panel for investigation.

At the 7 May 2019 Special Council meeting, the Mayor advised the Chamber as follows:

Presiding Member's Opening Remarks

I advise Council that a Code of Conduct for Council Members complaint has been received. In accordance with clause 4.5 of the Code of Conduct Complaint Handling Procedure I have determined that the alleged conduct is behaviour which falls under Part 2 of the Code and further under clause 4.8, and I have determined to refer the complaint to the Local Government Governance Panel.

Consistent with clause 4.11 of the Procedures I am bringing the existence of the complaint to Council's attention but I will not be providing details of the allegations or parties involved at this point in time.

The *Final Investigation Report (Appendix 1)* sets out the balance of the investigation process.

On 25 June 2019, Cr Mudge received training of the *Council Member Conduct Policy* and the *Social Media Guidelines*.

3. ANALYSIS

Members will note that the complainant's identifying details have been redacted from the *Final Investigation Report* as the identity is irrelevant to the Council's determination of the matter and publication of the same could act as a disincentive for the making of complaints.

Further Members will note that the *Final Investigation Report* is co-badged with LGA and EMA Legal logos. The latter is because EMA Legal has been engaged by the LGA to manage the Panel.

On the basis of the investigation conducted, the Deputy Panel Manager has determined that Cr Mudge has acted in breach of clauses 2.2, 2.3, 2.4, 2.5 and 2.6 of the Code (see Section I of **Appendix 1**).

In accordance with clauses 2.25 of the Code and 7.4 of the Procedures, now that a breach is found, the Council must determine what action(s) the Council will take in relation to the breach.

The Panel's recommendations are that:

1. there be a finding that Cr Mudge's actions on 19 April 2019 were in breach of clauses 2.2, 2.3, 2.4, 2.5 and 2.6 of the Code of Conduct for Council members;
2. that the Council pass a motion of censure of Councillor Mudge's conduct;
3. that the Council review its policy position in relation to the use of social media.

Written Submission

To provide procedural fairness, and acknowledging that Cr Mudge will likely declare a Material Conflict of Interest and leave the Chamber when the matter is considered, the Mayor wrote to Cr Mudge on 11 November 2019 providing the opportunity for Cr Mudge to provide a written submission addressing any matters that he may wish for the Council to take into account in considering the report.

Cr Mudge provided a written submission for Council's consideration and it is at **Appendix 2**. As with the *Final Investigation Report*, identifying details of the complainant within the submission attachment have been redacted.

4. OPTIONS

Council has the following options:

- I. Determine the action(s) to be taken resulting from the breach in accordance with clause 2.25 of the Code (Recommended)
- II. Not make any decisions in relation to the agenda item (Not Recommended)

5. APPENDIX

- (1) Final Investigation Report – Cr Leith Mudge – dated 11 November 2019
- (2) Written Submission – Cr Leith Mudge – dated 19 November 2019

Appendix 1

*Final Investigation Report – Cr Leith Mudge –
dated 11 November 2019*



Final Report

Investigation

Complainants:	Mr [redacted] and Ms [redacted]
Council member:	Councillor Leith Mudge
Council:	Adelaide Hills Council
Issues:	Alleged breach of Part 2 – Code of Conduct for Council Members
Dated:	11 November 2019

A. Introduction

The complainants allege breaches of the Code of Conduct for Council Members (**the Code**)¹. The Code is incorporated into the Adelaide Hills Council Member Conduct Policy.

The allegations are made against Councillor Mudge in respect of his behaviour but did not identify specific provisions of the Code. The Initial Assessment report identified potential breaches of clauses 2.2, 2.3, 2.4, 2.5 and 2.6 of the Code.

Mr Matthew O'Callaghan (independent consultant) carried out a factual investigation into the allegations. Mr O'Callaghan prepared a Preliminary Report in collaboration with the Panel. Copies of the Preliminary report dated 18 September 2019 were provided to the Complainants (Mr & Ms [redacted]) and the Council Member (Cr Mudge). Both were invited to provide any response they wished prior to resolution of the matter by means of a Final Report.

Cr Mudge has provided a response to the Preliminary Report dated 4 October 2019 (**Report Response**). That has been considered, together with its attachments.

Neither Mr nor Ms [redacted] have availed themselves of the opportunity to respond to the Preliminary Report. The Panel assumes that they saw no need to do so.

The Panel has completed this Final Report in consultation with Mr O'Callaghan.

B. Investigation Process

Mr O'Callaghan's investigation involved:

- Assessing the information provided by the complainants;

¹ made pursuant to section 63 of the *Local Government Act 1999*.

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- Conducting interviews by telephone and on a face to face basis;
- Assessing the information provided by Councillor Mudge;
- Seeking additional information in response to the allegations from Councillor Mudge;
- Considering all information provided to the investigation;
- Preparing the Preliminary Report and consulting with the Panel towards its finalisation; and
- Providing input in relation to this Final Report.

The Panel has further considered the Report Response, which is addressed in the body of this Final Report.

C. Standard of Proof

The standard of proof applied is the balance of probabilities. It is important to recognise that findings are not the result of any arbitral or court process. They are the product of an inquisitorial process, and an assessment of the likelihood of whether a matter did or did not occur.

D. Relevant Law and aspects of the Code

1. Section 63 of the *Local Government Act 1999* requires Council members to observe the Code.
2. Part 2 of the Code concerns behaviours, and the following provisions are of relevance to this investigation:
 - 2.2 *Act in a way that generates community trust and confidence in the Council.*
 - 2.3 *Act in a reasonable, just, respectful and non-discriminatory way when dealing with people.*
 - 2.4 *Show respect for others if making comments publicly.*
 - 2.5 *Ensure that personal comments to the media or other public comments on Council decisions and other matters, clearly indicate that it is a private view, and not that of the Council.*
 - 2.6 *Comply with all Council policies, codes and resolutions.*

E. Documents & Information

3. The material available to Mr O'Callaghan is described below:
 - The Initial Assessment Investigation undertaken by the Local Government Association of South Australia Deputy Panel Manager, dated 6 June 2019.
 - The Form 1 Code of Conduct Complaint Referral (**the Referral**), attaching email of 23 April 2019 from Ms to Mayor Wisdom and CEO (Mr Aitken) (**the Complaint**).
 - The Form 2 Response to the Code of Conduct Complaint and attachments.
 - The Council Member Conduct Policy (**the Policy**), incorporating the mandatory Code.
 - The Code of Conduct Complaint Handling Procedure (within the Policy).

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- Minutes of the Council Meeting of 23 April 2019 (including Personal Explanation).
- The Adelaide Hills Council Social Media Guidelines.
- Interviews conducted with the following persons:
 - Cr Mudge;
 - Ms
 - Mr Lachlan Miller (Executive Manager Governance and Performance); and
 - Mr C (Manager, Hotel).
- Email from Ms [REDACTED] of 11 September 2019.

NB: Mayor Wisdom was not available to participate in Mr O’Callaghan’s investigation, as she was overseas during the relevant period. As she was not directly involved, the Panel considers that the matter can be concluded without the Mayor’s direct input.

F. Background and Overview

4. Cr Mudge was elected to the Adelaide Hills Council in 2018. As a new Councillor, he participated in induction training on 24 November 2018 and in the mandatory training on the Council’s Member Conduct Policy on 19 February 2019. Details relating to the coverage of the Council’s Social Media Guidelines in these training sessions are not available.
5. Mr and Ms own and operate the Hotel (**the Hotel**). The hotel is within the adjoining Mount Barker Council.
6. On Thursday 11 April 2019, the Hotel was the location of a function held in support of then-Senator Fraser Anning (**Function**).
7. On 19 April 2019, Cr Mudge sent an email to Mr and Ms referring to the Function (**the Email**). By the Email, Cr Mudge:
 - 7.1. referred to various statements and positions adopted by Senator Anning, including those allegedly linked to extreme right-wing beliefs and causes;
 - 7.2. asserted that the Hotel facilities should not have been made available for an event of such nature, particularly given Hahndorf’s German cultural heritage;
 - 7.3. criticized Mr and Ms for allowing this event to be held at the Hotel and asserted that doing so brought shame onto the Adelaide Hills community and threatened its reputation as a tolerant and welcoming community;
 - 7.4. called on Mr and Ms to apologise to the African and Muslim communities for allowing Senator Anning to use the Hotel and to not allow the Hotel to be used for activities of this nature in the future;
 - 7.5. advised that if Mr and Ms did not act accordingly, he considered that a boycott of the Hotel by conscientious members of both the Adelaide Hills community and the broader community to be reasonable; and
 - 7.6. sought that Mr and Ms make a public statement consistent with his position by 25 April 2019.

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8. On the same day that he sent the Email (19 April 2019), Cr Mudge posted a copy of it on his Facebook page which is entitled "*Councillor Leith Mudge, Adelaide Hills Council*" (**First Post**). At the end of the First Post, Cr Mudge advised that he was expressing a personal opinion rather than a Council position. Cr Mudge also shared a link to this on other social media sites, including the "*Adelaide Hills Chat Group*".
9. The First Post received considerable comment. These included objections voiced by a number of commenters, suggesting that Cr Mudge had used his Council position to bully a local business. Complaints to this effect were also made directly to the Council.
10. Shortly after Cr Mudge posted this material, the manager of the Hotel (Mr) began receiving telephone calls, messages and electronic postings about the matter. The majority of these were critical of the Hotel whilst others were critical of Cr Mudge's approach to the matter. Debate through electronic media about this issue continued for some days.
NB: Cr Mudge, by his Report Response, disputes that this occurred. The Panel addresses the matter below (see paragraphs 31 to 40 of Part H).
11. Mr telephoned Cr Mudge some two hours after the First Post was made. He did so to express concern about the postings and the extent to which the Hotel had not been afforded a prior opportunity to discuss Cr Mudge's concerns. Cr Mudge subsequently deleted the posting.
12. On 20 April 2019 Cr Mudge posted further advice on his Facebook page (**Second Post**). By that Second Post, Cr Mudge:
 - 12.1 noted the comments made about the First Post and acknowledged that he should have addressed his concerns as a private citizen without reference to his Council role;
 - 12.2 apologised to the Mayor, other Councillors and the Hotel management for being careless;
 - 12.3 acknowledged that he should have given the Hotel the opportunity to respond before posting any material;
 - 12.4 advised that he had no intention of intimidating the Hotel and foreshadowed that he would be making a formal apology to the Council; and
 - 12.5 concluded with confirmation that what he had communicated was a personal position and did not reflect a Council position.
13. At the Council meeting on 23 April 2019, Cr Mudge made an apology (**Apology**) in the course of a personal explanation. In doing so, he:
 - 13.1 referred specifically to his Facebook site and acknowledged that the First Post was inappropriate; and
 - 13.2 acknowledged that he should not have used his Council address, email or signature.
14. By his Apology, Cr Mudge acknowledged that his actions may have breached the Code and may need to be the subject of formal investigation. Cr Mudge noted that he had withdrawn the First Post and apologised to the Hotel, the Community and the Council. Cr Mudge noted that he was a new Councillor and needed to exercise caution in the future. Further, he advised that he would request the Council's Executive Manager

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Governance and Performance to spend time with him to advise him on the Code. The Apology is recorded in the minutes of the Council meeting on 23 April 2019.

15. The Mt Barker Courier (local newspaper) noted Cr Mudge's actions and his Apology in an article published on 24 April 2019. An opinion piece published that same day expressed criticism of his actions.

NB: Cr Mudge has raised a number of concerns in connection with this local media coverage. The Panel addresses these below (see paragraphs 41 to 47 of Part H).

Detriment to the Hotel

16. The Hotel Manager, Mr [redacted] estimated that up to 20 hours of his and other staff time was expended dealing with social media, telephone and face to face comments about the matter. Mr [redacted] clearly found the matter personally disturbing.
17. Ms [redacted] estimated that, when her own time was factored in, the time commitment was in the order of 35 hours. Ms [redacted] was concerned at the effect of the matter on the Hotel's trade and its unknown effect on attempts to sell the Hotel. The Hotel seeks financial compensation and the removal of Cr Mudge as a Councillor. The Panel observes that neither of these outcomes are within the power of the Council itself to determine.
18. The Hotel has not provided evidence with respect to the loss of trade and sale effect of the postings, and the material before the investigator does not suggest that such can be established with any degree of objectivity. Ms [redacted] has nevertheless advised that Easter trade was down by approximately \$7,100 (about 10% of expected turnover).
19. The effect on any potential sale of the Hotel is simply a matter of conjecture and the trading impact is uncertain given that 19 April 2019 was Good Friday and that Anzac Day fell in the following week. Further, Cr Mudge submitted that the issue of Senator Anning's use of the Hotel was the subject of media comment independent of any publicity his postings may have generated.
20. Ms [redacted] expressed the view that the posting was visible for well more than two hours. Whilst evidence to this effect has not been provided, the investigator considers this is likely.

NB: Cr Mudge has addressed this matter in his Report Response. The Panel addresses these below (see paragraphs 48 to 54 of Part H).

G. Cr Mudge's Response to Investigation

Written Response

21. In correspondence to the Panel dated 28 May 2019, Cr Mudge provided a comprehensive response to the allegations that he had breached the Code. That response was qualified to the extent that Cr Mudge advised that he did not retreat from his criticism of Senator Anning nor of the Hotel for hosting him. He advised that he did not consider it appropriate that the Code should be applied so as to limit his ability as an elected council member to take a lead position on an issue of this nature or involve himself in a robust debate. However, Cr Mudge did concede that the manner in which he raised the matters breached provisions of the Code.

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Interview

22. In an interview on 5 September 2019 Cr Mudge endorsed and expanded on his written response. He:
 - 22.1. acknowledged the training provided to him after he was elected but had limited recollection of the social media guidelines in this context;
 - 22.2. advised that he carefully considered his correspondence to the Hotel on 19 April 2019 as he felt strongly about the issue which was already the subject of media attention;
 - 22.3. nevertheless conceded that his decision to then publish that correspondence on his Facebook page with links to three other social media sites was a spur of the moment and ill-conceived decision;
 - 22.4. advised that he monitored the responses to his posting and noted that these varied between support for his position, support for the Hotel's right to operate its business and support for Senator Anning;
 - 22.5. agreed that some two hours later he received a phone call from Mr who was particularly concerned that the Hotel had not been given the opportunity to respond to Cr Mudge's letter before the social media postings; and
 - 22.6. confirmed that that call led him to understand that Mr would respond by 25 April 2019, and he subsequently deleted the posting and links to it.
23. Cr Mudge deleted the First Post from his social media accounts. It nevertheless remained visible or otherwise in circulation to at least some degree after he took those steps.
24. Cr Mudge acknowledged he was subsequently contacted by Council staff and another concerned Councillor and later spoke to the Mayor who gave him advice about managing the issue and the need for an apology. Cr Mudge confirmed he posted a Facebook page apology and shared this with the other social media groups. He did not respond to the various comments that followed this.
25. In terms of the Apology in the Council meeting on 23 April 2019, Cr Mudge advised this was directed at his failure to properly distinguish between his personal view and his position as a Councillor. Secondly, he sought to apologise for the impression that he was advocating a boycott of the Hotel.
26. Cr Mudge confirmed that he remained critical of the Hotel for hosting the event, but agreed that the manner in which he expressed this view was inappropriate. He confirmed his view that this investigation under the Code should not address legitimate criticisms of Senator Anning. Further, he expressed concern at the potential effect on him in terms of his private employment of an adverse Code of Conduct finding.
27. Cr Mudge considered that his multiple apologies and the public and print media criticism of him represented an appropriate penalty and no further sanctions should be applied.

H. Cr Mudge's Report Response

28. Cr Mudge's Report Response consisted of:
- 28.1. A letter directed to Mayor Wisdom dated 4 October 2019 (**Response Letter**); and
 - 28.2. Attachments labelled 'A' to 'F' referred to therein (**Response Attachments**).
29. The Response Letter takes issue with a number of matters contained in the Preliminary Report, contending that it contained evidentiary errors, wrong conclusions and wrong recommendations.
30. The Panel recognises the importance of this matter to Cr Mudge and below addresses each matter he has raised by means of the Response Letter. Paragraph references are to the passages of the Preliminary Report to which Cr Mudge objects.

Paragraph 19

31. Paragraph 19 of the Preliminary Report reflects a finding to the effect that the Hotel began to receive a significant number of direct communications about the matter (e.g. the Hotel's hosting of the Function) shortly after the First Post was made.

Objection to Finding

32. Cr Mudge objects to that finding on the basis that:
- 32.1. The matter was already one of public controversy well prior to his Email and First Post, as evidenced by the media articles that are Response Attachments A to C and the Facebook postings that are Response Attachments D and E; and, accordingly
 - 32.2. It is untenable to find that the Email and/or First Post were a substantial cause of any disruption or distress experienced by those affiliated with the Hotel.
33. With great respect to Cr Mudge, the Panel considers his objection to the finding reflected in Paragraph 19 of the Preliminary Report to be misconceived:
- 33.1. The volume of direct communications the Hotel actually received following the First Post is not a matter within Cr Mudge's personal knowledge. There is simply no way he could know with any certainty, for example, how many telephone calls Mr [redacted] fielded in the hours after the Post. Mr [redacted]'s evidence on that matter was credible, and is not contradicted by any other probative evidence. By Paragraph 19, the Panel indicates that it has accepted that evidence.
 - 33.2. Further, the Panel does not (by means of the finding reflected in Paragraph 19 or otherwise) suggest or find that the hosting of the Function had not already been subject to public comment or controversy. It plainly had been.
 - 33.3. Nor does the Panel suggest or find that individuals associated with the Hotel (e.g. Mr [redacted] and Mr & Ms [redacted]) had not previously received direct criticism generally in connection with its hosting of political events or specifically in connection with its hosting of the Function;
34. The finding reflected in Paragraph 19 of the Preliminary Report was a confined and discrete one, i.e. that the Hotel received a significant number of direct communications in the period of time immediately following the Post.
35. In summary, the Preliminary Report does not find or purport to find that Cr Mudge's communications wholly or substantially caused the totality of the distress and disruption

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the Hotel's owners and manager have reported. Rather, it reflects the Panel's acceptance of credible evidence that the Post prompted a significant volume of direct communications.

Peter Manuel & FLAG Australia

36. The Panel notes further the observations on page 2 of the Report Response relating to previous events held at the Hotel over a number of years involving Mr Peter Manuel and/or the FLAG Australia group (including its supporters and associates).
37. Cr Mudge suggests that it is hypocritical of the Hotel to be concerned about any damage to its image caused by the First Post in view of its lengthy association with certain political groups.
38. That suggestion is not one the Panel is in any position to comment upon. For the Panel's purposes, the fact that equivalent controversy and criticisms existed before Cr Mudge's communications is of very little weight in assessing his conduct in making those communications against the Code.
39. Further, and to the best of the Panel's knowledge, nobody else who has engaged in public criticism of the Hotel or its owners has been an elected member of a South Australian Council and hence subject to the Code. While comparisons with other public comment are of some relevance to the Panel's enquiry, such exercise is ultimately of little guiding assistance.

Summary re Paragraph 19

40. The Panel does not propose to remove or modify Paragraph 19 of the Preliminary Report, which is preserved as paragraph 10 of this Final Report.

Paragraph 24

41. Cr Mudge refers in his Report Response to the local media article cited in paragraph 24 of the Preliminary Report. He describes it as an unbalanced and biased account of his involvement in the controversy and debate surrounding the Function.
42. The Panel cannot take any alleged failings on the part of the Mt Barker Courier matter into account in determining whether Cr Mudge's conduct offended against the code.
43. Further, no events postdating the relevant impugned conduct will inform the question of whether that conduct amounted to a Code breach.
44. The Panel notes further Cr Mudge's concerns both as to being unable to respond to public criticism and as to the nature of the complaint process. The Panel can offer no comment in response to those concerns. Its role is to assess, investigate and conclude complaints referred by Councils. In doing so, its principal responsibilities are twofold:
 - 44.1. To ensure that the elected member against whom complaints are raised receives procedural fairness, involving a full opportunity to respond towards having the matter determined by an unbiased decision-maker; and
 - 44.2. Analysing the evidence gathered towards determining matters of fact and characterisation on the balance of probabilities.
45. Cr Mudge's concerns as to the motivations of those who have raised the complaints, or the constraints upon his ability to respond to public criticism, are not matters the Panel is in a position to address.

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46. Finally, the Panel notes Cr Mudge's concern as to it having paraphrased his original letter (i.e. the Email) and his apology. The Panel is prepared to agree to Cr Mudge's request that these be included verbatim: **Appendix A** to this Final Report contains the Apology and the Second Post.
47. The Panel does not propose to remove or modify Paragraph 24 of the Preliminary Report, which is preserved as Paragraph 15 of this Final Report.

Paragraph 29

48. Cr Mudge refers in his Report Response to the view of Ms described at Paragraph 29 of the Preliminary Report that the First Post remained visible after Cr Mudge deleted it from his page.
49. In relation to that matter, Cr Mudge asserts that he took all steps within his power to take down the First Post from public view after approximately two hours by deleting it.
50. Cr Mudge's Report Response proceeds to state as follows:

I should not be held responsible for any further copying and circulation that may have occurred.
51. The Panel does not agree with that assertion. Online activity requires particular care and discretion precisely because dissemination of a post or posts cannot be controlled or contained once made. It is entirely foreseeable that posts made that relate to matters of public controversy will be preserved or retained by others, including by those who are not subject to the Code or any other particular regime compelling discretion or moderation in online activities.
52. While it is to Cr Mudge's credit that he took steps to remove the First Post from public view, his doing so does not absolve him from the consequences of having made the First Post to begin with.
53. In any event, Paragraph 29 of the Preliminary Report reflected a finding on the balance of probabilities that the First Post remained visible notwithstanding the steps Cr Mudge took to remove it from view. The Report Response does not contest that finding, disputing instead Cr Mudge's culpability for that ongoing visibility.
54. The Panel does not propose to remove or modify Paragraph 29 of the Preliminary Report, which is preserved as Paragraph 20 of this Final Report.

Paragraph 32

55. Cr Mudge contends that Paragraph 32 of the Preliminary Report reflects a misinterpretation of information he provided in the course of his interview. He confirms that he deleted the Post from all his social media accounts (both public and private) after about two hours, retaining only personal copies for future reference.
56. The Panel sees no basis to change its conclusions as to the continuing dissemination of the Post notwithstanding Cr Mudge's efforts to remove it from circulation.

Paragraph 37

57. Cr Mudge disputes the conclusion reflected in Paragraph 37 of the Preliminary Report that he breached Clause 2.2 of the Code. The Panel addresses Cr Mudge's contentions as follows:
 - 57.1. By Clause 2.2, the Code requires that all Council members must '*Act in a way that generates community trust and confidence in the Council*'.

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- 57.2. This is a positive duty. While it can, as Cr Mudge argues, be interpreted in different ways, the duty nevertheless pertains to the community as a whole rather than any particular segments of it.
- 57.3. While some within the community may have supported his sentiments, others would likely have opposed them and/or found the manner in which he expressed them to be improper. As such, the Panel maintains its view that Cr Mudge's conduct was not in keeping with the positive duty Clause 2.2 establishes.
58. Accordingly, the Panel has determined to maintain its conclusion as to Clause 2.2, as reflected in paragraph 68 of this Final Report.

Paragraph 39

59. Cr Mudge disputes the conclusion reflected in Paragraph 39 of the Preliminary Report that he breached Clause 2.4 of the Code. The Panel addresses Cr Mudge's contentions as follows:
- 59.1. By Clause 2.4, the Code requires that all Council members must '*Show respect for others if making comments publicly.*' This duty, like that contained established in Clause 2.2, is a positive one.
- 59.2. A key objective of the Code is to ensure that elected Council members express disagreements and differences of view in a respectful and constructive manner. Cr Mudge asserts that while he held views critical of the Hotel, he expressed them respectfully and appropriately.
- 59.3. Having carefully considered Cr Mudge's submission, the Panel considers the question of whether his Post breached Clause 2.4 of the Code to be finely balanced.
- 59.4. The Panel accepts that Cr Mudge's communications contain no swearing, threatening or overtly aggressive language.
- 59.5. Conversely, the implied threat of a boycott of the Hotel coming from an elected member of an adjacent Council is a serious matter. Furthermore, the Email expresses views in a passive-aggressive tone, leading its recipients to perceive that serious adverse consequences are envisaged if the requested actions were not taken.
- 59.6. Further, the publication of the Email (by means of the First Post) without seeking prior dialogue with the Hotel weighs against a characterisation of the communications as being respectful as required by Clause 2.4 of the Code.
- 59.7. On balance, the Panel confirms its view that Cr Mudge's conduct did amount to a breach of Clause 2.4.
60. The findings foreshadowed in paragraph 39 of the Preliminary Report are confirmed, as reflected in paragraph 68 of this Final Report.

Recommendation 1 (as to breaches)

61. Cr Mudge contends that as the Panel's conclusions as to him having breached Clauses 2.2 and 2.4 of the Code were wrong, there is no basis for consequential recommendations in relation to either.
62. In response to that contention, the Panel refers to and adopts the matters set out above.

Final Report Investigation

Complainants: Mr and Ms
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- 62.1. at paragraphs 57 and 58 in relation to its findings regarding Clause 2.2 of the Code; and
 - 62.2. at paragraphs 59 and 60 in relation to its findings regarding Clause 2.4 of the Code.
63. Having very carefully considered the matters submitted by Cr Mudge, the Panel will not alter the recommendations foreshadowed in the Preliminary Report.

Recommendation 2 (as to sanctions)

64. Cr Mudge contends that the Panel's recommendation that a motion of censure be passed would amount to an unnecessary and excessive punishment. In support of that contention, Cr Mudge cites various occurrences to date:
- 64.1. His acknowledgment of violations;
 - 64.2. His multiple apologies;
 - 64.3. The training he has already undertaken; and
 - 64.4. Significant humiliation and reputational damage.
65. The Panel maintains its view that a formal motion of censure remains appropriate. While remedial action has been taken, the Panel considers a censure to be necessary in order to reflect the gravity of Cr Mudge's breaches of the Code.

I. Whether Councillor Mudge breached Part 2 of the Code of Conduct for Council Members

66. **Clause 2.2: Act in a way that generates community trust and confidence in the Council**
- 66.1. Cr Mudge's Facebook post made on 19 April 2019 (the First Post) was in breach of this provision of the Code. Whilst there is no question that Cr Mudge is entitled to hold any personal view he wishes as to political matters and that post included an endnote to the effect that the views were his own, the post was nevertheless couched in terms likely to create the impression that he was expressing these views as a Councillor. Further, the post was phrased such that it conveyed an intimidatory message to the Hotel and left the Hotel largely unable to effectively respond. The community reaction to those posts confirmed these conclusions.
 - 66.2. Cr Mudge's online and subsequent Council apology addressed this breach to some extent and has been factored into consideration of the matter. Additionally, the position of the local newspaper represents a clear and very public criticism of Cr Mudge's actions. However, the posting constituted a direct attack on a local business, carrying with it not only the real possibility of disruption to that business, but also discrediting that business to a part of its client base. Potential disruption to a sale process is also relevant, albeit impossible to measure.
 - 66.3. Cr Mudge has actioned his undertaking to be provided with additional training in relation to the Code. He undertook that training on 25 June 2019.
 - 66.4. Cr Mudge's assertion that, as a Councillor and hence community leader, he has a responsibility to raise concerns about a broad variety of social issues, places him

in a position where he will need to take substantial care in the future to avoid any repetition of the April 2019 circumstance. The Panel emphasises that Cr Mudge is free to hold any view he wishes as to any political or business matter. He is bound, however, by the provisions of the Code as to the manner in which he expresses and/or acts on such views.

- 66.5. Cr Mudge's actions on 19 April 2019 were detrimental to the generation of community trust and confidence in the Council. The duty under Clause 2.2 of the Code is a positive one and Cr Mudge failed to meet it in connection with his communications relating to the Hotel.
67. **Clause 2.3: Act in a reasonable, just, respectful and non-discriminatory way when dealing with people.**
- 67.1. Cr Mudge breached this provision of the Code. His 19 April 2019 post amounted to attack on the propriety and integrity of the Hotel and those who own and manage it. There was no prior dialogue. As such, it was neither 'just' nor 'reasonable'.
68. **Clause 2.4: Show respect for others if making comments publicly.**
- 68.1. Cr Mudge's actions on 19 April 2019 were disrespectful to the Hotel and those associated with it. Further, they were sufficiently 'public' to attract the operation of this Code provision.
- 68.2. The absence of swear words or explicit vilification in the Email or First Post does not cure the nature of those communications. The Hotel is a business undertaking lawful activities and is entitled, as with all other community members and institutions, to respectful treatment by elected members.
- 68.3. The Panel finds that Cr Mudge breached this provision of the Code.
69. **Clause 2.5: Ensure that personal comments to the media or other public comments on Council decisions and other matters clearly indicate that it is a private view and not that of the Council.**
- 69.1. Notwithstanding the disclaimer at the end of the two posts made by Cr Mudge on 19 April 2019, these posts did not indicate with sufficient clarity that these were his personal views and not those of the Council. This is particularly the case in relation to his criticisms of the Hotel.
- 69.2. As Cr Mudge has accepted, a disclaimer at the conclusion of a posting cannot give the author an unfettered capacity to make inappropriate comments. Further, a disclaimer will not in all cases be sufficient to cure the potential problem of recipients of a communication forming an incorrect view that it has been issued as part of a decision made or position adopted by the Council.
70. **Clause 2.6: Comply with all Council policies, codes and resolutions.**
- 70.1. The Council's Member Conduct Policy incorporates the mandatory Code provisions. In addition, it identifies a range of behavioural standards which it links

with the mandatory Code. These behavioural standards include at 2.2, to act in a manner which is respectful, fair, and not aggressive or intimidating. For the reasons set out above we consider that Cr Mudge's conduct on 19 April 2019 was inconsistent with this Policy requirement. To this extent, Cr Mudge breached clause 2.6 of the Code.

- 70.2. The behavioural standards do not deal with social media issues in detail and may create some confusion with respect to how they apply to the mandatory Code.
- 70.3. The Council's Social Media Guidelines were formally adopted by the Council on 7 August 2017. These Guidelines are not published on the Council's website and appear to fall short of the status of a policy. Additionally, the extent of Councillor briefing on these Guidelines is unclear. There is nothing that evidences an intention that the Guidelines be regarded as a binding policy.
- 70.4. Nevertheless, Cr Mudge's 19 April 2019 posting was inconsistent with the value placed on empathy, lacked moderation, were unfriendly and expressed a position which diminished community trust and confidence in the Council. Cr Mudge agreed he should have followed the advice to the effect that he should have sought advice before making that posting.
- 70.5. Because of the standing of the Social Media Guidelines, Cr Mudge's conduct has not been further considered in relation to those Guidelines.
- 70.6. A review of the Adelaide Hills Council position on the use of social media would appear appropriate, to both establish clear and enforceable policy provisions and to enable Councillors to contribute to the development of that policy.

J. Sanctions open to the Council

- 71. Part 2 of the Code of Conduct establishes that the Council may elect to take any of the following actions consequent upon a breach of this part of the Code:
 - 71.1. Take no action (Clause 2.25.1);
 - 71.2. Pass a censure motion in respect of the Council member (Clause 2.25.2);
 - 71.3. Request a public apology, whether written or verbal (Clause 2.25.3);
 - 71.4. Request the Council member to attend training on the specific topic found to have been breached (Clause 2.25.4);
 - 71.5. Resolve to remove or suspend the Council member from a position within the Council (not including the member's elected position on Council) (Clause 2.25.5);
or
 - 71.6. Request the member to repay monies to the Council (Clause 2.25.5).

The sanctions sought by the Hotel are not available under this part or the Policy and are beyond the ambit or authority of this investigation.

**Final Report
Investigation**

Complainants: Mr and Ms
Council: Adelaide Hills Council
Member: Cr Leith Mudge
Reference: 190133

K. Recommendations

The Panel's final recommendations are that:

1. there be a finding that Cr Mudge's actions on 19 April 2019 were in breach of clauses 2.2, 2.3, 2.4, 2.5 and 2.6 of the Code of Conduct for Council members;
2. that the Council pass a motion of censure of Councillor Mudge's conduct;
3. that the Council review its policy position in relation to the use of social media.

This Final Report will be sent to Mayor Wisdom, via Mr Lachlan Miller.



.....
Daniel Krips
Deputy Panel Manager – Governance Panel

Dated: 11 November 2019

NB: This Final Report has been reissued to rectify minor issues.

APPENDIX A

 5 hrs · 

Thank you to all of you for your advice on the Fraser Anning and matter. Many valid points have been made.

This matter should have been addressed by a direct approach to the by me as a private citizen. I should not have used my address and signature as councillor of the Adelaide Hills Council or indicated that my concerns were held in my position as a councillor. I should have indicated that these were as a private citizen. Even though I did take some steps to indicate that this was my personal opinion and not that of the Council, I now understand how many people would be led into thinking that I was speaking on behalf of the Council or trying to leverage my position as councillor to get a particular outcome. This was certainly not my intention and I apologise to the Mayor, other councillors and to the management of the for being careless - leading to this impression.

I should have refrained from posting the letter on Facebook without giving the the opportunity to respond to my letter privately. This did not give them an opportunity to provide their side of the story before making my concerns public. I apologise to the

Write a comment...



**ADELAIDE HILLS COUNCIL
MINUTES OF ORDINARY COUNCIL MEETING
TUESDAY 23 APRIL 2019
63 MT BARKER ROAD STIRLING**

**Personal Explanation Regarding Letter & Facebook Posts
concerning the
Cr Leith Mudge, 23 April 2019**

Last Friday, on my personal facebook page titled 'Councillor Leith Mudge', I posted a letter that I had recently sent to the [redacted] criticising them for taking a booking for an event that Senator Fraser Anning attended. I realise from the feedback that I received that I made errors of judgement in addressing this matter and I have learnt much from this experience. In doing so I have potentially damaged the reputation of both the Adelaide Hills Council as well as the business owners of the [redacted]

I now understand that I should not have used my Council address, Council email and signature as councillor, or indicated in any way that my concerns were a reflection of a Council position. My actions are likely to have breached a number of clauses of the Behavioural Code in the Code of Council for Council Members. As such, I understand that, should a formal complaint be made, that the matter will need to be investigated and a report provided to Council.

I now understand that my private concerns should be addressed through private and not Council communications channels.

My response to feedback and after a phone call to the [redacted] management was to remove the letter and post an apology to the owners, the community, and Council, as an indication of my good faith and regret for my initial actions.

I again publicly apologise to the owners and management of the [redacted] for the distress I have caused. I encourage everyone to continue to patronise the [redacted] as a local business.

I also acknowledge that there are valid differences of opinion in the community and again I thank the community for their timely feedback. I have learnt a lot from the experience but also realise that I have more to learn regarding my new position as a councillor and how I need to be cautious about public statements of private opinions and how these might reflect on the Council and the community.

I will therefore ask Council's Executive Manager of Governance & Performance to spend some time with me for one-on-one training on provisions in the Code of Conduct for Council Members and the Council Member Conduct Policy.

Thank you for listening.

Mayor _____ 28 May 2019

Appendix 2

*Written Submission – Cr Leith Mudge –
dated 19 November 2019*

Thank you to Mayor Wisdom for offering me the opportunity to provide a written appeal to Council.

Throughout this investigation I have always acknowledged that I did violate parts of Council's Code of Conduct and while I disagreed with some of the findings of the final report, I accept the "umpire's decision".

In considering its sanctions against me with regard to this matter, I ask Council to consider:

1. At the time of the violation in April this year (7 months ago), I was still a new councillor, having only been elected 5 months prior. I was still coming to terms with my new public role and the higher standards of conduct expected of councillors in public discourse. I have since (at my own initiation) undertaken additional training in the Code of Conduct and Council's Social Media Guidelines and understand my responsibilities well.
2. The offending social media post was only visible on my Facebook page and shared for just over 2 hours, following which I took all steps within my power to take it down and remove it from the sites where it had been shared by me. The controversy regarding former Senator Anning's visit was occurring well before I made any public comment and only a limited amount could be attributed to a social media post of 2 hours.
3. Within just over 24 hours of the post initially being made I made a full written apology on my Facebook page to both the establishment, its owners and manager and to the Council (Appendix A to the final report truncated – full version provided as Attachment A to this response). In addition I made a verbal apology as a Personal Explanation to Council at its 23 April meeting (the Tuesday meeting following the posting) (Appendix B to the final report).
4. Immediately following the events I was the subject of several critical newspaper articles regarding this incident which have caused me significant reputational damage.
5. My post and letter albeit being expressed inappropriately were reasonably respectful and appropriate and did not engage in abuse or vitriol.

Having regard to my multiple public apologies, my steps to limit damage to the establishment, the reputational harm I have received from media coverage, and my efforts to obtain further training on the Code, I ask that Council consider whether any further sanctions under the Code are necessary or appropriate.

**Councillor Leith Mudge - Adelaide Hills Council**

15 hrs · 🌐

Thank you to all of you for your advice on the Fraser Anning and matter. Many valid points have been made.

This matter should have been addressed by a direct approach to the [redacted] by me as a private citizen. I should not have used my address and signature as councillor of the Adelaide Hills Council or indicated that my concerns were held in my position as a councillor. I should have indicated that these were as a private citizen. Even though I did take some steps to indicate that this was my personal opinion and not that of the Council, I now understand how many people would be led into thinking that I was speaking on behalf of the Council or trying to leverage my position as councillor to get a particular outcome. This was certainly not my intention and I apologise to the Mayor, other councillors and to the management of the [redacted] for being careless - leading to this impression.

I should have refrained from posting the letter on Facebook without giving the [redacted] the opportunity to respond to my letter privately. This did not give them an opportunity to provide their side of the story before making my concerns public. I apologise to the [redacted] for this and hope that you will take the fact that I removed the posts immediately after a phone discussion with [redacted], Manager of the [redacted] and within about 2 hours of initially posting, as an indication of my good faith and regret for my initial actions.

I now understand how some may have been led to believe that I was trying to intimidate the [redacted] into a desired response or harm their business. That was certainly not my intention - I was only trying to offer the [redacted] an opportunity to explain their side of the story and I was genuinely concerned for their reputation. I apologise to the [redacted] and [redacted] for being careless in the way that I expressed this. I was angry at the time and should have reconsidered what I had written before sending/posting.

I also acknowledge that there are valid differences of opinion regarding whether a business should accept customers regardless of political opinions and what free speech means.

I will be making a verbal statement and apology relating to this matter at the Council meeting on Tuesday night (23 April).

I encourage everyone to continue to patronise the [redacted] - as I will be.

As with all my statements on this matter, this is my personal opinion and statement and does not reflect the policy or position of the Adelaide Hills Council.

Like Comment Share



Comment as Councillor Leith Mudge - Adelaide Hills C...



News Feed



Friends



Watch



Marketplace



Notifications



Menu

**ADELAIDE HILLS COUNCIL
COUNCIL MEETING
Tuesday 26 November 2019
AGENDA BUSINESS ITEM**

Item: 12.9

Originating Officer: Mike Carey, Manager Financial Services

Responsible Director: Terry Crackett, Director Corporate Services

Subject: Budget Review 1

For: Decision

SUMMARY

The *Local Government (Financial Management) Regulations 2011* (the Regulations) requires Council to formally consider its budget three times per year. This statutory requirement recognises the likelihood that events will occur that require, or offer opportunities for changes to the budget during the year.

This report presents the first Budget Review (BR1) of the 2019-20 financial year and was considered by the Audit Committee on 18 November 2019.

The proposed budget changes do not change Council's Operating Surplus and the proposed net increase in capital expenditure of \$151k together with the deferral of \$1.726m will result in a reduction in Council's Net Borrowing Position from \$5.010m to \$3.433m.

RECOMMENDATION

Council resolves:

1. That the report be received and noted.
 2. To adopt the Operating Budget variations presented in Budget Review 1 resulting in no change to the Operating Surplus of \$411k for the 2019-20 financial year.
 3. Subject to receiving matching grant funding for polystyrene foam recycling from Green Industries SA the current allocation of \$30,000 for soft plastic recycling at the Heathfield Resource Recovery Centre be redirected to providing a polystyrene foam recycling service.
 4. To adopt the proposed Capital Works adjustments increasing capital income by \$519k and capital expenditure by \$670k.
 5. To adopt the proposed deferral of capital projects expenditure of \$1.726m for intended inclusion in the 2020/21 year.
 6. To adopt the change in Council's current Net Lending Result from \$5.010m to \$3.433m as a result of the proposed Capital Program amendments.
-

1. GOVERNANCE

➤ Strategic Management Plan/Council Policy

Goal 5 Organisational Sustainability
Strategy Financial Sustainability

A key aspect of Council's formal budget reviews is to review and monitor Council's Annual Budget with reference to its overall financial position and its Long Term Financial Plan (LTFP) to ensure Council continues to be financially sustainable.

➤ Legal Implications

The undertaking of formal budget reviews is a requirement of the *Local Government Act 1999*, and the *Local Government (Financial Management) Regulations 2011*.

➤ Risk Management Implications

Conducting the budget review process as required by Regulations will assist in mitigating the risk of:

Failure to conduct the budget review process as required by Regulations results in inaccurate budgets and unforecasted deficits leading to inadequate resourcing for current and future activities.

Inherent Risk	Residual Risk	Target Risk
Medium (4D)	Low (2E)	Low (2E)

It ensures that financial resources are deployed in areas that align with Council's Strategic Management Plans, are affordable and support Council's Long Term Financial Plan.

➤ Financial and Resource Implications

The proposed variations do not impact on Council's Operating Surplus of \$411k.

In terms of capital, it is proposed to increase the net capital expenditure by \$151k which, together with the deferral of \$1.726m in 2020/21, will result in a reduction in Council's Net Borrowing Position from \$5.010m to \$3.433m.

➤ Customer Service and Community/Cultural Implications

Not applicable.

➤ Environmental Implications

Not applicable.

➤ **Engagement/Consultation conducted with Council Committee, Regional Subsidiary, Advisory Group, the Administration and Community**

Council Committees: This review was considered by the Audit Committee on 18 November 2019.

Advisory Groups: Not Applicable

Administration: The budget review was prepared in consultation with Directors and Managers to obtain detailed information for each budget area

Community: Not Applicable

2. **BACKGROUND**

At the Council meeting held on the 25 June 2019, Council adopted the original 2018/19 Annual Business Plan and Budget, reflecting a Budgeted Operating Surplus before Capital Revenue of \$449k and an estimated Net Borrowing for the financial year of \$3.693m as per the Uniform Presentation of Finances Statement.

At its Council Meeting on 23 July 2019, Council further resolved to approve an increase of \$365k in Council's 2019-20 capital budget to commence the transition of public streetlights to LED with the funding source to be recommended to Council at its next budget review.

Subsequently on 27 August 2019 the Preliminary End of Year Results and Carry Forward Report was presented to Council resulting in Council approving a revision of the 2019-20 budget for the following:

- An amount of \$28k for operating initiatives carry forward projects carried forward from 2018-19
- Capital carry forwards of \$4.782m relating to capital expenditure and \$1.952m of capital income.
- Additional 2019-20 capital budget requests totalling a net \$277k, representing \$397k of capital expenditure and \$120k of capital income.

In addition, at the Council Meeting on 27 August 2019, Council resolved that the capital budget for roundabout landscaping upgrades be increased from \$113k to \$167k, being an increase of \$54k.

At the Council Meeting on 24 September 2019, Council also endorsed the inclusion of an amount of \$10k into the 2019-20 Budget to fund any costs associated with a postal survey of the residents and ratepayers of the areas of Rostrevor and Woodforde affected by the Campbelltown City Council boundary change proposal.

As a result of these changes endorsed by Council prior to the first formal budget review, Council's budgeted Operating Surplus has decreased from \$449k to \$411k and a Net Borrowing Result has increased from \$1.445m to \$5.010m.

The Regulations require Council to formally consider its budget three times per year. This statutory requirement recognises the likelihood that events will occur that require, or offer opportunities for changes to, the budget during the year. This report presents the first Budget Review (BR1) of the 2019-20 financial year.

Where possible Council's customary practice is to include Budget Reviews as an agenda item at Audit Committee meetings prior to consideration of Council. This Budget Review was considered by the Audit Committee on 18 November 2019 where it was resolved as follows:

7.9. Budget Review 1

**Moved Paula Davies
S/- Peter Brass**

47/AC19

The Audit Committee:

- 1. Resolves that the report be received and noted.**
- 2. Notes:**
 - a. that the Operating Budget variations presented in Budget Review 1 do not impact on the Budgeted Operating Surplus of \$411k for the 2019-20 financial year.**
 - b. the proposed Capital Works adjustments increasing capital income by \$519k and capital expenditure by \$670k.**
 - c. the proposed deferral of capital projects expenditure of \$1.726m to the following year**
 - d. that there will be a decrease in the Net Borrowing result from \$5.010m to \$3.433m as a result of the proposed Capital Program amendment**

Carried

Budget Review Presentation

As a result of changes to the Regulations, the Budget Review Presentation has been simplified for the First and Third Budget Review for the year whereby it is now required to produce under Section 9(1)(a):

“a report showing a revised forecast of its operating and capital investment activities for the relevant financial year compared with the estimates for those activities set out in the budget presented in a manner consistent with the note in the Model Financial Statements entitled Uniform Presentation of Finances”

In accordance with the Regulations the Uniform Presentation of Finances showing the movements in the current and proposed budgets is provided as **Appendix 2** to this report.

3. ANALYSIS

The budget review has been prepared in consultation with Directors and Managers who have provided information for each budget area.

Given the timing of Budget Review 1, the focus of this first budget review for the year was largely on obtaining expenditure approval for any significant items and projects related to grant funded opportunities or Council Decisions.

It is noted that with the end of year financial statements just being finalised, a review will now commence to ensure that the 2019-20 budget is consistent with these results and identify any future budget changes. It is proposed that the results of this review will be addressed as part of Budget Review 2.

Budget Review 1 Proposed Adjustments

\$000s	Current Budget	Proposed BR1 Adjustments	Revised Budget after BR1
Operating Income	44,797	85	44,882
Operating Expenditure	43,386	85	44,471
Operating Surplus	411	-	411
Depreciation	8,945	-	8,945
Capital income	5,454	519	5,973
Capital Expenditure	(19,820)	1,057	(18,763)
Net Borrowing Position	(5,010)	1,576	(3,433)

Proposed Budget Adjustments

Operating:

Operating Income - \$85k increase

- \$48k additional Grants received in 2019-20 for Aged friendly, Active Neighbourhood and Home Assistance Programs requiring associated expenditure commitments
- Minor increase of \$2k in users fees for home assistance program
- \$50k increase in CWMS connection fee contributions for Mt Torrens and Woodside systems
- Reduction of \$15k in Fabrik's Other Income largely relating to a revision in the venue hire income budget based on currently available studios

Operating Expenditure - \$85k increase

- Increase in expenditure of \$48k relating to funding requirements for increase in grants for community programs as discussed above
- \$50k increase in employee costs relating to resourcing of CWMS for full 2019-20 year to maintain CWMS operational and regulatory requirements and to facilitate closure of current exploration of CWMS divestment process.
- \$13 reduction in employee costs, largely relating to savings in relation to regional health planning resource not yet employed

There is no change to the CEO contingency which remains at \$38k.

Capital Items:

\$000s	Current Budget	Proposed BR1 Adjustments	Proposed BR1 Deferrals	Proposed BR1 Budget
Capital income	5,454	519	-	5,973
Capital - Renewal Expenditure	(12,233)	(128)	716	(11,646)
Capital - New Capital Expenditure	(7,586)	(541)	1,010	(7,117)
Total Capital Expenditure	(19,820)	(670)	1,726	(18,763)
Net Capital Position	(14,366)	(151)	1,726	(12,790)

Proposed changes in the capital works program increase capital income by \$519k and reduce capital expenditure by \$1.057m. As detailed in **Appendix 1**, the capital expenditure movement is made up of capital budget increases of \$670k offset by proposed deferral of a number of projects totalling \$1.726m.

Capital Budget Adjustments

Council is to receive additional income in relation to the following with an associated increase in capital expenditure:

- \$469k for Blackspot road safety improvements for Morgan Road, Ironbank and Paracombe Road, Paracombe totalling \$469k
- \$50k Contribution from Mt Barker District Council for Whitehead Road Bridge Renewal

Council has also identified increases in budget for the following projects:

- Amy Gillett Bikeway Tiers Road/Onkaparinga Valley Road connection - additional \$56k required
- Lower Hermitage Road – additional \$90k required
- Gumeracha Main Street Stormwater Project – additional \$80k required but offset by savings of other stormwater projects of \$75k

Detailed commentary on these projects and the budgetary impact has been provided at **Appendix 1**.

Capital Deferrals

Council officers have identified a number of projects, totalling \$1.726m where it is recommended that construction be deferred to 2020-21 to allow for more thorough community engagement and detailed design phases in 2019-20.

Detailed commentary on these projects and the budgetary impact has also been provided at **Appendix 1**.

Other items of note:

Solid Waste Levy

Council would recall that the State Government announced as part of the 2019-20 State Budget a significant increase to the solid waste levy over and above that expected by the waste management sector, including councils. In response to the additional solid waste levy Council resolved at the June 2019 Council meeting to increase the fixed property charge to accommodate the additional cost imposed by the levy. Council also resolved that strategies be developed and provided to Council as part of Budget Review 1 to minimise any impact on the long term financial sustainability of Adelaide Hills Council due to the 40% increase in the Solid Waste Levy.

In response to this resolution the following is provided:

- In addition to the increase to the fixed property charge the fees applied at Council's Heathfield Resource Recovery Centre were increased to recover the additional costs of the solid waste levy. A further increase in the solid waste levy will take effect from 1 January 2020 from \$110/tonne to \$140/tonne for waste collected in the

metropolitan area (half for non-metropolitan). Accordingly, the fees charged at the Heathfield Resource Recovery Centre will be increased from 1 January 2020 to offset the additional cost of the levy.

- Council currently has two strategic waste and recycling documents, both of which contain strategies that specifically aim to reduce waste to landfill. Implementation of these actions and a subsequent reduction in landfill tonnes will result in reduced payment of the waste levy. Accordingly, and given that strategies have already been developed to reduce waste to landfill, the priority is to focus on implementing actions within Council's strategic waste and recycling documents.
- Looking forward to the development of the 2020-21 Budget and Annual Business Plan a number of proposals will be put forward for Council consideration with a focus on reducing waste to landfill and in turn reducing the amount of solid waste levy payable.
- More broadly, the administration continually identifies opportunities to reduce costs and adjust budgets accordingly in all areas of Council's operations. Specifically to waste, examples include the parking of the East Waste collection vehicles at the Heathfield Operations Centre, reducing contractor costs for the collection of bulk bins (where kerbside bins are not practical) from several shopping precincts, reduced waste collection costs through route optimisation and review of the frequency of servicing street litter bins leading to reduced collection costs.

Recycling

In April 2019 Council resolved to commit the material collected through Council's kerbside recycling service to a new contract between East Waste and the Northern Adelaide Waste Management Authority (NAWMA). This was a necessary action following the failure of the recycling contract between East Waste and SKM Industries which is now in receivership. The current budget for the receipt and processing of kerbside recyclables is based on \$60/tonne for the receipt and processing of kerbside recyclables.

Following the first audit of contamination and glass fines as required by the new contract between East Waste and NAWMA the per tonne fee to receive and process recyclables has increased to \$83.30/tonne for the months of July, August and September.

Extrapolating this for the full year results in a potential increase to the recycling budget of \$81k. However, given the recycling contract requires quarterly rise and fall adjustments it is not proposed to adjust the recycling budget at this time. Rather, staff will monitor forthcoming rise and fall adjustments and amend the budget as necessary through future 2019-20 budget reviews. Further, East Waste have advised NAWMA are on track to commence the operation of a glass fines recovery facility in early 2020 which will reduce the level of glass fines contamination and in turn costs. This staged approach allows for further detail to be considered as it arises resulting in more informed and accurate decision making in relation to any budget adjustment required

Soft Plastics/Polystyrene Foam Recycling

Currently within the 2019/20 budget there is an allocation of \$30,000 for installation of infrastructure at the Heathfield Resource Recovery Centre (HRRC) to provide a soft plastics recycling service to the community. Further investigation into the soft plastics recycling market has been undertaken that has revealed that this market is saturated and providing a soft plastic recycling services is not necessarily the most effective use of the available

budget at this time. Further, recycling of soft plastics is currently available via retailers such as Coles and Woolworths.

Green Industries SA (GISA) have suggested that Council consider providing a polystyrene foam recycling polystyrene foam as a preferred alternative to soft plastics recycling. There are currently no collection points for polystyrene foam in the hills and options in Adelaide are limited. Providing a polystyrene foam recycling service would require purchasing of equipment and ancillary items to the value of \$57,000. To fill the funding shortfall an application for grant funding was lodged with the Recycling Infrastructure Grants program offered by GISA.

These grants are provided on a 50% cost share basis and collectively with Council's existing budget allocation of \$30,000 would allow for the purchase of a polystyrene recycling machine and ancillary items. A market has been identified for the polystyrene recycled product which also provides for a small annual income of approximately \$4,500. The outcome of this proposed project would greatly assist to divert polystyrene foam from landfill with associated environmental and financial benefits as well as increasing the service offering provided at the HRRC.

Noting the above, it is proposed that the existing budget of \$30,000 be repurposed (subject to receiving GISA matching funding) to allow for the provision of a community polystyrene foam recycling service at the HRRC.

Summary

The proposed budget changes do not change Council's Operating Surplus and the proposed net increase in capital expenditure of \$151k together with the deferral of \$1.726m will result in a reduction in Council's Net Borrowing Position from \$5.010m to \$3.433m.

4. OPTIONS

The Audit Committee is limited to receiving and noting this report.

5. APPENDICES

- (1) Capital Works Budget Review 1 Proposed Changes
- (2) 2019-20 Budgeted Uniform Presentation of Finances

Appendix 1

Capital Works Budget Review 1 Proposed Changes

DRAFT 2019/2020 BUDGET REVIEW 1 CAPITAL BUDGET CHANGES

Proj #	Project Name	Project Description	Suburb	Current Budget	Change FAV/ (UNFAV)	Revised Budget	Comment
Bridge							
3802	Whitehead Rd Bridge Renewal	Renewal of Whitehead Rd bridge, including additional scour protection to the bridge abutments on the Mylor side.	Mylor	\$100,000	\$(50,000)	\$150,000	Whitehead Rd bridge is a boundary bridge between Adelaide Hills Council and District Council of Mt Barker. The total project cost is \$150,000 with an agreed cost share of \$100,000 for AHC and \$50,000 for DCMB. The increase in budget at this budget review is offset by a corresponding capital revenue increase (below) to cover DCMB's contribution. AHC's contribution towards the project is higher than DCMB's because there are failing abutments on AHC's side of the bridge only which incur extra costs to fix.
Sub Total				\$100,000	\$(50,000)	\$150,000	
Footpaths							
3683	Amy Gillett Bikeway - Tiers Rd/ Onkaparinga Valley Rd connection New Capital	Following the old rail corridor alignment, this project will connect the Amy Gillett Bikeway from its terminus at the Woodside Bowling Club, through to where it recommences at Station Rd, Woodside.	Woodside	\$170,000	\$(55,750)	\$225,750	The original budget for this project was \$220,000, with \$50,000 spent in 2018/19 on design, legal fees and vegetation clearance. The preferred tenderer's quote for the construction of this project was \$235,000. A value management approach was applied, with the revised quote being approx. \$215,000. A small allowance has also been included, for additional tree removal and latent conditions.
Sub Total				\$170,000	\$(55,750)	\$225,750	
Pavement							
3703	Lower Hermitage Rd Millar to Milbrook - Pavement Renewal	Widening and reconstruction of Lower Hermitage Rd, from Millar Rd to Milbrook Rd, including renewal of the Millar Rd junction.	Lower Hermitage	\$673,465	\$(90,000)	\$763,465	The original budget for the combined Lower Hermitage Rd projects (road widening from Millar to Milbrook, and junction renewal at Millar) allowed for design and construction costs. Additional costs not included in the original budget are land acquisition costs (\$40,000) and Significant Environmental Benefit costs to be paid to the Native Vegetation Council (\$50,000).
3849	Blackspot Contribution New Capital	Construction of shoulder widening, guardrail and other road safety improvements at Morgan Rd - Ironbank and Paracombe Rd - Paracombe as part of Council's successful 2019/20 Blackspot Program applications.	Regionwide	\$299,000	\$(469,000)	\$768,000	Council was successful in its Blackspot grant application for both Morgan Rd and Paracombe Rd. The Morgan Rd project is expected to cost \$188,000 and the Paracombe Rd project is expected to cost \$580,000. The state Blackspot Program will fund 2/3 of the cost, hence the extra expenditure here is offset by corresponding income below.
Sub Total				\$972,465	\$(559,000)	\$1,531,465	
Stormwater							
3611	Gumeracha Main Street Stormwater New Capital	Install stormwater in the Gumeracha Main Street in line with Stormwater Masterplan as part of construction works for PLEC and main street upgrade.	Gumeracha	\$150,000	\$(80,000)	\$230,000	Initial budget was based on higher level concept with an expected order of accuracy of 30% to +50%. The Gumeracha Stormwater Masterplan has since been completed and a consultant engaged at \$30,000 to undertake detailed design. Our preliminary design estimate suggest a budget of \$200,000 is required for the construction of Stage 1 stormwater works, and this figure has an expected order of accuracy of -20% to +30%. It is important that this project proceeds as it will support the main street upgrade project as well as the power line undergrounding project.
3731	Renown Ave Crafers Stormwater Renewal	Undertake renewal to ensure minimum service level	Crafers	\$30,000	\$11,800	\$18,200	Works have been completed under budget, and no further work is required at this site
3736	Spring Street Kersbrook-Culvert Upgrade Stage 3 New Capital	Stage 3 - Install larger culvert under Scott Street to minimise flooding	Kersbrook	\$195,000	\$63,400	\$131,600	Works have been completed at Spring St and no further works are required. The \$63,400 saving achieved for Stage 3 of this project is a result of being able to purchase the required culverts during Stage 2 in 2018/19 FY.
Sub Total				\$375,000	\$(4,800)	\$379,800	
CAPITAL EXPENDITURE ADJUSTMENTS				Total	\$1,617,465	\$(669,550)	\$2,287,015
Income							
149182074	FINANCIAL MANGT: Capital: Contributions	Various partner contributions towards the construction of infrastructure.		\$120,000	\$50,000	\$170,000	\$50,000 contribution from MBDC towards the renewal of joint asset Whitehead Rd bridge.
149182164	FINANCIAL MANGT: Capital: Grant - Capital	Various state and federal grants for the construction of infrastructure.		\$672,390	\$469,000	\$1,141,390	\$125,000 from State Blackspot for Morgan Rd, \$343,000 from State Blackspot for Paracombe Rd
CAPITAL INCOME ADJUSTMENTS				Total	\$792,390	\$519,000	\$1,311,390
Net Change				\$825,075	(150,550)	\$975,625	

Renewal	(128,200)
New	(541,350)
	(669,550)

DRAFT 2019/2020 BUDGET REVIEW 1 CAPITAL EXPENDITURE DEFERRALS

Proj #	Project Name	Project Description	Suburb	Current Budget	Change FAV/ (UNFAV)	Revised Budget	Comment
Footpaths							
3744	Mt Torrens to Birdwood - Amy Gillet Stage 4 - New Capital	Completion of Stage 4 of the State Government initiated Amy Gillett Bikeway.	Mt Torrens	\$500,000	\$490,000	\$10,000	Construction of this project is unlikely to commence in 2019/20 FY. It is proposed to include this project and corresponding funding in the 2020/21 ABP. \$10,000 is retained in this FY as AHC's contribution to the Adelaide Wine Capital Cycle Trail consortium's Building better Regions Fund round 4 grant application.
			Sub Total	\$500,000	\$490,000	\$10,000	
Kerb							
3833	Newman Rd Kerb New	Construction of new kerbing associated with the Newman Rd renewal and upgrade project.	Sub Total	\$180,000	\$180,000	\$0	This forms part of the broader Newman Rd project - please see comments below.
Pavement							
3851	Newman Road Pavement Renewal	Reconstruction of Road Pavement in Charleston Township - Onkaparinga Valley Road to Jocelyn Avenue - (project includes new stormwater, kerbing and pavement)	Charleston	\$450,000	\$380,000	\$70,000	The Newman Rd Renewal and Upgrade Project combines a number of new and renewal projects across the 2019/20 Capital Works Program. Due to the size of the project, number of residents affected, and identified opportunities to include Water Sensitive Urban Design, it is recommended to extend the community engagement and detailed design phases of this project, and to program construction works for the 2020/21 FY. Accordingly it is proposed to reduce the total Newman Rd budget for 19/20 FY to \$70,000 to cover survey, design and other preliminary works, and include the required construction budget in the 2020/21 ABP.
3852	Newman Rd widening and car park - New Capital	Widening and adjacent car park.	Charleston	\$250,000	\$250,000	\$0	This forms part of the broader Newman Rd project - please see comments above.
			Sub Total	\$700,000	\$630,000	\$70,000	
Sport & Recreation							
3859	Playspace Charleston Cent Park Renewal	Local Playspace Renewal	Charleston	\$120,000	\$112,000	\$8,000	Based on recent experience renewing playspaces, Council staff have identified the community engagement and detailed design phases of these projects to be critical for project success, and more time consuming than initially planned for. Accordingly it is proposed to undertake community engagement, detailed design, and tendering this financial year, with the construction phase of the project to be included in the 2020/21 ABP.
3860	Playspace Kersbrook Oval Renewal	Install stormwater in the Gumeracha Main Street in line with Stormwater Masterplan as part of construction works for PLEC and main street upgrade.	Kersbrook	\$120,000	\$112,000	\$8,000	Refer comments above regarding playground renewal.
3861	Playspace Mt Torrens Oval Renewal	Local Playspace Renewal	Mount Torrens	\$120,000	\$112,000	\$8,000	Refer comments above regarding playground renewal.
			Sub Total	\$360,000	\$336,000	\$24,000	
Stormwater							
3863	Newman Rd Charleston Stormwater New Capital	New stormwater system associate with road reconstruction, Newman Road	Charleston	\$90,000	\$90,000	\$0	This forms part of the broader Newman Rd project - please see comments above.
			Sub Total	\$90,000	\$90,000	\$0	
		CAPITAL EXPENDITURE DEFERRALS	Total	\$1,830,000	\$1,726,000	\$104,000	

Renewal	\$716,000
New	\$1,010,000
	\$1,726,000

Appendix 2

*2019-20 Budget Review 1 – Uniform Presentation of
Finances*

Adelaide Hills Council

**BUDGETED UNIFORM PRESENTATION OF FINANCES
2019-20 Revised Budget**

2018-19 Actuals		2019-20 Original Budget	Carry Forwards	Additional Budget Requests	Budget Changes August & Sept	BR1	2019-20 Revised Budget
\$'000		\$'000					\$'000
	INCOME						
36,915	Rates	38,686	-	-	-	-	38,686
1,172	Statutory charges	1,118	-	-	-	-	1,118
1,007	User charges	607	-	-	-	2	609
5,123	Grants, subsidies and contributions	3,622	-	-	-	98	3,720
41	Investment income	26	-	-	-	-	26
516	Reimbursements	192	-	-	-	-	192
648	Other income	447	-	-	-	(15)	432
138	Net gain - equity accounted Council businesses	100	-	-	-	-	100
45,560	Total Income	44,797	0	0	0	85	44,882
	EXPENSES						
15,923	Employee costs	17,290	-	-	-	46	17,336
19,231	Materials, contracts & other expenses	17,509	28	-	10	39	17,586
8,826	Depreciation, amortisation & impairment	8,945	-	-	-	-	8,945
623	Finance costs	604	-	-	-	-	604
6	Net loss - equity accounted Council businesses	-	-	-	-	-	-
44,609	Total Expenses	44,348	28	0	10	85	44,471
	951 NET BUDGETED SURPLUS / (DEFICIT) BEFORE CAPITAL AMOUNTS	449	(28)	0	(10)	0	411
	Net Outlays on Existing Assets						
(10,090)	Capital Expenditure on Renewal and Replacement of Existing Assets	(9,274)	(2,782)	(177)	-	588	(11,646)
497	Proceeds from Sale of Replaced Assets	512	136	-	-	-	648
8,826	Depreciation	8,945	-	-	-	-	8,945
(767)	NET OUTLAYS ON EXISTING ASSETS	183	(2,646)	(177)	0	588	(2,053)
	Net Outlays on new and Upgraded Assets						
(3,877)	Capital Expenditure on New and Upgraded Assets & Remediation costs	(4,811)	(2,136)	(220)	(419)	469	(7,117)
425	Capital Grants and Monetary Contributions for New and Upgraded Assets	250	422	120	-	519	1,311
9,146	Proceeds from Sale of Surplus Assets	2,484	1,530	-	-	-	4,014
5,694	NET OUTLAYS ON NEW AND UPGRADED ASSETS	(2,077)	(184)	(100)	(419)	988	(1,792)
5,878	Net Lending/ (Borrowing) for Financial Year	(1,445)	(2,858)	(277)	(429)	1,575	(3,433)
(24,298)	Net Financial Liabilities at Beginning of Year	(15,388)	-	-	-	-	(15,388)
3,132	Decrease / (increase) in Other	-	-	-	-	-	-
(100)	Non Cash Equity Movement	(100)	-	-	-	-	(100)
(15,388)	Net Financial Liabilities at End of Year	(16,933)	(2,858)	(277)	(429)	1,575	(18,921)

In a year, the financing transactions identified below are associated with either applying surplus funds stemming from a net lending result or accommodating the funding requirement stemming from a net borrowing result.

Financing Transactions

- New Borrowings	2,499	2,858	277	429	(1,559)	2,605
72 Community Loans repaid to us	16	-	-	-	(16)	-
(4,409) Increase/(Decrease) in Short Term Draw Down	-	-	-	-	-	-
(2,025) (Increase)/Decrease in Cash & Investments	10	-	-	-	-	1,970
(18) Principal Repayments on Borrowings	-	-	-	-	-	(62)
- Reinstatement/Restoration Provision Payment	(200)	-	-	-	-	(200)
(1) Debenture Payment	(780)	-	-	-	-	(780)
(100) Non Cash Equity Movement	(100)	-	-	-	-	(100)
(6,481)	1,445	2,858	277	429	(1,575)	3,433

**ADELAIDE HILLS COUNCIL
COUNCIL MEETING
Tuesday 26 November 2019
AGENDA BUSINESS ITEM**

Item: 12.7

Originating Officer: Terry Crackett, Director Corporate Services

Responsible Director: Terry Crackett, Director Corporate Services

Subject: Strategic Plan Review Update

For: Decision

SUMMARY

The review of Council's Strategic Plan is a legislative requirement under s122 of the *Local Government Act 1999* (the Act). It is also a key element of Adelaide Hills Council's *Corporate Planning and Performance Framework*. The Strategic Plan includes a summary of Council's strategic goals and objectives and proposed strategies for, at minimum, the next 4 years. Under the Act, the Strategic Plan is required to undergo public consultation to ensure the interests of the community are taken into consideration as part of its development. Council's Strategic Plan Review commenced in April 2019.

The purpose of this report is to provide the draft strategic goal areas, related objectives and priorities (**Appendix 1**) to Council for endorsement for the purpose of Phase 2 (Discuss) community consultation.

RECOMMENDATION

Council resolves:

1. That the report be received and noted.
 2. That the draft strategic goal areas (Community, Economic, Environment and Organisational), related objectives and priorities included in **Appendix 1** of this report be endorsed for community consultation.
 3. To delegate to the Chief Executive Officer, or delegate, the authority to make any formatting or content changes to the draft strategic goal areas, related objectives and priorities to reflect matters raised in the Council's debate on the matter prior to its release for community consultation.
-

1. GOVERNANCE

➤ Strategic Management Plan/Council Policy

Goal	Organisational Sustainability
Strategy	Governance
Strategy	Risk and Responsibility

The Strategic Plan outlines Council’s goals and objectives and proposed strategies for, at minimum, the next four years. It assists Council to govern in a responsible, prudent and collaborative manner.

➤ Legal Implications

Section 122 of the *Local Government Act 1999* requires all councils to have strategic management plans. Council’s *Strategic Plan* is part of this suite of strategic management plans. It is mandatory that the Strategic Management Plans are reviewed within 2 years after each general election of Council.

The Act sets out the particulars of what must be contained in the plan and the draft of the Strategic Plan must undergo public consultation. Section 122 (6) of the Act specifies 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*’.

➤ Risk Management Implications

The review of the Strategic Plan will assist in mitigating the corporate risk of:

Inability to discharge role and functions of a local government entity leading to a breach of legislation and loss of stakeholder confidence.

Inherent Risk	Residual Risk	Target Risk
High	Medium	Medium

➤ Financial and Resource Implications

The Strategic Plan will be primarily produced internally using mainly existing staff resources. External costs will be associated with activities such as the design and printing of the final copy of the plan and for public consultation related costs.

➤ Customer Service and Community/Cultural Implications

The Strategic Plan provides transparency for the community regarding Council’s plans for the next four years. It highlights key goals and objectives and the strategies to achieve these objectives.

➤ Environmental Implications

Not applicable in preparing this report.

➤ **Engagement/Consultation conducted with Council Committee, Regional Subsidiary, Advisory Group, the Administration and Community**

Consultation on the development of this report was as follows:

Council Committees: Not applicable.

Council Workshops: Council Member workshops were held on 14 and 21 May 2019 regarding the findings of the environmental scan research and for goal and theme development. Further workshops were held on 17 September 2019 and then on 12 November 2019 to consider the draft strategic goal areas (Community, Economic, Environment and Organisational), related objectives and priorities.

Advisory Groups: Sessions have been held with the Property Advisory Group, Cemeteries Advisory Group, Sustainability Advisory Group and Biodiversity Advisory Group.

Administration: Council's Executive Leadership Team was consulted on 13 and 28 May 2019. The Strategic Leadership Team was consulted on 16 May 2019 and 17 October 2019.

Community: As part of the Phase 1 (Discover) consultation, interactions have occurred at the following events (to date):

- AHC Club Development Workshop
- Kenton Valley War Memorial Reserve community meeting
- Houghton Community Forum
- The Hut 40th Anniversary Celebrations
- Weaving Stories (Fabrik)
- Torrens Valley Community Centre (Men's Shed & Exercise Group)
- Stirling Business Association
- Regional Development Australia (AHFKI)
- Dementia Friendly Forum
- Youth Leadership Group
- Adelaide Hills Business Centre
- Various May Business Month Events
- Pome Fest
- Apple & Pears Growers Industry Dinner

As part of Phase 1 the community was also asked to provide feedback on what they considered to be the top three priorities for the district.

2. BACKGROUND

The review of the Strategic Plan is a legislative requirement under the *Local Government Act 1999*. The Strategic Plan is a key element of Council’s Planning and Performance Framework outlined below which was adopted by Council in June 2018 – see below.



The Strategic Plan is required to undergo community consultation prior to its adoption. Once adopted it is required to be made available at Council’s principal office.

On completion of the consultation process undertaken during Phase 1, a report was presented to Council on 4 June 2019 that outlined the draft strategic goal areas, related outcomes and key result areas where it was resolved as follows:

8.5 Strategic Plan Review – Key Themes Adoption

Moved Cr Chris Grant
S/- Cr Linda Green

136/19

Council resolves:

1. That the report be received and noted.
2. That the Summary of Key Challenges, Opportunities and Implications (*Appendix 1*) identified as part of the environmental scan research be noted.
3. That the draft strategic goal areas (Community, Economic, Environment and Organisational Capacity), related outcomes and key result areas included in *Appendix 2* of this report be endorsed for community consultation in Phase 2.
4. To delegate to the Chief Executive Officer, or delegate, the authority to make any formatting or content changes to the draft strategic goal areas, related outcomes and key result areas to reflect matters raised in the Council's debate on the matter prior to its release for community consultation.

Carried Unanimously

Following the Council meeting of 4 June 2019 changes to the available resources to support development of the Strategic Plan necessitated a review of the next stages of community consultation. These changes were outlined at a workshop of Council on 17 September 2019 and involved the development of proposed priorities prior to commencement of the next stage. It also involved the splitting of the Environment goal into two separate goal areas, being 'built' and 'natural'.

3. ANALYSIS

Since the September workshop considerable effort has been applied by teams established for each Goal Area in order to develop the related objectives and priorities that have been proposed at *Appendix 1*. This has included:

- A review of goal titles
- Development of a goal 'aspiration'
- Review of the goal objectives
- Development of initial priorities based on:
 - Outcomes from the environmental scan
 - Assessment of the challenges and opportunities
 - Review of the Phase 1 consultation outcomes
 - Incorporation of Council Member feedback
 - Assessment of all current and proposed Functional Strategies & Plans (including the Annual Business Plan)
 - Capturing 'Business as Usual'
- Assessing 'potential' resource implications (both dollars and FTE)

A further workshop of Council was held on 12 November 2019 at which time the five Goal Areas were reviewed in detail and feedback from Council Members captured into the final Goal Area statements included as *Appendix 1* for endorsement prior to community consultation.

Next steps:

Following endorsement of the Draft Strategic Goal Areas, Objectives and Priorities the next stage of community consultation will be undertaken. This stage (Phase 2 – Discuss) will seek feedback on the each of the proposed goals, objectives and priorities.

Given the importance of this stage in the development of the Strategic Plan, it is intended to allocate a considerable amount of time both prior to and after Christmas to ensure engagement with as many interested parties as possible.

A workshop will be scheduled early in the new year to consider the outcomes from the Phase 2 consultation process. This workshop will be scheduled prior to the finalisation of the next iteration of the LTFP to ensure any potential financial impacts are captured.

The Strategic Plan will then be drafted in its entirety for ‘Phase 3 – Decide’ consultation and subsequently, finalisation and adoption by Council.

4. OPTIONS

Council has the following options:

- I. To endorse the proposed Strategic Goal Area Statements to enable progression to the next stage of community consultation (Recommended)
- II. To amend any/all of the proposed Strategic Goal Area Statements prior to progression to the next stage of community consultation
- III. To not endorse the proposed Strategic Goal Area Statements for progression to the next stage of community consultation (Not recommended)

5. APPENDIX

- (1) Draft Strategic Goal Areas, Objectives and Priorities

Appendix 1

Draft Strategic Goal Areas, Objectives and Priorities

A functional BUILT ENVIRONMENT

Aspiration: Ensure that all decisions regarding the built environment recognise our unique character and natural environment to maintain and enhance liveability for our community.

Good functional facilities and infrastructure provide places for people to meet, connect and participate. These range from grounds for organised sport to community spaces for meeting friends and Council buildings where people can participate in group or individual activities.

Built spaces like libraries, community halls and centres provide hubs for people to come together, learn and interact. These spaces should have the capacity to be adaptive and evolve to meet new and changing needs in a sustainable manner. A unique 'sense of place' can be created with input from the people who interact or do business in our Council area. These communities know what a place needs, who will use it and how it can be enhanced.

With this in mind, to support our aspiration the following objectives and priorities are proposed:

Objective B1	Our district is easily accessible for community, our businesses and visitors		Lead	New \$	New FTE
Priorities	B1.1	Increase accessibility to our district through the development and delivery of high priority trails and routes for all cyclists (on-road, off road, commuters, recreational) and pedestrians	I&O	✓	-
	B1.2	Improve outcomes for the elderly by incorporating Council's Age Friendly Strategic Plan into built environment design and delivery	I&O	-	-
	B1.3	Progress state-wide and inter-regional connectivity of cyclist routes by partnering with neighbouring councils.	I&O	✓	-
	B1.4	Ensure that the key road network is accessible for heavy vehicles used by the primary production, tourism and construction sectors through engagement with industry and Government.	D&RS	-	-
	B1.5	Provide accessibility for the full range of users by ensuring Council's road, footpath and trails network is adequately maintained and service levels for all users are developed and considered.	I&O	-	-

Objective B2	Preserve and enhance the unique character of the Hills for current and future generations		Lead	New \$	New FTE
Priorities	B2.1	Continue to embrace and support community led place-making across our district.	D&RS	✓	✓
	B2.2	Incorporate Water Sensitive Urban Design principles within Council developments and projects and advocate for other developments within the region to do the same	I&O	✓	-
	B2.3	Proactively work with developers to ensure that built form complements or enhances existing local character whilst preserving the character and amenity of our towns, historic buildings and scenic environment	D&RS	-	-
	B2.4	Ensure our planning framework, council policies and guidelines support privately owned local heritage places	D&RS	-	-
	B2.5	Continue to collaborate with other councils and stakeholders in pursuing our World Heritage Bid to protect the landscapes, sites and facilities that represent the State's aboriginal and early colonial history	D&RS	-	-

Objective B3	Consider external influences in our long term asset management and adaptation planning		Lead	New \$	New FTE
Priorities	B3.1	Improve water security by maximising water reuse opportunities, reducing reliance on ground water and improving water efficiencies for open space irrigation and building facilities	I&O	✓	-
	B3.2	Aim to achieve 100% renewable energy use for our corporate operations and strive towards carbon neutrality	I&O	✓	-
	B3.3	Investigate and source recyclable materials for asset renewal projects wherever practical and in doing so promote the circular economy	I&O	✓	-
	B3.4	Proactively adapt our built environment to changes in social and environmental factors to minimise the impact from natural hazards such as fire and flood.	I&O	-	-

Objective B4	Sustainable management of our built assets ensures a safe, functional and well serviced community		Lead	New \$	New FTE
Priorities	B4.1	Ensure the long term sustainable management of the built form and public spaces.	I&O	-	-
	B4.2	Embrace innovative and new technology solutions to proactively maintain our built assets that further enhance the provision of efficient services to the community.	I&O	-	-
	B4.3	Ensure Council owned or managed assets, including staff accommodation, are functional and adaptive to meet service requirements. Also, where appropriate and endorsed by Council, equitably assist community owned site (halls and recreation sites) to ensure their facilities are functional and meet service standards.	CS (Property)	✓	-
	B4.4	Improve road safety through a safe system approach to road design, construction and maintenance including on-going applications to the State and Federal Road Blackspot program	I&O	-	-
	B4.5	Explore and provide the infrastructure to support Electric Vehicles (EV) and investigate infrastructure requirements for emerging technological transport such as Connected and Automated Vehicles (CAV)	I&O	✓	✓

Related Plans and Strategies:

- Asset Management Plan,
- Corporate Carbon Management Plan,
- Climate Change Adaptation Plan,
- Water Management Plan,
- Long Term Financial Plan,
- AHBTC Masterplan,
- Age Friendly Community Strategic Plan,
- Sport & Recreation Strategy 2017-2021,
- Local Area Strategic Bicycle Plan 2016,
- Adelaide Hills Trails Network Strategy & Action Plan 2014 (under review)
- Heathfield Master Plan
- Woodside Recreational Ground Master Plan (draft)
- Community and Recreation Facility Framework (draft)
- Stirling Village Main Street Design Guidelines
- Crafers Main Street Urban Design Framework (underway)
- Gumeracha Albert Street, Main Street Master Plan and Federal Park and Oval Masterplan.
- Disability Action Plan

Related Services:

- Civil Services
- Planning & Development
- Property Services
- Sustainability
- Policy Planning
- Sustainable Assets
- Open Space Sport and Recreation Planning
- Community Wastewater Management System (CWMS)
- Waste
- Emergency Management

COMMUNITY Wellbeing

Aspiration: An inclusive and prosperous community with the capacity to flourish and fulfil their potential through opportunities to engage, connect, participate and enhance wellbeing.

The Adelaide Hills offers a unique environment and lifestyle for residents, business owners and visitors who value quality of life and wellbeing.

High levels of community wellbeing are essential to enable communities to flourish and fulfil their potential. Wellbeing is determined by a broad range of factors including social and health determinants which lead to safe, engaged, healthy, inclusive, culturally rich, vibrant, creative and supported communities

We seek to empower local communities to identify their needs, shape and create change and influence the decisions which impact their lives. Working alongside our residents helps us build relationships and provide opportunities for them to connect, learn, participate and grow. We do this through the arts, heritage, Reconciliation, volunteering, grants, libraries, sporting and recreation facilities, youth programs, events, positive ageing services, health planning and community centre activities.

With this in mind, to support our aspiration the following objectives and priorities are proposed:

Objective C1	A community for everyone - that is inclusive, welcoming and accessible		Lead	New \$	New FTE
Priorities	C1.1	Provide welcoming spaces and places for the community through our libraries, community centres, and Council and community facilities	CD Libraries	-	-
	C1.2	Diversity in the community is one of our greatest strengths and we will support and promote opportunities for social inclusion and celebration of our cultural diversity	CD	-	-
	C1.3	Make the district more accessible and welcoming for all with a focus on youth engagement, positive ageing, disability inclusion and multiculturalism	CD	-	-
	C1.4	Provide opportunities to improve transport options for those who need it most	?	-	-

Objective C2	A connected, engaged and supported community		Lead	New \$	New FTE
Priorities	C2.1	Work with community to provide a range of programs and opportunities to connect and engage around shared interests	CD & libraries	-	-
	C2.2	Support our ageing community to access services and continue to participate and contribute to community life	CD	-	-
	C2.3	Engage with our youth so they are supported to grow, learn and be connected	CD	-	-
	C2.4	Increase participation from the broadest range of our community and engage with them to shape policies, places and decisions that affect them	C. capacity	✓	✓

Objective C3	A community that grows together		Lead	New \$	New FTE
Priorities	C3.1	Provide and support programs and services that encourage and enhance personal growth, lifelong learning and professional development	Libraries & CD	-	-
	C3.2	Support volunteering both organisationally and in the community as an essential element in delivering community outcomes and building wellbeing	CD	-	-
	C3.3	Empower our community groups and leaders to shape and determine change in their community through the provision of training opportunities, grants that meet strategic priorities, building relationships and supporting communities to be cohesive in progressing local projects.	CD	-	-
	C3.4	Build partnerships with community and other stakeholders to enhance our capacity to provide and support opportunities for them to thrive	CD & libraries	-	-

Objective C4	An active, healthy, thriving and resilient community		Lead	New \$	New FTE
Priorities	C4.1	Support community wellbeing through our contribution to public health planning and the implementation of strategies that aim to measure and enhance wellbeing	CD & Health	-	-
	C4.2	Support the provision of formal and informal sport, recreation and play spaces for the community to enjoy	S&R	✓	-
	C4.3	Recognise that trails are a destination in their own right and support both commuter and recreational trail opportunities	S&R	✓	-
	C4.4	Support clubs and groups to continue to provide sport and recreation activities to the community	S&R	-	-
	C4.5	Take an all hazards approach to emergency management so we can support the emergency services and the community before, during and after disaster events.	Emergency management	-	-

Objective C5	Respect for Aboriginal Culture and values		Lead	New \$	New FTE
Priorities	C5.1	Partner with the Aboriginal and Torres Strait Islander community to develop our second Reconciliation Action Plan (Innovate) and actively participate in Reconciliation Week	CD	-	-
	C5.2	Celebrate and recognise Aboriginal culture and heritage through participation in and the delivery of programs and activities that engage our community in cultural experience and learning	CD	-	-

Objective C6	Celebrate our community's unique culture through arts, heritage and events		Lead	New \$	New FTE
Priorities	C6.1	Develop Fabrik as a vibrant cultural hub for the Adelaide Hills, fostering community connections and creativity and presenting the significant history of the Woollen Mill site	Fabrik	-	-
	C6.2	Develop, support or bring events to our district that have social, cultural, environmental or economic benefits	C. Capacity & Events	-	-
	C6.3	Recognise, encourage and support artists, emerging artists, writers and performers through promotion of the Arts and supporting opportunities to exhibit and perform	CD & Fabrik	-	-
	C6.4	Foster the development of Public Art that adds value to public spaces and supports place making in our community	CD	-	-

Related Plans and Strategies:

- Community Strategy, Age Friendly Community Strategic Plan, Multicultural Action Plan, Reconciliation Action Plan, Sport and Recreation Action Plan, Strategic Bicycle Plan, Trail Strategy and Action Plan, Economic Development Strategy, Regional Public Health Plan.

Related Services:

- Community Development
- Community Centres (The Summit and Torrens Valley)
- Volunteering
- Youth Development
- Positive Ageing (Collaborative)
- Positive Ageing Services and Programs (Home Support)
- Arts & Heritage
- Cultural Development
- Library Services
- Communications & Events
- Community Consultation
- Open Space Sport and Recreation
- Grants & Partnerships
- Emergency Management
- Public Health

A prosperous ECONOMY

Aspiration: Our region's economy is diverse and sustainable with a reputation for quality, niche products, services and experiences underpinned by a culture of creativity and innovation

Business (including primary production activities) is an important part of the Adelaide Hill's community, with over 4,000 registered businesses operating in the region. Supporting sustainable long-term economic growth through the retention of existing business and the attraction of new business and investment encourages greater economic diversity, local job opportunities and is a key element to enhancing our community's quality of life.

Economic prosperity is also necessary for the region to be competitive in both a national and international context. As our economy evolves from predominantly production-based to one based on creativity and innovation, it is important that we change in a way that strengthens our industries, creates good jobs and encourages investment in the region. Economic development is not pursued for its own sake but rather for what it contributes to community wellbeing in all its dimensions.

The role for Council in economic development is essentially one of improving the flow of information and bringing relevant parties together (including business, industry representative groups, all levels of government) to use this information for greater economic benefit. Our role is therefore largely one of facilitator, information provider, advocate and in some cases, leader.

With this in mind, to support our aspiration the following objectives and priorities are proposed:

Objective E1	Support and grow our region's existing and emerging industries		Lead	New \$	New FTE
Priorities	E1.1	Support and encourage a compelling reason for both local and international tourists to visit the Adelaide Hills	ED	-	-
	E1.2	Take advantage of the full potential of our region's primary production and associated value adding activities	ED	-	-
	E1.3	Support and encourage the growth and development of our region's creative industry micro businesses	Fabrik	-	-
	E1.4	Facilitate an economic environment where our existing and emerging businesses can be creative, innovative and productive	ED	-	-
	E1.5	Engage and assist our region's key business and industry groups to be resilient, proactive and successful	ED	-	-
	E1.6	Encourage and facilitate local supplier participation in all level of Government tendering processes	CS	-	-

Objective E2	Provide local infrastructure to drive growth and productivity		Lead	New \$	New FTE
Priorities	E2.1	Work with all levels of Government to ensure the region's infrastructure needs are understood and prioritised	IO	-	-
	E2.2	Explore and advocate for the opportunities that new technologies could bring to our region	CS	-	-
	E2.3	Support changes to planning and development that leverages and encourages sustainable economic development	DRS	-	-
	E2.4	Manage and maintain Council assets to maximise their utilisation and benefit to the community	Property	-	-

Objective E3	Encourage, attract and retain a creative, talented and skilled workforce in our region		Lead	New \$	New FTE
Priorities	E3.1	Attract and encourage professional and business development and networking activities	ED	-	-
	E3.2	Understand the nature of skills our region's businesses will require to prosper into the future	ED	-	-
	E3.3	Enable start-ups and home based business through services, information and networking opportunities	CC	-	-

Objective E4	Cultivate a clear, unique and consistent regional identity that can be leveraged to attract national and international attention		Lead	New \$	New FTE
Priorities	E4.1	Work with key stakeholders to develop a realistic, yet inspiring, collective vision to connect the region and its industries	ED	-	-
	E4.2	Work with our communities and businesses to encourage co-ordinated and strategic regional projects that enhance and support the regional identity	ED	-	-
	E4.3	Support and encourage events that supports the region's identity and generates social, cultural and economic benefits	CC	-	-
	E4.4	Support the continued development and community engagement for the World Heritage nomination of the region	CC	-	-

Objective E5	Encourage and support positive population growth in the region		Lead	New \$	New FTE
Priorities	E5.1	Work with our local communities and businesses to create active, attractive and vibrant places	ED	✓	✓
	E5.2	Explore opportunities to expand township district boundaries and rezone land to medium to low density residential	DRS	-	-

Related Plans and Strategies:

- Economic Development Strategy
- Community Strategy
- Sport and Recreation Action Plan
- Strategic Bicycle Plan
- Trail Strategy and Action Plan
- Adelaide Hills Arts and Heritage Hub - Lobethal Business Development Framework (FABRIK)
- Climate Change Adaptation Plan for Adelaide Hills, Fleurieu Peninsula and Kangaroo Island region
- Waste and Resource Management Strategy
- Asset Management Plan
- South Australian Visitor Economy Sector Plan 2030
- South Australian Regional Visitor Strategy
- Adelaide Hills Regional Strategic Tourism Plan
- Southern Hills LGA Strategic Plan
- 2020 Regional Transport Plan

Related Services:

- Community Development
- Planning and Development Services
- Property Services
- Sustainable Assets
- Community Centres (The Summit and Torrens Valley)
- Library Services
- Youth Development
- Arts & Heritage
- Cultural Development
- Communications & Events
- Community Consultation
- Open Space Sport & Recreation Planning
- Grants & Partnerships
- Emergency Management

A valued NATURAL ENVIRONMENT

Aspiration: The natural environment of the Adelaide Hills contributes significantly to the character of the region and is greatly valued by our local community and visitors.

We recognise the importance of healthy and resilient natural systems that deliver the key environmental benefits (ecosystem services) on which our quality of life depends. These include provision of clean air and water, natural elimination of waste and pollution, recycling of nutrients, carbon sequestration, pest regulation, pollination and sustained agricultural productivity.

To protect and maintain the region’s distinctive native flora and fauna, unique vegetation communities, productive farming lands, urban and vibrant township communities, we are committed to managing biodiversity conservation, protecting the watershed, responding to the impacts of climate change, and managing waste and resources.

By engaging the community, fostering productive partnerships and through best-practice environmental stewardship, we aim to manage the known and emerging threats and opportunities to support the important natural values of the region and improve environmental outcomes.

In recognition of our international obligations we have declared a climate emergency and are firmly resolved to protect and improve the quality and resilience of our environment.

With this in mind, to support our aspiration the following objectives and priorities are proposed:

Objective N1	Conserve and enhance the regional natural landscape character and amenity values of our region		Lead	New \$	New FTE
Priorities	N1.1	Enhance and manage horticultural amenity, including succession planning for street trees that contribute to and reinforce our distinctive streetscapes and villages	Open Space	✓	✓
	N1.2	Manage reserves and open space to support the community , whilst balancing biodiversity conservation, resource use and environmental impacts	Open Space	-	-

Objective N2	Recognise the benefits of ecosystem services and improve environmental resilience by reducing environmental impacts		Lead	New \$	New FTE
Priorities	N2.1	Monitor and manage areas of high biodiversity or habitat value on Council reserves and Native Vegetation Marker Scheme (NVMS) sites using best practice methodologies	Open Space	✓	-
	N2.2	Explore opportunities and take appropriate actions to monitor current and emerging threats to biodiversity including feral cats and Phytophthora	Open Space	-	-
	N2.3	Mitigate bushfire risks across the landscape by undertaking fuel reduction activities including woody weed control, maintenance of asset protection zones and educate & enforcement to reduce fuels on private property	Open Space	✓	-

Objective N3	Nurture valuable partnerships and collaborations and engage the local community in the management of our natural environment		Lead	New \$	New FTE
Priorities	N3.1	Increase knowledge and environmental awareness within the community through engagement and education	Open Space	-	-
	N3.2	Collaborate and engage with public and private organisations, schools and community members, to improve biodiversity outcomes	Open Space	-	-
	N3.3	Continue to work in partnership with the Resilient Hills and Coasts region to build Council and community resilience to the impacts of climate change	Sustain	-	-

Objective N4	Reduce the impact of waste to landfill by maintaining a robust waste and resource management framework		Lead	New \$	New FTE
Priorities	N4.1	We will work with partners to analyse the benefits and feasibility of introducing a fee incentive to property owners to produce less waste and recycle more in relation to the kerbside bin service	Waste	✓	✓
	N4.2	We will undertake a scoping study in regard to the various options to achieve improved environmental outcomes in relation to Green Organics	Waste	✓	✓
	N4.3	We will provide specific education to the community to increase their level of food scrap recycling	Waste	✓	✓
	N4.4	Implement new or improved waste service opportunities whilst continuing to provide ongoing resource recovery and waste service to our community	Waste	✓	✓

Objective N5	Assist our community to reduce the impact of waste to landfill on the environment		Lead	New \$	New FTE
Priorities	N5.1	Encourage and educate the community to help minimise the generation of household waste by advocating the principles of the Waste Management Hierarchy to avoid, reduce and reuse	Waste	✓	✓
	N5.2	Support and assist the community to prevent valuable resources going to landfill and reduce contamination in kerbside recycling bins	Waste	✓	✓

Related Plans and Strategies:

- Climate Change Adaptation Plan for the Adelaide Hills, Fleurieu Peninsula and Kangaroo Island Region
- Waste and Resources Management Strategy 2016-2021
- Waste & Resource Recovery and Recycling Strategy
- Commonwealth National Waste Policy
- South Australia's Waste Strategy 2015-2020
- Environmental Protection (Waste to Resources) Policy 2010
- AHC Biodiversity Strategy (2019-2024)
- Adelaide Hills Council Roadside Vegetation Management Plan (2015-2020)
- AHC Best Practice Operating Procedure (BPOP)
- AHC Vegetation Management Plans (Aldgate Valley Reserve, Lobethal Bushland Park, Bradwood Park, Protea Park / Michael Moran, Stirling Linear Park, Morella Reserve, Lenswood, Mylor Parklands, Kersbrook Stone Reserve, Smith Road/Stone Quarry Reserve)
- Native Vegetation Council - Local Government Tree Management Guidelines 2019
- The East Waste Business Plan 2015-2024

Related Services:

- Open Space Biodiversity
- Open Space Operations
- Open Space Sport & Recreation Planning
- Waste
- Sustainability
- Biodiversity

A progressive ORGANISATION

Aspiration: Council is recognised for its skilled and agile workforce, for its representative and accountable governance, its commitment to cost effectiveness and efficient service delivery.

Council exists to provide services and facilities to its community in a representative, informed and responsible manner. Our organisation and our people need to be both agile and capable of delivering the Council's long term community objectives and annual priorities in a financially sustainable way. With a culture built on continuous improvement and a commitment to open and transparent decision making, we remain focused on consistently delivering an excellent customer experience.

With this in mind, to support our aspiration the following objectives and priorities are proposed:

Objective O1	We have the right people with the right knowledge and skills in the right jobs and they are supported and developed		Lead	New \$	New FTE
Priorities	O1.1	Progressively enhance our safe systems of work to maintain emotional and physical safety of our people	Org Dev	-	-
	O1.2	Continue to develop a positive culture through supporting an equitable, diverse and continuously improving work environment	Org Dev	-	-
	O1.3	Support our people leaders in further developing the skills necessary to lead an engaged and productive teams	Org Dev	-	-
	O1.4	Continue to support all staff through training, mentoring, coaching and development to enable the achievement of organisational and community goals	Org Dev	-	-

Objective O2	Our customers find it easier to interact and do business with Council and have an improved customer experience		Lead	New \$	New FTE
Priorities	O2.1	Develop our digital channels to better meet customers' current and future needs	Cust & Comms	✓	-
	O2.2	Modernise our services and enhance the customer experience by making service delivery faster, more convenient and more proactive	Cust	-	-
	O2.3	Build the capabilities of our people through a focus on two-way communication, cooperation and placing customers at the centre of everything we do	Cust & Comms	-	-
	O2.4	Continuously strive to measure and improve performance and service delivery across all functions	Gov & Perform	-	-

Objective O3	Our organisation is financially sustainable for both current and future generations		Lead	New \$	New FTE
Priorities	O3.1	Ensure the delivery of agreed strategic plan requirements whilst meeting endorsed long term targets for a sustainable operating surplus and level of debt	Finance	-	-
	O3.2	Ensure that renewal of assets and the associated maintenance is based on current asset management plans which consider reviewed service levels and whole of life costing	Assets	✓	✓
	O3.3	Actively pursue alternative funding opportunities to reduce reliance on rates income	Finance	-	-
	O3.4	Assess the range and level of services undertaken to ensure they fulfil Council's legislative and strategic intent	Gov & Perform	-	-

Objective O4	We actively represent our community		Lead	New \$	New FTE
Priorities	O4.1	Optimise opportunities for the community to access and provide input into the decision-making processes	Gov & Perform	-	-
	O4.2	Attract and develop a diverse and capable elected body that represents, promotes and reflects the composition of the community	Gov & Perform	-	-
	O4.3	Advocate to, and exert influence with, our stakeholders on behalf of our community to promote the needs and ambitions of the region	Gov & Perform	-	-

Objective O5	We are accountable, informed, and make decisions in the best interests of the whole community		Lead	New \$	New FTE
Priorities	O5.1	Enhance governance structures and systems to prudently adapt to changing circumstances and meet our legislative obligations	Gov & Perform	-	-
	O5.2	Make evidence-based decisions consistent with our role and responsibilities	Gov & Perform	-	-
	O5.3	Demonstrate accountability through robust corporate planning and reporting that enhances performance, is relevant and easily accessible by the community	Gov & Perform	-	-
	O5.4	Prudently assess the risks and opportunities to the organisation and our community before taking action	Gov & Perform	-	-

Objective O6	Technology and innovation is utilised to better meet our community's expectations and deliver value for money		Lead	New \$	New FTE
Priorities	O6.1	Progressively strengthen Council's systems security to minimise the impact of cyber attack	ICT	✓	✓
	O6.2	Utilise technology to enable more evidence based and efficient delivery of services to the community	ICT	-	-
	O6.3	Provide more resilient business systems by utilising cloud technologies where appropriate	ICT	-	-
	O6.4	Utilise our online engagement tools to reach a wider range of community members to obtain their views and input.	Community Engagement	-	-
	O6.5	Support the delivery of services to the community through improved utilisation and connectivity of existing business systems	ICT	-	-
	O6.6	Ensure the way in which we provide our digital services delivers an enhanced experience for our community	Customer		

Related Plans and Strategies:

- Asset Management Plan, Long Term Financial Plan, Corporate Plan, ICT & IS Strategic Plan, Customer Experience Action Plan

Related Services:

- Financial Services
- Organisational Development
- Work Health & Safety
- Information Communications & Technology
- Information Systems
- Governance, Risk & Audit
- Public Integrity
- Community Consultation
- Customer Service
- Services Strategy & Innovation
- Corporate Planning
- Performance reporting

**ADELAIDE HILLS COUNCIL
ORDINARY COUNCIL MEETING
Tuesday 26 November 2019
AGENDA BUSINESS ITEM**

Item: 12.11

Originating Officer: Steven Watson, Governance and Risk Coordinator

Responsible Director: Andrew Aitken, Chief Executive Officer

Subject: Review of Confidential Items

For: Decision

SUMMARY

Section 91 of the *Local Government Act 1999* requires Council to review confidential orders at least once every year.

A review of the Register of Confidential Items has been undertaken and there are seven items that requires new confidentiality orders. Council must determine the period of confidentiality for these items.

RECOMMENDATION

DECISION 1

Council resolves that the report be received and noted.

DECISION 2

1. Pursuant to Section 91(7) of the *Local Government Act 1999*, Council orders that the following document(s) (or part) shall be kept confidential, being document(s) (or part) relating to a matter dealt with by the Council on a confidential basis under Sections 90(2) and 90(3)(d) of the Act:

- The Report of 22 October 2019, Item No. 19.1, Electricity Procurement Contract Post 31 December 2019 for below 160 MWh sites

On the grounds that the document(s) (or part) relates to tenders for the supply of goods, the provision of services or the carrying out of works. Specifically, the present matter relates to a tender for Electricity Supply. This order shall operate until further order of the Council and will be reviewed at least annually in accordance with the Act.

2. Pursuant to section 91(9)(c) of the *Local Government Act 1999*, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.

DECISION 3

- 1. Pursuant to Section 91(7) of the *Local Government Act 1999*, Council orders that the following document(s) (or part) shall be kept confidential, being document(s) (or part) relating to a matter dealt with by the Council on a confidential basis under Sections 90(2) and 90(3)(d) of the Act:**

- The Report of 28 May 2019, Item No. 19.1, Electricity Procurement**

On the grounds that the document(s) (or part) relates to tenders for the supply of goods, the provision of services or the carrying out of works. Specifically, the present matter relates to a tender for Electricity Supply. This order shall operate until further order of the Council and will be reviewed at least annually in accordance with the Act.

- 2. Pursuant to section 91(9)(c) of the *Local Government Act 1999*, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.**

DECISION 4

- 1. Pursuant to Section 91(7) of the *Local Government Act 1999*, Council orders that the following document(s) (or part) shall be kept confidential, being document(s) (or part) relating to a matter dealt with by the Council on a confidential basis under Sections 90(2) and 90(3)(b) of the Act:**

- The Report of 19 June 2018, Item No. 6.1, CWMS Expression of Interest Outcomes**

On the grounds that the document(s) (or part) relates to tenders for the supply of goods, the provision of services or the carrying out of works. Specifically, the present matter relates to a tender for CWMS Services. This order shall operate until further order of the Council and will be reviewed at least annually in accordance with the Act.

- 2. Pursuant to section 91(9)(c) of the *Local Government Act 1999*, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.**

DECISION 5

- 1. Pursuant to Section 91(7) of the *Local Government Act, 1999*, Council orders that the following document(s) (or part) shall be kept confidential, being document(s) (or part) relating to a matter dealt with by the Council on a confidential basis under Sections 90(2) and 90(3)(b) of the Act:**

- The Report of 26 September 2017, Item No. 19.2, Community Wastewater Management Systems Review**

On the grounds that the document(s) (or part) relates to tenders for the supply of goods, the provision of services or the carrying out of works. Specifically, the present matter relates to a tender for CWMS Services. This order shall operate until further order of the Council and will be reviewed at least annually in accordance with the Act.

- 2. Pursuant to section 91(9)(c) of the *Local Government Act 1999*, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.**

DECISION 6

1. Pursuant to Section 91(7) of the *Local Government Act, 1999*, Council orders that the following document(s) (or part) shall be kept confidential, being document(s) (or part) relating to a matter dealt with by the Council on a confidential basis under Sections 90(2) and 90(3)(b) of the Act:

- The Report of 28 February 2017, Item No. 19.2, Community Wastewater Management Systems Review

On the grounds that the document(s) (or part) relates to tenders for the supply of goods, the provision of services or the carrying out of works. Specifically, the present matter relates to a tender for CWMS Services. This order shall operate until further order of the Council and will be reviewed at least annually in accordance with the Act.

2. Pursuant to section 91(9)(c) of the *Local Government Act 1999*, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.

DECISION 7

1. Pursuant to Section 91(7) of the *Local Government Act 1999*, Council orders that the following document(s) (or part) shall be kept confidential, being document(s) (or part) relating to a matter dealt with by the Council on a confidential basis under Sections 90(2) and 90(3)(d) of the Act:

- The Report of 25 October 2015, Item No. 19.1, CWMS Expression of Interest

On the grounds that the document(s) (or part) relates to tenders for the supply of goods, the provision of services or the carrying out of works. Specifically, the present matter relates to a tender for CWMS Services. This order shall operate until further order of the Council and will be reviewed at least annually in accordance with the Act.

2. Pursuant to section 91(9)(c) of the *Local Government Act 1999*, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.

DECISION 8

1. Pursuant to Section 91(7) of the *Local Government Act 1999*, Council orders that the following document(s) (or part) shall be kept confidential, being document(s) (or part) relating to a matter dealt with by the Council on a confidential basis under Sections 90(2) and 90(3)(b)(d)(i) of the Act:

- The Report of 22 April 2014, Item No. 18.2, Adelaide Hills Regional Waste Management Authority

On the grounds that the document(s) (or part):

- (i) could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting or proposing to conduct business, or to prejudice the commercial position of the Council; and

(ii) would, on balance, be contrary to the public interest.

Commercial information of a confidential nature (not being a trade secret) the disclosure of which:

(i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and

(ii) would, on balance, be contrary to the public interest.

Specifically, the present matter relates to Council considering an offer from a competitor with regard to where to take its waste stream, and to consider the long term implications and options in relation to the Regional Waste Management Authority of which it is a member, and due to the fact that the competitor has initiated legal proceedings against the aforementioned Authority. where Council disposes of its waste. This order shall operate until further order of the Council and will be reviewed at least annually in accordance with the Act.

- 2. Pursuant to section 91(9)(c) of the *Local Government Act 1999*, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.**
-

1. GOVERNANCE

➤ **Strategic Management Plan/Council Policy**

Goal	Organisational Sustainability
Strategy	Governance

The review of Council's *Confidential Items Register* is an important element of Council's commitment to open and transparent decision making which facilitates public accountability.

➤ **Legal Implications**

Section 91(7) of the *Local Government Act 1999* sets out the provisions regarding the making of orders to retain documents and discussions considered at Council and Council Committees in confidence.

Section 91(9) requires that these orders must specify the duration of the order or the circumstances in which the order will cease to apply or must be reviewed. Any order that operates for a period exceeding 12 months must be reviewed at least once in every year.

➤ **Risk Management Implications**

Reviewing confidentiality orders assists with mitigating the risks of:

Confidential information is released which prejudices Council's and/or third parties' interests.

Inherent Risk	Residual Risk	Desired Risk
Extreme (3A)	Low (3E)	Low (3E)

Information scheduled for release under a confidentiality order is not duly released resulting in a breach of legislation and depriving the community of public information.

Inherent Risk	Residual Risk	Desired Risk
Extreme (3A)	Low (3E)	Low (3E)

Note: there are a number of other controls that assist with managing these risks.

➤ **Financial and Resource Implications**

Not applicable

➤ **Customer Service and Community/Cultural Implications**

Not applicable

➤ **Environmental Implications**

Not applicable

➤ **Engagement/Consultation with Committee, Regional Subsidiary, Advisory Group and Community**

Council Committees: Not applicable

Council Workshops: Not applicable

Advisory Groups: Not applicable

Administration: Director Infrastructure & Operations
Director Development & Regulatory Services
Director Corporate Services
Executive Manager Governance & Performance
Manager Waste and Emergency Management
Manager Property Services

Community: Not applicable

2. BACKGROUND

The Register of Confidential Items is contained on Council's website and is reviewed on a monthly basis. Items that have progressed to the specified point and are no longer of a confidential nature are released in accordance with the respective council resolution. Items that remain in confidence are displayed on the Register.

3. ANALYSIS

The Register of Confidential Items has been reviewed and there are seven (7) items that require a new confidentiality order applied at this time. An extract of the register is attached (**Appendix 1**) which provides a summary of all existing confidential orders highlighting those orders that require new confidentiality provisions, as follows:

- **No 354 – Electricity Procurement Contract Post 31 December 2019 for below 160 MWh site**

The current Period of Confidentiality for this item concludes 31 December 2019.

It is recommended that a new confidentiality order be applied and that the item 'Remain confidential until the contracts have been endorsed.

- **No 344 – Electricity Procurement**

The current Period of Confidentiality for this item concludes 31 December 2019.

It is recommended that a new confidentiality order be applied and that the item 'Remain confidential until the contracts have been endorsed.

- **No 328 – CWMS Expression of Interest Outcomes**

The current Period of Confidentiality for this item concludes 31 December 2019.

It is recommended that a new confidentiality order be applied and that the item 'Remain confidential until a further decision is made by Council on the CWMS'.

- **No 311 – Community Wastewater Management System Review**

The current Period of Confidentiality for this item concludes 31 December 2019.

It is recommended that a new confidentiality order be applied and that the item 'Remain confidential until a further decision is made by Council on the CWMS'.

- **No 301 – Community Wastewater Management System Review**

The current Period of Confidentiality for this item concludes 31 December 2019.

It is recommended that a new confidentiality order be applied and that the item 'Remain confidential until a further decision is made by Council on the CWMS'.

- **No 290 – CWMS Expression of Interest**

The current Period of Confidentiality for this item concludes 31 December 2019.

It is recommended that a new confidentiality order be applied and that the item 'Remain confidential until a further decision is made by Council on the CWMS'.

- **No. 240 – Adelaide Hills Regional Waste Management Authority**

The current Period of Confidentiality for this item concludes 27 November 2019.

It is recommended that a new confidentiality order be applied and that the item 'Remain confidential until legal proceedings and deliberations have concluded'.

4. OPTIONS

Council has the following options:

- I. To extend the period of confidentiality as per the recommendations
- II. Determine an alternative period of confidentiality
- III. Allow the confidentiality order to expire thus releasing the information

If the meeting wishes to discuss the status of any items in a manner that will result in the disclosure of information currently under a s91(7) confidentiality order, it should first consider making a s90 order to go into confidence.

5. APPENDIX

- (1) Extract of Current Confidential Items Register

Appendix 1

Extract of Current Confidential Items Register

Register No	Date of Meeting	Council/Committee	Agenda No	Officer	Responsible People Leader	Report Title	LG Act S90 Provision	Release date	Original Resolution regarding Period of Confidentiality	Revised Period of Confidentiality	Next Review Date	Still in confidence
354	22/10/2019	Council	19.1	Peter Bice	Peter Bice	19.1.2 Electricity Procurement Contract Post 31 December 2019 for below 160 MWh sites	90(3)(d)	31/12/2019	until the contracts are signed, but not longer than 31 December 2019.		31/12/2019	Y
344	28/05/2019	Council	19.1	Terry Crackett	Andrew Aitken	Electricity Procurement	90(3)(d)	31/12/2019	Until contracts are signed, but not longer than 31 December 2019		31/12/2019	Y
328	19/06/2018	Special Council	6.1.1	John McArthur	Peter Bice	CWMS Expression of Interest Outcomes	90(3)(b)	31/12/2019	Until 31 December 2019	Partially released 05 July 2018 (Resolution 4 and Community Consultation from Report) Resolution passed 19 June 2018 to remain confidential until 31 December 2019 Minute fully Released 9 August 2018 Report remains confidential Resolution Passed 04 June 2019 to remain confidential until 31 December 2019	31/12/2019	Y
311	26/09/2017	Council	19.2	John McArthur	Peter Bice	Community Wastewater Management Systems Review	90(3)(b)	31/12/2019	Until 26 September 2018	Partially released 13 February 2017 (Resolution 3) Resolution passed 26 June 2018 to remain confidential until 31 December 2019 Related to 290 & 301 Resolution Passed 04 June 2019 to remain confidential until 31 December 2019	31/12/2019	Y
301	28/02/2017	Council	19.1	John McArthur	Peter Bice	Community Wastewater Management Systems Review	90(2)(b)	30/06/2018	Until 30 June 2018	Resolution passed 26 June 2018 to remain confidential until 31 December 2019 Related to 290 Resolution Passed 04 June 2019 to remain confidential until 31 December 2019	31/12/2019	Y
290	25/10/2016	Council	19.1	John McArthur	Peter Bice	CWMS Expression of Interest	90(3)(d)	31/12/2019	Until 31 December 2017 except public statements which outline the rationale and process for seeking a review of options	Resolution passed 12 December 2017 to remain confidential until 26 September 2018 Resolution passed 26 June 2018 to remain confidential until 31 December 2019 Resolution Passed 04 June 2019 to remain confidential until 31 December 2019	31/12/2019	Y
240	22/04/2014	Council	18.2.1	John McArthur	Peter Bice	AHRWMA	90(3)(b,d,i)	27/11/2019	Until legal action concluded 22 April 2015	Resolution passed 24 November 2015 to remain confidential until legal action has concluded but no longer than 30 June 2016. Resolution passed 28 June 2016 to remain confidential until legal action has concluded but no longer than 31 December 2016. Resolution passed 13 December 2016 to remain confidential until Legal Action has concluded. Resolution passed 12 December 2017 to remain confidential until legal proceedings and deliberations have concluded. Resolution passed 27 November 2018 to remain confidential until legal proceedings and deliberations have concluded.	27/11/2019	Y

**ADELAIDE HILLS COUNCIL
ORDINARY COUNCIL MEETING
Tuesday 26 November 2019
AGENDA BUSINESS ITEM**

Item: 12.12

Originating Officer: Lachlan Miller, Executive Manager Governance and Performance

Responsible Director: Andrew Aitken, Chief Executive Officer

Subject: Council Resolutions Update including 2 year update to outstanding resolutions

For: Decision

SUMMARY

The Action List is updated each month by the responsible officer and outlines actions taken on resolutions passed at Council meetings. In some cases actions can take months or years to be completed due to the complexity and/or the level of influence Council has in the matter.

In March 2015, Council resolved that outstanding resolutions passed before 31 March 2013 would be the subject of a report outlining the reasons why the resolutions have not been completed, detailing what actions have been taken and an estimated date of completion.

While the above resolution referred to a date, the duration was two (2) years and the intent of the Council's resolution has been carried forward as a prudent accountability mechanism.

RECOMMENDATION

Council resolves:

- 1. That the report be received and noted**
- 2. The following completed items be removed from the Action List:**

Meeting Date	Meeting	Res No.	Item Name	Previously Declared COI
26/02/2019	Ordinary Council	31/19	Community Forums 2019	None declared
26/03/2019	Ordinary Council	61/19	Climate Emergency	None declared
28/05/2019	Ordinary Council	116/19	Options for Crown Reserves	None declared
4/06/2019	Special Council	136/19	Strategic Plan Review - Key Themes Adoption	None declared
23/07/2019	Ordinary Council	185/19	Additional Borrowings for Capital Renewal Escalation	None declared
27/08/2019	Ordinary Council	236/19	Roundabout Landscaping Upgrade - Confidential item	None declared
24/09/2019	Ordinary Council	255/19	Independent Audit Committee Member Selection Panel	None declared
22/10/2019	Ordinary Council	245/19	Time & Place of Council Meetings, Workshops, Professional Development	None declared
22/10/2019	Ordinary Council	246/19	Draft Corporate Carbon Management Plan	None declared
22/10/2019	Ordinary Council	253/19	Appointment of Deputy Mayor	Material - Cr Daniell
22/10/2019	Ordinary Council	255/19	Appointment CEO Performance Review Panel	Perceived - Cr Parkin
22/10/2019	Ordinary Council	256/19	Appointment of CEO PRP Presiding Member	Material - Cr Osterstock
22/10/2019	Ordinary Council	258/19	SPDPC Presiding Member	Material - Cr Kemp
22/10/2019	Ordinary Council	260/19	Appointment of Audit Committee Presiding Member	Material - Cr Herrmann
22/10/2019	Ordinary Council	261/19	SHLGA Membership	None declared
22/10/2019	Ordinary Council	263/19	Local Government Reform Submission	None declared
22/10/2019	Ordinary Council	268/19	MWN Bird in Hand Pty Ltd Proposed Development	None declared

1. GOVERNANCE

➤ **Strategic Management Plan/Council Policy**

Goal Organisational Sustainability
Strategy Governance

The timely completion of Council resolutions assists in meeting legislative and good governance responsibilities and obligations.

➤ **Legal Implications**

Not applicable

➤ **Risk Management Implications**

Regular reporting on outstanding action items will assist in mitigating the risk of:

Actions arising from Council resolutions may not be completed in a timely manner

Inherent Risk	Residual Risk	Target Risk
High (4C)	Medium (4E)	Medium (4E)

➤ **Financial and Resource Implications**

Not applicable

➤ **Customer Service and Community/Cultural Implications**

Not applicable

➤ **Environmental Implications**

Not applicable

➤ **Engagement/Consultation conducted with Council Committee, Regional Subsidiary, Advisory Group, the Administration and Community**

Not applicable

2. BACKGROUND

At its meeting of 24 March 2015 Council resolved:

That the CEO provides a report to the 28 April 2015 Council meeting in relation to outstanding resolutions passed before 31 March 2013 outlining the reasons why the resolutions have not been completed, detailing what actions have been taken and an estimated date of completion.

The contents of this report formed a workshop discussion with Council Members on 3 May 2017.

While the above resolution referred to a date, the duration was two (2) years and the intent of the Council's resolution has been carried forward as a prudent accountability mechanism.

3. ANALYSIS

The Action list has been updated to provide Council with information regarding outstanding actions. Completed resolutions are identified in the recommendation for removal from the Action List.

4. OPTIONS

Council has the following options:

- I. Note the status of the outstanding items and the proposed actions
- II. Resolve that other actions are required.

5. APPENDIX

- (1) Action List

Appendix 1

Action List

Meeting Date	Meeting	Res No.	Item Name	Previously Declared COI	Action Required (Council Resolution)	Responsible Director	Responsible Officer	Status	Date of Update	Due Date	Status (for Council reporting)	2yr update prov.
24/03/2015	Ordinary Council	57/15	Confidential Item - Morella Grove	None declared	As per confidential minute	Peter Bice	Ashley Curtis	In Progress	8/11/2019	31/12/2019	A report will be provided to Council by the end 2019 on the status of and recommendations regarding this project.	23/05/2017
22/03/2016	Ordinary Council	69/16	Land Acquisition Colonial Drive Norton Summit	None declared	Negotiate with the Anglican Church and CFS regarding the proposed boundary realignment and the preparation of preliminary plans	Terry Crackett	Natalie Westover	In Progress	11/11/2019	30/06/2020	Final plans and valuation are being considered by the Anglican Church State Diocese and upon confirmation from them a report will be presented to Council for consideration. Council staff met with the State Diocese to discuss the matter and work through some of their queries. It is now in the hands of the State Diocese to present a formal position to Council for consideration. The Norton Summit Church has advised that they are actively working with the State Diocese to progress the matter.	22/05/2018
26/04/2016	Ordinary Council	83/16	Croft & Harris Road Precinct, Lenswood	None declared	2. That the Office for Recreation and Sport and Department of Planning, Transport and Infrastructure be approached to discuss any potential funding opportunities to undertake bituminising works up to where the bicycle access occurs. 3. That a further report be presented on potential road treatments for Croft Road Lenswood and the surrounding road network once additional data has been collected on peak traffic numbers generated through a major event and staff continue negotiations with ForestrySA regarding infrastructure improvements for Cudlee Creek Forest Reserve.	Peter Bice	Peter Bice	In Progress	14/11/2019	30/06/2020	No change - 14/11/19. Consideration to any future project investment is being discussed with the funding application partners. Forestry SA have expressed their continued support for potential sealing. This project has also been included as a potential priority project with Election Candidates.	22/05/2018
24/05/2016	Ordinary Council	105/16	Land at Houghton Request to Purchase	None declared	The acquisition of the land described as CT 5363/842 and CT 5363/452 consisting of two parcels of land, one 819m2 the other 36m2 respectively, and currently owned by R J Day and B E Day for nil consideration. Council to pay all transfer fees, charges and GST that may be applied. To undertake a Section 210 process for the conversion of private road to public road for the land described as CT 5343/355 of 27m2 currently owned by Marinus Maughan and Alick Stephen Robinson. To negotiate and accept a transfer of the land described as CT 5343/354 of 476m2 from the City of Tea Tree Gully for nil consideration. To negotiate and accept a transfer or vesting of the land described as CT 5421/887 from the Department of Planning, Transport & Infrastructure for nil consideration.	Terry Crackett	Natalie Westover	In Progress	11/11/2019	31/03/2020	The acquisition from RJ & BE Day has been completed and registered at the Lands Titles Office. Title for the land held by City of Tea Tree Gully has been reissued in the name of Adelaide Hills Council. The Section 210 process has been completed. The request to DPTI for the transfer of land has been made and DPTI have confirmed their agreement to transfer the land at no consideration subject to Council agreeing to declare the land as public road. Finalisation of the transfer is being progressed with Ministerial approval being sought.	22/05/2018
24/01/2017	Ordinary Council	7/17	Cromer Cemetery Revocation of Community Land	None declared	a report be prepared and submitted to the Minister for Local Government seeking approval for the revocation of the community land classification of a portion of the land contained in Certificate of Title Volume 5880 Folio 219 identified in red on the plan attached as Appendix 1.	Terry Crackett	Natalie Westover	In Progress	11/11/2019	30/06/2020	DEWNR have requested that the revocation be put on hold whilst they investigate the requirements to alter the trust affecting the land and undertake an assessment of the native vegetation on the land, this is likely to take some months. DEW advised on 4/12/18 that there are some impediments to the progression of the proposed boundary realignment due to the mining operations on the adjacent land, which are being negotiated with the Dept for Mining. Advice is that these negotiations could take considerable time (2yrs). In the interim, consideration will be given to the granting of a right of way to ensure that the cemetery has legal access. DEW staff member dealing with this matter has left DEW so there may be an extended delay whilst it is reallocated and assessed.	
25/07/2017	Ordinary Council	155/17	Reserve Gifting Proposal - Dunnfield Estate, Mt Torrens	Cr Linda Green (Material)	Subject to the approval of the land division variation application 473/D38/2011 by the Development Assessment Commission and the required Council engineering approvals for the infrastructure, being obtained: 1. That council accepts from Paul & Michele Edwards (the Developer), the donation of additional reserve land as described in Appendix 6 – Amended Plan of Division rev K dated 16.06.2017 Agenda Item 14.1, subject to the following conditions: The Council specified construction standards are metThe cost of all works are to be met by the DeveloperThe Developer enters into a legally binding Landscape Maintenance Agreement to agreed maintenance standards for a period of ten (10) yearsThe landscaping works are completed within two (2) years from the date of final approval. 2. That, in the event that there is a dispute between the Council and the Developer, the dispute is referred to an Independent Arbitrator for resolution, with costs being shared equally by the parties.	Peter Bice	Peter Bice	In Progress	14/11/2019	4/02/2020	Council staff and the developer have been working through the management of significant and regulated trees on the site, and recent works progressed very well. We are now looking to formally progress the draft maintenance agreement. Final Approvals were obtained by the Developer on 5 February 2018, and landscape works remain ongoing, with vesting of the reserve land occurring once these are completed, and Section 51 clearance is provided for the relevant stage. The date of Approval for the Variation to the Land Division was 5 February 2018 and thus the landscaping needed to be completed by 5 February 2020. This was the variation that increased the size of the reserve area. A draft LMA has been refined, and will provide to the Developer in Dec 2019.	
24/10/2017	Ordinary Council	246/17	Road Closure and Disposal – Schapel Road, Lobethal	Cr Linda Green (perceived)	To make a Road Process Order pursuant to the Roads (Opening & Closing) Act 1991 to close and merge the land identified as "A" in Preliminary Plan No 16/0020 (Appendix 3) with Allotment 28 in Filed Plan No 155743 comprised in Certificate of Title Volume 5502 Folio 372create an easement for transmission of electricity in favour of Distribution Lessor Corporationcreate a tree and unrestricted right of way in favour of Allotment 13 being the land in CT Volume 5502 Folio 373accept consideration in the amount of \$40,000 (incl. GST) as detailed in Appendix 3 of this report.The issuing of the Road Process Order is subject to:Boral Resources (SA) Ltd agreeing to enter into a Land Management Agreement with Council for the preservation of the native vegetation for the protection of native flora and fauna on the areas identified in the report attached as Appendix 7 which is to be lodged with the Land Titles Office in conjunction with the Road Process Order.Boral Resources (SA) Ltd paying all fees and charges associated with the road closure process.The closed road be excluded as Community Land pursuant to the Local Government Act 1999.To authorise the Chief Executive Officer (or delegate) to finalise and sign all necessary documentation to close and sell the above portion of closed road pursuant to this resolution.	Terry Crackett	Natalie Westover	In Progress	11/11/2019	31/12/2019	Final road document have been signed by Council and returned to surveyor to progress. Settlement funds have been received. Awaiting finalisation by the Surveyor-General.	

Meeting Date	Meeting	Res No.	Item Name	Previously Declared COI	Action Required (Council Resolution)	Responsible Director	Responsible Officer	Status	Date of Update	Due Date	Status (for Council reporting)	2yr update prov.
24/10/2017	Ordinary Council	250/17	DEW Fuel Reduction on Private Lands Program	None declared	That DEW's Strategic Fuel Reduction program is approved for the Adelaide Hills Council region	Peter Bice	Tonia Brown	In Progress	8/11/2019	3/04/2020	2018 spring burns completed on Lobethal Bushland Park, Yanagin Reserve, Belair (Upper Sturt) site and Mylor Oval (recently included in the DEW Burning on Private Lands Program). Heathfield Waste Facility site has been completed as part of the 2019 autumn burn schedule. Council will collaborate with DEW on post weed management activities. Weed management activities by DEW and AHC were undertaken at Heathfield Stone Reserve on June 28th 2018 and on Thursday 16 May 2019 and the coming 5 year period. Draft Weed Management Plans have been submitted for Council staff to review for Lobethal Bushland Park and Mylor Oval site. Council post fire weed management has been undertaken at the Mylor Oval site in July 2019. The burn at the new site located at Morgan Road, Ironbank was undertaken in Spring 2019 (Mon 7th Oct and Fri 15th Nov). Mailout to residents complete.	
23/01/2018	Ordinary Council	4/18	Road Exchange - Mt Torrens Walking Loop	None declared	To issue a Road Process Order pursuant to the <i>Roads (Opening & Closing) Act 1991</i> to close and merge the land identified as "A" in Preliminary Plan No 17/0041 (Appendix 1) with Allotment comprising pieces 81 & 82 in Filed Plan No. 218134 comprised in Certificate of Title Volume 6025 Folio 732 owned by Brian Bruce Willson. Open the land identified as "1" in Preliminary Plan No 17/0041 as public road being portion of Allotment comprising pieces 81 & 82 in Filed Plan No. 218134 comprised in Certificate of Title Volume 6025 Folio 732 owned by Brian Bruce Willson. The closed road be excluded as Community Land pursuant to the Local Government Act 1999. To undertake the road exchange for nil consideration with the Council to pay all necessary costs to effect this resolution. To authorise the Chief executive Officer (or delegate) to finalise and sign all necessary documentation to effect the road exchange and this resolution	Terry Crackett	Natalie Westover	In Progress	11/11/2019	31/12/2019	Documents have been executed by Council and returned to the Conveyancer for lodgement with the Surveyor-General. Awaiting confirmation of completion from Surveyor-General.	
27/02/2018	Ordinary Council	31/18	Arts & Heritage Hub	None declared	That the report be received and noted. That the Business Development Framework for the establishment of an Arts and Heritage Hub in the Old Woollen Mill at Lobethal, contained in Appendix 1, be noted. That the Administration proceeds with the establishment of an Arts and Heritage Hub using the Business Development Framework as a guide. That the development of a Hub Evaluation Framework, as envisaged in the Business Development Framework, occur as early as possible and include key performance and results targets, and mechanisms for review of the implementation by Council to ensure alignment with budget allocations and strategic objectives. That \$50,000 be allocated to the 2017-18 Operating Budget from the Chief Executive Officer's contingency provision to enable the initial actions to be taken. The CEO provides a progress report on the implementation of the Business Development Framework within 6 months from the date of appointment of the Director.	David Waters	Melinda Rankin	In Progress	8/10/2019	13/11/2019	The Hub Director commenced on 23 July 2018. The progress report was received by Council on 22 January 2019. A draft of the Evaluation Framework has been shared with ELT, has been reviewed by an arts industry consultant, and is ready for final review/adoption by ELT.	
27/02/2018	Ordinary Council	57/18	Confidential Item - AH Swimming Centre Shade Sail	None declared	As per confidential minute	Terry Crackett	Natalie Westover	In Progress	11/11/2019	30/06/2020	Matter being progressed per resolution	
27/02/2018	Ordinary Council	58/18	AH Swimming Centre Shade Sail - Period of Confidentiality	None declared	that an order be made under the provisions of sections 91(7) and (9) of the <i>Local Government Act 1999</i> that the report and the minutes of Council and the discussion and considerations of the subject matter be retained in confidence until the matter is determined but not longer than 12 months. Pursuant to section 91(9)(c) of the <i>Local Government Act 1999</i> , Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.	Terry Crackett	Natalie Westover	In Progress	11/11/2019	30/06/2020	Progressing per confidential minutes	
28/08/2018	Ordinary Council	200/18	Proposal to enter 11 AHC Reserves into Heritage Agreements 2018	None declared	1. That the report be received and noted. 2. That the Biodiversity Officer be authorised to enter: Doris Coulls Reserve, 152 Old Mt Barker Road, Aldgate; Heathfield Waste Facility, 32 Scott Creed Road, Heathfield; Kiley Reserve, 15 Kiley Road, Aldgate; Shanks Reserve, 1 Shanks Road, Aldgate; Stock Reserve, Stock Road, Mylor; Leslie Creek Reserve, Leslie Creek Road, Mylor; Nil Reserve, 125 Aldgate Valley Road, Mylor; Aldgate Valley 2 Reserve, 114 Aldgate Valley Road, Mylor; Kyle Road Nature Reserve, Kyle Road, Mylor; Carey Gully Water Reserve, Deviation Road, Carey Gully; Heathfield Stone Reserve, 215 Longwood Road, Heathfield; Mylor Parklands, Mylor all being of significant biodiversity value, into Heritage Agreements. 3. That the Heritage Agreements retain the existing dog access arrangements in place for each of those reserves.	Peter Bice	Tonia Brown	In Progress	8/11/2019	30/06/2021	Heritage Agreement applications lodged for: Following CTs (13/11/18) TRIM reference OC 18/16631 •Doris Coulls Reserve, 152 Old Mt Barker Road, Aldgate •Heathfield Waste Facility, 32 Scott Creed Road, Heathfield •Kiley Reserve, 15 Kiley Road, Aldgate •Shanks Reserve, 1 Shanks Road, Aldgate •Kyle Road Nature Reserve, Kyle Road, Mylor Following CRs (27/11/18) TRIM reference OC 18/17474 •Leslie Creek Reserve, Leslie Creek Road, Mylor •Aldgate Valley 2 Reserve, 114 Aldgate Valley Road, Mylor •Mylor Parklands, Stock Road, Mylor	

Meeting Date	Meeting	Res No.	Item Name	Previously Declared COI	Action Required (Council Resolution)	Responsible Director	Responsible Officer	Status	Date of Update	Due Date	Status (for Council reporting)	2yr update prov.
28/08/2018	Ordinary Council	203/18	Community Wastewater Management Systems Review - Update and Consultation Outcomes	Cr Andrew Stratford (Material), Cr Linda Green (Material), Cr Malcolm Herrmann (Material)	The report be received and noted.The CEO undertakes a request for tender process for the divestment of Council's CWMS assets to inform Council's decision to sell or retain these assets.The resolution to undertake a request for tender process is subject to there being no matters of material impact identified through further due diligence and request for tender preparation activities, as determined by the CEO.Subject to Council resolving to proceed to a request for tender for the divestment of Council's CWMS assets, the CEO be delegated to prepare and approve an evaluation plan for the purposes of assessing responses received including but not limited to the following criteria: CWMS customer pricing and feesSale price for CWMS assetsRespondents financial capacityRespondents operational capacity and capabilityNetwork investment and expansion That ongoing analysis be undertaken on continued Council ownership of CWMS assets for request for tender comparison purposes to inform future decision making.The Prudential Review Report and the Probity Report be received and noted.The Council acknowledges that whilst S48 of the Local Government Act 1999 does not require a prudential review to be undertaken, the report in relation to this project is consistent with the provisions of S48.The Administration is to continue to work collaboratively with the City of Onkaparinga and Rural City of Murray Bridge for the potential divestment of Council's CWMS.That probity advisory services continue to be maintained throughout the CWMS review process.That a further report be provided to Council detailing the outcomes of the second stage request for tender and evaluation process with recommended next steps.	Peter Bice	John McArthur	In Progress	8/11/2019	30/06/2020	In collaboration with project partners currently progressing with preparation of request for tender process and documentation. Commercial advisory services have been engaged to ensure the approach to market is undertaken in such a manner to maximise return. To assist and inform future decision making, external reports have been prepared on the value of the CWMS to Council and the implications of installing CWMS in the towns of Mylor, Summertown/Uraidla and Inglewood/Houghton. Request for Tenders forecast to be released February 2020.	
11/09/2018	Special Council	223/18	Pomona Road Bike Track Trial	None declared	A report is prepared to Council by 26 November 2019 on completion of the trial.	Peter Bice	Peter Bice	In Progress	14/11/2019	26/11/2019	A report will be prepared for the 26 November 2019 Council Meeting. This will incorporate outcomes from the Community Consultation.	
11/09/2018	Special Council	229/18	Road Exchange McBeath Drive, Skye Horsnell Gully	None declared	In accordance with sections 12 and 15 of the Roads (Opening and Closing) Act 1991, as regards the land within the Adelaide Hills Council area, enter into an Agreement for Exchange with Boral Resources (SA) Ltd and issue a Road Process Order to open as road portions of Section 906 Hundred of Adelaide numbered "1", "2" and "3" on Preliminary Plan No. 17/0066 (Appendix 1) and in exchange to close portions of McBeath Drive marked "A", "B", "C" and "D" on Preliminary Plan No. 17/0066, subject to the following:Boral Resources (SA) Ltd agreeing to pay all costs associated with the road exchange process including but not limited to all survey, valuation and reasonable legal costs; Boral Resources (SA) Ltd agreeing to pay all costs associated with a Council boundary adjustment between Adelaide Hills Council and the City of Burnside to rectify the resulting Council boundary anomaly from the road exchange process The closed road is excluded as Community Land pursuant to the Local Government Act 1999. Council approves the sale of the differential between the total area of closed road and the total area of opened road of approximately 1,242m ² to Boral Resources (SA) Ltd for the amount of \$6,210 as determined by an independent valuation. Subject to the successful completion of the road exchange process, Council undertakes a process in conjunction with the City of Burnside to realign the local government boundary along the new location of McBeath Drive to the south side of pieces 42, 52 and 62 of the proposed residential allotments in accordance with the provisions of the Local Government (Boundary Adjustment) Amendment Act 2017 (to commence on 1 January 2019) and/or Part 2 of Chapter 3 of the Local Government Act 1999. The Mayor and Chief Executive Officer be authorised to sign all documents necessary, including affixation of the common seal, to give effect to this resolution.	Terry Crackett	Natalie Westover	In Progress	11/11/2019	31/12/2019	Road exchange documentation has been executed and provided to Boral for lodgement with the Surveyor-General. Submission has been prepared and lodged with the Boundaries Commission jointly on behalf of the City of Burnside and Adelaide Hills Council. The Boundaries Commission has agreed to investigate the proposal and that process is underway. Further feedback has been provided to the Boundaries Commission to progress. Boral are negotiating a Land Management Agreement with the State Government which has delayed the completion of the land division and road exchange	
11/09/2018	Special Council	232/18	Revocation of Community Land – Bridgewater Retirement Village	None declared	To commence a process to revoke the Community Land classification of the land located on the corner of Mt Barker Road and Second Avenue Bridgewater known as 511 Mt Barker Road Bridgewater contained in Certificate of Title Volume 5488 Folio 788 (Land) on which a portion of the Bridgewater Retirement Village is located by:Preparing a report as required under section 194(2)(a) of the Local Government Act 1999 and making it publicly available.Undertaking consultation in accordance with its Public Consultation Policy as required under section 194(2)(b) of the Local Government Act 1999. To commence a process to vary the charitable trust affecting the Land by investigating land parcels owned by the Adelaide Hills Council, including Carrivook Park, Candlebark Reserve and Vincent Playground Reserve, that may be suitable for the development of a landscaped garden for the benefit of the community and for the construction of a memorial to the Ash Wednesday Bushfires of 1983 as contemplated by the charitable trust over the Land and invite community suggestions and feedback in relation to any appropriate land parcels. To approve a budget allocation in the amount of \$10,000 for legal expenses for the preparation of an Application to the Supreme Court to vary the charitable trust. That a further report be presented to Council for consideration after community consultation and further investigations have been completed	Terry Crackett	Natalie Westover	In Progress	11/11/2019	31/03/2020	Initial consultation to identify possible locations for the establishment of a garden and memorial concluded on 28 January 2019 with only one submission received being a suggestion from the Retirement Village residents to investigate Carrivook Park as their preferred option. Council, at the meeting of 27 August 2019, approved Carrivook Park as the location to vary the trust to. Community consultation regarding the revocation of community land commences in November.	
11/09/2018	Special Council	238/18	Ashton Landfill – Confidential Item	None declared	Until 10 September 2019. Pursuant to section 91(9)(c) of the Local Government Act 1999, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer. Refer to confidential minute	Peter Bice	John McArthur	In Progress	8/11/2019	30/06/2020	Item released as information no longer of a sensitive inconfidence nature.	
26/02/2019	Ordinary Council	29/19	Road Closure adjacent Charleston Conservation Park	None declared	the report be received and notes that following receipt of a valuation for the land parcel that consultation will be undertaken in relation to the closure of the unmade road. the CEO takes all possible steps to prevent further degradation of the road reserve by unauthorised activities while this land remains in its custody.	Terry Crackett	Natalie Westover	In Progress	11/11/2019	31/01/2020	A Valuation has been received from DEW. The Preliminary Plan has been signed for submission to the Surveyor-General. Community consultation has been completed. The Department of Environment and Water has requested a further meeting with Council prior to the matter being presented to Council for a decision.	
26/02/2019	Ordinary Council	31/19	Community Forums 2019	None declared	That the report be received and noted.That Community Forums be held in 2019 according to the following indicative schedule:Tuesday 30 April 2019 at HoughtonTuesday 30 July 2019 at GumerachaTuesday 29 October 2019 at Norton SummitThat the Chief Executive Officer be and is hereby authorised to make changes to the Community Forum schedule to accommodate venue availability or other matters arising which necessitate change.	David Waters	Jennifer Blake	Completed	11/11/2019	31/10/2019	The third and final forum for 2019 was held at Norton Summit on 29 October 2019. The summary report is available on the AHC website and also the Have Your Say Community Forum page. Attendees will receive an email link to the summary by 13.11.19. 2020 Forum dates have been added to the Council website.	

Meeting Date	Meeting	Res No.	Item Name	Previously Declared COI	Action Required (Council Resolution)	Responsible Director	Responsible Officer	Status	Date of Update	Due Date	Status (for Council reporting)	2yr update prov.
26/03/2019	Ordinary Council	61/19	Climate Emergency	None declared	Notes the October 2018 report of the Intergovernmental Panel on Climate Change; Notes the Federal government's latest greenhouse gas emissions data shows Australia's total greenhouse gas emissions have increased compared to 2012, not decreased; Recognises we are in a state of climate emergency that requires urgent action by all levels of government, including by local councils; Reaffirms its commitment to both mitigating against and adapting to the adverse impacts of climate change within the Adelaide Hills Council; Commits to finalising the Carbon Management Plan by December 2019 and that it includes a target of 100% renewable energy (electricity) for the Adelaide Hills Council (as an Organisation) by a defined date as well as a series of staged targets over the intervening period; Requests the CEO write to State and Federal Members of Parliament, which represent the Adelaide Hills Council region, advising them of Council's resolution and request they also act with urgency to address climate change.	Peter Bice	Sharon Leith	Completed	8/11/2019	1/04/2019	The Corporate Carbon Management Plan has been completed and is available on the website. Letters have been sent to State and Federal Ministers of Parliament advising of Councils resolution and request that the Federal government act with urgency to address climate change. The State Government has recently declared a climate emergency.	
26/03/2019	Ordinary Council	77/19	Randell's Cottages, Beavis Court, Gumeracha	None declared	That, acknowledging that a land division in Watershed (Primary Production) is non-complying, an initial approach be made to the State Commission Assessment Panel to determine the possibility of a land division to create a separate allotment for the potentially local heritage listed building located at 1 Beavis Court, Gumeracha known as Randell's Cottages being supported. That subject to the response from the State Commission Assessment Panel, a Development Application be lodged for a non-complying land division. That, if a land division is not supported, an expression of interest (EOI) process be undertaken in respect of the local heritage listed building located at 1 Beavis Court, Gumeracha known as Randell's Cottages to determine any interest in restoring the building for tourism or other purpose (other than long term residential) under a long term lease arrangement. That the CEO be delegated to prepare the necessary documentation to undertake the EOI. That a report be presented to Council following the EOI detailing the results of that process and providing further options.	Terry Crackett	Natalie Westover	In Progress	11/11/2019	31/12/2020	The land sits within the Environmental Food Protection Area and proposed use is not supported. An application will be made to DPTI for a review once the Minister announces the review, likely to be in mid 2020. Subject to a removal of the land from the EPA, a development application will then be lodged for the division of the cottages (noting that it will be a non-complying development)	
26/03/2019	Ordinary Council	78/19	Scott Creek Cemetery Reserve Fund	None declared	That the reserve funds held in relation to the Scott Creek Cemetery be expended to achieve the following outcomes: Marking of unmarked graves with a small and simple identification piece detailing the name and date of death of the deceased; Installation of a single plaque with the names of the deceased who are buried in unmarked graves where the exact location of the graves is unknown; Renewal of existing gravel driveways; and Creation/extension of driveways to facilitate expansion of the cemetery	Terry Crackett	Natalie Westover	In Progress	11/11/2019	31/03/2020	Investigations as to options for marking of graves has commenced and once collated, Council staff have met with the Scott Creek Progress Association Committee to progress.	
7/05/2019	Special Council	94/19	Stonehenge Reserve Masterplan Update and Findings from Consultation	None declared	That the report be received and noted. To not proceed with any of the masterplanning options at Stonehenge Reserve at this point in time. To proceed with resurfacing works at both the Stonehenge Reserve and Heathfield sites. To delegate to the CEO to seek variations and finalise arrangements to the grant funding agreements with the Office for Recreation, Sport & Racing, and Tennis SA that allow new court construction at alternative sites. The CEO to report back to Council on those finalised arrangements. To notify those who have registered through the Stonehenge Reserve Project's engagement site of the outcome of the consultation and this report.	Peter Bice	Renee O'Connor	In Progress	21/11/2019	30/12/2019	Administration have begun discussions with the Office for Recreation, Sport & Racing and Tennis SA regarding a variation to the grant funding agreement that allows new court construction at an alternative site.	
7/05/2019	Special Council	104/19	Unsolicited Approach to Purchase Community Land - Period of Confidentiality	None declared	that the report, related attachments and the minutes of Council and the discussion and considerations of the subject matter be retained in confidence until the matter is further presented to Council for a decision, but not longer than 12 months.	Terry Crackett	Natalie Westover	In Progress	11/11/2019	6/05/2020		
28/05/2019	Ordinary Council	116/19	Options for Crown Reserves	None declared	The report be received and noted. A formal approach be made to the Department for Environment and Water to seek its support for a. the revocation of dedications for the following Crown Records Refer to Minutes b. a change in custodian of Crown records CR 5753/718, Section 1544 Reserve Terrace Aldgate, and CR 5753/753, Section 495 off Kersbrook Road Kersbrook, subject to no objections being received from the proposed custodians of Meals on Wheels (SA) Inc and the delegate to the Minister for Forests respectively. the revocation of dedication for Crown Record CR 5926/487, Lot 20 Bell Springs Road Charleston, to be incorporated into the protected areas system. In principle support for division of Crown condition agreements CT 5168/474, 140 Upper Sturt Road Upper Sturt, and CT 5880/219, Section 83 Cromer Road, Birdwood, with part to revert to The Crown for incorporation into the protected area system, subject to further determination by Council as to the appropriate areas (if any). 3. Following a formal response from the Department for Environment and Water, community consultation be undertaken with the public being offered a minimum of 21 days in which to comment on the recommendations. A further report be presented to Council following conclusion of the consultation period.	Terry Crackett	Natalie Westover	Completed	11/11/2019	30/06/2020	A formal approach has been submitted in accordance with the resolution. The Department for Environment and Water has responded positively. Initial public consultation has been completed. The Department of Environment and Water has advised that they require the various parcels of land to have the community land classification revoked before the land will be resumed by the Crown.	
4/06/2019	Special Council	136/19	Strategic Plan Review - Key Themes Adoption	None declared	That the report be received and noted. That the Summary of Key Challenges, Opportunities and Implications (Appendix 1) identified as part of the environmental scan research be noted. That the draft strategic goal areas (Community, Economic, Environment and Organisational Capacity), related outcomes and key result areas included in Appendix 2 of this report be endorsed for community consultation in Phase 2. To delegate to the Chief Executive Officer, or delegate, the authority to make any formatting or content changes to the draft strategic goal areas, related outcomes and key result areas to reflect matters raised in the Council's debate on the matter prior to its release for community consultation.	Terry Crackett	Terry Crackett	Completed	11/11/2019	31/01/2020	Following endorsement by Council of the key Goal Areas and Objectives, considerable work has been undertaken by administration to develop initial priorities that capture community and Council feedback as well as endorsed outcomes from all functional strategies and plan. A workshop of Council was held on 12 November to further develop these priorities. A report is scheduled for Council on 26 November prior to a further round of community consultation.	
4/06/2019	Special Council	135/19	Action - Road Closures Adelaide Rally Event	None declared	Officers to provide information to Council after the Event on actual times roads were open and closed	David Waters	Jennifer Blake	Not Started	11/11/2019	31/12/2019	This will be actioned after the event in December 2019.	

Meeting Date	Meeting	Res No.	Item Name	Previously Declared COI	Action Required (Council Resolution)	Responsible Director	Responsible Officer	Status	Date of Update	Due Date	Status (for Council reporting)	2yr update prov.
25/06/2019	Ordinary Council	158/19	Boundary Reform - Approval to Explore	None declared	That the report be received and noted. To note that correspondence will be sent to the residents of Woodforde and Rostrevor (in the Council area) inviting them to a community meeting to discuss the boundary reform process and the status of the Campbelltown City Council proposal. That in relation to strategic boundary reform: Approve the engagement of a consultant to undertake a high level review of Council's boundaries to identify boundary reform options. Once the review has been undertaken and boundary reform options identified, that a workshop be held with the Elected Body (confidential if necessary) whereby the outcomes of the subject review can be presented prior to a formal report to council for consideration.	Andrew Aitken	Lachlan Miller	In Progress	18/11/2019	25/02/2020	Updated correspondence was sent to Woodforde and Rostrevor residents. The consultancy brief for the Strategic Boundary Review has been awarded with work to commence in November 2019.	
25/06/2019	Ordinary Council	164/19	2018 – 2019 Play Space Upgrades – Confidential Item	None declared	As per Confidential Minute	Peter Bice	Renee O'Connor	In Progress	21/11/2019	31/12/2019	Ongoing	
25/06/2019	Ordinary Council	165/19	2018 – 2019 Play Space Upgrades – Confidential Item	None declared	the report, related attachments and the minutes of Council and the discussion and considerations of the subject matter be retained in confidence, but no longer than 6 months	Peter Bice	Renee O'Connor	In Progress	21/11/2019	31/12/2019	The matter remains in confidence and is ongoing.	
25/06/2019	Ordinary Council	170/19	Land Acquisition Lower Hermitage Road - Confidential Item	None declared	See Confidential Minute	Terry Crackett	Natalie Westover	In Progress	11/11/2019	31/12/2019	Progressing in accordance with the resolution	
25/06/2019	Ordinary Council	171/19	Land Acquisition Lower Hermitage Road	None declared	the report, related attachments and the minutes of Council and the discussion and considerations of the subject matter be retained in confidence until the completion of the contract, but no longer than 12 months	Terry Crackett	Natalie Westover	In Progress	11/11/2019	31/12/2019		
25/06/2019	Ordinary Council	173/19	Library Services Review	None declared	That the report be received and noted. That the Administration proceed with the replacement of the mobile library as per the provision in the 2018-19 Capital Works Budget and the Long Term Financial Plan as budgeted for in the 2018/19 Annual Business Plan, with the Council noting that the budget will need to be carried forward into 2019-20. That a Library Services Strategy be developed during 2019-20. That Council consults with the community on any changes to operating hours and services.	David Waters	Dee O'Loughlin	In Progress	9/10/2019	27/03/2020	Procurement process for mobile library replacement is underway. Development of the library services strategy is underway.	
25/06/2019	Ordinary Council	181/19	Sale of Land for non payment of rates - CONFIDENTIAL	Cr Linda Green (Material)	As per confidential minute	Terry Crackett	Mike Carey	In Progress	21/11/2019	31/12/2019	Actions are progressing in accordance with confidential minute. All properties settled prior to the auction scheduled for 22nd October. The remaining property did not sell at auction, but contract for sale entered into during the following week. Contract scheduled to settle in December.	
23/07/2019	Ordinary Council	185/19	Additional Borrowings for Capital Renewal Escalation	None declared	1. That the CEO prepares a report for the Ordinary meeting to be held on 22 October 2019 with a cost/benefit analysis on the concept of taking up borrowings in the short term (maybe one or two years) to take advantage of the very low current interest rates. 2. In the lead up to Council considering the report, Council holds a workshop to which members of the Local Government Finance Authority are invited to attend.	Terry Crackett	Mike Carey	Completed	8/10/2019	23/10/2019	Council Workshop held on 8 October 2019 with attendance by the LGFA. Report presented to 22 October 2019 meeting.	
23/07/2019	Ordinary Council	186/19	Naming of Reserve, Houghton	None declared	That the CEO investigate, in accordance with Council's Public Place and Road Naming Policy, and report on naming of the reserve on the corner of Horn, Blackhill and Lower North East Roads, Houghton	Terry Crackett	Natalie Westover	In Progress	11/11/2019	31/12/2019	Community consultation regarding naming options is currently open	
23/07/2019	Ordinary Council	188/19	LED Street Lighting Upgrade	None declared	That the report be received and noted. To approve an increase of \$365k in Council's 2019/20 capital budget to commence the transition of 900 P – category public streetlights to LED with the funding source to be recommended to Council at its next budget review. That Council engage SAPN to commence the changeover of P-Category lights to LED public lighting on Council roads and that authority is given to the CEO to finalise a contract with SAPN and sign that agreement. That Council enter into a PLC tariff agreement for public lighting with SAPN until 30 June 2020 and subsequently move to the tariff set by the Australian Energy Regulator from July 2020. That Council continues to liaise with SAPN and DPTI on the changeover of Council public lighting on roads under the care and control of the State Government. That a further report be provided to Council on the outcome of the continued discussions with SAPN and DPTI.	Peter Bice	David Collins	In Progress	11/11/2019	31/10/2019	Phase One roll-out of P Category street lights on Council roads has been completed. The contractor has commenced the roll out of LED in the north of the Council area. SAPN Letter of Offer accepted. Hardware supplier agreed and notified. SAPN final contract offer being reviewed. Procurement process for hardware installation has commenced. Subject to availability of hardware, installation on site is proposed to commence prior to the end of the calendar year. Follow-up contact made with SAPN to progress contract and management of roll-out including any design work, communications and project management.	
27/08/2019	Ordinary Council	211/19	Feral Deer Management	None declared	That the Chief Executive Officer write to PIRSA and the responsible Ministers to bring to their attention the concerns the Adelaide Hills Council has in relation to increasing number of feral deer in the Adelaide Hills. Bring to their attention the damage being caused to vineyards and orchards, along with the hazard they create for road users. Ask if consideration to develop a state-wide deer management plan has occurred and if so what the outcome was. Ask what action(s) the government undertake to manage feral deer on government land including Forestry Land, DEW land and SA Water land	Peter Bice	Tonia Brown	In Progress	8/11/2019	21/11/2019	Response was provided to PIRSA and DEW as per information tabled at the meeting where the MoN response was provided. Letter was drafted to be sent to the Minister. CEO currently reviewing.	
27/08/2019	Ordinary Council	219/19	Bridgewater Retirement Village - Trust Variation Scheme (Carrivook Park)	None declared	That the report be received and noted. That Carrivook Park in Bridgewater, being land on the north eastern corner of Kain Avenue and Mt Barker Road Bridgewater previously identified as Allotment 137 in Deposited Plan No. 1427 (Appendix 1), be the nominated reserve to include in the trust variation scheme application to the Supreme Court to vary the F H Todd trust from the land at the corner of Second Avenue and Mt Barker Road Bridgewater contained in Certificate of Title Volume 5488 Folio 788. That a further report be presented to Council following conclusion of community consultation in relation to the revocation of community land.	Terry Crackett	Natalie Westover	In Progress	11/11/2019	30/06/2020	Community consultation regarding the revocation of community land for the land attached to the F H Todd Trust commences in the week of 11 November	
27/08/2019	Ordinary Council	220/19	Road Closure Portion Road Reserve adjacent 38-42 Sturt Valley Road Stirling	None declared	1. That the report be received and noted 2. To make a Road Process Order pursuant to the Roads (Opening & Closing) Act 1991 to close and merge the pieces of land identified as "A" in the Preliminary Plan attached to this report with Allotment 203 in Deposited Plan No 62796 comprised in Certificate of Title Volume 5907 Folio 850 as detailed in Appendix 2 of this report. 3. Subject to the closure of the road identified in the Preliminary Plan attached, that the closed road be excluded as Community Land pursuant to the Local Government Act 1999; and the piece marked "A" be sold to Mr Peter McKay and Ms Simona Achitei, the owners of the property with which it is merging for the amount of \$8,800.00 plus GST (if applicable) and all fees and charges associated with the road closure process. 4. Authorise the Chief Executive to finalise and sign all necessary documentation to close and sell the above portion of closed road pursuant to this resolution.	Terry Crackett	Natalie Westover	In Progress	11/11/2019	31/03/2020	Final documentation and plans are being progressed with the surveyor and Surveyor-General	
27/08/2019	Ordinary Council	221/19	Audit Committee Independent Membership	None declared	That the report be received and noted. That in relation to the Audit Committee: To undertake a recruitment process for the selection of two Independent Ordinary Members for the Audit Committee for a term of 24 months, commencing 1 December 2019.	Andrew Aitken	Lachlan Miller	In Progress	18/11/2019	26/11/2019	Recruitment process has been completed. A report is scheduled for November 2019 meeting for consideration of appointment recommendations.	

Meeting Date	Meeting	Res No.	Item Name	Previously Declared COI	Action Required (Council Resolution)	Responsible Director	Responsible Officer	Status	Date of Update	Due Date	Status (for Council reporting)	2yr update prov.
27/08/2019	Ordinary Council	223/19	Review of Primary Production Incentive Grant Funding	None declared	1. That the report be received and noted. 2. That the Primary Production Incentive Grant be discontinued and the balance of the funds be redirected to community education on rural land management issues and European Wasp control for the benefit of the primary production sector.	Marc Salver	Marc Salver	In Progress	20/11/2019	30/06/2020	Identification of rural land management topics to educate the community on was discussed at the 25 September and 23 October 2019 meetings of the RLMAG. Staff will now prepare relevant material in this regard to put on Council's media channels. Further, depending on the number of wasp complaints in the coming months, some of these funds may be used to increase capacity in the Regulatory Services Team to eradicate European wasp nests.	
27/08/2019	Ordinary Council	236/19	Roundabout Landscaping Upgrade - Confidential Item	None declared	as per confidential minute	Peter Bice	Ashley Curtis	Completed	8/11/2019	31/12/2019	Actions to be undertaken as per confidential resolution.	
17/09/2019	Special Council	239/19	Circular Procurement Pilot Project	None declared	Council resolves:That the report be received and noted.To approve participation in the Circular Procurement Pilot Project.That the Chief Executive Officer be authorised to execute the Memorandum of Understanding as contained in Appendix 1 of this report.That the Council endorses, in principle, the following targets:subject to the procurement needs and requirements of Council in 2020/21 purchasing recycled plastic products or materials equivalent to 10% of the weight of plastic collected within the Council area, which is equivalent to approximately 25 tonnes based on 2017/18 data.subject to the procurement needs and requirements of Council, commencing in 2021/22 Council will incrementally increase its purchasing of recycled plastic products or materials thereafter until it is equivalent to 50% of the weight of plastic collected within the Council area, which is equivalent to 124 tonnes based on 2017/18 data.That a report be provided to Council in early 2021/22 providing an update on the Council's participation in the Circular Procurement Pilot Project for the period 2020/21.	Peter Bice	John McArthur	In Progress	8/11/2019	31/08/2021	The Circular Procurement Project is now underway, and the Memorandum of Understanding has been executed. Amendments to Council's procurement processes underway to provide effect to Council's participation in the Circular Procurement trial.	
24/09/2019	Ordinary Council	247/19	11.2Boundary Reform Proposal Survey of Residents in Rostrevor & Woodforde	None declared	1. The CEO conducts a postal survey of the residents and ratepayers of the areas of Rostrevor and Woodforde affected by the Campbelltown City Council boundary change proposal to determine the level of support for the proposal in that community. 2. Distribution of the survey is accompanied by a short document that describes the impacts of the proposed boundary change in the areas such as planning, rating, service provision, representation etc. 3. The survey asks whether the participant supports, opposes or is undecided with respect to the proposal. 4. Space is provided in the survey for an explanation of reasons or general comments. 5. That an amount of \$10,000 be included in the 2019/20 budget to fund any costs associated with undertaking the survey. 6. A report be presented on the results of the survey to the October 2019 Ordinary Council Meeting or as soon as practicable after that.	Andrew Aitken	Lachlan Miller	In Progress	18/11/2019	17/12/2019	Preparation of the survey form and information sheet is well underway. Anticipate that the survey will be delivered in late November and a report prepared for the January 2020 Council meeting.	
24/09/2019	Ordinary Council	252/19	Kenton Valley War Memorial Park	None declared	That the report be received and notedThat no further action be taken at this time to progress the revocation of community land classification for the land located at the intersection of Kenton Valley and Burford's Hill Roads known as the Kenton Valley War Memorial Park, being Allotment 64 in Filed Plan No. 155479 contained in Certificate of Title Volume 5718 Folio 775 ("Land")That Council staff provide assistance to the proposed community group to form plans for the use and maintenance of the Land within existing budget and resources, including assistance to identify grant opportunities that may be available to the groupA review be undertaken with the community working group in 12 months and an update report be provided to Council by 31 December 2020.	Terry Crackett	Natalie Westover	In Progress	11/11/2019	31/10/2020	No action required until August 2020. Working Group notified of Council's decision.	
24/09/2019	Ordinary Council	253/19	Oakbank Soldiers Memorial Hall	None declared	That the report be received and notedThat the Council provides financial and administrative assistance to the Oakbank Soldiers Memorial Hall Inc ("Association") to make an application to the Supreme Court for a trust variation scheme to vary the charitable trust that exists over the Oakbank Soldiers Memorial Hall ("OSM Hall") located at 210 Onkaparinga Valley Road Oakbank contained in Certificate of Title Volume 5846 Folio 513.That the Council and the Association enter into a binding agreement regarding the level of financial and administrative support being provided, to a maximum of \$40,000, to undertake the trust variation scheme, and land division if deemed financially viable, with all agreed financial and administrative support to be reimbursed to Council upon sale of the OSM Hall.That the Council agree to enter into a trust variation scheme that would result in the trust being varied from the OSM Hall to the Council owned Balhannah Soldiers Memorial Hall ("BSM Hall") that would bind the BSM Hall to be held in perpetuity as a Memorial Hall in memory of the residents of the township and district of Oakbank who enlisted for and made the supreme sacrifice in the Great War 1914 - 1918 and preserve the same upon trust for the general benefit of the residents of the township of Oakbank and district, and including the Balhannah township and district, and accept monies from the Association to be held on trust for that purpose. 5. That the Mayor and CEO be authorised to sign all necessary documents, including affixing the common seal, to give effect to this resolution	Terry Crackett	Natalie Westover	In Progress	11/11/2019	31/12/2020	Initial discussions held with the Balhannah Soldiers Memorial Hall Committee about the proposal. Oakbank Soldiers Memorial Hall Committee has undertaken additional notification of the proposal with the Oakbank community. Council has received some contact from community members raising some concerns about the proposal.	
24/09/2019	Ordinary Council	255/19	Independent Audit Committee Member Selection Panel	None declared	That the report be received and notedThat the Audit Committee Independent Member Selection Panel consists of three members.To appoint Cr Malcolm Herrmann, Cr Leith Mudge and the CEO (or delegate) as members of the Audit Committee Independent Member Selection Panel.	Andrew Aitken	Lachlan Miller	Completed	18/11/2019	26/11/2019	Recruitment process has been completed. A report is scheduled for November 2019 meeting for consideration of appointment recommendations.	
22/10/2019	Ordinary Council	244/19	MON (Cr Parkin) Publishing Recordings of Council Meetings	None declared	I move that Council resolves to request the Chief Executive Officer to provide a report to a future Council meeting on the practices of Australian local government entities for publishing Council Meeting audio recordings on their websites with a view to assessing the risks and benefits of adopting this practice at Adelaide Hills Council.	Andrew Aitken	Lachlan Miller	In Progress	18/11/2019	25/02/2020	Initial data collection has commenced.	

Meeting Date	Meeting	Res No.	Item Name	Previously Declared COI	Action Required (Council Resolution)	Responsible Director	Responsible Officer	Status	Date of Update	Due Date	Status (for Council reporting)	2yr update prov.
22/10/2019	Ordinary Council	245/19	Time & Place of Council Meetings, Workshops, Professional Development	None declared	The report be received and noted. The Ordinary Council meeting schedule, with meetings commencing at 6.30pm on the fourth Tuesday of the month, to be held at 63 Mt Barker Road Stirling, be adopted, as follows: (refer Minutes) 3. Special Council meeting times and venues are to be determined by the Chief Executive Officer. Regarding Workshop and Professional Development Informal Gatherings: Workshop Sessions be scheduled ordinarily at 6.30pm on the 2nd Tuesday of each month, to be held at 36 Nairne Road, Woodside. Professional Development Sessions be scheduled ordinarily at 6.30pm on the 3rd Tuesday of each month, to be held at 63 Mt Barker Road, Stirling. The Chief Executive Officer be authorised to make changes to the informal gathering schedule, timings and locations. That Community Forums be held in 2020 according to the following indicative schedule: Tuesday 31 March 2020 at Mylor Tuesday 30 June 2020 at Basket Range Tuesday 29 September 2020 at Birdwood That the Chief Executive Officer be authorised to make changes to the Community Forum schedule to accommodate venue availability or other matters arising which necessitate change.	Andrew Aitken	Lachlan Miller	Completed	18/11/2019	8/11/2019	Dates have been posted to the Council website.	
22/10/2019	Ordinary Council	246/19	Draft Corporate Carbon Management Plan	None declared	That the report be received and noted. Council adopts the Corporate Carbon Management Plan contained within Appendix 1 of this report. That the CEO be authorised to make any formatting, nomenclature or other minor changes to the Plan, including the production of a summary document for publication purposes.	Peter Bice	Sharon Leith	Completed	8/11/2019	8/11/2019	The Corporate Carbon Management Plan has been finalised and is now available on the AHC website. In addition a number of infographic images have been prepared, are available on the website and through social media.	
22/10/2019	Ordinary Council	247/19	Local Heritage Grant Fund	None declared	That the report be received and noted. To approve the Local Heritage Grant Fund Guidelines Procedure as detailed in Appendix 1 of this report subject to inclusion of the following sentence at the end of the definition of Conservation Works in Section 4.2 of the Procedure - "The Grant Funds may be used to cover some of the costs (up to \$1,000) for obtaining professional advice from a heritage architect or tradesperson for the proposed works to be undertaken as part of the grant application." That the Chief Executive Officer be authorised to make minor amendments, not affecting the intent of the Guidelines or the Fund, as required from time to time. That recommendations for successful grant recipients be reported to Council for consideration before any grants are awarded. That any remaining grant funds in a particular financial year be rolled over to the next financial year over the intended 3 year life of the Grant Fund.	Marc Salver	James Szabo	In Progress	20/11/2019	30/06/2020	The Grant has been advertised on Council's website and closes on 31 January 2020. Staff will then review the applications received and report the recommendations to Council for consideration in accordance with its resolutions in this regard.	
22/10/2019	Ordinary Council	248/19	Draft Public Consultation Policy	None declared	That the report be received and noted. To endorse the draft <i>Public Consultation Policy</i> , as contained in Appendix 1, for consultation purposes. That the CEO be authorised to: Make any formatting, nomenclature or other minor changes to the Policy prior to being released for public consultation and; Determine the consultation timings, media and processes while ensuring consistency and compliance in accordance with s50(6) of the <i>Local Government Act 1999</i> for a period of one month. That the results of the consultation be presented back to the Council for consideration as part of adopting a final <i>Public Consultation Policy</i> .	David Waters	Jennifer Blake	In Progress	11/11/2019	8/11/2019	Currently out for consultation and closes 4 December 2019.	
22/10/2019	Ordinary Council	249/19	Crown Land Review	None declared	That the report be received and noted. That Council commence a community land revocation process in relation to the following land: CR 5752/186, Lot 32 Fullgrave Road, Crafers CR 5753/725, Section 1609 Illert Road, Mylor CR 5753/729, Section 1657 Scott Creek Road, Scott Creek CR 5753/741, Sections 53 and 54 Sandy Waterhole Road, Woodside CR 5753/742, Section 547 Schuberts Road, Lobethal CR 5753/744, Section 553 Pedare Park Road, Woodside CR 5753/745, Section 556 Tiers Road, Woodside CR 5753/746, Section 565 Old Carey Gully Road, Stirling CR 5753/751, Section 489 Chapman Road, Inglewood CR 5753/754, Section 511 North East Road, Inglewood CR 5753/758, Section 262 Reserve Road, Forreston CR 5763/631, Section 1591 Silver Road, Bridgewater CR 5763/634, Section 71 Magarey Road, Mount Torrens CR 5763/635, Section 72 Magarey Road, Mount Torrens CR 5763/636, Section 84 Forreston Road, Forreston CR 6142/329, Lot 501 Greenhill Road, Balhannah CR 5926/487, Lot 20 Bell Springs Road, Charleston CR 5753/718, Section 1544 Reserve Terrace, Aldgate CR 5753/753, Section 495 off Kersbrook Road, Kersbrook Community consultation be undertaken in accordance with the Council's Public Consultation Policy. A further report be presented to Council following completion of the community consultation process.	Terry Crackett	Natalie Westover	In Progress	11/11/2019	29/02/2020	Consultation Report is being prepared prior to going for community consultation	
22/10/2019	Ordinary Council	250/19	Road Reserve adj Piccadilly Road Piccadilly	None declared	That the report be received and noted. To make a Road Process Order pursuant to the <i>Roads (Opening & Closing) Act 1991</i> to close the piece of land identified as "A" in the Preliminary Plan attached to this report. Subject to the closure of the road identified in the Preliminary Plan attached, that: The closed road be included as Community Land dedicated as Civic Purpose pursuant to the <i>Local Government Act 1999</i> ; and The piece marked "A" be retained by Council as reserve Authorise the Chief Executive to finalise and sign all necessary documentation to close and retain the above portion of closed road pursuant to this resolution	Terry Crackett	Natalie Westover	In Progress	11/11/2019	31/01/2020	Final documentation and plans are being progressed with the surveyor and Surveyor-General	
22/10/2019	Ordinary Council	251/19	Adelaide Wine Capital Cycle Trail Project	None declared	1. Receive and note the project update report on the Adelaide Wine Capital Cycle Trail. 2. Support Light Regional Council to be the primary grant applicant on behalf of a consortium of six (6) councils to submit a grant application for the Adelaide Wine Capital Cycle Trail project into the Community Investment Stream – Round 4, of the Federal Government Building Better Regions Fund (BBRF4) when released, to prepare a \$168,000 project Business Case on behalf of those six (6) constituent councils. 3. Commit \$10,000 as Adelaide Hills Council's contribution to the collective pool of funds across the six (6) constituent councils in the Adelaide Wine Capital Cycle Trail project to fund up to 60% of the \$168,000 costs to finalise the project Business Case, conditional upon: Each of the six (6) constituent councils committing equal funding towards the preparation of project Business Case, and Successful grant notification under BBRF4 for the preparation of the Adelaide Wine Capital Cycle Trail project Business Case. 4. That Council Members be advised of the outcome of the decision by all partner Councils once known.	Peter Bice	Peter Bice	In Progress	14/11/2019	31/12/2019	Pleased to advise that the following Councils have also committed: • Adelaide Hills Council • The Barossa Council • Onkaparinga • Light Regional Council • Clare & Gilberts Valleys Mt Barker District Council will have it going to an upcoming Council meeting for consideration.	
22/10/2019	Ordinary Council	253/19	Appointment of Deputy Mayor	Cr Daniell - Material	To appoint Cr Nathan Daniell to the position of Deputy Mayor for a 12 month term to commence 27 November 2019 and conclude on 26 November 2020.	Andrew Aitken	Steven Watson	Completed	11/11/2019	8/11/2019	Details updated including finance, website etc	

Meeting Date	Meeting	Res No.	Item Name	Previously Declared COI	Action Required (Council Resolution)	Responsible Director	Responsible Officer	Status	Date of Update	Due Date	Status (for Council reporting)	2yr update prov.
22/10/2019	Ordinary Council	255/19	Appointment CEO Performance Review Panel	Perceived - Cr Parkin	To appoint Councillors Parkin & Osterstock as members of the Chief Executive Officer Performance Review Panel for a 12 month term to commence 27 November 2019 and conclude on 26 November 2020 (inclusive). To determine that the method of selecting the Chief Executive Officer Performance Review Panel Presiding Member to be by an indicative vote to determine the preferred person utilising the process set out in this Agenda report. To adjourn the Council meeting for the purposes of seeking nominations for and, if necessary, conducting an indicative vote to determine the preferred person for the Chief Executive Officer Performance Review Panel Presiding Member role and for the meeting to resume once the results of the indicative vote have been declared.	Andrew Aitken	Steven Watson	Completed	11/11/2019	8/11/2019	Details updated including finance, website etc	
22/10/2019	Ordinary Council	256/19	Appointment of CEO PRP Presiding Member	Material - Cr Osterstock	That Council resolves to appoint Cr Mark Osterstock to the position of Chief Executive Officer Performance Review Panel Presiding Member for a 12 month term to commence 27 November 2019 and conclude on 26 November 2020 (inclusive).	Andrew Aitken	Steven Watson	Completed	11/11/2019	8/11/2019	Details updated including finance, website etc	
22/10/2019	Ordinary Council	258/19	SPDPC Presiding Member	Material - Cr Kemp	That Council resolves to appoint Cr John Kemp to the position of SPDPC Presiding Member for a 12 month term to commence 27 November 2019 and conclude when the <i>Development Act 1993</i> is repealed or the aforementioned Act is superseded in its entirety by the <i>Planning, Development and Infrastructure Act 2016</i> , on or before 30 June 2020.	Andrew Aitken	Steven Watson	Completed	11/11/2019	8/11/2019	Details updated including finance, website etc	
22/10/2019	Ordinary Council	260/19	Appointment of Audit Committee Presiding Member	Material - Cr Herrmann	That Council resolves to appoint Cr Malcolm Herrmann to the position of Audit Committee Presiding Member for a 12 month term to commence 27 November 2019 and conclude on 26 November 2020 (inclusive).	Andrew Aitken	Steven Watson	Completed	11/11/2019	8/11/2019	Details updated including finance, website etc	
22/10/2019	Ordinary Council	261/19	SHLGA Membership	None declared	That the report be received and noted. To appoint Andrew Aitken to the position of Southern & Hills Local Government Association Board Member to 30 November 2022.	Andrew Aitken	Lachlan Miller	Completed	18/11/2019	8/11/2019	Notification provided to S&HLGA.	
22/10/2019	Ordinary Council	263/19	Local Government Reform Submission	None declared	That the report be received and noted. To lodge its Local Government Reform Submission at Appendix 1 to the Office of Local Government. To delegate to the Chief Executive Officer the authority to make any minor changes to the Submission to reflect matters raised in the debate on the Local Government Reform Submission report.	Andrew Aitken	Lachlan Miller	Completed	18/11/2019	29/10/2019	Submission lodged with the Office of Local Government and a copy sent to the LGA.	
22/10/2019	Ordinary Council	264/19	Delegations Review Report	None declared	That, having considered a review of Council's Delegations as presented, the Council: 2.1 Revocation Hereby revokes its previous delegations to the Chief Executive Officer of those powers and functions under the following Acts: 2.1.1 <i>Development Act 1993, Development (Development Plans) Amendment Act 2006 and Development Regulations 2008, Development (Waste Reform) Variation Regulations 2019</i> 2.1.2 <i>Planning, Development and Infrastructure Act 2016</i> Refer to Minutes	Andrew Aitken	Steven Watson	In Progress	11/11/2019	8/11/2019	Details forwarded to Development & Regulatory Services for updating of sub delegations.	
22/10/2019	Ordinary Council	268/19	MWN Bird in Hand Pty Ltd Proposed Development	None declared	1. Council notes the decisions of the Adelaide Hills Council Assessment Panel in respect to the Bird in Hand Pty Ltd proposed development dated 14 August 2019, and the subsequent decision of the State Commission Assessment Panel dated 10 September 2019. 2. Council is supportive of the proposed development. 3. That the Chief Executive Officer provides a copy of this resolution to the owners of the Bird in the Hand Winery, Woodside.	Andrew Aitken	Lachlan Miller	Completed	24/10/2019	8/11/2019	Letter sent 28/10/2019	
22/10/2019	Ordinary Council	271/19	CONFIDENTIAL Electricity Procurement Contract Post 31/12/19 for below 160MWh sites	Material - Cr Green	as per Minute	Terry Crackett	Mike Carey	In Progress	24/10/2019	31/12/2019	Currently being progressed in accordance with Council resolution.	
22/10/2019	Ordinary Council	274/19	Electricity Procurement Contract Post 31/12/19 - Period of Confidentiality	Material - Cr Green	that the report, related attachments and the minutes of Council and the discussion and considerations of the subject matter be retained in confidence until the contracts are signed, but not longer than 31 December 2019.	Terry Crackett	Mike Carey	In Progress	24/10/2019	31/12/2019	Awaiting signing of contracts.	

**ADELAIDE HILLS COUNCIL
ORDINARY COUNCIL MEETING
Tuesday 26 November 2019
AGENDA BUSINESS ITEM**

Item:	12.13
Originating Officer:	Deryn Atkinson, Manager Development Services
Responsible Director:	Marc Salver, Director Development & Regulatory Services
Subject:	Submission on the Draft Practice Direction regarding Council Building Inspection Policies
For:	Decision

SUMMARY

This report provides information regarding the State's draft proposed Council Building Inspection Policies Practice Direction which will replace the current Council Building and Swimming Pool Inspection Policy.

The draft proposed Practice Direction has been prepared by the State Planning Commission (SPC) as required by Section 144 of the *Planning, Development & Infrastructure Act 2016*. It details the proposed mandatory level of building inspections for all councils.

The draft Practice Direction is on public consultation until 18 December 2019 and both the State Planning Commission and the Local Government Association (LGA) are seeking councils' feedback. In particular, feedback is sought on whether the proposed level of inspections is achievable and if not, what is an achievable level.

The Administration supports the principle behind the draft Practice Direction to provide for occupant and public safety outcomes, but has significant concerns regarding the cost implications of resourcing the anticipated inspection regime. It is noted that no new fee structure is proposed by the SPC at this stage in order to off-set the additional cost impost to local government. Outsourcing is suggested in the document as an option to recruit private sector expertise. However, for councils to do so there would need to be an appropriate fee "for service" in place, a sufficient pool of interested accredited professionals to undertake these inspections and access to a central register for recording inspection information. Not having the ability to charge the applicants a fee in this regard would mean councils, and ultimately ratepayers, bear the costs of the proposed inspection regime, which is not supported. Lastly, the Administration consider that the timing of the proposed changes to Building Inspections should be deferred to a date 6-12 months after the full implementation of the *Planning, Development & Infrastructure Act 2016* and the new systems (i.e. after 1 July 2020). This would allow for the impact of the planning reforms to be properly evaluated, noting that building inspections are not undertaken in isolation of other assessment and compliance work.

RECOMMENDATION

Council resolves:

1. That the report be received and noted
2. That the submission on the Draft Practice Direction regarding Building Inspections be approved for forwarding to the State Planning Commission
3. That the Chief Executive Officer be authorised to make any formatting, nomenclature or other minor changes to the submission as may be required prior to forwarding the submission to the State Planning Commission.

1. GOVERNANCE

➤ Strategic Management Plan/Council Policy

Goal 3 Places for People and Nature

Strategy 3.1 Encourage sustainable living and commercial practices

➤ Legal Implications

Development Act 1993

Planning, Development and Infrastructure Act, 2016

Council Building & Swimming Pool Inspection Policy

Practice Direction 8 – Swimming Pool Inspection Policy 2019 (5 September 2019)

Practice Directions under the *Planning, Development & Infrastructure Act 2016 (PDI Act)* are legislative instruments that the State Planning Commission is required to prepare to guide how a legislative requirement is implemented by councils and practitioners.

Section 71A of the *Development Act 1993* currently requires a council to adopt its own Building Inspection Policy which specifies:

1. The level of audit inspections to be carried out within the Council area including buildings that have been privately certified for building rules consent; and
2. The criteria that are to apply with respect to selecting the buildings that will be inspected under the policy; and
3. Development Regulation (80A) requires that this policy is applied in respect of Class 1 and 2 buildings. However, Council's policy also encompasses buildings in Classes 3-10 (commercial buildings and domestic outbuildings).

From 1 July 2020 the *Planning, Development & Infrastructure Act 2016 (PDI Act)* will be fully operational and the proposed Practice Direction regarding Council Inspection Policies will be enacted for all councils across the State.

➤ **Risk Management Implications**

There is a risk that without a consistent and adequate building inspection framework across councils that the public confidence in the integrity of the development control system to maintain occupant and public safety will diminish. The SPC have attempted to balance the risk of public safety with an increased level of inspections for certain types of buildings but this poses a risk for the Council that the increased levels of inspections will not be achievable utilising current resources.

There is risk of Council not meeting the mandatory targets, and the risk of liability to Councils for non-compliance with the mandatory requirements of the draft Practice Direction.

The submission to the State Planning Commission and the LGA is aiming to have the new inspection regime adequately funded and the timeframe for implementation deferred until all the required resourcing is in place and the mandatory requirements changed to assist in mitigating the risk of:

Council not being able to resource the requirements of this new building inspection regime and not being able to meet the mandatory targets resulting in exposure to liability for non-compliance with the requirements of the Practice Direction.

Inherent Risk	Residual Risk	Target Risk
Extreme (3A)	High (3B)	Low (3E)

Should the Practice Direction be implemented as drafted there will need to be a quarterly assessment of the level of building inspections undertaken against the requirements of the Practice Direction in order to evaluate what other building assessment and compliance tasks would need to be reduced to accommodate the mandatory building inspections.

➤ **Financial and Resource Implications**

Additional lodgement fees were established under the *Development Act 1993* for councils to assist with recovering some of the costs associated with building inspections. The current statutory fees of \$75.50 for development involving building rules consent where the development cost exceeds \$5,000 applies or, \$200 where the development involves a swimming pool, spa or a safety barrier associated with a swimming pool or spa. If the level of inspections proposed is implemented by the State Government, then it is estimated that Council will need to employ two (2) additional accredited building professionals at a cost of approximately \$200,000 (which equates to an additional 0.6% increase in rates). The budget for 2019/20 inspection fees is \$68,900. As noted this amount would not cover the salary and on-costs for one FTE, and therefore the current Building Inspection Policy is only partially funded through the inspection fees. The Administration considers that the increased inspection levels proposed by the draft Practice Direction cannot be achieved without a commensurate funding proposal by the SPC to cover these costs.

➤ **Customer Service and Community/Cultural Implications**

There is a community expectation that one of the levels of government will conduct building inspections to ensure that buildings are safe for occupants and address public safety in accordance with the requirements of development approvals and State regulations.

➤ **Environmental Implications**

The proposed draft Practice Direction sets the minimum mandatory inspection requirements for councils to comply with in order to maintain building occupant and public safety rather than building compliance from a contractual point of view between owners and builders.

➤ **Engagement/Consultation conducted with Council Committee, Regional Subsidiary, Advisory Group, the Administration and Community**

The draft Inspection Policies Practice Direction prepared by the SPC is on consultation until 18 December 2019 on the SA Planning Portal (Have Your Say page).

Consultation on the development of this report was as follows:

Council Committees: Not Applicable

Council Workshops: Not Applicable

Advisory Groups: Not Applicable

Administration: Team Leader Building Services
Director Development & Regulatory Services
Executive Leadership Team

Community: The draft Practice Direction prepared by the SPC is on consultation until 18 December 2019 on the SA Planning Portal (Have Your Say page) and is open to all members of the community to comment on.

2. **BACKGROUND**

The documents out for consultation from SPC state that *'since the introduction of the Development Act 1993 (Development Act) 26 years ago, South Australia has not had a strong tradition or culture of councils undertaking on-site inspections, particularly for commercial or large public buildings.'* However, councils are required to have a Building Inspection Policy in accordance with Section 71A of the *Development Act 1993* and the Council has such a Policy. Our current Policy was last adopted by Council on 11 July 2017.

The current development reforms implemented as a result of the *PDI Act* includes in Section 144 (1) the responsibility for the SPC to issue a practice direction (Policy) that requires councils to carry out building inspections of development undertaken in their respective areas. This means that the SPC sets the building inspection requirements, and not a council under the new development legislation.

At a time where there is a call for national building reform after a range of building failures, the SPC considered that there was a need to effectively address the building issues raised by these building failures interstate. In November 2018 the Department of Planning, Transport and Infrastructure (DPTI) engaged Botten Levinson Lawyers to examine the issue of inspections for the SPC. The Botten Levinson Report (the Report) prepared an analysis of current council inspection regimes established under the *Development Act* and conducted interviews with a representative sample of 17 metropolitan and regional councils to gauge the effectiveness of the policies and to make recommendation on the potential content of a new practice direction to be prepared under the *PDI Act*. Adelaide Hills Council was not one of the representative councils in the sample.

It is noted that Botten Levinson recommended that an initial focus should be placed on determining a suitable and targeted purpose for section 144 of the *PDI Act*, noting that this is not explicitly stated in the *PDI Act*.

SPC has prepared a new draft Practice Direction (refer to **Attachment 1**) with a focus on the protection of occupant and public safety and ensuring the integrity of the development control system in maintaining appropriate standards of design and construction.

Swimming pool inspections are covered by a separate Practice Direction issued under section 156 of the *PDI Act* (Practice Direction 8) which transferred the inspection requirements from the *Development Regulations 2008*. Practice Direction 8 is already operational State-wide.

The SPC has released a draft Practice Direction for consultation with feedback sought by 18 December 2019. The Practice Direction should be read in conjunction with the Background Paper on Inspection Policies Practice Direction (refer to **Attachment 2**)

3. ANALYSIS

The draft Practice Direction is intended to set minimum mandatory building inspection requirements to be undertaken by councils to achieve a minimum level of building inspection consistently across the state and to replace the Inspection Policies set by Council under the *Development Act*. Additional inspections can be undertaken by Council beyond the mandatory requirements if councils have capacity.

The Practice Direction is intended to be introduced in two phases, the first being councils in the regions and outside the Greater Adelaide Area being switched over in early April 2020 when other parts of the *PDI Act* become operational for the regions and, and the second being for Metropolitan Councils (including Adelaide Hills Council) on 1 July 2020.

More inspections

The draft Practice Direction directs a council to inspect a range of elements, dependent upon the kind of development, whether the development includes certain features and for dwellings, whether the locality of the development is in a medium or high bushfire risk area. This will ultimately increase the number of inspections required to be undertaken.

The four tables in the draft Practice Direction set the minimum mandatory inspection levels for different buildings, the timing of these and the proportion of development to be inspected as detailed in **Attachment 1**.

Part 2 of the Practice Direction directs a council to inspect a range of elements and provides councils with flexibility as to what is nominated for inspection. However, the statement in subclause 2 (2) of Part 2 adds a level of uncertainty to the draft Practice Direction, where it states “A council must take all reasonable steps to ensure that each inspection carried out under this practice direction includes an inspection and assessment of the adequacy of each of the following elements, as may be present:”. It then lists the nine elements, of which most would apply to development in our Council area because of its bushfire prone nature and undulating terrain.

Table 1 relates to single dwellings and additions to these (Class 1A buildings). The inspection requirement is set at 66% and at one mandatory inspection for each building selected for inspection. As the nine elements cannot be inspected in one inspection, the council either has to undertake several inspections or choose what elements it will inspect and set the building notification accordingly. Further clarification is therefore required in the circumstances where a Council undertakes an inspection during construction and one at completion to capture all of the elements referred to in subclause 2 (2) of Part 2, whether both of these inspections can be counted as part of the 66% inspection requirement.

The draft Practice Direction allows councils discretion when setting a notification requirement for a dwelling inspection and for the notification requirements to differ, depending upon what a Council chooses to inspect in relation to that dwelling. This approach does provide a degree of flexibility but it also creates inconsistency between dwelling developments and from council to council. This appears to be contrary to the aims of the reform to deliver consistency in the development system across the State. Even in the one Council area, the administration could choose to ask for notification of a framing completion during construction on one dwelling and notification at completion for another dwelling and the two dwellings could be adjacent to each other. Further, the notification process is not strictly followed by builders and hence the 66% requirement is not always met.

Table 2 relates to commercial developments of Classes 5, 6, 7, 8 or Class 9 buildings with floor areas of 500m² or less, and for farming buildings. The inspection requirement is set at 100% and at least one inspection per development is mandated on completion of the development.

Table 3 relates to medium commercial developments of Classes 1b to 4, Classes 5, 6, 7, and 8 buildings no higher than 2 storeys and with floor areas greater than 500m², or in relation to Class 6 buildings, those with a floor between 500m² and under 2000m². The inspection requirement is set at 100% and at least one inspection per development is mandated either during construction or on completion.

Table 4 relates to large commercial developments, such as apartments buildings over 2 storeys in height (Class 2), Class 3 buildings 2 storeys or greater, large offices, shops, factories over 2 storeys in height (Class 5, 6, 7 and 8) or Class 6 buildings with a floor area of 2000 m² or greater, and public buildings (Class 9) with a floor area greater than 500m². The inspection requirement is set at 100% with at least one mandatory inspection per development either during construction or on completion.

Figure 1 below shows the comparison between the inspection requirements of the current Council Building Inspection Policy and the draft Practice Direction.

Figure 1: Comparison of Inspection Requirements between Current Policy and Proposed State Practice Direction

Building Type/Class	Current Council Policy Requirements	Draft State Practice Direction Requirements
Dwellings & Dwelling Additions (Class 1A)	20%	66%
Commercial Development (Class 1B to 9)	20%	100%
Bushfire Shelters (Class 10c)	100%	Nil
Retaining walls, towers, fences (Class 10b)	10%	Nil
Roof trusses	66% of work carried out by licensed builder or 90% of work by owner builders	Included in the one mandatory inspection
Swimming Pools	100%	100%

Primarily there is an estimated increase of 46% in residential development inspection levels and an 80% increase in the level of commercial development inspections proposed in comparison with the inspection levels of the current Council Policy. There is no requirement for retaining walls, fences or tower structures to be inspected, unlike the current Council Policy. There is also no requirement to inspect bushfire shelters in the Practice Direction, but as the Council only has the occasional application for these, it would be no impost to continue to inspect bushfire shelters. Swimming Pool inspections are maintained at the current levels.

Only one mandatory inspection is proposed for each type of building, but the draft Practice Direction seems to contradict this as there is a need to inspect for the adequacy of structural framing and roof trusses, passive and active fire safety elements (including fire rated construction e.g. fire wall construction, smoke alarms, fire protection systems), and bushfire protection systems for different buildings. The list of requirements suggests more than one inspection will be needed to both be effective and for a council is to meet the obligations of the draft Practice Direction. Furthermore, once non-compliance is identified there is also an expectation that it will be followed up. This usually involves at least one further inspection to verify the issue(s) have been rectified. However, where there are multiple non-compliance matters, additional inspections may be required. In the opinion of the Administration, one mandatory inspection is likely to conservatively increase into at least three inspections per development.

There is no particular reference to swimming pool inspections in this draft Practice Direction as swimming pool inspections are covered by a separate Practice Direction issued under section 156 of the *PDI Act* (Practice Direction 8). However swimming pool safety forms a large part of the current inspection workload and is included in Figure 1 above to provide a full picture.

To analyse what the average estimate of building inspections would be under the draft Practice Direction, a comparison of the number of Development Approvals issued by Council (broken down by building type and class) and the number of building inspections undertaken in 2017/18 and 2018/19 is provided in Figure 2 below.

Figure 2: Comparison of Development Approvals and Building Inspections Undertaken for 2017/18 and 2018/19

BUILDING TYPE/BUILDING CLASS	2018/2019 DEVELOPMENT APPROVALS	2018/2019 INSPECTIONS UNDERTAKEN	2017/2018 DEVELOPMENT APPROVALS	2017/2018 INSPECTIONS UNDERTAKEN
Dwellings (Class 1A)	219	49 (22%)	209	13 (6%)
Commercial Buildings (Class 1B to 9)	87	21 (24%)	75	22 (29%)
10A OR 10B Excluding swimming pools	339	10 (3%)	547	11 (2%)
10B swimming pools *	34	113 (332%)	65	80 (123%)
TOTAL	661 (679 when dwellings with pools are counted as 2 for inspection purposes)	193	858 (896 when dwellings with pools are counted as 2 for inspection purposes)	126

*Backlog of swimming pool inspections undertaken resulting in over 100% being inspected

The number of Development Approvals per year is used as a guide for the expected number of building inspections. It should be noted however that there is often 12 months or more between the date of Development Approval and the date of building work commencement and, 3 years or more between the date of Development Approval and the date of development completion. This results in a 'time lag' and the inspection work for a development extending over a number of years. Inspections are therefore not necessarily undertaken in the year that Development Approval is granted but the proportion selected is based upon development approvals issued.

Swimming pool safety has been a focus for the team in the last few years, with a backlog of inspections primarily due to non-notifications by builders and owners needing to be addressed (113 inspections in 2018/19 as compared with 34 swimming pool approvals and 80 inspections in 2017/18 as compared with 65 swimming pool approvals). This resulted in a larger percentage of pools being inspected in the last two years, and less dwelling and dwelling additions. In 2018/19 the overall number of building inspections undertaken by Council staff was 193, up from 126 inspections in 2017/18.

Utilising the average number of inspections undertaken for the last two years for each building type and comparing this with the level of inspections proposed by the draft Practice Direction, there is an estimated annual increase of 114 inspections proposed. This conservative estimate is based upon there only being one mandatory inspection undertaken for each development. A comparison between the current average and the proposed total number of inspections is shown in Figure 3 below.

Figure 3: Comparison of Current Average Inspections and Projected Inspections under Practice Direction

AVERAGE INSPECTION NUMBER FOR 2 YEAR PERIOD		PROJECTED INSPECTION NUMBERS UNDER PRACTICE DIRECTION
Dwellings (Class 1A)	31	142
Commercial Buildings (Class 1B to 9)	21	81
Class 10A or 10B buildings excluding Swimming Pools	11	0
Swimming Pools (which are Class 10B developments)	96	50
TOTAL AVERAGE	159	273

In the last two years the building team has consisted of three (3) staff who all undertake building inspections, building application assessment and building inquiries. The Team Leader Building Services also has the executive responsibility for the Council’s Building Fire Safety Committee and its business, plus the management of the team. Based upon the current Council Policy, and the average inspections undertaken per year of 159, each team member has managed an inspection workload of 53 per year. The projected average yearly inspection level increases from 159 to 273 under the draft Practice Direction. This estimate is conservative and is based upon there only being one mandatory inspection undertaken for each development.

Resourcing

It is noted that Council approved an extra part-time resource (0.8 FTE) in this year’s budget for the building team. This extra position has been recruited for a three (3) year term in an effort in order to meet the expected inspection workload of the current Council Building and Swimming Pool Inspection Policy, and the necessary resources for non-compliance follow-up inspections. Hence in 2019/20 there will be 3.8 staff FTE undertaking building inspections for Council. This though will not be sufficient to cover the additional inspections arising from the draft Practice Direction. As stated earlier in this report, it is estimated that two (2) additional FTE positions are required from 1 July 2020 for our Council to achieve compliance with the proposed inspection levels of the draft Practice Direction.

Further, follow-up inspections due to non-compliance adds to the workload with re-inspection required, often multiple times before compliance is achieved. Whilst this is an expectation, the draft Practice Direction makes no allowance for the need for re-inspections. It is considered that it should due to the knock-on resourcing impacts that this results in.

Funding

As stated earlier in this Council report, the proposed building inspection regime is not supported without an adequate state government fee structure being put in place to offset the anticipated costs of resourcing this service. Additional lodgement fees were introduced in the 1990s to provide some compensation for councils to undertake building inspections. A current flat fee of \$75.50 is required for developments over \$5,000 which is considered inadequate in this instance. By way of comparison, under the *SA Public Health Act 2011* each inspection related to a Waste Control System is able to be charged at a current rate of \$126 per inspection. To assist with the need to acquire additional resources, it is considered that a major review by the SPC of the cost of undertaking building inspections is

required, particularly in regional and peri-urban areas where the distance travelled for inspections is greater.

The *PDI Act* does permit the issuance of expiations to builders and owners for not providing notification of building work. The expiations are set at \$750. It should be noted that expiations are currently used sparingly in development control and as a last resort from an enforcement point of view, in accordance with Council's Enforcement Policy.

Additional Considerations – time within which inspections need to be undertaken and the quality of privately certified approvals

The draft Practice Direction states that a completion inspection must be undertaken within one business day of the receipt by Council of a Statement of Compliance from the licensed builder. This is considered unachievable as it often takes one business day for the statement to be recorded and actioned to the building team.

Whilst swimming pool inspections are covered by a separate Practice Direction issued under section 156 of the *PDI Act* (Practice Direction 8), consideration is being given in the consultation to remove the mandated 80/20 two week/two month split for pool inspections and instead require all pool inspections to be undertaken within two weeks of the installation of the safety barrier/safety features.

The reduced timeframes places an additional burden on the limited resources of the Council to achieve the requirements of the draft Practice Direction and don't consider the amount of non-compliance follow up required with swimming pool and safety barrier construction. It is therefore recommended that the current 80/20 two week/two month split for pool inspections not be altered.

Additionally, the Administration regularly needs to request private certifiers to provide missing information to have the required level of information necessary to undertake inspections. The *PDI Act* provides for a greater level of private certification from a planning and building assessment perspective, and for consents to be issued in any order. This places increased onus on the council issuing the Development Approval to confirm whether the consents are consistent with each other, and the required level of documentation is provided.

Feedback to the State Planning Commission

Whilst the purpose of the Inspection Policy Practice Direction to provide for occupant and public safety outcomes, is supported, the Administration has significant concerns regarding the cost implications of resourcing the anticipated inspection regime. It is noted that no new fee structure is proposed by the SPC at this stage in order to off-set the additional cost imposed to local government. Outsourcing is suggested in the document as an option to recruit private sector expertise. However, for councils to do so there needs to be an appropriate fee "for service" in place, a sufficient pool of interested accredited professionals to undertake these inspections and access to a central register for recording inspection information. Not having the ability to charge the applicants a fee in this regard would mean councils and ultimately ratepayers bear the costs of the proposed inspection regime, which is not supported.

Further, the Practice Direction makes no acknowledgement of the need for reinspection and follow-up when non-compliance is identified in buildings or, indeed when building notifications are not received.

The Practice Direction identifies the need for councils to ensure that each inspection includes an assessment of the adequacy of primary structural elements, structural framing and roof trusses, balustrades, cladding, egress provisions, passive and active fire safety elements, private bushfire shelters and performance solutions. However, it only mandates one inspection and provides councils with the flexibility to choose when to inspect. Such an approach seems to create inconsistencies as this will vary from development to development and between councils and, therefore creates a system of uncertainty.

Clarification is also needed regarding when a council believes it is necessary to undertake both an inspection of a dwelling during construction and on completion, whether both inspections can be counted towards the 66% inspection requirement for dwellings. It is recommended that the draft Practice Direction be amended to allow both inspections to be counted as part of the 66% requirement, or reduce the 66% requirement accordingly

As a Council, the Administration juggles meeting the current 20% inspection requirement for dwellings and commercial buildings, and a 100% of swimming pools and the level of follow-up inspections required in this instance. Further, Council is in many instances not notified of commencement or completion of development and as such some building developments are not inspected. It is acknowledged that inspection levels could be increased over time, subject to this being resourced through a new fee structure to provide the additional funding to offset the costs in this regard.

The Development Reforms currently underway are the biggest in 26 years, and allowing time for all Councils to become familiar with, and evaluate the impact of the implementation of the *PDI Act* and the new systems should be a primary consideration. It is noted that across its 19 recommendations, the Botten Levinson Report recommended that the State Government should adopt a transitional approach to the implementation of a new inspection regime, with inspection levels to be increased over time to reflect council capacity and industry circumstances. However, this has not flowed through into the draft Practice Direction and it is considered that it should have.

While the building notification process can be incorporated into the SA Planning E-development solution, the use of this by owner builders and building contractors is yet to be demonstrated. The effectiveness of building inspections relies on notification to the councils and the improvement in the level of notifications provided will only occur if the penalties for not doing so are applied to an appropriate level to discourage non-compliance.

The list of circumstances when councils may wish to undertake inspections above the mandatory requirements are reasonable, and no changes are considered necessary in this regard. However, the take up in this instance is unlikely to occur unless councils are sufficiently resourced to comply with the proposed levels of inspection.

The removal of the 80/20 split for swimming pool inspections is not supported at this stage as Council's experience to date is that swimming pool compliance is time consuming and in most cases requires multiple follow-up inspections where non-compliance has been identified at the initial inspection. Changing this split at this stage in the Reform process is therefore not supported, particularly in light of the additional inspections for other buildings being proposed. The Administration therefore supports maintaining the current 80/20 split for swimming pools.

Outsourcing inspections to a private building certifier is more likely if the State's E-development solution allows for a central register for record keeping of inspections and data input by private contractors, and if this is supported by a fee "for service" funding structure. The SPC is urged to consider this as a future system enhancement.

Lastly, the value of the existing Statement of Compliance is questionable when compared to the degree of non-compliance that is often found upon inspection. The Administration is therefore hesitant to have a further Statement of Requirements as a replacement for building inspections.

In summary, Administration supports the principle behind the draft Practice Direction to provide for occupant and public safety, but it has significant concerns regarding the cost implications of resourcing the inspection regime drafted. Administration therefore recommends that the submission on the draft Practice Direction as provided in **Appendix 3** be approved for forwarding to DPTI and the SPC.

4. OPTIONS

Council has the following options:

- I. To endorse the submission on the Proposed Draft Practice Direction regarding Building Inspections for forwarding to the State Planning Commission (Recommended)
- II. To not endorse the submission on the Proposed Draft Practice Direction regarding Building Inspections for forwarding to the State Planning Commission (Not recommended)

5. APPENDICES

- (1) Draft Practice Direction – Council Building Inspections
- (2) Background Paper on Inspection Policies Practice Direction
- (3) Draft Submission to the State Planning Commission

Appendix 1

Draft Practice Direction – Council Building Inspections



DRAFT FOR CONSULTATION – 21/10/19

This practice direction is issued by the State Planning Commission under section 42 of the *Planning, Development and Infrastructure Act 2016* for the purposes of section 144 to require certain councils to carry out inspections of certain developments in their respective areas.

Introduction

Section 144 of the Act requires the Commission to issue a practice direction that requires councils to carry out inspections of development in their respective areas. A separate practice direction has been issued in relation to inspections of developments not within an area of a council.

Section 156 of the Act the Commission may also issue a practice direction that requires councils to carry out inspections of swimming pools and associated buildings to ascertain compliance with safety requirements. This practice direction has been issued separately.

In issuing this direction, the Commission has taken into account the matters set out in section 144(3) of the Act. These are:

- (a) the financial and other resources of councils;
- (b) the impact that a failure to inspect a certain number of developments over a period of time may have on local communities;
- (c) the various sizes of the areas of councils and differences in population;
- (d) the amount of development undertaken in the various areas of the State;
- (e) the type of development that predominates in the various areas of the State;
- (f) in relation to building work, building conditions in the various areas of the State; and
- (g) the public interest in ensuring that development is undertaken in accordance with the requirements of this Act.

While the Act envisages that the Commission may require councils to carry out inspections relating to 'development', as that term is defined in the Act, more broadly, this practice direction is limited to mandating inspections directed towards securing the objects stated in clause 3 of Part 1 of this practice direction.

The public interest in protecting public safety and in maintaining confidence and integrity in the development control system within the State has been balanced against other matters outlined in s 144(3).

The Commission has sought to identify the risks posed by certain building types. This practice direction reflects the Commission's view that the risks associated with certain buildings, particularly in relation to safety, including, for example fire protection and other safety features, should be treated equally irrespective of where they are constructed in the State and that this approach reflects community expectations.

Associated with the above, while this practice direction mandates certain inspections, councils should continue to appropriately address broader compliance issues, whether these are detected during an inspection that is required under this practice direction or otherwise.

This may include inspections related to planning consent matters, which councils may choose to undertake through a separate council policy or on an as-needs basis.

Practice direction

Part 1 – Preliminary

1 – Citation

This practice direction may be cited as the *State Planning Commission Practice Direction (Council Inspection Policies) 2019*.

2 – Commencement of operation

This practice direction will come into operation on the day on which it is published on the SA Planning Portal.

3 – Objects of practice direction

The objects of this practice direction are to, in relation to areas within a council, require councils to undertake inspections so as to:

- (a) provide for occupant and public safety; and
- (b) maintain confidence and integrity in the development control system.

4 – Interpretation

- (1) In this practice direction, unless the contrary intention appears –

Act means the *Planning, Development and Infrastructure Act 2016*;

Accredited Professionals Regulations means the *Planning, Development and Infrastructure (Accredited Professionals) Regulations 2019*;

authorised officer has the same meaning as within section 3(1) of the Act;

balustrade means a barrier to prevent falls;

Building Code has the same meaning as within section 3(1) of the Act;

Building Rules has the same meaning as within section 3(1) of the Act;

building work has the same meaning as within section 3(1) of the Act;

Note: building work includes any work or activity that results in a change to the classification of a building under regulation 3E of the Regulations.

Chief Executive has the same meaning as within section 3(1) of the Act;

construct has the same meaning as within section 3(1) of the Act, and **construction** has a corresponding meaning;

council has the same meaning as within section 3(1) of the Act;

designated building product has the same meaning as within regulation 3(1) of the Regulations;

farm buildings and farm sheds have the same meaning as within the Building Rules;

fire authority has the same meaning as within section 3(1) of the Act;

floor area has the same meaning as within the Building Rules;

performance solution means a performance solution under the Building Code;

private bushfire shelter has the same meaning as within regulation 3(1) of the Regulations; and

Regulations means the *Planning, Development and Infrastructure (General) Regulations 2017*.

Note: The terms above have been included merely for ease of reference. Section 14 of the Acts Interpretation Act 1915 provides that an expression used in an instrument made under an Act has, unless the contrary intention appears, the same meaning as in the Act under which the instrument was made.

Part 2 – Inspection Policy

1 – Application

- (1) Subject the terms of this practice direction, upon commencement this practice direction applies to the councils listed at **Appendix 1 Part 1**.
- (2) This practice direction does not apply to the councils listed at Appendix 1 Part 2.
- (3) This practice direction does not apply to development not within a council area.

Note: The practice direction will be varied, at a later date, to also apply to the councils listed in Appendix 1 Part 2, once the Act is operational state-wide. This is necessary to ensure the introduction of the practice direction mirrors the phased introduction of the Act.

2 – Mandatory inspections

- (1) A council must comply with the requirements set out at **Appendix 2** relating to:
 - (a) the kinds of development which require inspection;
 - (b) the proportion of developments which require inspection in each council area;
 - (c) the timing of any inspection required in relation to each building; and
 - (d) the number of inspections required in relation to each building,
(mandatory inspection requirements).
- (2) A council must take all reasonable steps to ensure that each inspection carried out under this practice direction includes an inspection and assessment of the adequacy of each of the following elements, as may be present:
 - (a) primary structural elements;
 - (b) structural framing and roof trusses;
 - (c) balustrades;
 - (d) cladding;
 - (e) egress provisions;
 - (f) bushfire protection systems;
 - (g) passive and active fire safety elements;
 - (h) private bushfire shelters; and
 - (i) performance solutions.
- (3) In this clause, 'passive and active fire safety elements' includes, but is not limited to, the following elements, as may be applicable in the circumstances:
 - (a) fire rated construction;
 - (b) fire safety elements, including, but not limited to, smoke alarms; and
 - (c) fire protection systems, including, but not limited to, bushfire protection systems.

3 – Additional inspections

- (1) Clause 2 of Part 2 is not an exhaustive statement as to the requirement of a council to carry out an inspection.
- (2) A council should undertake an inspection in addition to any specified in clause 2 of Part 2 (**additional inspection**) if it has information to indicate that the circumstances warrant it, having regard to the objects of this practice direction.
- (3) Circumstances that may warrant an additional inspection, having regard to the objects of this practice direction, include, building work in relation to:
 - (a) a building intended for use or occupation by large numbers of people, particularly simultaneously;

- (b) a building intended for use of or occupation by disabled or vulnerable persons;
- (c) a building in respect of which the council has been made aware of a complaint or regulatory issue, whether directly or indirectly, relating to the building or any person involved in the building work;
- (d) a building with energy efficiency requirements where risks associated with non-compliant installation, including a failure to install, present a threat to human safety that is not trivial;
- (e) a building constructed by a person who is not a licensed building work contractor under the *Building Work Contractors Act 1995*;
- (f) a building subject to local environmental conditions in respect of which additional measures are required to protect the environment, the building and its occupants or users including, by reason of increased risk of: bushfire, high to moderate winds, flooding or soil movement; or
- (g) a building incorporating construction properties or products, including but not limited to fire-rated construction, fire safety elements or designated building products, where risks associated with non-compliant installation, including a failure to install, present a threat to human safety that is not trivial.

Part 3 – Authorised officers

1 – General requirements

- (1) Only authorised officers appointed by a council may carry out inspections for the purpose of this practice direction.
- (2) A council must ensure that an inspection under this practice direction and subsequent assessment of each of the applicable elements in Part 2 clause 2(2) is carried out by a person who has the appropriate qualifications, skills, knowledge and experience to carry out an inspection assigned to that officer under this practice direction.

Note: A person with the qualifications prescribed by r 112(1) of the Regulations may carry out an inspection under this practice direction. However, an assessment of the adequacy of applicable elements may require a person to hold particular knowledge, skills and qualifications.

Part 4 – Other matters

1 – Record keeping

- (1) Records of inspections carried out by councils where this practice direction applies must be maintained and kept in a central register and made available for inspection upon 7 days' notice from the Commission.
- (2) Records of inspections should include, but not necessarily be limited to, each of the following details: date and time of an inspection, type of inspection, elements inspected, breaches, issues, or faults found, rectification required, requirements for re-inspections (including timing) and enforcement action, as is appropriate in the circumstances.
- (3) This clause does not derogate from any authorisation to dispose of records under the *State Records Act 1997*.

2 – Counting inspections

- (1) The first inspection of a building under the mandatory inspection requirements is to be counted as one inspection.
- (2) Where a building is inspected at a particular stage, and any issue is detected requiring further inspection, any further inspection related to the particular issue is to be taken to be part of the prior inspection related to that issue.
- (3) Except as provided by clause 2(2) an inspection of a building at a later stage is to be counted as a separate inspection, even if the building was inspected at an earlier stage.

3 –Review

- (1) This policy will be reviewed after two years of operation.

DRAFT FOR CONSULTATION

Appendix 1 – Application

Part 1 - Councils subject to this Practice Direction

This practice direction applies to the following 35 councils.

Note: The practice direction will initially only apply to the councils below, to mirror the phased introduction of the Act (phase 2).

Berri Barmera Council
Clare & Gilbert Valleys Council
Coorong District Council
District Council of Barunga West
District Council of Ceduna
District Council of Cleve
District Council of Coober Pedy
District Council of Copper Coast
District Council of Elliston
District Council of Franklin Harbour
District Council of Grant
District Council of Karoonda East Murray
District Council of Kimba
District Council of Lower Eyre Peninsula
District Council of Loxton Waikerie
District Council of Mount Remarkable
District Council of Orroroo Carrieton
District Council of Peterborough
District Council of Robe
District Council of Streaky Bay
District Council of Tumby Bay
Kangaroo Island Council
Kingston District Council
Municipal Council of Roxby Downs
Naracoorte Lucindale Council
Northern Areas Council
Regional Council of Goyder
Renmark Paringa Council
Southern Mallee District Council
Tatiara District Council
The Flinders Ranges Council
Yorke Peninsula Council
Wakefield Regional Council
Wattle Range Council
Wudinna District Council

Part 2 – Councils not subject to this Practice Direction

This practice direction does not apply to the following 33 councils.

Note: Once the Act is operational for the councils below, the practice direction will also apply to these councils, to mirror the phased introduction of the Act (phase 3).

Alexandrina Council
City of Adelaide
Adelaide Hills Council
Adelaide Plains Council
Barossa Council
City of Burnside
City of Campbelltown
City of Charles Sturt
Town of Gawler
City of Holdfast Bay
City of Marion
Mid-Murray Council
City of Mitcham
District Council of Mount Barker
City of Mount Gambier
Rural City of Murray Bridge
City of Norwood Payneham & St Peters
City of Onkaparinga
City of Playford
City of Port Adelaide Enfield
City of Port Augusta
City of Port Lincoln
Port Pirie Regional Council
City of Prospect
City of Salisbury
City of Tea Tree Gully
City of Unley
Town of Walkerville
City of West Torrens
City of Victor Harbor
City of Whyalla
District Council of Yankalilla
City of Whyalla

Appendix 2 – Mandatory Inspection Requirements

Table 1. Domestic dwellings

The inspection requirements in Table 1 apply to building work in relation to a class 1a building under the Building Rules.

Timing of inspection	Minimum number of inspections for each relevant building	Proportion of developments in council area to be inspected
<p>During construction or on completion</p> <p>(a) Except where clause (b) applies, inspection must be carried out any time during construction.</p> <p>(b) If the building work involves:</p> <ul style="list-style-type: none"> (i) passive and active fire safety elements and the building is located in a medium or high bushfire risk area; or (ii) balustrades; or (iii) performance solutions <p>a council may give consideration to carrying out an inspection on completion.</p> <p>An inspection on completion must be carried out within 1 business day of receipt of the completed Statement of Compliance.</p>	<p>At least one inspection of each relevant building.</p>	<p>66%</p>

Table 2. Small commercial or public buildings

The inspection requirements in Table 2 apply to building work in relation to:

- (a) a class 5, 6, 7, 8, or 9 building under the Building Rules with a floor area of 500m² or less; or
- (b) a farm building or farm shed,

under the Building Rules.

Timing of inspection	Minimum number of inspections for each relevant building	Proportion of developments in council area to be inspected
On completion Inspection must be carried out within 1 business day of receipt of the completed Statement of Compliance.	At least one inspection of each relevant building.	100%

Table 3. Medium size commercial buildings

The inspection requirements in Table 3 apply to building work in relation to a:

- (a) class 1b or 4 building;
- (b) class 2 building of 2 storeys or less;
- (c) class 3 building of 1 storey;
- (d) class 5, 6, 7 or 8 building, of 2 storeys or less, and with a floor area more than 500m²; or
- (e) class 6 building with a floor area less than 2000m²,

under the Building Rules.

Timing of inspections	Minimum number of inspections for each relevant building	Proportion of developments in council area to be inspected
<p>During construction or on completion</p> <p>Inspection must be carried out any time during construction or on completion.</p> <p><i>Note: To be determined by council when setting mandatory notification stages under s 146(1) of the Act and r 93(1) of the Regulations.</i></p> <p><i>It is recommended that this be set at a stage either to enable the inspection of primary structural elements or structural framing and roof trusses (as applicable) or at completion to enable the inspection of the overall construction (audit inspection), including the following elements (if any) that are present: passive and active fire safety elements, balustrades, or performance solutions.</i></p> <p>An inspection on completion must be carried out within 1 business day of receipt of the completed Statement of Compliance.</p> <p><i>Note: May be combined with other inspections required by the Act or other Acts to be undertaken at completion of building work.</i></p>	<p>At least one inspection of each relevant building.</p>	<p>100%</p>

Table 4. Large commercial or public buildings

The inspection requirements in Table 4 apply to building work in relation to a:

- (a) class 2 building over 2 storeys;
- (b) class 3 building over 1 storey;
- (c) class 5, 6, 7 and 8 building over 2 storeys in height;
- (d) class 6 building with a floor area of 2000m² or over; or
- (e) class 9 building with a floor area over 500m²,

under the Building Rules.

Timing of inspections	Minimum number of inspections for each relevant building	Proportion of developments in council area to be inspected
<p>During construction or on completion</p> <p>Inspection must be carried out any time during construction or on completion.</p> <p><i>Note: To be determined by council when setting mandatory notification stages under s 146(1) of the Act and r 93(1) of the Regulations.</i></p> <p><i>It is recommended that this be set at a stage either to enable the inspection of primary structural elements, or at completion to enable the inspection of the overall construction (audit inspection), including the following elements (if any) that are present: passive and active fire safety elements, balustrades, or performance solutions.</i></p> <p>An inspection on completion must be carried out within 1 business day of receipt of the completed Statement of Compliance.</p> <p><i>Note: May be combined with other inspections required by the Act or other Acts to be undertaken at completion of building work.</i></p>	<p>At least one inspection of each relevant building.</p>	<p>100%</p>

Appendix 2

*Background Paper on Inspection Policies Practice
Direction*



STATE
PLANNING
COMMISSION

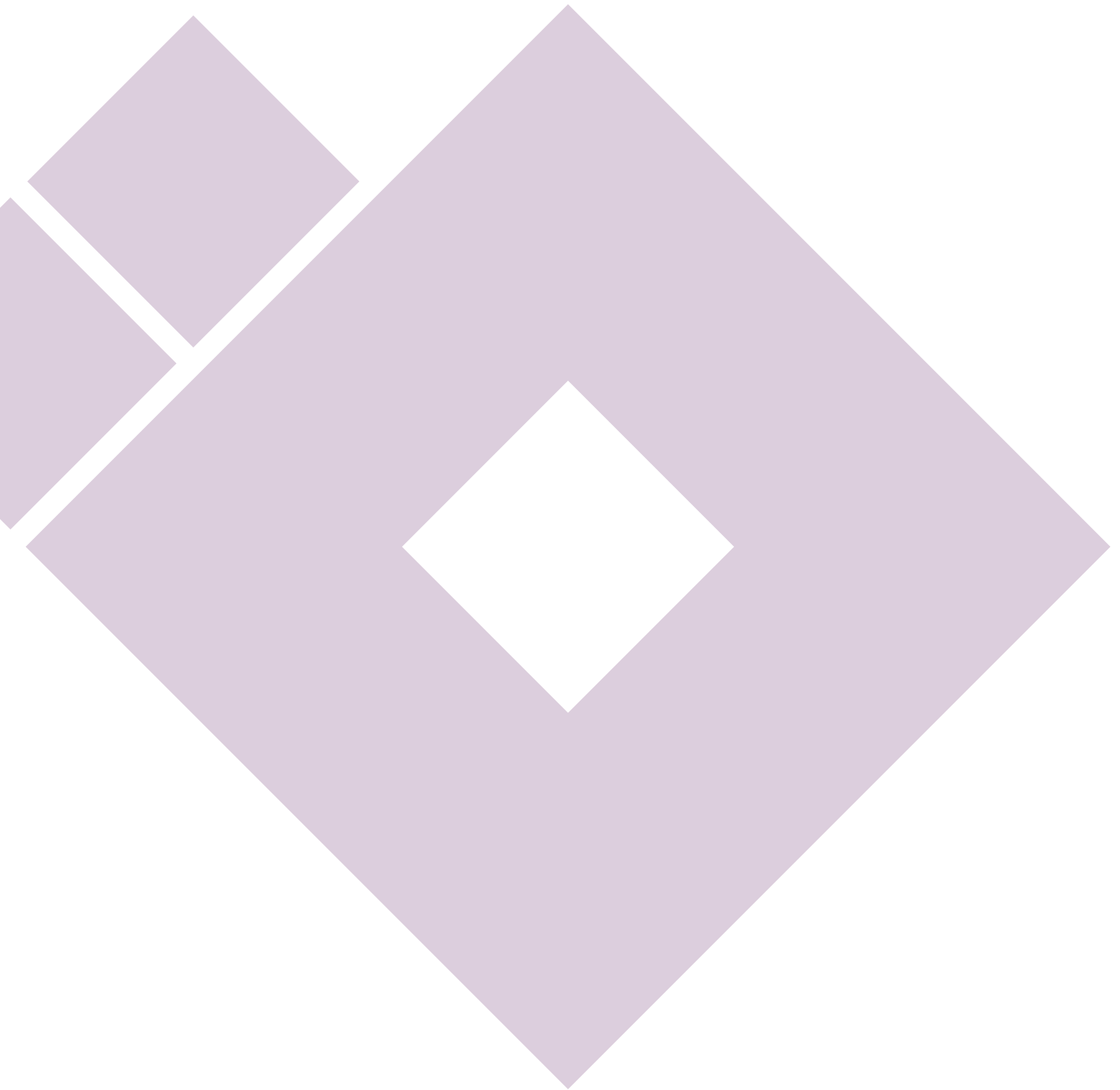


**BACKGROUND PAPER ON
INSPECTION POLICIES
PRACTICE DIRECTION**
OCTOBER 2019



Government of South Australia
Department of Planning,
Transport and Infrastructure

saplanningcommission.sa.gov.au



COMMISSION FOREWORD

South Australia's planning and development system is changing with the staged implementation of the *Planning, Development and Infrastructure Act 2016*.

The new legislation underpins the State's building regulatory building system, which must continue to function well to ensure the delivery of high building standards for the benefit of the South Australian community.

To this end, the State Planning Commission has turned its mind to the issue of council inspection policies, and specifically the role that the on-site inspections by councils might play in facilitating the delivery of these high standards.

This Background Paper – intended to be read alongside the draft practice direction – sets out the Commission's thinking in relation to these inspections, including how we arrived at the approach presented here, and how it might fit within the broader building regulatory system.

We believe the release of this practice direction represents a positive first step in a potentially wider reform process to ensure South Australia has a first class building regulatory system.

However, it is recognised that on-site point in time inspections can only ever form one part of the broader effort to ensure the delivery of safe, high quality buildings in this State, and that any reform in this space will form part of a broader conversation on this issue, one already well underway at the national level.

As such, the practice direction should be seen as a first generation inspection policy, one which can be built on and improved as we ensure the successful functioning of the State's building system well into the future, in concert with other reform as necessary.

It is now over to you – thank you in advance for taking the time to read this Paper and the draft practice direction, and we look forward to receiving your feedback.



Michael Lennon
Chair, State Planning Commission

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DISCUSSION QUESTIONS

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HOW IS THIS PAPER STRUCTURED?

This Paper is intended to be read in conjunction with the draft Inspection Policy Practice Direction available separately on the SA Planning Portal.

An outline sets out the purpose of the Paper and notes the inherent limitations of the policy.

This Paper is in two main parts:

- Part One provides an overview of the development of the new policies. This includes key context and inputs that have assisted the Commission to reach its position, and a summary of policy development, drawing on the expert advice of the Commission's Building Committee, and other stakeholders.
- Part Two sets out how the practice direction is structured, how it works, the levels of inspection recommend and the rationale for these levels in supporting the initial rollout of the Act.

Other issues and frequently asked questions are also discussed here, including the role of notifications, the issue of statements¹, who can undertake inspections, and so forth.

The Paper concludes by setting out next steps for councils, including how to provide feedback during the eight week consultation period.

¹ While not currently legislated, except in relation to 'designated building products' (discussed below) the PDI Act provides the potential for mandated documentation, such as checklists, statements or certificates, to be provided by a building work contractor to council, as another means of verifying or supporting compliance with approved plans.

OUTLINE – PURPOSE AND LIMITATIONS

What is the purpose of this Background Paper?

This Background Paper sets out the Commission’s position in relation to the draft inspection policies practice direction, to be issued under section 144 of the *Planning, Development and Infrastructure Act 2016* (the Act).

The Paper aims to set out the key context around this topic, and to clearly explain how the Commission has landed on the proposed inspection levels contained within the draft direction.

Importantly it also seeks your feedback on the proposed approach.

Overall, the Commission is confident that the development of these policies has been rigorous and the proposed levels set forward will: meet the obligations of the Act, be clearly understood, set a reasonable starting point which does not impose any undue requirements on council and industry, and support overall positive outcomes for South Australian built environment.

Importantly, the proposed levels of inspections set out are a transitional step, where in the longer term it is anticipated that the direction may be revised accordingly, to support other broader reform and to ensure that the South Australian system aligns with national best practice and standards.

What is the purpose and limitations of the Practice Direction?

In releasing this practice direction for consultation, the Commission is keen to emphasise that on-site council inspections of buildings can only ever form one aspect of a broader effort to ensure the delivery of safe, high quality buildings.

An independent inspection of a building or an element such as a swimming pool can be important to identify potential life safety issues and faults, but no matter what level of inspections are set, there is no substitute for high quality design, engineering, certification, and construction.

The Commission is therefore keen to acknowledge the limits of any inspection policy made under s144 of the Act, and to direct these inspections onto two key aspects: providing for occupant and life safety. These inspections are not intended to provide general consumer protection, and they are not about getting councils into the complex task of providing this to the owner or applicant.

It is also recognised that, since the introduction of the *Development Act 1993* (Development Act) 26 years ago, South Australia has not had a strong tradition or culture of councils undertaking on-site inspections, particularly for commercial or large public buildings. Neither has there been a culture of the State Government undertaking inspections, except in out of council areas.

It is recognised that the introduction of inspections for commercial buildings in particular will represent a step change both for councils and industry in the short term, and following that these initial changes should not be arduous to allow councils, in particular, to build their capacity in this area.

Further, from a broader regulatory perspective, it is recognised that changes in inspection requirements only form one part of a much broader conversation on the issue of general building compliance, one that is already well underway at the national level, and which the Commission will continue to advise the Government on.

PART ONE – POLICY DEVELOPMENT

1.1. The Commission's Legislative Responsibility

Section 144 of the Act sets out the Commission's responsibility in relation to council inspection policies.

Specifically the Act states that: 'the Commission must issue a practice direction that will require councils to carry out inspections of development undertaken in their respective areas' – s144(1).

This section also sets out that 'the practice direction may make different provision in relation to different councils (or groups of councils)' and provides a list of seven matters which the Commission must take into account when setting inspection levels.

Section 144 concludes by stating that 'a council must comply with the requirements of the practice direction as they relate to the council' – s144(4).

The section applies to council controlled areas of the State only. All 'out of council' areas fall under the ambit of an out of council inspection policy, issued separately by the Commission.

Other key points:

- The policy will be a 'practice direction', a new tool available under the Act for the Commission 'to specify procedural requirements or steps in connection with any matter arising under this Act' (see s42).
- Section 144 provides no specific purpose for undertaking inspections; this is a matter discussed below.
- In contrast to the outgoing Development Act, the Commission, rather than councils, is now responsible for setting inspection requirements.
- The scope of inspections is not limited to buildings but extends to 'development' generally.
- The 'matters' set out at s144(3), which the Commission has considered during policy development are:
 - the financial and other resources of councils;
 - the impact that a failure to inspect a certain number of developments over a period of time may have on local communities;
 - the various sizes of the areas of councils and differences in population;
 - the amount of development undertaken in the various areas of the State;
 - the type of development that predominates in the various areas of the State;
 - in relation to building work, building conditions in the various areas of the State;
 - the public interest in ensuring that development is undertaken in accordance with the requirements of the Act.

The development of this practice direction raises broader questions around building regulation and National Construction Code (NCC) compliance in general, but stakeholders should note that s144 provides the bounds for the Commission's policy.



1.2 The Local and National Context - A Platform for Reform

In putting forward this practice direction a number of matters have been at front of mind for the Commission. These include both the local and national context:

Local context

- Administration of the NCC: The Commission is keen to put in place a policy to support the South Australian government to effectively discharge its duties to oversee the implementation of and compliance with the NCC in South Australia.
- Feasible inspection levels for councils: It is recognised that existing council capacity to undertake inspections is limited and that initial inspection levels must be achievable and practical for councils to implement and administer.

National context

- Alignment with national reform: The development of these policies takes place at a key period of national building policy reform, following a range of public building failures, and increased attention from the Building Ministers' Forum (BMF) and building regulators on national compliance issues, and the need to effectively address these.

While South Australia has not witnessed a building issue at the scale seen on the eastern seaboard, the Commission does not consider this State immune from potential issues, and seeks to implement a workable policy that supports compliance and assists the Government to meet its national commitments.

This includes the ongoing implementation of the recommendations of the Shergold Weir Building Confidence Report to improve compliance and enforcement systems and the implementation of the NCC, including recommendation 18 *'that each jurisdiction requires on-site inspections of building work at identified notification stages'*.

Overall, these inspection policies are considered an important tool under the Act.

However, following advice from stakeholders to date, again the Commission recognises that on-site council-led inspections can only ever form one part of an effective building regulatory system.

The need exists to ensure that the entire building process, from design and approval through construction to occupation and maintenance, operates with integrity. The practice direction aims to assist in meeting this objective.

1.3 Inspection Policies - Policy Development

Key steps to support the preparation of the proposed practice direction include:

- Preparation of an independent report (November 2018 to March 2019)
- Building Committee consideration, including three workshops (April to June 2019)
- Commission-led workshops with stakeholders from council and building sector (August 2019)

The Botten Levinson Report (November 2018 - March 2019)

In November 2018 the department engaged Botten Levinson Lawyers to examine the issue of inspections. The Report:

- Prepared an analysis of current council inspection regimes under the Development Act to gauge their effectiveness, and
- Makes recommendations on potential content of new practice direction under the PDI Act.

The Botten Levinson Report will be published on the SA Planning Portal with this Paper, to assist councils in understanding the policy development process.

Research and analysis:

Botten Levinson undertook a desktop analysis of 68 council inspection policies, combined with a more detailed analysis and interviews with 17 representative councils to examine their current approaches.

They also spoke with a range of other stakeholders across the construction sector, including builders, developers and other professionals, and looked at arrangements in Queensland, Victoria and NSW.

Botten Levinson were specifically asked to look at what councils do across all classes of buildings, in light of the current focus on, and increasing numbers of, commercially built buildings, such as Class 2 apartments.

The broader context produced by the 2018 Shergold Weir and 2015 Lambert Review (NSW) were also considered, as well South Australia's investigation into roof truss failures (2008).

Findings:

Botten Levinson found that the current inspection regime is adequate in so far as it goes, but that the focus of council policies is almost solely on those issues which are mandated for in the current regulations – this being roof trusses and swimming pools – and largely does not extend much further than this minimum regime.

In particular, they found that inspections of other classes of buildings (i.e. Class 1b to 9) are rarely undertaken, unless there is a specific issue or building fault detected. In other words, compliance for these buildings is largely left to the ability of the private construction sector and other regulatory controls (i.e. development approval / statements of compliance).

Recommendations:

The final Report made recommendations to Government across three categories: immediate, transitional and ultimate.

Of note, Botten Levinson recommended that an initial focus should be placed on determining a suitable and targeted purpose for s144 of the Act, noting that this is not explicitly stated in the Act.

The protection of occupant and public safety is highlighted as a potential focus, with a view also towards consumer protection, the integrity of the development control system, and maintaining appropriate standards of design and construction. Thereby, while s144 allows inspections of 'development' broadly, a focus on building safety is the recommended direction.

The Report also recommended that the policy should direct inspections to areas of risk and be consistently undertaken, whilst also remaining 'flexible, dynamic and unpredictable' to ensure that industry is kept alert.

The Report recommend inspection levels across building classes, which were provided to the Building Committee to inform its analysis.

Of note, across its 19 recommendations the Report recommended that the Government should adopt a transitional approach to the implementation of a new inspection regime, with inspection levels to be increased over time to reflect council capacity and industry circumstances.

The Commission wishes to thank those councils who provided input into this Report, particularly those 17 councils who were involved in interviews and provided data.



Building Committee

The Commission's Building Committee, formed in 2018, undertakes the combined functions of the former Building Rules Advisory Committee (BRAC) and Building Advisory Committee (BAC).

The Committee is also responsible for providing recommendations to the Commission under section 144 of the Act on the inspection policies practice direction, via direction from the Commission.

Following receipt of the Botten Levinson report, the Committee held several workshops on this topic, with their advice to the Commission informed by the Report, their own expert judgement, and the local and national context.

In its advice to the Commission, the Committee set out a clear trajectory for council inspection requirements, employing a risk based methodology across building classes and size, to best determine appropriate inspection levels.

Of note, the Committee considered the role that the provision of statements (such as checklists or certificates) from the building site to council may play in supporting the purpose of the practice direction, and compliance more broadly, and made recommendations in this regard.

This issue is discussed in further detail later, noting that any requirements in this area are out of scope for s144 practice direction but subject to Government approval, may form part of further consideration to improve building regulations, in line with national reform.

Commission Workshops

The Commission has tested proposed inspection requirements with a range of stakeholders, including councils and the building and construction industry.

Matters discussed at these workshops on which there were divergent views, demonstrating the complexity of this issue and varied views, included:

- The general role of inspections in the system and the overall benefit they provide in lifting standards.
- How an inspection regime could work in relation to other regulatory tools, such as notifications, certificates, proof engineers, etc.
- The role of independent council inspectors versus improving the accountability of builders and developers in the system.
- Rigidity of the system in rewarding good practice – the same level of oversight is required for builders who are performing well on a consistent basis to those that are not.

Noting these views, the proposed inspection levels in the practice direction are intended as a transitional step that signals the beginning of reform in this area, and assists the Government to meet its broader obligations.

PART TWO – INSPECTION POLICIES – PROPOSED PRACTICE DIRECTION

2.1 Inspection Policies - Proposed Practice Direction

- Please note this section is intended to be read alongside the draft Practice Direction - Council Inspection Policies, available on the SA Planning Portal.
- The direction is the legal instrument which sets out the inspection requirements that councils will have to adhere to as the Act is progressively 'switched on'.

The purpose of this section is to explain both how the draft practice direction is structured and how the Commission arrived at the proposed inspection levels.

Through this section other questions, such as 'how will notifications work?' and 'who can do an inspection?', 'how will they be paid for?' etc. may come to mind. These are addressed in sections 2.2 and 2.3 below.

Introduction

As set out in section 1.1, the issuing of this practice direction is a legislative requirement placed on the Commission, where s144 sets out there must a practice direction to require councils to carry out inspections of development within their boundaries.

As drafted, the practice direction is intended to set minimum mandatory requirements that councils must comply with.

Should the circumstances call for it, and councils have the capacity, councils may undertake additional inspections to those requirements set out. This is particularly relevant where an issue affecting occupant safety might be detected.

Swimming pool inspections

There is no explicit reference to the inspection of swimming pool safety features in the draft direction.

This is because swimming pool inspection requirements form part of a separate inspection practice direction issued under s156 of the Act (rather than s144).

This separate practice direction was approved by the Commission in July 2019, and carries over the inspection requirements contained within the Development Regulations 2008 to provide system continuity.

This practice direction is now operational State-wide and councils are required to comply with its requirements. The practice direction and an Advisory Notice setting out how the direction works are available on the SA Planning Portal.

Please note this practice direction may be updated following consultation on the s144 practice direction.

Specifically, consideration is being given to removing the 80/20 two week/two month percentage split for pool inspections, and instead to require councils to complete all (100%) of pool inspections within two weeks of the installation of safety features.

If this change occurs this will coincide with the implementation of the broader s144 practice direction and councils will be made aware of any changes.



Inspection policy structure

The draft inspection policy practice direction is set out as follows:

Introduction

To introduce the broad purpose of the direction and discuss related matters.

Of note:

- The Commission has considered the matters set out at s144(3) of the Act but has determined that, following a risk based methodology, that buildings, particularly in relation to life safety issues such as fire protection, should be treated equally irrespective of where they are built in the State.
- The Commission recognises that meeting these requirements may be more difficult in regional and remote areas of the State, but all buildings in the State, and therefore for occupants of these buildings, should be afforded the same level of protection.

Part 1 – Preliminaries

Part 1 sets out preliminary matters.

Of note:

- On the object of the practice direction at Part 1(3), following expert advice, the Commission is keen to hone the focus on: ensuring occupant and public safety, providing for public health and hygiene, and maintaining confidence and integrity of the development control system.
- Council inspections need to focus on those essential elements of the buildings which impact on occupant and public safety, with the overall delivery of contracted works, and the quality of this work, remaining a matter between the owner and the builder and other regulatory authorities (e.g. Business and Consumer Affairs).

Part 2 – Inspection policy

Part 2 sets out inspection policy requirements.

Part 1(1) sets out which councils the policy applies to, with reference to Appendix 1.

The purpose of this appendix is to enable the phased introduction of the practice direction. ‘Phase 2’ councils are set out at Part 1 of this appendix and ‘Phase 3’ councils are at Part 2.

Please note the practice direction will apply to all council areas, however it will be 'switched on' as the Act comes into operation for these areas.

Mandatory inspections

Part 2(2) sets out mandatory inspection requirements. This is a key section of the practice direction, which is linked to Appendix 2.

As set out at Part 2(2)(1) a council must comply with the requirements set out at Appendix 2, in reference to both the kinds and proportion of development which require inspection, and the timing and number of inspections required per building.

When undertaking an inspection – as set out at Part 2, subpart (2)(2) – a council is directed to inspect a range of elements, as may present dependent on the kind of development they are inspecting and when they are inspecting it.

Note these terms – for example, ‘primary structural elements’, ‘cladding’, etc. – are not defined in the practice direction, given it is expected that authorised officers undertaking inspections should be able to exercise their own judgement on what an inspection of these elements should constitute.

Appendix 2 contains four tables which set out classes and sizes of buildings, divided into risk categories, from less risk (Table 1) to higher risk (Table 4).

Key attention is drawn towards these tables as they will set the minimum mandatory inspection levels, specifically the timing, minimum number and proportion of developments to be inspected.

The Commission rationale for the table is as follows –

Table 1 – Domestic dwellings

This table relates to Class 1a single dwellings.

For the initial inspection policy, aspects of current inspection requirements under the Development Act and Regulations for Class 1a will be retained, with some changes.

The requirement that 66% of dwellings be inspected is retained, however greater flexibility is provided to councils on when they might seek to undertake this inspection.

This table sets that if a building falls within the 66% captured, then that building must receive at least one inspection (i.e. one is acceptable).

When undertaking these inspections councils should consider which elements at Part 2(2)(2) they are seeking to inspect or which may present.

Following, the notification should be set accordingly (see Section 2.2 of this Paper for discussion on notifications).

For example, if the council seeks to undertake an inspection of the framing and roof truss, then the notification should be set at a time to allow that element to be inspected, potentially one day prior to linings being installed in this case.

Councils will also note – in the lefthand column – that the council should give consideration to undertaking an inspection at completion if certain criteria are met, as listed.

This is not compulsory, but is provided as guidance, and if an inspection at completion is undertaken, this will count towards the 66% total.

Collectively, tables 2 to 4 cover all other buildings (except Class 10).

- It may be noted that all three of these tables propose one inspection, and could therefore potentially be combined into one table. However the three tables are presented to allow councils to consider the levels of risk which different buildings may present.

Table 2 – Smaller commercial developments

Table 2 covers smaller, lower risk commercial developments, farm buildings and sheds, and small public buildings, such as a council hall.

It is proposed that councils inspect 100% of these developments, with at least one inspection per development. This inspection must be undertaken on completion.

Again, in undertaking this inspection, a council will need to look at the elements listed at Part 2(2)(2) of the direction, and determine which are applicable for inspection at completion point.

Table 3 – Medium commercially built developments

Table 3 covers medium sized commercial developments, boarding houses, smaller apartments, backpackers, normal sized offices, warehouses, and factories, and retail over 500m² in floor area but less than 2000m².

It is proposed that councils inspect 100% of these kinds of development, with at least one inspection per development.

This inspection may either be an inspection during construction or on completion. As set out in the lefthand column it is recommended that the notification be set at a point which enables a general audit inspection of the overall construction and fire safety elements.

Table 4 – Larger commercial developments

Table 4 applies to apartments over 2 storeys, backpackers over 1 storey, larger offices, retail, warehouses and factories, and larger public buildings.

Again, it is proposed that councils inspect 100% of these kinds of development, with at least one inspection per development.

This inspection may either be an inspection during construction or on completion.

As set out in the lefthand column it is recommended that the notification be set at a point which enables a general audit inspection of the overall construction and fire safety elements.

Note on commercial inspections:

- The use of the term audit is deliberate above, given that as buildings become larger and more complex (those listed in Tables 3 and 4), it is not expected that a council will be able to inspect every particular element. Instead the proposal is that they undertake a sufficient level of inspection to be able to draw a conclusion on the overall adequacy of the building in relation to the object of the practice direction – i.e. to ensure that the building provides for occupant and public safety, and that general confidence and integrity in the development system can be maintained.
- Noting the proposed introduction of mandatory inspections (1) for commercial and public buildings (Class 1b-9) views are welcomed on this inspection level. During policy development differing views have been heard on this topic. These ranged from one inspection being declared likely to be ineffective or insufficient for complex commercial buildings, to the view that while only a small change, moving from virtually zero to one inspection will begin to apply an incremental level of scrutiny on commercial construction that does not presently exist, to lift overall building standards, and identify potentially critical issues prior to occupation, particularly where construction may be poor.

Again, the Commission acknowledges that delivery of high building standards largely rests with high quality design and engineering, certification, and execution by the construction sector.

However, the Commission's proposition at this point is that these inspections will provide an additional, independent checkpoint to assist in this overall objective.

However feedback is again welcomed.

Additional inspections

Part 2(3) 'Additional inspections' sets out instances where councils may undertake inspections in addition to the mandatory requirements, where certain issues or circumstances arise in relation to the objects of the practice direction.

Stakeholders are encouraged to read through this list and provide feedback on any possible omissions, noting this is not meant to be an exhaustive list but to provide guidance on where an additional inspection may be warranted.

Of note, Part 2(3)(3)(e) asks councils to consider whether an additional inspection might be carried out where an unlicensed builder, also known as an 'owner builder', is undertaking the building work.

This follows feedback received by the Commission that 'owner builders' should be subject to more inspections.

Part 3 – Authorised Officers

Part 3(1) reiterates that only authorised officers may carry out inspections for the purpose of the practice direction. Part 17 of the Act sets these requirements, in conjunction with regulation 112 of the General Regulations.

Part 3(2) sets out that, when determining which authorised officer to assign to carry out an inspection, consideration is given to ensuring that person has the appropriate qualifications, skills, knowledge and experience to carry out that inspection.

Per this part, councils should be considering who to allocate to an inspection on a case by case basis, however Part 3(3) provides that the appointment of an authorised officer under regulation 112 provides the starting point.

Authorised Officers - ability to inspect

The topic of what kinds of developments any given authorised officer should be able to inspect was a key issue that was raised during development of the draft practice direction.

Opinions varied from the position that only an accredited professional who has the ability to provide advice on and approval for a building should be able to inspect that building, through to – so long as the requirements of regulation 112 of the General Regulations are met – that a council should be able to choose to assign their authorised officers to inspections as they see fit, based on a judgement of their abilities.

Under the first position, for example, an inspection of a six storey Class 2 apartment building – which would require an accredited professional, building level 1 to assess – could only be inspected by an authorised officer who carries that level of accreditation, and so forth.

As per above, in the draft direction the Commission has determined that councils should be provided with, again as long as an authorised officer is correctly appointed under regulation 112, a degree of flexibility in how they assign authorised officers to an inspection.

In taking this position, it is recognised that the officer that attends the site may be assisted in the overall inspection by another, potentially more qualified officer, either prior to or on their return from the inspection itself, so this approach is intended to enable councils to consider the overall inspection abilities of their staff and appointed officers, and manage resources while also inspecting properly.

Further feedback on this issue is welcomed. However, stakeholders are advised that any new requirement or controls in this area would be a matter for regulatory change, and would need to be approved by Cabinet, rather than the Commission.

Lastly, any authorised officer appointed under regulation 112 who is an accredited professional is also subject to the Code of Conduct requirements under the Planning, Development and Infrastructure (Accredited Professionals) Regulations 2019.

2.2 HOW WILL INSPECTIONS WORK?

The s144 practice direction sets inspection requirements but requires other elements under the Act and the Planning, Development and Infrastructure (General) Regulations 2017 (General Regulations) to operate.

The basic process is set out as follows, noting that in some circumstances this may alter:

Setting and providing notifications under regulation 93

As development approvals are processed, in issuing the final approval, councils will be able to set notifications required during building work, via the final notice of decision, issued under s126 of the Act and in accordance with regulation 57 of the General Regulations.

The General Regulations set two 'standard' mandatory notifications for each development (see regulation 93).

- These are a commencement notification, and a completion notification – regulation 93(1)(a) and (f).
- The only other notification mandated relates to the installation of designated building product – this is discussed at section 2.3 below.
- Please note the mandatory roof framing notification has been removed.

Per regulation 93(1)(b) and (c), councils may also require that a notifications for the intended commencement or completion of any stage of the building work.

- These represent the optional notifications which councils will use to ensure the Commission established requirements under s144 are met, specifically to set the point at which an inspection during construction is required.
- When issuing a final approval therefore, councils should consider the class of building they are approving, the inspection requirements that apply, and then set notifications accordingly.

A new regulation has been included – 93(1)(d) which requires that notification is given of any stage of building work specified by a relevant authority (i.e. a building certifier) when this authority provides building consent. This links to regulation 57(7). Inclusion of this regulation was in response to the Shergold Weir and Botten Levinson reports.

- The purpose of this regulation (57(7)) is to allow a building certifier to recommend notification – and therefore inspection – stages to council.
- The aim here is to encourage certifier to assist councils to set inspection requirements, particularly for more complex buildings where there certifier is likely to have a greater knowledge of key elements which should be subject to an inspection, keeping the object of the practice direction in mind.
- Where the council is the relevant authority for building work, this regulation (57(7)) will be unused.
- Councils will be required to transfer these certifier specified notifications onto the final decision notice issued under s126.
- Importantly it will remain up to council whether or not they chose to inspect at these notifications points, noting a certifier may recommend, for example, notifications at four stages, and a council may only elect to inspect at one of these.

Getting the notification system working properly is important and it will be critical that:

- Required notifications are clearly set out on the decision notice.
- Builders abide by their notification requirements as set by certifier or council, noting that the new regulations retain a maximum penalty for not notifying (\$10,000), but also add an expiation fee of \$750 (see regulation 93(5)).
- To make easier for builders to notify, notification will be accepted online via the SA Planning Portal, phone or email, or by leaving a written notice with council. While up to the builder, use of the portal is intended to be the preferred option – see regulation 93(3).
- When a builder issues a notification, they should take note of the date they issued the notification and what it was for (i.e. footings, framing, wet areas, etc.), as this must now be recorded on the final Statement of Compliance. Failure to do so may result in a \$750 expiation.

Lastly, councils will note that the General Regulations prescribe no limitation on the number of notifications that may be required.

While this is intended to provide flexibility, councils will be strongly encouraged to prescribe or attach an inspection to a notification required under 93(1)(b) and (c), and to limit the use of notifications to track general construction progress.

Part 4 – Other Matters

Matters set out here include record keeping, counting inspections, and review.

Part 4(1) relates to record keeping.

Record keeping is an integral aspect of any inspection policy, and clear requirements are important.

Part 4(2) relates to counting inspections.

Part 4(3) sets that the practice direction will be reviewed after two years, which will enable the direction to properly ‘bed down’ before it is reviewed, and for sufficient data to be collected.



Receiving notifications and undertaking inspections

Following approval, the outline of legislated steps is as follows:

- The first notification received in relation to a Development Approval will be the commencement notification, to be provided one business day's notice prior to the intended commencement of building work on the site – regulation 93(1)(a).
- As building work progresses, further notifications should be received by council as specified on the final decision notice, and guided by the requirements of the s144 practice direction.
- When a notification is received by council that an inspection requirement is allocated to, an authorised council officer must undertake that inspection.
- Per regulation 112 of the General Regulations, 'Authorised officers and inspections', a person authorised under this section is authorised to carry out inspections for the purposes of section 144 of the Act – see regulation 112(2)(a).
- An authorised officer may, as appropriate, utilise their powers as provided under sections 155 and 211 of the PDI Act when undertaking an inspection, which mirror current arrangements under the Development Act.
- Once an inspection is complete, it will be the responsibility of council to take appropriate action in response if required, such as providing direction on a rectification, setting a follow up inspection, and other appropriate compliance and enforcement measures as necessary.
- Post an inspection, councils will also be required to undertake appropriate record keeping in accordance with the requirements set out in the practice direction and internal procedures.

Note further advice in relation to authorised officers is provided in sections 2.1 and 2.3.

- The following diagram (Figure 1) presents a basic overview of the process described above, noting that the only possible 'statement' requirement possible at present is in relation to 'designated building products' (see 2.3, Question 6, below).

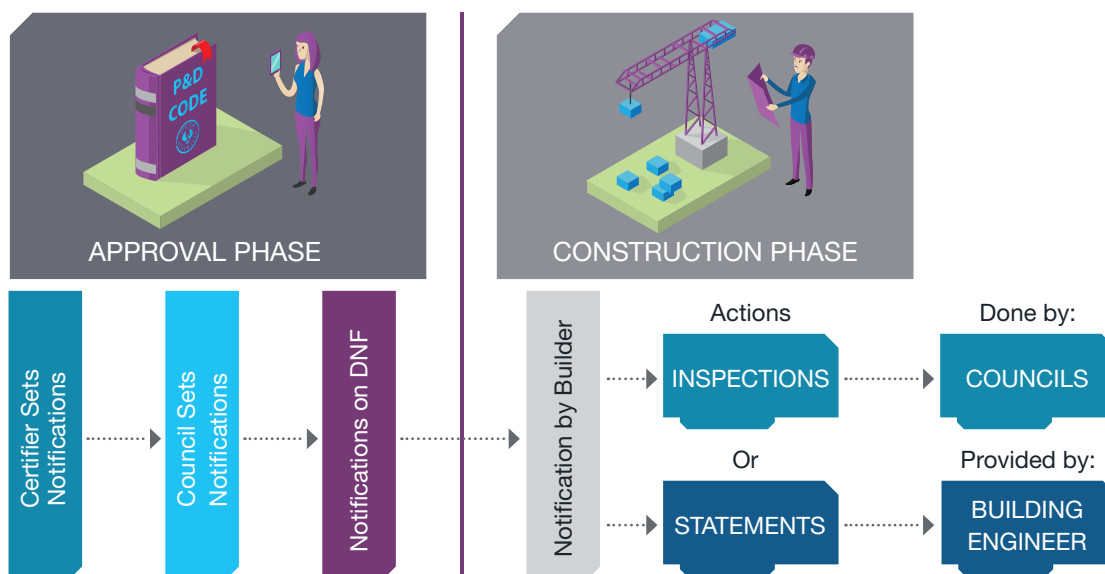


Figure 1. Overview of PDI Act building compliance process

2.3 OTHER MATTERS / FREQUENTLY ASKED QUESTIONS

A range of other topics are discussed below to start to address matters councils and other stakeholders may consider raising during the consultation period.

1. What about inspections for planning (not just building) compliance?

As expressed earlier, the Commission is of the view that given the need to ensure accountability in the construction sector and given limited resourcing, council inspections should be targeted at those aspects of a development which pose potential risk to the safety of occupants, which places the focus on the building itself.

Councils are reminded that the practice direction will set minimum inspection levels, and councils may elect to inspect for planning compliance matters at their discretion, though again these inspections should be linked to appropriate notifications where possible.

2. How will inspections work? What is the general process?

See section 2.2 above.

3. Are there any differences with authorised officers under the PDI Act compared with Development Act?

Under the current system a person must be accredited as a building surveyor to be an authorised officer, or appointed by the Minister.

The General Regulations under the PDI Act require that:

- Per regulation 112, each council must appoint at least one authorised officer under section 210 of the Act (Appointment of authorised officers), who is then authorised to undertake inspections under s144 of the Act.
- An authorised officer must either be an Accredited Professional under the Act (building level 1 to 4) or hold a current accreditation recognised by the Chief Executive of DPTI for the purposes of this regulation, or hold a specific approval from the Chief Executive of DPTI.

Of note, a person appointed under this regulation does not have to be an employee of that council – the emphasis instead is on ensuring that the person has the appropriate skills, experience and qualifications to carry out the relevant inspection.

This is a key question that has arisen, particularly around the issue of council resourcing in regional areas, and is intended to provide an avenue for councils to potentially contract out inspection requirements to ensure they can meet their obligations under s144.

4. Can any level of authorised officer inspect any building?

See section 2.1 above.

5. What about conflict of interest? Can a certifier inspect their own work if appointed as an authorised officer?

If a person is appointed by council under the Regulations to be an authorised officer for the purpose of s144, then they may undertake an inspection for that council, so as long as they are appropriately qualified.

There is therefore no statutory limitation on the person who certified a building being appointed by council to undertake the inspection.

It is important to note here that council remain the entity appointing and remunerating the authorised officer to undertake the inspection, i.e. not the builder. The certifier is therefore answerable to the council in this case, not the builder. This will also allow a council to appoint a certifier who set notification requirements as described above at regulation 57(7).

In this example, the council may think: ‘you have set these notifications, you know the design well, you are the best person to inspect, could we please appoint you to do so’.

- It is acknowledged that a certifier engaged in this situation, while acting on behalf of councils, will potentially be issuing directions to a builder who originally engaged them for the certification work.
- Nonetheless, the Commission has confidence that certifiers should uphold their professionalism in these scenarios, and operate in accordance with the Code of Conduct under the Accredited Professionals Scheme, and their broader professional responsibilities.
- The onus here is also on the council, who will have to weigh up the benefit of appointing a certifier who may understand the design thoroughly to undertake the inspection, versus undertaking it themselves, which may offer greater independence, but less expertise.
- Overall on balance, the advantage of allowing an outside building certifier to assist in inspections is seen as outweighing any potential conflict of interest costs, but the views of stakeholders are welcomed on this issue.

6. What are the requirements for ‘designated building products’?

Requirements for designated building products were introduced under the Development Act in 2018 following nation-wide need to respond to potential issues of non-compliance with the use of Aluminium Composite Panel (ACP), particularly on high rise buildings.

These requirements have been carried over to the PDI Act and Regulations and include a requirement that:

- If building work will include the use of a designated building product on a designated building² then details relating to the designated building product must be provided with the application for building for building rules consent. These requirements are set out on the SA Planning Portal – see Notice A - Designated building products.
- The council – or the certifier who provides the consent – must then set a notification of 1 business day’s notice before the commencement of the installation of the designated product. This is a requirement under regulation 93(1)(e).
- Per regulation 93(4), the person who gives this notification – who must be a registered building work supervisor – must then provide to the council a completed supervisor’s checklist relating to the installation of the product. This checklist is also available on the SA Planning Portal.

² A designated building product is a building product that consists of a metal panel or lining formed with aluminium, or similar thin metal sheet material, with any type of core material. A designated building is Class 2,3 or 9 building consisting of two or more storeys, or a class 5, 6, 7 or 8 building consisting of three or more storeys.

7. What about statements? Where has the roof truss checklist gone?

As described above, a statement – in this case a checklist – is required in relation to use of a designated building product.

A Statement of Compliance signed by the building work supervisor and the owner, is the other key statement required, a requirement carried over from the Development Act.

Beyond this however, there are no further statement requirements under the PDI Act and General Regulations set at this stage.

The requirement for a ‘supervisor’s checklist relating to roof framing’ has therefore been removed.

Please note that further requirements in relation to statements may apply prior to the full commencement of the Act, but this is outside the Commission’s direct remit under the Act.

Any changes of this nature will be clearly communicated to council and industry.

8. What is the link between Certificate of Occupancy and inspections? Is there any?

This is a common, and important, query that has arisen during consultation, noting that several other jurisdictions require some form of final inspection prior to an occupation permit or certificate being issued. To advise:

Councils and other stakeholders should note that there is no intrinsic link under the PDI Act between requiring a final inspection, and the issuing of a Certificate of Occupancy.

Where a requirement *may* be set however, is via the s144 inspection policy, depending on the outcomes of this consultation (i.e. whether final inspections are required), or when a council decides to do a final inspection on their own accord.

- For example councils will note, looking at the draft policy, that for a Class 1a building, it is proposed that only an inspection during construction is required (for 66% of dwellings, unless owner builder). Therefore, a Certificate of Occupancy for Class 1a building may be provided without a final inspection.
- However, if a council assigns a final inspection to the receipt of the Statement of Compliance – for example, where they seek to inspect items such as bushfire protection systems – then it is expected that this inspection will occur prior to the Certificate being issued.

In relation to other building classes, councils and stakeholders are encouraged to look at the draft requirements set out in the draft policy.

Stakeholders will also note the new PDI Act Certificate of Occupancy does not require the council or certifier issuing to list inspections undertaken and their outcomes. However it is expected that this information will be recorded by the council in accordance with the practice direction.

9. How about site access, particularly for commercial buildings?

Authorised officers will be expected to exercise their powers under the PDI Act, including to enter and inspect any land or building for the purpose of inspecting building work (see s211 of the Act).

Where applicable, it is the responsibility of councils to organise and facilitate appropriate site access, and for building work supervisors to provide access in a timely manner, to allow an inspection.

The Commission recognises that while legislatively there is no change from the Development Act on this issue, this may represent an operational or cultural change for councils, given that there are currently very few council inspections of commercial building sites.

Per the Act, Authorised officers will have to accord with the Act to ensure they carry with them and produce an identity card where necessary, and abide by any work health and safety requirements.

Councils will also be expected to raise the issue of future site access when they issue the final development approval.

10. How will these inspections be paid for?

Fees and charges under the PDI Act are now contained within separate regulations, instead of within the Development Regulations.

Fees are now contained within the Planning, Development and Infrastructure (Fees, Charges and Contributions) Regulations 2019.

The Commission appreciates that directing councils to undertake a minimum number of inspections will require councils to have adequate recourse to charge appropriate fees to make the policy workable.

It is also appreciated that undertaking inspections of commercial buildings – even of an audit variety – will be more complex than residential inspections and is likely to require follow-ups, which should be accounted for in a fee model.

However, the Commission itself cannot set these fees, and this is ultimately a matter for the Minister and Government, through regulations.

11. What about the issue of liability?

The practice direction will place a legal obligation on a council to undertake inspections in their respective areas.

Following, it is possible that, where a council fails to undertake a required inspection, that it may be inferred that a duty of care has not been met. This may lead to a finding of civil liability against a council for loss or damage.

Councils should note that sections 42(5) and 233 of the PDI Act provide for certain exemptions from liability that councils may note in relation to questions of civil liability.

Section 42(5) states that:

A practice direction does not give rise to—

- (a) any liability of, or other claim against, the Commission; or
- (b) any right, expectation, duty or obligation that would not otherwise be available to a person.

Further, section 233 provides an exemption from liability for good faith acts or omissions:

No act or omission in good faith in relation to a particular development by—

- (a) the Minister, the Commission, a relevant authority, a council or other authority under this Act; or
- (b) an authorised officer; or
- (c) a building certifier,

after the development has been approved under this Act subjects that person or body to any liability.

Please note the above information should not be treated as legal advice, and councils are encouraged to seek their own counsel as appropriate.

12. How will inspection integrate with the new ePlanning system?

Further information will be provided on this topic soon, however the advice to councils at this stage is that notifications will be able to be provided via the SA Planning Portal, while all other aspects relating to inspections will continue to be maintained on individual council systems.

As such, councils will be expected to maintain their existing inspection related software and other capabilities to ensure their compliance, including date, time and outcome of inspections, and any follow-up requirements.

Per the requirements of the practice direction, councils will be required to maintain adequate records to demonstrate compliance with the policy.

Numbers of inspections may be picked by the new system indicators under the PDI Act to enable the Commission to monitor the overall quantity and type of inspections.

DISCUSSION QUESTIONS

Please provide your feedback on the draft practice direction via: DPTI.PDBuildingBranch@sa.gov.au

The following topics and discussion questions may assist you in formulating your feedback.

Overall purpose

1. Is the proposed purpose of the inspection policy easily understood? i.e. a focus on occupant and life safety, and to maintain confidence and integrity in the development control system.

Inspection levels and capacity

2. Are the proposed inspection requirements easily understood? 66% for Class 1as and 100% for Class 1b-9?
3. For the main, the inspection requirements for Class 1as are largely unchanged while Class 1b-9 buildings will require one inspection – do you think this is realistic and achievable for councils?
4. If you answered no to question 3, what level would be achievable? If answering from council, do you think this is static or could this be increased over time?
5. The practice direction provides a list of circumstances when councils may wish to undertake inspections in addition to the mandatory requirements. Would you suggest any change to this list?
6. While not in the s144 practice direction, is the potential removal of the 80/20 two week/two month percentage split for pool inspections, to instead require that all pools to be inspected within two weeks of completion supported?

Who may inspect

7. As long as an authorised officer is appointed under r 112 of the General Regulations, the draft policy allows the council to decide which officer to allocate to an inspection (from level 1 to 4) – do you support this approach?
8. Regulation 112 currently allows councils to potentially appoint an accredited professional who is not a council employee to undertake an inspection (e.g. a private building certifier) to enable recruitment of private sector expertise. Do you support this?

Statements

9. While not a specific part of this consultation, would you support the reintroduction of a statement requirement for roof trusses, and for this to potentially be expanded to the entire frame?
10. Would you support the introduction of statements for other matters, for example, footings or wet areas?

Process

11. Having read the Background Paper, do you have a good understanding on how the inspection process will work, i.e. setting notifications via decision notice, receiving notifications, undertaking inspections, etc.? Are there any areas you are unsure of that could benefit from further explanatory material?

Other matters

12. Are there any other matters you would like to raise at this point?

HOW YOU CAN GET INVOLVED

Provide your feedback to:
DPTI.PDBuildingBranch@sa.gov.au
For more information, please visit:
www.saplanningportal.sa.gov.au



Government of South Australia
Department of Planning,
Transport and Infrastructure

saplanningcommission.sa.gov.au

Appendix 3

Draft Submission to the State Planning Commission



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File Ref: 03.64.2
OC19/

27 November 2019

Department of Planning, Transport and Infrastructure
Building Branch
State Planning Commission
GPO Box 1815
ADELAIDE SA 5001

Email: DPTI.PDBuildingBranch@sa.gov.au

Dear Sir/Madam

Adelaide Hills Council Submission on the Draft Inspection Policies Practice Direction

Adelaide Hills Council is grateful for the opportunity to provide feedback on the draft Inspection Policies Practice Direction released for feedback by the State Planning Commission on 21 October 2019.

Note that this submission was considered by Council at its meeting on 26 November 2019 and the comments contained herein were supported by Council Members.

At the outset Council advises that it supports the principle behind the draft Practice Direction to provide for occupant and public safety outcomes. However, it has significant concerns regarding the cost implications of resourcing the anticipated inspection regime, noting that no new fee structure is proposed at this stage by the State Planning Commission (SPC) in order to off-set the additional cost imposed to local government. Outsourcing is suggested in the document as an option to recruit private sector expertise. However, for councils to do so there would need to be an appropriate 'fee for service' in place, a sufficient pool of interested accredited professionals to undertake these inspections and access to a central register for recording inspection information. Not having the ability to charge the applicants a fee in this regard would mean councils, and ultimately ratepayers, bear the costs of the proposed inspection regime which is not supported.

At a time where there is a call for national building reform after a range of building failures, the SPC considered that there was a need to effectively address the building issues raised by these building failures interstate. In November 2018 the Department of Planning, Transport and Infrastructure (DPTI) engaged Botten Levinson Lawyers to examine the issue of inspections for the SPC. The Botten Levinson Report (the Report) prepared an analysis of current council inspection regimes established under the Development Act 1993 and conducted interviews with a representative sample of 17 metropolitan and regional councils to gauge the effectiveness of the policies and to make recommendation on the potential content of a new practice direction to be prepared under the PDI Act. Adelaide Hills Council was not one of the representative councils. Of note across its 19 recommendations, the Report recommended that the State Government should adopt a transitional

approach to the implementation of a new inspection regime, with inspection levels to be increased over time to reflect council capacity and industry circumstances. However, such a transitional approach is not evident in the draft Practice Direction and it is considered that it should be.

It is noted that the draft Practice Direction is intended to set minimum mandatory building inspection requirements to be undertaken by councils to achieve a minimum level of building inspection consistently across the state, and it will replace the Inspection Policies set by Council under the Development Act, 1993. It is further noted that the SPC has attempted to balance the risk of public safety with an increased level of inspections for certain types of buildings. However, this poses a risk for the Council in that the increased levels of inspections will not be achievable utilising current resources. There is a risk that public confidence in the integrity of the development control system will diminish if councils cannot achieve the levels of inspections required by the draft Practice Direction.

With the above points in mind, Council provides the following comments regarding the draft Practice Direction and requests that the SPC addresses these with amendments to the draft Practice Direction accordingly:

- i) The principle behind the draft Practice Direction is supported but there are significant concerns regarding the cost implications of resourcing the inspection regime for local government without a commensurate fee structure to fund undertaking the additional inspections, and the follow-up and enforcement required for non-compliance. For our Council it is estimated that this will require recruitment of two additional accredited building professionals at an approximate cost of \$200,000 which equates to an additional 0.6% rate increase at a time when the State Government is pushing for reduced rate increases. Therefore Council considers that the increased inspection levels as proposed by the draft Practice Direction cannot be achieved without a commensurate funding proposal by the SPC to cover these costs. To not do so would result in councils either increasing rates or reducing services in other areas in order to off-set these additional costs which is not supported.
- ii) The level of building inspections proposed and the follow-up required for identified non-compliance is unachievable with the current resourcing. It is therefore recommended that the Building Inspection levels either remain at 20% in accordance with Council's current Building Inspection Policy, or that a commensurate funding proposal be put in place in accordance with point i) above, in order to enable councils to cover the costs of the required additional resources.
- iii) The proposed one (1) business day inspection timeframe from receipt of notification for all building completion inspections is an unrealistic expectation that sets the system up to fail with the current levels of resourcing. It is therefore recommended that this be increased to two (2) business days at the minimum.
- iv) There is concern regarding the risk of liability to councils if the required level of inspections is not achieved and issues arise in buildings not inspected by councils. This matter therefore requires further consideration by the Local Government Association and the Mutual Liability Scheme before the full implications in this regard can be fully appreciated. It is therefore recommended that the SPC consult further with the LGA in this regard.
- v) The draft Practice Direction allows councils the discretion when setting a notification requirement for a dwelling inspection and for the notification requirements to differ depending upon what a council chooses to inspect in relation to that specific dwelling. It is recognised that this approach is intended to provide a degree of flexibility but it also creates inconsistency between dwelling developments and from council to council. This appears to be contrary to the

aims of the reform to deliver consistency in the development system across the State. Even in the one council area, the administration could choose to ask for notification of a framing completion during construction on one dwelling, and notification at completion for another dwelling, and the two dwellings could be adjacent to each other. It is therefore recommended that this discretion not be permitted or that further guidance be provided to councils to ensure a consistent approach when exercising such discretions.

- vi) Clarification is sought in circumstances where a council believes it is necessary to undertake both an inspection of a dwelling during construction and on completion, whether both inspections can be counted towards the 66% inspection requirement for dwellings. It is recommended that the draft Practice Direction be amended to allow both inspections to be counted as part of the 66% requirement, or reduce the 66% requirement accordingly.
- vii) The draft Practice Direction makes no allowance for the need for re-inspection after a non-compliance matter is rectified by the owner or builder. Further, in order to off-set the costs of these additional inspections it is recommended the SPC set an appropriate inspection fee for each follow-up inspection to cover these costs. It is noted that inspections are charged this way under the *SA Public Health Act 2011* which demonstrates that the State already uses such an approach and it should be replicated for the proposed building inspection regime.
- viii) It is noted that there will be two separate Practice Directions providing requirements for building inspections namely, one for swimming pools and one for all other buildings. It is therefore recommended that these be combined into one document with two parts for ease of reference.
- ix) If the use of the private sector for building inspections is being seriously considered to assist with resourcing in this instance, then the SPC is strongly urged to set an appropriate fee per inspection to enable councils to off-set this additional cost. If the private sector option is pursued, it would also be important for the SA Planning E-development solution to have the functionality to act as a central register for building inspection records and the SPC is urged to consider this as a future system enhancement.
- x) To allow for the impact of the development reforms to be properly evaluated by all relevant authorities, it is recommended that the date of implementation of the draft Practice Direction should be deferred for 6-12 months after the 1 July 2020 implementation of the *Planning, Development & Infrastructure Act 2016* and the associated new systems. It is noted that across its 19 recommendations, the Botten Levinson Report recommended that the State Government adopt a transitional approach to the implementation of a new inspection regime, with inspection levels to be increased over time to reflect council capacity and industry circumstances. However, this has not flowed through into the draft Practice Direction and it is strongly recommended that it should have.
- xi) The reduced timeframes for swimming pool inspection completion proposed places an additional burden on the limited resources of the Council to achieve the requirements of the draft Practice Direction, and the proposal doesn't consider the amount of non-compliance with swimming pool and safety barrier construction. It is therefore recommended that 80/20 two week/two month spilt for pool inspections is not altered.

Council looks forward to seeing a revised Practice Direction which addresses the above issues and looks forward to working with the State Planning Commission to successfully roll out the new Planning Reforms. The Council Administration would be happy to discuss the points made in this submission if further clarification is required.

If you have any queries regarding the above comments then please do not hesitate to contact Deryn Atkinson, Manager Development Services on 8408 0512.

Yours sincerely

Andrew Aitken
Chief Executive Officer

**ADELAIDE HILLS COUNCIL
ORDINARY COUNCIL MEETING
Tuesday 26 November 2019
AGENDA BUSINESS ITEM**

Item: 13.1

Originating Officer: Lachlan Miller, Executive Manager Governance & Performance

Responsible Director: Terry Crackett, Director Corporate Services

Subject: Quarterly Council Performance Report – Quarter 1, 2019-20

For: Information

SUMMARY

As a local government entity, Council has a number of legislative obligations regarding the preparation and distribution of corporate planning and reporting information to the elected body and the community. In addition, to these mandated requirements, Council has over time created a number of additional elements to improve the integration, transparency and accountability of its activities.

In June 2018 Council adopted the *Corporate Planning & Performance Framework*, of which a key element was the establishment of a suite of Corporate Business Performance Indicators which are aligned with Adelaide Hills Council's Strategic Plan goals and will enable the tracking of performance over time.

A suite of corporate performance indicators were developed in consultation with Council Members, the Strategic Leadership Team and relevant officers. Targets for each indicator were set as part of the Annual Business Planning process.

The purpose of this report is to provide the inaugural Quarterly Council Performance Report, for Quarter 1 of 2019-20, for Council's information.

RECOMMENDATION

Council resolves that the report be received and noted.

1. GOVERNANCE

➤ Strategic Management Plan/Council Policy

Goal	Organisational Sustainability
Strategy	Our Organisation
Strategy	Financial Sustainability
Strategy	Customer Services Commitment
Strategy	Risk & Responsibility

Quarterly Council Performance Reporting promotes Council’s ability to monitor performance against strategic goals and track performance over time.

➤ Legal Implications

Chapter 8 - Administrative and financial accountability of the *Local Government Act 1999* sets out the key legislative obligations regarding corporate planning and reporting obligations, as follows:

- S122 – Strategic management plans – development, content requirements, consultation, review and availability of strategic plan, asset management plan and long-term financial plan;
- S123 – Annual business plans and budgets - development, content requirements, consultation, review and availability of annual business plan and budget
- S127 – Financial statements – preparation, content, auditing and availability of the financial statements;
- S131 – Annual reports – preparation, content, distribution and availability of the annual report

Additional requirements are contained in the *Local Government (General) Regulations 2013* and the *Local Government (Financial Management) Regulations 2011*.

➤ Risk Management Implications

Quarterly Council Performance Reporting will assist in mitigating the risk of:

Ineffective performance management and reporting processes leading to poor performance and/or loss of stakeholder confidence

Inherent Risk	Residual Risk	Target Risk
Extreme (4B)	Low (2D)	Low (2D)

Note that there are many other controls that assist in mitigating this risk.

➤ Financial and Resource Implications

The Corporate Planning & Performance Coordinator role is funded in the Governance & Performance Department budget.

➤ **Customer Service and Community/Cultural Implications**

Providing integrated, consultative corporate planning and effective and transparent performance reporting to the Council and community has the potential to increase the level of trust and confidence in Council.

➤ **Environmental Implications**

Not applicable.

➤ **Engagement/Consultation conducted with Council Committee, Regional Subsidiary, Advisory Group, the Administration and Community**

Consultation on the development of this report was as follows:

Council Committees: Nil. It is intended that future quarterly reports be considered by the Audit Committee if timing permits.

Council Workshops: Not applicable

Advisory Groups: Not applicable

Administration: Consultation on the quarterly performance report has occurred with both Executive Leadership Team and the Senior Leadership Team.

Community: Not applicable

2. **BACKGROUND**

Over the years, the legislative obligations under the Act (as identified above) for corporate planning and performance reporting have been undertaken by a number of different functional areas within the Council's Administration.

While all legislative obligations have been met, this fragmentation has hampered the realisation of the potential synergies available from a more holistic and integrated approach to corporate planning and reporting.

In early 2017, the Administration conducted a review and benchmarking project on the provision of services and resources of the governance, risk, internal audit, procurement, emergency management and performance reporting (GRIAPEMPR) functions. The result was the realisations of the under-resourcing of these functions in light of rapid legislative change and community and management expectations. As a result the 2018-19 budget included the creation of a permanent full-time Corporate Planning & Performance Coordinator (Coordinator) role.

The overall purpose of the Coordinator role is:

..to coordinate the development and maintenance of Council’s corporate planning framework including, but not limited to, the strategic management plans, the corporate plan, rolling 3-year operating and capital plans and the annual business plan. Additionally the role will develop and implement the corporate performance reporting framework that includes, but is not limited to, the suite of corporate plans and business performance indicators.

At its 19 June 2018 meeting, Council resolved to adopt the Corporate Planning & Performance Framework as follows:



5.2. Corporate Planning & Reporting Framework

Moved Cr Linda Green S/- Cr Nathan Daniell	128/18
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Council resolves:

1. That the report be received and noted
2. With an effective date of 1 July 2018, to adopt the draft Corporate Planning & Performance Framework contained in Appendix 1.

	Carried Unanimously
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A key element of this framework was the establishment of a suite of Corporate Business Performance Indicators which are aligned with Adelaide Hills Council’s strategic goals and will enable the tracking of performance over time.

A suite of corporate performance indicators were developed in consultation with Council Members, the Strategic Leadership Team and relevant officers. The performance indicators were developed using the following key principles:

- **Relevant:** Indicators should be relevant to Council’s business i.e. strategically aligned to its Strategic Plan including strategic goals and desired outcomes and useful to assist in decision-making and business improvement
- **Clearly defined:** Indicators should be clearly defined to ensure consistent collection and fair comparisons. They should be expressed in plain English so that users of the information will be able to understand them
- **Outcome related:** Indicators should be outcome related measures with a focus on tracking what impact has been achieved rather than activity focused (i.e. busyness)
- **Comparable:** Indicators need to ideally be comparable with data from other organisations (benchmarking) and over time to enable trend analysis
- **Verifiable:** Indicators need to be collected and calculated in a way that enable the information and data to be verified to ensure the accuracy and reliability of the data and related information
- **Cost effective/feasibility:** There needs to be a balance the cost of collecting the information with its usefulness. Where possible, an indicator should be based on readily available information and linked to existing data collection activity.
- **Attributable and actionable:** Managers and officers should be able to influence the performance measured by the indicator. Each indicator should give managers insight into the business that is actionable.
- **Allow innovation:** The definition of an indicator should not inhibit Council from developing innovative processes or alternative methods, systems or procedures to improve service delivery.
- **Timely:** The indicator should be based on data available within a reasonable timeframe. The time scale will depend on the use made of the data. Some data are collected on a monthly or quarterly basis, whereas others are available once a year for more strategic and long-term purposes.

Adelaide Hills Council’s Performance Measurement Framework is based on a cycle consisting of six elements as shown in **Figure 1**.

Figure 1: Performance Measurement Framework Elements

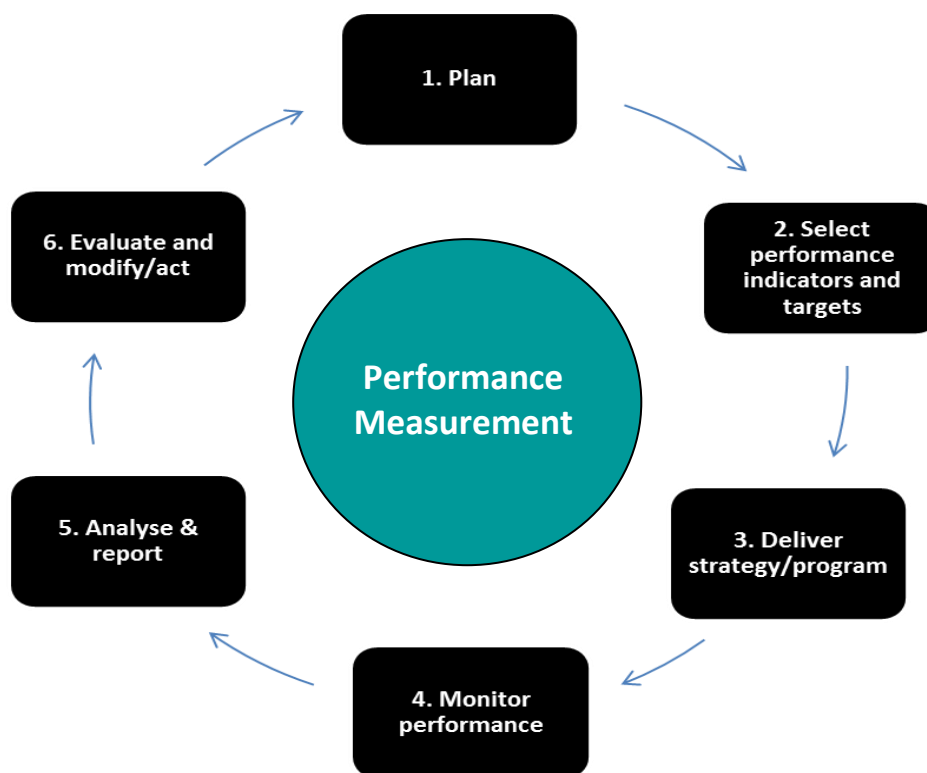


Table 1: Framework Elements

Element	Description
1. Plan	Adelaide Hills Council has five strategic goals with related outcomes in its current Strategic Plan ‘Your Adelaide Hills’. As part of its Annual Business Plan key service areas have also been identified with related objectives, and strategic alignment. These strategic goals and service objectives outline <u>what</u> Council is aiming to achieve and the performance indicators measure how we are progressing to achieve these.
2. Select performance indicators and targets	A suite of corporate performance indicators have been identified which track performance against Council’s strategic goals and service objectives. Targets are set as part of the Annual Business Planning process with the final plan adopted by Council in the June preceding the commencement of the new financial year.
3. Deliver strategy/programs	Implement the strategies/programs/initiatives in line with Adelaide Hills Council’s strategies and plans.
4. Monitor performance	Performance is monitored at two levels: <ul style="list-style-type: none"> • Corporate performance indicators which are strategically aligned and reported to Council and the Executive Leadership team • Operational performance indicators which are reported at the Directorate level
5. Analyse and report	Key performance reports include the Annual Report, Quarterly Performance Report to Council and monthly performance report to the Executive Leadership Team.

6. Evaluate and modify/act	If performance measurement indicates that the program/strategy/initiative is not effective, then the program/strategy/initiative needs further evaluation and if required modified.
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33 Corporate Performance Indicators were developed and captured in Council's 2019-20 Annual Business Plan, for periodic performance reporting to Council.

Targets for each indicator were set as part of the Annual Business Planning process.

An internal pilot report identified that some targets were not able to be measured due to unavailable data and/or data collection methods along with data inconsistencies. These Corporate Performance Indicators have been modified or replaced with similar indicators.

The performance indicators and their strategic alignment to Council's Strategic Plan are outlined in the Quarterly Council Performance Report (**Appendix 2**).

3. ANALYSIS

The structure of the report is as follows:

1. Quarterly Non-Financial Performance
2. Key Quarterly Performance Highlights
3. Corporate Performance Measures
4. Directorate Operating Performance
5. Customer Service Standards
6. Capital Works Program Performance
7. Quarterly Financial Performance

The following paragraphs provide information on what has been included within each section.

3.1 Quarterly Non-Financial Performance

In this section the performance of strategic projects are tracked on a quarterly basis. Criteria for inclusion as a strategic project are the following:

- Identified as a Key Initiative in Council's 2019-20 Annual Business Plan
- New Operating Initiatives (additional funding) in Council's 2019-20 Annual Business Plan

Commentary on performance of key initiatives is provided in section 4 of the report 'Directorate Operating Performance'.

3.2 Key Quarterly Performance Highlights

Key Highlights and various challenges faced in this quarter are included in this section.

3.3 Corporate Performance Measures

The Corporate Performance Indicators are reported against their target. The indicators are grouped in goal areas, to highlight their strategic alignment to Council's Strategic Plan, and then by function.

Graphs have not been included in this report. It is intended that targets and results will be graphed as a trend line develops in future quarterly performance reports.

Most Corporate Performance Indicators are reported quarterly, however there are a number that are reported biannually, annually or biennial. Therefore, the indicators that appear in this section are only those requiring quarterly reporting.

Each goal contains supporting information to further highlight performance measures within each function.

3.4 Directorate Operating Performance

A snapshot of performance of Key Initiatives from the 2019-20 Annual Business Plan is contained within this section, reported by directorate & function whilst also highlighting strategic plan alignment, identified issues and plans for the next quarter.

The focus of comments is on performance for this quarter and therefore not all initiatives will have a specific comment.

3.5 Customer Service Standards

The quarterly customer service standards were previously reported to Council in a separate report. This report has now been included in this quarterly report. This section provides an overview of the performance results for each of the service standards within the reporting period.

3.6 Capital Works Program Performance

Performance against the Capital Works program is highlighted in this section, including key achievements for the quarter, performance by asset class, issues and plans for the next quarter. Capital Financial Performance also features in this section.

3.7 Quarterly Financial Performance

This section includes operating financial performance, by directorate and function, and financial performance for additional operating initiatives (as identified in the 2019-20 Annual Business Plan).

4. OPTIONS

Council has the following options:

- I. To receive the report as presented in Appendix 2 (Recommended). Should Council identify the need for substantial amendments to the report, it is recommended that they be referred to staff for review to allow for analysis of the implications of the amendments, prior to the matter being brought to Council.
- II. To determine not to receive the report at this time (Not Recommended).

5. APPENDIX

- (1) Quarterly Council Performance Report – Quarter 1, 2019-20

Appendix 1

*Quarterly Council Performance Report
Quarter 1, 2019-20*



Quarterly Council Performance Report

Quarter 1 – 1 July to 30 September 2019

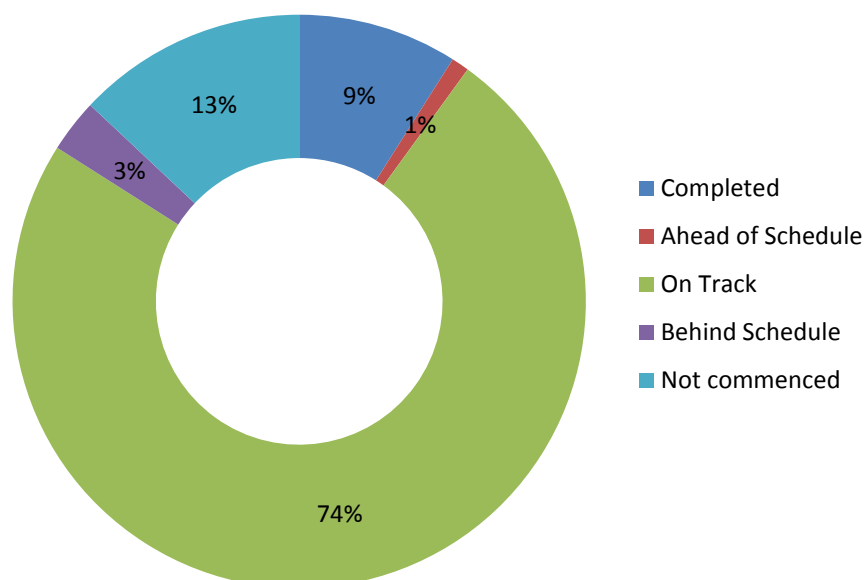


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1. Quarterly Non-Financial Performance

Performance against Strategic Plan goals



STRATEGIC GOAL	TOTAL NUMBER OF PROJECTS	PERFORMANCE STATUS
		No. of strategies completed, ahead of schedule or on track
People & Business Prosper	29	27
Activities & Opportunities to Connect	27	25
Places for People & Nature	48	35
Explore Ideas & Work with Others	8	8
Organisational Sustainability	34	27
Total	146	122

Non-financial performance exceptions

Strategies/initiatives identified for exception reporting (Behind Schedule) include:

- A **Delegations Management System** has been approved for implementation in Quarter 3.
- Initial investigations have commenced for a number of Property reviews (**Cemetery, Unmade Roads, Public Toilets**). Resourcing and other challenges have seen these projects fall behind schedule. Progression of the reviews is expected to occur in early 2020.
- The **Stirling (Cemetery) Masterplan** has stalled while staff work through a number of challenges identified for the site.
- **Investigations into Circular Economy Products** is occurring broadly across the organisation. There remain some challenges in seeking information in relation to recycled content from suppliers and service providers for works undertaken; highlighting the importance of capturing this type of information at the point of tender/contract engagement.

2. Key Quarterly Performance Highlights

Highlights

The opening of the Household Chemical and Paint Drop off Facility at the Heathfield Resource Recovery Centre in a collaborative project between the Adelaide Hills Council, Adelaide Hills Region Waste Management Authority and Green Industries SA. This is a new community service that is provided free of charge and provides a safe and environmentally sound method for unwanted chemical and paint.

The successful roll out of an update web based Geographical Information System (GIS) platform for planning staff to access more real time Council data.

Completed construction of Spring St Culvert Upgrade, which represents the culmination of a multi-year, multi-stage project to provide flood protection to CWMS infrastructure and residents located within the low lying Spring St in Kersbrook.

The adoption of the *Corporate Carbon Management Plan* and *Biodiversity Strategy* was a significant achievement which will help secure improved outcomes for our Community, now and into the future.

The *Community Land Register* and new *Community Land Management Plans* have been adopted by Council in September and will be reviewed on an annual basis

Revised Procurement Policy effective from 1 October 2019 and framework now being rolled out to relevant stakeholders.

The Regional Public Health Planning Working Group (SHLGA Councils) was successful in securing a \$50,000 grant to progress the development of community wellbeing indicators.

Successful SALA program at Fabrik, comprising four concurrent exhibitions. Over 800 visitors and \$7,800 of sales.

Successfully transitioned Council's after hours phone service to a new provider under an LGA Procurement contract.

Challenges

Whilst a high interest in waste and recycling has been shown by participants at the Community Forums, attendance at specific waste and recycling education sessions has been limited with an average of 16 attendees per session. Ideally, these sessions would attract up to 35 – 40 participants.

A significant challenge faced this quarter was the inability to procure material from our contracted rubble supplier whilst they implemented a *Phytophthora Management Plan*. Whilst this delayed some operational activities, the work at the quarry is industry leading and we are now able to recommence using said material with confidence.

The Federal Government required Council (as a Commonwealth Home Support Program service provider) to collect additional information and signed paperwork from our over 900 clients. We also received 166 new client referrals during the period.

3. Corporate Performance Measures

3.1 Goal 1 – PROSPER: People and Business Prosper

OUTCOME: Thriving businesses that uniquely say ‘Adelaide Hills’. Healthy and happy people

3.1.1 Economic Development

MEASURE

Open and click rates Hills Voice: Your Business e-newsletter subscriptions

TARGET

Open Rate 30%, Click Through 10%

RESULT

Open Rate 36.76%, Click Through 9.81%

COMMENTS: Within expectation

3.1.2 Positive Ageing

MEASURE

Positive ageing wellbeing score

TARGET

Average level of at least 7

RESULT

7.2

COMMENTS: Average level of self-determined wellbeing (on a scale of 1-10) of program participants reviewed in the quarter.

3.1.3 Planning and Development Services

MEASURE

Percent applicant satisfaction with the development application process

TARGET

85%

RESULT

100%

COMMENTS: Reduced number of survey responses being completed since the move to electronic questionnaire but those received are 100% positive

3.1.4 Community Development

MEASURE

Percent of community centre participants with increased social connections

TARGET

80%

RESULT

83%

COMMENTS: Within target

MEASURE

Percent of participants who agree that Council's community development programs/events have increased their feeling of community connection

TARGET

80%

RESULT

89%

COMMENTS: Exceeded target

MEASURE

Percent of community centre participants who would use the knowledge/skills gained in the future

TARGET

80%

RESULT

83%

COMMENTS: Within target

3.1.5 Supporting Information

Performance Measure	Result	Comments
Economic Development		
Breakdown of number of businesses supported by type (Economic Development/Planning, Regulatory & Property Services))	Outdoor dining/Roadside Trading Permits Issued Outdoor Dining - 0 Use Road Verge for Business Purposes – 1 Roadside trading permit - 3 Food trucks - Nil EHO Activities Food Inspections: 85 Food Business Inspections by Category: Food processing - 13 Food Retail - 10 Food Service - 57 Food Transport - Nil Mobile Food Vans - Nil Food Safety Training for businesses - Nil	Data on business support through free planning advice, liquor licensing advice and building fire safety is unfortunately not available
Positive Ageing		
Hours of in home support service to registered clients throughout year (actual compared to budget)	1,584	Hours of in home support delivered to registered program participants to help them to live safely in the community
Hours of social support to registered clients throughout the year (actual compared to budget)	3,900	Hours of social support (in house programs and outings) delivered to registered program members living in the community
Delivery of transport trips to registered clients across the year)	600	Trips provided for registered program participants who are transport disadvantaged
Planning & Development Services		
Number of development applications lodged	266	
Number of development applications approved	206	
Aggregated estimated value of applications lodged	\$56,485,273	
Number of new development applications lodged by category (residential, industrial, commercial, rural and other)	Residential 222 Rural 12 Commercial 28 Other 4266	
Number of new development applications approved by category	Residential 170 Rural 8 Commercial 24 Other 4206	
Average number of days for applications to be approved	120	
Public Health Services		
Percent/Number of food businesses compliant at inspection (per total number of inspections)	85 Food Premises Inspection were undertaken with 75 being compliant (88% compliance rate)	The non-compliant food premises had minor issues that did not require a follow up inspection

Performance Measure	Result	Comments
Assess and approve wastewater applications within 2-4 weeks of receiving all required information.	44 Wastewater Applications have been lodged during the quarter, all of which have been assessed with 43 being approved within the stipulated service standard.	One application is awaiting requested information to be received before it can be processed further.
Community Development		
Number of registered AHC volunteers (Qtr & YTD)	197	
Number of volunteer hours contributed to AHC programs each year	5291	
Volunteer hours by service type e.g. library, community centres, youth, positive ageing etc.	Library Service 616, Community Centres 3695, Positive Ageing Centre 722, Volunteer Management 96, Youth Development 162	
Number of attendees at community programs (Library, Youth, and Community Centres)	9009	
Breakdown of community program attendance by service type (Library, Youth, Community Centres.)	Library: 4639 Positive Ageing: 892 Community centre: 3110 Other: 330	
Number of community leaders workshops held	1	
Number of attendees at community leaders workshops	15	

3.2 Goal 2 – CONNECT: Activities and opportunities to connect

OUTCOME: A welcoming and inclusive community where people support, respect and celebrate each other for their differences as much as for their shared values

3.2.1 Community Development

MEASURE

Number of attendees at Adelaide Hills Community Programs

TARGET

8,000

RESULT

4,370

COMMENTS: This consists of five exhibitions (SALA, Big Draw, Gardens of the Heart, Weaving Stories, Youth Week), two major events (Mill Square Music Festival and POME Fest) and smaller gatherings such as workshops and community meetings.

3.2.2 Supporting Information

Performance Measure	Result	Comments
Cultural Development Services		
Number of staff attending cultural awareness training	Nil	Cultural Awareness training not offered in Q1 however internal Reconciliation Working Group established of x8 staff to write Council's RAP
Number of Arts activities and events	Winter Words - x8 workshops / activities across various locations Raining Poetry x17 poets selected	Winter Words Program across various locations. Raining Poetry installed across area x17 poems
Library Services		
Number of loans by type, eBook, eAudio, eMagazine	e book loans = 7170 e audio loans = 4878 e magazine = 4588	
Breakdown of library visits by type: , Library visitors (physical), Library website visitors	Library visits (physical) all branches = 71,949	
Number of visits	71,949	
Number of loans	161,584	
Number of library program participants (total)	5146	
Breakdown of library program participants:, Adult, Children	children = 3879 adults = 1267	
Youth Development		
Number attendees in youth development workshops/activities	148 young people have engaged/participated in our Youth development activities this quarter.	
Creativity and Arts and Heritage Hub Services		
Number of artists and creative businesses supported	47	26 artists sold work (total sales: \$7,876); four artists held workshops; 12 artists attended Gathered (artist market) Masterclass; one artist studio

3.3 Goal 3 – PLACE: Places for people and nature

OUTCOME: Vibrant places which contribute to increased wellbeing. Thriving ecosystems.

3.3.1 Sustainability

MEASURE

Energy usage: Decrease Council's Kilowatt hour use and increase solar PV generation

TARGET

5% kilowatt hour use below the 2010 baseline (296,069 per quarter)

RESULT

414,300 (vs 630,00 18/19)

COMMENTS: To enable accurate comparison the first quarter of the last year should be used due to the seasonal nature of this use. Quarter 1 result for 2018-19 is 630,000 kWh. While the target is "Kilowatt hour use - 5% below the 2010 baseline" Council does not have kWh use figures for each quarter for the 2010 baseline.

3.3.2 Waste & Resource Recovery

MEASURE

Diversion rate of recyclable material away from landfill

TARGET

>48%

RESULT

49.27%

COMMENTS: Within target

3.3.3 Open Space Operations

MEASURE

Percent delivery of Arboriculture (Tree) Zone maintenance program

TARGET

90%

RESULT

Southern Program 64%
Northern Program 67.9%

COMMENTS: This is lower than target due to urgent works (high hazard trees) being prioritised.

3.3.4 Civil Capital Works Projects Delivery

MEASURE

Percent delivery of capital works program

TARGET

90%

RESULT

70%

COMMENTS: Result is less than target due to delay in commencing reseal program (\$200,000 budget vs \$80,000 actuals). This delay is a result of Council Officers negotiating with our current Contractor for the inclusion of more sustainable technologies into the contract, such as incorporating recycled glass, plastic and rubber in the asphalt mix. Preparation works have continued, which will allow the program to 'catch-up' in Q2.

3.3.5 Civil Operations Services

MEASURE

Percent operational tasks completed within the Civil Zone Maintenance Program

TARGET

80%

RESULT

50%

COMMENTS: Good practice planned maintenance strives for an 80:20 ratio of planned vs reactive works. The result of 50% shows positive movement on the planned maintenance journey from an (estimated) starting ratio of 20:80. Increasing rollout of in field devices for scheduling works will improve this ratio overtime.

3.3.6 Supporting Information

Performance Measure	Result	Comments
Waste & Resource Recovery		
Number of community education actions delivered (Waste Management Strategy 2016-2021)	Six sessions	
Number of attendees at waste community education sessions	110 attendees plus school audit of bins	
Breakdown of attendees at waste community education sessions - by audience type (e.g. schools, kindies, community groups)	Schools x one session Community group x one session General public sessions x four	
Tonnes of green organics collected on Green organic days - total and by site (Gumeracha, Woodside and Heathfield)	None held this quarter	No collection days scheduled
Biodiversity and Habitat Conservation		
Number of Native Vegetation Marker System BushRAT Assessment sites complete (actual versus planned)	16 BushRAT assessments over 9 NVMS sites	Baseline BushRAT surveys completed at 333 sites out of 466 total sites) Target = 75 NVMS sites per annum (approx 18 sites per quarter). Target not reached over winter quarter partly due to weather and greater overall length of sites in the northern sections of the council area.
Woody Weed Control Program - no. of sites complete (actual versus planned)	One site completed	Target = 17 sites / year. Very few sites are managed over the winter months. Will be significantly more during the next quarter period (spring)
Number of sites in DEW burning on private lands program – bird monitoring and weed control sites complete (actual versus planned)	None scheduled by DEW this quarter. Bird surveys monitoring up to date at all sites. Weed management undertaken at 1 site out of 7.	Seven prescribed burn sites completed prior to June 30 2019. Weed management to be undertaken at further six sites. Additional site to be added to program - burn proposed for Spring 2019 (Morgan Road, Ironbank). Once the burn has been conducted, the burn interval may be as long as 15 years. Spring Bird surveys and reporting completed Oct 2019. Will incorporate Morgan Road prior to burn.
Open Space Operations		
Number of customer requests regarding parks, gardens and ovals	45 customer requests	45 customer requests. Breakdown: 15 Gardens, 5 Ovals, 16 Parks & Reserves, 8 Parks, Gardens & Ovals
Number of customer requests for playgrounds	9 customer requests	Five requests regarding maintenance, four requests regarding upgrades or general enquiries/information
Civil Operations Services		
Percent of proactive versus reactive civil operational works delivered	NA	Result not yet recorded. Awaiting further roll out of Confirm Connect.

Performance Measure	Result	Comments
Breakdown of Roads & footpaths customer requests (driveway cross overs, footpaths, roads, safety concerns, signs, street lighting)	Breakdown of Roads & footpaths customer requests: Driveway cross overs: 11 Footpaths: 43 Roads: 205 Safety concerns: 35 Signs: 72 Street lighting: 12	
Breakdown of Stormwater & sewerage customer requests (flooding and blocked drains, septic & community waste water management systems, stormwater & drainage)	Breakdown of Stormwater & sewerage customer requests: Flooding and blocked drains: 93 Septic & community waste water management systems: 5 Stormwater & drainage: 104	
Breakdown of Trees & environment customer requests (creek/water catchment, mulch request, road verges, trees, vegetation and weeds)	Breakdown of Trees & environment customer requests: Creek/water catchment: 4 Mulch request: 20 Road verges: 31 Trees: 325 Vegetation: 8 Weeds: 25 Environment: 4	
Regulatory Services		
Dog management activity by type of requests, - Dog pick-up & impounded, - Dog return to owner (non-impounded), - Wandering, - Dog attack and harassment, - Barking dogs, - Other	Dog pick-up - 14 Dog return to owner (non-impounded) - 39 Wandering - 25 Dog attack & harassment - 8 Barking dogs - 20 Other - Nil	
Non-dog animal management activity number of requests	6	
Percent of nuisance and litter queries resolved	98.88%	
Breakdown of incidents of local nuisance and littering reported to Council (Noise, air pollution, littering, nuisance, vandalism/damage)	Noise - 8 Air pollution - 7 Littering - 5 Nuisance - 9 Vandalism/Damage - 4	
Number of private properties inspected undertaken (first round and follow-up after Section 105f notices issued)	Nil	No properties were inspected in the first Quarter. Inspections will however commence in October after reminder letters are sent to identified property owners.
Cemeteries		
Number of issued Interment Rights and Burials/Interments	Interment Rights Issued - 17 Burials - 22 Interment of Ashes - 8	
Property Services		
Community facility lease & licencing breakdown:, - Number of current lease & licence agreements, - Number of expired lease and licence agreements	Total number of leases/licences - 61 Number of those that are expired and in holding over - 32	

3.4 Goal 4 – EXPLORE: Explore ideas and work with others

OUTCOME: Council working with our community and others to pursue new ideas and address emerging needs.

3.4.1 Community Engagement, Communications and Events

MEASURE

Percent growth of Adelaide Hills Council’s social media community (ie. ‘followers’)

TARGET

20% (annual growth)

RESULT

9% (in the first quarter)

COMMENTS: Includes our generic social media platforms (Facebook, Twitter, LinkedIn, Instagram) and digital e-newsletters.

3.4.2 Supporting Information

Performance Measure	Result	Comments
Community Engagement, Communications and Events		
Breakdown of Community engagement by channel (Online, community forums etc.)	One Community Forum was held at Gumeracha in July, a drop in information session regarding the BMX Trial occurred at Pomona road was held in August and a Boundary Reform information night was held in September. 12 Engagement projects ran on our My Say online platform (Engagement HQ).	Over 120 people attended our Boundary Reform information Night. The BMX drop in session was also very successful with a large turnout of riders, parents and residents.
ICT & Information Systems Services		
Number of Helpdesk requests logged	536	
Number of Helpdesk requests resolved	529	
Number of Helpdesk requests closed out within one business day	394 74.5%	
System availability rating	99.97%	Server Uptime
Serviceability rating	94.3%	31 SLA breaches vs 529 closed tickets

3.5 ORGANISATIONAL SUSTAINABILITY

OUTCOMES: Our people are supported. Our organisation is financially sustainable. Our decision-making is open, transparent and accountable. Excellence and equity in service delivery that meets our legislative obligations and community needs.

3.5.1 Organisational Development and Workplace Health & Safety

MEASURE

Employee Turnover

TARGET

7-15%

RESULT

3.57%

COMMENTS: This turnover rate is for the 1st quarter only, the assessment against the target figure will only be realised end of financial year.

MEASURE

Number of lost time injuries

TARGET

0

RESULT

0

COMMENTS: Within range

3.5.2 Governance

MEASURE

Percent of decisions (Council resolutions) considered in open session by Council during the reporting period

TARGET

95%

RESULT

97.4%

COMMENTS: There were 77 open decision items and two confidential items considered in the quarter.

MEASURE

Percent of attendance at ordinary meetings by Council members

TARGET

95%

RESULT

82%

COMMENTS: There were four approved Leave of Absence (LOA) and three apologies for the period.

3.5.3 Supporting Information

Performance Measure	Result	Comments
Organisational Development & Workplace Health & Safety		
Percent of WH&S KPI Action Plan outcomes completed each year	Yet to be verified via the Scheme	Final evaluation to confirm the percentage of the KPI Action Plan that was completed is yet to be verified through the LGA Workers Compensation Scheme.
Customer Service		
Percent of service standards whose standards were achieved	84.62%	Met the target performance for 11 of the 13 service standards which have a target for performance (4 standards had no reportable incidents this quarter)
Governance		
Number of Section 7 searches requested	372 received	
Percent of Section 7 searches completed within legislative timeframe	100%	
Number of FOI requests	6 received	
Percent of FOI requests completed within the legislated timeframe	100%	
Percent of Ombudsman investigations upholding Council's decisions (general investigations and FOI external reviews)	100%	

4. Directorate Operating Performance

4.1 Community Capacity - Key Initiatives & Operating Initiatives Performance

Initiative	Comments
Strategic Goal 1 People and Business Prosper	
Economic Development	
<ul style="list-style-type: none"> Regional Development Australia Adelaide Hills Tourism UNESCO World Heritage Bid Business Month in May 	<ul style="list-style-type: none"> Launching of region (Adelaide Hills, Fleurieu and KI) wide Grant Finder – a web based solution offering search functionality, email alerts and grant management tools Planning for an inbound delegation of Qatari delegates Adelaide Hills Tourism appointed a new Deputy Chair (James Sellers) and Board member (Damian McArdle) Over 100 operators participated in the Digital Capability project. Improved digital capabilities lead increased leads, direct contact with potential visitors and improved online brand presence and reputation. Final copy of the World Heritage Expert Review provided to Council partners and Minister for the Environment
Positive Ageing	
<ul style="list-style-type: none"> Dementia Friendly Communities Project Wellbeing and reablement training The Brain Hub High Tea Dance Building wellbeing and wellness (positive ageing) Increasing online presence and access (positive ageing) 	<ul style="list-style-type: none"> 100x business packs are being finalised for distribution to businesses interested in becoming more dementia friendly. Wellbeing and Reablement Training delivered to aged care service providers across the region through our funded sector support program. Commonwealth Home Support Program (CHSP) clients enjoyed a range of outings including theatre visits, a wellness afternoon and a trip to see the Glen Miller Orchestra. Feedback forms included this comment from one client in relation to her trip to the ballet: “It’s been such a long time since I have been able to attend. I will be honest and say it will rate as one of the best days of my life”. AHC coordinates the events and they are hosted by our volunteers. They enable people to connect and engage in activities they would not manage alone. Implemented two new directives from the federal funding body by collecting additional details and signed paperwork from 900 CHSP clients in addition to responding to 166 new referrals and management of requests from existing clients.
Community Development	
<ul style="list-style-type: none"> Regional health planning Disability access and inclusion Community External volunteering support The Hut partnership Volunteer movie day Increase availability of home maintenance services Community development Outreach programs The Uraidla Shed The Gumeracha Greed Shed and Op Shop Volunteer engagement 	<ul style="list-style-type: none"> The Regional Public Health Planning Working Group was successful in securing a \$50,000 grant to progress the development of community wellbeing indicators. New look Community Centres term program and e-newsletter developed and sent to over 700 contacts. New cards and games group introduced at Torrens Valley. Comments from participants: “the highlight of my week,” “this gets me out the house, I love it.” School holiday programs offered a range of options including bee hotel making, create your own pop-up book and virtual reality sessions which were all booked out. Two nature play events held at Gumeracha and Uraidla with over 100 attendees at each as part of the Hills Connected Communities regional collaboration.

Initiative	Comments
<ul style="list-style-type: none"> • Volunteer management capacity and capability • Culture of volunteering • External volunteering support • Cross agency collaboration (Hills Connected Communities Project) 	<ul style="list-style-type: none"> • We have conducted a data cleanse of our volunteer management system, developed new SOPs for volunteer activities, developed a new training schedule and provided first aid training for our volunteers. • Training has been provided for community in the use of Volunteer Connect to manage their volunteer vacancies and undertake recruitment.

Initiative	Comments
Strategic Goal 2 Activities and Opportunities to Connect	
Cultural Development	
<ul style="list-style-type: none"> • Multicultural Action Plan • Reconciliation Action Plan • Arts Action Plan 	<ul style="list-style-type: none"> • Delivered Raining Poetry, a public art project supporting local poets in partnership with Adelaide University • Delivered a Winter Words Program of activities and workshops focussed on the literary arts • Adelaide Hills Reconciliation Working Group in partnership with MBDC is meeting monthly and making progress toward the development of our next RAP • AHC Internal Reconciliation Working Group has been established and includes interested staff from across the organisation • We are supporting 2 university Student Internships in conducting research on arts and heritage collection management to inform our upcoming policy development
Library Services	
<ul style="list-style-type: none"> • Digital learning • Mobile library project • Library strategic plan • Social inclusion project • Local history online 	<ul style="list-style-type: none"> • Mobile library – specification of requirements has been developed for the purchase of a new unit. Procurement to occur in Q2 • STEM children’s programs focussed on digital music using Garage Band (app), Makey Makeys (conductors connecting programs with objects) and Sonic Pi (coding). Workshop examples: play the piano on a banana, make a cinematic soundtrack
Youth Development	
<ul style="list-style-type: none"> • Youth leadership program • Implement Youth Action Plan 	<ul style="list-style-type: none"> • Delivered a Year 12 Support Project: 277 de-stress packs and study guides delivered to Year 12 representatives in high schools across the district in the lead up to exams, and roadside messages of support put up along main thoroughfares • Consultations held with students at 6 middle and high schools across the district, along with stakeholder consultation in preparation of Youth Action Plan
Creativity and Arts & Heritage Hub	
<ul style="list-style-type: none"> • Establish an Arts & Heritage Hub (Fabrik) 	<ul style="list-style-type: none"> • A successful SALA program was presented during August with 80 artists exhibiting, over 800 visitors through the doors, \$7,800 of shop and exhibition sales and all four art workshops fully booked. Workshop programs continued through September.

Initiative	Comments
Strategic Goal 4 Explore ideas and work with others	
Community Engagement, Communications & Events	
<ul style="list-style-type: none"> • Events • Digital and social media • Marketing & Communication Plan • Review Community Consultation Policy and Community Engagement Framework • Crisis communication plan 	<ul style="list-style-type: none"> • The Adelaide Hills Rally (gravel) was held on the 22nd September with no complaints received by Council. Multiple small events were supported. Santos Tour Down Under routes were officially announced on 18 July. • A successful quarter for engagement on Social Media with Gumeracha Mural artist callout reached 23,400 people and our Green Waste Drop off post received 7443 engagements. Lobethal Bushland Park signage received engagement of 4417 with 69

Initiative	Comments
<ul style="list-style-type: none"> Video 	<ul style="list-style-type: none"> comments of people tagging each other and talking about the park. The Draft Public Consultation Plan (PCP) was finalised for the October Council meeting following an LGA briefing on PCP on 27 August where it was determined a model policy would not be provided by them. Commenced initial strategy work on Marketing and Communications Plan including crisis communications information for the Emergency Management Plan. Video – July: we released our 2019 Santos Tour Down Under video, August: released our first professionally produced video in conjunction with LGAs ‘Part of Your Every Day’ campaign to showcase some of our lesser known services. Also small social media videos on waste and stormwater in Cox Creek, kerbside recycling, and Council Grants, Sept: Mayor’s introduction to the Boundary reform meeting, new signage at Lobethal Bushland Park and kangaroos on roads.

Initiative	Comments
Organisational Sustainability	
Customer Service	
<ul style="list-style-type: none"> Front line customer service delivery 	<ul style="list-style-type: none"> All web and email generated customer enquiries and requests are now being handled by Customer Service Officers to increase early resolution of routine enquiries. Successfully transitioned Council’s after hours phone service to a new provider under an LGA Procurement contract.
Organisational Innovation	
<ul style="list-style-type: none"> CRM integration Knowledge management Customer satisfaction measurement 	<ul style="list-style-type: none"> Further integration between CRM and Confirm enabled, including graffiti, street lighting and signage requests as well as enabling “subject synchronisation” and integration of request related documents. Survey software acquired to enable in-house, ongoing customer satisfaction measurement. Survey format and process developed prior to launch in October 2019. Internal Knowledge Bank launched with over 60 articles published and strategies in place to further develop articles as a resource for staff.

4.1.1 Supporting Information

Issues (if any)	Action Taken	Owner
Lights of Lobethal concerns raised regarding the Council’s oversight of mobile food vendors and use of Mill Square.	Various meetings have been had between staff (and some Council Members) and Committee Members. Emphasis is on successful delivery of 2019 LOL with a view to overcoming conflicts between the interests of traders/residents/community groups and the LOL Committee.	Director Community Capacity

Proposed Plans for the next Quarter
<ul style="list-style-type: none"> Progress procurement of new Mobile Library and the development of a Library Services Strategy Progress development of a revised Business and Economic Development Strategy Finalise arrangements for 2020 Tour Down Under (men’s and women’s) – the Council’s biggest involvement in the event to date

4.2 Corporate Services - Key Initiatives & Operating Initiatives Performance

Initiative	Comments
Strategic Goal 3 Places for people and nature	
Cemeteries	
<ul style="list-style-type: none"> • Cemetery review • Stirling Masterplan • Survey and aerial mapping of cemeteries • Cemetery management system 	<ul style="list-style-type: none"> • Ongoing assessment of all cemeteries and their current/future requirements, upgrade to the Kersbrook Cemetery is actively being progressed • Stirling Masterplan being progressed with a native vegetation assessment being undertaken with a view to lodgement with the Native Vegetation Council for approval for clearance to enable expansion adjacent to the Catholic and General Sections • Two Cemeteries have been fully surveyed and mapped, being the Catholic section of the Stirling Cemetery and the Mt Lofty Cemetery at Uraidla • Tender process has been undertaken for a Cemetery Management System and that is being assessed and progressed
Property Services	
<ul style="list-style-type: none"> • Community & Recreation facility framework • Community land register and management plans • Crown land review • Unmade road review • Public toilet review • Accommodation review 	<ul style="list-style-type: none"> • Formation of the Community & Recreation Facility Framework Internal Working Group has enable progression of the Playspace Framework and commencement of the assessment of Community Halls • The Community Land Register and new Community Land Management Plans have been adopted by Council in September and will be reviewed on an annual basis • Crown Land review has progressed with initial consultation with adjoining land owners and the broader community, a formal revocation of community land process will now be undertaken • Unmade road review is on hold until the Trails Strategy is developed and adopted by Council • Public Toilet review has commenced with community consultation plans developed and due to commence in the latter part of 2019, investigation also underway to use IoT devices to measure utilisation of facilities • Accommodation review has progressed with the assessment of administration numbers/needs to provide an understanding of current requirements for future planning

Initiative	Comments
Strategic Goal 4 Explore ideas and work with others	
ICT & Information Systems	
<ul style="list-style-type: none"> • Multifunction device renewal • Tablets/Laptops and Computers • Server storage and switching • Internet of things (IoT) • Implementation of organisational information management system • Destruction of hard copy records • Hard copy records digitisation • Information management system integration 	<ul style="list-style-type: none"> • Delivery of 105 new devices to Staff as from the ICT Asset renewal program. • Preparation is underway with IoT Smart Cities initiatives with teams working on establishing a program of works and sourcing providers in the sector that have already established a presence in SA. • A program of works is being developed for the destruction of hard copy records where an electronic copy exists in compliance with the State Records Act 1997. • Work has commenced with departmental units on the transition of business workflow into Records Hub, Councils new Electronic Document Records Management System (EDRMS).

Initiative	Comments
Organisational Sustainability	
Financial Services	
<ul style="list-style-type: none"> Annual financial statements Development of 2020-21 Long Term Financial Plan Budget development including rating strategy and fees and charges consideration Sale of land Procurement framework 	<ul style="list-style-type: none"> Draft annual financial statements prepared for audit with view to present to Audit Committee on 18 November 2019 and then to Council on 26 November 2019 2020-21 Long Term Financial Plan development to be undertaken upon completion of Strategic Plan development from December 2019 2020-21 Budget Development to commence December 2019 June 2019 Properties identified for sale due to non-payment of rates have all been resolved except for deceased estate which having not reached reserve at auction is now in a direct negotiation stage Revised Procurement Policy effective from 1 October 2019 and framework now being rolled out to relevant stakeholders.
Governance	
<ul style="list-style-type: none"> Delegations management system Boundary reform provision Strategic Plan review Service Review Framework 	<ul style="list-style-type: none"> Council has been liaising with Campbelltown City Council and the affected community regarding the Rostrevor/Woodforde boundary reform proposal. Consultancy engagement for the Strategic Boundary Review project is underway. The Strategic Plan review continues with a series of internal workshops to shape the draft Plan content.
Organisational Development & Work Health & Safety	
<ul style="list-style-type: none"> WHS People Leader Development Develop training for employees in Public Officer responsibilities Review 4x8 Performance Process 	<ul style="list-style-type: none"> An initial session (in August) has been attended by People Leaders covering WHS Roles and Responsibilities. Gathering information on options to provide public officer responsibilities training through on-line learning and assessment Developing the survey to seek feedback from employees on the 4X8 process

4.2.1 Supporting Information

Issues (if any)	Action Taken	Owner
Rostrevor/Woodforde boundary reform proposal	Council has commissioned a survey of affected residents and ratepayers to determine the level of support for the proposal.	Executive Manager Governance & Performance

Proposed Plans for the next Quarter

- The delegations management system procurement and implementation will commence.
- The draft Strategic Plan will be considered for public consultation at the November 2019 Council meeting.

4.3 Infrastructure & Operations - Key Initiatives & Operating Initiatives Performance

Initiative	Comments
Strategic Goal 3 Places for people and nature	
Sustainability	
<ul style="list-style-type: none"> Community energy program Investigate water reuse for Woodside Recreation Ground irrigation Design and implement WSUD initiatives at the Woodside Recreation Ground Investigation into circular economy products for inclusion in Council's capital and operational works 	<ul style="list-style-type: none"> Presented information on the CEP at a Council Workshop on Tuesday 13 August 2019 WSUD initiatives are currently being delivered at WRG
Waste & Resource Recovery	
<ul style="list-style-type: none"> Kerbside bin audits Domestic kerbside collection Green organic drop off days Household chemical and paint drop off Waste management and recycling 	<ul style="list-style-type: none"> East Waste completed the audit. Audit report received on 24/7/19 Ongoing Twelve collections scheduled to be held during Oct, Nov, and Dec Community Chemical and Paint Drop-Off facility now operational Ongoing
Community Wastewater Management System	
<ul style="list-style-type: none"> Asset management Legislative and regulatory compliance CWMS review Septic tank desludge program Supply of recycled water 	<ul style="list-style-type: none"> CWMS assets have been transferred into council's new asset management system Confirm. Ongoing management and provision of CWMS services in accordance with legislative and regulatory obligations. Annual reporting for regulatory agencies submitted within the required timeframes. Ongoing review of future management options for the CWMS service. Ongoing supply of recycled water to third party recipients for irrigation purposes.
Biodiversity and Habitat Conservation	
<ul style="list-style-type: none"> Biodiversity monitoring and management Community capacity building Native vegetation marker system program Management and monitoring of prescribed burn sites Implementation of the 2019-2024 Biodiversity Strategy 	<ul style="list-style-type: none"> 16 x AHC reserves to be monitored in Spring 2019 Bushcare undertaken at 15 AHC reserves 16 Bushrat assessments over 9 NVMS sites (Baseline Bushrat surveys completed at 333 sites, of 466 total sites) 198 NVMS sites managed as part of 19/20 AHC/NRM Roadside Work Plan 7 prescribed burn sites completed prior to June 30 2019. 1 proposed for Spring 2019 (Morgan Road, Ironbank) Biodiversity Strategy endorsed on 24 Sept 2019
Open Space Operations	
<ul style="list-style-type: none"> Elm leaf beetle treatment Veteran tree management Asset protection zones Fleet & plant management 	<ul style="list-style-type: none"> Elm leaf treatment program has begun All veteran trees we visit reactively are being added to our asset management database Asset protection zones are programmed to be done in the second quarter of the year All vehicles purchased are now 5 star ANCAP rated
Sport & Recreation Management	
<ul style="list-style-type: none"> Community & recreation facility grants Sport & recreation master planning projects Play space upgrades 	<ul style="list-style-type: none"> Grants have closed and a report will go to Council in November We continue master planning at key sites including Heathfield & Woodside Birdwood and Paracombe to be constructed in Quarter 2 Planning for play spaces in Kersbrook, Charleston & Mt Torrens

Initiative	Comments
<ul style="list-style-type: none"> Club development workshops 	<ul style="list-style-type: none"> has begun Club workshops scheduled for Quarter 3 and 4
Asset Management	
<ul style="list-style-type: none"> Confirm asset management GIS integration Asset management plan review 	<ul style="list-style-type: none"> Completed end of year capitalisation and financial reporting from Confirm. Council's updated GIS platform (SSA) has been successfully rolled out and integration with Confirm and Open Office is in place and being expanded. Council workshops were undertaken with Council Members on Asset management principles and prioritisation process for capital works (renewals and new)
Civil Services	
<ul style="list-style-type: none"> Project management manual Capital project delivery Online maintenance program 	<ul style="list-style-type: none"> Literature review component of project is complete. Next phase of the project is the establishment of a cross organisational project team. Commenced delivery of the 2019-20 capital works program, with early successes being the completion of the Spring St Stormwater Upgrade Stage 3 project and significant construction milestones for the Lower Hermitage Road widening project. Ongoing delivery and refinement of the online maintenance program, including commencing rollout of infield devices.

Initiative	Comments
Organisational Sustainability	
Emergency Management	
<ul style="list-style-type: none"> Emergency management planning 	<ul style="list-style-type: none"> Work progressed on Council's emergency management arrangements including preparation of draft Incident Operations Manual.

4.3.1 Supporting Information

Issues (if any)	Action Taken	Owner
Attendance at specific waste and recycling education sessions has been limited with an average of 16 attendees per session. Ideally, these sessions would attract up to 35 – 40 participants.	Currently investigating options to increase attendance	Manager Waste & Emergency Management
Inability to procure material from our contracted rubble supplier whilst they implemented a Phytophthora Management Plan created some program delays.	Undertook Risk Assessment to determine appropriate controls Partnered with other stakeholders and the quarry in developing industry leading Sanitation and Sterilisation Management Plan	Director Infrastructure & Operations

Proposed Plans for the next Quarter
<ul style="list-style-type: none"> The highly anticipated Birdwood and Paracombe Play Space upgrades will get underway Draft Asset Management Plans will begin being reported to Council

4.4 Development & Regulatory Services - Key Initiatives & Operating Initiatives Performance

Initiative	Comments
Strategic Goal 1 People and Business Prosper	
Planning & Development	
<ul style="list-style-type: none"> • Electronic development application assessment • Review of development application assessment process • UNESCO World Heritage Bid • State's planning reform agenda • Conversion of Council's Development Plan 	<ul style="list-style-type: none"> • Full electronic assessment of development application process implemented. The final phase involving the establishment of the payment portal on the Council website is anticipated for completion by end of 2019. • Review of assessment process underway anticipated completion by February 2020. • An Expert Review of the World Heritage Bid has been completed which indicates there is a case for UNESCO Listing, but further research work is required in order to progress the Bid. Further, a new website has been developed (to be launched soon) and a Digital Knowledge Bank project has been completed. • The State Planning Reforms are well underway with Phase 3 of the Planning & Design Code (which affects our Council area) being released for public consultation on 1 October 2019. The new Planning System will go live on 1 July 2020. • Council's Development Plan will be converted into the new Planning & Design Code by 1 July 2020. Staff are currently reviewing the proposed changes for our area and will prepare a submission for Council's consideration in February 2020.
Public Health	
<ul style="list-style-type: none"> • Conversion of files to electronic files • Food safety training • Process waste water system applications electronically • Investigate impact of wastewater system on catchment 	<ul style="list-style-type: none"> • Staff are converting old wastewater & food files to electronic files. • Up to 4 Food Safety training sessions will be offered to local food businesses to improve food safety standard within the community. • It is proposed that by January 2020 all new wastewater applications will be maintained as electronic files only. • Mount Lofty Ranges Project officer will be undertaking a survey of high risk areas as determined by the project steering committee.
Regulatory Services	
<ul style="list-style-type: none"> • DCAMP implementation • Cats By-law review • Review of Council fire prevention & mitigation activities • Community education on local nuisance and litter control matters 	<ul style="list-style-type: none"> • DCAMP - This project will commence with a community education and awareness program in 2020 in the lead up to the commencement of the cat confinement requirements on 1 January 2021. Staff are also looking into the establishment of cat holding cages at Council's Pound at the Heathfield. • This project will only commence when the cat confinement requirements come into effect on 1 January 2021. • Staff are currently reviewing the Council's road side management and adjacent properties with regard to fire prevention and mitigation activities. • This project will commence shortly now that the Environment Protection Authority (EPA) has undertaken a minor review of the Local Nuisance & Litter Control Act. Council submitted its comments to the EPA on 4 October 2019 and will now await the outcome of the Review.

4.4.1 Supporting Information

Issues (if any)	Action Taken	Owner
Proposed EPA amendments to the Local Nuisance and Litter Control Act 2016 could result in some additional responsibilities being shifted to councils	A submission highlighting Council's concerns in this regard was lodged with the EPA on 4 October 2019	Director Development & Regulatory Services
Budget contribution from SA Water for the Mount Lofty Waste Control Project has not been received	Staff continue to follow this up with SA Water and expect the contribution to be received in late November 2019	Director Development & Regulatory Services

Proposed Plans for the next Quarter

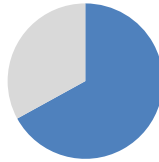
- Reporting on the Annual Report and Expert Review on the World Heritage Bid Project to Council
- Undertaking four community information sessions across the Council area in November and December on the State's Draft Planning & Design Code

5. Customer Service Standards

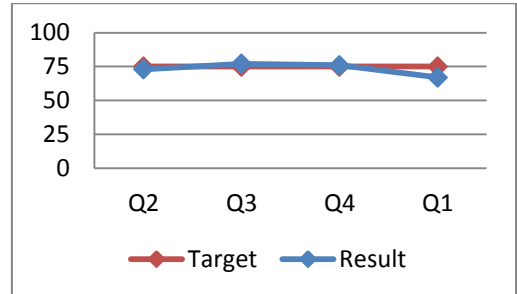
5.1 General Customer Standards

Answering incoming phone calls

We will answer 75% of calls to our contact centre within 30 seconds



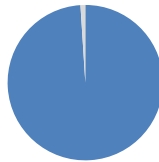
Volume	11802
Target	75%
Result	67%



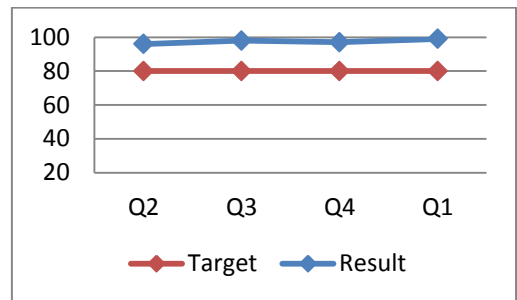
Comment: There were 1800 more calls than the previous quarter

Updating customer details

We will update your contact details within 5 days



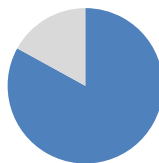
Volume	148
Target	80%
Result	99%



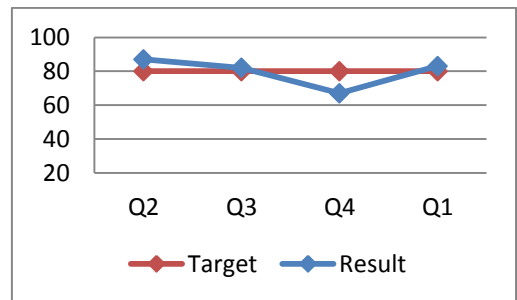
5.2 Service Specific Standards – Time Based Indicators

New Event Applications

We will acknowledge receipt of new applications within 5 days

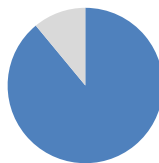


Volume	6
Target	80%
Result	83%

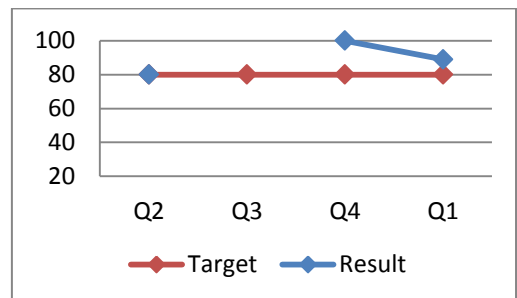


Illegal Burning Complaints

We will investigate reported illegal burning within 24 hours

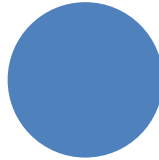


Volume	9
Target	80%
Result	89%

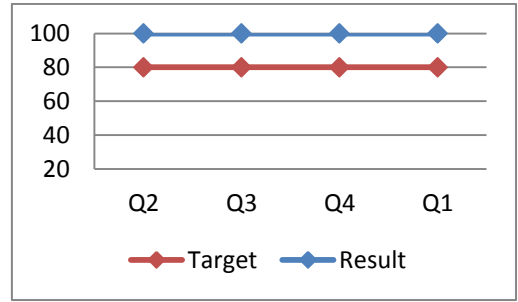


Health Complaints

We will investigate/respond to reported food complaints within 24 hours

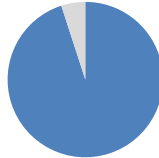


Volume 2
Target 80%
Result 100%

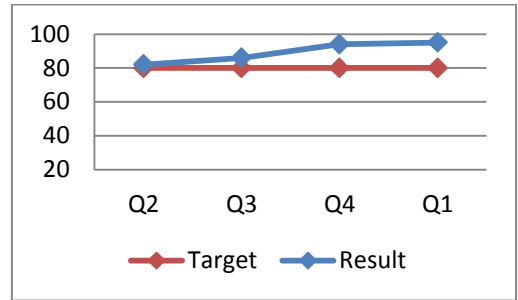


Illegally Dumped Rubbish

We will remove illegally dumped rubbish within 3 days

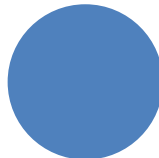


Volume 61
Target 80%
Result 95%

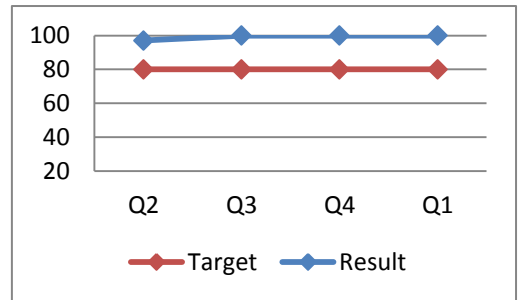


Library Services

We will respond to requests to purchase materials within 10 days

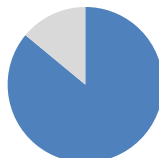


Volume 26
Target 80%
Result 100%

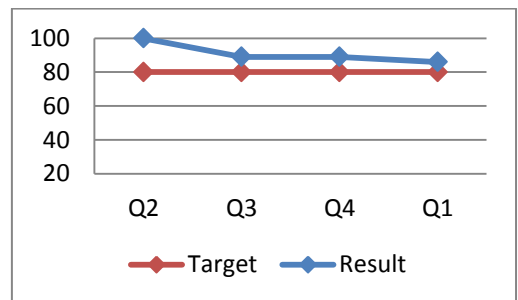


Dog Attacks

We will respond to reported dog attacks within 24 hours

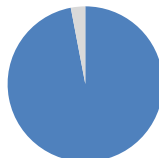


Volume 7
Target 80%
Result 86%

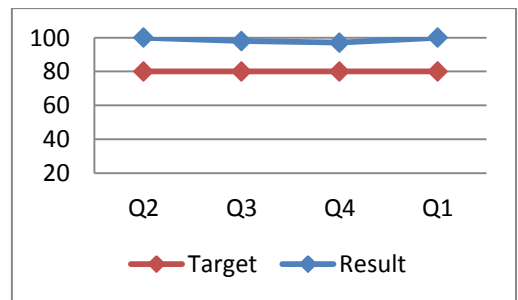


Wasps

We will investigate and action reported European Wasp nests within 7 days

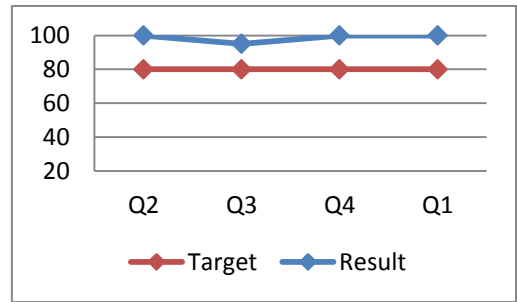
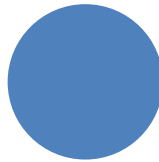


Volume 6
Target 80%
Result 100%



Development Applications
We will approve fast track
Development Applications
within 28 days

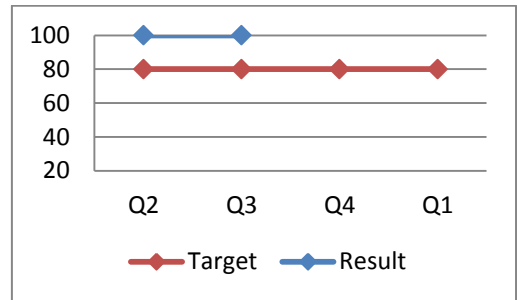
Volume 7
Target 80%
Result 100%



Missed Bins
We will collect missed
domestic bins within 2 days

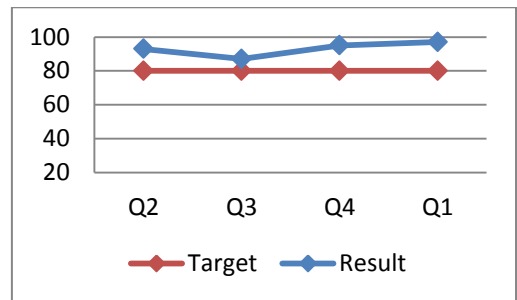
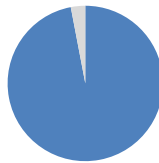
Volume 0
Target 80%
Result No Incidents

No Incidents



*Request for bin repair or
replacement*
We will action requests for bin
repair or replacement within 7
days

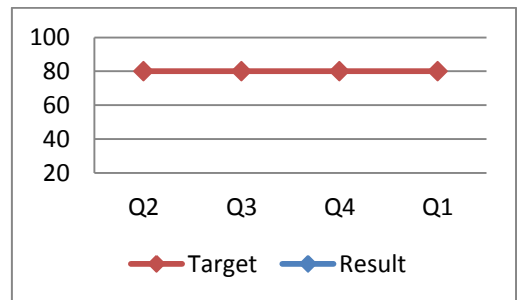
Volume 483
Target 80%
Result 97%



Footpath Repairs – Hazardous
We will respond and make safe
hazardous footpath issues
within 24 hours

Volume 0
Target 80%
Result No Incidents

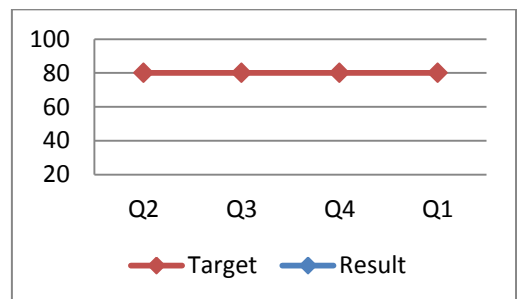
No Incidents



Road Repairs – Hazardous
We will respond and make safe
hazardous road and pothole
issues within 24 hours

Volume 0
Target 80%
Result No Incidents

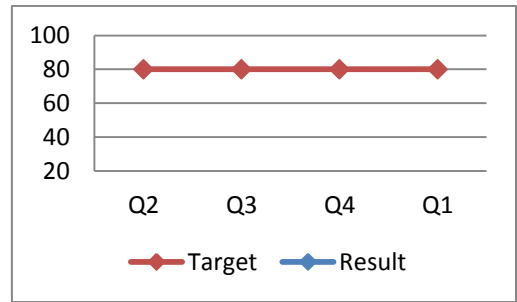
No Incidents



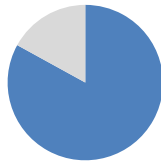
Stormwater Repairs – Hazardous
 We will respond and make safe hazardous stormwater and flooding issues within 24 hours

No Incidents

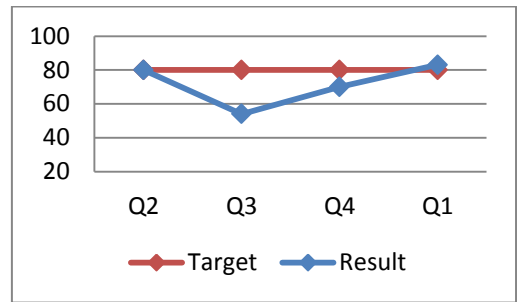
Volume 0
 Target 80%
 Result No Incidents



Trees – Hazardous
 We will respond and make safe hazardous tree issues within 24 hours



Volume 99
 Target 80%
 Result 83%

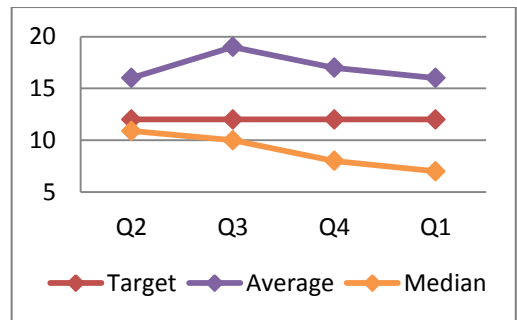


5.3 Service Specific Standards – Other Indicators

Development Applications

We will, on average, make a decision on planning consent within 12 weeks of receipt of the application

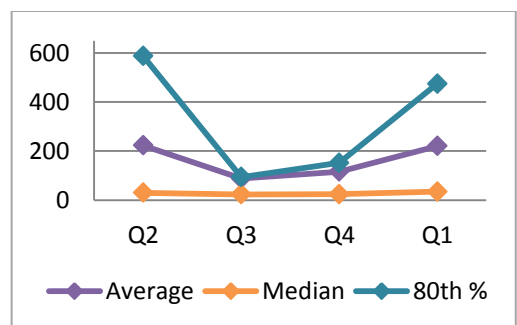
Volume 197
 Target 12 weeks
 Average Consent Time 16 weeks
 Median Consent Time 7 weeks



Low Risk Infrastructure Requests – Average Time to Resolve

We will resolve other footpath, road, stormwater and tree issues in accordance with our general maintenance program

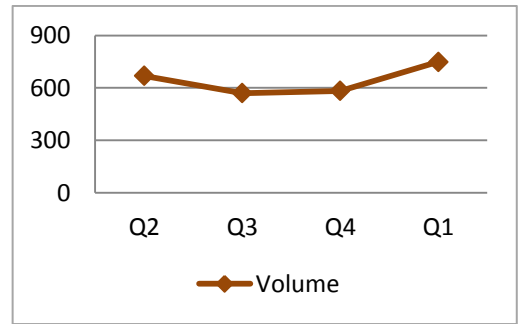
Volume 826
 Average Resolution Time 220 days
 Median Resolution Time 34 days
 80th Percentile Resolution Time 474 days



Low Risk Infrastructure Requests – Number of New Requests

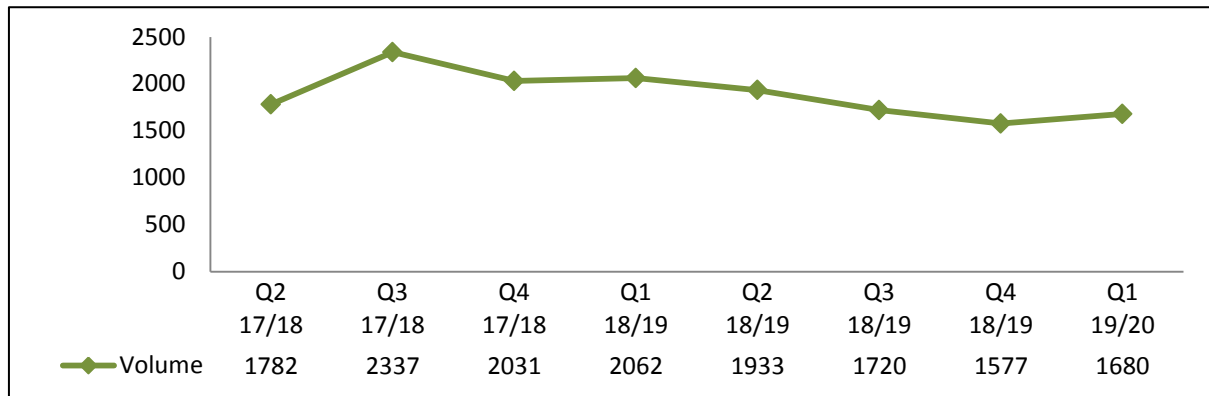
We will resolve other footpath, road, stormwater and tree issues in accordance with our general maintenance program

Number of New Requests 749



Overall Volume of Requests

Trend in volume of requests/customer cases for which there is an adopted service standard, excluding the volume of phone calls



6. Capital Works Program Performance

6.1 Capital Performance

Program Name	Capital Works 2019-20	Summary: <i>Quarter 1 of 2019/20 FY represents the commencement of the 2019/20 Capital Works Program, with \$1.16M of infrastructure delivered during this period and another \$1.26M of works ordered. The primary focus of this quarter has been on scoping and design, ready for tendering and construction in future quarters.</i>
Period	Quarter 1, 2019	
Status Date	30/09/2019	

Key Achievements for the Quarter

- Successful commenced delivery of the 2019-20 Capital Works Program,
- Incorporation of 2018-19 carry forward projects into the 2019-20 program,
- Council received confirmation of federal Roads to Recovery funding for 2019-24, and our 2019-20 R2R projects were approved.
- Commenced working with peak sporting bodies, such as SANFL and SACA, on the development of a masterplan for Heathfield Oval,
- Resolved long standing drainage issues in Spring St, Kersbrook, by installing a major culvert ,
- Contract entered into with SAPN for the rollout of LED streetlights throughout the district.

Performance by Asset Class

Bridges	0%	No bridge construction works have commenced at the time of this report, however scoping works have been completed for the Forreston Bridge renewal.
Buildings	10%	Works complete for the divestment of the upper northern section of the Lobethal Woollen Mill Precinct (AHBTC site).
CWMS	0%	No CWMS projects have commenced as of this report.
Footpaths	4%	Onsite scoping works were completed for the footpath renewal program, with construction works completed for the Longwood Rd footpath in Stirling.
Kerb	9%	Kerb renewal works were completed in Lezayre Ave in Bridgewater and along the Main Street of Lobethal.
Other ¹	6%	Design works were completed for the Milan Tce pedestrian crossing and the Woods Hill Rd guard rail.
Road Pavement	3%	Works commenced at Lower Hermitage Rd, with vegetation clearing completed and road widening works underway.
Road Seal	7%	Preparation works such as patching have been completed throughout the network, ready for commencement of the seal renewal program.
Shoulders	0%	No shoulder renewal have commenced as of this report.
Sport & Recreation ²	0%	No sports and recreation construction projects have commenced this quarter.
Stormwater	40%	Stormwater upgrades were completed at Spring St, Kersbrook, with a major culvert installed in this quarter.
Unsealed roads	0%	No unsealed roads projects have commenced as of this report.
Plant & Fleet	26%	Ten light commercial vehicles (utes) were renewed, with high resale values on old fleet achieved.
ICT	3%	Continued implementation of the Record Hub system.
Minor Plant & Equipment ³	25%	Replacement of minor plant such as chainsaws, hedge trimmers and brush cutters.

- 1 'Guardrails, Retaining Walls, Cemeteries, Street Furniture, Traffic Control
 2 including Playgrounds
 3 including library fittings

Issues (if any)	Action Taken	Owner
Phytophthora was detected in crushed rock at the quarry engaged to supply resheet material.	Quarry developed and implemented an SA first Phytophthora Management Plan, to Council satisfaction, for the management and control of the disease.	Peter Bice

Proposed Plans for the next Quarter	
<ul style="list-style-type: none"> Continued delivery of the 2019-20 Capital Works Program across all asset classes, Complete roundabout landscaping upgrade works at Crafers Off Ramp and Verdun. 	<ul style="list-style-type: none"> Complete playground renewal works at Birdwood and Paracombe. Complete the Milan Tce pedestrian Crossing. Establish a new minor works panel contract.

6.2 Capital Financial Performance

Period	2019-20 Quarter 1	Status Date	30 September 2019
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Capital Program Summary	
Projects not started	85
Projects cancelled	0
Projects deferred	0
Projects being designed or tendered	38
Projects scheduled or under construction	22
Projects completed	5
TOTAL Projects	150

Capital Expenditure against Budget	\$'000s
Budget	19,820
Actual Expenditure	1,159
(including Capitalised Salary Costs)	-
Project Savings/ (overspend) across projects	(80)
Projected Carry Forward	485
PROJECTED CAPITAL EXPENDITURE	19,415

Projects Summary	
Programs Completed	NIL
Major Projects Completed	<ul style="list-style-type: none"> Balhannah Railway Culvert Spring Street Stage 3
Major Carry Forwards	Proposal to change project program to engagement and design in 19/20, construction in 20/21 for: <ul style="list-style-type: none"> Crafers to Stirling Bikeway, Play spaces at Charleston, Kersbrook and Mt Torrens.
Major Savings	NIL
Major Overruns	Amy Gillet Bikeway – Tiers Rd connection in Woodside
Significant Unfunded Projects	NIL
Projects of Interest:	
Four light commercial vehicles changed over with significantly better resale values than expected.	

6.3 Capital Financial Performance by Asset Category - September 2019

Asset Category	YTD Actuals \$'000	YTD Budget \$'000	YTD Var Fav / (unfav) \$'000	Annual Budget \$'000
Bridges	-	15	15	204
Buildings	151	108	(43)	2,451
CWMS	-	5	5	639
Footpaths	39	-	(39)	1,914
Kerbing	39	8	(31)	506
Other – Ret Walls, Str Furniture & Bus Stops	69	59	(2)	2,147
Roads – Pavements	30	123	93	1,241
Roads – Seals	80	200	120	2,311
Roads – Shoulders	-	150	150	440
Roads – Unsealed	5	180	175	1,585
Sport & Recreation	2	34	32	2,254
Stormwater	359	384	25	1,351
Fleet	363	365	2	2,223
ICT	13	13	0	483
Library	1	3	1	44
Plant & Equipment	7	-	(7)	28
	1,159	1,647	497	19,820

7. Quarterly Financial Performance

7.1 Operating Performance

	YTD Actual	YTD Budget	YTD Variance	Annual Budget
	\$'000	\$'000	\$'000	\$'000
Total Operating Income	39,912	39,698	215	44,804
Total Operating Expenditure	8,268	8,595	327	44,392
Funding surplus before Capital	31,644	31,102	542	411
Capital Expenditure	1,159	1,647	488	19,820
Capital Income	2,630	2,230	400	5,454
Net expenditure - Capital projects	(1,471)	(583)	888	14,365
<i>Depreciation and amortisation</i>	-	-	-	8,945
Net Lending / (Borrowing) for Year	33,116	31,686	1,430	(5,009)

Adelaide Hills Council Operating Summary By Directorate as at September 2019				
	YTD Actuals \$'000s	YTD Budget \$'000s	YTD Var fav / (unfav) \$'000s	Adopted Budget \$'000s
Income				
Community Capacity	499	464	35	1,719
Corporate Services	37,214	37,054	161	38,703
Infrastructure & Operations	1,904	1,845	59	3,152
Development & Regulatory Services	296	336	(40)	1,229
Income Total	39,912	39,698	215	44,804
Expenditure				
Community Capacity	1,564	1,623	59	6,905
Corporate Services	2,393	2,400	7	9,002
Infrastructure & Operations	3,553	3,762	209	24,841
Development & Regulatory Services	758	810	52	3,645
Expenditure Total	8,268	8,595	327	44,392
Operating Surplus (Deficit)	31,644	31,102	542	412

Adelaide Hills Council Quarterly Financial Performance										
as at September 2019	Income by Function				Expenditure by Function				Net Position	
	YTD Actuals \$'000s	YTD Budget \$'000s	YTD Var fav / (unfav) \$'000s	Annual Budget \$'000s	YTD Actuals \$'000s	YTD Budget \$'000s	YTD Var fav / (unfav) \$'000s	Annual Budget \$'000s	Variance \$'000s	
	CC Director's Office	-	-	●	-	56	67	●	11	294
Communications, Engagement & Events	-	-	●	-	110	109	●	(1)	611	● (1)
Community Dev (Management & P/Ships)	-	-	●	-	66	76	●	10	334	● 10
Cultural Development	-	-	●	-	27	31	●	4	146	● 4
Customer Service	-	-	●	-	196	173	●	(23)	781	● (23)
Economic Development	95	95	●	95	178	176	●	(3)	429	● (3)
FABRIK Arts and Heritage Hub	10	16	●	(6)	66	81	●	(13)	292	● (13)
Grants & Partnerships	-	-	●	-	39	39	●	()	232	● ()
Hills Connected Communities Projects	48	16	●	32	63	19	●	(6)	66	● 26
Library Services	40	42	●	(1)	344	388	●	37	1,835	● 36
Positive Ageing (Home and Social Support)	261	248	●	13	996	214	●	42	1,043	● 54
Positive Ageing Project (Collaborative)	33	30	●	2	92	20	●	2	94	● 4
Service Strategy & Innovation	-	-	●	-	43	41	●	(2)	179	● (2)
The Summit Community Centre	2	8	●	(6)	22	38	●	()	172	● (7)
Torrens Valley Community Centre	10	9	●	1	35	42	●	(4)	164	● (3)
Volunteering	-	-	●	-	16	19	●	3	81	● 3
Youth Development	-	-	●	-	2	31	●	3	154	● 3
Community Capacity	499	464	●	35	1,719	1,564	●	59	6,905	● 94
AHBTC	100	75	●	25	300	55	●	(7)	250	● 18
Cemeteries	82	52	●	30	210	41	●	11	253	● 41
CS Director's Office	-	1	●	()	3	63	●	8	311	● 8
Financial Services	36,993	36,894	●	99	38,110	642	●	(10)	667	● 89
Governance & CEO Office	-	-	●	-	-	369	●	9	1,406	● 9
ICT	-	-	●	-	-	334	●	(37)	1,404	● (37)
Information Management	-	-	●	-	-	322	●	(7)	1,205	● (7)
OD & WHS	-	-	●	-	-	111	●	11	531	● 11
Property Management	28	25	●	2	56	449	●	23	2,936	● 26
Retirement Villages	11	6	●	5	24	7	●	6	40	● 11
Corporate Services	37,214	37,054	●	161	38,703	2,393	●	7	9,002	● 168
Civil Services	87	84	●	4	1,288	1,154	●	92	11,576	● 96
Community Wastewater Management System	1,810	1,755	●	55	1,755	109	●	38	993	● 93
Emergency Management	-	-	●	-	-	11	●	1	71	● 1
IO Director's Office	-	-	●	-	-	64	●	8	315	● 8
Open Space Biodiversity	1	-	●	1	-	137	●	(6)	538	● (5)
Open Space Operations	-	-	●	-	28	878	●	8	5,042	● 8
Open Space - Sport & Rec Planning	-	-	●	-	10	132	●	10	917	● 10
Sustainability	-	-	●	-	-	45	●	3	242	● 3
Sustainable Assets	-	-	●	-	-	104	●	12	529	● 12
Waste	6	6	●	()	70	920	●	42	4,617	● 42
Infrastructure & Operations	1,904	1,845	●	59	3,152	3,553	●	209	24,841	● 268
Animal Management	138	157	●	(20)	402	95	●	8	399	● (11)
DRS Director's Office	-	-	●	-	-	72	●	2	321	● 2
Fire Prevention	-	-	●	-	13	19	●	(4)	116	● (4)
Mt Lofty Waste Control Project	-	-	●	-	50	12	●	()	50	● ()
Parking and By-Laws	11	24	●	(13)	91	37	●	3	179	● (10)
Planning & Development	121	127	●	(6)	512	391	●	38	1,905	● 32
Policy Planning	-	-	●	-	-	35	●	()	175	● ()
Public Health	26	28	●	(2)	162	97	●	6	499	● 4
Development & Regulatory Services	296	336	●	(40)	1,229	758	●	52	3,645	● 12
Total	39,912	39,698	●	215	44,804	8,268	●	327	44,392	● 542

7.2 Additional Operating Initiatives

2019/2020 Operating Initiatives as at September 2019						
#	Description	Department	YTD Actuals \$'000s	YTD Budget \$'000s	YTD Var fev / (unfev) \$'000s	2019/20 Budget \$'000s
735	Performance Benchmarking	Governance	8	2	(6)	9
753	Boundary Reform Provision	Governance	-	5	5	20
754	Strategic Plan Review	Governance	-	6	6	25
726	Sky Trust Implementation	OD & WHS	6	8	1	33
705	Women's TDU	Comms, Engagement & Events	-	-	-	10
706	Small Events Additional Resources	Comms, Engagement & Events	-	1	1	5
727	Customer Experience Survey	CC Director's Office	13	10	(3)	10
760	Community Perception Survey	CC Director's Office	-	-	-	5
120	FABRIK	FABRIK	71	53	(18)	226
702	Disability Planning Materials	Community Development	-	3	3	10
709	Gumeracha 20Yr Event	Community Development	-	-	-	3
710	Youth Leadership Workshop	Community Development	3	3	(0)	11
723	Community Arts Projects	Community Development	1	3	2	5
744	Public Art Acquisition	Community Development	-	1	1	3
747	Reconciliation Funding	Community Development	(0)	1	1	5
748	Multicult Action Plan	Community Development	1	1	0	10
751	Regional Health Planning	Community Development	1	13	11	55
704	Digital Literacy Services	Libraries and Customer Services	8	9	1	39
719	Stirling District Masterplan	DRS Director's Office	6	8	2	8
720	Crafers Masterplan	DRS Director's Office	-	-	-	20
759	Local Heritage Fund: Contract	DRS Director's Office	-	-	-	20
725	Compliance	Health and Regulatory Services	7	8	1	35
740	Heritage Agreements	Open Space	-	-	-	5
746	Roadside Marker System	Open Space	-	-	-	45
763	Bush Regenerator Officer	Open Space	1	8	7	83
713	Smart living workshops	Sustainable Assets	-	-	-	3
741	Landscape conservation	Sustainable Assets	-	-	-	10
742	Bore water use areas-Management Plan	Sustainable Assets	11	15	4	20
752	Promotion Plan & Website Update	Sustainable Assets	-	-	-	10
755	WSUD Training	Sustainable Assets	-	-	-	2
718	Kerbside Waste Audits	Waste & Emergency Management	-	-	-	10
737	Preparedness Consultancy	Waste & Emergency Management	0	3	2	10
757	Green Waste Scoping Study	Waste & Emergency Management	-	-	-	15
758	Solar Bins	Waste & Emergency Management	-	-	-	7
Total			138	159	21	786

8. Glossary of terms

AHBTC	Adelaide Hills Business & Tourism Centre
CEOPRP	Chief Executive Officer Performance Review Panel
CIG	Closed Informal Gathering
CPI	Consumer Price Index
CWMS	Community Wastewater Management Systems
CAP	Council Assessment Panel
DPA	Development Plan Amendment
DPTI	Department of Planning, Transport and Infrastructure
ICT	Information & Communication Technology
KPI	Key Performance Indicator
LTFP	Long Term Financial Plan
ODIG	Open Designated Informal Gathering
OIG	Open Informal Gathering
SPDPC	Strategic Planning and Development Policy Committee
WHS	Work Health & Safety
WHS & IM	Work Health & Safety and Injury Management



Adelaide Hills
COUNCIL

MORE INFORMATION



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**ADELAIDE HILLS COUNCIL
ORDINARY COUNCIL MEETING
Tuesday 26 November 2019
AGENDA BUSINESS ITEM**

Item: 18.4.1

Originating Officer: Lachlan Miller, Executive Manager Governance and Performance

Responsible Director: Andrew Aitken, Chief Executive Officer

Subject: Audit Committee Presiding Member's Report 2019

For: Information

SUMMARY

The Audit Committee Terms of Reference provides that the Presiding Member will attend a meeting of the Council at least once per annum to present a report on the activities of the Committee.

Cr Malcolm Herrmann is the current Presiding Member of the Audit Committee.

RECOMMENDATION

That the report be received and noted.

1. GOVERNANCE

➤ **Strategic Management Plan/Council Policy**

Goal	Organisational Sustainability
Strategy	Risk and Responsibility
Strategy	Governance

The Audit Committee Presiding Member providing an annual report to the Council of the Committee's business is an important tool in facilitating accountability and transparency with the committee structures.

➤ **Legal Implications**

Section 126 of the *Local Government Act 1999* sets out the functions of an audit committee.

There is no legislative requirement for the Presiding Member of a s41 Committee to report to the Council.

➤ **Risk Management Implications**

The management of action items and the work plan will assist in mitigating the risk of:

Poor governance practices occur which lead to a loss of stakeholder (i.e. customer and regulator) confidence and/or legislative breaches.

Inherent Risk	Residual Risk	Target Risk
Extreme (5C)	Medium (3D)	Medium (3D)

Note that there are many other controls that assist in mitigating this risk.

➤ **Financial and Resource Implications**

Not applicable.

➤ **Customer Service and Community/Cultural Implications**

Not applicable.

➤ **Environmental Implications**

Not applicable.

➤ **Engagement/Consultation with Committee, Regional Subsidiary, Advisory Group and Community**

Council Committees: Not Applicable

Advisory Groups: Not Applicable

Administration: Director Corporate Services

Community: Not Applicable

2. BACKGROUND

Clause 8.1.2 of the Audit Committee Terms of Reference provides that the Presiding Member will attend a meeting of the Council at least once per annum to present a report on the activities of the Committee

While the Audit Committee’s 2019 Work Plan provided for the draft Report to be presented to the Committee’s 18 November 2019 meeting, given that the Committee was still required to discharge significant elements of its functions at that meeting, it would have been inappropriate to pre-emptively report of the Committee’s performance.

The Committee were advised that the report will be circulated out-of-session following its presentation to Council.

3. ANALYSIS

The Presiding Member has structured his report (**Appendix 1**) in accordance with the key functions of the Audit Committee Terms of Reference. The commentary provided demonstrates the manner in which and the activities undertaken by the Committee to fulfil its role.

4. OPTIONS

Council has the following options:

- I. Note and receive the report.
- II. Resolve that other actions are required.

5. APPENDIX

- (1) 2019 Audit Committee Presiding Member's Report

Appendix 1

2019 Audit Committee Presiding Member's Report

REPORT TO THE ADELAIDE HILLS COUNCIL ON THE OPERATIONS OF THE AUDIT COMMITTEE DURING 2019

INTRODUCTION

As outlined in Clause 8.1.2 of the Terms of Reference for the Audit Committee, the Presiding Member will attend a meeting of the Council at least once per annum to present a report on the activities of the Committee. This report provides an overview of the Adelaide Hills Council's Audit Committee operations for the 2019 calendar year.

This report includes:

- A summary of the work the Committee performed during the year aligned to the Committee's Terms of Reference;
- Details of meetings, including the number of meetings held during the period, and the number of meetings attended by each member; and
- Advising the future work scheduled for 2020.

The report is intended to invite comment from the Council on all of the above.

SUMMARY OF WORK PERFORMED AGAINST THE TERMS OF REFERENCE

For 2019, as in previous years, the Audit Committee had established a robust framework for the provision of information to meet the objectives established within the Terms of Reference. As a consequence some 48 reports were considered by the Committee for consideration over five meetings, and where appropriate, recommendations subsequently provided to Council.

The following sections of this report provide a brief summary of the work undertaken by the specific function of the Committee as set out in the Terms of Reference.

Financial Reporting and Prudential Requirements

A review of the *Long Term Financial Plan* (LTFP) was undertaken during February prior to consideration of the draft Annual Business Plan and Budget. The emphasis of the Committee was on the assumptions that had been used in the development of the Plan and alignment against previous versions that had been reviewed.

The Audit Committee reviewed both BR2 2018-19, the End of Year Financial Report 2018-19 and BR1 2019-20 prior to these reports going to Council but was not able to do the same for BR3 2018-19 due to timing issues.

Consideration of the draft *2019-20 Annual Business Plan and Budget* noted that the targets that had been established within the LTFP were met for operating income and expenditure as well as the capital program. The achievement of these targets provided a level of assurance around the ongoing financial sustainability of the Council.

At the 18 November 2019 meeting the Committee had an in depth discussion around the draft Annual Financial Statements that had been presented. The Committee was satisfied that the Statements present fairly the state of affairs of Council in accordance with the *Local Government Act 1999*, the *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards. Notwithstanding this, the Committee proposed a number of minor amendments to the Statements that were subsequently incorporated by the administration.

Internal Controls and Risk Management Systems

Internal Controls

From the start of the 2015-16 financial year, Adelaide Hills Council has had additional obligations regarding the development and maintenance of a system of internal financial controls, consistent with the requirements of the *Local Government (Financial Management) Regulations 2011*. This has required Council's external auditors to provide an opinion on internal financial controls in accordance with s129(3)(b) of the Act.

Monitoring against the key risks and controls has been generated from a system called 'Control Track'. This system tracks the recognised 'core' controls and the agreed treatment plans by responsible officers. These have been provided to the Audit Committee on a bi-annual basis.

Risk Management

Throughout the year the Audit Committee has reviewed quarterly updates on the organisation's strategic risks and agreed actions. Further the Audit Committee considered and recommended the revised Risk Management Policy to Council for adoption.

Whilst the Committee is comfortable with the progress being made in oversight of risk, the Committee expressed a need for improved reporting of the risk profile of Council to ensure both operational and strategic risks have appropriate controls and mitigation strategies in place. This resulted in the full Strategic Risk Register being provided to the Audit Committee from the August 2019 meeting onwards. For 2020 this regime will be further expanded with directorate risk profile presentations being made at quarterly meetings in rotation.

At its August 2019 meeting, the Committee received a report on the placement of Council's insurance portfolio.

Council participated in the Local Government Risk Services (LGRS) Risk Evaluation in October with the results to be tabled at the February 2020 meeting.

Debtors

Quarterly reporting on the level of outstanding debtors was commenced in late 2016 to provide additional focus on this key area of control. The Committee has been very pleased to note the ongoing improvement in the level of debtors outstanding, with the most recent report highlighting that long term debt has now reduced by approximately 90% since additional monitoring commenced. There has also been a substantial improvement in the management of historic rate debtors as a result of the development and application of a Debt Recovery Policy.

New Policies

Key areas of interest for the Audit Committee are the procurement and contracting arrangements. At the August 2019 meeting, the Committee considered the Procurement Framework setting out the policies, procedures, tools and training to improve the control, effectiveness and strategic impact of Council's procurement activities. The revised *Procurement Policy* was recommended to Council for adoption.

The Committee also considered a draft *Disposal of Assets Policy* to replace the (then) current *Disposal of Materials* and *Disposal of Land* policies. Again this was recommended to Council for adoption.

Whistleblowing

The *Whistleblowers Protection Act 1993* was repealed during the year and replaced with the *Public Interest Disclosure Act 2018*. The Committee considered the draft *Public Interest Disclosure Policy* and other arrangements required under the provisions of the new legislation.

Internal Audit

At its 18 February 2019 meeting, the Audit Committee discussed the financial and reputation risks associated with purchase card usage in the local government sector. The Committee recommend to Council to amend the Strategic Internal Audit Plan 2018-19 – 2021-22 (SIAP) to include a purchase card audit, Council resolved the change at its February 2019 meeting.

The purchase card audit was conducted in July 2019 and reported to the Committee in August 2019, the audit identified a number of medium and low risk findings and opportunities for improvement. Management responses and agreed actions were prepared for each of the key findings and the Committee provided an opinion on these responses.

The Audit Committee is seeking more progress in the implementation of the SIAP and will be monitoring this closely in 2020.

All agreed actions from internal audits are captured within the Committee's Audit Actions Implementation Register and reported to the Committee on a bi-annual basis to ensure that appropriate actions are being undertaken.

External Audit

At its February 2019 meeting, the Committee considered the External Auditor's Engagement Letter and Audit Plan for the Annual Financial Statement and Internal Financial Control audits. The Committee considered the matter of auditor independence.

At the August 2019 meeting, the External Auditors, Galpins, presented the results of the Interim Audit and advised that the work to date was indicating unqualified audit reports. A number of recommendations were made by Galpins regarding potential improvements to the suite of internal financial controls and management responses and agreed actions adopted.

The Audit Committee met with Galpins in the absence of management at the 18 November 2019 meeting. The auditors advised that the financial management and reporting of council activities was of a very good standard. Galpins did however identify delays in the provision of information, particularly associated with asset revaluations, these delays did adversely impact on the timely completion of the audit.

The Committee also assessed the External Auditor's independence and objectivity taking into account relevant professional and regulatory requirements and the extent of Council's relationship with the auditor, including the provision of any non-audit services. The Committee is satisfied that for the 2018-19 financial year, there were no relationships between the External Auditor and the Council that compromise audit independence, and this was also confirmed in writing by the external auditor.

In their audit of the Council's Annual Financial Statements, the External Auditors (Galpins) have issued an unqualified audit opinion in the *2018-19 Audit Completion Report* providing the following statement:

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2019, and its financial performance and its cash flow for the year then ended in accordance with the Australia Accounting Standards, Local Government Act 1999 and Local Government (Financial Management) Regulations 2011.

In auditing the internal financial controls, Council's External Auditors have issued an unqualified audit opinion in the *2018-19 Audit Completion Report* providing the following statement:

In our opinion, Adelaide Hills Council has complied, in all material respects, with Section 125 of the Local Government Act 1999 in relation to internal controls established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2018 to 30 June 2019.

TERMS OF REFERENCE REVIEW

At its November 2019 meeting, the Committee recommended changes to the Terms of Reference for Council's consideration. The changes were relatively minor acknowledging the likelihood of more significant changes arising from the current Local Government Reform process.

DETAILS OF MEETINGS

During 2019, a total of five (5) Audit Committee meetings were held being:

- 18 February 2019
- 15 April 2019
- 13 May 2019
- 12 August 2019
- 18 November 2019

The above meeting cycle is consistent with the requirements of the Committee's Terms of Reference which requires at least four meetings per year to be held.

The Audit Committee member attendance at meetings during the year was as follows:

Name	Attendance	Comments
Cr Malcolm Herrmann	5/5	Presiding Member
Peter Brass	5/5	
Geoff Purdie	4/5	Apology for August meeting
Paula Davies	5/5	
Cr Leith Mudge	5/5	

FUTURE WORK PROGRAM PROPOSAL

At the 18 November 2019 meeting of the Committee a work plan for 2020 was established. This work plan will ensure that the Committee continues to undertake its principal functions as set out in Section 126(4) of *the Local Government Act 1999* which include:

- reviewing annual financial statements to ensure that they present fairly the state of affairs of the Council;
- proposing, and providing information relevant to, a review of the Council's strategic management plans or annual business plan; and

- Liaising with the Council's auditor.

CONCLUSION

The body of work undertaken by the Committee is continuing to develop over time and the Committee is striving to ensure that its work is useful in the context of contributing to Adelaide Hills Council strategic objectives.

The Committee has also completed a self-assessment of its own performance for continuous improvement and invites Council's feedback on the opportunities for continuing development of the Committee's operations.

Finally, I would like to thank the other members of the Committee for their ongoing efforts in ensuring that the work undertaken is done so at both a highly professional and robust level. I would also like to thank those staff involved in preparing the reports and responding to questions at meetings, as their involvement has significantly aided in the review and decisions of the Committee.

Cr Malcolm Herrmann

Presiding Member

Adelaide Hills Council Audit Committee

21 November 2019

**ADELAIDE HILLS COUNCIL
ORDINARY COUNCIL MEETING
Tuesday 26 November 2019
CONFIDENTIAL AGENDA BUSINESS ITEM**

Item: 19.1

Originating Officer: Lachlan Miller, Executive Manager Governance and Performance

Responsible Director: Andrew Aitken, Chief Executive Officer

Subject: Audit Committee Independent Member Appointments

For: Decision

1. CEO Performance Review Panel and Audit Committee Independent Member Appointments – Exclusion of the Public

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except:

- CEO, Andrew Aitken
- Director Engineering & Assets, Peter Bice
- Director Strategy & Development, Marc Salver
- Director Corporate Services, Terry Crackett
- Director Community & Customer Service, David Waters
- Executive Manager Governance & Performance, Lachlan Miller
- Governance & Risk Coordinator, Steven Watson
- Minute Secretary, Pam Williams

be excluded from attendance at the meeting for Agenda Item 19.1: (Audit Committee Independent Member Appointments) in confidence.

The Council is satisfied that it is necessary that the public, with the exception of Council staff in attendance as specified above, be excluded to enable Council to consider the report at the meeting on the following grounds:

Section 90(3) (a) of the *Local Government Act 1999*, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead), because it would disclose the personal details of candidates who have expressed an interest to be on the Audit Committee.

Accordingly, on this basis the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential.

Appendix 1

Audit Committee Terms of Reference

ADELAIDE HILLS COUNCIL
Audit Committee



TERMS OF REFERENCE
Effective from 1 September 2017

1. ESTABLISHMENT

- 1.1 The Audit Committee (the Committee) of Council is established under Section 41 of the *Local Government Act 1999* (the Act), for the purposes of Section 126 of the Act and in compliance with regulation 17 of the *Local Government (Financial Management) Regulations 2011*.
- 1.2 The Audit Committee does not have executive powers or authority to implement actions in areas which management has responsibility and does not have any delegated financial responsibility. The Audit Committee does not have any management functions and is therefore independent from management.

2. ROLE

- 2.1 The overall role of the Audit Committee will be to assist Council to accomplish its objectives by monitoring and providing advice on the adequacy and effectiveness of the systems and processes regarding financial management and reporting, internal control and risk management, internal audit and governance functions through the following functions:

3. SPECIFIC FUNCTIONS

- 3.1 Financial Reporting and Prudential Requirements

The Committee shall:

- 3.1.1 Provide comment on the assumptions underpinning Council's Strategic Management Plans (Strategic Plan, Annual Business Plan and Budget and Long Term Financial Plan), the consistency between plans and the adequacy of Council's plans in the context of maintaining financial sustainability;
- 3.1.2 Review and provide advice to Council on the degree to which the annual financial statements present fairly the state of affairs of the Council;
- 3.1.3 Monitor the integrity of the financial statements of the Council, including its annual report, reviewing significant financial reporting issues and judgements which they contain.;
- 3.1.4 Review and challenge where necessary:
 - 3.1.4.1 The consistency of, and/or any changes to, accounting policies;
 - 3.1.4.2 The methods used to account for significant or unusual transactions where different approaches are possible;
 - 3.1.4.3 Whether the Council has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor;

3.1.4.4 The clarity of disclosure in the Council's financial reports and the context in which statements are made; and

3.1.4.5 All material information presented with the financial statements, such as the operating and financial review and the corporate governance statement (insofar as it relates to the audit and risk management);

3.1.5 Review prudential reports prepared under Section 48(1) of the Act and provide advice to Council, upon request, on other prudential matters.

3.2 Internal Controls and Risk Management Systems

The Committee shall:

3.2.1 Ensure that appropriate policies, practices and procedures of internal control (and other financial and risk management systems) are implemented, reviewed and maintained in order to assist the Council to carry out its activities in an efficient and orderly manner to achieve its objectives;

3.2.2 Review Council's risk management framework and monitor the performance of Council's risk management program;

3.2.3 Monitor the corporate risk profile and significant risk exposures for the organisation to ensure that there are appropriate management plans to manage and mitigate this business risk; and

3.2.4 Ensure an appropriate legislative compliance framework exists to identify risks and controls over compliance with applicable legislation and regulations.

3.3 Whistle blowing

The committee shall:

3.3.1 Review annually the Council's Whistleblower Protection Policy

3.3.2 Provide recommendations to Council regarding the Whistleblower Protection Policy to ensure that:

3.3.2.1 There are adequate arrangements for Council employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters; and

3.3.2.2 The policy allows independent investigation of such matters and appropriate follow-up action in a manner that is in accordance with the Independent Commissioner Against Corruption Act 2012 and Regulations 2013.

3.4 Internal Audit

The Committee shall:

- 3.4.1 Monitor and review the effectiveness of the Council's internal audit function in the context of the Council's overall risk management system;
- 3.4.2 Consider and make recommendation on the program of the internal audit function and the adequacy of its resources and access to information to enable it to perform its function effectively and in accordance with the relevant professional standards.
- 3.4.3 Review all reports on the Council's operations from the internal auditors;
- 3.4.4 Review and monitor management's responsiveness to the findings and recommendations of the internal auditor; and
- 3.4.5 Where appropriate, meet the "head" of internal audit (internal or outsourced) at least once a year, without management being present, to discuss any issues arising from the internal audits carried out. In addition, the head of internal audit shall be given the right of direct access to the Principal Member of the Council and to the Presiding Member of the committee.

3.5 External audit

The Committee shall:

- 3.5.1 Consider and make recommendations to the Council, in relation to the appointment, re-appointment and removal of the Council's external auditor. The Committee shall oversee the selection process for new auditors and if an auditor resigns the Committee shall investigate the issues leading to this and decide whether any action is required;
- 3.5.2 Oversee Council's relationship with the external auditor including, but not limited to:
 - 3.5.2.1 Recommending the approval of the external auditor's remuneration, whether fees for audit or non-audit services, and recommending whether the level of fees is appropriate to enable an adequate audit to be conducted;
 - 3.5.2.2 Recommending the approval of the external auditor's terms of engagement, including any engagement letter issued at the commencement of each audit and the scope of the audit;
 - 3.5.2.3 Assessing the external auditor's independence and objectivity taking into account relevant professional and regulatory requirements and the extent of Council's relationship with the auditor, including the provision of any non-audit services;
 - 3.5.2.4 Satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the external auditor and the Council (other than in the ordinary course of business);

- 3.5.2.5 Monitoring the external auditor's compliance with legislative requirements on the rotation of audit partners; and
 - 3.5.2.6 Assessing the external auditor's qualifications, expertise and resources and the effectiveness of the audit process (which shall include a report from the external auditor on the audit committee's own internal quality procedures);
 - 3.5.3 Meet as needed with the external auditor. The Committee shall meet the external auditor at least once a year, without management being present; to discuss the external auditor's report and any issues arising from the audit;
 - 3.5.4 Review and make recommendations on the annual audit plan, and in particular its consistency with the scope of the external audit engagement;
 - 3.5.5 Review the findings of the audit with the external auditor. This shall include, but not be limited to, the following:
 - 3.5.5.1 a discussion of any major issues which arose during the external audit;
 - 3.5.5.2 any accounting and audit judgements; and
 - 3.5.5.3 Levels of errors identified during the external audit. The committee shall also review the effectiveness of the external audit.
 - 3.5.6 Review any representation letter(s) requested by the external auditor before they are signed by management;
 - 3.5.7 Review the management letter and management's response to the external auditor's findings and recommendations.
- 3.6 Economy and Efficiency Audits
- The Committee shall:
- 3.6.1 Propose and review the exercise of powers under Section 130A of the Act; to examine and report on any matter relating to financial management, or the efficiency and economy with which the council manages or uses its resources to achieve its objectives,
- 3.7 Service Improvement
- The Committee shall:
- 3.7.1 Monitor the benefits achieved through Council's Service Improvement Program with a focus on efficiency and effectiveness.

4. OTHER MATTERS

The Committee shall:

- 4.1 Have access to reasonable resources in order to carry out its duties, recognising the constraints within Council's Budget;
- 4.2 Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- 4.3 Give due consideration to laws and regulations of the Act;
- 4.4 Make recommendations on co-ordination of the internal and external auditors;
- 4.5 Oversee any investigation of activities which are within its terms of reference;
- 4.6 Oversee action to follow up on matters raised by the external and internal auditors;
- 4.7 Invite Council's external auditors and internal auditors to attend meetings of the Committee, as considered appropriate; and
- 4.8 At least once in its term, review its own performance and terms of reference to ensure it is operating at maximum effectiveness and recommend changes it considers necessary to the Council for approval.

5. MEMBERSHIP

- 5.1 The Committee will comprise 5 members as follows:
 - 5.1.1 Three (3) Independent Members; and
 - 5.1.2 Two (2) Council Members
- 5.2 All members of the Committee will be appointed by the Council.
- 5.3 Independent Member(s) of the Committee shall have recent and relevant skills and experience in professions such as, but not limited to accounting, financial management, risk management, law, compliance, internal audit and governance.
- 5.4 It is desirable for the Council Members to be appointed to the Committee to have a sound understanding of financial management, risk management and governance.
- 5.5 In considering appointments to the Committee, Council should give consideration to the diversity of the membership.
- 5.6 Appointments to the Committee shall be for a period of up to three (3) years.
- 5.7 Members of the Committee are eligible for reappointment at the expiration of their term of office.
- 5.8 The terms of appointment of the Independent Members should be arranged to ensure the orderly rotation and continuity of membership despite changes to the composition of the Council.

6. SITTING FEES

- 6.1 The applicable Remuneration Tribunal (or its successor) Determination outlines the applicable allowance for Council Members on the Committee.
- 6.2 The Independent Members are to be paid a sitting fee as determined by Council for attendance at meetings and authorised training sessions. Council may determine a higher sitting fee for the presiding member.

7. PRESIDING MEMBER

- 7.1 The Council will appoint the Presiding Member of the Committee.
- 7.2 The Council authorises the Committee to determine if there will be a Deputy Presiding Member of the Committee and, if so, authorises the Committee to make the appointment to that position for a term determined by the Committee.
- 7.3 If the Presiding Member of the Committee is absent from a meeting the Deputy Presiding Member (if such position exists) will preside at that meeting. If there is no position of Deputy Presiding Member, or both the Presiding Member and the Deputy Presiding Member of the Committee are absent from a meeting of the Committee, then a member of the Committee chosen from those present will preside at the meeting until the Presiding Member (or Deputy Presiding Member, if relevant) is present.
- 7.4 The role of the Presiding Member includes:
 - 7.4.1 overseeing and facilitating the conduct of meetings in accordance with Act and the *Local Government (Procedures at Meetings) Regulations 2013* (the Regulations);and
 - 7.4.2 Ensuring all Committee members have an opportunity to participate in discussions in an open and encouraging manner.

8. REPORTING RESPONSIBILITIES

- 8.1 For the purposes of Section 41(8) of the Act, the Committee's reporting and accountability requirements are:
 - 8.1.1 The minutes of each Committee meeting will be included in the agenda papers of the next ordinary meeting of the Council;
 - 8.1.2 The Presiding Member will attend a meeting of the Council at least once per annum to present a report on the activities of the Committee;
 - 8.1.3 The Committee shall make whatever recommendations to the Council it deems appropriate on any area within its terms of reference where in its view action or improvement is needed; and
 - 8.1.4 The Presiding Member may attend a Council meeting at any time that the Presiding Member sees fit to discuss any issue or concern relating to the Committee's functions. Depending on the nature of the matter, this may be held in confidence in accordance with Section 90 of the Act and staff may be requested to withdraw from the meeting.

9. MEETING PROCEDURE

- 9.1 Meeting procedure for the Committee is as set out in the Act, Parts 1, 3 and 4 of the Regulations. Insofar as the Act, the Regulations, or these Terms of Reference do not prescribe the procedure to be observed in relation to the conduct of a meeting of the Committee, the Committee may determine its own procedure.
- 9.2 In accordance with Section 90(7a), one or more Committee members may participate in the meeting by telephone or other electronic means provided that members of the public can hear the discussion between all Committee members.
- 9.3 Only members of the Committee are entitled to vote in Committee meetings. Unless otherwise required by the Act not to vote, each member must vote on every matter that is before the Committee for decision.
- 9.4 Council Employees may attend any meeting as observers or be responsible for preparing papers for the committee.

10. SECRETARIAL RESOURCES

- 10.1 The Chief Executive Officer shall provide sufficient administrative resources to the Committee to enable it to adequately carry out its functions.

11. FREQUENCY OF MEETINGS

- 11.1 The Committee shall meet at least four times a year at appropriate times and places as determined by the Committee. A special meeting of the Committee may be called in accordance with the Act.
- 11.2 If after considering advice from the CEO or delegate, the Presiding Member of the Committee is authorised to cancel the respective Committee meeting, if it is clear that there is no business to transact for that designated meeting.

12. NOTICE OF MEETINGS

- 12.1 Notice of the meetings of the Committee will be given in accordance with Sections 87 and 88 of the Act. Accordingly, notice will be given:
- 12.1.1 To members of the Committee by email or as otherwise agreed by Committee members at least 3 clear days before the date of the meeting; and
- 12.1.2 To the public as soon as practicable after the time that notice of the meeting is given to members by causing a copy of the notice and agenda to be displayed at the Council's offices and on the Council's website.

12.2 PUBLIC ACCESS TO MEETINGS & DOCUMENTS

- 12.3 Members of the public are able to attend all meetings of the Committee, unless prohibited by resolution of the Committee under the confidentiality provisions of Section 90 of the Act.
- 12.4 Members of the public have access to all documents relating to the Committee unless prohibited by resolution of the Committee under the confidentiality provisions of Section 91 of the Act.

13. MINUTES OF MEETINGS

- 13.1 The Chief Executive Officer shall ensure that the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance are minuted and that the minutes otherwise comply with the requirements of the Regulations.
- 13.2 Minutes of Committee meetings shall be circulated within five days after a meeting to all members of the Committee and will (in accordance with legislative requirements) be available to the public.

3. Audit Committee Independent Member Appointments – Period of Confidentiality

Subject to the CEO, or his delegate, disclosing information or any document (in whole or in part) for the purpose of implementing Council’s decision(s) in this matter in the performance of the duties and responsibilities of office, Council, having considered Agenda Item 19.1 in confidence under sections 90(2) and 90(3) (a) of the *Local Government Act 1999*, resolves that an order be made under the provisions of sections 91(7) and (9) of the *Local Government Act 1999* that the report, related attachments and the minutes of Council and the discussion and considerations of the subject matter be retained in confidence until the appointment have been confirmed with the applicants, but not longer than 2 months.

Pursuant to section 91(9)(c) of the *Local Government Act 1999*, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.