

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

CHARTER

1. INTRODUCTION

1.1 Name

The name of the subsidiary is the Gawler River Floodplain Management Authority (referred to as 'the Authority' in this Charter).

1.2 Definitions

'AASB124' means Australian Accounting Standards Board's Accounting Standard AASB124 Related Party Disclosure;

'Act' means the Local Government Act 1999 and includes all regulations made thereunder;

'Annual Business Plan' means the business plan adopted by the Authority pursuant to Clause 12.2;

'Asset Management Plan' means the asset management plan adopted by the Authority and approved by the Constituent Councils in accordance with Clause 13.3;

'Board' means the Board of the Authority set out at Clause 4;

'Board Member' means a member of the Board appointed pursuant to Clause 4.2;

'Budget' means the annual budget adopted by the Authority pursuant to Clause 12.1;

'Chairperson' means the member of the Board appointed pursuant to Clause 4.4;

'Constituent Councils' means those councils identified at Clause 2.2.

'Council' means a council constituted under the Act;

'Council Member' means a member of a Council;

'Deputy Board Member' means a deputy member of the Board appointed pursuant to Clause 4.3;

'Dispute' means a difference between one or more Constituent Councils and the Authority concerning the operations or affairs of the Authority and includes where a Constituent Council fails or refuses to approve the draft asset

management plan, budget, long term financial plan, or charter amendment as advised by the Authority;

'Financial Statements' has the same meaning as in the Act;

'Financial Year' means 1 July each year to 30 June in the subsequent year;

'Long Term Financial Plan' means the long term financial plan adopted by the Authority and approved by the Constituent Councils pursuant to Clause 13.1;

'Executive Officer' means the person appointed pursuant to Clause 10.1 as the Executive Officer of the Authority;

'Region' means the collective geographical areas of the Constituent Councils;

'Strategic Plan' means the strategic plan adopted by the Authority pursuant to Clause 13.2.

1.2.1 In the calculation of 'days':

1.2.1.1 the day on which the notice, document, report, etc is given will not be taken into account; and

1.2.1.2 Saturdays, Sundays and public holidays will be taken into account.

1.3 Interpretation

In this Charter, unless the context otherwise requires:

1.3.1 the singular includes the plural and vice versa;

1.3.2 words importing a gender include other genders;

1.3.3 words importing natural persons include corporates;

1.3.4 reference to a section is to a section of the Act and includes any section that substantially replaces that section and deals with the same matter;

1.3.5 headings are for ease of reference only and do not affect the construction of this clause;

1.3.6 an unenforceable provision or part of a provision of this Charter may be severed and the remainder of this Charter continues in force, unless this would materially change the intended effect of this Charter.

1.4 Local Government Act

1.4.1 This Charter must be read in conjunction with Parts 2 and 3 of Schedule 2 to the Act.

- 1.4.2 The Authority shall conduct its affairs in accordance with and comply with Schedule 2 to the Act except as modified by this Charter in a manner permitted by Schedule 2.

2. ESTABLISHMENT

- 2.1 The Gawler River Floodplain Management Authority is established by the Constituent Councils as a regional subsidiary pursuant to Section 43 and Schedule 2 of the *Local Government Act 1999*.
- 2.2 The Authority is established by the Adelaide Hills Council, Adelaide Plains Council, The Barossa Council, Town of Gawler, the Light Regional Council and the City of Playford.
- 2.3 The Authority is subject to the joint direction of the Constituent Councils.

3. PURPOSE AND FUNCTIONS

- 3.1 The Authority has been established for the purpose of coordinating the planning, construction, operation and maintenance of flood mitigation infrastructure for the Gawler River, and for the following functions:
- 3.1.1 to raise finance for the purpose of developing, managing and operating and maintaining works approved by the Board;
 - 3.1.2 to provide a forum for the discussion and consideration of topics relating to the Constituent Council's obligations and responsibilities in relation to management of flooding of the Gawler River;
 - 3.1.3 to advocate on behalf of the Constituent Councils and their communities where required to State and Federal Governments for legislative policy changes on matters related to flood mitigation and management and associated land use planning with Gawler River flood mitigation;
 - 3.1.4 to facilitate sustainable outcomes to ensure a proper balance between economic, social, environmental and cultural consideration; and
 - 3.1.5 to provide advice as appropriate to the Constituent Councils in relation to development applications relevant to the Authority's roles and functions.
- 3.2 One or more of the Constituent Councils may request the Authority to undertake a function set out in Clause 3.1 of this Charter for the Constituent Council(s), which function will be additional and separate to those undertaken by the Authority for all of the Constituent Councils.
- 3.3 Where one or more Constituent Councils makes a request provided for under Clause 3.2, the Constituent Council(s) and the Authority must enter into a written agreement which amongst other things provides for the Constituent Council(s) to pay to the Authority annual subscription amounts and/or equal percentages of classes of subscription to meet the costs of the Authority in

undertaking the additional function(s) and which also provides, with the ownership and maintenance of any resultant infrastructure.

- 3.4 The Authority is not involved in a significant business activity as defined in the Clause 7 Statement prepared under the Competition Principles Agreement of the National Competition Policy.

4. THE BOARD OF MANAGEMENT

4.1 The Board

- 4.1.1 The Authority will be governed by a Board and all decisions of the Board constitute decisions of the Authority.
- 4.1.2 The Board is responsible for the administration of the affairs of the Authority. The Board must ensure insofar as it is practicable, that the Authority complies with all legislative obligations including this Charter, that information provided to the Constituent Councils is accurate and that the Constituent Councils are kept informed of the solvency of the Authority as well as any material developments which may affect the operating capacity and financial affairs of the Authority.

4.2 Board Members

- 4.2.1 The Board will consist of 13 Board Members comprising:
- 4.2.1.1 the Chief Executive Officers of each of the Constituent Councils (including any persons acting in those offices from time to time) or his or her nominee who shall be an employee of the same Constituent Council as the Chief Executive Officer nominating the employee; and
 - 4.2.1.2 one member of each Constituent Council appointed by each Constituent Council;
 - 4.2.1.3 a Chairperson appointed pursuant to Clause 4.4.
- 4.2.2 A Board Member is at the expiry of his or her term of office eligible for reappointment.
- 4.2.3 Board Members (with the exception of the Chairperson) shall not be entitled to receive a sitting fee or other fee or remuneration for undertaking their role as a Board Member.
- 4.2.4 Written confirmation from the Chief Executive Officer of a Constituent Council will be sufficient evidence of that Constituent Council's appointment or revocation of the appointment of a Board Member.
- 4.2.5 In the event the office of a Board Member becomes vacant, the Constituent Council who appointed that Board Member will appoint another elected member to fill that vacancy:

- 4.2.5.1 if the Board Member whose office has become vacant was an elected member of a Constituent Council;
 - 4.2.5.2 if the Board Member whose office has become vacant was a person nominated by the Chief Executive Officer of a Constituent Council, the Chief Executive Officer of that Constituent Council will act as a Board Member or nominate a person to be a Board Member.
- 4.2.6 The Constituent Councils will endeavour as far as practicable to ensure the Board comprises a gender balance and Board Members with a range of expertise including:
- environmental management;
 - corporate financial management;
 - general management;
 - public sector governance;
 - public works engineering management.

4.3 **Deputy Board Member**

- 4.3.1 Each Constituent Council must appoint:
- 4.3.1.1 an employee of that Constituent Council as a deputy Board Member who may act in the place of the Board Member being the Chief Executive Officer (or his or her nominee) of that Constituent Council as provided for in Clause 4.2.1.1 if that Board Member is unable for whatever reason to attend a meeting of the Board or otherwise able to act as a Board Member whilst the Board Member is unable to attend a meeting of the Board or to act as a Board Member; and
 - 4.3.1.2 a member of that Constituent Council as a deputy Board Member who may act in the place of the Board Member appointed by that Constituent Council pursuant to Clause 4.2.1.2 if that Board Member is unable for whatever reason to attend a meeting of the Board or otherwise unable to act as a Board Member whilst the Board Member is unable to attend a meeting of the Board or act as a Board Member.
- 4.3.2 A deputy Board Member in attendance at a meeting of the Board may speak but is only entitled to vote on a matter to be decided by the Board if acting and in attendance at the meeting in accordance with Clauses 4.3.1.

4.4 **Chairperson**

- 4.4.1 A person who is neither an officer, employee or member of a Constituent Council will be appointed by the Constituent Councils as a Board Member and the Chairperson for a term of up to three years and

on such other terms and conditions as determined by the Constituent Councils and who the Constituent Councils consider has expertise in one or more of the following areas:

- (a) environmental management;
- (b) corporate financial management;
- (c) general management;
- (d) public sector governance.

- 4.4.2 In the event the Chairperson is absent or unable for whatever reason to act as Chairperson, the Board will elect a Board Member as the Acting Chairperson for the period the Chairperson is absent or unable to act as Chairperson.
- 4.4.3 The Chairperson is, at the expiry of his or her term of office, eligible for reappointment.
- 4.4.4 The Authority may at the expiry of the Chairperson's term of office as Chairperson appoint the Chairperson for a further term of up to three years and otherwise on the same terms and conditions as the Chairperson's original appointment.
- 4.4.5 The Authority may pay a sitting fee to the Chairperson in such amount as determined by the Authority.
- 4.4.6 The Chairperson will preside at all meetings of the Board and in the event the Chairperson is absent from a meeting, the Board must select a Board Member present to preside at that meeting only.
- 4.4.7 In the event there is a vacancy in the office of Chairperson, the Board will elect a Board Member to act as Chairperson for the balance of the original term or the appointment of a Chairperson, whichever occurs first.

5. **TERM OF OFFICE**

- 5.1 Subject to Clause 5.2, the term and other conditions of office of a Board Member, will be as determined by the Constituent Council appointing that Board Member.
- 5.2 The Constituent Councils will as far as practicable appoint Board Members, other than those Board Members who are the Chief Executive Officers of the Constituent Councils, following each periodic election of the Constituent Council until the next periodic election of the Constituent Council.
- 5.3 The Board may by a two-thirds majority vote of the Board Members present (excluding the member subject to this clause) make a recommendation to the Constituent Council that appointed the relevant Board Member, that the Constituent Council terminate the appointment of that Board Member in the event of:

- 5.3.1 any behaviour of the Board Member which in the opinion of the Authority amounts to impropriety;
 - 5.3.2 serious neglect of duty in attending to the responsibilities of a Board Member and/or Chairperson of the Board;
 - 5.3.3 breach of fiduciary duty to the Authority;
 - 5.3.4 breach of the duty of confidentiality to the Authority or the Constituent Councils;
 - 5.3.5 breach of the conflict of interest requirements applying to the Board Member; or
 - 5.3.6 any other behaviour which may discredit the Authority or a Constituent Council.
- 5.4 The Authority may by a two-thirds majority vote of the Board Members present at a Board meeting (excluding the Chairperson) make a recommendation to the Constituent Councils that the appointment of the Chairperson be terminated in the event of:
- 5.4.1 any behaviour of the Chairperson which in the opinion of the Authority amounts to impropriety;
 - 5.4.2 serious neglect of duty in attending to the responsibilities of a Board Member and/or Chairperson of the Board;
 - 5.4.3 breach of fiduciary duty to the Authority;
 - 5.4.4 breach of the duty of confidentiality to the Authority or the Constituent Councils;
 - 5.4.5 breach of the conflict of interest requirements applying to a Board Member; or
 - 5.4.6 any other behaviour which may discredit the Authority or a Constituent Council.
- 5.5 The Constituent Council which appointed the member whose term of office has become vacant will be responsible to appoint a Board Member to fill the vacancy.
- 5.6 A Board Member will cease to hold office and his or her office will become vacant:
- 5.6.1 if any of the grounds or circumstances in the Act as to when a Board Member's office becomes vacant arises;
 - 5.6.2 if he or she is convicted of an indictable offence punishable by imprisonment;

- 5.6.3 if the Constituent Council which appointed the Board Member ceases to be a Constituent Council;
- 5.6.4 in relation to a Board Member who is the Chief Executive Officer (or his or her nominee) of a Constituent Council, if the Board Member ceases to be an employee of the Constituent Council that he or she was an employee of at the time he or she was appointed or the Constituent Council by which the Chief Executive Officer or his or her nominee is employed ceases to be a Constituent Council;
- 5.6.5 upon the happening of any other event through which the Board Member would be ineligible to remain as a Board Member; or
- 5.6.6 if a Constituent Council revokes the appointment of a Board Member appointed by that Constituent Council.

6. **ROLE, FUNCTIONS AND PROCEEDINGS OF THE BOARD**

6.1 **Role of the Board**

The Board is the Authority's governing body and has the responsibility for the administration of the affairs of the Authority ensuring that the Authority acts in accordance with this Charter and all relevant legislation including the Act.

6.2 **Functions of the Board**

In addition to the functions of the Board set out in the Act, the functions of the Board include:

- 6.2.1 the formulation of Strategic and Business Plans in accordance with Clause 13;
- 6.2.2 providing professional input and policy direction to the Authority;
- 6.2.3 ensuring strong accountability and stewardship of the Authority;
- 6.2.4 monitoring, overseeing and measuring the performance of the Executive Officer of the Authority;
- 6.2.5 ensuring that ethical behaviour and integrity is established and maintained by the Authority, the Board and Board Members in all activities undertaken by the Authority;
- 6.2.6 developing and adopting such policies and procedures as give effect to good governance and administrative practices;
- 6.2.7 exercising the care, diligence and skill that a prudent person of business would exercise in managing the affairs of other persons; and
- 6.2.8 avoiding investments that are speculative or hazardous by nature.

6.3 **Proceedings of the Board**

- 6.3.1 All meetings of the Authority shall be meetings of the Board.
- 6.3.2 Ordinary meetings of the Board will be held at such times and places as determined by the Board except that there must be at least one ordinary meeting of the Board every two months.
- 6.3.3 An ordinary meeting of the Board will constitute an ordinary meeting of the Authority. The Board shall administer the business of the Authority at the ordinary meeting.
- 6.3.4 For the purpose of this Clause 6.3, the contemporary linking together by telephone, audio-visual or other instantaneous means (telecommunications meeting) of the Board Members provided that at least a quorum is present, is deemed to constitute a meeting of the Board. Each of the Board Members taking part in the telecommunications meeting must at all times during the telecommunications meeting be able to hear and be heard by each of the other Board Members present. At the commencement of the meeting, each Board Member must announce his/her presence to all other Board Members taking part in the meeting. A Board Member must not leave a telecommunications meeting by disconnecting his/her telephone, audio-visual or other communication equipment, unless that Board Member has previously notified the Chairperson of the meeting.
- 6.3.5 A proposed resolution in writing and given to all Board Members in accordance with procedures determined by the Board will be a valid decision of the Board and will constitute a valid decision of the Authority where a majority of Board Members vote in favour of the resolution by signing and returning the resolution to the Executive Officer or otherwise giving written notice of their consent and setting out the terms of the resolution to the Executive Officer. The resolution will be deemed a resolution of the Board and will be as valid and effective as if it had been passed at a meeting of the Board duly convened and held.
- 6.3.6 Subject to Clause 6.3.7, meetings of the Board will be open to the public and Chapter 6 Part 3 extends to the Authority as if it were a Council and the Board Members were members of the Council.
- 6.3.7 Any Constituent Council, the Chairperson or three Board Members may by delivering a written request to the Executive Officer require a special meeting of the Board to be held and any such special meeting shall constitute a special meeting of the Authority. The written request must be accompanied by the agenda for the special meeting and if an agenda is not provided the request has no effect.
- 6.3.8 On receipt of a written request pursuant to Clause 6.3.7, the Executive Officer must give notice to all Board Members at least four hours prior to the commencement of the special meeting.

- 6.3.9 A meeting of the Board must not commence until a quorum of Board Members is present and a meeting must not continue if there is not a quorum of Board Members present. A quorum of Board Members will comprise one half of the Board Members in office, ignoring any fraction, plus one.
- 6.3.10 The Board must adopt a Code of Practice for Meeting Procedures to apply to the proceedings at and conduct of meetings of the Board. The Code of Practice for Meeting Procedures must not be inconsistent with the Act or this Charter.
- 6.3.11 The Code of Practice for Meeting Procedures may be reviewed by the Board at any time and must be reviewed at least once every three years.
- 6.3.12 In the event of any inconsistency between this Charter and the Code of Practice for Meeting Procedures, this Charter shall prevail.

7. PROPRIETY OF MEMBERS OF THE BOARD

- 7.1 Subject to Clauses 20(6) and 20(7) of Schedule 2 to the Act, the provisions regarding conflict of interest prescribed in the Act apply to all Board Members as if they were elected members of a Council and the Authority was a Council.
- 7.2 Board Members must comply with Division 2, Chapter 5 (Register of Interests) of the Act and to use all reasonable efforts to assist the Authority to comply with any obligations including regarding related party disclosures as set out in AASB124.
- 7.3 Board Members must act in accordance with their duties of confidence and other legal and fiduciary duties including honesty and the exercise of reasonable care and diligence to the Authority as required by Part 4, Division 1, Chapter 5 of the Act and Clause 23 of Schedule 2, Part 2 of the Act.
- 7.4 Subject to the express provisions of Schedule 2 to the Act and this Charter, all provisions governing the propriety and duties of members of a Council and public officers under the Act and other South Australian legislation apply to Board Members.

8. POWERS

- 8.1 The Authority is constituted as a body corporate under the Act and in all things acts through the Board.
- 8.2 The Authority has subject, where relevant to Clauses 8.3, 8.4 and 8.5:
 - 8.2.1 the power to acquire, deal with and dispose of real and personal property and rights in relation to real and personal property;
 - 8.2.2 the power to compulsorily acquire land in accordance with the Land Acquisition Act 1969, provided that such acquisition is for the purposes of flood mitigation;

- 8.2.3 the power to sue and be sued in its corporate name;
 - 8.2.4 the power to enter into any kind of contract or arrangement;
 - 8.2.5 the power to return surplus revenue to Constituent Councils in such proportions as the Board considers appropriate at the end of any financial year either by way of cash payment or reduction of annual contribution;
 - 8.2.6 the power to set aside surplus revenue for future capital expenditure;
 - 8.2.7 the power to invest funds and in doing so to take into account Part 4 of Chapter 9 of the Act;
 - 8.2.8 the power to establish committees, in accordance with Clause 9;
 - 8.2.9 the power to delegate any function or duty except for the power to compulsorily acquire land as set out in Clause 8.2.2 and any of the powers set out in section 44 of the Act, (where such powers are applicable to the Authority); and
 - 8.2.10 the power to do anything else necessary or convenient for, or incidental to, the exercise, performance or discharge of its powers, functions or duties.
- 8.3 The Authority has the power to incur expenditure as follows:
- 8.3.1 in accordance with a budget adopted by the Authority under Clause 12.1; or
 - 8.3.2 with the prior approval of the Constituent Councils; or
 - 8.3.3 in accordance with the Act, in respect of expenditure not contained in a budget adopted by the Authority for a purpose of genuine emergency or hardship.
- 8.4 Subject to Clause 8.5, the Authority has the power to borrow money as follows:
- 8.4.1 in accordance with a budget adopted by the Authority under Clause 12; or
 - 8.4.2 with the prior approval of the Constituent Councils.
- 8.5 Unless otherwise approved by the Constituent Councils, any and all borrowings (except overdraft facilities) taken out by the Authority:
- 8.5.1 must be from the Local Government Financial Authority or a registered bank or financial institution within Australia; and
 - 8.5.2 the Authority shall not act outside of the areas of the Constituent Councils without their prior approval and that approval shall only be granted upon the basis that the Constituent Councils consider it

necessary or expedient for the performance of their or the Authority's functions.

- 8.6 The Authority will have a common seal which may be affixed to documents requiring execution under common seal and must be witnessed by the Chairperson and one other Board Member.
- 8.7 The common seal must not be affixed to a document except to give effect to a resolution of the Board. The Executive Officer will maintain a register which records the resolutions of the Board giving authority to affix the common seal and details of the documents to which the common seal has been affixed with particulars of the persons who witnessed the fixing of the seal and the date.
- 8.8 The Board may by instrument under the seal authorise a person to execute documents on behalf of the Authority. The Executive Officer will maintain a register of such resolutions and details of any documents executed in this way, together with particulars of the person executing the document.

9. **ESTABLISHMENT OF COMMITTEES**

- 9.1 The Authority may establish committees.
- 9.2 A member of a committee holds office at the pleasure of the Board.
- 9.3 Without limiting the Board's power to establish additional committees, the following committee is established:
 - 9.3.1 Audit Committee.
- 9.4 **Audit Committee**
 - 9.4.1 The Audit Committee shall be composed of no more than three members of whom at least one shall be a person who is not a member of the Board ('Independent Member').
 - 9.4.2 Members of the Audit Committee will be appointed by the Board biennially and at the expiry of a term of appointment are eligible for reappointment.
 - 9.4.3 The Independent Member (or one of the Independent Members if there is more than one) shall be appointed by the Authority as the Chair of the Audit Committee. The Chair of the Audit Committee shall be paid such honorarium as the Authority determines.
 - 9.4.4 Members of the Audit Committee must as far as practicable have recent and relevant financial, risk management or internal audit experience relevant to the functions of the Audit Committee as determined by the Authority.
 - 9.4.5 The functions of the Audit Committee include:

- 9.4.5.1 reviewing annual Financial Statements of the Authority to ensure they provide a timely and fair view of the state of affairs of the Board; and
- 9.4.5.2 liaising with the external auditors of the Authority; and
- 9.4.5.3 reviewing the adequacy of the accounting, internal auditing, reporting, internal control and other financial management systems and practices of the Authority on a regular basis;
- 9.4.5.4 Considering and advising the Authority on risk management.

10. **ADMINISTRATIVE MATTERS**

- 10.1 There will be an Executive Officer of the Authority appointed by the Authority on terms and conditions to be determined by the Authority.
- 10.2 The Executive Officer will be responsible to the Board:
 - 10.2.1 to ensure that the policies and lawful decisions of the Authority are implemented in a timely manner;
 - 10.2.2 for the efficient and effective management of the operations and affairs of the Authority;
 - 10.2.3 to provide advice and reports to the Board on the exercise and performance of the Authority's powers and functions; and
 - 10.2.4 to give effect to the principles of human resource management generally applicable within the local government industry.
- 10.3 The Executive Officer has such powers, functions and duties prescribed by this clause and as determined necessary by the Authority from time to time to ensure the efficient and effective management of the operations and affairs of the Authority.
- 10.4 The Authority may employ other officers and it may authorise the Executive Officer to employ such other officers on its behalf as are required for the efficient and effective management of the operations and affairs of the Authority.
- 10.5 The Authority may engage professional consultants and it may authorise the Executive Officer to engage professional consultants to provide services to the Authority to ensure the proper execution of its decisions, the efficient and effective management of the operations and affairs of the Authority and for giving effect to the general management objectives and principles of personal management prescribed by this Charter.

11. **FINANCIAL CONTRIBUTIONS TO THE AUTHORITY**

- 11.1 The contributions of the Constituent Councils shall be based on the percentage shares for capital works, maintenance of assets of the Authority and operational costs of the Authority in accordance with Schedule 1.

Where the capital and/or maintenance cost exceeds \$1 Million in any given year, Clause 11.7 shall apply.

- 11.2 The Authority will be responsible to provide the Constituent Councils with sufficient information for each of them to ascertain the level of and understand the reasons behind the funding required each financial year. This will be achieved via the business plan and the annual budget.
- 11.3 The Authority will determine annually the funds required by the Authority to enable it to function. The Constituent Councils shall contribute the funds requested by the Authority, in the annual budget and approved by the Constituent Councils, and any additional funds that are required for the continuing function of the Authority and approved by the Constituent Council. The Authority must provide full details regarding the need for additional funds to the Constituent Councils.
- 11.4 The annual contribution will be paid by each Constituent Council in advance by six monthly instalments.
- 11.5 Additional contributions (of any) will be paid by each Constituent Council in the manner and at the time determined by the Authority.
- 11.6 The Authority is accountable to each Constituent Council to ensure that the Authority functions in accordance with its business plan and approved budgets.
- 11.7 The Authority may enter into separate funding arrangements with Constituent Councils and with any State or Federal Government or their agencies in respect of any project undertaken or to be undertaken by or on behalf of the Authority.
- 11.8 Where a Constituent Council or Constituent Councils enter into an agreement with the Authority under Clauses 3.2 and 3.3 of this Charter the subscriptions payable under that agreement shall be additional to the subscriptions payable under this Clause.

12. BUDGET AND ANNUAL BUSINESS PLAN

12.1 Budget

- 12.1.1 The Authority must prepare a budget for each financial year.
- 12.1.2 The Budget must:
 - 12.1.2.1 deal with each principal activity of the Authority on a separate basis;
 - 12.1.2.2 be consistent with and account for activities and circumstances referred to in the Authority's Annual Business Plan;
 - 12.1.2.3 be submitted in draft form to each Constituent Council before 31 March for approval;

- 12.1.2.4 not be adopted by the Authority until after 31 May but before 30 September;
- 12.1.2.5 identify the amount of and the reasons for the financial contributions to be made by each Constituent Council to the Authority.
- 12.1.3 The Budget may only be adopted where two thirds of the Board Members present vote in favour of the Budget.
- 12.1.4 The Authority must provide a copy of the adopted Budget to each Constituent Council within five clear days after adoption.
- 12.1.5 The Authority must reconsider its Budget in accordance with Regulation 9 of the Local Government (Financial Management) Regulations 2011.
- 12.1.6 The Authority must submit to each Constituent Council for approval, any proposed amendment to the Budget.
- 12.1.7 Where a Constituent Council has failed to approve a draft budget, or an amended budget, and has not served a notice on the Authority in accordance with Clause 21 within two months of the receipt of the draft budget, or amended budget by the Constituent Council, then the approval of the Constituent Council to the draft budget, or amended budget, will be deemed to have been given.
- 12.2 **Annual Business Plan**
 - 12.2.1 The Authority shall have an Annual Business Plan in respect of the ensuing 12 months.
 - 12.2.2 The Annual Business Plan must:
 - 12.2.2.1 state the services to be provided by the Authority;
 - 12.2.2.2 identify how the Authority intends to manage service delivery;
 - 12.2.2.3 identify the performance targets which the Authority is to pursue;
 - 12.2.2.4 provide a statement of financial and other resources and internal processes that will be required to achieve the performance targets and objectives of the Authority; and
 - 12.2.2.5 specify the performance measures that are to be used to monitor and assess performance against targets.

13. **MANAGEMENT FRAMEWORK**

13.1 **Long Term Financial Plan**

- 13.1.1 The Authority must develop and adopt in consultation with the Constituent Councils a Long Term Financial Plan covering a period of at least ten (10) years in a form and including such matters which, as relevant, is consistent with Section 122 of the Act and the Local Government (Financial Management) Regulations 2011 as if the Authority were a council.
- 13.1.2 The Authority must review its Long Term Financial Plan in consultation with the Constituent Councils.
- 13.1.3 The Authority may at any time review the Long Term Financial Plan but must undertake a review of the Long Term Financial Plan as soon as practicable after the annual review of its Business Plan and concurrently with any review of its Strategic Plan.
- 13.1.4 In any event, the Authority must undertake a comprehensive review of its Long Term Financial Plan every four years.

13.2 **Strategic Plan**

- 13.2.1 The Authority must prepare and adopt in consultation with the Constituent Councils a Strategic Plan for the conduct of its business which will identify the Authority's objectives over the period of the Strategic Plan and the principal activities that the Authority intends to undertake to achieve its objectives.
- 13.2.2 The Authority must review its Strategic Plan in consultation with the Constituent Councils.
- 13.2.3 The Authority must undertake a comprehensive review of its Strategic Plan every four years.

13.3 **Asset Management Plan**

- 13.3.1 The Authority must prepare and adopt in consultation with the Constituent Councils an Asset Management Plan in a form and including such matters which, as relevant, is consistent with Section 122 of the Act as if the Authority were a council.
- 13.3.2 The Authority must review its Asset Management Plan in consultation with the Constituent Councils.
- 13.3.3 The Authority may at any time review its Asset Management Plan but must undertake a review of the Asset Management Plan as soon as practicable after the annual review of its Business Plan and concurrently with any review of its Strategic Plan.

- 13.3.4 In any event, the Authority must undertake a comprehensive review of its Asset Management Plan every four years.

14. ACCOUNTING

- 14.1 The Authority must ensure that its accounting records, accounts and financial statements are prepared and maintained in accordance with all relevant Australian Accounting Standards and legislation including the Local Government (Financial Management) Regulations 2011.

15. AUDIT

- 15.1 The Authority must appoint an auditor.
- 15.2 The Audit Committee must approve the audit strategy submitted by the external auditor before submission to the Board.
- 15.3 The Authority must provide its audited financial statements to the Chief Executive Officer of each Constituent Council by 30 September.

16. FINANCE

- 16.1 The Authority may establish and maintain a bank account with such banking facilities and at a bank to be determined by the Authority.
- 16.2 All cheques to be authorised must be signed by two Board Members or one Board Member and the Executive Officer.
- 16.3 Any payments made by Electronic Funds Transfer must be made in accordance with procedures which have received the prior approval of the auditor and been adopted by the Authority.
- 16.4 The Executive Officer must act prudently in the handling of all financial transactions for the Authority and must provide quarterly financial and corporate reports to the Authority and if requested, the Constituent Councils.
- 16.5 The Authority will, at the end of each financial year prepare a schedule of assets and liabilities. In addition, the Authority must maintain a record to be known as the 'Schedule of Constituent Councils' Interests in Net Assets'.
- 16.6 The Schedule of Constituent Councils Interests in Net Assets will reflect the proportionate contribution each Constituent Council has made to capital, operations and maintenance costs incurred by the Authority having regard to the proportionate contribution by way of subscriptions for each function undertaken by the Authority. The Schedule when updated by the Authority at the end of each financial year will reflect the proportionate contribution of each Constituent Council since the establishment of the Authority and once accepted by each Constituent Council will be evidence of the agreed proportion of a Constituent Council's interests in the net assets as at 30 June in that year.
- 16.7 Where there is any dispute as to the Schedule, Clause 21 shall apply.

17. **REPORTS AND INFORMATION**

- 17.1 The Authority must submit an annual report on its work and operations including its audited financial statements, to each Constituent Council before 30 September.
- 17.2 The Authority shall report at any other time at the written request of a Constituent Council on matters being undertaken by the Authority. Any such report shall be provided to all Constituent Councils.

18. **ALTERATION TO THE CHARTER**

- 18.1 This charter may be amended by unanimous resolution of the Constituent Councils.
- 18.2 Before the Constituent Councils vote on a proposal to alter this Charter they must take into account any recommendations of the Authority.

19. **WITHDRAWAL OF A CONSTITUENT COUNCIL**

- 19.1 Subject to the approval of the Minister, a Constituent Council may withdraw from the Authority by giving not less than six months notice of its intention to do so to all other Constituent Councils and the Executive Officer.
- 19.2 In any event a withdrawal will not become effective until 30 June following the expiry of the six months notice as required by Clause 19.1 in the preceding sub-clause. Until a withdrawal becomes effective, the Constituent Council proposing withdrawal from the Authority will remain liable for all financial contributions whilst still a Constituent Council and will continue to be responsible for ensuring the proper conduct of the affairs of the Authority.
- 19.3 A withdrawing Constituent Council is not entitled to any refunds of any contributions made.

20. **ADDITION OF NEW MEMBER**

- 20.1 The Authority may consider the addition of a Council as a Constituent Council.
- 20.2 The Constituent Councils must resolve unanimously to approve the addition of a Council as a Constituent Council.
- 20.3 The Charter shall be amended in accordance with the provisions of this Charter to provide for a Council becoming a Constituent Council.

21. **DISPUTES**

- 21.1 In the event of any dispute or difference between the Constituent Councils or between one or more Constituent Councils and the Authority concerning this Charter or the Authority (**the Dispute**), a party may initiate the dispute process set out in this clause by serving a notice of dispute on all other Constituent Councils with a contemporaneous copy being served on the Authority. The parties:

- 21.1.1 will attempt to settle the dispute or difference by negotiating in good faith;
- 21.1.2 if good faith negotiations do not settle the dispute within one month of the Dispute arising or such longer time as the parties to the Dispute may agree, then the Dispute shall be referred to an expert for determination. The expert shall be a person with the skills and expertise necessary to resolve the dispute and shall be nominated by the President of the Local Government Association of South Australia. The expert's determination shall be final and binding on the Constituent Councils. The costs of the expert will be apportioned and payable in accordance with the expert's determination;
- 21.1.3 if the Dispute is unable to be resolved by the expert within six months then any Constituent Council may request the Minister wind up the Authority; and
- 21.1.4 notwithstanding the existence of a Dispute, the Constituent Councils will continue to meet their obligations to the Authority.

22. LIMIT OF LIABILITY

- 22.1 Except insofar as Clause 3.2 applies the liability of a Constituent Council to the Authority is limited to those functions undertaken by the Authority and to which the Constituent Council has made a financial contribution. The liability of a Constituent Council is proportional to the interest of that Council in the net assets of the Authority as determined under Clause 16 of this Charter.
- 22.2 The liability of a Constituent Council to the Authority for any function undertaken by the Authority under Clause 3.2 is limited to the requesting Constituent Council or Constituent Councils and as reflected in the agreement entered into with the Authority for those purposes.

23. DISSOLUTION OF THE AUTHORITY

- 23.1 The Authority may be dissolved by the Minister in the circumstances envisaged by Clause 33, Part 2 of Schedule 2 of the Act.
- 23.2 In the event of there being net assets upon the dissolution and after realisation of all assets and meeting all liabilities, the net assets will be distributed to the then Constituent Councils on the basis of their current interest in the net assets of the Authority as determined by Clause 16.
- 23.3 In the event of there being an insolvency of the Authority at the time of dissolution, the then Constituent Councils will be responsible jointly and severally to pay the liabilities of the Authority and between themselves in the proportion of their interest in the net assets last determined under Clause 16.

24. NON-DEROGATION AND DIRECTION BY CONSTITUENT COUNCILS

- 24.1 The establishment of the Authority does not derogate from the power of any of the Constituent Councils to act independently in relation to a matter within the jurisdiction of the Authority.
- 24.2 Provided that the Constituent Councils have all first agreed as to the action to be taken, the Constituent Councils may jointly direct and control the Authority.
- 24.3 Where the Authority is required pursuant to the Act or this Charter to obtain the approval of one or more of the Constituent Councils, that approval must only be granted and must be evidenced by a resolution passed by either or each of the Constituent Councils granting such approval.
- 24.4 Unless otherwise stated in this Charter, where the Authority is required to obtain the consent or approval of the Constituent Councils this means the consent or approval of both the Constituent Councils expressed in the same or similar terms.
- 24.5 For the purpose of this Clause 24, any direction given by the Constituent Councils must be communicated by notice in writing provided to the Executive Officer of the Authority together with a copy of the relevant resolutions of the Constituent Councils.

SCHEDULE 1 – FINANCIAL CONTRIBUTIONS

Constituent Council	Capital Works Percentage Share %	Maintenance of Assets Percentage Share %	Operational Costs Percentage Share %
Adelaide Hills Council	1.73	1.73	16.66
Adelaide Plains Council	28.91	28.91	16.66
The Barossa Council	8.67	8.67	16.66
Town of Gawler	17.34	17.34	16.66
Light Regional Council	8.67	8.67	16.66
City of Playford	34.68	34.68	16.66
Total	100%	100%	100%

Capital Works are defined as building and engineering works that create an asset and the renewal of existing assets that has reached the end of its useful life.

Maintenance is defined as recurrent expenditure to ensure that existing assets function as designed and are kept in good condition.

Operational Costs are defined as recurrent expenditure incurred to ensure that the Authority can conduct day to day functions. Depreciation falls within the scope of the Authority's operational costs.