

SOUTHERN REGION WASTE RESOURCE AUTHORITY  
REGIONAL SUBSIDIARY  
LOCAL GOVERNMENT ACT 1999  
*Charter 2024*

**PART I: GENERAL**

**1. INTRODUCTION**

1.1 *Name*

The name of the subsidiary is Southern Region Waste Resource Authority (referred to as '*the Authority*' in this Charter).

1.2 *Definitions*

- 1.2.1 **absolute majority** means a majority of the whole number of the Board members or of the Constituent Councils as the case may be;
- 1.2.2 **Act** means the *Local Government Act 1999*;
- 1.2.3 **Board** means the board of management of the Authority;
- 1.2.4 **Budget** means a budget consistent with Clause 6.5 and last adopted by the Board
- 1.2.5 **Constituent Councils** means the Councils identified at Clause 2.1 of this Charter;
- 1.2.6 **Gazette** means the *South Australian Government Gazette*;
- 1.2.7 **net assets** means total assets (current and non-current) less total liabilities (current and non-current) as reported in the annual audited financial statements of the Authority together with the net present value of the projected future cash inflows net of cash outflows of the remaining useable airspace over the SRWRA Landfill Operation as licensed by the Environment Protection Authority;
- 1.2.8 **simple majority** means a majority of those present and entitled to vote;
- 1.2.9 **SRWRA Landfill Operation** means that land which is held by the Authority under certificates of title volume 5822, folio 967; volume 5822, folio 966; volume 5822, folio 965; volume 5299, folio 719; volume 5299, folio 720; volume 6199, folio 621 and volume 6217, folio 132;
- 1.2.10 **waste** means any or all waste as approved under the Environment Protection Act licence held by the Authority or its contractor.

**PART II: GOVERNANCE**

**2. THE AUTHORITY**

2.1 *Establishment and Charter*

2.1.1 The Authority is a regional subsidiary established pursuant to Section 43 of and Schedule 2 to the Act by the:

- 2.1.1.1 City of Holdfast Bay;
- 2.1.1.2 City of Marion; and
- 2.1.1.3 City of Onkaparinga.

2.1.2 This Charter may be amended at any time by unanimous decision (expressed by resolution) of the Constituent Councils.

2.1.3 Before the Constituent Councils vote on a proposal to alter this Charter, they must take into account any recommendations of the Board.

2.1.4 For the purposes of Clause 19(5)(b) of Schedule 2 to the Act, the Chief Executive Officers of the Constituent Councils have determined that a copy of the Charter, must be published on the website of the Authority.

2.1.5 This Charter must be read in conjunction with Parts 2 and 3 of Schedule 2 to the Act. The Authority shall conduct its affairs in accordance with Schedule 2 to the Act except as modified by this Charter in a manner permitted by Schedule 2.

2.2 *Objects and Purposes*

2.2.1 The Authority is established to:

- 2.2.1.1 provide and operate services at a place or places for the management of waste by or on behalf of the Constituent Councils and/or any other approved councils;
- 2.2.1.2 undertake anything relevant (including educational programmes and processes) to the management of waste;
- 2.2.1.3 provide a forum for discussion and/or research for the ongoing improvement of management of waste;
- 2.2.1.4 undertake management of waste on behalf of the Constituent Councils on a competitive basis;
- 2.2.1.5 fulfil, on behalf of the Constituent Councils, any ongoing obligation in relation to rehabilitation and monitoring of waste management facilities under its control;
- 2.2.1.6 secure best value and value for money in waste management activities and services;
- 2.2.1.7 develop or facilitate activities or enterprises that result in a beneficial use of waste;
- 2.2.1.8 be financially self-sufficient;
- 2.2.1.9 develop or facilitate activities or enterprises that result in a beneficial use of the landfill site or infrastructure;
- 2.2.1.10 keep the Constituent Councils informed about relevant emerging opportunities, trends or issues in waste management; and
- 2.2.1.11 have regard in the performance of its functions to sustainable, environmentally efficient practices with regard to waste management

2.2.2 The Authority must in the performance of its role and functions and in all of its plans, policies and activities:

- 2.2.2.1 operate in a sustainable manner by giving due weight to economic, social and environmental considerations; and
- 2.2.2.2 conduct its activities in compliance with all regulatory requirements and in a manner that minimises risk to the Constituent Councils.

2.3 *Powers and Functions of the Authority*

Subject to this Charter, the Authority may exercise the following powers in the performance or discharge of its objects and purposes:

- 2.3.1 the accumulation of surplus funds including for investment purposes;
- 2.3.2 investing any of the funds of the Authority in any investment authorised by the *Trustee Act 1936*, or with the Local Government Finance Authority provided that:
  - 2.3.2.1 in exercising this power to invest the Authority must exercise the care, diligence and skill that a prudent person of business would exercise in managing the affairs of other persons; and
  - 2.3.2.2 the Authority must avoid investments that are speculative or hazardous in nature;
- 2.3.3 setting aside a reserve fund or funds clearly identified for the upkeep and/or replacement of fixed assets of the Authority or meeting any deferred liability of the Authority;
- 2.3.4 borrowing money and/or to incurring expenditure in accordance with Clause 6.2 of this Charter;
- 2.3.5 opening and operating bank accounts;
- 2.3.6 entering into contracts, purchasing, selling, leasing, hiring, renting or otherwise acquiring or disposing of any personal property or interests therein;
- 2.3.7 purchasing, selling, leasing, hiring, renting or otherwise acquiring or disposing of any real property or interests therein, provided that it is a condition precedent, that in any such transaction where the Authority will incur a singular or a total liability of \$1,000,000 or more that unless the liability is included in the Budget; the prior written approval of two-thirds of the Constituent Councils is obtained;
- 2.3.8 participating in a joint venture, trust, partnership or similar for the purpose of engaging in a commercial activity or enterprise;
- 2.3.9 appointing, managing, suspending and dismissing the Chief Executive Officer of the Authority;
- 2.3.10 engaging retaining, and dispensing with the services of professional advisers to the Authority;
- 2.3.11 charging whatever fees, the Authority considers appropriate for services rendered to any person, body or Council;
- 2.3.12 making any election for the purpose of any tax or statutory charge;
- 2.3.13 determining the types of waste which shall be received and the method of collection, treatment, recycling and disposal of that waste;
- 2.3.14 undertaking all manner of things relating and incidental to the collection, treatment, recycling and disposal of waste;
- 2.3.15 pursuing the concept of co-operative regionalism in the collection, treatment, recycling and disposal of waste for which the Constituent Councils are or may become responsible
- 2.3.16 causing all waste collected by the Authority to be treated, recycled and disposed of in a sanitary and environmentally acceptable way;
- 2.3.17 providing a forum for the discussion and consideration of topics related to the Constituent Councils' obligations and responsibilities in respect of waste;
- 2.3.18 adopting and using a trading name provided that the Authority shall first register the trading name with the Australian Securities and Investment Commission;
- 2.3.19 commencing legal proceedings provided that any legal proceedings seeking urgent relief be the subject of an urgent report to the Constituent Councils by the Chief Executive Officer;
- 2.3.20 without limiting the Authority's powers and functions, making submissions to and negotiating with the Federal Government, State Government and other sources of grant funding in relation to the provision and receipt of funding for the Authority; and
- 2.3.21 anything else necessary or convenient for or incidental to the exercise, performance or discharge of its powers and functions or the attainment of its objects and purposes.

2.4 *National Competition Policy*

If the Authority engages in any commercial activity or enterprise which constitutes a significant business activity of the Authority, it will, where necessary and having regard to a cost/benefit analysis, apply relevant principles of competitive neutrality to that activity.

2.5 *Acting Outside Areas of Constituent Councils*

The Authority may undertake its activities outside the areas of the Constituent Councils in accordance with the Act but only where such activities have been approved by the Constituent Councils as being necessary or expedient to the performance by the Authority of its functions and the activity is included in the annual business plan of the Authority.

2.6 *Delegation by the Authority*

The Authority may delegate any of its powers except those to:

- 2.6.1 impose charges;
- 2.6.2 enter into transactions in excess of \$250,000
- 2.6.3 subject to this Charter, borrow money or obtain any other form of financial accommodation;
- 2.6.4 approve expenditure of money on the works, services or operations of the Authority not set out in the Budget or where required by this Charter, approved by the Constituent Councils;
- 2.6.5 approve the payment of allowances to members of the Board;
- 2.6.6 adopt or revise an annual business plan or Budget or any financial estimates and reports; and
- 2.6.7 make any application or recommendation to the Minister.

2.7 *Committees*

- 2.7.1 The Board may establish a committee comprised of any persons to deal with any matter within the Authority's functions and as detailed in the terms of reference adopted by the Board for the committee.
- 2.7.2 The Board may delegate powers and functions to a committee.

2.7.3 A member of a committee established under this Clause holds office at the pleasure of the Board.

2.7.4 The Chair of the Board is an ex-officio a member of any committee established by the Board.

### 3. CONSTITUENT COUNCILS

#### 3.1 *Withdrawal*

3.1.1 A Constituent Council may not withdraw from the Authority except with the approval of the Minister and subject to the Act and this Charter.

3.1.2 A Constituent Council which intends to withdraw from the Authority shall give to the Board and the other Constituent Councils written notice of such intention, specifying the date of intended withdrawal. The notice shall be a minimum of twenty-four months' notice expiring on 30 June of the relevant financial year.

3.1.3 The withdrawal of any Constituent Council does not extinguish the liability of that Constituent Council for the payment of its contribution towards any actual or contingent deficiency in the net assets of the Authority at the end of the financial year in which such withdrawal occurs.

3.1.4 The withdrawal of any Constituent Council does not extinguish the liability of that Constituent Council to contribute to any loss or liability incurred by the Authority at any time before or after such withdrawal in respect of any act or omission by the Authority prior to such withdrawal. For the avoidance of doubt, any and all costs associated with closure processes (including but not limited to capping and post-closure monitoring and necessary actions) of a waste cell or the landfill site generally is a liability incurred before the withdrawal of a Constituent Council and is, therefore, a continuing liability for the purposes of this Clause.

3.1.5 Payment by or to the withdrawing Constituent Council must be fully paid by 30 June of the financial year following 30 June of the year in which the withdrawal occurs unless there is agreement of alternative payment arrangements made by the Constituent Councils.

#### 3.2 *New Members*

Subject to the provisions of the Act, the Constituent Councils may unanimously agree to admit a new Constituent Council or Councils, to membership of the Authority, with or without conditions.

#### 3.3 *Direction by Constituent Councils*

To be effective, a direction of the Constituent Councils for the purposes of Clause 26 of Schedule 2 to the Act must be evidenced by a minute signed by the Chief Executive Officer of each of the Constituent Councils and provided to the Chief Executive Officer of the Authority, as a true and accurate record of the decision made by the delegate or at the relevant Council meeting.

### 4. BOARD OF MANAGEMENT

The Authority is a body corporate and is governed by the Board, which has the responsibility to manage the business and other affairs of the Authority in accordance with this Charter and any delegations made to it by the Constituent Councils.

#### 4.1 *Functions of the Board*

4.1.1 The formulation of strategic plans and strategies aimed at improving the business of the Authority.

4.1.2 To provide professional input and policy direction to the Authority.

4.1.3 Monitoring, overseeing and measuring the performance of the Chief Executive Officer of the Authority.

4.1.4 Implementing effective risk management policies, practices, procedures and strategies, including by ensuring the protection of assets under the care and control of the Authority.

4.1.5 Ensuring that a code of ethical behaviour and integrity is established and implemented in all business dealing of the Authority.

4.1.6 Developing business plans.

4.1.7 Exercising the care, diligence and skill that a prudent person of business would exercise in managing the affairs of other persons.

4.1.8 Observing all plans, targets, structures, systems and practices required or applied to the Authority by the Constituent Councils.

4.1.9 Ensuring that all information furnished to a Constituent Council is accurate.

4.1.10 Ensuring that the Constituent Councils are advised, as soon as practicable, of any material development that affects the financial or operating capacity of the Authority or gives rise to the expectation that the Authority may not be able to meet its debts as and when they fall due.

#### 4.2 *Membership of the Board*

4.2.1 The Board shall consist of eight members appointed as follows:

4.2.1.1 two persons appointed by each Constituent Council, one of whom must be a senior officer of the Constituent Council making the appointment;

4.2.1.2 two persons appointed jointly by the Constituent Councils who are not members or officers of a Constituent Council but who, in the opinion of the Constituent Councils, have expertise in waste management and/or business. These persons will be chosen from a list of persons circulated to the Constituent Councils and appointed by a panel comprising the Chief Executive Officer (or nominee) and one other person from each Constituent Council nominated by the Chief Executive Officer.

4.2.2 With the exception of the persons appointed pursuant to subclause 4.2.1.2, a Board Member shall, subject to this Charter, be appointed for a term not exceeding the term determined by the Constituent Council and specified in the instrument of appointment and at the expiration of the term of office will be eligible for re-appointment.

4.2.3 The maximum term of service for Board Members appointed pursuant to subclause 4.2.1.2 should not exceed 10 years.

4.2.4 The Constituent Councils may appoint either a specific Deputy for each Board Member appointed pursuant to subclause 4.2.1.1 or one non-specific Deputy for both such Board Members and a second Deputy to that Deputy. In the absence of a Board Member, the specific Deputy or the non-specific Deputy will be deemed to be the Board Member for that time or, where a non-specific Deputy and second Deputy have been appointed and both Board Members are absent then both Deputies will be deemed to be the Board Members for that time, exercising all of the rights and privileges and being subject to all of the obligations and liabilities of the Board Member(s) during the absence of the Board Member(s).

- 4.2.5 The Constituent Councils should give consideration to the skills that may be required for the Board to operate effectively when making Board appointments.
- 4.2.6 In addition to the circumstances provided for under Clause 20(3) of Schedule 2 to the Act, the office of a Board Member will become vacant upon:
- 4.2.6.1 the Constituent Council (or Constituent Councils as the case may be) responsible for appointing the Board Member providing written notice to the Board Member and the Board of the Constituent Council's (or Constituent Councils') decision to remove the Board Member from office. The Board Members appointed under subclause 4.2.1.2, can only be removed from office by a unanimous decision of the Constituent Councils; or
- 4.2.6.2 if the Board Member is an elected member or officer of a Constituent Council, upon ceasing to be either an elected member of or an employee of the Constituent Council as the case may be; or
- 4.2.6.3 if the Board Member has been appointed pursuant to subclause 4.2.1.1, upon the Constituent Council withdrawing from the Authority.
- 4.2.7 The Board may by a two-thirds majority vote of the Board Members present (excluding the Board Member subject to this subclause 4.2.7) make a recommendation to the relevant Constituent Council requesting the Constituent Council to terminate the appointment of a Board Member that it has appointed under subclause 4.2.1.1 or, to all of the Constituent Councils to terminate the appointment of a Board Member appointed under subclause 4.2.1.2 for:
- 4.2.7.1 any behaviour of the Board Member which, in the opinion of the Board, amounts to impropriety and includes, but is not limited to, a breach of the Member's obligations under the Act;
- 4.2.7.2 serious neglect of duty in attending to his/her responsibilities as a Board Member;
- 4.2.7.3 breach of fiduciary duty to the Authority;
- 4.2.7.4 breach of the duty of confidentiality to the Authority; or
- 4.2.7.5 any other behaviour which, in the opinion of the Board, may discredit the Authority.
- 4.2.8 If any casual vacancy occurs in the membership of the Board it will be filled in the same manner as the original appointment for the balance of the term of the original appointment.
- 4.2.9 The Board Member appointed pursuant to subclause 4.2.1.2 shall be eligible for an allowance from the funds of the Authority as the Board shall determine from time to time.
- 4.3 *Propriety of Members of the Board*
- 4.3.1 Whilst all Board Members must comply with their statutory obligations under the Act, only the Board Members appointed pursuant to subclause 4.2.1.2 are required to comply with Division 2, Part 4 (Register of Interests) of Chapter 5 of the Act.
- 4.4 *Chair of the Board*
- 4.4.1 The Chair of the Board shall be a person appointed pursuant to subclause 4.2.1.2 and shall hold office for a term of three years, unless he/she resigns, is removed from office pursuant to subclause 4.2.6 or, is otherwise no longer eligible to act as a Board Member.
- 4.4.2 Subject to Clause 4.2.3, the Chair is eligible for re-appointment at the expiration of the term of office. The decision regarding re-appointment is made by the panel formed pursuant to subclause 4.2.1.2.
- 4.4.3 The Board will choose a person appointed pursuant to subclause 4.2.1.1 or 4.2.1.2 to be the Deputy Chair of the Board for a term determined by the Board.
- 4.4.4 In the event of the Chair being absent from a meeting, the Deputy Chair shall preside and in the event of both the Chair and the Deputy Chair being absent from a meeting, the Board Members present shall appoint a person from amongst themselves to chair the meeting.
- 4.4.5 In the event that the Chair either resigns or is no longer eligible to act as a Board Member prior to the expiration of their term, the Deputy Chair shall hold office until a further appointment is made pursuant to subclause 4.2.1.2 whereupon the person so appointed will hold office for the duration of the original appointment. The Deputy Chair is not entitled to any allowance that is paid to the Chair whilst acting in the office of the Chair.
- 4.5 *Meetings of the Board*
- 4.5.1 Subject to the requirements of Schedule 2 to the Act, this Charter and any direction of the Constituent Councils, the Board must determine its own meeting procedures for the proceedings and conduct of all Board meetings and set them out in a Code of Practice for Meetings which shall be reviewed every two years.
- 4.5.2 Ordinary meetings of the Board must take place at such times and places as may be fixed by the Board or the Chief Executive Officer of the Authority from time to time. There shall be at least six ordinary meeting of the Board held in each financial year. Meetings shall not be held before 5 p.m. unless the Board resolves otherwise by resolution supported unanimously by all of the Board Members present at the meeting which determines the issue.
- 4.5.3 An ordinary meeting of the Board will constitute an ordinary meeting of the Authority.
- 4.5.4 Notice of ordinary meetings of the Board must be given by the Chief Executive Officer to each Board Member in the same manner as notice is given by a Chief Executive Officer of a council for an ordinary meeting of a council and for these purposes Section 83 of the Act extends to the Authority as if it were a council.
- 4.5.5 Any Constituent Council or Board Member may by delivering a written request to the Chief Executive Officer of the Authority require a special meeting of the Board to be held. The request will only be valid if it is accompanied by the agenda for the special meeting. On receipt of the request the Chief Executive Officer shall send a notice of the special meeting to all Board Members at least 24 hours prior to the commencement of the special meeting. Such notice shall comply with subclauses 4.5.7 and 4.5.9 of this Charter.
- 4.5.6 The quorum for a meeting of the Board is one-half of the members in office, ignoring any fraction plus one.
- 4.5.7 Each Board Member present at a Board Meeting, excluding the Chairperson, is entitled to vote on a matter. All matters for decision at a meeting of the Board will be decided by a simple majority of votes of the Board Members present and entitled to vote on the matter except where this Charter provides otherwise. In the event that the votes are equal the Chairperson may exercise a casting vote.

- 4.5.8 Subject to complying with their statutory obligations, all Board Members present at a meeting shall vote.
- 4.5.9 Chapter 6, Part 3 of the Act does not apply to the Authority. Meetings of the Board will not be open to the public unless the Board otherwise resolves.
- 4.5.10 Each Board Member must be supplied with a copy of all minutes of the proceedings of a meeting within five days of the meeting.
- 4.5.11 Prior to the conclusion of each meeting of the Board, the Board must identify which agenda items considered by the Board at that meeting will be the subject of an information report to the Constituent Councils.

### **PART III: BUSINESS & FINANCIAL REQUIREMENTS**

#### **5. STAFF**

- 5.1 The Board must appoint a Chief Executive Officer of the Authority to manage the business of the Authority on terms determined by the Board, acting reasonably. The Chief Executive Officer may be a natural person or a body corporate.
- 5.2 The Chief Executive Officer shall cause records to be kept of the business and financial affairs of the Authority in accordance with this Charter.
- 5.3 In the absence or likely absence of the Chief Executive Officer for any period exceeding two weeks, a suitable person to act in the position of Chief Executive Officer of the Authority must be appointed by the Chief Executive Officer after consultation with the Chair or, in default, by the Chair.
- 5.4 The Chief Executive Officer is responsible for the day to day management of the Authority and will ensure that sound business and human resource management practices are applied in the efficient and effective management of the operations of the Authority.
- 5.5 The functions of the Chief Executive Officer shall be specified in the terms and conditions of appointment and shall include but not be limited to:
  - 5.5.1 attending at all meetings of the Board unless excluded by resolution of the Board;
  - 5.5.2 ensuring that lawful decisions of the Board are implemented in a timely and efficient manner;
  - 5.5.3 providing information to assist the Board to assess the Authority's performance against its Strategic and business plans;
  - 5.5.4 appointing, managing, suspending and dismissing other employees of the Authority;
  - 5.5.5 determining the conditions of employment of employees of the Authority, within budgetary constraints set by the Board;
  - 5.5.6 providing advice and reports to the Board on the exercise and performance of the powers and functions under this Charter or any Act;
  - 5.5.7 ensuring that the Authority is at all times complying with all relevant statutory obligations;
  - 5.5.8 co-ordinating and initiating proposals for consideration of the Board including but not limited to continuing improvement of the operations of the Authority;
  - 5.5.9 ensuring that the assets and resources of the Authority are properly managed and maintained;
  - 5.5.10 ensuring that records required under the Act or any other legislation are properly kept and maintained;
  - 5.5.11 exercising, performing or discharging other powers, functions or duties conferred on the Chief Executive Officer by or under the Act or any other Act, and performing other functions lawfully directed by the Board;
  - 5.5.12 achieving financial outcomes in accordance with adopted plans and the Budget of the Authority;
  - 5.5.13 inviting any person to attend at a meeting of the Board to act in an advisory capacity; and
  - 5.5.14 providing reports to the Constituent Councils in accordance with subclause 4.5.11.
- 5.6 The Chief Executive Officer may delegate or sub-delegate to an employee of the Authority any power or function vested in the Chief Executive Officer or, in the case of a sub-delegation, any power delegated to the office by the Board. A delegation or sub-delegation by Chief Executive Officer may be subject to any conditions or limitations as determined by the Chief Executive Officer.
- 5.7 A written record of all delegations and sub-delegations must be kept by the Chief Executive Officer.
- 5.8 The Chief Executive Officer and any other officer declared by the Board to be subject to this provision is required to comply with Division 2 of Part 4 of Chapter 7 (Register of Interests) of the Act. Section 118 (Inspection of Register) of the Act and Section 119 (Restrictions on disclosure) of the Act will apply in respect of the returns furnished by officers of the Authority.

#### **6. MANAGEMENT**

- 6.1 *Financial Management*
  - 6.1.1 The Authority must ensure that appropriate policies, practices and procedures of internal control are implemented and maintained in order to assist it to carry out its activities in an efficient and orderly manner to achieve its objectives, to ensure adherence to management policies, to safeguard its assets and to secure (as far as possible) the accuracy and reliability of its records.
  - 6.1.2 The Authority must establish and maintain a bank account with such banking facilities and at a bank to be determined by the Board.
  - 6.1.3 Any cheques must be signed by two persons authorised by resolution of the Board. Any payments made by Electronic Funds Transfer must be made in accordance with procedures which have received the prior written approval of the Board.
  - 6.1.4 The Chief 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 Board.
  - 6.1.5 The Authority's books of account are available for inspection by any Board Member or authorised representative of any Constituent Council at any reasonable time on request.
- 6.2 *Borrowings and Expenditure*
  - 6.2.1 The Authority has the power to incur expenditure and/or to borrow money:
    - 6.2.1.1 in accordance with the Budget of the Authority; or
    - 6.2.1.2 pursuant to the provisions of subclauses 2.3.4 and 6.2.4 of this Charter; or

- 6.2.1.3 with the prior approval of two-thirds of the Constituent Councils for amounts which do not exceed 25% of the value of the net assets of the Authority and with the prior approval of all the Constituent Councils for other amounts, which approval must be evidenced by formal resolution of the Councils, or
      - 6.2.1.4 otherwise for genuine emergency or hardship.
    - 6.2.2 For the purpose of exercising the powers at Clause 6.2.1 of this Charter the Authority may borrow money from the Local Government Finance Authority or from a registered bank or financial institution within Australia.
    - 6.2.3 For the purposes of Clause 6.2.2 but subject to this Charter borrowings of the Authority:
      - 6.2.3.1 must not be used for the purpose of funding operational costs; and
      - 6.2.3.2 where the borrowings are undertaken with the prior approval of the Constituent Councils, must be drawn down within a period of twenty-four months from the date of approval.
    - 6.2.4 The Authority may operate an overdraft facility or facilities as required provided that the overdrawn balance must not exceed \$100,000 or the amount set out in the annual business plan, whichever is the greater, without the prior approval of two-thirds of the Constituent Councils.
  - 6.3 *Audit*
    - 6.3.1 The Authority shall appoint an auditor in accordance with the *Local Government (Financial Management) Regulations 2011*, on terms and conditions set by the Board.
  - 6.4 *Strategic Plan*

The Authority shall:

    - 6.4.1 prepare a five-year Strategic Plan linking the core business activities of the Authority to strategic, operational and organisational requirements with supporting financial projections setting out the estimates of revenue and expenditure as necessary for the period; and
    - 6.4.2 review the Strategic Plan annually; and
    - 6.4.3 consult with the Constituent Councils prior to adopting or amending the Strategic Plan.
  - 6.5 *Annual Business Plan and Budget*
    - 6.5.1 The Authority shall, after 31 May but before the end of June in each financial year, prepare and adopt an annual business plan and Budget for the ensuing financial year in accordance with the Act.
    - 6.5.2 The draft annual business plan and the draft Budget must be referred to the Constituent Councils with sufficient time to receive any comments from the Councils for consideration by the Board at the time it is considered by the Board for adoption.
    - 6.5.3 For the purposes of subclause 6.5.2, a Constituent Council may comment in writing to the Chief Executive Officer on the draft annual business plan and draft Budget but may only do so at least five business days before the Board meeting at which it will be considered
    - 6.5.4 The Authority must provide a copy of its annual business plan and Budget to the Constituent Councils within five business days after adoption by the Board.
    - 6.5.5 Reports summarising the financial position and performance of the Authority against the annual business plan and the Budget shall be prepared and presented to the Board every three calendar months and copies provided to the Constituent Councils within five days of the Board meeting to which they have been presented.
  - 6.6 *Reporting*
    - 6.6.1 The Authority must submit to the Constituent Councils by 30 September in each year in respect of the immediately preceding financial year, a report on the work and operations of the Authority detailing achievement of the aims and objectives of its Business Plan and incorporating the audited Financial Statements of the Authority and any other information or reports required by the Constituent Councils.
    - 6.6.2 The Board shall present a balance sheet and full financial report to the Constituent Councils at the end of each financial year.
- 7. MISCELLANEOUS**
- 7.1 *Equitable Interest*
    - 7.1.1 Subject to subclause 7.1.2 the equitable interest of the Constituent Councils in the Authority is agreed as follows:
      - 7.1.1.1 City of Holdfast Bay: 15%.
      - 7.1.1.2 City of Marion: 30%.
      - 7.1.1.3 City of Onkaparinga: 55%.
    - 7.1.2 The equitable interests of the Constituent Councils in the Authority as set out at subclause 7.1.1 may be varied by agreement of the Constituent Councils and will be varied where a new Constituent Council or Councils is admitted to or an existing Constituent Council withdraws from the Authority pursuant to Clause 3.1.
  - 7.2 *Insurance Requirements*
    - 7.2.1 The Authority shall register with the Local Government Mutual Liability Scheme and comply with the Rules of that Scheme.
    - 7.2.2 The Authority shall advise Local Government Risk Management Services of its insurance requirements relating to Local Government Special Risks including buildings, structures, vehicles and equipment under the management, care and control of the Authority.
    - 7.2.3 The Authority must register with the Local Government Workers Compensation Scheme and comply with the Rules of that Scheme.
  - 7.3 *Winding Up and Statutory Guarantee*
    - 7.3.1 On winding up of the Authority, the surplus assets or liabilities of the Authority, as the case may be, shall be distributed between or become the responsibility of the Constituent Councils in the same proportion as their equitable interest in the Authority in accordance with subclause 7.1.
    - 7.3.2 If there are insufficient funds to pay all expenses due by the Authority on winding up (or at any other time there are unfunded liabilities which the Authority cannot meet), the Constituent Councils must financially contribute in proportion to their equity share for the purpose of satisfying their statutory guarantee of the liabilities of the Authority.

7.4 *Common Seal*

- 7.4.1 The Authority will have a common seal, which may be affixed to documents requiring execution under seal and where affixed must be witnessed by two Board Members or where authority has been conferred by instrument executed under the common seal of the Authority, by the Chair of the Board and the Chief Executive Officer.
- 7.4.2 The common seal must not be affixed to a document except to give effect to a resolution of the Board.
- 7.4.3 The Chief Executive Officer must 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 the particulars of persons who witnessed the fixing of the seal and the date that the seal was affixed.

**8. DISPUTE RESOLUTION**

8.1 About this Clause:

- 8.1.1 The procedure in this Clause must be applied to any dispute that arises between the Authority and a Constituent Council concerning the affairs of the Authority, or between Constituent Councils concerning the affairs of the Authority, including as to the meaning or effect of this Charter.
- 8.1.2 The Authority and a Constituent Council must continue to observe and perform this Charter despite the dispute.
- 8.1.3 This Clause does not prejudice the right of a party:
  - 8.1.3.1 to require the continuing observance and performance of this Charter by all parties; or
  - 8.1.3.2 to institute proceedings to enforce payment due under this Charter or to seek injunctive relief to prevent immediate and irreparable harm.
- 8.1.4 Subject to this Clause, a dispute must not be the subject of legal proceedings between any of the parties in dispute. If legal proceedings are initiated or continued in breach of this provision, a party to the dispute is entitled to apply for and be granted an order of the court adjourning those proceedings pending completion of the procedure set out in this Clause.

8.2 **Dispute Resolution Process**

- 8.2.1 The Constituent Councils and the Authority agree to work together in good faith to resolve any matter requiring their direction or resolution.
- 8.2.2 A party to the dispute must promptly notify each other party to the dispute:
  - 8.2.2.1 of the nature of the dispute, giving reasonable details; and
  - 8.2.2.2 what action (if any) the party giving notice thinks will resolve the dispute; but a failure to give such notice does not entitle any other party to damages.
- 8.2.3 Upon receipt of a notice under subclause 8.2.2, the parties to a dispute may agree to refer the dispute for mediation by a mediator agreed by the parties or, if no agreement can be reached, a mediator nominated by the then President of the of the South Australian Bar Association (or equivalent officer of any successor organisation). The cost of any mediation are to be borne by the parties to the dispute in equal shares.
- 8.2.4 Where the parties are unable to resolve a matter (including by way of any mediation process) within ninety (90) days of the matter being presented to them, the matter will be referred for arbitration in accordance with this Clause 8.2.
- 8.2.5 There must be only one arbitrator who must be a natural person agreed by the parties or, if they cannot agree within fourteen business days, an arbitrator nominated by the then Chairperson of the Resolution Institute.
- 8.2.6 The role of the arbitrator is to resolve the dispute and make decisions binding on the parties; The arbitration must take place in a location in Adelaide determined by the arbitrator.
- 8.2.7 A party must cooperate in arranging and expediting arbitration.
- 8.2.8 A party must send to the arbitration a senior manager with authority to resolve the dispute.
- 8.2.9 The parties may provide evidence and given written and verbal submissions to the arbitrator within the time set by the arbitrator.
- 8.2.10 The arbitrator must:
  - 8.2.10.1 consider the evidence and submissions, decide the dispute; and
  - 8.2.10.2 give written reasons to each party.
- 8.2.11 Subject to this Clause, the arbitration must take place in accordance with the provisions of the *Commercial Arbitration Act 2011* or subject to this Clause, the arbitrator must fix the rules of arbitration.
- 8.2.12 The costs and expenses of the arbitrator and of each party must be borne as the arbitrator decides.

**9. CIRCUMSTANCES NOT PROVIDED FOR**

If any circumstances arise about which this Charter is silent, incapable of taking effect or being implemented according to its strict provisions, the Board has the power to consider the circumstance and determine the action to be taken.

Dated: 6 June 2024

CHRIS ADAMS  
Chief Executive Officer

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