

**LIMESTONE COAST  
LOCAL GOVERNMENT ASSOCIATION**

**CHARTER**

**September 2015**

## 1. INTRODUCTION

### 1.1 Name

The name of the subsidiary is the Limestone Coast Local Government Association (referred to as "LCLGA" in this Charter).

### 1.2 Interpretation and Definitions

"Absolute majority" of the Constituent Councils means a majority of the whole number of the Constituent Councils;

"Act" means the Local Government Act 1999 and all relevant regulations made there under, as amended from time to time;

"Affiliate" means a Council constituted under the Act and any other authority of a local government nature constituted or established under South Australian or Commonwealth legislation which is not a Constituent Council but which is affiliated to the South East Zone Regional Association under the Local Government Association's Constitution;

"Board" means the Board of Management of LCLGA;

"Board Member" means at any time a member of the Board, and where the context so admits, includes a Deputy Board Member;

"Budget" means a budget that conforms to Clause 25 of Schedule 2 to the Act and last adopted by the Board;

"Business Plan" means a business plan that conforms to Clause 24 of Schedule 2 to the Act and last adopted by the Board;

"Constituent Council" means those Councils named in Clause 1.3;

"Council" means a council as constituted under the Act;

"Deputy Board Member" means at any time a person appointed and holding office as a Deputy to a Board Member;

"Elected Member" means a Mayor, Chairman or Councillor of a Council who has been elected pursuant to the Local Government (Elections) Act 1999 and the Act;

"Financial year" means a year beginning on 1 July in each year and ending on 30 June of the following year;

"LGA" means the Local Government Association of South Australia;

"Project fee" means a charge imposed by LCLGA on the Constituent Councils in accordance with Clause 5.2;

“Meeting” includes an ordinary and a special meeting of the Board;

“Minister” means the Minister for the time being responsible for the administration of the Act;

“Subscription” means those monies the Constituent Councils are liable to contribute to LCLGA in accordance with Clause 6.2;

The term “person” shall include a corporate body;

The term “singular” includes the plural and vice versa;

A reference to the masculine includes the feminine and vice versa;

The headings to the Charter are for convenience only and do not form part of the Charter;

References to clauses are to clauses of the Charter;

Any reference to a section(s) is a reference to a section of the Act and includes any section that substantially replaces that section and deals with the same subject matter.

### 1.3 **Establishment**

LCLGA is a regional subsidiary established pursuant to Section 43 of the Local Government Act 1999 by the -

1.3.1 City of Mount Gambier;

1.3.2 District Council of Grant;

1.3.3 Kingston District Council;

1.3.4 Naracoorte Lucindale Council;

1.3.5 District Council of Robe;

1.3.6 Tatiara District Council;

1.3.7 Wattle Range Council.

### 1.4 **Local Government Act 1999**

This Charter must be read in conjunction with Schedule 2 to the Act. LCLGA shall conduct its affairs in accordance with Schedule 2 to the Act except as modified by this Charter as permitted by Schedule 2.

## 1.5 **Objects and Purpose of LCLGA**

LCLGA is established to -

- 1.5.1 Work in association with both the LGA and the Australian Local Government Association
- 1.5.2 Undertake co-ordinating, advocacy and representational roles on behalf of its Constituent Councils at a regional level;
- 1.5.3 Facilitate and co-ordinate activities of local government at a regional level related to social, environmental and community development with the object of achieving improvement for the benefit of the communities of its Constituent Councils;
- 1.5.4 Develop, encourage, promote, foster and maintain consultation and co-operation and to strengthen the representation and status of local government when dealing with other governments, private enterprise and the community;
- 1.5.5 Develop further co-operation between its Constituent Councils for the benefit of the communities of its region;
- 1.5.6 Develop and manage policies which guide the conduct of programs and projects in its region with the objective of securing the best outcomes for the communities of the region;
- 1.5.7 Undertake projects and activities that benefit its region and its communities;
- 1.5.8 Associate, collaborate and work in conjunction with other regional local government bodies for the advancement of matters of common interest;
- 1.5.9 Implement programs that seek to deliver local government services on a regional basis; and
- 1.5.10 To effectively liaise and work with the State and Commonwealth Governments and instrumentalities on a regional basis for the general enhancement of the region.

## 1.6 **Powers and Functions of LCLGA**

The powers, functions and duties of LCLGA are to be exercised in the performance and furtherance of LCLGA's objects and purposes.

LCLGA will have those powers, functions and duties delegated to it by the Constituent Councils from time to time that include but are not limited to -

- 1.6.1 Subscribing to, becoming a member of or co-operating or contracting with any other association or organisation whether

within or outside the area of the Constituent Councils whose purposes are wholly or in part similar or complimentary to the objects and purposes to LCLGA, and on such terms as LCLGA deems appropriate;

- 1.6.2 entering into contracts or arrangements with any Government agency or authority which are incidental or conducive to the attainment of the objects and exercise of the powers of LCLGA;
- 1.6.3 appointing, employing, remunerating, removing or suspending officers, managers, employees and agents of LCLGA;
- 1.6.4 entering into any kind of contract or arrangement;
- 1.6.5 raising revenue through Subscriptions and Project Fees from Constituent Councils (and Affiliates), by arrangements with sponsor organisations, by arrangement or contract with any other organisation or person and by any other means not inconsistent with the objects and purposes of LCLGA;
- 1.6.6 printing and publishing any newspapers, periodicals, books, leaflets, or other like writing;
- 1.6.7 establishing such committees as it deems necessary and to define the terms of reference of such committees which may include to steer projects or to pursue geographic or functional interests of LCLGA, the Constituent Councils or specific groups of the Constituent Councils;
- 1.6.8 delegating any of LCLGA's powers, functions and duties to persons or committees and changing or revoking such delegations, save for any of the powers set out in section 44 of the Act (where such powers are applicable to a subsidiary);
- 1.6.9 appointing any elected member, officer or employee of a Constituent Council or any other person to be a member of any duly appointed committee;
- 1.6.10 acquiring, holding, dealing with and disposing of any real or personal property;
- 1.6.11 opening and operating bank accounts;
- 1.6.12 accumulating surplus funds for investment purposes;
- 1.6.13 investing any of the funds of LCLGA in accordance with section 139 of the Act, provided that:
  - (a) in exercising this power of investment LCLGA must exercise the care, diligence and skill that a prudent person of business would exercise in managing the affairs of other persons; and
  - (b) LCLGA must avoid investments that are speculative or hazardous in nature.

- 1.6.14 borrowing money;
- 1.6.15 giving security for the discharge of the liabilities of LCLGA; and
- 1.6.16 doing all other things that are necessary or incidental or conducive to the attainment of the objects and purposes, the furtherance of the interests and the exercise, performance or discharge of the powers, functions or duties of LCLGA;

## 1.7 **Property**

- 1.7.1 All property held by LCLGA is held by it on behalf of the Constituent Councils;
- 1.7.2 No person may sell, encumber or otherwise deal with any property of LCLGA without the approval of the Board by way of resolution at a Board meeting.

## 1.8 **Borrowing Money**

LCLGA has the power to borrow money subject to the following.

- 1.8.1 If LCLGA intends to borrow money LCLGA must make a proposal in writing to all Constituent Councils outlining the amount of money proposed to be borrowed, the terms and conditions of the loan and the purpose to which the money will be put;
- 1.8.2 The Constituent Councils will vote on the proposal;
- 1.8.3 To authorise the borrowing of money by LCLGA, there must be an absolute majority of the Constituent Councils in favour of the borrowing.

## 1.9 **Delegation by LCLGA**

LCLGA may subject to this Charter and in accordance with the Act by resolution delegate any of its powers, functions and duties under this Charter but may not delegate:

- 1.9.1 The power to impose charges including the power to impose a Project Fee or Subscriptions;
- 1.9.2 The power to borrow money or obtain any other form of financial accommodation;
- 1.9.3 The power to approve expenditure of money on the works, services or operations of LCLGA not set out or included in a budget approved by LCLGA or where required by this Charter approved by the Constituent Councils;

1.9.4 The power to approve the reimbursement of expenses or payment of allowances to members of the Board of Management;

1.9.5 The power to adopt financial estimates and reports.

A delegation is revocable at will and does not prevent LCLGA from acting in a matter.

## 1.10 **National Competition Policy**

LCLGA must undertake any commercial activities, which constitute a significant business activity of LCLGA, in accordance with the principles of competitive neutrality.

## 2. **STRUCTURE**

2.1 LCLGA is a body corporate and is governed by its Charter. The Board has the responsibility to manage the business and other affairs of LCLGA ensuring that LCLGA acts in accordance with this Charter and any relevant legislation.

2.2 All meetings of LCLGA shall be meetings of the Board.

2.3 All Board meetings shall be open to the public unless an order is made by the Board in accordance with this Charter. Members of the public may upon approval of the Board address the Board on issues on the agenda of the Board meeting but will not have voting rights and may not debate issues.

2.4 The Board will be entitled to make decisions in accordance with the powers and functions of LCLGA established in this Charter.

## 3. **BOARD OF MANAGEMENT**

The Board is responsible for managing all activities of LCLGA and ensuring that LCLGA acts in accordance with this Charter.

### 3.1 **Membership of the Board**

3.1.1 The Board shall consist of Members appointed pursuant to this Charter.

3.1.2 Each Constituent Council will be entitled to appoint one elected member to be a Board Member and may at any time revoke this appointment and appoint another elected member on behalf of that Constituent Council.

- 3.1.3 Subject to this Charter a Board Member shall be appointed for a term specified in their instrument of appointment not exceeding the term that the Board Member continues as an elected member of the Constituent Council or until the conclusion of the next periodic Local Government Election following their appointment, whichever term is lesser, at which time they will be eligible for re-appointment by the Constituent Council.
- 3.1.4 Each Constituent Council may appoint two elected members of the Constituent Council to be Deputies, either of whom may act in place of that Constituent Council's Board Member if the Board Member will be unable to be present at a meeting of the Board. The Constituent Council may revoke the appointment of a Deputy and appoint another elected member as Deputy at any time.
- 3.1.5 In the absence of a Board Member, the Deputy Board Member has all of the rights and responsibilities of the Board Member.
- 3.1.6 Each Constituent Council must give notice in writing to LCLGA of the elected members it has appointed as a Board Member and Deputy Board Members and of any revocation of any of those appointments.
- 3.1.7 In the event that a Board Member or a Deputy Board Member appointed pursuant to this Clause is unable to attend a meeting, any other elected member of the Constituent Council present at the meeting may, upon application, be accepted by the meeting as the proxy for the absent Board Member or Deputy Board Member for the purposes of that meeting.
- 3.1.8 A Constituent Council may invite any of its elected members or employees to attend meetings of the Board and those so invited may be heard but only a Board Member may exercise a vote.
- 3.1.9 The provisions regarding terminating the appointment of a Board Member as prescribed in the Act apply to all Board Members. In addition to those provisions, the appointment of a Board Member shall terminate -
- (a) upon the Council who appointed him/her ceasing to be a Constituent Council; or
  - (b) if the Board Member ceases to be an elected member of the Constituent Council which appointed him/her;
  - (c) upon the happening of any other event through which the Board Member would become ineligible to remain as a Board Member.

*(See Clause 20, Part 2, Schedule 2 of the Act for the grounds that give rise to a vacancy)*



3.1.10 The Board may by a two thirds majority vote of the Board Members present (excluding the Board Member subject to this Clause 3.1.10) make a recommendation to the relevant Constituent Council requesting that the Constituent Council terminate the appointment of a Board Member in the event of:

- (a) any behaviour of the Board Member which in the opinion of the Board amounts to impropriety;
- (b) serious neglect of duty in attending to the responsibilities of a Board Member;
- (c) breach of fiduciary duty to LCLGA or the Constituent Council(s);
- (d) breach of the duty of confidentiality to LCLGA or the Constituent Council(s);
- (e) breach of the conflict of interest provisions of the Act; or
- (f) any other behaviour that may, in the opinion of the Board, discredit LCLGA or the Constituent Councils.

If any vacancy occurs in the membership of the Board it must be filled in the same manner as the original appointment under Clause 3.1.2. The person appointed to fill the vacancy will be appointed for the balance of the term of the original appointment and at the expiry of that term shall be eligible for re-appointment.

## 3.2 **Functions of the Board**

The Board is responsible for the administration of the affairs of LCLGA.

The Board must ensure that LCLGA achieves the objectives the purposes set out in this Charter.

In addition, the Board has the following functions:

- 3.2.1 The formulation of strategic plans aimed at improving the activities of LCLGA.
- 3.2.2 To provide input and policy direction to LCLGA.
- 3.2.3 Monitoring, overseeing and evaluating the performance of the Executive Officer of LCLGA.
- 3.2.4 Ensuring that ethical behaviour and integrity is maintained by LCLGA and its Board Members in all activities undertaken by LCLGA.
- 3.2.5 Ensuring that the activities of LCLGA are undertaken in an open and transparent manner, save as otherwise permitted by this Charter.

- 3.2.6 Assisting in the development of Annual Business Plans.
- 3.2.7 Exercising the care, diligence and skill required by the Act that a prudent person of business would exercise in managing the affairs of other persons.

### **3.3 Propriety of Members of the Board**

- 3.3.1 The provisions regarding conflict of interest prescribed in the Act apply to all Board Members in the same manner as if they were elected members of a Council.
- 3.3.2 Board Members are not required to comply with Chapter 5, Part 4, Division 2 (Register of Interests) of the Act.
- 3.3.3 Board Members must at all times act in accordance with their duties of competence and confidentiality and individual fiduciary duties including honesty and the exercise of reasonable care and diligence with respect to the performance and discharge of official functions and duties as required by Chapter 5, Part 4, Division 1 of the Act and Clause 23 of Part 2 of Schedule 2 to the Act.

### **3.4 President and Vice President of the Board**

- 3.4.1 The Board will elect from the Board members a President and Vice President at the Annual General Meeting of the Board.
- 3.4.2 Where there is more than one nomination for the position of President or Vice President, the election shall be decided by ballot.
- 3.4.3 Subject to legislation and any provision in this Charter to the contrary, the President and Vice President shall hold office from the Annual General Meeting at which they are elected until the next Annual General Meeting unless he/she resigns or is removed from office by the Board or is no longer eligible to act as a Board Member.
- 3.4.4 In the event that:
  - (a) the President ceases to be a Board Member for any reason whatsoever, the Vice-President will be appointed to the role of President and the Board Members may elect from their members a person to hold the office of Vice-President until the next election;
  - (b) the Vice-President ceases to be a Board Member for any reason whatsoever, the Board Members may elect from their members a person to hold the office of Vice-President until the next election;

- (c) both the President and Vice-President cease to be a Board Member for any reason whatsoever, the Board Members may elect from their members persons to hold the offices of President and Vice President until the next election.

### **3.5 Powers of the President and Vice President**

- 3.5.1 The President shall preside at all meetings of the Board.
- 3.5.2 In the event of the President being absent from a meeting, the Vice President shall preside over meetings of the Board.
- 3.5.3 In the event of the President and Vice President being absent from a meeting, the Board shall appoint a member from those present, who shall preside for that meeting or until the President or Vice President is present.
- 3.5.4 The President shall have a deliberative vote but no second or casting vote.
- 3.5.5 The President and the Vice President individually or collectively shall have such other powers as may be decided by the Board.

### **3.6 Meetings of the Board**

- 3.6.1 The Board may determine procedures, in addition to but not inconsistent with those specified in this Charter, to apply at or in relation to its meetings.
- 3.6.2 Ordinary meetings of the Board must take place at such times and places as may be fixed by the Board or the Executive Officer of LCLGA from time to time, and in any event not less than two (2) times per financial year.
- 3.6.3 An ordinary meeting of the Board will constitute an ordinary meeting of LCLGA. The Board shall administer the business of the ordinary meeting.
- 3.6.4 For the purposes of this sub-clause, 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.
- 3.6.5 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.
- 3.6.6 At the commencement of a telecommunications 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 President of the meeting.

- 3.6.7 Notice of ordinary meetings of the Board (including the Annual General Meeting) must be given by the Executive Officer to each Board Member and Chief Executive Officer of the Constituent Councils at least four (4) weeks prior to the holding of the meeting either by post to the Constituent Council's address or by post to any other location, or via any other means of giving notice (e.g. facsimile or email) as nominated by the Board Member in writing addressed to the Executive Officer of LCLGA.
- 3.6.8 Notice of a meeting for the purpose of making a recommendation to the Constituent Councils to wind up LCLGA will be sent to Board Members and the Chief Executive Officers of the Constituent Councils at least eight (8) weeks before the date of the meeting.
- 3.6.9 Any three (3) Constituent Councils may by delivering a written request to the Executive Officer of LCLGA require a special meeting of the Board to be held. On receipt of the request, the Executive Officer shall send a notice of the special meeting to all Board Members and Chief Executive Officers of the Constituent Councils at least three (3) days prior to the date of the special meeting in the manner provided for in this Charter. Such notice shall specify the date, time and place of the special meeting and be signed by the Executive Officer, and contain, or be accompanied by, the agenda for the meeting.
- 3.6.10 The request by any Constituent Council to the Executive Officer of LCLGA requiring a special meeting to be held must be accompanied by the proposed agenda for the meeting and any written reports intended to be considered at the meeting (and if the proposed agenda is not provided the request is of no effect).
- 3.6.11 The President may convene a special meeting of the Board at the President's discretion without complying with the notice requirements prescribed in this Charter provided always that there is a minimum one (1) hour notice given to Board Members.
- 3.6.12 The President shall convene other meetings of the Board as the Board may direct.
- 3.6.13 **Quorum**
  - (a) The prescribed number of Board Members will constitute a quorum at a meeting and no business will be transacted at a meeting unless a quorum is present.

- (b) The prescribed number of Board Members means a number ascertained by dividing the total number of Board Members for the time being in office, by two (2) ignoring any fraction resulting from the division and adding one (1).

**3.6.14 Voting**

- (a) Each Board Member present at the meeting including the President, shall hold a voting card and be entitled to make a deliberative vote on behalf of that Constituent Council.
  - (b) In the event of an equality of votes, the President does not have a casting vote.
  - (c) Questions arising for decision at ordinary meetings of the Board will be decided by an absolute majority of votes on the basis of one (1) vote per Board Member present at the meeting, providing the number of “for” votes is not less than the absolute majority of Constituent Councils. The President may move to have a question considered for decision.
  - (d) A recommendation to Constituent Council’s to wind up LCLGA requires the votes of the Board Members of an absolute majority of the Constituent Councils.
  - (e) Subject to conflicts of interest, each Board Member validly present at a meeting and entitled to vote in accordance with this Charter must vote on a question arising for decision at the meeting. Failure by any Board Member to vote other than in conflict of interest situations will be deemed to be a negative vote in relation to the question for decision.
  - (f) Board Members may not vote by proxy.
- 3.6.15 A majority of the Board Members present at a meeting of the Board may adjourn the meeting from time to time and from place to place.
- 3.6.16 Subject to the provisions of this Charter, meetings of the Board must be conducted in a place open to the public.
- 3.6.17 All Board Members must at all times keep confidential all documents and any information provided to them on a confidential basis for their consideration prior to a meeting of the Board.
- 3.6.18 The Board may order that the public be excluded from attendance at any meeting under provisions contained in section 90 of the Act.

This Clause does not apply to:

- (a) a Board Member; or
  - (b) any other person permitted by the Board to remain in the room.
- 3.6.19 Where the Board has considered any information or a matter in confidence it may subsequently resolve to keep minutes and/or any other documents considered during that part of the meeting confidential in accordance with Section 91 of the Act.
- 3.6.20 Where an order is made under this Charter, a note must be made in the minutes of the making of the order and of the grounds on which it was made.
- 3.6.21 The Executive Officer must cause minutes to be kept of the proceedings at every meeting of the Board and present the minutes at the next meeting of the Board for confirmation and adoption.
- 3.6.22 Where the Executive Officer is excluded from attendance at a meeting of the Board pursuant to this Charter, the person presiding at the meeting shall cause the minutes to be kept.
- 3.6.23 Subject to this Charter a person is entitled to inspect, without payment of a fee:
- (a) minutes of a Board Meeting;
  - (b) reports to the Board received at a meeting of the Board;
  - (c) recommendations presented to the Board in writing and adopted by resolution of the Board.
- 3.6.24 Subject to the Act and this Charter and to any direction of the Constituent Councils the Board may determine its own procedures for voting, which must be fair and contribute to free and open decision making.

### 3.7 **Annual General Meeting**

The Annual General Meeting will:

- (a) be held on a day or days in the period from 1 January to 30 April in each calendar year;
- (b) receive LCLGA's Annual Report which may incorporate reports from committees and any representatives reports from other organisations;
- (c) receive the audited financial statement for the preceding financial year;
- (d) acknowledge the appointment of Board Members;

- (e) elect the:
  - (i) President; and
  - (ii) Vice President;
- (f) appoint representatives to other organisations; and
- (g) consider any other business requiring consideration by the Board Members in general meeting.

#### 4. EXECUTIVE OFFICER

- 4.1 The Board shall appoint an Executive Officer of LCLGA to manage the business of LCLGA on terms agreed between the Executive Officer and the Board.
- 4.2 The Executive Officer is responsible to LCLGA for the implementation of decisions made by LCLGA and for the efficient and effective management of the affairs of LCLGA.
- 4.3 The Executive Officer shall cause records to be kept of all activities and financial affairs of LCLGA in accordance with this Charter, in addition to other duties provided for by this Charter and those specified in the terms and conditions of appointment.
- 4.4 The Board shall delegate responsibility for the day-to-day management of LCLGA to the Executive Officer, who will ensure that sound business and human resource management practices are applied in the efficient and effective management of the operations of LCLGA.
- 4.5 The functions of the Executive Officer shall be specified in the terms and conditions of appointment and shall include but are not limited to:
  - 4.5.1 attending at all meetings of the Board unless excluded by resolution of the Board;
  - 4.5.2 ensuring that the decisions of the Board are implemented in a timely and efficient manner;
  - 4.5.3 providing information to assist the Board to assess LCLGA's performance against its Strategic Management and Business Plans;
  - 4.5.4 appointing, managing, suspending and dismissing employees of LCLGA;
  - 4.5.5 determining the conditions of employment of employees of LCLGA, within budgetary constraints set by the Board;

- 4.5.6 providing advice and reports to the Board on the exercise and performance of its powers and functions under this Charter or any Act;
  - 4.5.7 ensuring that LCLGA is at all times complying with the relevant legislation;
  - 4.5.8 co-ordinating and initiating proposals for consideration of the Board including but not limited to continuing improvement of the operations of LCLGA;
  - 4.5.9 ensuring that the assets and resources of LCLGA are properly managed and maintained;
  - 4.5.10 ensuring that records required under the Act or any other legislation are properly kept and maintained;
  - 4.5.11 ensuring that LCLGA's Annual Report is distributed to the Constituent Councils in time to be incorporated in their Annual Reports;
  - 4.5.12 exercising, performing or discharging other powers, functions, delegations or duties conferred on the Executive Officer by or under the Act or any other Act, and performing other functions lawfully directed by the Board; and
  - 4.5.13 achieving financial outcomes in accordance with adopted plans and budgets of LCLGA.
- 4.6 The Executive Officer may delegate or sub-delegate to:
- (a) a committee;
  - (b) an employee of the regional subsidiary;
  - (c) an employee of a Constituent Council; or
  - (d) a person for the time being occupying a particular office or position any power or function vested in the Executive Officer. Such delegation or sub-delegation may be subject to any conditions or limitations as determined by the Executive Officer.
- 4.7 Where a power or function is delegated to an employee, or a person occupying a particular office or position, that employee or person is responsible to the Executive Officer for the efficient and effective exercise or performance of that power or function.



- 4.8 A written record of all delegations and sub-delegations must be kept by the Executive Officer at all times.

## 5. MANAGEMENT

### 5.1 Financial Management

- 5.1.1 LCLGA shall keep proper books of accounts, and reconsider its budget in accordance with the requirements of the Local Government (Financial Management) Regulations 2011 and all applicable Australian accounting standards.
- 5.1.2 LCLGA's books of account must be available for inspection by any Board Member or authorised representative of any Constituent Council at any reasonable time on request.
- 5.1.3 LCLGA must establish and maintain a bank account with such banking facilities and at a bank to be determined by the Board.
- 5.1.4 LCLGA shall appoint no less than two Board members, the Executive Officer, the President and the Vice President as authorised operators of the bank accounts. A minimum of two authorised operators must be required to deal with the bank account at any one time.
- 5.1.5 All cheques must be signed by a person or persons authorised by resolution of the Board.
- 5.1.6 Any payments made by Electronic Funds Transfer must be made in accordance with procedures approved by the external Auditor.
- 5.1.7 The Executive Officer must act prudently in the handling of all financial transactions for LCLGA and must provide quarterly financial and corporate reports to the Board and if requested, the Constituent Councils.

### 5.2 Project Fees

- 5.2.1 LCLGA may charge Constituent Councils or any of them for a specified activity or activities in the form of Project Fees.
- 5.2.2 A Project Fee must be imposed by the Board at an ordinary meeting or an Annual General Meeting.
- 5.2.3 The Executive Officer must give notice to Constituent Councils of the purposes of a Project Fee at least four (4) weeks prior to an ordinary meeting of the Board. The notice shall be given at least eight (8) weeks prior to an Annual General Meeting.

- 5.2.4 In the event that a Constituent Council does not wish to participate in an activity or activities, that Council may elect to be excluded from that activity or activities.
- 5.2.5 The Executive Officer must give notice of the Project Fees to all affected Constituent Councils.
- 5.2.6 A Project Fee will not be binding on Constituent Councils until the expiration of one calendar month from the date of the notice.
- 5.2.7 A Constituent Council that objects in writing to the imposition of the Project Fee within one month of the date of the notice shall be exempt from payment of the Project Fee until its objection is considered at a general meeting of the Board.
- 5.2.8 A general meeting must, after consideration of the objection of a Constituent Council to a Project Fee, confirm or vary the Project Fee on that Council or exempt that Constituent Council from payment of the Project Fee
- 5.2.9 The President may convene a special general meeting to consider an objection to a Project Fee.

### **5.3 Audit**

- 5.3.1 The Board must appoint an external auditor in accordance with the Local Government (Financial Management) Regulations 2011, as amended from time to time.
- 5.3.2 The external Auditor shall hold office until the appointment is rescinded by a resolution of the Board.
- 5.3.3 The external Auditor will have the same powers and responsibilities as set out in the Act in relation to a Council.
- 5.3.4 The audit of financial statements of LCLGA, together with the accompanying report from the external Auditor, shall be submitted to both the Board and the Chief Executive Officers of Constituent Councils.
- 5.3.5 The books of accounts and financial statements shall be audited at least once per year.
- 5.3.6 Subject to approval from the relevant Minister, LCLGA is not required to establish an audit committee.

### **5.4 Annual Business Plan and Budget**

- 5.4.1 LCLGA shall prepare an Annual Business Plan linking the core activities of LCLGA to strategic, operational and organisational requirements with supporting financial projections setting out the estimates of revenue and expenditure as necessary for the period; and

- 5.4.2 A proposed Annual Business Plan and budget detailing the estimated subscriptions, revenues, costs and Project Fees for the ensuing financial year shall be submitted by the Executive Officer to the Board by 30 June in each financial year.
- 5.4.3 The proposed annual Business Plan and the budget detailing the estimated subscriptions, revenues, costs and Project Fees may be altered by the Board and shall be adopted by the Board subject to such alterations as the Board agrees upon after 31 May for the ensuing financial year and before 31 August for the current financial year.
- 5.4.4 The proposed annual Business Plan and the budget must be referred to the Constituent Councils at least eight (8) weeks prior to the date of the meeting at which the budget is to be adopted.
- 5.4.5 A Constituent Council may comment on the Annual Business Plan and the budget in writing to the Executive Officer at least fourteen (14) business days before the meeting at which the budget is to be adopted or through its Board Members at that meeting.
- 5.4.6 The Board must provide a copy of the adopted budget to the Chief Executive Officers of each Constituent Council within five (5) business days after the budget is adopted.
- 5.4.7 The Board will reconsider the Business Plan and budget at least three times during the financial year in line with the provisions of Regulation 7 of the Local Government (Financial Management) Regulations 2011.
- 5.4.8 LCLGA shall consult with the Constituent Councils prior to amending the Annual Business Plan and budget.

## **5.5 Prudential Requirements**

Where consideration is being given to LCLGA undertaking a commercial or large project, the provisions of Chapter 4 Part 3 Sections 48 (1) (b), 48 (2) and 48 (3) of the Act, shall apply.

## **5.6 Strategic Management Plan**

- 5.6.1 LCLGA shall prepare and implement a Strategic Management Plan.
- 5.6.2 The Strategic Management Plan will:
- (a) identify LCLGA's objectives over the period;
  - (b) identify the principal activities that LCLGA intends to undertake to achieve its objectives;

- (c) state the measures that are to be used to monitor and access the performance of LCLGA over the period;
- (d) identify the broad means by which its activities are to be carried out;
- (e) address issues associated with arranging its affairs; and
- (f) make provision for the review of LCLGA's charter and activities.

5.6.3 LCLGA may amend its Strategic Management Plan at any Board meeting, but must review the Strategic Management Plan at least once every five (5) years.

## 5.7 Reporting

5.7.1 LCLGA must submit to the Constituent Councils, at least once in each operating year and prior to 31 August of the subsequent financial year, a report on the work and operations of LCLGA detailing achievement of the aims and objectives of its Annual Business Plan and incorporating the audited Financial Statements of LCLGA and any other information or report as required by the Constituent Councils.

5.7.2 The Board shall present a balance sheet and full financial reports to the Constituent Councils at the end of each financial year in accordance with the Local Government (Financial Management) Regulations 2011.

## 6. MISCELLANEOUS

### 6.1 New Members

6.1.1 Subject to the provisions of the Act, including but not limited to Ministerial approval, this Charter may be amended by the unanimous agreement of the Constituent Councils to provide for the admission of a new Constituent Council or Councils, with or without conditions of membership, such conditions to be determined by the Board.

6.1.2 A Council may apply for Affiliate status provided that the Board is satisfied that there is good reason for the Council not to be a full member. Subject to this Charter, an Affiliate shall be entitled to attend at all meetings of the Board and shall have an opportunity to speak to the meeting, however an Affiliate shall not be entitled to vote at meetings of the Board and shall, subject to legislative requirements, have such other rights and obligations as the Board may decide.

### 6.2 Subscription

- 6.2.1 Every Constituent Council shall be liable to contribute monies to LCLGA each financial year.
- 6.2.2 Subscriptions are to be applied equitably to Constituent Councils under such terms and conditions determined by the Board.
- 6.2.3 The amount of each Constituent Council's subscription will be decided at an ordinary meeting and will be due and payable within one month of a written request from the Executive Officer for payment.
- 6.2.4 If a Council becomes a Constituent Council after the first day of July in any year, the subscription payable by that council for that financial year will be calculated on the basis of the number of months remaining in that financial year.
- 6.2.5 The subscription payable by an Affiliate shall be decided at the time Affiliate status is granted and may be determined by the Board at the Annual General Meeting.

### 6.3 **Standing Orders**

Subject to Clause 21 of Schedule 2 of the Act, LCLGA may by resolution at any meeting of the Board pass, alter or rescind standing orders or rules for the due management and regulation of LCLGA. Standing orders or rules made pursuant to this Clause shall be entered in a book that will be kept for the information of Board Members and may be printed or circulated at the discretion of LCLGA.

### 6.4 **Disqualification**

- 6.4.1 Subject to any legislative requirements including but not limited to Ministerial approval, a Council that fails to pay its subscription or any other monies due to LCLGA within six months from the date upon which the subscription or other monies become due and payable shall cease to be a Constituent Council or, as the case may be, an Affiliate.
- 6.4.2 The Executive Officer will give notice in writing to the Constituent Council that its status as a Constituent Council or, as the case may be, an Affiliate, has been terminated.

### 6.5 **Withdrawal**

- 6.5.1 Subject to any legislative requirements, including but not limited to Ministerial approval, a Constituent Council or an Affiliate may resign from LCLGA at any time by giving three months notice in writing of such withdrawal to the Executive Officer provided that its subscription of the current year and other monies outstanding prior to the date of its giving notice of withdrawal have been paid to LCLGA.

- 6.5.2 The withdrawal of any Constituent Council does not extinguish the liability of that Constituent Council to contribute to any loss or liability incurred by LCLGA at any time before or after such withdrawal in respect of any act or omission by LCLGA prior to such withdrawal.

## **6.6 Insurance and Superannuation Requirements**

- 6.6.1 LCLGA shall register with the Local Government Mutual Liability Scheme and comply with the Rules of that Scheme.
- 6.6.2 LCLGA shall advise the 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 LCLGA.
- 6.6.3 If LCLGA employs any person it shall register with the Local Government Superannuation Scheme and the Local Government Workers Compensation Scheme and comply with the Rules of those Schemes.

## **6.7 Winding Up**

- 6.7.1 LCLGA may be wound up by the Minister acting upon a unanimous resolution of the Constituent Councils or by the Minister in accordance with Schedule 2, Part 2, clause 33 (1)(b) of the Act.
- 6.7.2 In the event of a winding up of LCLGA, any surplus assets after payment of all expenses shall be returned to Constituent Councils in proportion to the subscription paid in the financial year prior to the passing of the resolution to wind up.
- 6.7.3 If there are insufficient funds to pay all expenses due by LCLGA on winding up, a levy shall be imposed on all Constituent Councils in proportion to the subscription paid in the financial year prior to the passing of the resolution to wind up.
- 6.7.4 In the event of a winding up of LCLGA, an Affiliate shall not be entitled to participate in a distribution of surplus assets and shall not be liable to pay a levy if there are insufficient funds to pay all expenses.

## **6.8 Direction by Constituent Councils**

- 6.8.1 The establishment of LCLGA does not derogate from the power of the Constituent Councils to jointly act in any manner prudent to the sound management and operation of LCLGA, provided that the Constituent Councils have first agreed by

resolution of each Constituent Council as to the action to be taken.

6.8.2 The establishment of LCLGA does not derogate from the power of any of the Constituent Councils to act independently in relation to a matter for which LCLGA has been established.

6.8.3 Provided that the Constituent Councils have all first agreed unanimously as to the action to be taken, the Constituent Councils may direct and control LCLGA.

6.8.4 For the purpose of sub-clause 6.8.3, any direction given by the Constituent Councils must be given in writing to the Executive Officer of LCLGA.

## **6.9 Alteration and Review of Charter**

6.9.1 This Charter will be reviewed by the Constituent Councils acting in concurrence at least once in every four (4) years.

6.9.2 This Charter may be amended by unanimous resolution of the Constituent Councils. The amended Charter must be ratified at a meeting of the Board.

6.9.3 Notice of a proposed alteration must be given by the Executive Officer to all Constituent Councils at least four (4) weeks prior to the Council meeting at which the alteration is proposed.

6.9.4 The Executive Officer must ensure that the amended Charter is published in the Gazette and a copy of the amended Charter provided to the Minister.

## **6.10 Disputes Between Constituent Councils**

6.10.1 The Constituent Councils agree to work together in good faith to resolve any matter requiring their direction or resolution.

6.10.2 Where the Constituent Councils are unable to resolve a matter within twenty one (21) days of the matter being presented to them, the matter will be referred by the Board to the President of the Institute of Arbitrators and Mediators Australia (or his/her nominee) for the appointment of an arbitrator.

6.10.3 Notwithstanding sub-clause 6.10.2 the Constituent Councils agree to be bound by the decision of the appointed arbitrator (except in relation to any decision relating to the acquisition or disposal of any real property) and will endeavour to work together in good faith in the implementation of that decision.

6.10.4 The costs of arbitration shall be borne equally by the Constituent Councils involved in the arbitration, or as otherwise determined by the arbitrator.

## 6.11 Committees

- 6.11.1 The Board may establish a committee of Board Members for the purpose of:
- (a) enquiring into and reporting to the Board on any matter within LCLGA's functions and powers and as detailed in the terms of reference given by the Board to the Committee;
  - (b) exercising, performing or discharging delegated powers, functions or duties.
- 6.11.2 A member of a committee established under this Clause holds office at the pleasure of the Board.
- 6.11.3 The Board may establish advisory committees consisting of or including persons who are not Board Members for enquiring into and reporting to the Board on any matter within LCLGA's functions and powers and as detailed in the terms of reference which must be given by the Board to the advisory committee.
- 6.11.4 A member of an advisory committee established under this clause holds office at the pleasure of the Board.
- 6.11.5 The President of the Board is an ex-officio member of any committee or advisory committee established by the Board.

## 6.12 Common Seal

- 6.12.1 LCLGA shall have a common seal upon which its corporate name shall appear in legible characters.
- 6.12.2 The common seal shall not be used without the express authorisation of a resolution of LCLGA and every use of the common seal shall be recorded in the minute book of LCLGA.
- 6.12.3 The affixing of the common seal shall be witnessed by the President or Vice President and the Executive Officer or such other person as LCLGA may appoint for the purpose.
- 6.12.4 The common seal shall be kept in the custody of the Executive Officer or such other person as LCLGA may from time to time decide.



**6.13 Circumstances Not Provided For**

6.13.1 If any circumstance arises about which this Charter is silent, incapable of taking effect or being implemented according to its strict provisions, the President may decide the action to be taken to ensure achievement of the objects of LCLGA and its effective administration.

6.13.2 The President shall report any such decision at the next general meeting.