

LOCAL GOVERNMENT ACT 1999

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Amendments to the Rules

1. INTRODUCTION

1.1 Definitions

‘the Act’ means the Local Government Act 1999;

‘administration costs’ means as defined by LGA Accounting Regulations and AAS27 accounting standards;

‘annual asset percentage’ means the percentage that the Council’s annual mass bears to the combined annual masses of all Constituent Councils;

‘annual mass’ means the mass of rubbish and waste collected or disposed of from the area of a Constituent Council in the 12 months preceding 1 July in each calendar year;

‘the Authority’ means the Adelaide Hills Region Waste Management Authority;

‘Constituent Council’ has the same meaning as in section 43 of the Act and more particular refers to the:

1.1.1 District Council of Mount Barker;

1.1.2 Adelaide Hills Council;

1.1.3 Rural City of Murray Bridge; and

1.1.4 Alexandrina Council,

‘the Board’, ‘Board Members’ or ‘Board of Management’ means those Members appointed in accordance with Clause 3.2.1 of this Charter and acting collectively or singularly as the context requires;

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

‘Hartley Landfill’ means that land which is held under certificate of title volume 5500, folio 460, by Robin Angas Harvey, Darrell Drew Harvey and Ian Brownhill Harvey comprising the southern portion of Section 299, Hundred of Freeling in the area of the Alexandrina Council which land is subject to a licence agreement with the Authority for purposes of bulk waste disposal and backfill and also a licence agreement with the District Council of Mount Barker for mining purposes (the latter licence to the Council prevailing in the event of any conflict between the licences);

‘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 Hartley Landfill as licensed by the Environment Protection Authority;

‘operating costs’ means expenses incurred in the delivery of the Authority’s services excluding administration costs;

‘Region’ means the collective areas of the Constituent Councils.

1.2 Establishment

The Authority is a regional subsidiary established under section 43 of the Act by the Constituent Councils and conducts its affairs in accordance with Schedule 2, Parts 2 and 3 of the Act except as modified by this Charter in a manner permitted by the Act.

1.3 National Competition Policy

The Authority does not undertake any commercial activities which constitute a significant business activity of the Authority to which the principles of competitive neutrality must be applied.

1.4 **Objects and Purposes**

The Authority is established for the following objects and purposes:

- 1.4.1 to facilitate and co-ordinate waste management including collection, treatment, disposal and recycling within the Region;
- 1.4.2 to develop and implement policies designed to improve waste management and recycling programmes and practices within the Region;
- 1.4.3 to regularly review the Region's waste management and recycling practices and policies;
- 1.4.4 to provide and operate a place or places for the treatment, recycling and disposal of waste collected by or in the areas of the Constituent Councils;
- 1.4.5 to develop further co-operation between the Constituent Councils in the collection, treatment, recycling and disposal of waste for which the Constituent Councils are or may become responsible;
- 1.4.6 to minimise the volume of waste collected in the areas of the Constituent Councils which is required to be disposed of by landfill;
- 1.4.7 to educate and motivate the community to achieve the practical reduction of waste through reuse and recycling initiatives;
- 1.4.8 to be financially self sufficient,

and in so doing will give due weight to economic, social and environmental considerations.

1.5 **Powers**

The powers, functions and duties of the Authority are to be exercised in the performance of the Authority's objects and purposes. The Authority shall have those powers, functions and duties delegated to it by the Constituent Councils from time to time which include but are not limited to the following:

- 1.5.1 to acquire, deal with and dispose of real and personal property (wherever situated) and rights in relation to real and personal property provided that it shall be a condition precedent that any such transaction may not incur a singular or a total liability of \$250 000 or more without the prior approval of all of the Constituent Councils;
- 1.5.2 to sue and be sued in its corporate name provided that any litigation is subject to an immediate urgent report to the Constituent Councils by the Executive Officer;
- 1.5.3 subject to Clauses 1.5.1, 1.5.12 and 1.6 of this Charter to enter into any kind of contract or arrangement;
- 1.5.4 to borrow funds and incur expenditure in accordance with Clauses 1.5.1, 1.5.2 and 1.6 of this Charter;
- 1.5.5 to establish a reserve fund or funds clearly identified for the upkeep and/or replacement of fixed assets of the Authority or for meeting any deferred liability of the Authority;
- 1.5.6 to invest any surplus funds of the Authority in any investment authorised by the Trustee Act 1936, or with the Local Government Finance Authority provided that:
 - 1.5.6.1 in exercising this power of investment 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
 - 1.5.6.2 the Authority must avoid investments that are speculative or hazardous in nature;
- 1.5.7 to distribute profit to the Constituent Councils and where this power of distribution is exercised to do so on a proportionate basis in accordance with the Schedule of Constituent Council's Interests in Net Assets as provided at Clause 7.2 of this Charter;

- 1.5.8 to enter into agreements with the Constituent Councils for the purpose of operating and managing sites for the treatment, recycling and disposal of waste;
- 1.5.9 to raise finance for all purposes relating to the collection, treatment, recycling and disposal of waste;
- 1.5.10 to determine the types of refuse and waste which will be received and the method of collection, treatment, recycling and disposal of the waste;
- 1.5.11 to enter into any kind of contract or arrangement to undertake projects and to undertake all manner of things relating to and incidental to the collection, treatment, recycling and disposal of waste, provided that any project with a value of \$500 000 or more requires the prior approval of all the Constituent Councils;
- 1.5.12 to commit the Authority to undertake a project in conjunction with any other Council or government agency and in doing so to participate in the formation of a trust, partnership or joint venture with the other body to give effect to the project provided that any project with a value of \$500 000 or more requires the prior approval of all of the Constituent Councils;
- 1.5.13 to employ, engage, remunerate, remove, suspend or dismiss the Executive Officer of the Authority;
- 1.5.14 to open and operate bank accounts;
- 1.5.15 to make submissions for and accept grants, subsidies and contributions to further its objects and purposes and to invest any funds of the Authority in any securities in which a Council may lawfully invest;
- 1.5.16 to charge whatever fees the Authority considers appropriate for services rendered to any person, body or Council (other than a Constituent Council) provided that such fees charged by the Authority shall be sufficient to cover the cost to the Authority of providing the service;
- 1.5.17 to charge the Constituent Councils fees for services that cover the cost to the Authority of providing the services;
- 1.5.18 to do anything else necessary or convenient for, or incidental to, the exercise, performance or discharge of its powers, functions or duties.

1.6 **Borrowings and Expenditure**

- 1.6.1 The Authority has the power to borrow and/or to incur expenditure in accordance with this Clause or Clauses 1.5.1 or 1.5.12 of this Charter or in accordance with its approved budget or otherwise as expressly authorised by resolutions (expressed in the same terms) passed by the Constituent Councils.
- 1.6.2 If the Authority intends to borrow money for the purposes of a project with expenditure of a capital nature in excess of \$500 000, the Authority 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 borrowing and the purpose to which the money will be put. The consent of all of the Constituent Councils is required for the Authority to proceed with the proposed borrowing.
- 1.6.3 For the purposes of Clause 1.6.2 such borrowings must:
 - 1.6.3.1 not be used for the purpose of funding operational costs;
 - 1.6.3.2 be from the Local Government Financial Authority or a registered bank or financial institution within Australia; and
 - 1.6.3.3 must be drawn down within a period of 24 months from the date of approval.
- 1.6.4 The Authority may operate an overdraft facility or facilities as required provided that it must not exceed \$100 000 in total without the approval of all of the Constituent Councils.

1.7 **Property**

- 1.7.1 All property held by the Authority 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 the Authority without the approval of the Board by way of a Board resolution.

1.8 **Delegation by the Authority**

The Board may by resolution delegate to the Executive Officer or to any officer of the Authority any of its powers, functions and duties under this Charter but may **not** delegate:

- 1.8.1 the power to impose charges;
- 1.8.2 the power to enter into transactions in excess of \$50 000;
- 1.8.3 the power to borrow money or obtain any other form of financial accommodation;
- 1.8.4 the power to approve expenditure of money on the works, services or operations of the Authority not set out in a budget approved by the Authority or where required by this Charter approved by the Constituent Councils;
- 1.8.5 the power to approve the reimbursement of expenses or payment of allowances to Members of the Board of Management;
- 1.8.6 the power to adopt budgets;
- 1.8.7 the power to adopt or revise financial estimates and reports; and
- 1.8.8 the power to make any application or recommendation to the Minister.

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

2. **STRUCTURE**

- 2.1 The Authority is a body corporate and is governed by its Board, which has the responsibility to manage the business and other affairs of the Authority ensuring that the Authority acts in accordance with this Charter.
- 2.2 All meetings of the Authority shall be meetings of the Board.
- 2.3 The Board will be entitled to make decisions in accordance with the powers and functions of the Authority established in this Charter.

3. **THE BOARD OF MANAGEMENT**

The Board shall have the responsibility to manage all of the activities of the Authority ensuring that the Authority acts in accordance with this Charter.

3.1 **Functions of the Board**

- 3.1.1 The formulation of strategic and business plans in accordance with Clause 5 of this Charter and the development of strategies aimed at improving the business of the Authority.
- 3.1.2 To provide policy direction to the Authority.
- 3.1.3 Monitoring, overseeing and measuring the performance of the Executive Officer of the Authority.
- 3.1.4 Subject to this Charter ensuring that the business of the Authority is undertaken in an open and transparent manner.
- 3.1.5 Ensuring that ethical behaviour and integrity is established and maintained by the Authority and its Board Members in all activities undertaken by the Authority.
- 3.1.6 Assisting in the development of strategic and business plans.
- 3.1.7 Exercising the care, diligence and skill that a prudent person of business would exercise in managing the affairs of other persons.
- 3.1.8 Developing and giving effect to policies that reflect the Authority's responsibilities under the National Competition Policy (if applicable) and the Trade Practices Act.

3.1.9 Ensuring that the Authority functions in accordance with its objects and purposes and within its approved budget.

3.2 **Membership**

3.2.1 The Board shall consist of eight Members (appointed by the Constituent Councils) as follows:

(a) one elected Member appointed by each Constituent Council; and

(b) one employee appointed by each Constituent Council.

3.2.2 Each Constituent Council will also appoint a deputy Board Member. The deputy Board Member is entitled to act in place of a Board Member appointed by the same Constituent Council if the Board Member is unable for any reason to be present at a Board meeting.

3.2.3 In the absence of the Board Member, a deputy Board Member will be deemed to be the Board Member and can exercise all rights, privileges and obligations of the Board Member during the absence of that Board Member.

3.2.4 A certificate signed by the Chief Executive Officer of a Constituent Council will be sufficient evidence of the appointment of a Board Member and deputy Board Member of the Board of Management.

3.2.5 There will be a Chairperson and a Deputy Chairperson of the Board elected by ballot of the whole Board from those Board Members who are appointed under Clause 3.2.1 (a) of this Charter.

3.2.6 The term of office for the Chairperson and Deputy Chairperson will expire at the annual general meeting of the Authority. The outgoing Chairperson and Deputy Chairperson will be eligible for re-election as well as all Authority Members.

3.2.7 The Chairperson shall preside at all meetings of the Board and in the absence of the Chairperson, the Deputy Chairperson will act in the office of Chairperson. In the absence of the Chairperson and the Deputy Chairperson the Board will elect an Acting Chairperson from amongst those Board Members present who have been appointed under Clause 3.2.1 (a) of this Charter.

3.2.8 Board Members are not required to submit returns under Chapter 5, Part 4, Division 2 of the Act.

3.3 **Term of Office**

3.3.1 The term of office of each Board Member shall be for a term determined by the Constituent Council appointing the Board Member. At the conclusion of this term all Board Members are eligible for re-appointment.

3.3.2 The office of a Board Member will become vacant upon:

3.3.2.1 the death of the Board Member; or

3.3.2.2 the appointing Constituent Council providing written notice of termination to the Board Member and the Board; or

3.3.2.3 if the Board Member is an elected Member of a Constituent Council upon ceasing to be an elected Member; or

3.3.2.4 if the Board Member is an officer of a Constituent Council, upon ceasing to be employed by the Council which appointed him/her; or

3.3.2.5 upon the Board Member providing his/her resignation in writing to one or more of the Constituent Councils; or

3.3.2.6 upon the happening of any other event through which the Board Member would be ineligible to remain as a Member of the Board; or

3.3.2.7 upon the Board Member becoming a bankrupt or applying for the benefit of a law for the relief of insolvent debtors.

- 3.3.3 The Board may by a two-thirds majority vote of the Members present (excluding the Board Member subject to this Clause) make a recommendation to a Constituent Council requesting it to terminate the appointment of a Board Member appointed by it in the event of any behaviour which in the opinion of the Board amounts to:
 - 3.3.3.1 impropriety;
 - 3.3.3.2 serious neglect of duty in attending to the responsibilities as a Member of the Board;
 - 3.3.3.3 breach of fiduciary duty to the Board or a Constituent Council;
 - 3.3.3.4 breach of the duty of confidentiality to the Board and/or the Constituent Councils; or
 - 3.3.3.5 any other behaviour which may discredit the Board.
- 3.3.4 Where, for any reason, the office of a Board Member becomes vacant the Constituent Council which appointed the Board Member will be responsible for appointing a replacement Board Member.

3.4 **Proceedings of the Board**

- 3.4.1 Subject only to the extent that they are modified by this Clause, the proceedings of the Board of Management will be those under Part 2 of the Local Government (Procedures at Meetings) Regulations 2000.
- 3.4.2 Subject only to the special provisions of this Clause, no meeting of the Board will commence until a quorum of Members is present and no meeting may continue if there is not a quorum of Members present. A quorum of Members will comprise one half of the Members in office, ignoring any fraction, plus one.
- 3.4.3 For the purposes of this subclause, the contemporary linking together by telephone, audio-visual or other instantaneous means ('telecommunications meeting') of a number 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.
- 3.4.4 A proposed resolution in writing and given to all Board Members in accordance with proceedings determined by the Board will be a valid decision of the Board 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 shall thereupon be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held.
- 3.4.5 Meetings of the Board will be open to the public unless the Board resolves to consider a matter in confidence in accordance with the provisions of Chapter 6, Part 3 of the Act. Where an order is made under this Clause, a note must be made in the minutes of the making of the order and of the grounds on which it was made.
- 3.4.6 Where the Board has considered any information or a matter in confidence under Clause 3.4.5 it may subsequently resolve to keep minutes and/or documents considered during that part of the meeting confidential in accordance with section 91 of the Act.
- 3.4.7 All matters for decision at a meeting of the Board will be decided by a simple majority of the Members present and entitled to vote on the matter. All Members including the Chairperson present and entitled to vote on the matter are required to cast a vote. All Members including the Chairperson are entitled only to a deliberative vote.

- 3.4.8 In the case of an equality of votes, the Chairperson does not have a casting vote and the matter is deemed to have elapsed.
- 3.4.9 Ordinary meetings of the Board will be held at such time and such place as the Board decides subject only to the requirement that (disregarding the annual general meeting) there will be at least one ordinary meeting of the Board in every four months.
- 3.4.10 Special meetings of the Board may be held at any time and may be called at the request of the Chairperson or the written request of at least three Members of the Board. A request for a special meeting must be accompanied by the proposed agenda for the meeting or the request will be of no effect.
- 3.4.11 Notice of all meetings will be given in accordance with the requirements applicable to a Council meeting under the Act, which apply to the Board as if it were a Council.
- 3.4.12 The Executive Officer must cause minutes to be kept of the proceedings at every meeting of the Board and ensure that the minutes are presented to the next ordinary meeting of the Board for confirmation and adoption. Where the Executive Officer is excluded from attendance at a meeting of the Board pursuant to Clause 3.4.5, the person presiding at the meeting shall cause the minutes to be kept.
- 3.4.13 All Members must keep confidential all documents and any information provided to them for their consideration prior to a meeting of the Board.

3.5 Propriety of Members of the Board

- 3.5.1 All provisions governing propriety of Members of a Council and public officers under the law of South Australia will be applicable to Board Members.
- 3.5.2 The provisions regarding conflict of interest prescribed in the Act apply to all Board Members as if they were elected Members of a Council.
- 3.5.3 The Board Members will at all times act in accordance with their duties of confidence 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 Part 4, Division 1, Chapter 5 of the Act and Clause 23 of Schedule 2, Part 2 of the Act.

3.6 Committees

- 3.6.1 The Board may from time to time as it sees fit establish committees for the purposes of assisting it in the performance of its functions. A committee established by the Board under this provision may be comprised of such persons that the Board determines.
- 3.6.2 Every committee shall operate in accordance with the general procedure applicable to the Board itself subject to any variation prescribed by the Board in establishing the committee.

3.7 Annual General Meeting

- 3.7.1 An annual general meeting of the Board shall be held prior to 30 June in each year at a place and time determined by a resolution of the Board.
- 3.7.2 The annual general meeting shall conduct business of a general nature aimed at reviewing the progress and direction of the Authority and shall include the following:
 - 3.7.2.1 Chairperson's report;
 - 3.7.2.2 election of the Chairperson until the next annual general meeting; and
 - 3.7.2.3 adoption of the annual budget for the ensuing financial year.

4. BUDGETS AND CONTRIBUTIONS

4.1 Annual Budget

- 4.1.1 The Authority shall, prepare and after 31 May of each year adopt an annual budget for the ensuing financial year in accordance with the Act.

4.1.2 The Authority must provide a copy of its annual budget to the Chief Executive Officer of each Constituent Council within five business days after adoption.

4.1.3 Reports summarising the financial position and performance of the Authority shall be prepared and presented to the Board at each ordinary meeting and copies provided to the Chief Executive Officer of each Constituent Council.

4.1.4 The Authority will reconsider the budget at least three times at intervals of not less than three months between 30 September and 31 May in the relevant financial year.

(See Clause 25, Part 2, Schedule 2 to the Act for the contents of the budget)

4.2 **Financial Contributions**

4.2.1 The Board will determine annually and will include within the budget submitted to the Constituent Councils for approval the funds required to enable the Authority to operate and to fulfil its objects and purposes.

4.2.2 The accounting and audit requirements of the Act and the Local Government (Financial Management) Regulations 1999, will apply to the Authority.

4.3 **Administration Contributions**

4.3.1 The Board will determine annually and will include within the budget submitted to the Constituent Councils for approval the administrative funds required by the Authority to enable it to function ('administration costs').

4.3.2 Each of the Constituent Councils will contribute equally to the administration costs required by the Authority as set out in the approved budget.

4.3.3 The annual administration costs will be paid by each Constituent Council in advance by monthly instalments.

4.3.4 The Board may during any Financial Year for purposes of genuine emergency or hardship determine that additional administration costs are required for the continuing function of the Authority.

4.3.5 Any additional administration costs will be paid in equal proportions by each Constituent Council in the manner and at the time determined by the Board.

4.4 **Operating Contributions**

4.4.1 The Board may from time to time fix all fees, charges, imposts and levies and prices payable for the collection, receipt or purchase of waste.

4.4.2 Each Constituent Council shall contribute contributions to the amount required in proportion to that Council's current annual asset percentage at the date the income requirement is approved by the Board. The Board will determine annually and will include within the budget submitted to the Constituent Councils for approval the operating contributions required by the Authority to enable it to function ('operating costs').

4.4.3 The Board may during any year for purposes of genuine emergency or hardship determine that additional operating costs contributions are required for the continuing function of the Authority.

4.4.4 Any contribution to operating costs shall be made by each Constituent Council within 60 days of notice in writing being given by the Board to the Chief Executive Officer of the Constituent Council, provided that if the Board so decides such payments may be made in advance by monthly instalments.

5. **MANAGEMENT**

5.1 **Strategic Plans**

The Authority shall:

5.1.1 prepare and adopt a ten year Strategic Plan for the conduct of its business which will identify its objectives over the period of the Plan and the principal activities that the Authority intends to undertake to achieve its objectives;

- 5.1.2 in consultation with the Constituent Councils review the Strategic Plan at any time but subject to a comprehensive review being undertaken at least once in every four years; and
- 5.1.3 submit the Strategic Plan to the Constituent Councils for their approval.

5.2 **Business Plans**

The Authority shall:

- 5.2.1 prepare a three year Business 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;
- 5.2.2 in consultation with the Constituent Councils review the Business Plan annually; and
- 5.2.3 submit the Business Plan to the Constituent Councils for their approval.
(See Clause 24, Part 2, Schedule 2 to the Act for the contents of the Business Plan)

5.3 **Reporting**

- 5.3.1 The Authority must submit to the Constituent Councils, by 30 September in each 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 as required by the Constituent Councils.
- 5.3.2 On or before the second Friday in September of each year the Board shall present to the Constituent Councils a balance sheet and full financial report in respect of the previous Financial Year.

6. **ADMINISTRATIVE MATTERS**

6.1 **Executive Officer and Staff**

- 6.1.1 The Board may appoint an Executive Officer and/or other staff of the Authority on terms and conditions to be determined by the Board.
- 6.1.2 The Board shall delegate responsibility for the day-to-day management of the Authority 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 the Authority.
- 6.1.3 The Executive Officer will be responsible to the Board:
 - 6.1.3.1 for the implementation of its decisions in a timely and efficient manner;
 - 6.1.3.2 to carry out such duties as the Board may direct;
 - 6.1.3.3 attending at all meetings of the Board unless excluded by resolution of the Board;
 - 6.1.3.4 providing information to assist the Board to assess the Authority's performance against its Strategic and Business Plans;
 - 6.1.3.5 appointing, managing, suspending and dismissing all other employees of the Authority;
 - 6.1.3.6 determining the conditions of employment of all other employees of the Authority, within budgetary constraints set by the Board;
 - 6.1.3.7 providing advice and reports to the Board on the exercise and performance of its powers and functions under this Charter or any Act;
 - 6.1.3.8 ensuring that the assets and resources of the Authority are properly managed and maintained;
 - 6.1.3.9 ensuring that records required under the Act or any other legislation are properly kept and maintained;

- 6.1.3.10 exercising, performing or discharging other powers, functions or duties conferred on the Executive Officer by or under the Act or any other Act or this Charter, and performing other functions lawfully directed by the Board;
- 6.1.3.11 achieving financial and other outcomes in accordance with adopted plans and budgets of the Authority; and
- 6.1.3.12 for the efficient and effective management of the operations and affairs of the Authority.
- 6.1.4 In the absence of the Executive Officer for any period exceeding three weeks the Executive Officer can after consultation with the Board appoint a suitable person to act in the position of Executive Officer.
- 6.1.5 The Executive Officer may delegate or sub-delegate to an employee of the Authority or a committee comprising employees of the Authority, 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.
- 6.1.6 Where a power or function is delegated to an employee, the employee is responsible to the Executive Officer for the efficient and effective exercise or performance of that power or function.
- 6.1.7 A written record of all delegations and sub-delegations must be kept by the Executive Officer at all times.
- 6.2 **Auditor and Other Professionals**
 - 6.2.1 The Board must annually appoint an Auditor in accordance with the Local Government (Financial Management) Regulations 1999.
 - 6.2.2 The Board may engage professional consultants and it may authorise the Executive Officer to so 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 forgoing effect to the general management objectives and principals of personnel management prescribed by the Charter.
 - 6.2.3 The Authority is exempt from establishing an audit committee as required by Clause 30, Schedule 2 of the Act.
- 6.3 **Common Seal**
 - 6.3.1 There will be a common seal of the Authority which may be affixed to documents and must be attested by the Chairperson and the Executive Officer of the Authority.
 - 6.3.2 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 the particulars of the persons who attested the fixing of the seal and the date thereof.

7. FINANCE

7.1 Banking

- 7.1.1 The Board will establish and maintain a bank account with such banking facilities and at a bank to be determined by the Board. The Board will appoint no less than two Board Members as jointly authorised operators of the bank accounts at any one time.
- 7.1.2 All payments must be authorised by resolution of the Board or at least two persons delegated by a resolution of the Board.
- 7.1.3 The Executive Officer must act prudently in the handling of all financial transactions for the Board and must provide quarterly financial and corporate reports to the Board, and the Constituent Councils.

7.2 Schedule of Net Assets

- 7.2.1 The Board will at the end of every Financial Year prepare a schedule of assets and liabilities. In addition it will maintain a record to be known as the ‘Schedule of Constituent Councils Interest in Net Assets’.
- 7.2.2 The ‘Schedule of Constituent Councils Interest in Net Assets’ will reflect the proportionate contribution each Constituent Council has made to the growth of the net assets of the Authority having regard to the proportion of contributions to the Authority’s assets in proportion to each Constituent Council’s asset percentage and subscriptions. The Schedule when updated at the end of each Financial Year will reflect the proportionate contribution of each Constituent Council since the commencement of the Authority and once accepted by the Board will be evidence of the agreed proportion of a Constituent Council’s interest in the net asset percentage as at 30 June in that year. The Constituent Councils agree to be bound by the annual decision of the Board on this issue.

8. MISCELLANEOUS MATTERS

8.1 Alteration to Charter

- 8.1.1 Subject to the Act, this Charter may be amended at the request of a Constituent Council, a Board Member, or on the recommendation of the Executive Officer by the giving of not less than two month’s notice of the proposed changes to the Constituent Councils and the Board.
- 8.1.2 Before the Constituent Councils vote on a proposal to alter the Charter they must take into account the recommendations of the Board.
- 8.1.3 This Charter can only be altered with the agreement of all of the Constituent Councils.

8.2 Withdrawal of a Constituent Council

- 8.2.1 Subject to Ministerial consent, a Constituent Council may withdraw from the Authority by giving not less than six months notice of its intention to do so to the Board and to the Executive Officer.
- 8.2.2 In any event, a withdrawal cannot become effective until 30 June following the expiry of the six months notice period. Until withdrawal becomes effective the Constituent Council proposing withdrawal from the Authority will remain liable for all financial contributions in the remaining period and through its Board Members and deputy Board Members retains responsibility of ensuring the continued proper conduct of the affairs of the Authority during that time.
- 8.2.3 Upon withdrawal taking effect and subject to Clause 8.2.4 a Constituent Council will be entitled at the discretion of the Board to be paid not more than 20% of the Constituent Council’s interest in the net asset percentage of the Authority as determined and agreed in accordance with Clause 7.2.2. The withdrawing Constituent Council will be entitled to receive that sum by quarterly instalments to be paid over a period of two years with the first instalment being due on the 1st day of January following the actual date of withdrawal.
- 8.2.4 A Constituent Council will not be entitled to be paid any amount in respect of any reserve fund established under Clause 1.5.5 of this Charter.
- 8.2.5 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.
- 8.2.6 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.

8.3 Addition of New Member

Subject to the provisions of the Act and in particular Ministerial approval to the admission of a new Constituent Council or Councils, this Charter may be amended by agreement of all of the Constituent Councils to provide for the admission of a new Constituent Council or Councils.

8.4 **Winding Up**

- 8.4.1 Subject to the Act, the Authority may be wound up by the Constituent Councils.
- 8.4.2 In the event of there being net assets upon 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 agreed in accordance with Rule 7.2.2.
- 8.4.3 In the event of there being any unfunded liabilities of the Authority at the time of a winding up or otherwise the Constituent Councils acting in accordance with their obligations under the statutory guarantee will be responsible to meet those liabilities on the basis of their current interest in the net assets of the Authority as agreed in accordance with Rule 7.2.2.

8.5 **Insurance and Superannuation Requirements**

- 8.5.1 The Authority shall register with the Local Government Mutual Liability Scheme and the Local Government Workers Compensation Scheme and comply with the Rules of those Schemes.
- 8.5.2 The Authority 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 the Authority.
- 8.5.3 The Authority shall register with the Local Government Superannuation Scheme and comply with the Rules of the Scheme (where applicable).

8.6 **Non-Derogation and Direction by Constituent Councils**

- 8.6.1 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.
- 8.6.2 Provided that the Constituent Councils have all first agreed as to the action to be taken, the Constituent Councils may direct and control the Authority.
- 8.6.3 For the purpose of subclause 8.6.2, any direction given by the Constituent Councils must be given in writing to the Executive Officer of the Authority.

8.7 **Review of Charter**

- 8.7.1 This Charter will be reviewed by the Constituent Councils acting in concurrence at least once in every three years.
- 8.7.2 This Charter may be amended by a resolution passed by each of the Constituent Councils.
- 8.7.3 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.
- 8.7.4 Before the Constituent Councils vote on a proposal to alter this Charter they must take into account any recommendation of the Board.

8.8 **Disputes Between Constituent Councils**

- 8.8.1 The Constituent Councils agree to work together in good faith to resolve any matter requiring their direction or resolution.
- 8.8.2 Where the Constituent Councils are unable to resolve a matter within 21 days of the matter being presented to them, the matter will be referred for arbitration by the President (or his/her nominee) of the Institute of Arbitrations and Mediators Australia.
- 8.8.3 Notwithstanding subclause 8.8.2 the Constituent Councils agree to be bound by the decision of the 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.
- 8.8.4 The costs of arbitration shall be borne equally by the Constituent Councils.

8.9 Circumstances Not Provided For

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

8.9.2 The Chairperson shall report any such decision at the next ordinary meeting of the Authority.
