

**2017/2018 ANNUAL REPORT**

This report was adopted at the Legatus Group Annual General Meeting of Friday 17 August 2018.

The Legatus Group Charter clause 6.3 Annual Report

6.3.1 The Legatus Group must each year, produce an Annual Report summarising the activities, achievements and financial performance of the Legatus Group for the preceding Financial Year.

6.3.2 The Annual Report must incorporate the audited financial statements of the Legatus Group for the relevant Financial Year.

6.3.3 The Annual Report must be provided to the Constituent Councils by 30 September each year.

**The Legatus Group is a regional subsidiary of:**

* Adelaide Plains Council
* Barunga West Council
* Clare & Gilbert Valleys Council
* Copper Coast Council
* District Council of Mount Remarkable
* District Council of Orroroo/Carrieton
* District Council of Peterborough
* Light Regional Council
* Northern Areas Council
* Port Pirie Regional Council
* Regional Council of Goyder
* The Barossa Council
* The Flinders Ranges Council
* Wakefield Regional Council
* Yorke Peninsula Council

The Central Local Government Region was established in 1998 under Section 200 of the Local Government Act 1934 as a controlling authority. It now continues in existence as a regional subsidiary of its member Councils under Part 2 of Schedule 2 of the Local Government Act 1999 by the provisions of Section 25 of the Local Government (Implementation) Act 1999. In 2016 the Central Local Government Region of South Australia adopted the name of Legatus Group to which it is referred.  The Legatus Group is established to:

* undertake co-ordinating, advocacy and representational roles on behalf of its Constituent Councils at a regional level
* facilitate and co-ordinate activities of local government at a regional level related to community and economic development with the object of achieving improvement for the benefit of the communities of its Constituent Councils
* 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
* develop further co-operation between its Constituent Councils for the benefit of the communities of the region
* develop and manage policies which guide the conduct of programs and projects in the region with the objective of securing the best outcomes for the communities of the region
* undertake projects and activities that benefit the region and its communities
* associate collaborate and work in conjunction with other regional local government bodies for the advancement of matters of common interest.

The Legatus Group is a body corporate and is governed by a Board of Management which has the responsibility to manage all activities of the group and ensure that they act in accordance with its Charter.

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**Legatus Group Board of Management:** The Board consists of all principal members of the Constituent Councils which for 2017/2018 were:

|  |  |
| --- | --- |
| **Council** | **Delegate** |
| **Adelaide Plains Council** | **Mayor Tony Flaherty** |
| **Barunga West Council** | **Mayor Cynthia Axford** |
| **Clare & Gilbert Valleys Council** | **Mayor Allan Aughey OAM** |
| **Copper Coast Council** | **Mayor Paul Thomas AM** |
| **District Council of Mount Remarkable** | **Mayor Colin Nottle** |
| **District Council of Orroroo Carrieton** | **Chairman Kathie Bowman** |
| **District Council of Peterborough** | **Mayor Ruth Whittle OAM** |
| **Light Regional Council** | **Mayor Bill O’Brien** |
| **Northern Areas Council** | **Mayor Denis Clark** |
| **Port Pirie Regional Council** | **Mayor John Rohde** |
| **Regional Council of Goyder** | **Mayor Peter Mattey** |
| **The Barossa Council** | **Mayor Bob Sloane** |
| **The Flinders Ranges Council** | **Mayor Peter Slattery** |
| **Wakefield Regional Council** | **Mayor Rodney Reid** |
| **Yorke Peninsula Council** | **Mayor Ray Agnew OAM** |

**Office Bearers for 2017/18**

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| **Chairman:** | **Mayor Peter Mattey** |
| **Deputy Chairs:** | **Mayor Denis Clark**  **Mayor Bob Sloane** |
| **Delegate to the LGA Board representing the Central Region of the LGA Constitution** | **Mayor Denis Clark**  **Mayor Peter Mattey**  **Cr Michael (Bim) Lange (Deputy Member)** |
| **South Australian Regional Organisation of Councils** | **Mayor Peter Mattey**  **Mayor Denis Clark**  **Mayor Bob Sloane (Deputy Member)** |
| **Chief Executive Officer:** | **Mr Simon Millcock** |
| **Auditor:** | **Mr Ian G. McDonald FCA** |

**Meetings of the Legatus Group**

The following meetings of the Board of Management were held during the 2017/18 year:

* Special Meeting 22 August 2017
* Annual General Meeting 8 September 2017
* Ordinary Meeting 8 September 2017
* Ordinary Meeting 17 November 2017
* Ordinary Meeting 16 February 2018
* Ordinary Meeting 25 May 2018

**There were three committees in 2017/2018**

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| **Committee** | **Members** | **Meeting Dates** |
| Audit Committee | * Mayor Ray Agnew (Chair) * Chair Kathie Bowman * Mayor Colin Nottle * Dr Andrew Johnson (till 25/5/18) * Mr Colin Davies * Mr Peter Ackland (from 25/5/18) | 10 August 2017  1 February 2018  20 April 2018 |
| Management Group (Council CEOs) | * Mr Colin Byles (Northern Areas) (Chair) * Mr James Miller (Adelaide Plains) * Mr Martin McCarthy (Barossa) * Mr Andrew Cole (Barunga West) * Mr John Coombe replaced Mrs Helen Macdonald (Clare & Gilbert Valleys) * Mr Peter Harder (Copper Coast) * Mr Colin Davies (Flinders Ranges) * Mr David Stevenson (Goyder) * Mr Brian Carr (Light) * Mr Wayne Hart (Mt Remarkable) * Mr Stephen Rufus replaced by Mr Kristen Clark (Orroroo/Carrieton) * Mr Peter McGuiness (Peterborough) * Dr Andrew Johnson replaced by Mr Peter Ackland (Pirie Regional) * Mr Jason Kuchel (Wakefield) * Mr Andrew Cameron (Yorke Peninsula) | 4 August 2017  3 November 2017  2 February 2018  5 May 2018 |
| Road & Transport Infrastructure Advisory Committee: | * Lee Wallis (Goyder) * Peter Porch (Northern Areas) * Colin Davies (Flinders Ranges) * Jo-Anne Buchanan (RDA Yorke Mid North) * Steve Kaesler (Barossa) * Trevor Graham (Yorke Peninsula) * Martin Waddington replaced by Tom Jones (Adelaide Plains) * Steve Watson (Clare & Gilbert Valleys) * Mike Wilde (Department of Planning, Transport and Infrastructure) | 13 March 2018  30 April 2018 |

**Chairman’s Report**

It has been my pleasure to serve as Chairman in 2017/18 and I would like to take this opportunity to report on some of the highlights of the year.

We developed reports on a series of key regional state-wide issues including rubble royalties, rating equity, coastal inundation and impacts of the NDIS on local government. These have all been progressed to the South Australian Regional Organisation of Councils (SAROC). Legatus is seen as leader in regional SA having gained support across the state on these topics and ensuring that local government is taking a collaborative evidence-based approach. It is an example of how the LGA can work closely with regions in a support role.

Whilst yet to see the tangible results, the ground work undertaken has ensured that the LGA have the material required to represent the interests of regional SA councils. I am pleased to see that they have engaged with the new State Government to remove the rubble royalties that have been a major impost to many councils.

This year has seen us actively involved in the issues around LGA membership fees and the LGA constitutional changes. It should be noted that Legatus has been active in representing members; as we raised ours concerns to both SAROC and to the LGA Board. Given the amount of time and expense for regional councils to attend meetings in Adelaide; I was unsatisfied with the outcome in relation to membership fees, and extremely disappointed at the limited consultation afforded to the regions.

Whilst it was disappointing to see that the Regional Procurement Business Plan was not adopted I acknowledge that this is the current thoughts of members. This led to a review of our strategic plan and we adopted an updated strategic plan and 3-year action plan.

The Road and Transport Infrastructure Advisory Committee developed a robust assessment of this years SLRP funding applications, and their work on prioritising and providing feedback has resulted in just under $2m being allocated for five projects.

The region has been proactive in supporting the challenges and changing environment though the release of the Climate Change guide for South Australia councils, and the signing of the Sector Agreement for the Climate Change Adaptation Plan.

Our effort to encourage and foster closer working relationships with the three Regional Development Australia (RDA) organisations and Natural Resource Management Boards in our region; resulted in the development of the Yorke and Mid North Regional Road Map, Yorke Regional Planning Forum and the South Australian Regional Development Conference. The progress of the three emerging leader programs undertaken in partnership with RDA Yorke Mid North was heartening to see and I am sure several projects will result from these emerging leaders in our region.

Our Charter was reviewed, and there were minor amendments made, and I’m pleased that the Audit and Risk Management Group Committee through the development of a work plan have assisted us in improving our governance. There has been valuable feedback gained from the Legatus Group Management Group meetings that have included a series of workshops and information sharing opportunities by and for the CEOs.

Phase 1 of the Regional Transport Plan 2030 was completed, and this work has formed the basis of phase 2 and that is to undertake the road deficiencies report of the significant regional local road. Securing funding for the 2-year Joint CWMS program has commenced with some positive results for the region, and I am looking forward to following the progress of this project.

Following the State Government election, we commenced dialogue with the six State Government Members of Parliament, and will continue to undertake greater interaction, given that two of these MPs are also Ministers.

In closing I would like to thank everyone who has taken a proactive role in progressing the region, and thank both Mayor Denis Clark and Mayor Bob Sloane for your roles as Deputy Chairs and your contributions at SAROC and the LGA.

Mayor Peter Mattey Chairman Legatus Group

**CEO Report**

In 2017-2018 the Legatus Group CEO undertook a more sub-regional approach to operations and support, due to geographical size and the number of constituent councils, this approach included both geographical and communities of interest. Along with the Legatus Group Board meetings which involved topical presentations, the Legatus Group CEOs meet for training and networking sessions coordinated through the Legatus Group CEO.

Meetings were held with each constituent council during the year on at least one occasion, and this took the form of either one on one meetings with Mayor and CEO, presentations at full council meetings or workshops with full councils.

The Legatus Group was active in consultation around the new fee structure for LGA membership, the changes to the LGA constitution and efforts to progress a regional approach for the Murray Darling Association. This included securing funding from the LGA to Regional LGAs for outreach and capacity building programs to continue in 2018/2019.

The Legatus Group took a leadership role in developing state-wide approaches through working with SAROC, constituent councils and other regional bodies including:

1. Regional LGAs:
   1. Coastal Council Alliance
   2. Shorebird Alliance
   3. Rating Equity for Commercial and/or Industrial Land Uses Outside Towns in South Australia
   4. Socio-Economic impacts from the NDIS on regional local governments
   5. Rubble Royalties
2. Regional Development Australia (RDA) Yorke Mid North:
   1. 3 x Emerging Leaders Program
   2. RDSA Conference
3. Yorke Mid North Alliance:
   1. Yorke Mid North Regional Forum
   2. Climate Change
   3. Yorke Mid North Regional Roadmap

This report does not provide the detail on these reports, but copies can be found on the Legatus Group website.

In July 2017 a Legatus Group Procurement Business Plan was developed and distributed to all constituent councils. This resulted in the Legatus Group Special General meeting of 22 August 2017 and decision that the Legatus Group Procurement Business Plan not progress.

A significant amount of the Legatus Group CEO’s time was taken up with planning, as there had been no business plan developed for 2017/2018 in line with the Legatus Group Charter. Upon commencing employment in June 2017, the Legatus Group CEO developed a draft business plan which was distributed to all constituent councils. Following recommendation from the Audit and Risk Management Committee the Legatus Group September meeting sought a review of this draft business plan.

The CEO was requested to undertake a review of the Legatus Group Future Directions (strategic plan). This included a comprehensive review of the Long-Term Financial Plan, and in partnership with the Constituent Councils to develop a 10-year Strategic Plan, including a 3-year Action Plan. The review was to include an external facilitator for workshops with the Board and the Constituent Councils CEO’s on the future direction of the Legatus Group.

The 2017/2018 business plan was subsequently endorsed by constituent councils and the review of the Strategic Plan was completed. The Legatus Group endorsed a Legatus Group Strategic Plan 2018-2028 and 3-year Action Plan July 2018 - June 2011 and the 2018/2019 budget and business plan.

The Legatus Group continues to be in a healthy financial position with the accumulated surplus and reserves at 30 June 2018 of over $820,000. This matter was discussed by both the Audit and Risk Management Committee and the Legatus Group February meetings noting that an allowance for the accumulated surplus and reserves be set as a minimum of $480,000.

Consideration on these funds should wait upon the decisions of the LGA regarding the new constitution and SAROC budgets for funding of Regional LGAs which is not yet clear. There may be the opportunity for utilising some of these funds to securing funding from other sources and for projects aligned with Legatus Group strategic directions. Due to the levels of uncertainty this was not factored into the 2018/2019 business plan for constituent council’s consideration.

All grants were acquitted, and all reporting provided.

**Summary of Outcomes**

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| **Education and Training**  Workshops held in various locations following consultation with Legatus Group Board, Chair, CEO’s and Officers and included:   1. Regional Business Incubators, Enterprise Centre and Co-Working Space Workshop 2. Community Wastewater Management workshops – resulted in an allocation of $50,000 from the LGA for 2 years for a Joint CWMS Service Arrangements and contracting of part time project officer 3. Climate Change Adaptation - resulted in launch of Climate Change guide for South Australia councils to develop regional climate change adaptation plans 4. State Planning Commission 5. Brand SA Regional Showcase 6. Yorke and Mid North Regional Planning Day – held in Port Pirie with over 120 attendees 7. Regional Development South Australia Conference and master class on population growth – held in Kadina with over 130 attendees 8. National Disability Insurance Scheme – resulted in $23,100 grant LGA R&D 9. State Public Health Plan – assisted with regional health plans and EOI for well being progressed by the LGA for Community Wellbeing Alliance Trials 10. Local Government Professionals 11. Benchmarking Project, Code of Conduct and Governance Panel 12. Small Business Friendly Local Government Charter Program 13. Data gathering 14. Digital maturity local governments – resulted in LGA R&D application being developed |
| **Board Governance and Operations**   1. Review of the Legatus Strategic Plan resulting in a new Strategic Plan, 3-year action plan and long term financial plan 2. Charter reviewed and amended 3. Annual work plan developed and adopted 4. Website updated |
| **Local Government Leadership and Sustainability**   1. Lead taken in:    1. Rubble Royalties report with recommendations to LGA Board adopted – letter sent by LGA to Treasurer and other Ministers for exempting councils from this payment    2. Coastal Council Alliance report with recommendations to LGA Board adopted – R&D project application developed    3. Socio-economic impacts of NDIS report with recommendations to LGA Board adopted    4. Rating Equity for Commercial and/or Industrial Land Uses Outside Towns in South Australia – secured $21,700 from LGA R&D and Regional LGAs 2. Meetings held with 5 of the 6 Local State MP’s after the 2018 State Govt Election 3. Signed and implemented Sector Agreement for the Climate Change Adaptation Plan for Yorke & Mid North Region including employing a project officer 4. Formal alliance with RDA Yorke and Mid North and Northern and Yorke NRM and informal working partnerships with RDA Far North and RDA Barossa, Light, Gawler and Adelaide Plains 5. Supported the LGA with the Emergency Management Planning funding allocation and expressed interest in hosting a regional emergency management officer – result workshops being held for council ready workshops 6. Supported the LGA for a regional wellbeing officer and expressed interest in hosting a regional wellbeing officer – resulted in EOI’s being sought from LGA for Community Wellbeing Alliance Trials 7. Supported the development of a State-wide Shorebird Alliance including Terms of Reference 8. Developed a Regional Procurement Business Plan which ultimately was not adopted |
| **Regional and Community Sustainability**   1. Development and release of the Yorke and Mid North Regional Plan as a collaboration with RDA Yorke Mid North and Northern and Yorke NRM 2. Delivered in partnership with DSD and RDA YMN 3 Emerging Leadership programs – result over 50 participants and the development of a Legatus Group LGA R&D grant application for a Youth Volunteering project 3. Finalised phase 1 of the Legatus Group Regional Transport Plan and commenced on phase 2 4. Undertook prioritising of the SLRP for the Legatus Group region – securing just under $2m for 5 of the 9 projects 5. Managed the inundation mapping project with the Yorke Peninsula and Barunga West Councils 6. Developed regional Legatus Group – community, transport, wastewater and climate change committees or working groups 7. Release of the regional climate change action plan and the development of an implementation plan 8. Working partnerships have been formed with:    1. Yorke Mid North Disability Workforce Hub – resulted in the development of a regional forum    2. Mid North Knowledge Partnership (Flinders University and Charles Darwin University) – resulted in MoU being progressed    3. Country Health SA PHN |

**Benefits to constituent councils:**

* Identify training needs for the Legatus Region Constituent Councils.
* Regional collaboration and priority setting and sharing of knowledge and resources in the areas outlined above.
* Delivery of regional strategic and business plans and annual work plans.
* Operate Legatus Group in accordance with legislative requirements and board policies and procedures.
* Well regarded by members and stakeholders as valid and relevant through regional collaboration and undertaking or supporting actions on identified priorities.
* Identify regional priorities through collaboration with members and stakeholders and develop agreed actions and/or support.
* Advocate with a single and united voice and in partnership with other Regional LGA’s.
* Fostering of economic, environmental and social sustainability through pro-active, innovative, efficient and collaborative approaches to priority issues.

**Benefits across the local government sector:**

* Assistance with coordinating workshops and consultation sessions and improved regional delivery of LGA services.
* Identified and aided with regional and longer-term outcomes for Constituent Councils.
* Facilitates stronger regional collaboration on projects and areas for sharing of knowledge and services.
* Being able to undertake research projects on the needs specific to regional councils.

**Observation:**

There is still a need for continued regional collaboration support and a recognition that the Regional LGAs can assist the LGA on regional issues. This will help reduce the perceptions of the LGA being too Greater Adelaide focussed, which appears to be slowly reduced by having informed and data driven understandings on regional issues.

There could be greater use of the Legatus Group CEO as a resource and use of skill sets including that of other regional LGA EO’s across the various regional partnerships.

It is noted the complexity of gaining consensus from the constituent councils is that it is a time-consuming process and that there is desire to progress with sub-regional programs and projects, whilst being able to allow the full 15 constituent councils to be united voice and advocate.

Simon Millcock CEO Legatus Group

**The Legatus Group Audit and Risk Committee summary of activities undertaken, and recommendations made during 2017-2018.**

The committee met on 3 occasions during 2017-2018 with the following attendance:

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| **Date** | **No of Members Attending** |
| 10-Aug-17 | 5 |
| 1-Feb-18 | 4 |
| 20-Apr-18 | 3 |

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| |  |  | | --- | --- | | **Committee Member** | **No of Meetings Attended** | | Mayor Ray Agnew | 2 | | Chairman Kathie Bowman | 3 | | Mayor Colin Nottle | 3 | | Colin Davies | 3 | | Andrew Johnson | 1  (following resignation as CEO Port Pirie Council) |   The following table sets out the principal issues addressed by the Committee for 2017-18 year:   |  |  | | --- | --- | | **Principal Issues Examined** | **Recommendations to Legatus Group** | | Financial Report 2016-2017 | No issues, unqualified audit, adopt | | Review of budget against actuals | Noted the need for Legatus Group to endorse 2016-2017 adopted budget against actuals for annual financial report | | Review of work plan, internal controls | Work planned developed | | Charter | Variations to charter noted, recommended and adopted | | Strategic Plan | Requested a review including of long term financial plan undertaken with recommendations for adoption | | Budget | Noted the development of 2017-2018 budget did not comply with charter and ensured that 2018-2019 did | |

Mayor Ray Agnew Chairman Legatus Group Audit and Risk Management Committee

**Annual Financial Report**

The Legatus Group Annual General Meeting adopted the attached audited Legatus Group annual financial report statement for the year ending 30 June 2018.

