

**CENTRAL LOCAL GOVERNMENT REGION OF SOUTH AUSTRALIA
(REFERRED TO AS LEGATUS GROUP)**

LOCAL GOVERNMENT ACT 1999

CHARTER

1. INTRODUCTION

1.1 Name

The name of the subsidiary is the Central Local Government Region of South Australia (referred to as 'Legatus Group' in this Charter).

1.2 Definitions

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

'Annual General Meeting' means the annual general meeting of the Legatus Group held in accordance with Clause 3.7;

'the Board' means the Board of Management of the Legatus Group set out at Clause 3;

'Board Member' means a member of the Board;

'Budget' means the annual budget adopted by the Legatus Group pursuant to Clause 5.1;

'Annual Business Plan' means the business plan adopted by the Legatus Group pursuant to Clause 6.2;

'Chairperson' means the member of the Board appointed pursuant to Clause 3.5;

'Chief Executive Officer' means the person appointed pursuant to Clause 4 as the Chief Executive Officer of the Legatus Group;

'Constituent Councils' means those councils identified at Clause 1.4;

'Council' means a council constituted under the Act;

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

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

'Long Term Financial Plan' means the long term financial plan prepared by the Legatus Group and approved by the Constituent Councils pursuant to Clause 5.3;

'Principal Member' means the Mayor / Chair of the Constituent Councils and notes that if the Principal Member is on leave from the Constituent Councils, then the Deputy Mayor / Chair becomes the Principal Member.

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

'Regional Management Group' means the group established pursuant to Clause 7.11;

'Strategic Plan' means the strategic plan adopted by the Legatus Group pursuant to Clause 6.1.

1.3 Interpretation

In this Charter, unless the context otherwise requires:

- 1.3.1 headings do not affect interpretation;
- 1.3.2 singular includes plural and plural includes singular;
- 1.3.3 words of one gender include any gender;
- 1.3.4 a reference to a person includes a partnership, corporation, association, government body and any other entity;
- 1.3.5 a reference to legislation includes any amendment to it, any legislation substituted for it, and any subordinate legislation made under it;
- 1.3.6 an unenforceable provision or part of a provision of this Charter may be severed, and the remainder of this Charter continues in force, unless this would materially change the intended effect of this Charter;
- 1.3.7 the meaning of general words is not limited by specific examples introduced by 'including', 'for example' or similar expressions; and
- 1.3.8 a reference to a 'Clause' means a clause of this Charter.

1.4 Establishment

Legatus Group is established under the Act.

The Constituent Councils are:

- 1.4.1 The Barossa Council;
- 1.4.2 District Council of Barunga West;
- 1.4.3 Clare and Gilbert Valleys Council;
- 1.4.4 Copper Coast Council;
- 1.4.5 The Flinders Ranges Council;
- 1.4.6 Regional Council of Goyder;
- 1.4.7 Light Regional Council;

- 1.4.8 Adelaide Plains Council;
- 1.4.9 District Council of Mount Remarkable;
- 1.4.10 Northern Areas Council;
- 1.4.11 District Council of Orroroo/Carrieton;
- 1.4.12 District Council of Peterborough;
- 1.4.13 Port Pirie Regional Council;
- 1.4.14 Wakefield Regional Council; and
- 1.4.15 Yorke Peninsula Council

1.5 **Local Government Act 1999**

This Charter must be read in conjunction with the Act. The Legatus Group must conduct its affairs in accordance with the Act except as modified by this Charter as permitted by the Act.

1.6 **Objects and Purpose for which the Legatus Group is Established**

The Legatus Group is established to:

- 1.6.1 undertake co-ordinating, advocacy and representational roles on behalf of the Constituent Councils at a regional level;
- 1.6.2 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 the Constituent Councils;
- 1.6.3 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;
- 1.6.4 develop further co-operation between the Constituent Councils for the benefit of the communities of the Region;
- 1.6.5 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;
- 1.6.6 undertake projects and activities that benefit the Region and its communities;
- 1.6.7 associate, collaborate and work in conjunction with other regional local government bodies for the advancement of matters of common interest;
- 1.6.8 provide strong advocacy speaking with one voice on what matters most to the communities of the Constituent Councils;

- 1.6.9 work together to make the best use of available resources
- 1.6.10 collaborate to deliver effective services;
- 1.6.11 build partnerships with those who can contribute to stronger and more sustainable communities;
- 1.6.12 develop and implement a robust Business Plan consistent with the Region Plan.

2. **POWERS AND FUNCTIONS OF THE LEGATUS GROUP**

The powers, functions and duties of the Legatus Group are to be exercised in the performance of the Legatus Group's objects and purposes, comprise:

2.1 **Functions and Powers**

In addition to those specified in the Act, the functions and powers of the Legatus Group are:

- 2.1.1 subject to Clause 2.4 becoming a member of or co-operating or contracting with any other association or organisation;
- 2.1.2 subject to Clause 2.4 entering into contracts or arrangements with any Government agency or authority;
- 2.1.3 subject to Clause 2.4 appointing, employing, remunerating, removing or suspending the Chief Executive Officer;
- 2.1.4 subject to Clause 2.4 entering into contracts with any person for the acquisition and/or supply of goods and services;
- 2.1.5 raising revenue through subscriptions and levies from Constituent Councils, by arrangements with sponsor organisations, by arrangement or contract with any other person and by any other means not inconsistent with the objects and purposes of the Legatus Group;
- 2.1.6 printing and publishing any newspapers, periodicals, books, leaflets, or other like writing;
- 2.1.7 appointing persons or committees to oversee the management of the Legatus Group, to steer projects or to pursue geographic or functional interests of Constituent Councils or specific groups of Constituent Councils;
- 2.1.8 with the prior approval of the Board undertake its functions and exercise its power outside the areas of the Constituent Councils, including by providing services ancillary to the purposes of the Legatus Group;

- 2.1.8.1 To the extent considered necessary or expedient to the performance of its functions by the Board; or
- 2.1.8.2 To provide services to an unincorporated area of the state;
- 2.1.9 subject to Clause 2.4 employing, engaging or retaining professional advisors to the Legatus Group;
- 2.1.10 subject to Clause 2.4 instituting, initiating and carrying on legal proceedings;
- 2.1.11 making submissions for and accepting grants, subsidies and contributions to further its objects and purposes;
- 2.1.12 subject to Clause 2.4 acquiring, holding, dealing with and disposing of any personal property;
- 2.1.13 with the prior approval of the Constituent Councils purchasing, selling or otherwise acquiring, disposing of or encumbering any real property or interests therein;
- 2.1.14 opening and operating bank accounts;
- 2.1.15 accumulating surplus funds for investment purposes;
- 2.1.16 investing any of the funds of the Legatus Group in any investment provided that:
 - 2.1.16.1 in exercising this power of investment, the Legatus Group must exercise the care, diligence and skill that a prudent person of business would exercise in managing the affairs of other persons; and
 - 2.1.16.2 the Legatus Group must avoid investments that are speculative or hazardous in nature;
- 2.1.17 borrowing money and incurring expenditure in accordance with Clause 2.4;
- 2.1.18 giving security for the discharge of liabilities; and
- 2.1.19 doing all other things that are incidental or conducive to the attainment of the objects and purposes of the Legatus Group.

2.2 **Duties**

The Legatus Group has the following duties:

- 2.2.1 to exercise the functions and powers of the Legatus Group only in the performance and furtherance of the Legatus Group's objects and purposes;
- 2.2.2 to comply with this Charter, the Act, all other applicable law and any lawful direction of the Constituent Councils.

2.3 Other Powers, Functions and Duties

Legatus Group may exercise such other functions, powers and duties as are delegated to the Legatus Group or authorised by the Constituent Councils from time to time.

2.4 Borrowings and Expenditure

2.4.1 The Legatus Group has the power to incur expenditure as follows:

2.4.1.1 in accordance with a budget adopted by the Legatus Group and approved by the Constituent Councils as required by the Act or this Charter; or

2.4.1.2 with the prior approval of the Constituent Councils; or

2.4.1.3 in accordance with the Act, in respect of expenditure not contained in a budget adopted by the Legatus Group for a purpose of genuine emergency or hardship.

2.4.2 Subject to Clause 2.2 the Legatus Group has the power to borrow money as follows:

2.4.2.1 in accordance with a budget adopted by the Legatus Group as required by the Act or this Charter;

2.4.2.2 in respect of an overdraft facility or facilities up to a maximum amount of \$100,000;

2.4.2.3 with the prior approval of the Constituent Councils.

2.5 Property

2.5.1 All property held by the Legatus Group is held by it on behalf of the Constituent Councils.

2.5.2 No person may sell, encumber or otherwise deal with any property of the Legatus Group without the prior approval of the Constituent Councils and the approval of the Legatus Group by resolution of the Board.

2.6 Delegation by the Legatus Group

2.6.1 The Legatus Group may in accordance with this Charter and the Act by resolution delegate to a committee of the Legatus Group, an employee of the Legatus Group, a Constituent Council or to a person for the time being occupying a particular office or position of the Legatus Group any of its powers and functions under this Charter or the Act but may not delegate:

2.6.1.1 the power to impose charges;

2.6.1.2 the power to borrow money or obtain any other form of financial accommodation not contained in a Budget adopted by the Legatus Group;

- 2.6.1.3 the power to approve expenditure of money on the works, services or operations of the Legatus Group not contained in a Budget adopted by the Legatus Group and approved by the Constituent Councils;
- 2.6.1.4 the power to approve the reimbursement of expenses or payment of allowances to Board Members;
- 2.6.1.5 the power to adopt or revise a Budget, Business Plan, Strategic Plan or Long Term Financial Plan of the Legatus Group;
- 2.6.1.6 the power to adopt or revise financial estimates and reports.
- 2.6.2 A delegation is revocable at will and does not prevent the Legatus Group from acting in a matter.
- 2.6.3 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 Chief Executive Officer for the efficient and effective exercise or performance of that power or function.

3. BOARD OF MANAGEMENT

3.1 Structure

- 3.1.1 The Legatus Group is a body corporate and is governed by the Act and this Charter.
- 3.1.2 The Board is the Legatus Group's governing body and has the responsibility for the administration of the affairs of the Legatus Group ensuring that the Legatus Group acts in accordance with this Charter and all relevant legislation including the Act.

3.2 Membership of the Board

- 3.2.1 The Board shall consist of all of the principal members of the Constituent Councils and for the Annual General Meeting if the Principal Member of the Constituent Council is unable to attend then the membership can include their Councils nominated proxy.
- 3.2.2 Each Board Member shall be entitled to exercise one vote on any matter arising and if the regular principal member of the board is on leave, then the Constituent Council must advise the Legatus Group on who their principal member is on the day of any given meeting.

3.3 Functions of the Board

- 3.3.1 In addition to the functions of the Board set out in the Act, the functions of the Board include:
 - 3.3.1.1 the formulation of strategic plans and strategies aimed at achieving the objects and purposes of the Legatus Group;

- 3.3.1.2 providing effective governance and developing such policies and procedures as give effect to good governance and administrative practices;
- 3.3.1.3 to providing input and policy direction to the Legatus Group;
- 3.3.1.4 monitoring, overseeing and evaluating the performance of the Chief Executive Officer of the Legatus Group;
- 3.3.1.5 ensuring that ethical behaviour and integrity is established and maintained by the Legatus Group, the Board and Board Members in all activities undertaken by the Legatus Group;
- 3.3.1.6 ensuring that the activities of the Legatus Group are undertaken in an open and transparent manner;
- 3.3.1.7 exercising the care, diligence and skill that a prudent person of business would exercise in managing the affairs of other persons.

3.4 Propriety of Members of the Board

- 3.4.1 The principles 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.
- 3.4.2 The Board Members are required to comply with Division 2, Chapter 5 (Register of Interests) of the Act.
- 3.4.3 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 Part 2 of Schedule 2 to the Act.

3.5 Chair of the Board

- 3.5.1 A Chair and two Deputy Chairs shall be elected at Annual General Meetings by and from the Board Members.
- 3.5.2 The Chair and Deputy Chairs shall hold office from the Annual General Meeting at which they are elected for a period of two years.
- 3.5.3 Nominations from Constituent Councils for the positions of Chair and Deputy Chairs must be in writing and must reach the Chief Executive Officer no later than one week prior to the date of the relevant Annual General Meeting that these positions become vacant.
- 3.5.4 If the Chair resigns as Chair, is removed from office as Chair, refuses or is unable to act as Chairperson or is no longer a Board Member, either one of the Deputy Chairs may act as Chair until the election of a new Chair at the next Annual General Meeting.

- 3.5.5 The Chair shall preside at all meetings of the Board and, in the event of the Chair being absent from a meeting, one of the Deputy Chairs chosen by those Board Members present shall preside and in the event of the Chair and both Deputy Chairs being absent from a meeting, the Board Members present shall appoint a Board Member from amongst them, who shall preside for that meeting or until the Chair or a Deputy Chair is present.

3.6 **Proceedings of the Board**

Board Meetings

- 3.6.1 Ordinary meeting of the Board must take place at such times and places as may be fixed by the Legatus Group Board.
- 3.6.2 An ordinary meeting of the Board will constitute an ordinary meeting of the Legatus Group. The Board shall administer the business of the Legatus Group at the ordinary meeting.
- 3.6.3 For the purposes of this subclause, the contemporary linking together by telephone, audio-visual or other instantaneous means ('telecommunications meeting') of the Board Members provided that at least a quorum is present, is deemed to constitute a meeting of the Board. Each of the Board Members taking part in the telecommunications meeting, must at all times during the telecommunications meeting be able to hear and be heard by each of the other Board Members present. At the commencement of the meeting, each Board Member must announce his/her presence to all other Board Members taking part in the meeting. A Board Member must not leave a telecommunications meeting by disconnecting his/her telephone, audio-visual or other communication equipment, unless that Board Member has previously notified the Chair of the meeting.
- 3.6.4 Meetings of the Board will be open to the public and Chapter 6 Part 3 of the Act extends to the Legatus Group as if the Legatus Group were a council and the Board Members were members of the council.

Notice of Meetings

- 3.6.5 Notice of an ordinary meeting of the Board and an Annual General Meeting must be given by the Chief Executive Officer to each Board Member and Chief Executive Officer of the Constituent Councils at least five (5) clear days prior to the holding of the meeting.
- 3.6.6 The Chief Executive Officer must, in relation to a notice of a meeting of the Board for the purpose of considering the making of a recommendation to the Constituent Councils to wind up the Legatus Group, provide the notice to all Board Members and the Chief Executive Officers of the Constituent Councils at least four (4) months before the date of the meeting.
- 3.6.7 Notice of a meeting of the Board must:
- 3.6.7.1 be in writing; and

- 3.6.7.2 set out the date, time and place of the meeting; and
 - 3.6.7.3 be signed by the Chief Executive Officer; and
 - 3.6.7.4 contain, or be accompanied by, the agenda for the meeting.
- 3.6.8 Any Constituent Council, the Chair or three (3) Board Members may by delivering a written request to the Chief Executive Officer require a special meeting of the Board to be held. The request to the Chief Executive Officer requiring a special meeting to be held must be accompanied by the agenda for the meeting and any written reports intended to be considered at the meeting and if an agenda is not provided the request is of no effect.
- 3.6.9 On receipt of the request pursuant to Clause 3.6.8 the Chief Executive Officer must send a notice of the special meeting to all Board Members and Chief Executive Officers of the Constituent Councils at least twenty four (24) hours prior to the commencement of the special meeting.
- 3.6.10 The Chief Executive Officer must, insofar as is reasonably practicable:
- 3.6.10.1 ensure that items on an agenda given to Board Members are described with reasonable particularity and accuracy; and
 - 3.6.10.2 supply to each Board Member at the time that notice of a meeting is given a copy of any documents or reports that are to be considered at the meeting (so far as this is practicable).
- 3.6.11 Notice of a meeting of the Board may be given to a Board Member:
- 3.6.11.1 personally; or
 - 3.6.11.2 by delivering the notice (whether by post, electronically or otherwise) to the usual place of residence of the Board Member or to another place authorised in writing by the Board Member; or
 - 3.6.11.3 by leaving the notice for the Board Member at an appropriate place at the principal office of the Constituent Council for which the Board Member is the principal member; or
 - 3.6.11.4 by a means authorised in writing by the Board Member as being an available means of giving notice.
- 3.6.12 A notice that is not given in accordance with Clause 3.6.11 is taken to have been validly given if the Chief Executive Officer considers it impracticable to give the notice in accordance with that Clause and takes action the Chief Executive Officer considers reasonable practicable in the circumstances to bring the notice to the attention of the Board Member.

- 3.6.13 The Chief Executive Officer must give notice to the public of the times and places of meetings of the Board at least five (5) clear days prior to the holding of the meeting by causing a copy of the notice and agenda for the meeting to be placed on the website of the Constituent Councils and the Legatus Group.
- 3.6.14 Subject to Clause 3.6.16, the Chief Executive Officer must also ensure that a reasonable number of copies of any document or report supplied to Board Members for consideration at a meeting of the Board are available for inspection by members of the public:
- 3.6.14.1 on the Legatus Group website as soon as practicable after the time when the document or report is supplied to Board Members; or
- 3.6.14.2 in the case of a document or report supplied to Board Members at the Board Meeting, at the meeting as soon as practicable after the time when the document or report is supplied to Board Members.
- 3.6.15 The Chief Executive Officer may indicate on a document or report provided to Board Members under Clause 3.6.14.2 any information or matter contained in or arising from a document or report that may, if the Board determines, be considered in confidence in accordance with Clause 3.6.4 provided that the Chief Executive Officer at the same time specifies the basis on which an order could be made pursuant to the provisions of Chapter 6 Part 3 of the Act.
- 3.6.16 Clause 3.6.14 does not apply to a document or report:
- 3.6.16.1 that is subject to the operation of Clause 3.6.15; or
- 3.6.16.2 that relates to a matter dealt with by the Board on a confidential basis in accordance with Clause 3.6.4 and Chapter 6 Part 3 of the Act.
- 3.6.17 The Chief Executive Officer must maintain a record of all notices of Board meetings given under Clause 3.16 to Board Members.

Quorum

- 3.6.18 A meeting of the Board must not commence until a quorum is present and a meeting must not continue if there is not a quorum of Board Members present. A quorum of Board Members will comprise one half of the Board Members in office, ignoring any fraction, plus one.

Voting

- 3.6.19 Unless otherwise required at law or this Charter, all matters for decision of a meeting of the Board shall be decided by a simple majority of the Board Members present and entitled to vote. All Board Members, including the Chair present and entitled to vote are required to vote. All Board Members including the Chair are entitled to a

deliberative vote and if the votes are equal the Chair or other Board Member presiding does not have a second or casting vote.

Confidentiality

- 3.6.20 All Board Members must keep confidential all documents and any information provided to them for their consideration prior to a meeting of the Board that is subject to the operation of Clause 3.6.15 or that relates to a matter dealt with by the Board on a confidential basis in accordance with Clause 3.6.4 and Chapter 6, Part 3 of the Act.

Minutes

- 3.6.21 The Chief Executive Officer must cause minutes to be kept of the proceedings at every meeting of the Board and ensure that the minutes are presented at the next ordinary meeting of the Board where the Chief Executive Officer is absent or excluded from attendance at a meeting of the Board pursuant to Clause 3.6 the person presiding at the meeting shall cause the minutes to be kept.
- 3.6.22 Subject to Clause 3.6.24 a copy of the minutes of a meeting of the Board must be placed on public display at the principal offices of the Constituent Councils and the Legatus Group within five (5) days after the meeting and kept on public display for a period of one (1) month.
- 3.6.23 Subject to Clause 3.6.24, a person is entitled, on payment of a fee fixed by the Board, to obtain a copy of any documents placed on public display.
- 3.6.24 Clauses 3.6.22 and 3.6.23 do not apply in relation to a document or part of a document dealt with by the Board on a confidential basis in accordance with Clause 3.6 and Chapter 6, Part 3 of the Act.
- 3.6.25 Subject to this Charter and to any direction of the Constituent Councils the Board may determine its own procedures to apply to proceedings at and conduct of meetings of which must be fair and contribute to free and open decision making where the Board has not determined a procedure and the procedure is not specified in this Charter, the procedures specified in Part 2 of the Local Government (Procedures at Meetings) Regulations 2013 will apply.

3.7 Annual General Meeting

- 3.7.1 The Annual General Meeting will:
- 3.7.1.1 be held not later than 30 September in each calendar year;
 - 3.7.1.2 receive the Legatus Group's Annual Report which may incorporate reports from committees and any representatives reports from other organisations;
 - 3.7.1.3 receive the audited financial statement for the preceding financial year;

- 3.7.1.4 acknowledge the appointment of Board Members;
- 3.7.1.5 elect the Chair and two Deputy Chairs;
- 3.7.1.6 appoint representatives to other organisations;
- 3.7.1.7 consider any other business requiring consideration by the Board Members in general meeting.

4. CHIEF EXECUTIVE OFFICER

- 4.1 The Board shall appoint a Chief Executive Officer of the Legatus Group to manage the affairs of the Legatus Group on terms agreed between the Chief Executive Officer and the Board.
- 4.2 The Chief Executive Officer is responsible to the Legatus Group for the implementation of the decisions of the Legatus Group and will work collaboratively with the Regional Management Group.
- 4.3 The terms and conditions of the engagement and remuneration of the Chief Executive Officer shall be reviewed annually according to any employment agreement that may be in place with the Chief Executive Officer.
- 4.4 The Chief Executive Officer shall cause records to be kept of all activities and financial affairs of the Legatus Group in accordance with this Charter.
- 4.5 The Board shall delegate responsibility for the day to day management of the Legatus Group to the Chief 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 Legatus Group.
- 4.6 The functions of the Chief Executive Officer shall be specified in the terms and conditions of appointment and shall include but are not limited to:
 - 4.6.1 attending at all meetings of the Board unless excluded by resolution of the Board;
 - 4.6.2 ensuring that the decisions of the Board are implemented in a timely and efficient manner;
 - 4.6.3 providing information to assist the Board to assess the Legatus Group's performance against its Strategic and Business Plans;
 - 4.6.4 appointing, managing, suspending and dismissing employees of the Legatus Group;
 - 4.6.5 determining the conditions of employment of employees of the Legatus Group, within budgetary constraints set by the Board;
 - 4.6.6 providing advice and reports to the Board on the exercise and performance of its powers and functions under this Charter or any Act;
 - 4.6.7 ensuring that the Legatus Group is at all times complying with Schedule 2 of the Local Government Act 1999;

- 4.6.8 co-ordinating and initiating proposals for consideration of the Board including but not limited to continuing improvement of the operations of the Legatus Group;
 - 4.6.9 ensuring that the assets and resources of the Legatus Group are properly managed and maintained;
 - 4.6.10 ensuring that records required under the Act or any other legislation are properly kept and maintained;
 - 4.6.11 ensuring that the Legatus Group's annual report is distributed to the Constituent Councils in time to be incorporated in their annual reports;
 - 4.6.12 exercising, performing or discharging other powers, functions or duties conferred on the Chief Executive Officer by or under the Act or any other Act, and performing other functions lawfully directed by the Board; and
 - 4.6.13 achieving financial outcomes in accordance with adopted plans and budgets of the Legatus Group.
- 4.7 The Chief Executive Officer may delegate or sub-delegate to:
- 4.7.1 a committee;
 - 4.7.2 an employee of the Legatus Group;
 - 4.7.3 an employee of a Constituent Council; or
 - 4.7.4 a person for the time being occupying a particular office or position,
- any power or function vested in the Chief Executive Officer. Such delegation or sub-delegation may be subject to any conditions or limitations as determined by the Chief Executive Officer is revocable at will and does not prevent the Chief Executive Officer from acting in relation to a matter.
- 4.8 A written record of all delegations and sub-delegations must be kept by the Chief Executive Officer at all times.

5. FINANCIALS

5.1 Budget

- 5.1.1 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.
- 5.1.2 Constituent Councils may comment on the Annual Business Plan and the Budget in writing to the Chief Executive Officer at least ten (10)

business days before the meeting at which the budget is to be adopted or through its Board Member at that meeting.

- 5.1.3 The Legatus Group must adopt the Annual Business Plan and Budget after 31 May and before 30 June for the ensuing Financial Year.
- 5.1.4 The Legatus Group must provide a copy of its adopted Budget to the Constituent Councils within five (5) business days after the adoption of the Budget by the Legatus Group
- 5.1.5 Reports summarising the financial position and performance of the Legatus Group against the Budget must be prepared and presented to the Board at each ordinary meeting of the Board and copies provided to the Constituent Councils.
- 5.1.6 The Legatus Group must reconsider its Budget in accordance with the Act and in a manner consistent with the Act and may amend its Budget for a Financial Year at any time before the year ends.
- 5.1.7 The Legatus Group must submit to each Constituent Council for approval, any proposed amendment to the Budget that provides for an additional financial contribution by the Constituent Councils.
- 5.1.8 The contents of the Budget must be in accordance with the Act.

5.2 **Financial Standards and Reporting**

- 5.2.1 The Legatus Group must ensure that the Financial Statements of the Legatus Group for each Financial Year are audited by the Legatus Group's auditor.
- 5.2.2 The Financial Statements must be finalised and audited in sufficient time to be included in the Annual Report to be provided to the Constituent Councils pursuant to Clause 6.3.3.

5.3 **Financial Management**

- 5.3.1 The Legatus Group shall keep proper books of accounts in accordance with the requirements of the Act and Local Government (Financial Management) Regulations 1999.
- 5.3.2 The Legatus Group must establish and maintain a bank account with such banking facilities and at a bank to be determined by the Board.
- 5.3.3 The Legatus Group will develop and maintain appropriate policies and procedures for all financial transactions including in relation to signing cheques and electronic funds transfer.
- 5.3.4 The Chief Executive Officer must act prudently in the handling of all financial transactions for the Legatus Group.

5.4 **Levies**

- 5.4.1 The Legatus Group may levy Constituent Councils or any of them for a specified purpose or purposes.

- 5.4.2 A levy must be imposed by a meeting of the Board.
- 5.4.3 The Chief Executive Officer must give notice of the levy to all affected Constituent Councils.
- 5.4.4 A levy will not be binding on Constituent Councils until the expiration of one calendar month from the date of the notice.
- 5.4.5 A Constituent Council which objects in writing to the imposition of the levy within one month of the date of the notice shall be exempt from payment of the levy until its objection is considered at a meeting of the Board.
- 5.4.6 The Legatus Group must, after consideration of the objection of one or more Constituent Councils to a levy, confirm or vary the levy on that Council or exempt that Council from payment of the levy.
- 5.4.7 The Chair may convene an urgent meeting to consider an objection to a levy.

6. **MANAGEMENT FRAMEWORK**

6.1 **Strategic Plan**

- 6.1.1 The Legatus Group shall prepare and implement a 4 year Strategic Management Plan and a 2 year Action Plan.
- 6.1.2 The Strategic Management Plan will:
 - (a) identify the Legatus Group objectives over the period;
 - (b) identify the principal activities that the Legatus Group intends to undertake to achieve its objectives;
 - (c) state the measures that are to be used to monitor and assess the performance of the Legatus Group 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 the Legatus Group charter and activities every 2 years.
- 6.1.3 Submit the Strategic Plan to the Constituent Councils for their approval.
- 6.1.4 The Legatus Group may amend its Strategic Management Plan at any Board meeting for consideration by the Constituent Councils but must review the Strategic Management Plan at least once during its term.

6.2 Annual Business Plan

The Legatus Group shall:

- 6.2.1 prepare an Annual Business Plan linking the core activities of the Legatus Group to strategic, operational and organisational requirements with supporting financial projections setting out the estimates of revenue and expenditure as necessary for the period;
- 6.2.2 consult with the Constituent Councils prior to adopting or amending the Annual Business Plan; and
- 6.2.3 ensure contents of the Business Plan is in accordance with the Act.

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.

6.4 Audit

- 6.4.1 The Legatus Group must cause adequate and proper books of account to be kept in relation to all the affairs of the Legatus Group and must establish and maintain effective auditing of its operations.
- 6.4.2 The Legatus Group must appoint an Auditor in accordance with the Act on such terms and conditions as determined by the Legatus Group.
- 6.4.3 The audited Financial Statements of the Legatus Group, together with the accompanying report from the Auditor, shall be submitted to both the Board and the Constituent Councils by 30 September in each year.

6.5 Audit Committee

- 6.5.1 The Legatus Group must establish an Audit and Risk Management Committee to be comprised of five (5) persons nominated by the Legatus Group and approved by the Constituent Councils.
- 6.5.2 The members of the Audit and Risk Management Committee:
 - 6.5.2.1 must include two (2) professionally qualified officers, one of each from the staff of the Constituent Councils;
 - 6.5.2.2 must include at least 1 person who is not a member of the Board and who is determined by the Constituent Councils to have financial experience relevant to the functions of the Audit and Risk Management Committee;

6.5.2.3 may include elected members of the Constituent Councils;

6.5.2.4 must have regard to the Act in performing their duties.

6.5.3 The term of appointment of a member of the Audit and Risk Management Committee shall be for a term not exceeding two (2) years at the expiry of which such member will be eligible for reappointment.

7. MISCELLANEOUS

7.1 New Members

7.1.1 Subject to the provisions of the Act, a council may become a Constituent Council by the unanimous agreement of the Constituent Councils and this Charter may be amended to provide for the admission of a new constituent council or councils, with or without conditions of membership.

7.2 Subscription

7.2.1 Every Constituent Council shall be liable to contribute monies to the Legatus Group each financial year.

7.2.2 The amount of each Constituent Council's subscription will be decided at the meeting where they adopt the Annual Business Plan and Budget and that subscriptions will be due and payable within one month of a written request from the Chief Executive Officer for payment.

7.3 Disqualification

7.3.1 Subject to any legislative requirements, a Council which fails to pay its subscription or any other monies due to the Legatus Group 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.

7.3.2 The Chief Executive Officer will give notice in writing to the Council that its status as a Constituent Council or, as the case may be, an Affiliate, has been terminated.

7.4 Withdrawal

7.4.1 Subject to the Act and this Charter, a Constituent Council may cease to be a Constituent Council by giving not less than eighteen (18) months' notice in writing of such withdrawal to the Chief 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 the Legatus Group.

7.4.2 The withdrawal of any Constituent Council does not extinguish the liability of that Constituent Council to contribute to any loss or liability incurred by the Legatus Group at any time before or after such

withdrawal in respect of any act or omission by the Legatus Group prior to such withdrawal.

7.5 Insurance and Superannuation Requirements

- 7.5.1 The Legatus Group shall register with the Local Government Mutual Liability Scheme and Local Government Workers Compensation Scheme and comply with the rules of those Schemes.
- 7.5.2 The Legatus Group 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 Legatus Group.

7.6 Legatus Group Winding Up

- 7.6.1 The Legatus Group may be wound up in accordance with the Act by unanimous resolution of the Constituent Councils.
- 7.6.2 In the event of a winding up, any surplus assets after payment of all expenses shall be returned to each Constituent Councils in proportion to the subscription paid by each Constituent Council in the financial year prior to the passing of the resolution wind up.
- 7.6.3 If there are insufficient funds to pay all expenses due by the Legatus Group on winding up, a levy shall be imposed on all Constituent Councils in proportion to the subscription paid by each Constituent Council in the financial year prior to the passing of the resolution to wind up.

7.7 Non-derogation and Direction by Constituent Councils

- 7.7.1 The establishment of the Legatus Group does not derogate from the power of any of the Constituent Councils to act independently or jointly in relation to a matter within the jurisdiction of the Legatus Group.
- 7.7.2 Provided that the Constituent Councils have first agreed by unanimous resolution of each Constituent Council as to the action to be taken, the Constituent Councils may jointly direct and control the Legatus Group.
- 7.7.3 Where the Legatus Group is required pursuant to the Act or this Charter to obtain the approval of one or more of the Constituent Councils that approval must only be granted and must be evidenced by a resolution passed by either or all of the Constituent Councils granting such approval.
- 7.7.4 Unless otherwise stated in this Charter where the Legatus Group is required to obtain the consent or approval of the Constituent Councils this means the consent or approval of all of the Constituent Councils expressed in the same or similar terms.
- 7.7.5 For the purpose of Clause 7.7.1, any direction given by the Constituent Councils must be communicated by notice in writing provided to the

Chief Executive Officer of the Legatus Group together with a copy of the relevant resolutions of the Constituent Councils.

7.8 **Alteration and Review of Charter**

- 7.8.1 This Charter will be reviewed by the Constituent Councils at least once in every four (4) years.
- 7.8.2 This Charter may be amended by a resolution passed by a simple majority of the Constituent Councils.
- 7.8.3 Before the Constituent Councils vote on a proposal to alter this Charter, they must take into account any recommendation of the Board.

7.9 **Disputes**

7.9.1 **General**

- 7.9.1.1 Where a dispute arises between the Constituent Councils or between a Constituent Council and the Authority (the parties to this Charter) which relates to this Charter or the Authority, ('the Dispute') the parties will use their best endeavours to resolve the Dispute and to act at all times in good faith.

7.9.2 **Mediation**

- 7.9.2.1 A party is not entitled to initiate arbitration or court proceedings (except proceedings seeking urgent equitable or injunctive relief) in respect of a Dispute unless it has complied with this Clause 7.9.2.
- 7.9.2.2 If the parties are unable to resolve the Dispute within thirty (30) days, the parties must refer the Dispute for mediation in accordance with the Mediation Rules of the Law Society of South Australia Incorporated, within seven (7) days of a written request by any party to the other party that the Dispute be referred for mediation, to:
 - (a) a mediator agreed by the parties; or
 - (b) if the parties are unable to agree on a mediator at the time the Dispute is to be referred for mediation, a mediator nominated by the then President of the Law Society or the President's successor.
- 7.9.2.3 In the event the parties fail to refer the matter for mediation in accordance with Clause 7.9.2.2, one or more of the parties may refer the matter for mediation in accordance with the Mediation Rules of the Law Society of South Australia Incorporated to a mediator nominated by the then President of the Law Society or the President's successor.
- 7.9.2.4 The role of any mediator is to assist in negotiating a resolution of the dispute. A mediator may not make a

decision that is binding on a party unless that party has so agreed in writing.

- 7.9.2.5 If mediation does not resolve the Dispute within 28 days of referral of the Dispute for mediation or such longer period agreed unanimously by the parties as evidenced by resolutions of each of the parties, any party may then refer the Dispute to Arbitration in accordance with Clause 7.9.3.

7.9.3 **Arbitration**

- 7.9.3.1 An arbitrator may be appointed by agreement between the parties.
- 7.9.3.2 Failing agreement as to an arbitrator the then Chairperson of the South Australian Chapter of the Institute of Arbitrators or his successor shall nominate an Arbitrator pursuant to these conditions.
- 7.9.3.3 A submission to arbitration shall be deemed to be a submission to arbitration within the meaning of the Commercial Arbitration Act 1985 (South Australia).
- 7.9.3.4 Upon serving a notice of arbitration the party serving the notice shall lodge with the arbitrator a deposit by way of security for the cost of the arbitration proceedings.
- 7.9.3.5 Upon each submission to arbitration, the costs of and incidental to the submission and award shall be at the discretion of the arbitrator who may in his or her sole discretion determine the amount of costs, how costs are to be proportioned and by whom they are to be paid.
- 7.9.3.6 Whenever reasonably possible performance of the obligations of the parties pursuant to this Charter shall continue during the mediation or arbitration proceedings and no payment by or to a party shall be withheld on account of the mediation and arbitration proceedings.

7.10 **Committees**

- 7.10.1 The Board may establish a committee of Board Members and/or other persons for the purpose of:
- 7.10.1.1 enquiring into and reporting to the Board on any matter within the Legatus Group's functions and powers and as detailed in the terms of reference given by the Board to the Committee; or
- 7.10.1.2 exercising, performing or discharging delegated powers, functions or duties.
- 7.10.2 A member of a committee established under this Clause holds office at the pleasure of the Board.

- 7.10.3 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 the Legatus Group's functions and powers and as detailed in the terms of reference determined by the Board.
- 7.10.4 A member of an advisory committee established under this clause holds office at the pleasure of the Board.
- 7.10.5 The Chair of the Board is ex-officio a member of any committee or advisory committee established by the Board.

7.11 Regional Management Group

- 7.11.1 The Regional Management Group shall comprise the Chief Executive Officers or their proxy of the Constituent Councils and they will include the Chief Executive Officer for attendance at their meetings who will in turn provide the secretariat services on behalf of the Regional Management Group.
- 7.11.2 The Regional Management Group will support and work collaboratively with the Chief Executive Officer to implement and deliver the strategic objectives of the Legatus Group.
- 7.11.3 The Regional Management Group will meet at such times and at places determined by the Regional Management Group.
- 7.11.4 The members of the Regional Management Group may attend Board meetings and provide such advice and support to the Board as required from time to time.
- 7.11.5 The proceedings of meetings of the Regional Management Group will be determined by the Regional Management Group.

7.12 Legatus Group Common Seal

- 7.12.1 The Legatus Group shall have a common seal upon which its corporate name shall appear in legible characters.
- 7.12.2 The common seal shall not be used without the express authorisation of a resolution of the Legatus Group Board and every use of the common seal shall be recorded in the minute book of the Legatus Group.
- 7.12.3 The affixing of the common seal shall be witnessed by the Chair or a Deputy Chair and the Chief Executive Officer or such other person as the Legatus Group may appoint for the purpose.
- 7.12.4 The common seal shall be kept in the custody of the Chief Executive Officer or such other person as the Legatus Group may from time to time decide.

7.13 Circumstances Not Provided For

7.13.1 If any circumstance arises about which this Charter is silent, incapable of taking effect or being implemented according to its strict provisions, the Chair may decide the action to be taken to ensure achievement of the objects of the Legatus Group and its effective administrator.

7.13.2 The Chair shall report any such decision at the next general meeting.