



Board of Management

24 February 2016



local councils working together to protect the health of the community



**EASTERN HEALTH AUTHORITY
BOARD OF MANAGEMENT MEETING**

WEDNESDAY – 24 February 2016

Notice is hereby given that a meeting of the Board of Management of the Eastern Health Authority will be held at the EHA Offices, **101 Payneham Road, St Peters** on Wednesday 24 February 2016 commencing at 6.30 pm.

A light meal will be served at 6.00 pm.

A handwritten signature in black ink, appearing to read 'M Livori', is positioned above the printed name of the Chief Executive Officer.

**MICHAEL LIVORI
CHIEF EXECUTIVE OFFICER**

AGENDA

EASTERN HEALTH AUTHORITY BOARD OF MANAGEMENT MEETING

WEDNESDAY – 24 February 2016

Commencing at 6.30 pm

- 1 Opening
- 2 Apologies
- 3 Confirmation of minutes – 28 October 2015
- 4 Matters arising from the minutes

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5 ELECTION OF THE EASTERN HEALTH AUTHORITY BOARD OF MANAGEMENT CHAIR AND DEPUTY CHAIR

Author: Michael Livori
Ref: AF11/65

Summary

Eastern Health Authority's (EHA) Charter requires a Chair and Deputy Chair to be elected at the first meeting of its Board of Management after a Local Government General Election and annually thereafter.

Background

Clause 2.5 and 2.6 of EHA's Charter provides for the following in relation to the Chair of the Board of Management:

2.5 Chair of the Board

- 2.5.1 A Chair and Deputy Chair shall be elected at the first meeting of the Board after a Periodic Election.*
- 2.5.2 The Chair and Deputy Chair shall hold office for a period of one year from the date of the election by the Board.*
- 2.5.3 Where there is more than one nomination for the position of Chair or Deputy Chair, the election shall be decided by ballot.*
- 2.5.4 Both the Chair and Deputy Chair shall be eligible for re-election to their respective offices at the end of their respective one year term.*
- 2.5.5 If the Chair should cease to be a Board Member, the Deputy Chair may act as the Chair until the election of a new Chair.*

2.6 Powers of the Chair and Deputy Chair

- 2.6.1 The Chair shall preside at all meetings of the Board and, in the event of the Chair being absent from a meeting, the Deputy Chair shall preside. In the event of the Chair and Deputy Chair being absent from a meeting, the Board Members present shall appoint a member from amongst them, who shall preside for that meeting or until the Chair or Deputy Chair is present.*
- 2.6.2 The Chair and the Deputy Chair individually or collectively shall have such powers as may be decided by the Board.*

The Local Government Association has developed Guidelines for Choosing a Chairperson (or Deputy Mayor, Deputy Chairperson). The Guidelines are provided as attachment 1.

Section 4 of the Guidelines (detailed below) specifically deals with the Presiding Member of a Board of Management of Council Subsidiaries.

All subsidiaries, whether single Council subsidiaries or regional subsidiaries, are administered by a board of management whose membership is determined by the Council(s) and may consist of, or include, persons who are not members of the Council(s).

Clause 4(4) of Schedule 2 of the Act provides that a board member must be appointed to chair meetings of the board of management and that board members will preside at meetings of the board of management at which she/he is present.

The Council(s) may, when establishing a subsidiary and determining the membership of the board of management of the subsidiary, appoint a member as the presiding member. This may be specifically set out in the subsidiary's Charter. Alternatively, the Council may leave the appointment of the presiding member to the board of management and similarly make provision for this in the subsidiary's Charter. In such circumstances the members of the board of management should appoint one of its members to preside at the first meeting until a presiding member has been appointed, subject to any provisions in the subsidiary's Charter.

When considering the appropriate member of the board of management to be the presiding member, the qualities that are relevant to selecting a Chairperson of the Council would also be desirable in the selection of a presiding member of a subsidiary. In addition it would be desirable for the presiding member to have an understanding of the nature of the subsidiary, the way in which it operates, and its relationship to its Constituent Councils. The presiding member should have the confidence of the constituent Councils and must demonstrate impartiality and independence.

Report

It should be noted that the Chief Executive Officer (CEO) must preside over the meeting until the matter of the selection of the Chairperson is decided.

As EHA is currently constituted, it is required to choose a Chair as its principal member and a Deputy Chair. These persons must be chosen from amongst the members of the Board of Management.

At the Board of Management meeting held on 11 February 2015 the following was resolved.

Cr A Monceaux moved:

That:

- 1 The Election of EHA's Board of Management Chair and Deputy Chair report is received.
- 2 The term of Office for the position of Chairperson and Deputy Chairperson of EHA is 1 year in accordance with clause 2.5.2 of the EHA Charter.
- 3 EHA determines that the method of choosing a Chairperson and Deputy Chairperson be by an election process.
- 4 The method of election is by secret ballot.

- 5 EHA adopt a first past the post method of voting.
- 6 The CEO be appointed Returning Officer for the election.
- 7 If at any stage during the process there is an equal number of votes the Returning Officer will decide the issue by the drawing of lots. The name of the candidate/s withdrawn will be the one/s excluded from the ballot.
- 8 Upon the completion of the election, the Returning Officer be authorised to declare the successful candidate elected to the position of Chairperson and Deputy Chairperson.
- 9 Upon the declaration of the Returning Officer the candidate is appointed to the position of Chairperson and Deputy Chairperson respectively for the term of office determined by this resolution.

Seconded by Cr P Cornish

CARRIED UNANIMOUSLY 2: 022015

Following the resolution being passed the CEO called for nominations for the position of Chairperson. Cr A Monceaux nominated Cr S Whittington, who accepted the nomination. As no further nominations were received, the CEO announced that Cr S Whittington had been elected to the position of Chairperson.

The CEO called for nominations for the position of Deputy Chairperson. Cr S Whittington nominated Cr A Monceaux, who accepted the nomination. As no further nominations were received, the CEO announced that Cr A Monceaux had been elected to the position of Deputy Chairperson.

As the 12 month terms for Chair and Deputy Chair concluded on 10 February 2016 it is necessary to conduct an election for these positions. The recommendation below is based upon previous election practices.

RECOMMENDATION

That:

- 1 The Election of the EHA Board of Management Chair and Deputy Chair report is received.
- 2 The term of Office for the position of Chairperson and Deputy Chairperson of EHA is 1 year in accordance with clause 2.5.2 of the EHA Charter.
- 3 EHA determines that the method of choosing a Chairperson and Deputy Chairperson be by an election process.
- 4 The method of election is by secret ballot.
- 5 EHA adopt a first past the post method of voting.

- 6 The CEO be appointed Returning Officer for the election.
- 7 If at any stage during the process there is an equal number of votes the Returning Officer will decide the issue by the drawing of lots. The name of the candidate/s withdrawn will be the one/s excluded from the ballot.
- 8 Upon the completion of the election, the Returning Officer be authorised to declare the successful candidate elected to the position of Chairperson and Deputy Chairperson.
- 9 Upon the declaration of the Returning Officer the candidate is appointed to the position of Chairperson and Deputy Chairperson respectively for the term of office determined by this resolution.



Guidelines for Choosing a Chairperson (or Deputy Mayor, Deputy Chairperson)

Process, Options and Implications

The *Guidelines for Choosing a Chairperson – Process, Options and Implications* document has been prepared by the Local Government Association of SA (LGA) for the guidance of and use by member Councils. The LGA is the statutory peak body for Local Government in South Australia, representing all 68 Councils in the State.

Last revised or updated:

- December 2011
- January 2013 – minor re-formatting

Enquiries regarding this publication should be directed to the LGA on 08 8224 2000.

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1. Introduction

These guidelines address the process, options and implications of choosing a Chairperson of the Council. It is intended to be a document that can be adapted and adopted by those Councils whose principal member is chosen from amongst the Council membership as “Chairperson”. A model agenda (see **Appendix 1**) has been prepared setting out the steps to be taken at a meeting to choose a Chairperson.

The processes described here for the election of the Chairperson can equally be applied by Councils for choosing a Deputy Mayor or Deputy Chairperson.

These guidelines also address the processes and options for choosing a presiding member of a Council committee, a presiding member of a Council Development Assessment Panel, and a Chairperson of the Board of Management of a subsidiary.

Please note that a Council may have as its principal member a person elected by the people as a representative of the area as a whole in which case the principal member will be called a Mayor. These Guidelines do not apply to the election of a Mayor.

2. Chairperson of Council

2.1 *Local Government Act 1999 - Overview of Provisions*

Any Council may be constituted on the basis “that the principal member is to be chosen by the members of the Council from amongst their own number”. [s.51(b)] In such instances the principal member may be called a Chairperson or have another title as determined by the Council.

The *Local Government Act 1999* (“the Act”) does not specify the method by which a Council may “choose” a Chairperson. However the term of office of a Chairperson must not exceed 4 years. Accordingly the Council can elect a Member, or by resolution appoint a Member, as Chairperson for a maximum term of no greater than the period for which the Member is elected (up to 4 years). However, the Council can elect a Chairperson or resolve to appoint a Chairperson for a lesser term. Upon the conclusion of a term of office of the Chairperson, a Member is eligible to be chosen for a further term (but no longer than their term of office).

As the principal member of the Council, the role of the Chairperson, once chosen, is set out at section 58 of the Act and includes:

- to preside at meetings of the Council;
- if requested, to provide advice to the Chief Executive Officer between Council meetings on the implementation of a decision of the Council;
- to act as the principal spokesperson of the Council – unless the Council has appointed another person to act as its spokesperson;
- to exercise other functions of the Council as the Council determines; and
- to carry out the civic and ceremonial duties of the office of the principal member.

In addition, a Chairperson as principal member of the Council must also:

- preside at a Council meeting, if present at a meeting of electors and available to preside [pursuant to section 93(5) of the Act]; and
- if appointed by the Council, serve as an ex officio member of a Council committee [pursuant to section 41(6) of the Act].

2.2 *Methods of Choosing a Chairperson (or Deputy Chairperson or Deputy Mayor)*

The methods for choosing a Chairperson apply equally to choosing a Deputy Chairperson or Deputy Mayor and are either by:

- Resolution of the Council; or
- An election process determined by the Council.

Whichever method Council chooses, it must first decide the term of office for the position of Chairperson.

Irrespective of the method for choosing a Chairperson and the term of office determined by the Council, all Members need to clearly understand the process that is to be used *before* selection proceedings commence.

NOTE: For further information regarding the details, key elements and supporting resolutions required for each method, see **Appendix 2** and **Appendix 3** to this paper.

2.2.1 By resolution of the Council

This method enables an appointment of a Chairperson by resolution of the Council which can be revoked by subsequent resolution. For example, if the Chairperson should not continue to have the support of the Council, the appointment can be revoked by resolution of the Council. It should be noted that the meeting procedure rules for the revoking of resolutions (motion on notice) will need to be followed.

In light of the ability of a Council to revoke a resolution appointing a Chairperson, a Council may prefer to appoint a Chairperson by resolution for a longer term (not exceeding their term of office).

If there is more than one nomination for appointment, each nomination would need to be considered by way of a motion and addressed independently as a resolution of the Council, seeking those 'for' and those 'against'. After the first nomination is dealt with by the Council further nominations may only be considered if the first motion is lost, or if not lost pursuant to the meeting procedure requirements regarding revoking resolutions of Council.

An alternative process which may be considered under this option is that of taking a ballot amongst the Members (in an agreed manner) to determine the preferred Member. The ballot is then confirmed by resolution. For example: "Cr (.....) be appointed Chairperson of the (.....) Council". While this process is based on the principles of election, it stops short of an actual election and the Council must still determine the matter by resolution. This provides the Council at any time during the term of appointment with the ability to revoke the resolution in accordance with the meeting procedure rules and requirements.

2.2.2 By an election process determined by the Council

A Council may choose a Chairperson by simple resolution (as above), by an election process confirmed by resolution, or by an election process alone. This last option however, does not stand up to scrutiny in terms of good governance and is not recommended.

Where an election is held, the resolution should be made to hold an election at the beginning of the process and include all the steps of the process. This means that the initial resolution

would resolve to hold an election, the process that the election will follow, the appointment of a returning officer and, importantly, that the returning officer is authorised to declare the successful candidate elected at the outcome of the election. This process eliminates the need for a second resolution to confirm the outcome of the election.

The reason for making a resolution at the beginning of the process, incorporating all the steps, is to avoid a situation in which a tight election outcome may be affected by the loss of the Mayor's vote in the final resolution, or by an amendment moved after the outcome of the election is known. However, it is open to a Council to carry out a two-step process, by a resolution to hold an election and then a resolution to confirm the outcome of the election.

A Chairperson may be removed by a rescission procedure to revoke that resolution. However, if a Member is elected to the position of Chairperson without a resolution, either at the beginning or the end of the election process, the Council is unable to utilise the rescission procedure to remove that person from office. The only option that would appear to be available to a Council in that instance would be to pass a resolution to carry out a further election to elect a new Chairperson.

This is not the recommended process for the reason that it does not foster or demonstrate the traits of good governance. It provides less flexibility and does not accord with the way in which a Council, as an elected body, makes decisions. Therefore the preferred option where there is more than one interested/possible candidate is to have a ballot that is confirmed by a resolution of the Council.

Both the resolution method and the election process are outlined in the model report of the Chief Executive Officer which is to be submitted to the first meeting of the new Council (see **Appendix 2** and **Appendix 3**).

2.3 Process for the first meeting before a Chairperson has been chosen

The Chief Executive Officer ("the CEO") is required to convene the first meeting of the Council following a general election.

The Act provides at section 86(3) that the CEO will preside at the meeting until the Council has chosen a Chairperson where the Council is required to do so, ie. where there has not been a Mayor elected by the electors.

It should also be noted that the CEO will also preside at a meeting where the Council must choose a member to preside. For instance, where the Chairperson is absent from the meeting and there is no deputy or the deputy is not available to preside.

The first business of a new Council which is required to choose a Chairperson may include the following:

- Welcome
- Apologies
- Taking of oath/declaration by Members
- Consideration of a report addressing the options and other matters surrounding the choosing of a Chairperson
- The actual choosing of the Chairperson.

A model agenda incorporating the process up until the Chairperson has been chosen is provided at **Appendix 1**.

From this point of the meeting the CEO hands the conduct of the balance of the meeting and all future meetings to the new Chairperson.

2.4 Conflict of Interest Issues

The identification of a preferred Member for the position of Chairperson (or a Deputy Mayor/Chairperson or a presiding member of a Council standing committee) through the taking of an indicative vote or an election process does not attract the application of the conflict of interest provisions. In other words, all persons nominated for such a position are able to participate in the indicative ballot or election process.

However, an appointment by motion and resolution or the confirmation of the outcome of an indicative ballot by motion and resolution will result in that person receiving payment of an allowance greater than that set for Council Members of the Council. This means that the Council Member whom it is proposed to appoint will receive a direct financial benefit by way of an increased allowance payment. The decision of the Council to make the appointment is not a decision which determines the amount or the level of the allowance payable to the Council Member but is simply a decision to appoint to a position. Consequently, the decision does not attract the exemption from conflict of interest provisions provided by section 74(4a)(a)(i) of the Act, which allows Members to participate in decisions concerning Member allowances and benefits. In these circumstances, the conflict of interest provisions operate to require the Council Member who is to be nominated by the motion to declare their interest and to remove themselves from the decision making process as required by section 74(1) and (4) of the Act.

2.5 Qualities to consider when choosing a Chairperson

The Chairperson is in a position to facilitate good decision making through skilful chairing of the Council meeting and through facilitating and encouraging all points of view to be expressed and respected. The role of Chairperson should go to a Council Member with the necessary skills to facilitate participation and inclusion of all Members.

The Chairperson should be provided with the opportunity and encouraged to undertake training to equip them with the skills, or update their existing skills, to properly chair Council meetings. In addition, the meeting procedures rules and requirements under the Act and the *Local Government (Procedures at Meetings) Regulations 2000* specific to the role of the Chairperson need to be understood and followed. Accordingly, training and re-training in this area should be an integral part of every Chairperson's 'induction' and the Council's training and development plan.

While the decision to publicly identify or agree a list of desirable qualities of a Chairperson rests with the Council, Members may nevertheless wish to consider various factors prior to the selection taking place.

Factors could include a person's:

- Expertise in chairing meetings of Council (if past experience exists), committee, and other organisations, public and private;
- Understanding of the prescribed meeting procedures as they relate to Councils;
- Ability to preside efficiently, firmly and fairly over Council meetings;
- Ability to manage conflict and differing opinions;
- General understanding or an ability to quickly gain an understanding of relevant legislation, strategic and operational plans and business that Council deals with;

- Ability and availability to represent and have an affinity with the community as a whole;
- Ability and availability to represent the Council in the presence of members of Parliament, dignitaries and peers;
- Interest and availability in attending functions, activities and seminars to assist in the social and economic promotion and growth of the community;
- Leadership, social and communication skills;
- Ability to be impartial and fair to all speakers when chairing meetings; and
- Relationship with the CEO, directors/departmental managers and staff of the Council. While the roles of each are quite separate, good communication between the parties assists in the smooth running of the Council.

This list is not exhaustive and there may be others that individual Councils may wish to add.

3. Chairperson of Council Committees

Section 41 of the Act enables a Council to establish committees. The Council will determine the membership of a committee including the term of office of committee members, which may include or consist of, persons who are not Members of the Council.

The principal member of a Council may be appointed by the Council as an ex officio member of a committee.

Section 41(4) of the Act requires a Council to appoint a person as the presiding member of the committee or make provision for the appointment of a presiding member. Where a Council does not itself appoint a person as the presiding member, the committee itself must appoint a person from amongst its members as the presiding member. The term of office of a presiding member of a committee is at the discretion of the Council, or if the Council determines at the discretion of the committee.

Where the Council leaves the appointment of a presiding member of a committee up to the committee itself it should do so at the first meeting of the committee. However, the Council may still provide for conditions of appointment and the committee must comply with those conditions, such as:

- the manner in which the appointment is to be made ie. the appointment process;
- term of office of the presiding member;
- the members eligible to be the presiding member (eg. holding certain qualifications, a member not being an Council Member); or
- such other matters as the Council determines.

The appointment can be revoked by subsequent resolution in compliance with the rules relating to revoking resolutions.

The attributes that are desirable in a Chairperson of a Council are those that would also be desirable in a presiding member of a Council committee. However depending on the type of committee other qualities relevant to the terms of reference of the committee would also be beneficial.

It would be unusual for a committee comprising some members who are not Council Members to have non-Council Member as its presiding member, although such a scenario is possible.

4. Presiding Member of Board of Management of Council Subsidiaries

All subsidiaries, whether single Council subsidiaries or regional subsidiaries, are administered by a board of management whose membership is determined by the Council(s) and may consist of, or include, persons who are not members of the Council(s).

Clause 4(4) of Schedule 2 of the Act provides that a board member must be appointed to chair meetings of the board of management and that board members will preside at meetings of the board of management at which she/he is present.

The Council(s) may, when establishing a subsidiary and determining the membership of the board of management of the subsidiary, appoint a member as the presiding member. This may be specifically set out in the subsidiary's Charter. Alternatively, the Council may leave the appointment of the presiding member to the board of management and similarly make provision for this in the subsidiary's Charter. In such circumstances the members of the board of management should appoint one of its members to preside at the first meeting until a presiding member has been appointed, subject to any provisions in the subsidiary's Charter.

When considering the appropriate member of the board of management to be the presiding member, the qualities that are relevant to selecting a Chairperson of the Council would also be desirable in the selection of a presiding member of a subsidiary. In addition it would be desirable for the presiding member to have an understanding of the nature of the subsidiary, the way in which it operates, and its relationship to its constituent Councils. The presiding member should have the confidence of the constituent Councils and must demonstrate impartiality and independence.

5. Presiding Member of Council Development Assessment Panel

Section 56A(1) of the *Development Act 1993* requires a Council to establish a Council Development Assessment Panel ("CDAP"). In addition section 56A(3)(b) of the *Development Act 1993* requires a Council to appoint a Presiding Member of a CDAP taking into account the following requirements:

- "(i) the presiding member must not be a member or officer of the council;*
- (ii) the presiding member must be a fit and proper person to be a member of a development assessment panel;*
- (iii) subject to any provision made by the Regulations, the presiding member must be a person who is determined by the council to have a reasonable knowledge of the operation and requirements of this Act, and appropriate qualifications or experience in a field that is relevant to the activities of the panel."*

Accordingly, the presiding member must be appointed by the Council itself and cannot be appointed by the CDAP.

Therefore, there are express statutory considerations that the Council is required to take into account when appointing a presiding member of a CDAP, under section 56(A)(3)(b) of the *Development Act 1993* (as set out above).

An appointment of a presiding member of a CDAP will be by resolution of the Council at the time the CDAP is established by the Council. However a deputy presiding member of a CDAP will be appointed by the members of the CDAP.

6. Acknowledgements

This paper has been principally reviewed by Norman Waterhouse lawyers, and has also been reviewed by the LGA.

APPENDIX 1

Model Agenda - First Council Meeting Following an Election

NOTICE OF MEETING

A meeting of the _____ Council, formed following the general election which took place on _____, will be held on _____ commencing at _____ in the Council Chamber, _____

.....

Chief Executive Officer

.....

Date

AGENDA

(The Chief Executive Officer chairs the meeting at this stage)

- **Welcome**
- **Apologies**
- **Announcement of candidates elected**
(*This may include documentation tabled advising of the voting, which most probably will be incorporated within the Returning Officer's report, see below.*)
- **Taking of oath/declaration of office** (*refer s.60, LG Act 1999*)
- **Chief Executive Officer's Report**
(*See **Appendix 2***)
- **Selection of Chairperson** (*See **Appendix 3***)
- **Handover to Chairperson to conduct the balance of the meeting**
(*This could include the re-affirmation of the title of Chairperson or the decision of an alternative title, selection of deputy Chairperson from amongst the Members for a term decided by Council, and various other Council business issues which are the subject of other reports. See CEO Checklist - http://www.lga.sa.gov.au/webdata/resources/files/CEO_Checklist_2010.doc*)
- **Report of Returning Officer**
(*This report will probably include several aspects associated with the election and it will confirm within the minutes of the first meeting those Council Members elected in the recent elections.*)

APPENDIX 2

Model CEO Report

Chief Executive Officer's Report

As the _____ Council is currently constituted, it is required to choose a Chairperson as its principal member. This person must be chosen from amongst the Members of Council.

The Chief Executive Officer (CEO) must preside over the meeting until the matter of the selection of the Chairperson is decided. There are a number of procedural and incidental matters that need to be considered prior to that selection taking place.

Listed below are those matters which the meeting is asked to consider, and where listed, decide the matter. While some aspects will only apply infrequently, nevertheless this report seeks to establish the rules to apply if those circumstances prevail, rather than debating such an issue during the process.

1. Term of Office of Chairperson

The Council can make an appointment for a 4 year period or such lesser period as it chooses, say 1 or 2 years. A shorter period requires the Council to make a further appointment or re-appointment when the term expires. The normal practice has been *<insert Council's normal practice>*.

2. Choosing a Chairperson – by Election or Resolution

The *Local Government Act 1999* does not stipulate a method to use in choosing a Chairperson.

If Council chooses:

- (a) to appoint by resolution, then the appointment can be revoked by subsequent resolution, provided that the procedural rules for revoking a resolution are complied with; or
- (b) an election process, then the appointment will continue for the period that Council determines as the term.

Irrespective of which format Council chooses, it must first decide the term of office for the position of Chairperson.

Choosing a Chairperson by resolution

An appointment by resolution can be complicated if there is more than one candidate. It is necessary for each motion nominating a member to be considered individually and voted upon before any further motion is considered. The CEO would have to ascertain those voting for, those against and declare the result.

If the first candidate is successful then no further nominations can be considered (except through the process of revoking, in which case the meeting procedure rules relating to revoking a resolution would need to be complied with). This also means that no other candidate could be considered if the first nomination is successful.

Choosing a Chairperson by an indicative vote followed by a resolution

A variation to the option of resolution only, is that of the CEO taking a vote of Members present at the meeting to determine the preferred person and then the Council - by resolution – appointing that person as the Chairperson. Council would need to agree on this method by resolution as it is not within the ambit of the CEO to decide the process. As above, the term of office must be determined first.

Choosing a Chairperson by election – either by a show of hands or a secret ballot

This method enables one or more nominations to be considered at the same time.

Nominations will be invited by the CEO from amongst the members. They do not have to be in writing nor do they have to be seconded. Nomination will be achieved simply by indicating “I nominate Council Member _____”.

The CEO will then enquire as to whether the person nominated is prepared to accept the nomination. While that person may agree to accept the nomination, s/he has the right to withdraw at any time before the matter is put to a vote. If a member is absent from the meeting this would not preclude them from being nominated. They would need to have advised the CEO prior to the meeting as to whether or not they are prepared to accept the nomination.

If only one person is nominated then that person will be declared elected and the meeting will proceed with the Chairperson presiding.

If more than one person is nominated then the matter will proceed to a vote. All Members present are required to vote in the election. It is not a conflict of interest to vote for yourself if you have been nominated.

Council must determine the method of voting, which can be by show of hands or by secret ballot.

Should only two nominations be received then the successful candidate will be the one with the greater number of votes.

Method of voting in the event of an election

Council must determine the method of voting to be used in the event that more than two nominations are received. Note that using a show of hands effectively rules out the option of preferential voting.

The following examples outline the potential difference in outcome in a Council of 11 members. Different methods can produce different results.

Example 1 - First past the post

| | |
|-------------|-----------|
| Candidate 1 | 5 votes |
| Candidate 2 | 4 |
| Candidate 3 | <u>2</u> |
| | <u>11</u> |

Candidate 1 has the most votes and would be elected, but with a minority of the votes cast.

Example 2 - A preferential system with the elimination of the candidate with the lowest vote.

Candidate 1 5

Candidate 2 4

Candidate 3 2

Candidate 3 is eliminated and those votes are distributed to 3's second preference. Assume 3's supporters prefer 2 over 1, then the result will be:

Candidate 1 5

Candidate 2 6

Candidate 2 would be elected with a majority of the total votes cast.

NOTE:

1. If four candidates contested the election then the votes of the one with the lowest number of votes would be allocated to their second preference first, with this process continuing, to the next preferred candidate until only two remained and a majority of votes were allocated to one member.
2. *If at any stage during the process* there is an equal number of votes the CEO will decide the issue by the drawing of lots – eg placing the names of the candidates on an identical slip of paper and drawing the required number, in the case of two equal parties one slip, from a receptacle so that no party present, including the person withdrawing the name, has a view of the name on the slip until it is opened in the presence of the meeting. The name of the candidate/s withdrawn will be the one/s excluded from the ballot.

Given the potential variations if more than two nominations are received, Council ought to determine the method to be used should the circumstance occur.

Appendix 3 outlines the key elements of the supporting resolutions in the case of the appointment of a Chairperson by election. In particular, attention is drawn to the need to appoint the Chief Executive Officer as the Returning Officer for the election; the authorisation for the Returning Officer to declare the successful candidate elected to the position of Chairperson; and the appointment of the Chairperson for the term of office determined by the resolution, subject to any further resolution of the Council.

Irrespective of the process and the term of office determined by the Council, the important point is that all Members need to clearly understand the process that is to be used *before* selection proceedings commence.

APPENDIX 3

A. Choosing a Chairperson by motion and resolution

Key elements of a resolution

- The term of office for the Chairperson
- Method of choosing a Chairperson is by motion and resolution
- Appointment of Chairperson is confirmed by resolution

Model Resolution

That:

1. *the term of office for the position of Chairperson for the _____ Council be _____ (months/years).*
2. *Council determine that the method of choosing a Chairperson be by motion and resolution.*

Subsequent resolution:

That Council Member _____ be appointed Chairperson of the _____ Council.

B. Choosing a Chairperson by indicative vote and resolution

Key elements of a resolution

- The term of office for the Chairperson
- Method of choosing a Chairperson is by taking an indicative vote to determine the preferred person
- Motion and resolution to appoint that person to the position of Chairperson.

Model Resolution

That:

1. *the term of office for the position of Chairperson for the _____ Council be _____ (months/years).*
2. *Council determine that the method of choosing a Chairperson be by an indicative vote to determine the preferred person.*
3. *Upon completion of the vote Council will, by resolution, appoint the successful Council member as its Chairperson.*

Subsequent resolution:

That Council Member _____ be appointed Chairperson of the _____ Council.

C. Choosing a Chairperson by election – either by a show of hands or secret ballot

Key elements of a resolution

- Term of office for the Chairperson (months/years)
- Method of choosing a Chairperson is an election process
- Method of election (show of hands/secret ballot)
- Method of voting (in the case of a secret ballot, a choice can be made between first past the post/preferential/or other method. Note that using a show of hands effectively rules out the option of preferential voting). In the case of a secret ballot the CEO will invite staff members present to assist in the process by distributing voting slips, collecting slips and scrutinising the votes.
- Appointment of the Chief Executive Officer as the Returning Officer for the election
- Procedure to be followed when there is an equal number of votes (the Returning Officer will decide the issue by the drawing of lots. The name of the candidate/s withdrawn will be the one/s excluded from the ballot)
- The authorisation for the Returning Officer to declare the successful candidate elected to the position of Chairperson
- The appointment of the Chairperson for the term of office determined by the resolution, subject to any further resolution of the Council.

Model Resolution

That:

1. *the term of office for the position of Chairperson for the _____ Council be _____ (months/years).*
2. *Council determines that the method of choosing a Chairperson be by an election process.*
3. *the method of election be by (show of hands/secret ballot).*
4. *Council adopt a (first past the post/preferential/other) method of voting.*
5. *the Chief Executive Officer be appointed Returning Officer for the election.*
6. *if at any stage during the process there is an equal number of votes the Returning Officer will decide the issue by the drawing of lots. The name of the candidate/s withdrawn will be the one/s excluded from the ballot.*
7. *upon the completion of the election, the Returning Officer be authorised to declare the successful candidate elected to the position of Chairperson.*
8. *upon the declaration of the Returning Officer the candidate is appointed to the position of Chairperson for the term of office determined by this resolution, subject to any further resolution of the Council.*

6.1 FIRST (SEPTEMBER 2015) BUDGET REVIEW FOR 2015/2016

Author: Michael Livori
Ref: AF15/10 and AF12/110

Summary

In accordance with regulation 9 of the Local Government (Financial Management) Regulations 2011,

- (1) *A council, council subsidiary or regional subsidiary must prepare and consider the following reports:*
- (a) *at least twice, between 30 September and 31 May (both dates inclusive) in the relevant financial year (where at least 1 report must be considered before the consideration of the report under sub regulation (1)(b), and at least 1 report must be considered after consideration of the report under sub regulation (1)(b))—a report showing a revised forecast of its operating and capital investment activities for the relevant financial year compared with the estimates for those activities set out in the budget presented in a manner consistent with the note in the Model Financial Statements entitled Uniform Presentation of Finances;*
 - (b) *between 30 November and 15 March (both dates inclusive) in the relevant financial year—a report showing a revised forecast of each item shown in its budgeted financial statements for the relevant financial year compared with estimates set out in the budget presented in a manner consistent with the Model Financial Statements.*

This report finalises the first of the budget reviews required in accordance with regulation 9 (1) (a).

Report

The first review of Eastern Health Authority's (EHA) budget for the 2015/2016 financial year was presented to Board Members at the meeting of 28 October 2015 where the following resolution was made.

Cr J Kennedy Moved:

That:

1. The September 2015 Budget Review Report be received.
2. Correspondence is forwarded to EHA's Constituent Councils requesting that the amendments to the Budgeted Financial Statements as detailed in Attachment 2 are approved.

Seconded by Cr P Cornish

CARRIED UNANIMOUSLY 2:102015

Information has now been received from all Constituent Councils which confirm the respective council's approval for the budget variations proposed.

A copy of the correspondence received is provided to members as attachment 1.

EHA has now complied with clause 25 (3) of Schedule 2 of the Local Government Act, in seeking approval from its Constituent Councils before amending its budget.

Accordingly it is now appropriate that EHA officially resolve to amend the budget. Upon making the resolution, the amended budget as detailed in the financial statements provided as attachment 2 will be effective.

RECOMMENDATION

That it be a recommendation to EHA that:

1. The First (September 2015) Budget Review for 2015/2016 Report is received.
2. The amended budget for 2015/2016 as detailed in attachment 2 of the First (September 2015) Budget Review for 2015/2016 Report is adopted.

15 December 2015

Mr Michael Livori
Chief Executive Officer
Eastern Health Authority Inc
PO Box 275
Stepney SA 5069

Dear Michael

Eastern Health Authority (EHA) First Budget Review for 2015/2016

Thank you for your letter dated 30 October 2015 in relation to the Eastern Health Authority First Budget Review 2015/2016.

Having reviewed the Financial Reports in item 6.1 of the Eastern Health Authority Board of Management Meeting 28 October 2015, the budget variation is approved.

If you require any further information please contact me on 8366 4255.

Yours sincerely



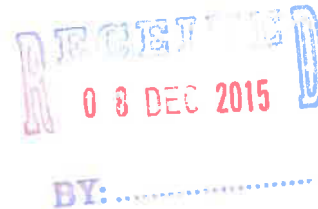
Paul Deb
Chief Executive Officer

MH:MDB
Container Ref: B280

Enq: Michelle Hammond
Ph: 8366 9260

2 December 2015

Mr Michael Livori
Chief Executive Officer
Eastern Health Authority
PO Box 275
STEPNEY SA 5069



Dear Mr Livori

Eastern Health Authority First Budget Review for 2015/2016

I wish to advise that at its meeting held on 1 December 2015 Council approved the Authority's 1st Budget Review for 2015/2016 and noted that no changes are required to Council's budgeted equity share resulting from the adjustments to the Eastern Health Authority's 1st budget review.

If you have any queries, please contact me on the above number.

Yours sincerely



Michelle Hammond CPA
General Manager Corporate & Community Services

Reference: S00046 (276120)
Enquiries To: Mario Barone
Dir. Telephone: 8366 4539



**City of
Norwood
Payneham
& St Peters**

9 November 2015

RECEIVED
10 NOV 2015

BY:

Mr Michael Livori
Chief Executive Officer
Eastern Health Authority
PO Box 275
STEPNEY SA 5069

**CHIEF
EXECUTIVE'S
OFFICE**

Dear Michael

EASTERN HEATH AUTHORITY 2015-2016 FIRST BUDGET REVIEW

Thank you for your letter dated 30 October 2015, in which you have requested the Council's consideration of the Authority's First Budget update for the 2015-2016 Financial Year.

It is noted that the 2015-2016 First Budget Review is reporting an Operating Deficit of \$24,917, which is in line with the Adopted Operating Deficit.

Given that the variations which have been requested will have no impact on the City of Norwood Payneham & St Peters budget for the 2015-2016 Financial Year, I approve the variations on behalf of the City of Norwood Payneham & St Peters, pursuant to the delegated authority granted to me, as the Chief Executive Officer, by the Council.

Should you require any further information, please contact me on 8366 4539 or email mbarone@npsp.sa.gov.au

Yours sincerely


Mario Barone
CHIEF EXECUTIVE OFFICER

cc Acting General Manager, Corporate Services

175 The Parade
Norwood SA 5067

PO Box 204
Kent Town SA 5071

Telephone
8366 4555

Facsimile
8332 6338

Email
townhall@npsp.sa.gov.au

Website
www.npsp.sa.gov.au

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Sustainability**



Ref. CR15/66846

25 November 2015

Michael Livori
Eastern Health Authority
PO Box 275
STEPNEY SA 5069

Dear Michael

EASTERN HEALTH AUTHORITY FIRST BUDGET REVIEW 2015-2016

Further to your correspondence dated 30 October 2015 requesting constituent council approval for budget amendments, I am pleased to advise that City of Prospect at its November 2015 meeting resolved the following:

- (1) The request from Eastern Health Authority Inc for budget amendments as a result of their First Budget Review 2015-2016 be approved.

CARRIED 199/15

Should you require further information, please do not hesitate to contact me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Chris Birch', with a long horizontal stroke extending to the right.

Chris Birch
Manager Financial Services



66 Walkerville Terrace
Gilberton SA 5081

PO Box 55
Walkerville SA 5081

Telephone
08 8342 7100
Facsimile
08 8269 7820

Email
walkerville@walkerville.sa.gov.au
Website
www.walkerville.sa.gov.au

Our Reference:
Your Reference: OLT201512359

25 November 2015

Michael Livori
Chief Executive Officer
Eastern Health Authority
PO Box 275
Stepney SA 5069

Dear Michael,

RE: Eastern Health Authority (EHA) First Budget Review for 2015/2016

Council at its 16 November, 2015 Council meeting considered the Authorities first budget review and resolved the following:

CNC181/15-16

"That the Council approve the amendments requested by the Eastern Health Authority as a result of the completion of their First Budget Review for 2015/2016."

If you wish to discuss the matter further, please contact me on 83427103.

Yours sincerely,

Deb Bria
Protocol, Compliance &
Governance Officer

| EASTERN HEALTH AUTHORITY STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDING 30 JUNE 2016 | | | | |
|--|---|-----------------------------|---------------------|-----------------------------|
| ACTUAL 2014/2015 | | ADOPTED BUDGET 2015/2016 | SEPTEMBER REVIEW | REVISED BUDGET 2015/2016 |
| \$ | INCOME | \$ | | \$ |
| 1,576,605 | Council Contributions | 1,609,306 | - | 1,609,306 |
| 157,329 | Statutory Charges | 194,000 | - | 194,000 |
| 303,449 | User Charges | 307,000 | - | 307,000 |
| 117,983 | Grants, subsidies and contributions | 126,500 | - | 126,500 |
| 20,871 | Investment Income | 20,000 | - | 20,000 |
| 6,607 | Other Income | 14,000 | - | 14,000 |
| 2,182,844 | TOTAL INCOME | 2,270,806 | - | 2,270,806 |
| | EXPENSES | | | |
| 1,353,987 | Employee Costs | 1,616,000 | (30,000) | 1,586,000 |
| 608,512 | Materials, contracts and other expenses | 576,200 | 30,000 | 606,200 |
| 24,016 | Finance Charges | 22,672 | - | 22,672 |
| 83,705 | Depreciation | 80,851 | - | 80,851 |
| 2,070,220 | TOTAL EXPENSES | 2,295,723 | - | 2,295,723 |
| 112,624 | Operating Surplus/(Deficit) | (24,917) | - | (24,917) |
| - | Net gain (loss) on disposal of assets | - | | - |
| 112,624 | Net Surplus/(Deficit) | (24,917) | - | (24,917) |

| EASTERN HEALTH AUTHORITY STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 30 JUNE 2016 | | | | |
|--|--|-----------------------------|---------------------|-----------------------------|
| ACTUAL 2014/2015 | | ADOPTED BUDGET 2015/2016 | SEPTEMBER REVIEW | REVISED BUDGET 2015/2016 |
| \$ | CASHFLOWS FROM OPERATING ACTIVITIES | \$ | \$ | \$ |
| | <u>Receipts</u> | | | |
| 2,159,499 | Operating Receipts | 2,250,806 | - | 2,250,806 |
| 25,557 | Investment Receipts | 20,000 | - | 20,000 |
| | <u>Payments</u> | | | |
| (2,036,294) | Operating Payments to Suppliers & Employees | (2,192,200) | - | (2,192,200) |
| (25,237) | Interest Expense | (22,672) | - | (22,672) |
| 123,525 | Net Cash Provided/(Used) by Operating Activities | 55,934 | - | 55,934 |
| | CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| - | Loans Received | - | - | - |
| (53,369) | Loan Repayments | (55,934) | - | (55,934) |
| (53,369) | Net Cash Provided/(Used) by Financing Activities | (55,934) | - | (55,934) |
| | CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| | <u>Receipts</u> | | | |
| - | Sale of Replaced Assets | - | - | - |
| | <u>Payments</u> | | | |
| - | Expenditure on renewal / replacements of assets | - | - | - |
| - | Expenditure on new / upgraded assets | - | - | - |
| - | Distributions paid to constituent Councils | (200,000) | - | (200,000) |
| - | Net Cash Provided/(Used) by Investing Activities | (200,000) | - | (200,000) |
| 70,156 | NET INCREASE (DECREASE) IN CASH HELD | (200,000) | - | (200,000) |
| 719,815 | CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD | 759,815 | 30,156 | 789,971 |
| 789,971 | CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD | 559,815 | 30,156 | 589,971 |

| EASTERN HEALTH AUTHORITY STATEMENT OF FINANCIAL POSITION | | | | |
|--|--|-----------------------------|---------------------|-----------------------------|
| FOR THE YEAR ENDING 30 JUNE 2016 | | | | |
| ACTUAL 2014/2015 | | ADOPTED BUDGET 2015/2016 | SEPTEMBER REVIEW | REVISED BUDGET 2015/2016 |
| \$ | CURRENT ASSETS | \$ | \$ | \$ |
| 789,971 | Cash and Cash Equivalents | 559,815 | 30,156 | 589,971 |
| 162,272 | Trade & Other Receivables | 178,512 | (16,240) | 162,272 |
| - | Other | - | - | - |
| 952,243 | TOTAL CURRENT ASSETS | 738,327 | 13,916 | 752,243 |
| | CURRENT LIABILITIES | | | |
| 108,708 | Trade & Other Payables | 181,322 | (72,614) | 108,708 |
| 236,220 | Provisions | 251,094 | (14,874) | 236,220 |
| 55,934 | Borrowings | 50,920 | - | 50,920 |
| - | Other | - | - | - |
| 400,862 | TOTAL CURRENT LIABILITIES | 483,336 | (87,488) | 395,848 |
| 551,381 | NET CURRENT ASSETS/(CURRENT LIABILITIES) | 254,991 | 101,404 | 356,395 |
| | NON-CURRENT ASSETS | | | |
| 441,095 | Equipment | 363,098 | (2,854) | 360,244 |
| - | Other | - | - | - |
| 441,095 | TOTAL NON-CURRENT ASSETS | 363,098 | (2,854) | 360,244 |
| | NON-CURRENT LIABILITIES | | | |
| 41,662 | Provisions | 43,218 | (1,556) | 41,662 |
| 435,198 | Borrowings | 384,279 | - | 384,279 |
| 476,860 | TOTAL NON-CURRENT LIABILITIES | 427,497 | (1,556) | 425,941 |
| 515,616 | NET ASSETS | 190,592 | 100,106 | 290,698 |
| | EQUITY | | | |
| 515,616 | Accumulated Surplus/(Deficit) | 190,592 | 100,107 | 290,699 |
| 515,616 | TOTAL EQUITY | 190,592 | 100,107 | 290,699 |

| EASTERN HEALTH AUTHORITY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDING 30 JUNE 2016 | | | | |
|---|--------------------------------------|-----------------------------|---------------------|-----------------------------|
| ACTUAL 2014/2015 | | ADOPTED BUDGET 2015/2016 | SEPTEMBER REVIEW | REVISED BUDGET 2015/2016 |
| \$ | ACCUMULATED SURPLUS | \$ | \$ | \$ |
| 402,992 | Balance at beginning of period | 415,509 | 100,107 | 515,616 |
| 112,624 | Net Surplus/(Deficit) | (24,917) | - | (24,917) |
| - | Distribution to Constituent Councils | (200,000) | - | (200,000) |
| 515,616 | Balance at end of period | 190,592 | 100,107 | 290,699 |
| 515,616 | TOTAL EQUITY | 190,592 | 100,107 | 290,699 |

6.2 FINANCE REPORT AND SECOND (DECEMBER 2015) BUDGET REVIEW FOR 2015/2016

Author: Michael Livori
Ref: AF15/10 and AF12/110

Summary

So that members can ensure that Eastern Health Authority (EHA) is operating according to its adopted budget, financial performance is regularly monitored and statutory budget reviews are considered.

In accordance with regulation 9 of the *Local Government (Financial Management) Regulations 2011*,

- (1) *A council, council subsidiary or regional subsidiary must prepare and consider the following reports:*
- (a) *at least twice, between 30 September and 31 May (both dates inclusive) in the relevant financial year (where at least 1 report must be considered before the consideration of the report under sub regulation (1)(b), and at least 1 report must be considered after consideration of the report under sub regulation (1)(b))—a report showing a revised forecast of its operating and capital investment activities for the relevant financial year compared with the estimates for those activities set out in the budget presented in a manner consistent with the note in the Model Financial Statements entitled Uniform Presentation of Finances;*
 - (b) *between 30 November and 15 March (both dates inclusive) in the relevant financial year—a report showing a revised forecast of each item shown in its budgeted financial statements for the relevant financial year compared with estimates set out in the budget presented in a manner consistent with the Model Financial Statements.*

This report provides the second of the budget reviews required in accordance with regulation 9 (1) and relates to the financial performance of EHA between 1 July 2015 and 31 December 2015. It provides the opportunity to amend the adopted budget in line with revised projections of income and expenditure for the 2015/2016 financial year.

Report

The report below gives a simple analysis of year to date income, expenditure and operating result.

| Eastern Health Authority - Financial Statement (Level 1) 1 July 2015 to 31 December 2015 | | | | |
|---|--------------|--------------|--------------|-------------|
| | Actual | Budgeted | \$ Variation | % Variation |
| Total Income | \$ 1,052,891 | \$ 1,090,207 | \$ (37,316) | -3% |
| Total Expenditure | \$ 1,127,719 | \$ 1,139,662 | \$ (11,942) | -1% |
| Operating Result | \$ (74,828) | \$ (49,455) | \$ (25,373) | |

The report shows that for the reporting period income was \$37,316 (-3.0%) less than budgeted and expenditure was \$11,942 (1%) less than budgeted.

The net result is a variation of (\$25,373) on the budgeted year to date comparative operating result.

A more detailed report is provided as attachment 1. The report provides detail on year to date performance of individual budget lines. Any variation greater than \$5,000 is detailed in the table below with explanatory comments.

| Summary Table of Funding Statement Variations | | | | |
|---|------------|------------|------------|---|
| Favourable variances are shown in black and unfavourable variances are shown in red . | | | | |
| Description | YTD Budget | YTD Actual | Variation | Comment |
| Income | | | | |
| Food Inspection Fees | \$40,000 | \$31,493 | (\$8,507) | Delay in appointment of staff to budgeted positions. No variation requested at this point in time. |
| Fines and Expiations | \$45,000 | \$15,506 | (\$29,494) | Decrease in expiations issued. No variation requested at this point in time. |
| Expenditure | | | | |
| Salaries | \$706,500 | \$662,991 | (\$43,509) | Delay in appointment of staff to budgeted positions. -60K variation requested. |
| Maintenance | \$22,500 | \$36,942 | \$14,442 | Cost associated with resolving IT issues as reported to BOM 26 August 2015. 15K variation requested. |
| IT Support | \$15,000 | \$56,911 | \$41,911 | See above for comment. 45K variation requested. |

The operating budget variations requested in relation to the above table see a reduction in 60K for salaries and an increase of 60K for IT expenses. The variations do not alter the estimated budget result of a deficit of \$24,917.

It is requested that the variations resulting from the changes to operating budget lines are incorporated into a revised financial statement for 2015/2016.

A summary of the variations requested within the Financial Statements are provided in the following table. Variations are only required to the Statement of Comprehensive Income.

| Revised Statement of Comprehensive Income | | | | |
|---|----------------|-----------|----------------|--------------------------------|
| | Adopted Budget | Variation | Revised Budget | Comment |
| Expenses | | | | |
| Employee Costs | 1,586,000 | (60,000) | 1,526,000 | See comments in body of report |
| Material, contracts and other expenses | 606,200 | 60,000 | 666,200 | See comments in body of report |

Included as Attachment 2 is a copy of the revised 2015/2016 Budgeted Statutory Financial Statements which include the:

- Revised Statement of Comprehensive Income
- Revised Statement of Cash flows
- Revised Statement of Financial Position
- Revised Statement of Changes in Equity

A Bank Reconciliation and Available Funds report for the period ending 30 December 2015 is provided as attachment 3. It shows that at 30 December 2015 available funds were \$284,031 in comparison with \$1,067,042 on 30 September 2015.

Pursuant to clause 25 (3) of Schedule 2 of the Local Government Act, EHA must seek approval from its Constituent Councils before amending its budget. A written request for the approval of the amendments must be sent to all Constituent Councils which must be accompanied by the proposed amendments.

If the Constituent Councils grant approval then EHA may officially resolve to amend the budget and upon making that resolution, the amended budget will be effective.

RECOMMENDATION

That:

1. The Finance Report and Second (December 2015) Budget Review Report for 2015/2016 be received.
2. Correspondence is forwarded to EHA's Constituent Councils requesting that the amendments to the Budgeted Financial Statements as detailed in attachment 2 are approved.

| Eastern Health Authority - Financial Statement (Level 3) | | | | |
|--|---------------------|---------------------|--------------------|--------------|
| 1 July 2015 to 31 December 2015 | | | | |
| Income | Actual | Budgeted | \$ Variation | % Variation |
| Constituent Council Income | | | | |
| City of Burnside | \$207,519 | \$207,519 | \$0 | 0% |
| City of Campbelltown | \$194,920 | \$194,920 | \$0 | 0% |
| City of NPS | \$245,323 | \$245,323 | \$0 | 0% |
| City of Prospect | \$109,811 | \$109,811 | \$0 | 0% |
| Town of Walkerville | \$47,081 | \$47,081 | \$0 | 0% |
| Total Constituent Council Contributions | \$ 804,653 | \$ 804,653 | \$ - | 0% |
| Statutory Charges | | | | |
| Food Inspection fees | \$31,493 | \$40,000 | (-\$8,507) | -21% |
| Legionella registration and Inspection | \$10,863 | \$6,668 | \$4,195 | 63% |
| SRF Licenses | (\$120) | \$0 | (-\$120) | 0% |
| Fines | \$15,506 | \$45,000 | (-\$29,494) | -66% |
| Total Statutory Charges | \$ 57,742 | \$ 91,668 | \$ (33,926) | -37% |
| User Charges | | | | |
| Immunisation - non funded vaccines | \$18,647 | \$22,500 | (-\$3,853) | -17% |
| Immunisation - Worksites | \$1,875 | \$0 | \$1,875 | 0% |
| Food Auditing | \$45,913 | \$42,000 | \$3,913 | 9% |
| City of Unley | \$39,378 | \$42,500 | (-\$3,123) | -7% |
| Food Safety Training | \$0 | \$1,000 | (-\$1,000) | -100% |
| Total User Charges | \$ 105,813 | \$ 108,000 | \$ (2,187) | -2% |
| Grants, Subsidies, Contributions | | | | |
| School Based immunisation Program | \$42,266 | \$42,250 | \$16 | 0% |
| Child Immunisation register | \$28,764 | \$26,636 | \$2,128 | 8% |
| Total Grants, Subsidies, Contributions | \$ 71,030 | \$ 68,886 | \$ 2,144 | 3% |
| Investment Income | | | | |
| Interest on investments | \$10,251 | \$10,000 | \$251 | 3% |
| Total Investment Income | \$ 10,251 | \$ 10,000 | \$ 251 | \$ 0 |
| Other Income | | | | |
| Motor Vehicle re-imbursements | \$3,075 | \$4,000 | (-\$925) | -23% |
| Sundry Income | \$328 | \$3,000 | (-\$2,672) | -89% |
| Total Other Income | \$ 3,403 | \$ 7,000 | \$ (3,597) | -51% |
| Total of non Constituent Council Income | \$ 248,238 | \$ 285,554 | \$ (37,316) | -13% |
| Total Income | \$ 1,052,891 | \$ 1,090,207 | \$ (37,316) | -3% |

| Eastern Health Authority - Financial Statement (Level 3) 1 July 2015 to 31 December 2015 | | | | |
|---|-------------------|-------------------|--------------------|-------------|
| Expenditure | Actual | Budgeted | \$ Variation | % Variation |
| Employee Costs | | | | |
| Salaries & Wages | \$662,991 | \$706,500 | \$ (43,509) | -6% |
| Superannuation | \$57,112 | \$59,000 | \$ (1,888) | -3% |
| Workers Compensation | \$15,000 | \$15,000 | \$ - | 0% |
| Total Employee Costs | \$ 735,104 | \$ 780,500 | \$ (45,396) | -6% |
| Prescribed Expenses | | | | |
| Auditing and Accounting | \$12,600 | \$12,000 | \$ 600 | 5% |
| Insurance | \$26,006 | \$26,000 | \$ 6 | 0% |
| Maintenance | \$36,942 | \$22,500 | \$ 14,442 | 64% |
| Vehicle Leasing/maintenance | \$31,164 | \$34,500 | \$ (3,336) | -10% |
| Total Prescribed Expenses | \$ 106,712 | \$ 95,000 | \$ 11,712 | 60% |
| Rent and Plant Leasing | | | | |
| Electricity | \$4,070 | \$5,000 | \$ (930) | -19% |
| Plant Leasing Photocopier | \$3,102 | \$2,850 | \$ 252 | 9% |
| Rent | \$49,728 | \$50,500 | \$ (772) | -2% |
| Water | \$141 | \$0 | \$ 141 | 0% |
| Gas | \$1,396 | \$1,250 | \$ 146 | 12% |
| Total Rent and Plant Leasing | \$ 58,436 | \$ 59,600 | \$ (1,164) | -2% |
| IT Licensing and Support | | | | |
| IT Licences | \$8,515 | \$7,500 | \$ 1,015 | 14% |
| IT Support | \$56,911 | \$15,000 | \$ 41,911 | 279% |
| Internet | \$677 | \$1,000 | \$ (323) | -32% |
| IT Other | \$602 | \$1,000 | \$ (398) | -40% |
| Total IT Licensing and Support | \$ 66,706 | \$ 24,500 | \$ 42,206 | 172% |
| Administration | | | | |
| Administration Sundry | \$1,598 | \$3,500 | \$ (1,902) | -54% |
| Accreditation Fees | \$2,317 | \$2,000 | \$ 317 | 16% |
| Board of Management | \$10,195 | \$10,000 | \$ 195 | 2% |
| Bank Charges | \$1,850 | \$1,500 | \$ 350 | 23% |
| Public Health Sundry | \$2,681 | \$2,500 | \$ 181 | 7% |
| Fringe Benefits Tax | \$7,500 | \$7,500 | \$ - | 0% |
| Health promotion | \$5,513 | \$4,800 | \$ 713 | 15% |
| Legal | \$7,760 | \$10,000 | \$ (2,240) | -22% |
| Printing & Stationery & Postage | \$10,585 | \$15,000 | \$ (4,415) | -29% |
| Telephone | \$7,672 | \$7,500 | \$ 172 | 2% |
| Work Health Safety & Injury Management | \$596 | \$1,000 | \$ (404) | -40% |
| Rodenticide | \$1,753 | \$1,000 | \$ 753 | 75% |
| Staff Amenities | \$1,633 | \$3,500 | \$ (1,867) | -53% |
| Staff Training | \$9,965 | \$11,000 | \$ (1,035) | -9% |
| Human Resource Sundry | \$3,075 | \$8,000 | \$ (4,925) | -62% |
| Doubtful Debts Expense | \$2,256 | \$0 | \$ 2,256 | 0% |
| Total Administration | \$ 76,949 | \$ 88,800 | \$ (11,851) | -13% |

| Eastern Health Authority - Financial Statement (Level 3 cont.) 1 July 2015 to 31 December 2015 | | | | |
|---|---------------------|---------------------|--------------------|-------------|
| Expenditure | Actual | Budgeted | \$ Variation | % Variation |
| Immunisation | | | | |
| Immunisation SBP Consumables | \$4,958 | \$4,000 | \$ 958 | 24% |
| Immunisation clinic vaccines | \$11,391 | \$15,000 | \$ (3,609) | -24% |
| Immunisation worksite vaccines | \$869 | \$0 | \$ 869 | 0% |
| Total Immunisation | \$ 17,218 | \$ 19,000 | \$ (1,782) | -9% |
| | | | | |
| Uniforms/Income protection | | | | |
| Income Protection | \$10,953 | \$14,000 | \$ (3,047) | -22% |
| Total Uniforms/Income protection | \$ 10,953 | \$ 14,000 | \$ (3,047) | -22% |
| | | | | |
| Sampling | | | | |
| Legionella Testing | \$3,552 | \$6,000 | \$ (2,448) | -41% |
| Food Sampling | \$0 | \$500 | \$ (500) | 0% |
| Total Sampling | \$ 3,552 | \$ 6,500 | \$ (2,948) | -41% |
| | | | | |
| Total Materials, contracts and other expenses | \$ 340,526 | \$ 307,400 | \$ 33,126 | 11% |
| | | | | |
| Depreciation | \$ 40,426 | \$ 40,426 | \$ 0 | 0% |
| | | | | |
| Finance Costs | \$ 11,664 | \$ 11,336 | \$ 328 | 3% |
| | | | | |
| Total Operating Expenditure | \$ 1,127,719 | \$ 1,139,662 | \$ (11,942) | -1% |
| | | | | |
| Total Operating Income | \$ 1,052,891 | \$ 1,090,207 | \$ (37,316) | -3% |
| | | | | |
| Operating Result | \$ (74,828) | \$ (49,455) | \$ (25,373) | 51% |

| EASTERN HEALTH AUTHORITY STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDING 30 JUNE 2016 | | | | | |
|--|---|-----------------------------|---------------------|--------------------|-----------------------------|
| ACTUAL 2014/2015 | | ADOPTED BUDGET 2015/2016 | SEPTEMBER REVIEW | DECEMBER REVIEW | REVISED BUDGET 2015/2016 |
| \$ | INCOME | \$ | \$ | \$ | \$ |
| 1,576,605 | Council Contributions | 1,609,306 | - | - | 1,609,306 |
| 157,329 | Statutory Charges | 194,000 | - | - | 194,000 |
| 303,449 | User Charges | 307,000 | - | - | 307,000 |
| 117,983 | Grants, subsidies and contributions | 126,500 | - | - | 126,500 |
| 20,871 | Investment Income | 20,000 | - | - | 20,000 |
| 6,607 | Other Income | 14,000 | - | - | 14,000 |
| 2,182,844 | TOTAL INCOME | 2,270,806 | - | - | 2,270,806 |
| | EXPENSES | | | | |
| 1,353,987 | Employee Costs | 1,616,000 | (30,000) | (60,000) | 1,526,000 |
| 608,512 | Materials, contracts and other expenses | 576,200 | 30,000 | 60,000 | 666,200 |
| 24,016 | Finance Charges | 22,672 | - | - | 22,672 |
| 83,705 | Depreciation | 80,851 | - | - | 80,851 |
| 2,070,220 | TOTAL EXPENSES | 2,295,723 | - | - | 2,295,723 |
| 112,624 | Operating Surplus/(Deficit) | (24,917) | - | - | (24,917) |
| - | Net gain (loss) on disposal of assets | - | | | - |
| 112,624 | Net Surplus/(Deficit) | (24,917) | - | - | (24,917) |

| EASTERN HEALTH AUTHORITY STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 30 JUNE 2016 | | | | | |
|--|--|-----------------------------|---------------------|--------------------|-----------------------------|
| ACTUAL 2014/2015 | | ADOPTED BUDGET 2015/2016 | SEPTEMBER REVIEW | DECEMBER REVIEW | REVISED BUDGET 2015/2016 |
| \$ | CASHFLOWS FROM OPERATING ACTIVITIES | \$ | \$ | \$ | \$ |
| | <u>Receipts</u> | | | | |
| 2,159,499 | Operating Receipts | 2,250,806 | - | - | 2,250,806 |
| 25,557 | Investment Receipts | 20,000 | - | - | 20,000 |
| | <u>Payments</u> | | | | |
| (2,036,294) | Operating Payments to Suppliers & Employees | (2,192,200) | - | - | (2,192,200) |
| (25,237) | Interest Expense | (22,672) | - | - | (22,672) |
| 123,525 | Net Cash Provided/(Used) by Operating Activities | 55,934 | - | - | 55,934 |
| | CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| - | Loans Received | - | | | - |
| (53,369) | Loan Repayments | (55,934) | - | - | (55,934) |
| (53,369) | Net Cash Provided/(Used) by Financing Activities | (55,934) | - | - | (55,934) |
| | CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| | <u>Receipts</u> | | | | |
| - | Sale of Replaced Assets | - | - | - | - |
| | <u>Payments</u> | | | | |
| - | Expenditure on renewal / replacements of assets | - | - | - | - |
| - | Expenditure on new / upgraded assets | - | - | - | - |
| - | Distributions paid to constituent Councils | (200,000) | - | - | (200,000) |
| - | Net Cash Provided/(Used) by Investing Activities | (200,000) | - | - | (200,000) |
| 70,156 | NET INCREASE (DECREASE) IN CASH HELD | (200,000) | - | - | (200,000) |
| 719,815 | CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD | 759,815 | 30,156 | | 789,971 |
| 789,971 | CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD | 559,815 | 30,156 | - | 589,971 |

| EASTERN HEALTH AUTHORITY STATEMENT OF FINANCIAL POSITION | | | | | |
|--|--|-----------------------------|---------------------|--------------------|-----------------------------|
| FOR THE YEAR ENDING 30 JUNE 2016 | | | | | |
| ACTUAL 2014/2015 | | ADOPTED BUDGET 2015/2016 | SEPTEMBER REVIEW | DECEMBER REVIEW | REVISED BUDGET 2015/2016 |
| \$ | CURRENT ASSETS | \$ | \$ | \$ | \$ |
| 789,971 | Cash and Cash Equivalents | 559,815 | 30,156 | | 589,971 |
| 162,272 | Trade & Other Receivables | 178,512 | (16,240) | | 162,272 |
| - | Other | - | - | - | - |
| 952,243 | TOTAL CURRENT ASSETS | 738,327 | 13,916 | - | 752,243 |
| | CURRENT LIABILITIES | | | | |
| 108,708 | Trade & Other Payables | 181,322 | (72,614) | | 108,708 |
| 236,220 | Provisions | 251,094 | (14,874) | | 236,220 |
| 55,934 | Borrowings | 50,920 | | | 50,920 |
| - | Other | - | - | - | - |
| 400,862 | TOTAL CURRENT LIABILITIES | 483,336 | (87,488) | - | 395,848 |
| 551,381 | NET CURRENT ASSETS/(CURRENT LIABILITIES) | 254,991 | 101,404 | - | 356,395 |
| | NON-CURRENT ASSETS | | | | |
| 441,095 | Equipment | 363,098 | (2,854) | | 360,244 |
| - | Other | - | - | - | - |
| 441,095 | TOTAL NON-CURRENT ASSETS | 363,098 | (2,854) | - | 360,244 |
| | NON-CURRENT LIABILITIES | | | | |
| 41,662 | Provisions | 43,218 | (1,556) | | 41,662 |
| 435,198 | Borrowings | 384,279 | | | 384,279 |
| 476,860 | TOTAL NON-CURRENT LIABILITIES | 427,497 | (1,556) | - | 425,941 |
| 515,616 | NET ASSETS | 190,592 | 100,106 | - | 290,698 |
| | EQUITY | | | | |
| 515,616 | Accumulated Surplus/(Deficit) | 190,592 | 100,107 | - | 290,699 |
| 515,616 | TOTAL EQUITY | 190,592 | 100,107 | - | 290,699 |

| EASTERN HEALTH AUTHORITY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDING 30 JUNE 2016 | | | | | |
|---|--------------------------------------|-----------------------------|---------------------|--------------------|-----------------------------|
| ACTUAL 2014/2015 | | ADOPTED BUDGET 2015/2016 | SEPTEMBER REVIEW | DECEMBER REVIEW | REVISED BUDGET 2015/2016 |
| \$ | ACCUMULATED SURPLUS | \$ | \$ | \$ | \$ |
| 402,992 | Balance at beginning of period | 415,509 | 100,107 | | 515,616 |
| 112,624 | Net Surplus/(Deficit) | (24,917) | - | - | (24,917) |
| - | Distribution to Constituent Councils | (200,000) | - | - | (200,000) |
| 515,616 | Balance at end of period | 190,592 | 100,107 | - | 290,699 |
| 515,616 | TOTAL EQUITY | 190,592 | 100,107 | - | 290,699 |

| Eastern Health Authority | | | |
|--|---------------------------|---------------------|---------------------|
| Bank Reconciliation as at 31 December 2015 | | | |
| Bank SA Account No. 141/0532306840 | | | |
| Balance as per Bank Statement 31 December 2015 | | | \$184,234.48 |
| Plus Outstanding cheques | \$ | - | |
| Add Outstanding deposits | \$ | - | |
| BALANCE PER General Ledger | | | <u>\$184,234.48</u> |
| GST October - December 2015 | | | |
| GST Collected | \$9,307.49 | | |
| GST Paid | <u>\$11,597.01</u> | | |
| Net GST Claimable (Payable) | <u><u>-\$2,289.52</u></u> | | |
| Funds Available December 2015 | | | |
| Account | 31-Dec-15 | 30-Sep-15 | Variance |
| Bank SA Cheque Account | \$ 184,234 | \$ 93,707 | \$90,527 |
| Local Government Finance Authority | \$ 384,069 | \$ 1,206,978 | (\$822,909) |
| Net GST Claimable (Payable) | (\$2,290) | \$ 63,770 | (\$66,060) |
| Long Service Leave Provision | (\$162,784) | (\$172,872) | \$ 10,089 |
| Annual Leave Provision | (\$119,200) | (\$124,541) | \$ 5,341 |
| TOTAL FUNDS | \$ 284,031 | \$ 1,067,042 | (\$783,011) |

6.3 DEVELOPMENT OF ANNUAL BUSINESS PLAN FOR 2016/2017

Author: Michael Livori
Ref: AF16/14

Summary

Eastern Health Authority (EHA) is required to develop an Annual Business Plan which supports and informs its annual budget. This report seeks to outline the process to be taken in relation to the development of the Annual Business Plan for 2016/2017.

Report

The *Local Government Act 1999 (the Act)* requires councils to develop an annual business plan although this requirement does not extend to a regional subsidiary. To ensure EHA's budget is developed in line with best practice standards an annual business plan has been produced for a number of years. Constituent Councils have agreed that the Annual Business Plan is recognised as the Business Plan required by the Act (see legislative and Charter requirements below).

Legislative and Charter Requirements

EHA's Charter requires pursuant to clause 3.5 that;

3.5. *Business Plan and Budget*

3.5.1 *EHA must, have a Business Plan which supports and informs its annual budget.*

3.5.2 *EHA shall:*

3.5.2.1 *prepare the Business Plan linking the core activities of EHA to the Public Health Plan and to strategic, operational and organisational requirements with supporting financial projections setting out the estimates of revenue and expenditure as necessary for the period; and*

3.5.2.2 *the Board shall compare the Business Plan against performance targets at least once every financial year;*

3.5.2.3 *in consultation with the Constituent Councils review the contents of the Business Plan on an annual basis; and*

3.5.2.4 *consult with the Constituent Councils prior to amending the Business Plan.*

(See Clause 24, Part 2, Schedule 2 to the Act for the contents of the Business Plan)

- 3.5.3 *The proposed budget detailing the estimated costs and contributions for the next financial year must be referred to the Board at its April meeting and to the Chief Executive Officers of the Constituent Councils by 30 April in each year.*
- 3.5.4 *A Constituent Council may comment in writing to EHA on the proposed budget by 31 May in each year.*
- 3.5.5 *EHA shall, after 31 May but before the end of June in each financial year, prepare and adopt an annual budget for the ensuing financial year in accordance with the Local Government Act 1999 and which is consistent with the Business Plan for that financial year.*
- 3.5.6 *The Board must provide a copy of the adopted annual business plan and budget to the Chief Executive Officers of each Constituent Council within five business days of adoption.*

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

Proposed Process for the Development of the 2016/2017 Annual Business Plan

To comply with the requirements of the Charter the following process is proposed for the development of the 2016/2017 Annual Business Plan.

February 2016

- Board Members are requested to provide comments and suggestions in relation to the development of the 2016/2017 Annual Business Plan using the 2015/2016 Annual Business Plan as a guide (provided as attachment 1). Comments to be provided to the Chief Executive Officer by 7 March 2016.
- Constituent Councils are requested via their nominated contact to provide comments and suggestions in relation to the development of the 2016/2017 Annual Business Plan using the 2015/2016 Annual Business Plan as a guide. Comments to be provided to the Chief Executive Officer by 7 March 2016.
- Chief Executive Officer commences development of 2016/2017 Annual Business Plan and Budget.

March 2016

- Annual Business Plan and Budget workshop to be held on 16 March 2016 to consider feedback from Board Members and Constituent Councils in relation to the Annual Business Plan. Members will also consider a preliminary draft budget at the workshop.
- Following Board endorsement a copy of the draft Annual Business Plan and Budget will be provided to Constituent Councils requesting their comments by 11 April 2016.

April 2016

- Feedback from Constituent Councils and a proposed Annual Business Plan and Budget detailing the estimated contributions from Constituent Councils to be considered by the Board of Management at its meeting to be held on 27 April 2016.
- Proposed budget to be provided to Constituent Councils requesting any further comment by 6 June 2016.

June 2016

- Budget to be considered for adoption at the Board of Management to be held on 22 June 2016.
- Copy of budget provided to Chief Executive Officers of each Constituent Councils within 5 days of its adoption.

RECOMMENDATION

That:

1. The Development of the Annual Business Plan for 2016/2017 report is received.
2. The process for the Development of the Annual Business Plan for 2016/2017 is endorsed.

Annual Business Plan 2015/2016

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|--|----|
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INTRODUCTION

The Eastern Health Authority (EHA) Charter requires an Annual Business Plan to support and inform the Annual Budget. To meet its legislative and governance requirements EHA's Budget and therefore its Annual Business Plan for the ensuing financial year must be adopted prior to June 30.

EHA's Annual Business Plan:

- includes an outline of:
 - (i) EHA's objectives for the financial year
 - (ii) the activities that EHA intends to undertake to achieve those objectives
 - (iii) the measures (financial and non-financial) which EHA intends to use to assess its performance against its objectives over the financial year
- assesses the financial requirements of EHA for the financial year and taking those requirements into account, sets out a summary of its proposed operating expenditure, capital expenditure and sources of revenue
- sets out the structure for determining Constituent Council contributions for the financial year

This document presents the Annual Business Plan for EHA for the 2015-2016 financial year. The Plan, together with the Annual Budget for the 2015-2016 financial year will be presented to EHA's Board of Management for adoption on 24 June 2015.

ABOUT EASTERN HEALTH AUTHORITY

EHA is a regional subsidiary established pursuant to the *Local Government Act 1999*.

Section 43 of the *Local Government Act 1999* enables two or more councils (known as Constituent Councils) to establish a regional subsidiary to perform a function of the councils in a joint service delivery arrangement. The function performed may be prescribed by the *Local Government Act 1999* or another Act.

EHA's Constituent Councils are:

- City of Burnside (Burnside)
- Campbelltown City Council (Campbelltown)
- City of Norwood Payneham and St Peters (NPSP)
- City of Prospect (Prospect)
- The Corporation of the Town of Walkerville (Walkerville)

The region that the five councils encompass is predominantly residential with retail / commercial land use and limited industrial activity. Development dates from the mid 1800s and many heritage-listed buildings remain. Major features of the area include popular dining and shopping precincts, numerous public and private schools, large sporting complexes, public swimming centres, hospitals, two national parks and a university. The River Torrens and five major creeks traverse the area.

The area covered by EHA is located in Adelaide's eastern and inner northern suburbs. EHA discharges its Constituent Councils' environmental health responsibilities that are mandated in the following legislation:

South Australian Public Health Act 2011

Food Act 2001

Supported Residential Facilities Act 1992

A wide range of functions are performed to protect the health and wellbeing of 159,176 residents plus those people who visit the region. Functions include the provision of immunisation services, hygiene and sanitation control, licensing and monitoring of Supported Residential Facilities (SRFs) and surveillance of food premises.

The diversity and increasing complexity of environmental health makes it difficult for small organisations to have staff who are experienced and fully competent across all spheres of the profession. EHA is structured to proficiently deliver all required services on behalf of its Constituent Councils.

With the demand for local government to adopt a more cooperative focus in the structure of their organisations and the delivery of their services EHA serves as an outstanding example of shared service delivery. It is local councils working together to protect the health of their communities.

The table below provides a snapshot of the environmental health services provided for each Constituent Council.

Table 1: 2014 Snapshot of the environmental health services provided for each Constituent Council

| Activity Data | Burnside | Campbelltown | NPSP | Prospect | Walkerville | Total |
|---|-----------------|---------------------|-------------|-----------------|--------------------|--------------|
| No. of Food Premises | 255 | 240 | 399 | 158 | 39 | 1091 |
| Swimming Pools | 18 | 3 | 16 | 2 | 3 | 42 |
| High Risk Manufactured Systems | 12 | 7 | 20 | 7 | 7 | 53 |
| Supported Residential Facilities | 3 | 2 | 1 | 2 | 0 | 8 |
| Environmental Health Complaints | 65 | 95 | 79 | 33 | 15 | 287 |
| Hairdresser/Beauty Treatment | 60 | 52 | 89 | 29 | 7 | 237 |
| No. of Yr 8 Enrolments | 1295 | 1184 | 1281 | 355 | 141 | 4256 |
| Average clients receiving vaccines at public clinics | 970 | 1184 | 1663 | 353 | 171 | 4341 |

OVERVIEW OF THE BUSINESS PLAN

EHA develops an Annual Business Plan for the purposes of translating strategic directions into actions, outputs and outcomes for the relevant financial year.

In preparing the Annual Business plan there are a number of key influences that are taken into consideration to ensure that EHA can continue to provide services and programs to its Constituent Councils and the community.

Significant Influences

Significant factors which have influenced the preparation of the 2015-2016 Annual Business Plan are:

- enterprise bargaining and increment level increases for staff employment arrangements
- the continuation of the contract service to undertake immunisations and monitor Supported Residential Facilities on behalf of The City of Unley
- the continuation of the worksite immunisation program
- national schedule changes to the School Based Immunisation Program (SBIP) and continuation of the service agreement with SA Health
- increase in rent costs
- ongoing implementation of *South Australian Public Health Act 2011*
- implementation and monitoring of Regional Public Health Plan in conjunction with Constituent Councils
- support for Eastern Regional Public Health Plan Advisory Committee
- distribution of funds to Constituent Councils

Priorities

EHA has set the following priorities as part of the 2015-2016 Annual Business Plan:

- to continue to provide a professional and cost effective environmental health service to its Constituent Councils and their respective communities
- support the Eastern Regional Public Health Plan Advisory Committee
- implement and monitor the Regional Public Health Plan in conjunction with Constituent Councils
- refine Health Manager system to provide improved reporting and gain efficiencies in on site applications
- evaluate implementation of tablets using Health Manager software for field based data capture
- review EHA WHS and IM Plan 2012 – 2015
- ongoing evolution of performance development system
- refine process for inducting staff
- retender for current service contracts

FUNDING THE BUSINESS PLAN AND THE BUDGET

EHA bases its expenditure on the services required to ensure its Constituent Councils are meeting their wide range of legislative responsibilities which are mandated in a range of legislation including the South Australian *Public Health Act 2011*; *Food Act 2001*; *Supported Residential Facilities Act 1992* and the *Local Government Act 1999*.

The forecast for the 2015-2016 financial year is that EHA's expenditure to carry out its operational activities detailed in the annual business plan will exceed its operating income resulting in a deficit of \$24,917.

After considering depreciation add back \$80,851 and loan repayments (\$55,934), the net budget result is a break-even budget. To achieve this net budget result, a total of \$1,609,306 will be raised through contributions from our Constituent Councils for operational expenditure in 2015-2016.

A distribution of funds to Constituent Councils of \$200,000 has been budgeted this financial year. The distribution is a result of surplus results achieved in 2013 and 2014. The distribution is reflected in the Statement of Cash Flows and Statement of Changes in Equity.

EHA's Charter requires Constituent Councils to contribute to its operations in accordance with a formula that calculates the estimated proportion of overall activities it requires. The calculations are based on the previous year's activities.

The Budgeted Financial Statements (found on pages 35 to 36) put the annual budget required to implement the annual business plan into a format which provides a complete picture of EHA's financial position to its member councils. They consist of a Budgeted Income Statement, Budgeted Balance Sheet, Budgeted Statement of Changes in Equity and Budgeted Statement of Cash Flows.

Sources of revenue other than Constituent Council contributions which are utilised to fund the activities of EHA are listed on the following page.

Statutory Charges

Statutory Charges relate mainly to fees and fines levied in accordance with legislation and include food inspection fees, supported residential facility licences, and environmental health related fines.

User Charges

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of EHA's services. These include the provision of food safety audit services, worksite immunisation programs, school based immunisation program, fee vaccines at community immunisation clinics, service delivery fee (\$40.00) for non-residents, immunisation contract services to The City of Unley and the licensing of SRFs on behalf of The City of Unley.

Grants

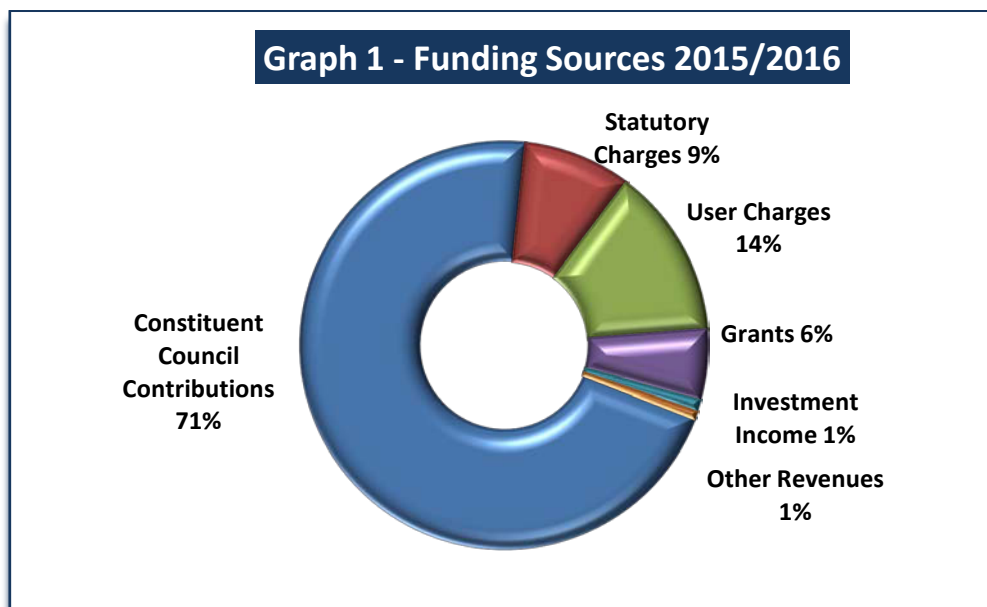
Grants include monies received from State and Federal Governments for the purposes of funding the delivery of the programs such as immunisation services.

Investment Income

Investment income includes interest on operating cash held with the Local Government Finance Authority.

Other Revenues

Other revenues relates to a range of unclassified items which do not fit within the main income categories.



As a guide, the table below details each Constituent Council's expenditure on Public Health services provided by EHA as a percentage of their total expenditure based on 2014 budget figures.

Table 2: Each Constituent Council's expenditure on Public Health services provided by EHA

| | Contribution 2014/2015 | Total Budgeted Expenditure 2014/2015 | Public Health Spend % |
|--|-----------------------------------|---|----------------------------------|
| Burnside | \$400,896 | \$40,974,422 | 0.98% |
| Campbelltown | \$376,996 | \$37,472,950 | 1.01% |
| NPSP | \$487,613 | \$37,686,000 | 1.29% |
| Prospect | \$222,291 | \$21,383,715 | 1.04% |
| Walkerville | \$88,809 | \$9,758,028 | 0.91% |
| Total Constituent Council Expenditure | \$1,576,605 | \$147,275,115 | 1.07% |

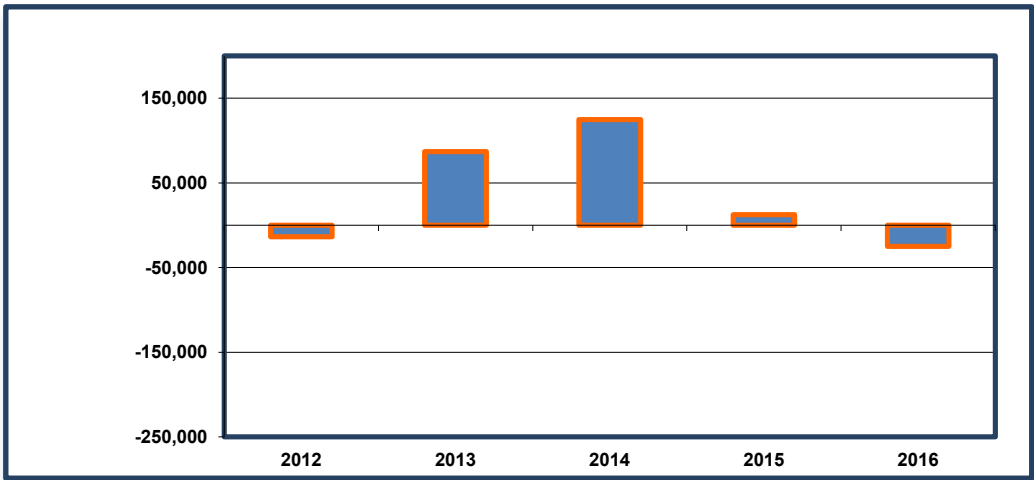
FINANCIAL INDICATORS

A series of financial indicators have been developed by local government to assist in determining whether a local government organisation is financially sustainable or moving to a position of financial sustainability. These indicators are set out below.

Operating Surplus/ (Deficit)

This graph indicates the difference between day-to-day income and expenses for the particular financial year. It shows the extent to which operating revenue is sufficient to meet all operating expenses including depreciation and consequently the quantum of expenses which is being met by Constituent Councils.

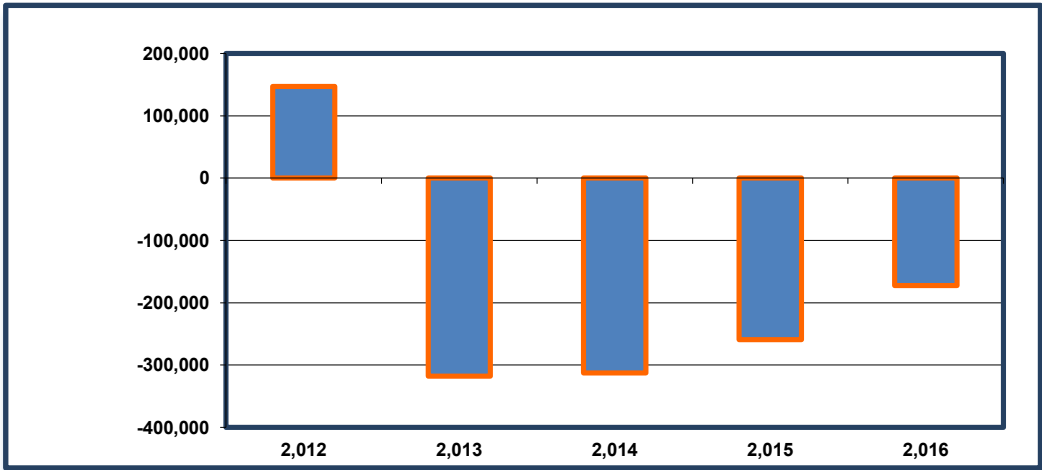
Graph 2: Operating Surplus / (Deficit)



Net Financial Assets

This graph indicates the money held, invested or owed to EHA less money owed to others (including provisions for employee entitlements).

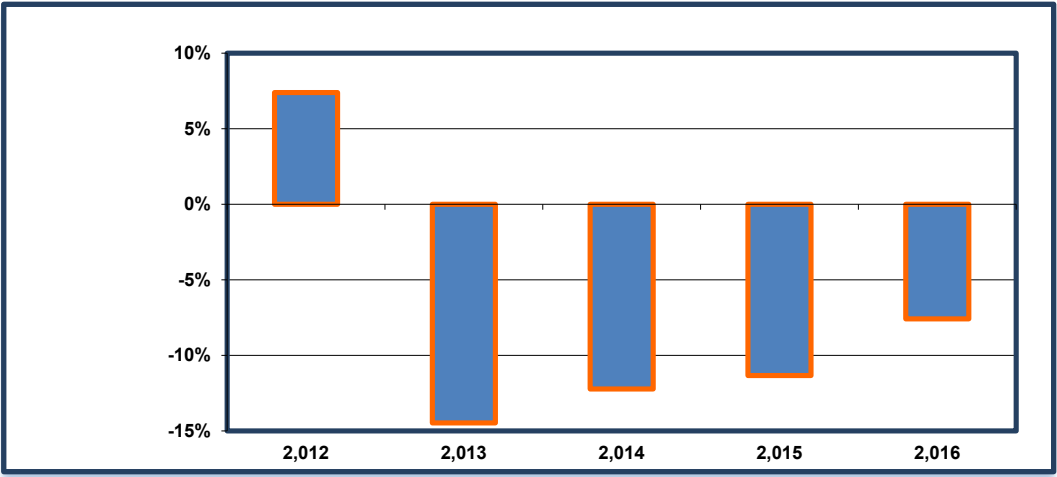
Graph 3: Net Financial Assets



Net Financial Assets Ratio

This ratio indicates the extent to which net financial assets of a subsidiary can meet its operating revenue. Where the ratio is decreasing, it indicates a greater amount of a subsidiary’s operating revenues is required to service its financial obligations.

Graph 4: Net Financial Assets Ratio



ACTIVITIES FOR 2015-2016

The following information reflects the actions which will be performed to achieve the objectives of the seven core activities of EHA over the next 12 months.

1.0 – Governance and Organisational Development

Background

EHA is governed by its Charter and the application of good governance and administration practices which ensure its requirements are met is essential.

Practices which ensure EHA conducts its business in an effective manner include the provision of appropriate support to the Board of Management and sound financial and human resource management.

The staff who are employed by EHA are its most valuable asset. It is essential that the working environment is one which nurtures and supports effective collaboration, and where knowledge and value are continually created. Professional peer support allows for the potential to build organisational capacity through the transfer and pooling of knowledge and assists in workforce retention and stability. An appropriate work environment helps to promote a dynamic and committed workforce.

Under the *South Australian Public Health Act 2011*, EHA is required to develop a public health plan, consistent with the State Public Health Plan and which respond to public health challenges in the local area. Public health planning adopts a holistic approach to assessing the public health impacts and opportunities across a wide range of local government functions.

Objective 1 Administration of legislative and corporate governance requirements

| Actions | Performance Measures |
|--|---|
| 1.1 Monitor the compliance schedule which stipulates the statutory requirements identified in the Charter. | Statutory requirements complied with as per schedule. |
| 1.2 Properly convene Board meetings providing agendas and minutes. Minimum of 5 ordinary meetings conducted. Notice of meeting given 3 clear days before ordinary meeting. Minutes provided within 5 days of meeting. | 5 meetings conducted. Appropriate notice given. Timeframe met. |
| 1.3 Conduct election for Chair and Deputy Chair of Board of Management in February. | Election conducted at February meeting. |
| 1.4 Annual business plan to be developed with detailed objectives for the year in consultation with Constituent Councils. | Draft considered at May meeting and adopted at June meeting. |
| 1.5 Develop budgeted financial statements to implement the Annual Business Plan of EHA. Draft Budgeted Financial Statements considered at May meeting. Budgeted Financial Statements adopted at June meeting. | Budget and Financial Statements adopted. Copy of budget provided to CEO of Constituent Councils within 5 days of adoption. |
| 1.6 Keep proper books of account, regularly report on the financial position of EHA, and apply prudent financial management as required by the Charter. | Financial reports provided at each Board Meeting. Budget reviews presented at October, February and May meetings. |
| 1.7 Conduct Audit Committee meetings as required by Charter. | Audit committee meet minimum of two times per annum. |
| 1.8 Ensure the financial statements are audited annually. As per the requirements of the Charter. | Audited financial statements adopted at August meeting and provided to Constituent Councils within 5 days. |
| 1.9 Monitor Long Term Financial Plan. | Plan reviewed annually as part of budget process. |
| 1.10 Improve data collection and reporting from Health Manager to enable more effective and efficient reporting. | Opportunities for improvement identified and implemented prior to each new financial year. |
| 1.11 Provide regular statistical reports to Board Members and Constituent Council. | Reports provided at scheduled Board meetings. |

| Actions (continued) | Performance Measures |
|---|---|
| 1.12 Conduct annual review of delegations. Lead Constituent Councils in process. Resolutions and Instruments of delegation provided to Constituent Councils. | Documents provided to Constituent Councils. Delegations from EHA to CEO reviewed. |
| 1.13 Compile annual report in relation to the operations of EHA as required by the charter. | Annual report adopted at August meeting and provided to Constituent Councils and other stakeholders. |
| 1.14 Compile report pursuant to the <i>South Australian Public Health Act 2011</i> in relation to the operations of EHA as required by legislation. | Report adopted at relevant Board meeting and provided to Public Health Council. |
| 1.15 Compile annual report pursuant to the <i>Food Act 2001</i> in relation to the operations of EHA as required by legislation. | Report adopted at August meeting and provided to SA Health. |
| 1.16 Compare Annual Business Plan against performance measures. | Report presented to August meeting. |
| 1.17 Provide delegates report to CEO of each Constituent Council following Board meetings for tabling at subsequent council meeting. | Reports provided following Board meetings. |
| 1.18 Properly convene meetings of Constituent Council nominated contacts including providing agendas and minutes. | 4 meetings conducted per year. |
| 1.19 Maintenance of electronic records management system to properly maintain records and reference documents of EHA. | System developed to ensure appropriate standards are being met. |
| 1.20 Explore the potential for the expansion of service provision to areas outside of its current Constituent Council areas. | Report to Board on expansion opportunities. |
| 1.21 Implement a computer "failover system" to assist with continuity of service in the event of loss of access to computer infrastructure. | Failover system implemented. |
| 1.22 Maintenance of Health Manager (electronic database). Re-evaluate its current internal and external functionality, to improve inspection, complaint and administrative efficiency and reporting capabilities. | Internally review current applications and reporting capabilities. Liaise with Open Office to discuss new applications. |
| 1.23 Provide administrative assistance to the Public Health Plan Advisory Committee and coordinate reports to the Board of Management. | Reports provided to Board Meetings as required. |
| 1.24 Participate in the Environmental Managers Forum to address environmental health issues and promote uniformity and professional consistency. | Management to attend and participate in the Environmental Managers Forum meetings. |

| Actions (continued) | Performance Measures |
|---|--|
| 1.25 Continue membership and actively participate in the Eastern Adelaide Zone Emergency Management Committee to develop and finalise the Eastern Zone Emergency Management Plan. | Management to attend the Eastern Adelaide Zone Emergency Management Committee and actively contribute towards the development of the Eastern Zone Emergency Management Plan. |
| 1.26 EHO's to continue to utilise the hand held electronic tablets with access to Health Manager during routine food inspections and complaint investigations. Expand the use of the electronic tablets in other EHO onsite field work. | Introduction and implementation of electronic tablets to other EHO onsite field work to improve inspection, complaint and administrative efficiency. |

Objective 1.1 Professional, skilled and committed staff providing valued services to the community

| Actions | Performance Measures |
|---|---|
| 1.1.1 Ensure that EHA is properly staffed and resourced in order to carry out its responsibilities. | Continually review staff resources and report to Board if required. |
| 1.1.2 Performance development system used to support staff and link day-to-day and long term activities of staff to the Annual Business Plan and when applicable the Public Health Plan. | Performance development system reviews as required. |
| 1.1.3 Provide continuing professional development opportunities through ongoing education and training which is relevant to roles within EHA. | Training and education opportunities provided to staff. |
| 1.1.4 Continue to foster team cohesiveness and support effective teamwork. | Training and team building activity provided to staff. |
| 1.1.5 Encourage staff to be members of their relevant professional organisation. Support participation and EHA representation at professional Special Interest Groups. | Encourage membership and active participation. |
| 1.1.6 Maintain a multi-disciplinary approach to the distribution of tasks within teams work review process to promote experience in a range of activities and increase expertise in specialist areas. | Annual work review conducted. |
| 1.1.7 Provide systems for a safe working environment with appropriate Work Health and Safety (WHS) practices in place. | WHS to be discussed at all general staff meetings. Provide appropriate training and equipment to new staff. |

| Actions (continued) | Performance Measures |
|---|---|
| 1.1.8 Review the Work Health Safety action plan outlining program of improvements required in EHA's WHS 3 Year Plan. | Action plan reviewed with input from staff. |
| 1.1.9 Revise induction program to ensure EHA staff are and familiar with EHA's methods of operation upon commencement of employment. | Induction program revised. |

2.0 - Health Education and Promotion

Background

Health education and promotion is a vital component in creating healthier living environments and communities. Traditionally local government health education and promotion activities have centred on regulatory function and infectious disease control.

The *South Australian Public Health Act 2011* (the Act) is part of a range of public health legislation designed to protect and promote the health of South Australians.

The objective of Act is to 'promote and provide for the protection of the health of the public of South Australia and to reduce the incidence of illness, injury and disability'.

The Act requires local authorities to prepare Regional Public Health Plans, having regard to local priorities and the economic, social and environmental conditions (the 'social determinants of health') in the region.

As the first Public Health and Wellbeing Plan for EHA and Constituent Councils, 'Better Living Better Health' provides a starting point for documenting the regional state of health and strategic directions for improving community wellbeing. The Plan does not address all public health issues, rather it is a 'place to start' having regard to local priorities and the State Public Health Plan. EHA and its Constituent Councils are committed to continually reviewing the strategic directions of the Plan within each five year planning cycle.

Objective 2 An innovative approach to public and environmental health through community education and interaction to increase awareness and understanding

| Actions | Performance Measures |
|--|---|
| 2.1 Develop and maintain a comprehensive range of health education and promotion material targeting local health issues incorporating the resources of other health related agencies. | Information resources maintained. |
| 2.2 In conjunction with health stakeholders support the promotion and delivery of a range of public health information to raise community health awareness and address priority health conditions. | One target issue to be addressed per annum. |
| 2.3 Provide targeted educational material in relation to recommended practices, standards and legislative requirements relevant to those responsible for public health related premises (premises with public swimming pools and spas, cooling tower systems and warm water systems, hairdressers and beauty premises, skin penetration premises (tattoo, body piercing, acupuncture). | Information distributed. Improvement in compliance noted during assessment. |
| 2.4 Promote EHA services and educate the community on matters of public health in conjunction with Constituent Councils. | Provide information updates and articles to Constituent Councils as required. |
| 2.5 Liaise with Constituent Councils to explore the possibilities of co-ordinating and or contributing to public health forums, to raise awareness of current public health matters. | Discuss the possibilities of public health forums with Constituent Councils. |
| 2.6 Promote the benefits of immunisation through a variety of mediums such as council customer service centres and council publications, information kits, council and EHA websites. | Number of articles published and amount of information accessed. |
| 2.7 Provide targeted educational material to food proprietors, food handlers and the community on food safety matters. | Educational material provided as required. |
| 2.8 Design and implement a new food safety training program. | Design and introduce a new food safety training program. |
| 2.9 Participate in Food Safety week and other proactive educational initiatives that raise awareness of food safety amongst the community and improve food handler's understanding of food hygiene. | Number of proactive educational activities conducted each year (at least one per year). |
| 2.10 Educate proprietors of SRFs in relation to relevant Guidelines and Standards to ensure that adequate standards of assisted care, living standards, safety, hygiene and nutrition are maintained. | Information provided during visits to facility or as needed. |

| Actions (continued) | Performance Measures |
|---|--|
| 2.11 Review and update EHA's health promotion and information material to ensure information is relevant, accurate and includes the new EHA logo. | Review and update as required. |
| 2.12 Monitor funding opportunities for pro-active health education and prevention programs. | Report opportunities to Board of Management. |
| 2.13 Continue to actively promote EHA's functions to the public, key stakeholders and the Constituent Council staff. | Number of promotional initiatives explored. |
| 2.14 Investigate improvements to EHA's website to facilitate the exchange of information using electronic media. | Improved website functionality. |
| 2.15 Explore public feedback options on environmental health services provided by EHA. | Document feedback options. |

3.0 – Public and Environmental Health

Background

'Environmental health addresses all the physical, chemical and biological factors external to a person, and all the related factors impacting behaviours. It encompasses the assessment and control of those environmental factors that can potentially affect health. It is targeted towards preventing disease and creating health-supportive environments'.

World Health Organisation (WHO), 2012

The *South Australian Public Health Act 2011* (the Act) and Regulations are mechanisms employed by EHA to fulfil its duty of care on behalf of the Constituent Councils with the following public health issues;

- prevention and management of domestic squalor and hoarding
- surveillance of swimming pool, spa pool, cooling tower and warm water system operations
- assessment of hairdressing salons, beauty salons, acupuncture clinics and tattoo parlours
- approval and inspection of waste control systems
- discharge of waste to the environment
- prevention and control of notifiable diseases

The Act contains a general duty on all persons in the community who undertake activities to ensure that they take reasonable steps to 'prevent or minimise any harm to public health' that they have or might cause as a result of their actions or their failure to act: section 56(1) of the Act provides that:

'A person must take all reasonable steps to prevent or minimise any harm to public health caused by, or likely to be caused by, anything done or omitted to be done by the person'.

The Act establishes principles or values that guide everyone involved in administering the Act or making decisions under it, which includes orders, the exercise of other powers or general planning or policy decisions.

These principles are as follows:

- precautionary principle
- proportionate regulation principle
- sustainability principle
- principle of prevention
- population focus principle
- participation principle
- partnership principle
- equity principle

Environmental protection originated from the traditional approach of public health when the *Commonwealth Environment Protection (Impact of Proposals) Act* was introduced in 1974. Since its introduction, the definition of environment has developed from merely being 'all aspects of the surroundings of human beings, whether affecting human being as individuals or in social groupings' to 'land, air, water, organisms and ecosystems, and includes the amenity value of an area.'

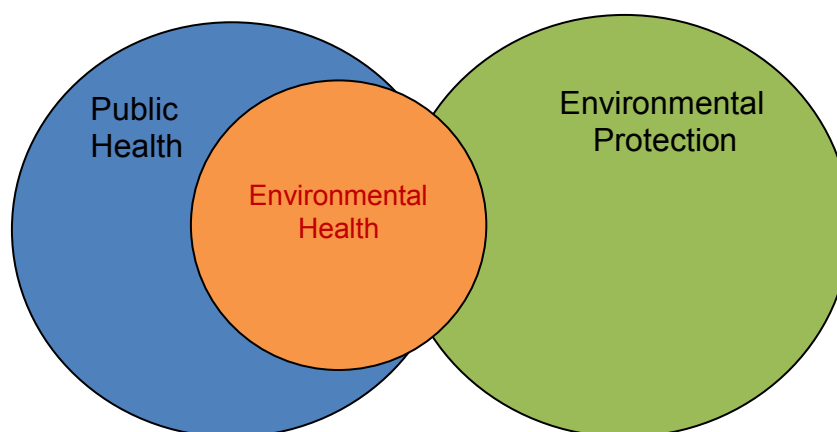


Figure 1.1 – the relationship between public health, environmental health and environmental protection

The point at which Public Health and Environmental Protection overlap is Environmental Health.

Where harm or potential harm to others cannot be shown, other statutes may offer alternative and more appropriate ways of proceeding. For example issues relating to unsightly conditions, nuisances and hazards to health or safety associated with the keeping of animals are better dealt with section 254 of the *Local Government Act 1999*.

The Environment Protection Act and Policies provide the framework to resolve issues that have a detrimental effect on our environment and subsequently our health. As the definitions of public health and environment protection overlap, it should only be expected that the legislation protecting these two areas also overlap.

Environmental health often requires a multidisciplinary approach. In the course of investigating complex issues, Environmental Health Officers work together and co-operate with other local government professionals and State government departments.

Objective 3 **Promote healthy communities by managing the risk from communicable and infectious disease and environmental impacts**

| Actions | Performance Measures |
|---|---|
| <p>3.1 Compile and maintain a register of all public health related premises.</p> <p>Public Health related premises are:</p> <ol style="list-style-type: none"> 1. premises with public swimming pools and spas 2. premises with cooling tower systems and warm water systems 3. hairdressers and beauty premises 4. skin penetration premises (tattoo, body piercing, acupuncture) 5. waste control systems | <p>Register maintained at all times.</p> |
| <p>3.2 Using the SA Health assessment forms determine appropriate standards of public swimming pools and spas are maintained in accordance with the <i>South Australian Public Health (General) Regulations 2013</i>.</p> | <p>Assessments performed bi-annually.</p> |
| <p>3.3 Using the SA Health assessment forms determine appropriate standards of cooling towers and warm water systems for the management of <i>Legionella</i> in accordance with <i>South Australian Public Health (Legionella) Regulations 2013</i>.</p> | <p>Assessments performed annually.</p> |
| <p>3.4 Collect water samples from cooling towers and warm water systems for analysis based on requirements <i>South Australian Public Health (Legionella) Regulations 2013</i>.</p> | <p>Water samples collected and sent for analysis annually.</p> |
| <p>3.5 Investigate notifiable <i>Legionella</i> incidences and high <i>Legionella</i> counts in a systematic manner in accordance with SA Health and internal procedures.</p> | <p>Prompt investigation commenced in accordance with service standards.</p> |

| Actions (continued) | Performance Measures |
|--|---|
| 3.6 Respond to complaints to ensure appropriate infection control standards at hairdressing salons are maintained in accordance with SA Health Guidelines using Environmental Health Australia assessment form. | Investigate and respond to complaints. |
| 3.7 Respond to complaints to ensure appropriate infection control standards at beauty and skin penetration premises are maintained in accordance with SA Health Guidelines using Environmental Health Australia assessment form. | Investigate and respond to complaints. |
| 3.8 Using the SA Health assessment forms determine appropriate standards at beauty premises are maintained in accordance with in accordance with the SA Health Guidelines. | Assessments performed biennially. |
| 3.9 Identify new personal appearance practices (ie. laser hair removal, tattoo removal and permanent make-up) within beauty premises. Liaise closely with SA Health to determine if these practices are required to be assessed in accordance with the SA Health Guidelines. Where required update the register and undertake assessments. | Identify new businesses, update registers and assess biennially. |
| 3.10 Using the SA Health assessment forms determine appropriate standards at skin penetration premises (tattoo, body piercing, acupuncture) are maintained in accordance with SA Health Guidelines. | Assessments performed annually. |
| 3.11 Assess applications for the installation of waste control systems in accordance with internal procedures, legislative requirements and service standards. | Application managed in accordance with service standards. Compliance with legislative requirements. |
| 3.12 Respond to complaints or concerns about standards of sanitation and hygiene of boarding and lodging houses. | Response/investigation commenced in accordance with customer service standards. |
| <p>3.13 Respond to public health enquiries/complaints within the built environment that give rise to a risk to health in relation to:</p> <ul style="list-style-type: none"> - hoarding and squalor - sanitation - animal keeping - vector control - air quality - hazardous and infectious substances - waste control - notifiable diseases - refuse storage <p>Enquiries/complaints are investigated in accordance with the customer service standards. Seek to accomplish a long term solution. Co-ordinate a multi-agency response where necessary.</p> | Response/investigation commenced in accordance with customer service standards. |

| Actions (continued) | Performance Measures |
|--|---|
| 3.14 Respond to enquiries/complaints in relation to clandestine drug laboratories and environmental incidents that have the potential to have a risk to public health. | Response/investigation commenced in accordance with customer service standards. |
| 3.15 Distribute advisory information via mail to households informing them of localised vermin and pest problems and how they can be minimised, e.g. rodents, mosquitoes, pigeons. | Response commenced in accordance with customer service standards. |
| 3.16 Provide advice and information materials to residents about air quality concerns including the installation, operation and standards of solid fuel burning appliances. | Information disseminated to community. Improved management of burning appliances as required. |
| 3.17 Provide rodent bait to residents upon request. | Rodent bait provision maintained. |
| 3.18 Undertake relevant notifiable disease investigations including food poisoning outbreaks in collaboration with SA Health. | Number of investigations. |
| 3.19 Assist members of the community who have a managed health condition (e.g. Diabetes) by offering approved sharps containers at cost price and free disposal of full and approved sharps containers delivered to EHA. | Community sharps disposal service maintained. |
| 3.20 Collect syringes that have been unsafely discarded on private property. | Safe and timely collection of discarded syringes within customer service standards and following internal procedures. |
| 3.21 Ensure Health Manager (electronic database) is updated with assessments and investigations to ensure effective reporting to the Board of Management, Constituent Councils and SA Health. | Update within 5 days of assessment or action. |
| 3.22 Co-ordinate the Eastern Hoarding and Squalor Committee meetings with Adelaide Hills Council to allow key stakeholders and councils within the eastern region to liaise to sensitively and compassionately address residents living in squalor or hoarding conditions attributable to social isolation, ageing community and mental health conditions. | Committee to meet every 3 months. |
| 3.23 EHA to actively participate in the State Severe Domestic Squalor and Interagency Group to further develop strategies and tools to address squalor and hoarding issues consistently across the state. | Attend and actively participate in meetings held every 3 months. |

| Actions (continued) | Performance Measures |
|---|---|
| 3.25 Participate with Environmental Health Australia and state and local government authorities to review best practice standards and promote uniformity and professional consistency. | Attend and actively participate. |
| 3.26 Participate in the Environmental Health Australia 'Public Health' and 'Waste Control' Special Interest Groups (SIG) to promote uniformity and professional consistency and to discuss the latest information in relation to public health and waste control issues affecting local government. | Attend and actively participate at SIG meetings. |
| 3.27 Ensure activities and outcomes are communicated to the Board of Management, councils and state government bodies as required via: Reports to the Board of Management, Delegates Reports and Annual Report. | Board Reports and Annual Reports compiled and distributed. |
| 3.28 Respond to development application referrals from councils about public health related premises and activities. | Timely response provided to all referrals. |
| 3.29 Liaise with councils to address issues of environment and sustainability where there is a connection to human health. | Comment and input made where applicable. |
| 3.30 Ensure providers who supply water to the public under the <i>Safe Drinking Water Act 2012</i> , meet the requirements set out by the act and <i>Safe Drinking Water Regulations 2012</i> . | Continue to monitor potential water providers to ensure compliance with the Act and associated regulations. |

4.0 - Immunisation

Background

Immunisation is one of the most effective and cost efficient public health measures to prevent the spread of communicable diseases. The National Immunisation Program (NIP) is a recognised program that has achieved a national average of over 90% coverage for most childhood vaccines. Immunisation is estimated to avert between 2 and 3 million deaths each year and aims to prevent disease and severe outcomes by maximising coverage rates and offering protection to everyone in our community.

Local Government plays a significant role in the delivery of immunisation in South Australia. It shares responsibility with other levels of government and providers to improve immunisation uptake and coverage. EHA offers all vaccines on the National Schedule at its public clinics as well as Annual Influenza Vaccines. Each year additional appointment clinics dedicated for influenza vaccination are provided promoting greater coverage against seasonal influenza disease. The Department of Health has updated the 'Annual Seasonal Funded Influenza Program' for medically 'At Risk' adults and children. Under this program the influenza vaccine is available at no cost for all Australians aged 6 months of age and over with medical conditions that can lead to severe influenza.

The National Schedule includes vaccines to adolescents through the School Based Immunisation Program (SBIP). From 2015 the SBIP will be for all Year 8 students only, a significant change from previous years. Year 8 students will be vaccinated with HPV (Human Papillomavirus), Varicella (chicken pox) and dTpa (diphtheria, tetanus, whooping cough). Due to the change in the schedule EHA will undertake a reduced amount of visits to 21 high schools offering vaccinations to around 2,331 Year 8 students.

Around 200 community immunisation clinics are provided each year at 7 different locations at a variety of accessible times. Currently EHA offers catch-up vaccination history assessments to new residents to Australia which often results in these clients attending EHA's public immunisation clinics for the vaccines recommended as per the Australian Immunisation Schedule.

The agreement to provide immunisation services to The City of Unley expires at the end of 2015. If The City of Unley continues to require external providers in 2016 and beyond EHA will make the required submissions to continue providing this service.

Worksite programs are conducted on a fee for service basis. 4138 vaccinations were provided to clients in 2014. EHA is working to increase vaccinations provided by updating of marketing materials and active follow up of previous clients.

Objective 4 The provision of a comprehensive, accessible and efficient immunisation service valued by the community

| Actions | Performance Measures |
|--|---|
| <p>4.1 Delivery of a public clinic immunisation program in accordance with;</p> <ul style="list-style-type: none"> the current National Health and Medical Research Council (NHMRC) "Australian Immunisation Handbook" EHA's Standing Drug Orders the Department of Health and Ageing "Guidelines on Maintaining the Cold Chain" the <i>Controlled Substances Act 1984</i> and the <i>Controlled Substances (Poisons) Regulations 2011</i> the Vaccine Administration Code June 2012 EHA's Work Health and Safety protocols (particularly in relation to the use of sharps) South Australia's Child Protection Legislation – Child Safe Environment Guidelines. | <p>Client feedback and attendance. Number of clinics and vaccinations provided. Standing Drug Orders reviewed biannually or as required. Annual Cold Chain audit and pharmaceutical refrigerator maintenance. Clinical performance and evaluation. Liaison with EHA's Consultant Medical Officer of Health.</p> |
| <p>4.2 Promote EHA's public immunisation clinic program through a variety of mediums such as council customer service centres and publications, information kits, council and EHA websites. Mail out of the Immunisation Clinic Program to community organisations.</p> | <p>Number of articles published and amount of information accessed. Increased number of clinic timetables required and distributed. Website - reports of access.</p> |
| <p>4.3 Conduct an annual review of EHA's public clinic venues and timetable. Implement necessary changes, including identified hazards. Produce and publish annual immunisation program timetable to reflect the review of the public clinics.</p> | <p>Annual review undertaken at each venue and documented. Identified hazards actioned. Immunisation Program reviewed and published every November.</p> |
| <p>4.4 Deliver SBIP to students at schools within in EHA's area in accordance with the SA Health Service Agreement contract with local government.</p> | <p>All students offered vaccinations. Absent consenting students offered vaccination at EHA's public clinics. Coverage rates and statistics to SA Health.</p> |

| Actions (continued) | Performance Measures |
|---|---|
| <p>4.5 Liaise with school coordinators and Immunisation Section of SA Health regarding SBIP implementation and evaluation of program.</p> | <p>Successful SBIP implementation. Ongoing collaboration and evaluation of coverage. Representation on the SBIP Working Party for review of Protocols for the program.</p> |
| <p>4.6 Recommend vaccinations for community members at risk of occupationally acquired vaccine preventable diseases. Opportunistic promotion of WHS vaccination at public clinics and worksite programs.</p> <p>Website and Mail out promotion.</p> | <p>Enquiries for occupational based vaccinations. Response from mail out – number of new clients Increased WHS programs at 'At Risk' worksites.</p> |
| <p>4.7 Provide a specialist Worksite Immunisation Program both within and external to the Constituent Council boundaries on a fee for service basis within the private sector (i.e. flu, Heb B, dTpa).</p> <p>Review program annually – update documents. Aim to provide a professional service and stay competitive.</p> | <p>Feedback from clients. Increase of new clients and regular annual clients Income generated. Clinical governance maintained. Customer Service Policy recommendations reviewed.</p> |
| <p>4.8 Maintain client immunisation records on EHA's Immunisation database (ImPS program).</p> | <p>Database updated within 3 days of each clinic/school/worksite sessions.</p> |
| <p>4.9 Report immunisation statistics to SA Health and the Australian Childhood immunisation Register (ACIR), in accordance with contractual arrangements. SBIP statistics completed on SA Health Summary Sheets one month after the last school visit for each vaccine dose completed. Report HPV immunisation statistics to HPV Register monthly.</p> | <p>Statistics reported to ACIR within 5 days of clinics. HPV statistics reported monthly to HPV Register. SBIP Summary Sheet Statistics provided to SA Health in line with the contract arrangements.</p> |
| <p>4.10 The CEO/Team Leader Immunisation lobby through LGA for appropriate funding for sustainability of local government delivery of immunisation services. Development of the Immunisation Service Provision MOU for Local Government within the new <i>SA Public Health Act 2011</i> by the State Government</p> | <p>Meet with LGA/IPN (SA) group to discuss funding and support from governments. Attend meetings in regard to the SA Public Immunisation Services between SA Health and LGA SA. MOU endorsed.</p> |

| Actions (continued) | Performance Measures |
|--|--|
| <p>4.11 <u>Clinical Governance</u> Registered immunisation Nurses will participate in:</p> <ul style="list-style-type: none"> • the Immunisation Providers Network (SA) (IPN SA). • promoting best practice standards, uniformity and professional consistency. • a recognised SA Health authorised immunisation course. • maintain authorised immunisation provider status by completing 3 yearly recognised updates. • other professional updates – rotate participation of biannual PHAA Immunisation conference. • in-house education sessions and team meetings. • annual CPR and Mandated Notification updates. • complete 20 hours of valid documented Continuing Professional Development annually. • random audits by APHRA of RN's completed CPD hours. | <p>Immunisation Nurses attend the IPN SA meetings. Attend in-house education sessions and mandatory updates. Attend other professional updates. Complete and document annual CPD requirements. Immunisation Nurse Assessments of all RN staff.</p> |
| <p>4.12 Ensure activities and outcomes are communicated to the Board of Management, councils and state government bodies as required. Statistical and written reports to the Board of Management as per meetings. Annual Reports as required by the Board of Management and the <i>South Australian Public Health Act 2011</i>.</p> | <p>Statistical reports, Board Reports and Annual Reports compiled and distributed as required.</p> |

5.0 - Food Safety

Background

As consumers, we all have the right to expect that the food we eat is protected from microbiological contamination, foreign matter, poor hygiene and handling practices. While Australia has one of the safest food supplies in the world, the incidence of foodborne illness is on the increase. Illness caused by food is a significant public health problem and has major social and economic impacts.

A 2005 report, '*Foodborne Illness in Australia*' annual incidence circa 2000 provided the most comprehensive assessment of Australia's annual incidence of foodborne illness to date. That report showed that contaminated food caused:

- approximately 5.4 million cases of gastroenteritis per year
- 6,000 non-gastrointestinal illnesses
- 42,000 episodes of long-term effects (chronic sequelae)
- 1.2 million visits to medical practitioners
- 300,000 prescriptions for antibiotics and
- 2.1 million days of work lost each year

The *Food Act 2001* in conjunction with the Food Safety Standards (Chapter 3 of the Australia New Zealand Food Standards Code) aims to:

- ensure food for sale is both safe and suitable for human consumption
- prevent misleading conduct in connection with the sale of food
- provide for the application of the Food Standards Code

EHA is an enforcement agency under the *Food Act 2001* and is responsible for ensuring that appropriate food hygiene standards are maintained within its area.

Objective 5 **Minimise food borne illness by ensuring that safe and suitable food is available to the community**

| Actions | Performance Measures |
|---|---|
| 5.1 Food businesses are assigned a 'Risk Rating' in accordance with the SA Health Food Business Risk Classification system. Frequency of routine assessments is adjusted based on their performance and within the range of the risk classification. | Apply relevant risk rating to new businesses and undertake assessments in accordance with SA Health Food Business Risk Classification system. |
| 5.2 Routine food business assessments conducted using the Australian Food Safety Assessment (AFSA) in accordance with the <i>Food Act 2001</i> and <i>Food Safety Standards</i> . | Assessments performed in accordance with the assigned risk rating and frequency. |
| 5.3 Conduct assessments using the SA Health 'Heightened Inspections forms' for food processing activities that fall under the Primary Production Standards. | SA Health 'Heightened Inspections forms' used when food processing activities fall under the Primary Production Standards. |
| 5.4 Monitor and identify new food processing practices during routine assessments. Update the risk rating to reflect the changes. | Update risk ratings where required. |
| 5.5 Ensure appropriate enforcement action is taken in relation to breaches of the <i>Food Act 2001</i> and associated standards in accordance with EHA's enforcement policy. | Number of enforcement actions taken. |
| 5.6 Investigate food related complaints in a systematic and timely manner in relation to: <ul style="list-style-type: none"> - alleged food poisoning - microbiological and chemical contamination - foreign matter found in food - poor personal hygiene and handling practices - unclean premises - vermin, insects and pest activity - refuse storage Liaise with SA Health and other councils to ensure a co-ordinated approach where necessary. | Respond to complaints in accordance with customer service standards. |
| 5.7 Respond to food recalls in accordance with SA Health recommendations. | Number of recalls actioned. |
| 5.8 Ensure that all businesses servicing vulnerable populations (within the boundaries of the Constituent Councils) have their food safety plan audited in accordance with Food Safety Standard 3.3.1 and the <i>Food Act 2001</i> . | Number of audits conducted. |

| Actions (continued) | Performance Measures |
|---|--|
| 5.9 Provide a professional auditing service to businesses external to Constituent Council boundaries which require their food safety plans to be audited. | Number of audits conducted. |
| 5.10 Ensure businesses provide notification of their business details. Maintain a register of all food businesses operating within EHA's jurisdiction. | Update within 5 days of receipt of new information. |
| 5.11 Ensure Health Manager is updated with assessment status and actions taken to ensure effective reporting to the Board of Management, Constituent Councils and SA Health. | Update within 5 days of assessment or action. |
| 5.12 Provide information to the Board of Management in relation to food safety reforms, such as the Parliamentary Enquiry into Food Safety Schemes, and provide written responses on behalf of EHA and Constituent Councils to State Government. | Information reports provided to Board and distributed to Constituent Councils. |
| 5.13 Proactively monitor development of new food businesses and refurbishment of existing food businesses. Provide advice in relation to the construction and fit out of premises where requested. Respond to development application referrals from council. | Timely response. |
| 5.14 Provide new food businesses with an information kit that introduces EHA and informs the business about the inspection fee policy and food safety essentials. | Information kit provided following receipt of notification form. |
| 5.15 Conduct food safety assessments of fairs and festivals, temporary events and school fetes in collaboration with the Constituent Councils and relevant event co-ordinators. | Undertake assessments where required. |
| 5.16 Participate in the Environmental Health Australia "Food Safety" Special Interest Group (SIG) to promote uniformity and professional consistency and to discuss the latest information in relation to food safety issues affecting local government. | Attend and actively participate at SIG meetings. |
| 5.17 Actively communicate updates from SA Health and FZSANZ to food premises. | Provide updated information to food businesses as required. |

6.0 - Health Care and Community Services

Background

Supported Residential Facilities (SRF's) provide accommodation to people in the community who require personal care and support.

SRF's are regulated under the *Supported Residential Facilities Act 1992* (the Act) to ensure adequate standards of care and amenity to protect the rights of residents.

A low level of care is provided to residents such as assistance with medication management, personal care, and financial management, as well as supplying meals and accommodation.

Personal care services are defined under the Act as bathing, showering or personal hygiene, toileting or continence maintenance, dressing or undressing, consuming food, medication management, management of personal finances and direct physical assistance to aid mobility issues.

Residents living in SRFs are vulnerable due to the disability or impairment that is often associated with these clients, including physical, intellectual or psychiatric.

The Minister for Communities and Social Inclusion is responsible for promoting the objectives of the Act, and local councils administer and enforce the Act. EHA is the licensing authority for all SRFs within the Constituent Councils, and continues to act as the licensing authority for SRFs within The City of Unley, under delegated authority.

Objective 6 **Promote a safe and home-like environment for residents by ensuring quality of care in supported residential facilities**

| Actions | Performance Measures |
|--|---|
| 6.1 Assess applications for new licences, licence renewals and transfer of licence with regard to Supported Residential Facility legislation and guidelines within legislative timeframes. | Applications processed within legislative timeframes. |
| 6.2 Assess applications for manager and acting manager with regard to Supported Residential Facility legislation and guidelines. | Applications processed within legislative timeframes. |
| 6.3 Conduct relicensing audits of facilities against Supported Residential Facility legislation and guidelines. Take advice of the appropriate Fire Safety requirements from the Constituent Councils Building Fire and Safety Officers. | Bi-annual un-announced audits conducted at all facilities. Fire safety advice obtained annually. |
| 6.4 Conduct ongoing inspections to ensure compliance with the legislation including conformity with licence conditions. | Unannounced inspections conducted at SRFs. |
| 6.5 Respond to enquiries/complaints in relation to SRFs | Responses occur in line with customer service standard. |
| 6.6 Liaise with service providers to ensure residents receive appropriate levels of care. | Liaise where required. |
| 6.7 Participate in the Environmental Health Australia "SRF" Special Interest Group to promote uniformity and professional consistency and to discuss the latest information in relation to SRF issues affecting local government. | Attendance of EHA Officers at SIG meetings. |
| 6.8 Liaise with Department for Families and Communities and Constituent Councils on the potential for SRF closures in the area, strategic management options and appropriate alternative accommodation options. | Issues investigated and reported to Board of Management and relevant council as necessary. |
| 6.9 Lobby State Government to ensure legislation applicable to SRFs is appropriate and that local government receives appropriate support for its licensing role. | Initiate discussion with LGA regarding these issues. |
| 6.10 Provide information to the Board of Management in relation to reform of Supported Residential Facilities and provide written responses on behalf of the EHA and Constituent Councils to State Government. | Information reports provided to Board of Management and distributed to Constituent Councils. |
| 6.11 Act as Licensing EHA pursuant to the <i>Supported Residential Facilities Act 1992</i> for The City of Unley on a fee for service basis. | Feedback from City of Unley. Contract maintained. |
| 6.12 Provide written reports and attend meetings with The City of Unley in accordance with SRF licensing contract requirements. | Reports provided twice per year (as per agreement) and as required. |

| Actions (continued) | Performance Measures |
|--|--|
| 6.13 Ensure activities and outcomes are communicated to the Board of Management, councils and state government bodies as required via: Reports to the Board of Management, Delegates Reports and Annual Report. | Board Reports and Annual Reports compiled and distributed. |

7.0 - Emergency Management

Background

The Queensland floods, the tsunami in Japan and earthquake in Christchurch during 2011 have vividly exposed us to the devastating consequences of disaster events.

In any emergency situation, the ability to respond effectively is vital and the effectiveness of the response will be determined by appropriate preparation and planning. Environmental Health professionals play a critical role in the response and recovery phases of emergency situations.

An emergency management plan has been developed to define and address the unique issues that confront environmental health professionals in an emergency situation and prepare them for the enhanced role that they will have. It ensures appropriate linkages are in place with emergency service agencies and the councils EHA serves should an emergency situation occur and is designed to integrate with the Eastern Region Disaster Management Plan.

A risk analysis of hazards that may affect the region was completed during 2007 by the Eastern Regional Emergency Risk Management project. EHA's Emergency Management Plan identifies five hazards that are likely to have significant environmental health implications: Pandemic Disease, Disease (arising within the EHA's area), Flooding (1 in 100 year event), Earthquake and Bushfire.

An emergency may impact upon EHA itself, potentially disrupting operations and affecting critical assets. This will pose a unique challenge when environmental health service delivery is likely to alter in response to the circumstances of the situation. A Business Continuity Plan identifies a range of actions required to ensure critical functions are restored within the timeframes specified.

Objective 7 **Minimise the public health consequences of emergencies through a planned and prepared response**

| Actions | Performance Measures |
|---|---|
| 7.1 Liaise with the Constituent Councils and Eastern Adelaide Zone Emergency Management Committee to ensure integration of emergency management arrangements. | Attend and participate in committee meetings. |
| 7.2 Conduct exercises with staff to test the Emergency Management Plan and Business Continuity Plan. Participate in any relevant exercises conducted within the region by other organisations. | Conduct or participate in one exercise a year. |
| 7.3 Review and update emergency management information on the website. | Review and update as required. |
| 7.4 Review and update the Emergency Management Plan and note any alternations on the amendments register. Review the status of actions arising from the Emergency Management Plan and Business Continuity Plan. | Review the plan and update where required. |
| 7.5 Participate with Environmental Health Australia and state and local government authorities to review best practice standards and promote uniformity and professional consistency. | Staff to participate in the Disease Control and Emergency Management Special Interest Group and other relevant committees. |
| 7.6 Ensure activities and outcomes are communicated to the Board of Management, councils and state government bodies as required via: Monthly statistical reports; Reports to the Board of Management and Annual Report under the <i>South Australian Public Health Act 2011</i> . | Statistical reports, Board Reports and Annual Reports compiled and distributed. |
| 7.7 Emergency Management Plan strategies to be reflected in the Public Health Plan and Risk and Opportunity Management Policy and Framework to ensure consistency over the three strategic plans. | Emergency Management Plan incorporated in the Risk and Opportunity Management Policy and Framework. The Emergency Management Plan to be recognised during the public health planning process. |

| EASTERN HEALTH AUTHORITY STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDING 30 JUNE 2016 | | |
|--|---|--------------------|
| REVISED BUDGET 14/15 | | DRAFT BUDGET 15/16 |
| \$ | INCOME | \$ |
| 1,592,105 | Council Contributions | 1,609,306 |
| 192,700 | Statutory Charges | 194,000 |
| 331,500 | User Charges | 307,000 |
| 125,500 | Grants, subsidies and contributions | 126,500 |
| 25,000 | Investment Income | 20,000 |
| 18,500 | Other Income | 14,000 |
| 2,285,305 | TOTAL INCOME | 2,270,806 |
| | EXPENSES | |
| 1,581,000 | Employee Costs | 1,616,000 |
| 585,700 | Materials, contracts and other expenses | 576,200 |
| 25,237 | Finance Charges | 22,672 |
| 80,851 | Depreciation | 80,851 |
| 2,272,788 | TOTAL EXPENSES | 2,295,723 |
| 12,517 | Operating Surplus/(Deficit) | (24,917) |
| - | Net gain (loss) on disposal of assets | - |
| 12,517 | Net Surplus/(Deficit) | (24,917) |

| EASTERN HEALTH AUTHORITY STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 30 JUNE 2016 | | |
|--|---|--------------------|
| REVISED BUDGET 14/15 | | DRAFT BUDGET 15/16 |
| \$ | CASHFLOWS FROM OPERATING ACTIVITIES | \$ |
| | <u>Receipts</u> | |
| 2,260,305 | Operating Receipts | 2,250,806 |
| 25,000 | Investment Receipts | 20,000 |
| | <u>Payments</u> | |
| (2,166,700) | Operating Payments to Suppliers & Employees | (2,192,200) |
| (25,237) | Interest Expense | (22,672) |
| 93,368 | Net Cash Provided/(Used) by Operating Activities | 55,934 |
| | CASH FLOWS FROM FINANCING ACTIVITIES | |
| - | Loans Received | - |
| (53,368) | Loan Repayments | (55,934) |
| (53,368) | Net Cash Provided/(Used) by Financing Activities | (55,934) |
| | CASH FLOWS FROM INVESTING ACTIVITIES | |
| | <u>Receipts</u> | |
| - | Sale of Replaced Assets | - |
| | <u>Payments</u> | |
| - | Expenditure on renewal / replacements of assets | - |
| - | Expenditure on new / upgraded assets | - |
| - | Distributions paid to constituent Councils | (200,000) |
| - | Net Cash Provided/(Used) by Investing Activities | (200,000) |
| 40,000 | NET INCREASE (DECREASE) IN CASH HELD | (200,000) |
| 719,815 | CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD | 759,815 |
| 759,815 | CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD | 559,815 |

| EASTERN HEALTH AUTHORITY STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDING 30 JUNE 2016 | | |
|--|--|--------------------|
| REVISED BUDGET 14/15 | | DRAFT BUDGET 15/16 |
| \$ | CURRENT ASSETS | \$ |
| 759,815 | Cash and Cash Equivalents | 559,815 |
| 178,512 | Trade & Other Receivables | 178,512 |
| - | Other | - |
| 938,327 | TOTAL CURRENT ASSETS | 738,327 |
| | CURRENT LIABILITIES | |
| 181,322 | Trade & Other Payables | 181,322 |
| 251,094 | Provisions | 251,094 |
| 50,920 | Borrowings | 50,920 |
| - | Other | - |
| 483,336 | TOTAL CURRENT LIABILITIES | 483,336 |
| 454,991 | NET CURRENT ASSETS/(CURRENT LIABILITIES) | 254,991 |
| | NON-CURRENT ASSETS | |
| 443,949 | Equipment | 363,098 |
| - | Other | - |
| 443,949 | TOTAL NON-CURRENT ASSETS | 363,098 |
| | NON-CURRENT LIABILITIES | |
| 43,218 | Provisions | 43,218 |
| 440,213 | Borrowings | 384,279 |
| 483,431 | TOTAL NON-CURRENT LIABILITIES | 427,497 |
| 415,509 | NET ASSETS | 190,592 |
| | EQUITY | |
| 415,509 | Accumulated Surplus/(Deficit) | 190,592 |
| 415,509 | TOTAL EQUITY | 190,592 |

| EASTERN HEALTH AUTHORITY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDING 30 JUNE 2016 | | |
|---|--------------------------------------|--------------------|
| REVISED BUDGET 14/15 | | DRAFT BUDGET 15/16 |
| | ACCUMULATED SURPLUS | |
| 402,992 | Balance at beginning of period | 415,509 |
| 12,517 | Net Surplus/(Deficit) | (24,917) |
| - | Distribution to Constituent Councils | (200,000) |
| 415,509 | Balance at end of period | 190,592 |
| 415,509 | TOTAL EQUITY | 190,592 |

6.4 REAPPOINTMENT OF MEMBERS OF THE EASTERN HEALTH AUTHORITY AUDIT COMMITTEE

Author: Michael Livori
Ref: AF12/195

Summary

This report provides recommendations in relation to the reappointment of two (2) Independent Members to the Eastern Health Authority (EHA) Audit Committee and extension of the current Board appointed committee member term.

Report

Audit committees provide an important independent role between a Regional Subsidiary and its management. Audit committees have no authority to act independently of EHA and can only act in areas covered by their terms of reference.

One of the primary roles of this committee is to provide suggestions and recommendations to EHA and/or management, about actions to be taken to enhance financial governance, considered to be in the best interests of the Constituent Council's communities.

The Audit Committee plays a critical role in the financial reporting framework of EHA by overseeing and monitoring the participation of management and external auditors in the financial reporting process. It addresses issues such as the approach being adopted by EHA and management to address business risks, corporate and financial governance responsibilities and legal compliance. EHA may also refer issues of a strategic nature to its Audit Committee. The Audit Committee focuses its attention at the strategic level, with issues of an operational nature being referred to EHA's senior management.

The principle functions and extent of authority for an Audit Committee are set out in Section 126 of the *Local Government Act 1999*. In summary the minimum statutory functions of an Audit Committee include:

- reviewing annual financial statements to ensure that they present fairly the state of affairs of the Authority; and
- proposing and providing information relevant to a review of the Authority's strategic management or annual business plans; and
- proposing and reviewing the exercise of the efficiency and economy powers (under Section 130A); and
- liaising with the Authority's auditor; and
- reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the Authority on a regular basis.

To gain the most benefit from having an audit committee, it is important that EHA appoints properly skilled people who have experience in audit practices and understand the business of EHA.

The Act requires that members of the Authority's audit committee:

- may not include an employee of the Authority;
- may include persons who are not members of the Authority;
- may include members of an audit committee of another council (or in fact may have the same membership as the audit committee of another council); and
- must otherwise be determined in accordance with the requirements of the regulations (if appropriate).

Section 1 of the EHA Audit Committee Terms of Reference deals with the membership of the committee.

1. MEMBERSHIP

- 1.1 The Audit Committee of the Authority is formed under Section 41 of the Local Government Act 1999 (the Act), for the purposes of Section 126 of the Act.*
- 1.2 Members of the committee are appointed by the Authority. The committee shall comprise three members consisting of two independent members and one Board Member.*
- 1.3 Independent Members of the Committee shall have extensive and relevant financial management, risk management or internal audit qualifications and experience.*
- 1.4 Only members of the committee are entitled to vote in committee meetings. Unless otherwise required by the Act not to vote, each member must vote on every matter that is before the committee for a decision.*
- 1.5 In accordance with the principles of open, transparent and informed decision making, committee meetings must be conducted in a place open to the public. The agenda and minutes of the committee meetings, subject to any items that are discussed in confidence under Section 90 of the Act and subsequently retained as confidential under Section 91 of the Act, are also required to be made available to the public.*
- 1.6 Individual members of the Authority's administration staff, such as the Chief Executive Officer and Senior Staff may attend any meeting as observers or be responsible for preparation of papers for the Committee.*
- 1.7 The Authority's external auditor may also be invited to attend meetings of the committee, as appropriate.*
- 1.8 Appointments to the committee shall be for a period of two years. At the expiration of this period all positions will be declared vacant and nominations will be sought for another two year term. Appointees may be reappointed by the Authority through this process.*
- 1.9 The Presiding Member of the committee will be one of the independent members and will be appointed by the Audit Committee for the term of the Committee. In the absence of the chairperson the Committee will appoint one of the other members as Acting Presiding Member for the duration of the meeting.*

EHA's Audit Committee current members are:

| | |
|-------------------|---|
| Cr Talis Evans | Board Appointed Member |
| Lisa Scinto | Independent Member and Presiding Member |
| Claudia Goldsmith | Independent Member |

At the Board of Management meeting held on 11 February 2015, Talis Evans was appointed as the Board representative to the Audit Committee for the period 11 February 2015 to 11 February 2017.

At the Board of Management meeting held on 19 February 2014, Lisa Scinto was appointed as the Independent Presiding Member of the Audit Committee with the appointment expiring on 19 February 2016.

At the Board of Management meeting held on 19 February 2014, Claudia Goldsmith was appointed as an Independent Member of the Audit Committee with the appointment expiring on 19 February 2016.

As detailed above, the current terms of the individual committee members are not in sync and the Independent members of the committee require reappointment.

It is recommended that all members of the committee be reappointed for the period 17 February 2016 to 17 February 2018.

Both Lisa Scinto and Claudia Goldsmith have indicated their desire to continue their work with EHA in their respective roles on the committee.

Talis Evans has indicated that he is happy for his term as the Board Appointed Member of the Committee to be extended by 12 months.

RECOMMENDATION

That:

1. The report regarding reappointment of members of the Eastern Health Authority Audit Committee is received.
2. Lisa Scinto is appointed as Presiding Member of the Eastern Health Authority Audit Committee for a term concluding on 17 February 2018.
3. Claudia Goldsmith is appointed as an Independent Member of the Eastern Health Authority Audit Committee for a term concluding on 17 February 2018.
4. Talis Evans term as the Board representative on the Eastern Health Authority Audit Committee is extended to 17 February 2018.
5. Sitting fees for an Independent Member are set at \$350 and Presiding Member at \$450 per meeting.

6.5 PROCUREMENT POLICY

Author: Michael Livori
Ref: AF11/68

Summary

Following a review of the Procurement Policy by Eastern Health Authority (EHA) administrative staff a revised policy is provided to the Board of Management for consideration and adoption. The EHA Audit Committee considered and endorsed the content of the revised Procurement Policy at its meeting held on 25 November 2015.

Report

The EHA Procurement Policy (the Policy) is based on the Local Government Association Procurement Guide which provides guidance to Local Government in applying a consistent approach to their various procurement activities.

The policy applies to the procurement of all goods, equipment and related services, construction contracts and service contracts. The purpose of the policy is to ensure the process of procuring goods and services acquired by EHA promotes accountability, results in best value and effectively manages risks.

The current policy has been reviewed and a number of changes are recommended as detailed below.

- Minor grammatical changes
- Title changed to Procurement Policy
- *Section 5 Selection of an Appropriate Procurement Policy* has been updated. This revised section is modelled on Campbelltown City Council Procurement Policy and has been amended to suit EHA
- *Section 7.1 Emergency Procurement* has been added to the policy to enable procurement to take place during emergency situations. Explanation was added that an Emergency purchase may be made outside this policy without Board approval if not practicable. The definition of certain situations where an Emergency situation would exist was expanded and noted that a report to the Board of Management would be made in relation to the emergency expenditure
- *Section 5 Selection of Appropriate Procurement Process* the committee recommended to remove 'Limited' and 'Staged' tendering processes
- *Section 8 Delegations* has been amended to reflect new job titles for senior staff

A copy of the current Procurement Policy with suggested changes detailed as tracked changes is provided as attachment 1.

A copy of a draft amended Procurement Policy with these changes accepted is provided as attachment 2.

RECOMMENDATION

That:

1. The report regarding the Procurement Policy is received.
2. The Procurement Policy marked attachment 2 to the Procurement Policy report dated 17 February 2016 is adopted.

PROCUREMENT POLICY

1

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~~POLICY FOR THE~~ PROCUREMENT POLICY OF GOODS AND SERVICES

| | |
|---|---|
| Policy Reference | FM02 |
| Date of initial Board Adoption | 22 June 2011 |
| Minutes Reference | 10: 062011 |
| <u>Date Last Reviewed by EHA</u> | <u>22 January 2014</u> |
| Date of Audit Committee Endorsement (if applicable) | 25 November 2015 |
| <u>Date last reviewed by Eastern Health Authority Board of Management</u> | <u>19 February 2014</u> |
| <i>Relevant Document Reference</i> | Guidance prepared by Local Government Corporate Services for Councils - The Procurement Guide |
| <u>Applicable Legislation</u> | <u>Section 49 of the Local Government Act 1999</u> |

1. Purpose

The Procurement Policy (the "Policy") provides information and guidance to staff and officers in their procurement of goods, works or services.

The Policy demonstrates Eastern Health Authority's (EHA) commitment to procuring goods and services in an open, fair, transparent and effective manner that ensures the maintenance of appropriate standards of probity and ethics throughout procurement processes.

2. Scope

Procurement encompasses the whole process of acquiring property, goods or services.

Procurement begins when EHA has identified a need and has decided on its procurement requirement. Procurement continues through the processes of risk assessment, seeking and evaluating alternative solutions, contract award, delivery of and payment for the property, goods or services and, when relevant, the ongoing management of a contract and the consideration of options related to the contract, and also extends to the ultimate disposal of property. An essential part of the procurement cycle is the ongoing monitoring and assessment of the procurement, including the property, goods or services procured.

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PROCUREMENT POLICY

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3. Policy Objective

1. INTRODUCTION

- 1.1 In compliance with Section 49 of the Local Government Act 1999 (Act), EHA should refer to the policy for the Procurement of Goods and Services (Policy) when acquiring goods and services.
- 1.2 Section 49 of the Act requires EHA to prepare and adopt policies on contracts and tenders on:
- 1.2.1 the contracting out of services; and
 - 1.2.2 competitive tendering and the use of other measures to ensure that services are delivered cost-effectively; and
 - 1.2.3 the use of local goods and services.
- 1.3 Furthermore, Section 49 (a1) of the Act requires EHA to develop and maintain policies, practices and procedures directed towards:
- 1.3.1 obtaining value in the expenditure of public money; and
 - 1.3.2 providing for ethical and fair treatment of participants; and
 - 1.3.3 ensuring probity, accountability and transparency in all operations.
- 1.4 This Policy seeks to:
- 1.4.1 define the methods by which EHA can acquire goods and services;
 - 1.4.2 demonstrate accountability and responsibility of EHA to ratepayers;
 - 1.4.3 be fair and equitable to all parties involved;
 - 1.4.4 enable all processes to be monitored and recorded; and
 - 1.4.5 ensure that the best possible outcome is achieved for the EHA.
- 1.5 However, this Policy does not cover:

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| | | |
|--|----------|---|
| PROCUREMENT POLICY | 3 | Formatted: Tab stops: 12.5 cm, Left |
| <u>1.5.1 non-procurement expenditure such as sponsorships, grants, funding arrangements, donations and employment contracts; or</u> | | Formatted: Normal |
| <u>1.5.2 the disposal of land and other assets owned by the EHA.</u> | | Formatted: List Paragraph, Right: 0.23 cm, Outline numbered + Level: 2 + Numbering Style: Bullet + Aligned at: 1.26 cm + Indent at: 1.9 cm, Tab stops: 0.5 cm, Left |
| 2. POLICY OBJECTIVE | | Formatted: List Paragraph, Right: 0.23 cm, Outline numbered + Level: 2 + Numbering Style: Bullet + Aligned at: 1.26 cm + Indent at: 1.9 cm, Tab stops: 0.5 cm, Left |
| EHA aims to achieve advantageous procurement outcomes by: | | Formatted: List Paragraph, Right: 0.23 cm, Outline numbered + Level: 2 + Numbering Style: Bullet + Aligned at: 1.26 cm + Indent at: 1.9 cm, Tab stops: 0.5 cm, Left |
| <u>4.4</u> enhancing value for money through fair, competitive, non-discriminatory procurement; | | Formatted: List Paragraph, Right: 0.23 cm, Outline numbered + Level: 2 + Numbering Style: Bullet + Aligned at: 1.26 cm + Indent at: 1.9 cm, Tab stops: 0.5 cm, Left |
| <u>4.2</u> promoting the use of resources in an efficient, effective and ethical manner; | | Formatted: List Paragraph, Right: 0.23 cm, Outline numbered + Level: 2 + Numbering Style: Bullet + Aligned at: 1.26 cm + Indent at: 1.9 cm, Tab stops: 0.5 cm, Left |
| <u>4.3</u> making decisions with probity, accountability and transparency; | | Formatted: List Paragraph, Right: 0.23 cm, Outline numbered + Level: 2 + Numbering Style: Bullet + Aligned at: 1.26 cm + Indent at: 1.9 cm, Tab stops: 0.5 cm, Left |
| • advancing and/or working within EHA's economic, social and environmental policies; | | Formatted: List Paragraph, Right: 0.23 cm, Outline numbered + Level: 2 + Numbering Style: Bullet + Aligned at: 1.26 cm + Indent at: 1.9 cm, Tab stops: 0.5 cm, Left |
| <u>4.4</u> providing reasonable opportunity for competitive local businesses to supply to EHA; | | Formatted: List Paragraph, Right: 0.23 cm, Outline numbered + Level: 2 + Numbering Style: Bullet + Aligned at: 1.26 cm + Indent at: 1.9 cm, Tab stops: 0.5 cm, Left |
| appropriately managing risk; and | | Formatted: List Paragraph, Right: 0.23 cm, Outline numbered + Level: 2 + Numbering Style: Bullet + Aligned at: 1.26 cm + Indent at: 1.9 cm, Tab stops: 0.5 cm, Left |
| <u>4.5</u> ensuring compliance with all relevant legislation. | | Formatted: List Paragraph, Right: 0.23 cm, Outline numbered + Level: 2 + Numbering Style: Bullet + Aligned at: 1.26 cm + Indent at: 1.9 cm, Tab stops: 0.5 cm, Left |
| 4. Procurement Principles | | Formatted: List Paragraph, Right: 0.23 cm, Outline numbered + Level: 2 + Numbering Style: Bullet + Aligned at: 1.26 cm + Indent at: 1.9 cm, Tab stops: 0.5 cm, Left |
| 2. PROCUREMENT PRINCIPLES | | Formatted: Normal, Right: 0.23 cm, Tab stops: 1 cm, Left |
| EHA must have regard to the following principles in its acquisition of goods and services: | | Formatted: Heading 2, Indent: Left: 1.27 cm, Right: 0.23 cm, Tab stops: 0.5 cm, Left |
| <u>2.4 4.1</u> Encouragement of open and effective competition | | Formatted: Font: Not Bold, Not Italic |
| <u>2.2 4.2</u> Obtaining Value for Money | | Formatted: Heading 2, Indent: Left: 1.27 cm, Right: 0.23 cm, Tab stops: 0.5 cm, Left |
| <u>2.2.14.2.1</u> This is not restricted to price alone. | | Formatted: Font: Not Italic |
| <u>4.2.2 4.2.2</u> An assessment of value for money must include, where possible, consideration of: | | Formatted: List Paragraph, Indent: Hanging: 0.79 cm, Right: 0.23 cm, Outline numbered + Level: 3 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 2.02 cm + Indent at: 3.29 cm, Tab stops: 0.5 cm, Left |
| <u>2.2.2.1</u> the contribution to EHA's long term financial plan and strategic direction; | | Formatted: Normal, Indent: First line: 3.75 cm, Right: 0.23 cm, Tab stops: 0.5 cm, Left |
| <u>2.2.2.2</u> any relevant direct and indirect benefits to EHA, both tangible and intangible; | | Formatted: ... |
| <u>2.2.2.3</u> efficiency and effectiveness of the proposed procurement activity; | | Formatted: ... |
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| Page 3 of 10 | | |

PROCUREMENT POLICY

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2.2.2.4. the performance history, and quality, scope of services and support of each prospective supplier;

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2.2.2.5. fitness for purpose of the proposed goods or service;

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2.2.2.6. whole of life costs;

2.2.2.7. EHA's internal administration costs;

•

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2.2.2.8. technical compliance issues;

•

• risk exposure; and

2.2.2.9. the value of any associated environmental benefits.

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2.34.3 Probity, Ethical Behaviour and Fair Dealing

EHA is to behave with impartiality, fairness, independence, openness and integrity in all discussions and negotiations.

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2.44.4 Risk Management

Ensure that appropriate risk management practices are in place for procurement activities including risk identification, assessment, and implementation of controls.

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2.64.5 Accountability, Transparency and Reporting

2.64.6 Ensuring compliance with all relevant legislation

2.74.7 Encouragement of the development of competitive local business and industry

Where the evaluation criteria are comparable, EHA may consider the following:

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2.7.1. the creation of local employment opportunities;

2.7.2. increased availability of local servicing support;

2.7.3. increased convenience with communications with the supplier for contract management;

2.7.4. economic growth within the local area;

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2.7.5. benefit to EHA of associated local commercial transaction; and/or

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• the short and long term impact of the procurement on local business.

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| PROCUREMENT POLICY | 5 | Formatted: Tab stops: 12.5 cm, Left |
| 2.84.8 Environmental protection | | Formatted: Normal |
| EHA will seek to: | | Formatted: Heading 2, Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 2 + Alignment: Left + Aligned at: 0.9 cm + Indent at: 2.06 cm |
| 2.8.1 adopt purchasing practices which conserve natural resources; | | Formatted: Level 2, Outline numbered + Level: 3 + Numbering Style: Bullet + Aligned at: 1.8 cm + Indent at: 3.07 cm |
| • | | |
| 2.8.2 align the EHA's procurement activities with principles of ecological sustainability; | | Formatted: Level 2, Outline numbered + Level: 3 + Numbering Style: Bullet + Aligned at: 1.8 cm + Indent at: 3.07 cm |
| • | | |
| 2.8.3 purchase recycled and environmentally preferred products where possible; | | Formatted: Level 2, Outline numbered + Level: 3 + Numbering Style: Bullet + Aligned at: 1.8 cm + Indent at: 3.07 cm |
| • | | |
| 2.8.4 integrate relevant principles of waste minimisation and energy; | | Formatted: Level 2, Outline numbered + Level: 3 + Numbering Style: Bullet + Aligned at: 1.8 cm + Indent at: 3.07 cm |
| 2.8.5 foster the development of products and services which have a low environmental impact; | | |
| 2.8.6 provide leadership to business, industry and the community in promoting the use of environmentally sensitive goods and services. | | |
| 2.94.9 Financial Responsibility | | Formatted: Heading 2, Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 2 + Alignment: Left + Aligned at: 0.9 cm + Indent at: 2.06 cm |
| Ensure that EHA employees procure Goods, Works, or Services where there is an approved and allocated budget for that purchase, and where an EHA employee with the appropriately delegated financial authority approves the purchase. | | |
| 5 Selection Of An Appropriate Procurement Process | | |
| 3. SELECTION OF AN APPROPRIATE PROCUREMENT PROCESS | | |
| 3.45.1 EHA will generally select from one of the following procurement processes: | | Formatted: Font: Not Bold |
| • Open tendering | | Formatted: Indent: Left: 1.37 cm, Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 1.1 cm + Indent at: 1.74 cm |
| • Select tendering | | |
| • Limited tendering | | |
| • Staged tendering | | |
| • Direct negotiation with a preferred supplier, group of suppliers or supplier panel | | |
| • Request for quotes | | |
| • The use of existing third party contracts | | |
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PROCUREMENT POLICY

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- Joint procurement arrangements with constituent councils
- Direct sourcing
- Panel arrangements (eg Local Government Association Procurement, Strategic Purchasing) or arrangements with prequalified suppliers

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The appropriate procurement method will be determined on a case by case basis.

Participation in the procurement process imposes costs on EHA and potential suppliers. These costs will be considered when determining a process commensurate with the sale, scope and relative risk of the proposed procurement and where relevant.

3.25.2 Justification of Choice of Procurement Method

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Employees will select a method of approaching the market which is suited to the procurement. Determining the best method in the circumstances will generally be based on the consideration of the following types of issues:

- The nature of the procurement
- The value of the procurement
- The risk associated with the procurement
- Whether the market for the procurement is known
- What is the most efficient process to achieve EHA's objectives in a timely and cost efficient manner

5.3 The following table provides direction regarding approach to market selection and the decision making responsibility for procurements:

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| Procurement Category | Estimated Value Range (ex GST) | Acceptable Approaches to Market | Decision Making Responsibility |
|----------------------|--------------------------------|---|---------------------------------------|
| 1 | Up to \$3K | <ul style="list-style-type: none"> • Direct sourcing/negotiation | Employees – within the limit of their |

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PROCUREMENT POLICY

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| | | | |
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| | | <ul style="list-style-type: none"> • Use of existing third party contracts • Panel arrangements/arrangements with prequalified suppliers | delegated purchasing authority (see below) and the approved budget |
| 2 | \$3,001 - \$5,000 | <ul style="list-style-type: none"> • Use of existing third party contracts • Panel arrangements/arrangements with prequalified suppliers • Joint procurement arrangements with other constituent <u>Constituent Councils</u> • Verbal quotes from at least two (2) suppliers • Direct negotiation with supplier(s) where market is known to be limited | Employees – within the limit of their delegated purchasing authority (see below) and the approved budget |
| <u>Procurement Category (cont.)</u> | <u>Estimated Value Range (ex GST)</u> | <u>Acceptable Approaches to Market</u> | <u>Decision Making Responsibility</u> |
| 3 | \$5,001 - \$50,000 | <ul style="list-style-type: none"> • Use of existing third party contracts • Panel arrangements/arrangements with prequalified suppliers • Joint procurement arrangements with other <u>Constituent Councils</u>constituent councils • Written quotes from at least three (3) suppliers • Direct negotiation with preferred supplier(s) where market is known to be limited | Chief Executive Officer – within the limit of their delegated purchasing authority (see below) and the approved budget |

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| | | | |
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| | | <ul style="list-style-type: none"> Request for Quotation | |
| 4 | \$50,001 and over | <ul style="list-style-type: none"> Use of existing third party contracts Panel arrangements/arrangements with prequalified suppliers Joint procurement arrangements with other <u>Constituent Councils</u><u>constituent councils</u> Request for Quotation Open/Select/Limited/Staged Tender | Chief Executive Officer – within the approved budget – based on recommendations by Employees provided in a report |

3. CONSIDERATIONS FOR EHA**4.6 Records**

EHA must record written reasons for utilising a specific procurement method in each activity and where it uses a procurement method other than tendering.

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5.7 Exemptions~~Exemptions~~ **from this policy**

This Policy contains general guidelines to be followed by EHA in its procurement activities. There may be emergencies, or procurements in which a tender process will not necessarily deliver best outcome for EHA, and other market approaches may be more appropriate.

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Formatted: Font: 14 pt, Bold**Formatted:** Font: 14 pt**5.1****7.1 Policy Waiver**

In certain circumstances, EHA may, after approval from its Board Members, waive application of this Policy and pursue a method which will bring the best outcome for EHA. EHA must record its reasons in writing for waiving application of this Policy.

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Formatted: Border: Top: (No border)**Formatted:** Normal**6.47.2 Emergency Procurement**

7.2.1 CEO will undertake procurement activities during an emergency taking into account EHA's procurement objectives. Preferred suppliers must be given consideration in the first instance. An emergency is deemed a serious situation or occurrence that happens unexpectedly and demands immediate

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action. Emergency purchase may be made outside this policy and without Board approval if not practicable if one of the following situations exist:

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5.1.1 There is a genuine concern for public safety

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5.1.2 To avoid major expenses from an unplanned event

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- To provide security of EHA's assets eg invoking an Emergency Response Plan or Business Continuity Plan

- Any other incident or circumstance determined by the CEO.

5.1.3

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7.2.2 Where a purchase is made under this clause, the following will apply:

- 7.2.1 The expenditure will be limited to that required to alleviate the emergency situation only

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- 7.2.2 This policy will be abided by as soon as the emergency situation is alleviated

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- A report will be made to the Board in relation to the emergency expenditure.-

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Expenditure must be within the employees delegated financial authority, as follows:

| POSITION | \$1- \$500 | \$501 - \$3,000 | \$3,001 - \$10,000 | \$10,001- \$50,000 | \$50,001 + |
|--|---------------|--------------------|-----------------------|-----------------------|---------------|
| Chief Executive Officer | X | X | X | X | X |
| Team Leader - Environmental Health | X | | | | |
| Team Leader – Administration & Immunisation | X | X * | X * | | |
| All contracts for the acquisition of goods and services in excess of \$50,000 are to be authorised by CEO/EHA. | | | | | |

*For vaccine purchases only

9 Review and Evaluation**7. FURTHER INFORMATION**

7.1 This Policy will be kept on EHA's website for the public to view.

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7.2 This policy will be reviewed at least once every two years.

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PROCUREMENT POLICY

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7.3 However, EHA may revise or review this Policy at any time (but not so as to affect any process that has already commenced).

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10. Statement of Adoption

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This Policy was adopted by the Board of the Eastern Health Authority on 19 February 2014.

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PROCUREMENT POLICY

| | |
|--|---|
| Policy Reference | FM02 |
| Date of initial Board Adoption | 22 June 2011 |
| Minutes Reference | 10: 062011 |
| Date of Audit Committee Endorsement (if applicable) | 25 November 2015 |
| Date last reviewed by Eastern Health Authority Board of Management | 19 February 2014 |
| <i>Relevant Document Reference</i> | Guidance prepared by Local Government Corporate Services for Councils - The Procurement Guide |
| <i>Applicable Legislation</i> | Section 49 of the Local Government Act 1999 |

1. Purpose

The Procurement Policy (the “Policy”) provides information and guidance to staff and officers in their procurement of goods, works or services.

The Policy demonstrates Eastern Health Authority’s (EHA) commitment to procuring goods and services in an open, fair, transparent and effective manner that ensures the maintenance of appropriate standards of probity and ethics throughout procurement processes.

2. Scope

Procurement encompasses the whole process of acquiring property, goods or services.

Procurement begins when EHA has identified a need and has decided on its procurement requirement. Procurement continues through the processes of risk assessment, seeking and evaluating alternative solutions, contract award, delivery of and payment for the property, goods or services and, when relevant, the ongoing management of a contract and the consideration of options related to the contract, and also extends to the ultimate disposal of property. An essential part of the procurement cycle is the ongoing monitoring and assessment of the procurement, including the property, goods or services procured.

3. Policy Objective

EHA aims to achieve advantageous procurement outcomes by:

- enhancing value for money through fair, competitive, non-discriminatory procurement
- promoting the use of resources in an efficient, effective and ethical manner
- making decisions with probity, accountability and transparency
- advancing and/or working within EHA's economic, social and environmental policies
- providing reasonable opportunity for competitive local businesses to supply to EHA appropriately managing risk; and
- ensuring compliance with all relevant legislation.

4. Procurement Principles

EHA must have regard to the following principles in its acquisition of goods and services:

4.1 *Encouragement of open and effective competition*

4.2 *Obtaining Value for Money*

4.2.1 This is not restricted to price alone

4.2.2 An assessment of value for money must include, where possible, consideration of:

- the contribution to EHA's long term financial plan and strategic direction
- any relevant direct and indirect benefits to EHA, both tangible and intangible
- efficiency and effectiveness of the proposed procurement activity
- the performance history, and quality, scope of services and support of each prospective supplier
- fitness for purpose of the proposed goods or service
- whole of life costs
- EHA's internal administration costs
- technical compliance issues

- risk exposure; and
- the value of any associated environmental benefits.

4.3 *Probity, Ethical Behaviour and Fair Dealing*

EHA is to behave with impartiality, fairness, independence, openness and integrity in all discussions and negotiations.

4.4 *Risk Management*

Ensure that appropriate risk management practices are in place for procurement activities including risk identification, assessment, and implementation of controls.

4.5 *Accountability, Transparency and Reporting*

4.6 *Ensuring compliance with all relevant legislation*

4.7 *Encouragement of the development of competitive local business and industry*

Where the evaluation criteria are comparable, EHA may consider the following:

- *the creation of local employment opportunities*
- *increased availability of local servicing support*
- *increased convenience with communications with the supplier for contract management*
- *economic growth within the local area*
- *benefit to EHA of associated local commercial transaction; and/or*
- *the short and long term impact of the procurement on local business.*

4.8 *Environmental protection*

EHA will seek to:

- adopt purchasing practices which conserve natural resources
- align the EHA's procurement activities with principles of ecological sustainability
- purchase recycled and environmentally preferred products where possible
- integrate relevant principles of waste minimisation and energy
- foster the development of products and services which have a low environmental impact
- provide leadership to business, industry and the community in promoting the use of environmentally sensitive goods and services.

4.9 *Financial Responsibility*

Ensure that EHA employees procure Goods, Works, or Services where there is an approved and allocated budget for that purchase, and where an EHA employee with the appropriately delegated financial authority approves the purchase.

5 Selection of an Appropriate Procurement Process

5.1 *EHA will generally select from one of the following procurement processes:*

- Open tendering
- Select tendering
- Direct negotiation with a preferred supplier, group of suppliers or supplier panel
- Request for quotes
- The use of existing third party contracts
- Joint procurement arrangements with constituent councils
- Direct sourcing
- Panel arrangements (eg Local Government Association Procurement, Strategic Purchasing) or arrangements with prequalified suppliers.

The appropriate procurement method will be determined on a case by case basis.

Participation in the procurement process imposes costs on EHA and potential suppliers. These costs will be considered when determining a process commensurate with the sale, scope and relative risk of the proposed procurement and where relevant.

5.2 *Justification of Choice of Procurement Method*

Employees will select a method of approaching the market which is suited to the procurement. Determining the best method in the circumstances will generally be based on the consideration of the following types of issues:

- The nature of the procurement
- The value of the procurement
- The risk associated with the procurement
- Whether the market for the procurement is known
- What is the most efficient process to achieve EHA's objectives in a timely and cost efficient manner

5.3 *The following table provides direction regarding approach to market selection and the decision making responsibility for procurements:*

| Procurement Category | Estimated Value Range (ex GST) | Acceptable Approaches to Market | Decision Making Responsibility |
|----------------------|--------------------------------|--|--|
| 1 | Up to \$3K | <ul style="list-style-type: none"> • Direct sourcing/negotiation • Use of existing third party contracts • Panel arrangements/arrangements with prequalified suppliers | Employees – within the limit of their delegated purchasing authority (see below) and the approved budget |
| 2 | \$3,001 - \$5,000 | <ul style="list-style-type: none"> • Use of existing third party contracts • Panel arrangements/arrangements with prequalified suppliers • Joint procurement arrangements with other Constituent Councils • Verbal quotes from at least two (2) suppliers • Direct negotiation with supplier(s) where market is known to be limited | Employees – within the limit of their delegated purchasing authority (see below) and the approved budget |
| 3 | \$5,001 - \$50,000 | <ul style="list-style-type: none"> • Use of existing third party contracts • Panel arrangements/arrangements with prequalified suppliers • Joint procurement arrangements with other Constituent Councils • Written quotes from at least three (3) suppliers • Direct negotiation with preferred supplier(s) where | Chief Executive Officer – within the limit of their delegated purchasing authority (see below) and the approved budget |

| Procurement Category (cont.) | Estimated Value Range (ex GST) | Acceptable Approaches to Market (cont.) | Decision Making Responsibility (cont.) |
|------------------------------|--------------------------------|---|---|
| | | market is known to be limited <ul style="list-style-type: none"> Request for Quotation | |
| 4 | \$50,001 and over | <ul style="list-style-type: none"> Use of existing third party contracts Panel arrangements/arrangements with prequalified suppliers Joint procurement arrangements with other Constituent Councils Request for Quotation Open/Select Tender | Chief Executive Officer – within the approved budget – based on recommendations by Employees provided in a report |

6 Records

EHA must record written reasons for utilising a specific procurement method in each activity and where it uses a procurement method other than tendering.

7 Exemptions from this policy

This Policy contains general guidelines to be followed by EHA in its procurement activities. There may be emergencies, or procurements in which a tender process will not necessarily deliver best outcome for EHA, and other market approaches may be more appropriate.

7.1 Policy Waiver

In certain circumstances, EHA may, after approval from its Board Members, waive application of this Policy and pursue a method which will bring the best outcome for EHA. EHA must record its reasons in writing for waiving application of this Policy.

7.2 Emergency Procurement

- 7.1.1 CEO will undertake procurement activities during an emergency taking into account EHA's procurement objectives. Preferred suppliers must be given consideration in the first instance. An emergency is deemed a serious situation or occurrence that happens unexpectedly and demands immediate action. Emergency purchase may be made outside this policy and without Board approval if not practicable if one of the following situations exist:

- There is a genuine concern for public safety
- To avoid major expenses from an unplanned event
- To provide security of EHA's assets eg invoking an Emergency Response Plan or Business Continuity Plan
- Any other incident or circumstance determined by the CEO.

7.1.2 Where a purchase is made under this clause, the following will apply:

- The expenditure will be limited to that required to alleviate the emergency situation only
- This policy will be abided by as soon as the emergency situation is alleviated
- A report will be made to the Board in relation to the emergency expenditure.

8 Delegations

Expenditure must be within the employees delegated financial authority, as follows:

| POSITION | \$1- \$500 | \$501 - \$3,000 | \$3,001 - \$10,000 | \$10,001- \$50,000 | \$50,001 + |
|---|--|--------------------|-----------------------|-----------------------|---------------|
| Chief Executive Officer | X | X | X | X | X |
| Team Leader - Environmental Health | X | | | | |
| Team Leader – Administration & Immunisation | X | X * | X * | | |
| | All contracts for the acquisition of goods and services in excess of \$50,000 are to be authorised by CEO/EHA. | | | | |

*For vaccine purchases only

9 Review and Evaluation

This policy will be reviewed at least once every two years. However, EHA may revise or review this Policy at any time (but not so as to affect any process that has already commenced).

10. Statement of Adoption

This Policy was adopted by the Board of the Eastern Health Authority on 19 February 2014.

6.6 DEBT COLLECTION POLICY

Author: Michael Livori
Ref: AF11/68

Summary

Following a review of the Debt Collection Policy by Eastern Health Authority administrative staff a revised policy is provided to the Board of Management for consideration and adoption. The EHA Audit Committee considered and endorsed the content of the revised Debt Collection Policy at its meeting held on 25 November 2015.

Report

The Debt Collection Policy sets out a clear, equitable, accountable and transparent process that EHA will follow for its debt management and collection practices. The Policy assists in ensuring that all debts owed to EHA are received by the due date or followed up within specified timeframes.

The current policy has been reviewed and a number of changes are recommended as detailed below.

- Minor grammatical changes
- Minor change to Section 2 Scope
- Addition in Section 3 of definitions for Write Off
- Deletion at Section 6.4.3 of Write Off. The journal entry to record a write off was varied by the Auditors to debit the Doubtful Debts expense and credit the Accounts Receivables Control account.
- 'Relevant Document Reference' section included.

A copy of the current Debt Collection Policy with suggested changes to the policy detailed as tracked changes is provided as attachment 1.

A copy of a draft amended Debt Collection Policy with these changes accepted is provided as attachment 2.

RECOMMENDATION

That:

1. The report regarding the Debt Collection Policy is received.
2. The Debt Collection Policy marked attachment 2 to the Debt Collection Policy Report dated 17 February 2016 is adopted.

DEBT COLLECTION POLICY

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**DEBT COLLECTION POLICY**

| | |
|---|--|
| Policy Reference | <u>EHA POL 1:2014FM03</u> |
| Date of <u>initial Board</u> Adoption | 19 February 2014 |
| Minutes Reference | 9:022014 |
| <u>Date of Audit Committee Endorsement</u> (if applicable) <u>Last Reviewed by EHA Date</u> | <u>25 November 2015</u> N/A |
| <u>Date last reviewed by Eastern Health Authority Board of Management</u> <u>Date of Audit Committee Endorsement</u> (if applicable) <u>Next Review Date</u> | N/A |
| Relevant Document Reference | N/A <u>EHA Standard Operating Procedure - Debt Collection (D13/11367)</u> |
| Applicable Legislation | <u>S143 Local Government Act 1999</u> |

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1. Purpose

This Debt Collection Policy (Policy) sets out a clear, equitable, accountable and transparent process that Eastern Health Authority (EHA) will follow for its debt management and collection practices.

The Policy will also assist in ensuring that all debts owed to EHA are received by the due date or followed up within specified timeframes.

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2. Scope

This policy applies to all EHA Staff in relation to the collection of outstanding debt

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3. Definitions

- Credit – the purchase and/or provision of goods and services from EHA by a debtor on the basis of a commitment to pay at a future time.

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~~DEBT COLLECTION POLICY~~ **Debt Collection Policy****2****Formatted:** Tab stops: 11.98 cm, Left

- Debt – the amount of money owed by the debtor as a result of a transaction with EHA. A debt is expected to be settled within the normal payment terms of trade.
- Debtor – an individual, organisation or other party that transacts with EHA where goods or services are provided, use of facilities are made available, fines and licence fees are levied and any other transaction that results in a future payment to EHA.
- A debtor is an asset for EHA, as it gives rise to an anticipated future benefit. The future benefits are cash inflows, which occur when the debt is paid.
- Invoice Date – the date which the invoice has been raised in the debtors system.
- Write Off – the accounting procedure for cancelling a debt that is no longer collectable resulting in its removal from EHA's Balance Sheet.

Formatted: Indent: Left: 0.63 cm**4. Principles****Formatted:** Font: Arial, 14 pt, Bold

Decisions relating to collection of outstanding debts will be considered in the context of:

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- **Accountability and Transparency**

EHA's practices and decisions will be made in accordance with the relevant legislation and accepted conventions. Staff will ensure that internal controls are applied when dealing with outstanding debts.

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- **Fairness and Equity**

EHA will ensure that all credit and related debts are managed fairly and equitably.

This Policy confirms that parties who incur debts do so on the understanding that the prescribed repayment terms are met.

- **Responsibilities**

The team providing the goods and/or service to the debtor will be responsible for completing the documentation required for an invoice to be generated.

Administration will be responsible for raising the invoice and the recovery of any debts for all teams.

- **Risk Management**

Principles of risk management will underpin decisions made in relation to credit and related debt management. To reduce the risk of non-payment of debt, a structured collection and recovery process will be applied.

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5. Policy

EHA staff will maintain procedures that support the administration of this Policy.

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DEBT COLLECTION POLICY**3****Formatted:** Tab stops: 11.98 cm, Left**5.1 Credit Management****Formatted:** Normal, Indent: Left: 0.63 cm, No bullets or numbering

5.1.1 Credit terms for all Sundry debtors are 30 days from the date of invoice.

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5.2.1 If payment has not been received within 30 days of the invoice date a statement will be issued to the debtor advising of invoices still to be paid as a first reminder.

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5.2.2 If payment has not been received within 60 days of the invoice date, where possible telephone contact is made with the debtor requesting payment. Another statement is issued with an overdue stamp.

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5.2.3 If payment has not been received within 90 days of the invoice date, a letter is sent to the debtor advising that debt collection will commence if the invoice is not paid in full within seven (7) calendar days and all costs associated with this process will be added to the outstanding debt.

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5.2.4 If payment is not received within 97 days of the invoice date, the debtor's contact details are provided to EHA's debt collection agency, who will issue a demand letter requesting payment within seven (7) calendar days.

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5.2.5 If payment is not received within a further 14 days staff will liaise with the relevant debt collection agency as to how to proceed. This resulting action will be determined on a case by case basis taking in to consideration section 6.4 of this Policy.

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5.2.6 The Chief Executive Officer has the discretion to vary steps 5.2.1 to 5.2.6 subject to delegation limits.

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6.1 Where the recovery of debt is unlikely prior to completing all steps listed in 5.2

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6.1.1 (i.e. where the debtor is bankrupt or in liquidation), a provision for doubtful debt shall be made.

Formatted: Normal, No bullets or numbering**7.2 Write off****Formatted:** Font: (Default) Arial, 11 pt, Bold**Formatted:** Normal

7.2.1 Section 143 of the Local Government Act 1999 will apply when determining if an outstanding debt should be written off.

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7.2.2 Debts will only be written off when all reasonable attempts to recover outstanding amounts have been made or the costs of recovery are likely to equal or exceed the amount to be recovered.

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7.2.3 The writing off of a debt and any associated debt recovery or legal costs will be charged to the account where the invoice was originally raised.

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7.2.4 All debts up to the value of \$3,000 must be authorised by the CEO.

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~~DEBT COLLECTION POLICY~~ Debt Collection Policy

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~~7.46-42-5~~ Any debts greater than \$3,000 must be authorised by the Board of Management.

78. Review & Evaluation

This Policy will be reviewed at least once every ~~reviewed every~~ two years. However, EHA may revise or review this Policy at any time (but not so as to affect any process that has already commenced).

89. Statement of Adoption

This Policy was adopted by the Board of the Eastern Health Authority on 19 February 2014.

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DEBT COLLECTION POLICY

| | |
|--|--|
| Policy Reference | FM03 |
| Date of initial Board Adoption | 19 February 2014 |
| Minutes Reference | 9:022014 |
| Date of Audit Committee Endorsement (if applicable) | 25 November 2015 |
| Date last reviewed by Eastern Health Authority Board of Management | N/A |
| <i>Relevant Document Reference</i> | EHA Standard Operating Procedure - Debt Collection (D13/11367) |
| Applicable Legislation | S143 Local Government Act 1999 |

1. Purpose

This Debt Collection Policy (Policy) sets out a clear, equitable, accountable and transparent process that Eastern Health Authority (EHA) will follow for its debt management and collection practices.

The Policy will also assist in ensuring that all debts owed to EHA are received by the due date or followed up within specified timeframes.

2. Scope

This policy applies to all EHA Staff in relation to the collection of outstanding debt

3. Definitions

Credit – the purchase and/or provision of goods and services from EHA by a debtor on the basis of a commitment to pay at a future time.

Debt – the amount of money owed by the debtor as a result of a transaction with EHA. A debt is expected to be settled within the normal payment terms of trade.

Debtor – an individual, organisation or other party that transacts with EHA where goods or services are provided, use of facilities are made available, fines and licence fees are levied and any other transaction that results in a future payment to EHA.

A debtor is an asset for EHA, as it gives rise to an anticipated future benefit. The future benefits are cash inflows, which occur when the debt is paid.

Invoice Date – the date which the invoice has been raised in the debtors system.

Write Off – the accounting procedure for cancelling a debt that is no longer collectable resulting in its removal from EHA's Balance Sheet.

4. Principles

Decisions relating to collection of outstanding debts will be considered in the context of:

- **Accountability and Transparency**

EHA's practices and decisions will be made in accordance with the relevant legislation and accepted conventions. Staff will ensure that internal controls are applied when dealing with outstanding debts.

- **Fairness and Equity**

EHA will ensure that all credit and related debts are managed fairly and equitably.

This Policy confirms that parties who incur debts do so on the understanding that the prescribed repayment terms are met.

- **Responsibilities**

The team providing the goods and/or service to the debtor will be responsible for completing the documentation required for an invoice to be generated.

Administration will be responsible for raising the invoice and the recovery of any debts for all teams.

- **Risk Management**

Principles of risk management will underpin decisions made in relation to credit and related debt management. To reduce the risk of non-payment of debt, a structured collection and recovery process will be applied.

5. Policy

EHA staff will maintain procedures that support the administration of this Policy.

5.1 Credit Management

Credit terms for all Sundry debtors are 30 days from the date of invoice.

5.2 Debt Management

- 5.2.1 If payment has not been received within 30 days of the invoice date a statement will be issued to the debtor advising of invoices still to be paid as a first reminder.

- 5.2.2 If payment has not been received within 60 days of the invoice date, where possible telephone contact is made with the debtor requesting payment. Another statement is issued with an overdue stamp.
- 5.2.3 If payment has not been received within 90 days of the invoice date, a letter is sent to the debtor advising that debt collection will commence if the invoice is not paid in full within seven (7) calendar days and all costs associated with this process will be added to the outstanding debt.
- 5.2.4 If payment is not received within 97 days of the invoice date, the debtor's contact details are provided to EHA's debt collection agency, who will issue a demand letter requesting payment within seven (7) calendar days.
- 5.2.5 If payment is not received within a further 14 days staff will liaise with the relevant debt collection agency as to how to proceed. This resulting action will be determined on a case by case basis taking in to consideration section 6.4 of this Policy.
- 5.2.6 The Chief Executive Officer has the discretion to vary steps in 5.2 subject to delegation limits.

6. Provision for Doubtful Debts

Where the recovery of debt is unlikely prior to completing all steps listed in 5.2 (i.e. where the debtor is bankrupt or in liquidation), a provision for doubtful debt shall be made.

7. Write off

- 7.1 Section 143 of the Local Government Act 1999 will apply when determining if an outstanding debt should be written off.
- 7.2 Debts will only be written off when all reasonable attempts to recover outstanding amounts have been made or the costs of recovery are likely to equal or exceed the amount to be recovered.
- 7.3 All debts up to the value of \$3,000 must be authorised by the CEO.
- 7.4 Any debts greater than \$3,000 must be authorised by the Board of Management.

8. Review & Evaluation

This Policy will be reviewed at least once every two years. However, EHA may revise or review this Policy at any time (but not so as to affect any process that has already commenced).

9. Statement of Adoption

This Policy was adopted by the Board of the Eastern Health Authority on 19 February 2014.

6.7 FRAUD AND CORRUPTION PREVENTION POLICY

Author: Michael Livori
Ref: AF11/329

Summary

Fraud and corruption in public administration has the potential to cause significant financial and non-financial harm and the control of fraud and corruption is an important feature within the systems and procedures of a responsible local government regional subsidiary.

To assist in establishing a framework for the identification of fraud and corruption the Fraud and Corruption Prevention Policy (the Policy) was presented to the Eastern Health Authority (EHA) Audit Committee at its meeting held on 25 November 2015 for endorsement.

Now endorsed by the Audit Committee, the Policy is referred to the Board of Management for adoption.

Report

The commencement of the Independent Commissioner Against Corruption (ICAC) and the Office of Public Integrity (OPI) on 1 September 2013, has introduced an increased scrutiny on local government in the areas of fraud and corruption.

EHA is committed to acting in the best interest of the community and to upholding the principles of honesty, integrity and transparency which are all key components of good governance.

The Fraud and Corruption Prevention Policy, based on Campbelltown City Council's Fraud and Corruption Prevention Policy is presented as attachment 1 for adoption by the Board of Management.

The policy aims to provide a statement which outlines the principles and objectives for Board Members and employees of EHA in relation to Fraud and Corruption Prevention.

RECOMMENDATION

That:

1. The report regarding the Fraud and Corruption Prevention Policy is received.
2. The Fraud and Corruption Prevention Policy marked attachment 1 to the Fraud and Corruption Prevention Policy report dated 17 February 2016 is adopted.



FRAUD AND CORRUPTION PREVENTION POLICY

| | |
|--|---|
| Policy Reference | GOV |
| Date of Initial Board Adoption | N/A |
| Minutes Reference | N/A |
| Date of Audit Committee Endorsement | 25/11/2015 |
| Date last reviewed by Eastern Health Authority Board of Management | N/A |
| Relevant Document Reference | <ul style="list-style-type: none"> • Code of Conduct for Board Members (D12/1640[v2]) • Code of Conduct for Employees (D14/5682[v2]) • Risk and Opportunity Management Policy and Framework and Internal Control Manual and Procedures (D15/5720) • Whistleblower Protection Policy (D14/10620[v3]) |
| Applicable Legislation | <ul style="list-style-type: none"> • Section 132A of the <i>Local Government Act 1999</i> • <i>Independent Commissioner Against Corruption Act 2012</i> • <i>Whistleblowers Protection Act 1993</i> |

1. Purpose

Eastern Health Authority (EHA) recognises that Fraud and Corruption has the potential to cause significant financial and non-financial harm, and that the prevention and control of Fraud and Corruption should feature predominantly within the systems and procedures of a responsible organisation.

The purpose of the Fraud and Corruption Prevention Policy (the “Policy”) is to clearly define EHA’s commitment to preventing fraud and corruption, and to outline the methodology in place to minimise fraud and corruption threats.

2. Scope

This Policy is intended to complement and be implemented in conjunction with other EHA policies, including:

- Code of Conduct for Board Members

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- Code of Conduct for Employees
- Risk and Opportunity Management Policy and Framework and Internal Control Manual and Procedures
- Whistleblower Protection Policy.

This Policy applies to all disclosures that relate to the actual or suspected occurrence of fraud and corruption within EHA by Public Officers.

3. Definitions

For the purposes of this Policy the following definitions apply:

An **Appropriate Authority** that receives disclosure of public interest information includes:

- A Minister of the Crown;
- A member of the South Australian Police Force - where the information relates to an illegal activity;
- The Auditor-General – where the information relates to the irregular or unauthorised use of public money;
- The Ombudsman – where the information relates to a public officer;
- A Responsible Officer, where the information relates to a matter falling within the sphere of responsibility of a Local Government body;
- An appointed Officer under EHA's Whistleblowers Policy; or
- Any other person¹ to whom, in the circumstances of the case, it is reasonable and appropriate to make the disclosure².

A person makes an **appropriate disclosure** of public interest information if

- The person-
 - Believes on reasonable grounds that the information is true: or
 - Is not in a position to form a belief on reasonable grounds about the truth of the information but believes on reasonable grounds that the information may be true and is of sufficient significance to justify its disclosure so that its truth may be investigated; and
- The disclosure is made to the Appropriate Authority.

Where a person making a disclosure requests to do so under the Whistleblowers Protection Act, the matter will be managed in accordance with EHA's Whistleblowers Policy rather than this document.

Corruption is dishonest activity in which a Public Officer acts contrary to the interests of the organisation and abuses his/her position of trust in order to achieve some personal gain or advantage for him or herself or for another person or entity³

¹ Such a person may include an independent company that offers an anonymous whistleblower call service.

² Where the disclosure relates to fraud and corruption, the Appropriate Authority must pass the information as soon as practicable to the Anti-Corruption Branch of the SA Police.

³ Adapted from Australian Standard AS8001-2008: Fraud and Corruption Control definitions

Corruption in public administration means:

- a) an offence against Part 7 Division 4 (Offences relating to public officers) of the *Criminal Law Consolidation Act 1935*, which includes the following offences:
 - (i) bribery or Corruption of public officers;
 - (ii) threats or reprisals against public officers;
 - (iii) abuse of public office;
 - (iv) demanding or requiring benefit on basis of public office;
 - (v) offences relating to appointment to public office.
- b) any other offence (including an offence against Part 5 (Offences of dishonesty) of the *Criminal Law Consolidation Act 1935*) committed by a public officer while acting in his or her capacity as a public officer or by a former public officer and related to his or her former capacity as a public officer, or by a person before becoming a public officer and related to his or her capacity as a public officer, or an attempt to commit such an offence; or
- c) any of the following in relation to an offence referred to in a preceding paragraph:
 - (i) aiding, abetting, counselling or procuring the commission of the offence;
 - (ii) inducing, whether by threats or promises or otherwise, the commission of the offence;
 - (iii) being in any way, directly or indirectly, knowingly concerned in, or party to, the commission of the offence;
 - (iv) conspiring with others to effect the commission of the offence.

Deception means deceiving another person to obtain a benefit or to cause detriment to a person.

Directions and Guidelines refer to the document titled as such and available on the ICAC website www.icac.sa.gov.au

Employee means any person who is employed by EHA, but also includes any contractors, volunteers and consultants undertaking work for, or on behalf of EHA.

A **False Disclosure** is a disclosure of information involving actual or suspected fraud or corruption that is made by a person who knows the information to be false or, who is reckless as to whether it is false.

Fraud means dishonest activity causing actual or potential financial loss to any person or entity including theft of moneys or other property by a Public Officer and where deception is used at the time, immediately before or immediately following the activity. It can also include the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose, or the improper use of information or position for personal financial benefit.

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The theft of property belonging to EHA by a person or persons elected, working or volunteering for EHA but where deception is not used is also considered “fraud” for the purposes of this definition.

Fraud is an intentional dishonest act or omission done with the purpose of deceiving. Note: unlike ‘Corruption’ there is no statutory definition of ‘Fraud’. Fraud is a style of offending. The offences addressed under Part 5 and Part 6 of the *Criminal Law Consolidation Act 1935* are considered to constitute Fraud offences.

Maladministration generally includes impropriety or negligence, which may extend to conduct of a serious nature that is:

- Contrary to law; or
- Unreasonable, unjust, oppressive or improperly discriminatory; or
- Based upon improper motives; or
- A result of acting outside the parameters of recommended practice.

OPI (Office for Public Integrity) is the office established under the *ICAC Act 2012* that has the function to:

- (a) receive and assess complaints about public administration from members of the public;
- (b) receive and assess reports about corruption, misconduct and maladministration in public administration from the Ombudsman, EHA and public officers;
- (c) make recommendations as to whether and by whom complaints and reports should be investigated;
- (d) perform other functions assigned to the Office by the Commissioner.

Team Leader means any Employee of EHA who is responsible for the direct supervision of other Employees, and/or, for the management of a EHA Department.

Public administration defined at section 4 of the *ICAC Act 2012* means without limiting the acts that may comprise public administration, an administrative act within the meaning of the *Ombudsman Act 1972* will be taken to be carried out in the course of public administration.

Public Officer has the same meaning as in the *ICAC Act 2012* and includes (but is not limited to):

- A Board Member of EHA;
- An Independent Member of an EHA Committee;
- An Employee of EHA.

A **Responsible Officer** is a person appointed and authorised to receive and act upon information provided by a Whistleblower. The Chief Executive Officer and the Manager People and Culture are Responsible Officers under the *Whistleblowers Protection Act 1993*.

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SAPOL means the Anti-Corruption Branch of the South Australian Police Force.

A **Whistleblower** is any person who makes an appropriate disclosure of public interest information.

Waste refers to the waste of public resources (including public money), which occurs as a result of the substantial mismanagement, irregular or, unauthorised use of public resources.

4. Principles

EHA is committed to acting in the best interest of the community and to upholding the principles of honesty, integrity and transparency, which are all key components of good governance.

EHA will not tolerate fraudulent or corrupt activity and is committed to control and prevention of such activities by:

- Establishing and maintaining an effective system of internal controls and enforcing compliance with those controls;
- Regularly undertaking and reviewing risk assessments to identify circumstances in which fraud and corruption could potentially occur;
- Implementing fraud and corruption prevention and mitigation strategies in its day to day operations;
- Establishing formal procedures for the investigation of allegations relating to fraudulent and/or corrupt activity;
- Taking appropriate action in response to allegations of fraudulent and/or corrupt activity including, reporting allegations through appropriate channels and where allegations are substantiated, taking disciplinary action in accordance with EHA's Codes of Conduct or other relevant processes;
- Ensuring all Board Members and Employees are aware of their obligations in regards to the prevention of fraud and corruption within EHA; and
- Fostering an ethical environment in which dishonest and fraudulent behaviour is actively discouraged.

5. Policy

5.1 Prevention

EHA recognises that:

- The occurrence of fraud and corruption will prevail in an administrative environment where opportunities exist for abuse and maladministration; and
- The most effective way to prevent the occurrence of fraud and corruption is to promote an ethical workplace in which internal control mechanisms have been implemented.

EHA expects that Public Officers will assist in preventing fraud and corruption within EHA by:

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- Understanding the responsibilities of their position;
- Familiarising themselves with EHA's procedures and adhering to them;
- Understanding what behaviour constitutes fraudulent and/or corrupt conduct;
- Maintaining an awareness of the strategies that have been implemented by EHA to minimise fraud and corruption;
- Being continuously vigilant to the potential for fraud and/or corruption to occur; and
- Reporting suspected or actual occurrences of fraud or corruption in accordance with part 5.4 of this Policy.

5.2 Responsibilities

5.2.1 Board Members are responsible for ensuring that EHA:

- Supports the Chief Executive Officer in the implementation of adequate security for the prevention of fraud and corruption including the provision of secure facilities for storage of assets, and procedures to deter fraudulent or corrupt activity from occurring; and
- Makes reports in accordance with part 5.4 of this Policy and facilitates cooperation with any investigation undertaken by an external authority (such as SAPOL or the Commissioner Independent Commissioner Against Corruption).

5.2.2 The Chief Executive Officer is responsible for:

- Making reports in accordance with part 5.4 of this Policy and facilitates cooperation with any investigation undertaken by an external authority (such as SAPOL or the Commissioner Independent Commissioner Against Corruption);
- Providing adequate security for the prevention of fraud and corruption, including the provision of secure facilities for storage of assets and procedures to deter fraudulent or corrupt activity from occurring;
- Promoting EHA's commitment to the prevention of fraud and corruption to the Community on relevant occasions;
- Providing mechanisms for receiving allegations of fraud or corruption, including ensuring that Responsible Officers and Employees receive appropriate training;
- Promoting a workplace culture and environment in which fraud and corruption is actively discouraged and is readily reported should it occur; and
- Undertaking and reviewing a fraud and corruption risk assessment on a regular basis.

5.2.3 Team Leaders are responsible for:

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- The conduct of any Employees whom they supervise and, will be held accountable for such;
- Any property under their control and, will be held accountable for such;
- Reporting in accordance with part 5.4 of this Policy;
- Creating an environment in which fraud and corruption is discouraged and readily reported by Employees. Such an environment shall be fostered by the Team Leader's own attitude to fraud and corruption and, by the accountability and integrity they both display and encourage from other Employees;
- Ensuring that new Employees for whom they are responsible are aware of their responsibilities in relation to fraud and corruption and, of the standard of conduct expected from all Employees.
- Identifying potential fraud and corruption risks; and
- Leading by example to promote ethical behaviour.

5.2.4 Employees are responsible for:

- Performing their functions and duties with care, diligence, honesty and integrity;
- Conducting themselves in a professional manner at all times;
- Adhering to EHA's Policy and Procedures that have been established to prevent fraud or corruption;
- Taking care of EHA's property which includes avoiding the waste or misuse of EHA's resources;
- Maintaining and enhancing the reputation of EHA;
- Remaining scrupulous in their use of EHA's information, assets, funds, property, goods or services; and
- Reporting in accordance with part 5.4 of this Policy.

5.3 Fraud and Corruption Risk Assessment

5.3.1 EHA's main objective is to minimise the occurrence of fraud and corruption within EHA. This objective can generally be achieved by:

- Identifying Fraud and Corruption Risks;
- Determining strategies to control those risks; and
- Defining responsibility for and, the time frame within which the strategies will be implemented.

5.3.2 Team Leaders must be alert to the potential occurrence of fraud and corruption and factors which may leave EHA vulnerable to fraud and corruption, including:

- Changes to EHA delegations and subdelegations;

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- Implementation of cost cutting measures;
- Contracting out, outsourcing or services where EHA is generating an income;
- The impact of new technology; and
- Changes to risk management practices.

5.4 Reporting Fraud and Corruption in Public Administration to the OPI

5.4.1 Public Officers

5.4.1.1 A Public Officer must report to the OPI any matter that the Public Officer reasonably suspects involves corruption in public administration unless the public officer knows that the matter has already been reported to the OPI.

5.4.1.2 A report to the OPI by an Employee or Board Member must be made on the online report form available at www.icac.sa.gov.au in accordance with the ICAC Act.

5.4.2 EHA

5.4.2.1 EHA (that is, the Board Members collectively) must report to the OPI any matter that EHA reasonably suspects involves corruption in public administration unless EHA knows that the matter has already been reported to the OPI. The Chief Executive Officer is responsible for preparing a report to the OPI on behalf of EHA for these purposes (where the matter relates to the Chief Executive Officer the Chair is to make the report). The report must be made immediately upon receiving direction from EHA (such as via the Chair).

5.4.2.2 A report to the OPI by the Chief Executive Officer on behalf of EHA must be made on the online report form available at www.icac.sa.gov.au in accordance with the ICAC Act.

5.4.3 The Report to the OPI

5.4.3.1 The report must be made in accordance with the Directions and Guidelines.

5.5 Reporting Fraud

5.5.1 Any Employee or Board Member that has or acquires knowledge of actual or suspected Fraud that:

5.5.1.1 does not constitute corruption in public administration;⁴ and

5.5.1.2 impacts or causes detriment (or has the potential to impact or cause detriment) to EHA –

⁴ Such conduct may, for example, relate to persons who are not public officers,

must report such information to the Responsible Officer or the Anti-

Corruption branch of SAPOL.

- 5.5.2** A report made under part 5.6 may be made under the *Whistleblowers Protection Act 1993* and managed in accordance with EHA's Whistleblower Protection Policy.

5.6 Action by the Chief Executive Officer Following Report and/or Investigation into Fraud or Corruption

- 5.6.1** Following any report to the OPI or SAPOL under this Policy (or the Whistleblower Protection Policy as the case may be) of which the Chief Executive Officer has knowledge and, subject to the finalisation of any investigation undertaken by the Commissioner or SAPOL, the Chief Executive Officer will undertake a review into the area in which the Fraud or Corruption occurred to determine the cause for the breakdown in controls and, will report the findings of the review and provide recommendations (if any) to EHA. In undertaking any review, the Chief Executive Officer will have regard to any recommendations received from the Commissioner, SAPOL or the Ombudsman.
- 5.6.2** In the event that allegations of Fraud and/or Corruption are substantiated, EHA may take disciplinary action against any Employee who was involved.

5.7 False Disclosure

- 5.7.1** A person who makes a statement knowing that it is false or misleading in a complaint or report under the *ICAC Act 2012* or makes disclosure of public interest information, under the *Whistleblowers Protection Act 1993* knowing it to be false or being reckless about whether it is false or misleading, is guilty of an offence
- 5.7.2** An Employee who makes a false disclosure, in addition to being guilty of an offence, will face disciplinary action that may include instant dismissal.
- 5.7.3** Board Members who make a false disclosure, in addition to being guilty of an offence, may face disciplinary action pursuant to the Code of Conduct for Board Members.

5.8 Educating for Awareness

EHA recognises that the success and credibility of this Policy will largely depend upon how effectively it is communicated throughout the organisation and beyond.

- EHA's initiatives and policies regarding the control and prevention of fraud and corruption will be promoted by Employees at EHA office.

5.9 Supporting documentation

All allegations of fraud and corruption and results of any investigations conducted will be securely maintained in EHA's Records Management

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System.

6. Review & Evaluation

This policy will be reviewed at least once every two years. However, EHA may revise or review this Policy at any time (but not so as to affect any process that has already commenced).

7. Statement of Adoption

This Policy was adopted by the Board of the Eastern Health Authority on

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6.8 Whistleblowers Protection Policy

Author: Michael Livori
Ref: AF11/329

Summary

Eastern Health Authority (EHA) is committed to being an organisation of excellence and encourages the disclosure of public interest information by Board Members, council officers and members of the public.

EHA has developed a Whistleblowers Protection Policy to encourage and detail how disclosures relating to public interest information are handled and to ensure EHA's responsibilities are fulfilled in accordance with the Whistleblowers Protection Act 1993.

The Whistleblowers Protection Policy was presented to the EHA Audit Committee at its meeting held on 27 May 2015 for endorsement.

The policy is referred to the Board of Management for consideration and adoption.

Report

The Whistleblower Protection Policy describes how a person can make a disclosure, under the Whistleblowers Protection Act 1993 (the Act), about misconduct, maladministration or corrupt activity by a public officer.

The policy encourages and facilitates disclosures of public interest information which may include occurrences of maladministration and waste within EHA and corrupt or illegal conduct in general, so that internal controls may be strengthened.

It also provides a process by which disclosures may be made so that they are properly investigated and appropriate protection for those who make disclosures in accordance with the Act.

The policy recognises the need to appropriately support the Whistleblower, the Responsible Officer and, as appropriate, those Public Officers affected by any allegation.

The Chief Executive Officer of EHA is the Responsible Officer for EHA for the purpose of the Act.

The Whistleblower Protection Policy is provided as attachment 1 to this report for consideration and endorsement.

RECOMMENDATION

That:

1. The report regarding the Whistleblowers Protection Policy is received.
2. The Whistleblowers Protection Policy marked as attachment 1 to the Whistleblowers Protection Policy Report dated 17 February 2016 is adopted.



Whistleblowers Protection Policy

| | |
|-------------------------------------|------------------------------------|
| Policy Reference | GOV09 |
| Date of Initial Board Adoption | |
| Minutes Reference | |
| Last Reviewed by EHA | 27 May 2015 |
| Date of Audit Committee Endorsement | 27 May 2015 |
| Relevant Document Reference | Whistleblowers Protection Act 1993 |

1. Purpose

Eastern Health Authority (EHA) provides the Whistleblowers Protection Policy (the Policy) to ensure that its responsibilities under the Whistleblowers Protection Act 1993 (the Act) are properly fulfilled.

The Policy encourages and facilitates the disclosures of Public Interest Information occurring in EHA so that internal controls and procedures can be strengthened and to ensure that the organisation's resources are efficiently applied towards the achievement of EHAs objectives.

2. Scope

This policy applies to Appropriate Disclosures of Public Interest Information made under the Act by or about Elected Members, Council Employees, Board Members and employees of a subsidiary of the Council, members of EHA Committee and members of the public.

This Policy is made pursuant to Section 132A of the *Local Government Act 1999* and Act. It is intended to complement the reporting framework under the ICAC (Independent Commissioner Against Corruption) Act 2012.

3. Principles

EHA will maintain an appropriate framework to allow Elected Members, Employees, Board Members and members of the public to provide information to EHA consistent and in accordance with the Act.

EHA is committed to investigating all appropriate disclosures of Public Interest Information in a confidential manner in accordance with the Act and taking appropriate action or if appropriate by referring the matter to the appropriate authority. Where a disclosure relates to corruption it will be

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reported directly to the OPI (Officer for Public Integrity) in accordance with procedures required by the ICAC Directions and Guidelines. A report of Misconduct or Maladministration may be made to OPI where it relates to a reasonable suspicion of serious or systemic misconduct and/or maladministration it will be reported to OPI unless a Disclosure of the same matter has already been reported to the Ombudsman.

EHA will take action as appropriate to investigate all appropriate Disclosures of Public Interest Information in a manner that promotes fair and objective treatment of those involved, and will protect informants from victimisation and ensure that they are not subjected to intimidation or discrimination.

EHA is committed to rectifying any substantiated wrong doing to the extent practicable in the circumstances.

4. Definitions

Definitions for the purpose of this Policy are:

Appropriate Authority may include

- a Minister of the Crown;
- a member of the police force – where the information relates to an illegal activity
- the auditor-General – where the information relates to a public officer
- the ombudsman – where the information relates to a public officer
- a responsibility of a Local Government body; or
- any other person to whom, in the circumstances of the case, it is reasonable and appropriate to make the disclosure.

Appropriate Disclosure

is made by a person where that person does so in accordance with Section 5 of the Act.

Corruption

refers to Corruption as defined under Part 7 Division 4 (Offences relating to public officers) of the Criminal Law Consolidation Act 1935, or any other offence including an offence against Part 5 (Offences of Dishonesty) of the Criminal Law Consolidation Act 1935 committed by:

- a public officer while acting in their capacity as a public officer or
- by a former public officer and related to their former capacity as a public officer or
- by a person before becoming a public officer and related to their capacity as a public officer or
- an attempt to commit such an offence

ICAC Directions and Guidelines

means the Directions and Guidelines as available on the ICAC website (www.icac.sa.gov.au)

Informant:

means any person who makes an Appropriate Disclosure of Public Interest Information in accordance with the Act.

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Maladministration

has the same definition as set out in Section 4 of the Act.

Public Interest Information

have the same definitions as set out in Section 4 of the Act.

Public Officer

includes an Elected Member or an officer or employee of EHA.

Responsible Officer

is a person who is authorised to receive and act upon information forwarded from Informants.

5. Policy**5.1 Responsible Officer**

The Chief Executive Officer is the responsible Officer for the purpose of the Act.

5.2 Disclosure Process

Any person wishing to make a disclosure to the Responsible Officer under the Act can do so by following means:

In person by approaching the Chief Executive Officer at EHA's office at 101 Payneham Road, St Peters.

In writing addressed to:

PRIVATE AND CONFIDENTIAL
Whistleblowers Responsible Officer
Eastern Health Authority
PO Box 275
Stepney SA 5069
By telephone on: 8132 3611

Alternatively, a person may choose to make a disclosure of Public Interest Information directly to an Appropriate Authority.

In the case of a person disclosing information about or relating to the Chief Executive Officer, the disclosure should be in writing addressed to:

Confidential
Chairperson of the Board of Management
Eastern Health Authority
PO Box 275
Stepney SA 5069

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5.3 Confidentiality

The identity of an Informant will be kept confidential as required by the Act unless the consent of that person is obtained to divulge their identity or disclosure of their identity is otherwise required to investigate the matter.

If an informant wishes to remain anonymous EHA will investigate the Appropriate Disclosure of Public Interest information to the extent possible whilst keeping the Informant's identity to be divulged but only so far as may be necessary to ensure that the matter to which the information relates is properly investigated.

5.4 Notification

Where an Appropriate Disclosure of Public Interest Information has been made, the Responsible Officer will notify the person about whom the information concerns of the disclosure (but not the identity of the informant unless the Informant consents or unless otherwise provided for in the Whistleblowers Protection Act) and the investigation.

Where an appropriate Disclosure of Public Interest Information concerns the Chief Executive Officer, the Chairperson of EHA will notify the Chief Executive Officer of the disclosure (but not the identity of the informant unless the Informant consents or unless otherwise provided for in the Act) and the investigation.

Where Appropriate Disclosure of Public Interest Information has been made, the Responsible Officer will notify the person about whom the information concerns of the disclosure (but not the identity of the Informant unless the Informant consents or unless otherwise provided for in the Act) and the investigation.

The Act requires the Informant to assist with any investigation resulting from the disclosure.

The person about whom the information concerns will be afforded natural justice throughout the Investigation process.

5.5 Investigation

The investigation will be undertaken by a suitably qualified and experienced independent person appointed by the Responsible Officer. All Appropriate Disclosures of a serious or criminal nature will be reported to the police or other appropriate authority.

The independent investigator will carry out an investigation of the matter. The investigator will have consideration of EHA's investigation objectives which are to:

- investigate the substance disclosure
- collate information relating to the allegation(s)
- maintain sufficient records/notes/records of conversation
- consider the information collected and draw conclusions objectively and impartially
- act in accordance with the principals of natural justice; and
- make recommendations arising from any conclusion.

5.6 Reporting

All appropriate Disclosures made pursuant to the Whistleblowers Protection Act and the outcome of investigations will be reported to the Chief Executive Officer or, where the disclosure relates to information concerning the Chief Executive Office, to the Chairperson of EHA.

5.7 False Disclosure

A person who makes a disclosure of false public interest information knowing it to be false or being reckless about whether it is false is guilty of an offence under the Whistleblowers Protection Act.

An employee who makes a disclosure of false public interest information knowing it to be false or being reckless about whether it is false, in addition to being guilty of an offence, may face disciplinary action in accordance with the disciplinary process provisions of the current Workplace Agreements.

An elected Member who makes a disclosure of false public interest information knowing it to be false or being reckless about whether it is false, in addition to being guilty of an offence, may incur remedial action pursuant to the Council's Code of Conduct for Elected Members.

5.8 Supported Responsible Officers

Responsible Officers are to attend training in accordance with the requirements of the Local Government Act 1999.

6. Review of the Whistleblowers Policy

It is the responsibility of the Chief Executive Officer to monitor the adequacy of the policy and recommend appropriate changes.

The policy will be formally reviewed every 24 months or as needed.

7. Statement of Adoption

The policy was adopted by the Board of the Eastern Health Authority on XXXX XXXXX XXX

6.9 RISK AND OPPORTUNITY MANAGEMENT POLICY & FRAMEWORK

Author: Michael Livori
Ref: AF11/329

Summary

The Eastern Health Authority (EHA) Audit Committee identified the need for a contemporary Risk and Opportunity Management Policy (the Policy) for EHA. The committee reconsidered and endorsed a draft Risk and Opportunity Management Policy and Framework at its meeting held on 25 May 2015. The draft Policy is now presented to the Board Of Management for adoption.

Report

It is important that EHA is pursuing its objectives and fulfilling its responsibilities with due diligence and accountability. To this end EHA must manage its risks in order to protect its employees, assets, liabilities and Constituent Councils against potential losses. Managing risks also assists in minimising uncertainty in achieving EHA goals and objectives and to maximise EHA opportunities.

Risk is defined as ‘something happening that may have an impact on the achievement of objectives’. Risk and Opportunity Management is described as the planned and systematic approach used to identify, evaluate and manage the whole range of business risks and opportunities facing the EHA.

To assist in the identification and management of risk relating to EHA a draft Risk and Opportunity Management Policy has been developed. The Policy is based on the International Standard for Risk Management (ISO 31000:2009) and is provided as attachment 1.

To complement the Policy and to provide a formalised process for identifying and managing risk in a consistent manner, a Risk and Opportunity Management Framework has also been developed. The framework has also followed the principles detailed in the international risk management standard and is provided as attachment 2. The draft policy and framework provide a sound basis on which the organisation can move forward to better manage risks.

RECOMMENDATION

That:

- 1 The Risk and Opportunity Management Policy and Framework Report is received.
- 2 The Risk and Opportunity Management Policy marked as attachment 1 to the Risk and Opportunity Management Policy Report dated 17 February 2016 is adopted.



Risk and Opportunity Management Policy

| | |
|--|---|
| Policy Reference | GOV08 |
| Date of initial Board Adoption | |
| Minutes Reference | |
| Date of Audit Committee Endorsement (if applicable) | 27 May 2015 |
| Date last reviewed by Eastern Health Authority Board of Management | N/A |
| Relevant Document Reference | AS/NZS ISO 31000:2009 International Risk Management Standard Risk and Opportunity Management Framework Occupational Health, Safety & Welfare (OHS&W) and Injury Management Policy Procurement and Acquisition Policy Governance Framework (To be developed) Treasury Management Policy (To be developed) |
| Applicable Legislation | |

1. Purpose

The aim of this policy is to provide management with a formalised process for identifying and managing risk in a consistent manner.

This policy provides minimum standards for management of risks within Eastern Health Authority (EHA) and is to be considered within the context of a positive organisational culture.

2. Scope

This policy applies to all EHA Staff, Board and Committee members in relation to the provision of goods, works and services provided by EHA.

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3. Definitions

Risk is defined as “...the possibility of something happening that impacts on your objectives. It is the chance to either make a gain or a loss. It is measured in terms of likelihood and consequence.”

Risk and Opportunity Management is described as “the planned and systematic approach used to identify, evaluate and manage the whole range of business risks and opportunities facing EHA”.

4. Principles

EHA understands that the effective management of risk:

- Is an integral part of sound governance and strategic planning
- Applies across all EHA activities
- Is implemented and integrated into EHA through the creation and continuous improvement of a framework
- Improves its ability to deliver services on behalf of its Constituent Councils
-

5. Policy

This policy is based on the practices and principles of risk management contained in International Standard AS/ NZS ISO 31000:2009. A Risk and Opportunity Management Framework has been developed in accordance with this Standard, to provide management with a formalised process for identifying and managing risk in a consistent manner.

EHA is committed to effective risk and opportunity management and this policy seeks to:

- Add value to all the activities of EHA
- Assist in achieving EHA's goals and deliver programs and services within a tolerable level of risk
- Embed risk and opportunity management into all our management activities, critical business systems and processes
- Ensure all risks are consistently assessed and managed within EHA's risk and opportunity framework
- Improve our ability to deliver community priorities, services delivery and outcomes for EHA;
- Maximise opportunities and minimise the impact and likelihood of risk
- Protect its employees, assets, liabilities and its community by avoiding or mitigating losses
- Provide greater certainty for our employees, stakeholders and the community in which we operate by understanding and managing our risks.

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6. Responsibility

EHA's Board through its Audit Committee has the responsibility to monitor and review all risk management processes. Management has the responsibility for risk management within their program, service or area of responsibility.

7. Review

The policy will be formally reviewed every 24 months or as needed.

8. Statement of Adoption

This policy was adopted by the Board of Management on XXXXX.



RISK AND OPPORTUNITY MANAGEMENT FRAMEWORK

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1. Introduction

In this time of innovation and change the Eastern Health Authority (EHA) encounters a range of risks that may threaten its ability to meet its objectives and faces some positive opportunities that, if embraced in a considered and constructive manner, will greatly assist in improving service delivery and performance. Risk and opportunity management is about the proactive management of these uncertain events.

This document sets out a Risk and Opportunity Management Framework for EHA. It clearly details the aims, objectives and actions required to deliver a best practice approach to integrating risk & opportunity management into the leadership, business planning, staff culture and operational delivery of all our programs and services, and then to sustain this delivery in an environment of continuous improvement.

The Risk Management Framework should be read in conjunction with the Risk and Opportunity Management Policy. Effective risk and opportunity management will help to ensure the EHA maximises its opportunities and minimises the impact and likelihood of the risks it faces. This will improve our ability to deliver our priorities and improve outcomes for the EHA.

Training will be conducted on the risk and opportunity framework, policy and the new risk management standard. This is critical in ensuring our staff understands how risk and opportunity management can assist them in their daily activities.

2. What is Risk and Opportunity Management?

Risk and Opportunity management describes the planned and systematic approach used to identify, evaluate and manage the whole range of business risks and opportunities facing the EHA.

Risk is defined as 'something happening that may have an impact on the achievement of objectives'. Risk and Opportunity management is described as the planned and systematic approach used to identify, evaluate and manage the whole range of business risks and opportunities. Risk and opportunity management is a central part of any organisation's strategic management. It is the process whereby an organisation's management team methodically address the risks and opportunities attached to their activities with the goal of achieving sustained benefit within their functional activity area.

3. Purpose

The purpose of the Risk and Opportunity Management Framework is to:

- Add value to the activities of the EHA;
- Assist in achieving the EHA's goals and deliver programs and services within an acceptable level of risk;
- Provide staff and management with a systematic and formalised process for identifying and managing risk and opportunity;
- Ensure a consistent approach to risk and opportunity management is adopted across the EHA;
- Ensure risks are identified and effectively managed using appropriate internal controls;

- Allow resource allocation towards risk mitigation strategies to be considered during strategic planning and business plan development;
- Develop an organisational ethos and operating culture which achieves the integration of the risk and opportunity management process into all staff and management activities.

4. Integration of Risk and Opportunity Management in Our Organisation

Risk and Opportunity Management is a core process for the EHA. The organisation's approach is to ensure that the Risk and Opportunity Management Framework integrates with the EHA's Strategic and Business Plan Initiatives and links with key business processes.

5. Integration of Risk and Opportunity Management with Business Processes

5.1 Risk and Opportunity management is not just about the risk assessment process nor is it a standalone discipline. To be effective, Risk and Opportunity Management needs to be aligned with the organisation's existing business processes, governance and decision making structures at the strategic and function area level. This will ensure:

- All Corporate risks are properly identified as part of all management activities and in particular aligned to the annual budget and business planning process, to ensure all resources are allocated to those high risk areas in the budget.
- Controls are in place and working effectively to manage high risk areas at the strategic, operational and function level. Any control weaknesses are identified and actions plans implemented and resourced through the budget process.

6. Roles and Responsibilities

Key responsibilities as they relate to risk and opportunity are:

6.1 The Board will:

- 6.1.1 Review and endorse the EHA's Risk and Opportunity Management Policy.
- 6.1.2 Ensure a Framework is in operation that delivers a consistent approach to risk and opportunity management in the EHA.
- 6.1.3 Review reports from the Audit Committee, management, and the Auditors and monitor that effective risk and opportunity management and controls have been implemented.
- 6.1.4 Perform a high level review of the EHA's risk management activities known as the Corporate Strategic Risk Assessment.

6.2 The CEO will:

- 6.2.1 Implement the Risk and Opportunity Management Policy and Framework across the EHA.
- 6.2.2 Ensure risk and opportunity management is embedded in to all critical functions and activities.
- 6.2.3 Ensure appropriate delegations are in place for staff to undertake risk management activities.

6.3 The Function Managers will:

- 6.3.1 Ensure the adoption and operation of the Framework within their work areas.

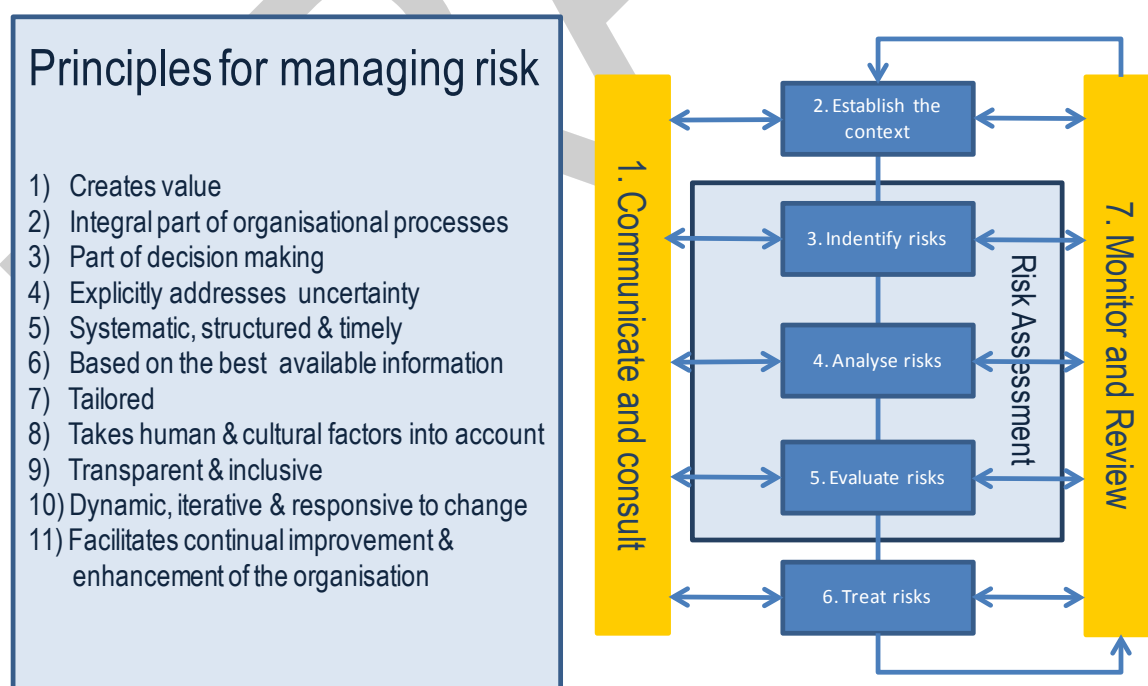
- 6.3.2 Promote a proactive risk and opportunity management culture in accordance with business risk management initiatives.
- 6.3.3 Monitor and lead the implementation of risk and opportunity assessments appropriate to their work area in accordance with the framework and ensure that risks are identified and managed in their strategic and business planning and budget review process.
- 6.3.4 Ensure that proposed events and significant projects within their jurisdiction are not approved without a formal risk assessment that effectively identifies and manages risks and opportunities with them.
- 6.3.5 Ensure that risks and opportunities are identified, assessed and managed in accordance with the process outlined in the Framework.
- 6.3.6 Promote a positive risk and opportunity management culture with their staff.

6.4 All Staff Members are to:

- 6.4.1 Understand and apply the risk and opportunity management policy, framework and related procedures.
- 6.4.2 Actively contribute to the management of risks and opportunities within the scope of their work.
- 6.4.3 Report any risks identified to their manager or supervisor in a timely manner.

7. Risk and Opportunity Management Process

The process for managing the EHA's risks is consistent with the International Risk Management Standard ISO 31000:2009. It involves five key steps and additional steps to ensure feedback through a monitoring and review process and appropriate communication and consultation. Opportunities are also undertaken in the following manner.



(ISO 31000:2009)

A 'Risk and Opportunity Management TOOLKIT' that summarises the following risk management process for easy application can be found in Appendix A.

Step 1: Communicate & Consult

Communication and consultation are important elements in each step of the risk and opportunity management process. Effective communication is essential to ensure that those responsible for implementing risk management, and those with a vested interest, understand the basis on which risk management decisions are made and why particular actions are required.

It is important that the communication approach recognises the need to promote risk and opportunity management concepts across all management and staff.

Step 2: Establishing the Context

Establishing the context defines the basic parameters within which risks and opportunities must be managed and sets the scope for the rest of the risk and opportunity management process. The context includes the EHA's external and internal environment.

External Context

Establishing the External Context is not only about considering the external environment, but also includes the relationship or interface between the EHA and its external environment. This may include but is not limited to:

- Business, social, regulatory, cultural, competitive, financial and political environment;
- Community impact;
- Health and Safety;
- Media;
- Legal and Regulatory obligations; and
- External stakeholders/ key third party service providers.

Establishing the external context is important to ensure that stakeholders and their objectives are considered when developing risk and opportunity management criteria and that externally generated threats and opportunities are properly taken into account.

Internal Context

An understanding of the EHA is important prior to undertaking the risk and opportunity management process, regardless of the level. Areas to consider include:

- Culture;
- Strategic Plan Initiatives and Drivers;
- Annual business plan and annual budget;
- Occupational Health and Safety;
- Key performance indicators;
- Governance; and
- Internal stakeholders.

Risk and Opportunity Management Context

The level of detail that will be entered into during the risk and opportunity management process must be considered prior to commencement. The extent and scope of the risk and opportunity management process will depend on the goals and objectives of the EHA activity that is being addressed, as well as the budget that has been allocated to that activity.

In each instance, consideration must also be given to the roles and responsibilities for driving and undertaking the risk management and opportunity process.

Step 3: Identify Risks and Opportunities

The next step in the risk and opportunity management process is to identify the risks to be managed. Comprehensive identification using a well-structured systematic process is critical, because a risk or opportunity not identified at this stage may be excluded from further analysis. Identification should include risks whether or not they are under the control of the EHA.

Key elements of the identification stage are covered in the EHA budget and business planning frameworks, and both have risk and opportunity management incorporated in to the process.

A number of questions should be asked when attempting to identify risks. These include:

- What can happen?
- Where could it happen?
- When could it happen?
- Why would it happen?
- How can it happen?

Answering these questions will assist in the generation of a list of risks and events that may have impact on achieving set objectives and our business plans.

Risk Identification Methods

There are a number of different methods to identify risks, some of which may include:

- Brainstorming sessions with all stakeholders;
- Risk Identification workshops;
- Annual strategic, business planning and budget workshops;
- Checklists developed for similar events/projects/activities; and
- An examination of previous events/projects/activities of this type.

Changes in the external and internal environments of the EHA may present risks and opportunities. Monitoring of such changes can facilitate the early identification of unforeseen risks and opportunities.

Where there are a number of risks identified within a program activity, all identified risks should be documented in the 'Risk and Opportunity Description' column of the 'Risk and Opportunity Assessment Template', which can be found in **Appendix B**.

Step 4: Analyse Risks and Opportunities

Once all risks and opportunities have been identified, the next step of the risk and opportunity management process is to analyse the risks. This step involves considering the controls or mitigating activities already in place that reduce the level of risk or opportunity. These controls or mitigating activities should be identified and documented in 'Existing Controls in place' column of the 'Risk and Opportunity Assessment Template' in Appendix B. Controls may include inspection regimes, policies and procedures in place, defining responsibilities and accountabilities, and monitoring and reviewing processes.

This step also involves analysing the positive and negative **consequences** of the risk or opportunity (ie its impact or magnitude of effect), and the **likelihood** that those consequences may occur (ie its frequency or probability). The consequence and likelihood are rated against established criteria (refer to Appendix A).

Consequence

When scoring the consequence associated with a risk, consideration needs to be given to its impact in terms of:

- Reputation and Public Image;
- Financial/Business Impact;
- Public /Staff Safety/OHS&W;
- Legal/Regulatory.

Likelihood

For the EHA, **likelihood** is rated from "rare" to "almost certain" as indicated in the table below.

| Likelihood Rating | Qualitative Description | Quantitative Description |
|-------------------|---|--|
| 1.Almost Certain | Is expected to occur in most circumstances | Occurs more than once per year |
| 2. Likely | Will probably occur in most circumstances | Occurs at least once per year |
| 3. Possible | Might occur at some time | Has occurred at least once in the history of EHA |
| 4. Unlikely | Could occur at some time | Has never occurred at EHA but has infrequently occurred at other similar organisations |
| 5. Rare | May occur only in exceptional circumstances | Is possible but has never occurred at EHA or other similar organisations |

All *existing* controls identified should be documented in the 'Controls in place' column of the 'Risk and Opportunity Assessment Template', which can be found in Appendix B.

All risk and opportunity ratings should be documented in the 'Consequence' and 'Likelihood' columns of the 'Risk Assessment Template', which can be found in Appendix B.

Step 5: Evaluate Risks and Opportunities

The next step in the risk and opportunity management process is the evaluation of risks and opportunities. The purpose of this step is to establish an initial risk or opportunity rating based on the consequence and likelihood levels identified in *Step 4: Analyse risks*.

Risk and Opportunity Impact Matrix

The initial risk and opportunity rating for each risk is calculated by plotting the likelihood and consequence response scores on the Risk Impact Matrix (refer below) to give a risk rating of Extreme, High, Moderate or Low. This rating provides a measure of the level of risk and will identify the risks and opportunity that require further treatment in *Step 6: Treat risks*.

| Consequence Likelihood | | Insignificant | Minor | Moderate | Major | Catastrophic |
|---|---|---------------|----------|----------|----------|--------------|
| | | 1 | 2 | 3 | 4 | 5 |
| Almost Certain | E | Moderate | High | High | Extreme | Extreme |
| Likely | D | Moderate | Moderate | High | High | Extreme |
| Possible | C | Low | Moderate | Moderate | High | Extreme |
| Unlikely | B | Low | Moderate | Moderate | High | High |
| Rare | A | Low | Low | Moderate | Moderate | High |

Action Required

The Risk Ratings allocated to risks in the previous step are evaluated against predefined criteria to determine who needs to be made aware and the priority for mitigation or exploitation.

Rated risks are evaluated based on their Level of Risk.

| Level of Risk | Action Required |
|---------------|--|
| Extreme | Immediate action required by the CEO with detailed planning, allocation of resources and regular monitoring. Additional controls required to be implemented to reduce the level of risk. |
| High | Immediate attention required by the CEO to determine response. Additional controls required to be implemented to reduce the level of risk. |
| Moderate | Risks may be accepted by the Functional Area Managers. Ongoing review and monitoring required. Existing controls may be adequate. |
| Low | Risk is acceptable. Manage by existing controls. |

The risk and opportunity rating should be documented in the 'Rating' column of the 'Risk Assessment Template'.

Step 6: Treat Risks and Opportunities

The next step of the risk and opportunity management process involves identifying a range of options for treating risks, evaluating the options and developing additional controls for implementation.

Selecting the most appropriate option involves balancing the costs of implementing each option against the benefits derived from it. It is important to consider all direct and indirect costs and benefits.

The objective is not to eliminate all risk or opportunities but rather to ensure that the risk or opportunity is maintained at a tolerable level in a cost effective manner.

It should also be recognised that the risk treatment itself may introduce new risks or opportunities that need to be identified, assessed, treated and monitored.

Risks

There are four possible treatment options for risks:

- Terminate
- Transfer
- **Mitigate**
- Tolerate

Each treatment option must be monitored and reported to ensure that the Level of Risk is decreasing and lowering the risk.

Treatment Options

| | |
|-----------|--|
| Terminate | Remove the asset or service completely so as to eliminate the risk altogether |
| Transfer | Allocate risk to a third party, such as through the purchase of insurance |
| Mitigate | Implement additional controls to reduce or remove the risk. This may include the establishment of some policy or process |
| Tolerate | Accept the risk and take no action other than continual monitoring |

Where **mitigation** is chosen “Additional Controls” required should be updated to the “Risk and Opportunity Assessment Template” (Appendix B). Each additional control to be implemented should then be prioritized. This number can be recorded in the ‘Priority’ column of the ‘Risk Assessment Template’.

The following two columns of ‘Responsibility’ and ‘Timeframe’ should then be completed to indicate the staff member responsible for ensuring the additional controls are implemented in the specified timeframes.

Where the **other treatment options** are chosen the rationale for not mitigating the risks and opportunities should be documented to demonstrate the completeness of evaluation undertaken. Eg. Tolerate controls as not cost effective to implement additional controls.

Step 7: Monitoring and Review (Refer Section 8: Risk Reporting Requirements)

Risk and opportunity management is a dynamic process. New risks and opportunities will be identified and some will be removed or will be no longer valid. The assessments of likelihood and consequence will need to be reviewed, particularly in the light of the management actions undertaken and contingency arrangements will need to be updated in response to changing internal and external events.

In particular, any risks rated ‘Extreme’ or ‘High’ should be monitored on a regular basis to ensure that the rating assigned, controls identified, and treatment plans established remain valid.

8. Risk Reporting

Once the various risks across the organisation have been assessed and captured in the Risk Register, they need to be reported on as part of “Step 7: Monitor and Review of the Risk and Opportunity Management Framework”.

The audiences of the Risk and Opportunity Management Reporting include:

| Audience | Focus |
|-----------------------|---|
| CEO | All High/Extreme risk ratings from Function Area Risk Plans. New and emerging strategic risks and all other risks with a High and / or Extreme risk rating. External Audit results. |
| Board/Audit Committee | Corporate Risk Report New and emerging strategic risks with a High/ Extreme risk rating. Full Finance report including budgets vs actual. Financial Audit Progress Report. |

8.1 Reporting to the CEO

| Report & Description | Prepared By | Frequency |
|--|------------------------|------------------------|
| All High & Extreme Risks: This report lists all risks identified and rated as High or Extreme obtained from the day to day operational activities of the Function Area risk assessments. <i>Progress against this report should be monitored monthly by the CEO.</i> | Function Area Managers | Annually & as required |
| Strategic New & Emerging Risk Report: The Strategic New & Emerging Risk Report reports on all <i>nonstandard operational risks</i> that may emerge within the EHA through its various operations and activities that are either strategic in nature or have been assessed as having a High or Extreme risk rating. | Function Area Managers | As required |
| Progress Report on external audit recommendations The report should outline a summary of the audit findings of the external auditors undertaken and the actions, responsibilities and timeframes to address the findings. | Function Area Manager | Every quarter |

8.3 Reporting to the Board/Audit Committee

| Report & Description | Prepared By | Frequency |
|---|-------------|------------------------|
| <p>Corporate Strategic Risks Report:</p> <p>This Report is produced annually following the Business Planning, Budget and Function Area Risk Assessment process and can be reproduced at any time throughout the year, as required by the Board.</p> <p>This report lists all risks identified as being strategic risks in nature or have been rated as High or Extreme.</p> <p><i>Progress against this report should be monitored annually by the Board.</i></p> | CEO | Annually & As required |
| <p>Strategic New & Emerging Risks Report:</p> <p>This reports on all nonstandard or operational risks that may emerge within the EHA through its various operations and activities that are either strategic in nature or have been assessed as having a High or Extreme risk rating.</p> | CEO | As required |

9. Risk and Opportunity Management Tools and References

9.1 Operational/Function Area Risk Management

All standard risk assessments conducted on everyday activities and programs of the EHA can be documented in the tools described in Section 7: Risk and Opportunity Management Process. The tools highlighted in the explanation of this process are as follows:

- Appendix A – Risk and Opportunity Management TOOLKIT
- Appendix B – Risk and Opportunity Assessment Template
- Appendix C – Consequence Table

9.2 Business Planning and Budgeting Risk Review

The annual budget and business planning review process will provide comprehensive information on the key risks and opportunities facing the EHA at a corporate level. The risk and opportunity review undertaken at the Operational/Function Area level should feed into this process. This review will be undertaken in conjunction with the Managers and will result in the identification of risks and opportunities that are common across a number of Function Areas.

9.3 Strategic and Capital Projects

A risk and opportunity assessment should be undertaken as part of any strategic or capital project. The CEO and/or Function Area Managers are required to identify and assess any risks as a result of significant changes/projects. These risks and opportunities are to be included in any project management plans and any operational plans of the function areas.

Appendix A

- Risk and Opportunity Management TOOLKIT

DRAFT

1. Risk and Opportunity Management Defined

Risk and Opportunity management describes the planned and systematic approach used to identify, evaluate and manage the whole range of business risks and opportunities facing the EHA.

Risk and Opportunity Management does not mean that risks can be prevented or avoided completely. Rather it enables the EHA to reduce the impact of risk to an acceptable level, be informed with our decision making, and to make contingency arrangements.

2. So what is a risk?

Risk is anything that can prevent the EHA from achieving its objectives. Risk is inherent in all our activities and we need to be continuously managing risks and opportunities using a formal systematic process of identifying, evaluating, treating, monitoring and communicating risks associated with any activity, function or process.

The level of risk relates to the likelihood of something happening (ie its frequency or probability) and the potential consequences (ie its impact or magnitude of effect). The level of risk is influenced by any controls, or measures, currently in place to minimise the likelihood of the occurrence or its consequences.

3. Risk and Opportunity Impact Matrix

Risk is measured in terms of consequence and likelihood.

| <i>Consequence</i> <i>Likelihood</i> | | Insignificant | Minor | Moderate | Major | Catastrophic |
|---|---|----------------------|--------------|-----------------|--------------|---------------------|
| | | 1 | 2 | 3 | 4 | 5 |
| Almost Certain | E | Moderate | High | High | Extreme | Extreme |
| Likely | D | Moderate | Moderate | High | High | Extreme |
| Possible | C | Low | Moderate | Moderate | High | Extreme |
| Unlikely | B | Low | Moderate | Moderate | High | High |
| Rare | A | Low | Low | Moderate | Moderate | High |

4. Likelihood

The level of possibility that the EHA could be exposed to risk.

| Likelihood Rating | Qualitative Description | Quantitative Description |
|--------------------|---|---|
| E - Almost Certain | Is expected to occur in most circumstances | Occurs more than once per year |
| D - Likely | Will probably occur in most circumstances | Occurs at least once per year |
| C - Possible | Might occur at some time | Has occurred at least once in the history of the EHA |
| B - Unlikely | Could occur at some time | Has never occurred at the EHA but has infrequently occurred at other similar organisations. |
| A - Rare | May occur only in exceptional circumstances | Is possible but has never occurred at the EHA or other similar organisations |

5. Risk and Opportunity Assessment Template and Process

The risk and opportunity assessment template contained in Appendix B is to be used to document risk and the controls to be put in place to manage the risks to a tolerable level. The key focus of the risk assessment template is to focus on the key actions and timeframes that are allocated to manage the risk to an acceptable level for the EHA. A focus on the high and extreme risks allows for the actions to be directed towards the areas that require the most urgent attention.

6. Monitoring

The risks identified utilising the risk and opportunity assessment review template need to be updated on a regular basis. The assessments of likelihood and consequence will need to be reviewed, particularly in the light of the management actions undertaken and contingency arrangements will need to be updated in response to changing internal and external events. This should be undertaken as part of the regular review of business planning and projects undertaken within the EHA.

Appendix B

- Risk and Opportunity Assessment Template

Provided to capture risk and opportunity assessments undertaken

Risk and Opportunity Assessment

[Function Area/ Activity]

Created By: [REDACTED]

Date Created: [REDACTED]

Please refer to the Risk and Opportunity Management Reference Sheet (Appendix A) for further information in relation to Risk Ratings

| Ref | Risk and Opportunity Description | Existing Controls in place | Consequence | Likelihood | Rating | Additional Controls to be put in place | Consequence | Likelihood | Revised Rating | Priority | Responsibility | Timeframe |
|-----|----------------------------------|----------------------------|-------------|------------|--------|--|-------------|------------|----------------|----------|----------------|-----------|
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |

Appendix C

- Consequence Table

| Impact Scale | Reputation & Public Image | Financial/Business Impact | Public/Staff Safety/OHS&W | Legal/Regulatory |
|-------------------------|--|---|---|---|
| 1. Insignificant | <ul style="list-style-type: none"> No adverse effect on public image Insignificant level of community concern Negligible adverse impact upon social health and well being of the community which has little or no impact upon established community relationships and links | <ul style="list-style-type: none"> Low financial loss – impact of less than \$2k Small delays in undertaking routine needs or tasks for ½ day. | <ul style="list-style-type: none"> No injuries or no significant injuries Negligible loss or damage to property / infrastructure | <ul style="list-style-type: none"> Minor encroachment on legislation/standard Rectify internally |
| 2. Minor | <ul style="list-style-type: none"> Minor adverse effect on public image Minor level of community concern Minor adverse impact upon social health & well being of the community that may have a minor impact upon established community relationships & links. | <ul style="list-style-type: none"> Medium financial loss – impact of between \$2k and \$10k Minor impact in undertaking routine needs or tasks for 1 day | <ul style="list-style-type: none"> First aid treatment required resulting in lost time (> 1day) Minor loss or infrastructure damage | <ul style="list-style-type: none"> Minor legal, regulatory or internal policy failure and/or non compliance No penalties, warning only Insurance claim |
| 3. Moderate | <ul style="list-style-type: none"> Moderate adverse effect on public image Moderate level of community concern Social health and well being of the community affected by moderately reduced opportunities for participation in community life and/or decision making, moderate incidences of increased isolation etc. | <ul style="list-style-type: none"> High financial loss – impact of between \$10,000 and \$50,000 Capability / production impaired, moderate impact on stakeholders & routine needs or tasks for 1 – 3 days. Minor legal issues, non compliances and breaches of regulation | <ul style="list-style-type: none"> Medical treatment required Moderate loss/or infrastructure damage | <ul style="list-style-type: none"> Moderate legal, regulatory or internal policy failure and/or non compliance Minor penalties under the Act Bad publicity |
| 4. Major | <ul style="list-style-type: none"> Major adverse effect on public image Significant level of community concern Social health and well being of the community seriously affected by major community unrest and/or significant breakdown of established community relationships and links. | <ul style="list-style-type: none"> Major financial loss - impact of \$50,000 or more Loss of capability, disruption to production, major impact on stakeholders & routine needs or tasks for 3 – 5 days. Serious breach of regulation with investigation or report to authority with prosecution and/or moderate fine possible | <ul style="list-style-type: none"> Serious & extensive injuries requiring hospitalisation/ rehabilitation Serious structural damage to infrastructure or serious loss of assets | <ul style="list-style-type: none"> Major legal, regulatory or internal policy failure and/or non compliance Non-compliance with service quality standard Cease operation |
| 5. Catastrophic | <ul style="list-style-type: none"> Huge effect on public image Community outrage Social health & well being of the community hugely affected by major community unrest and/or significant breakdown of established community relationships & links. | <ul style="list-style-type: none"> Huge financial loss/exposure – impact greater than \$500,000 Projects & programs failure, inability to meet minimum acceptable standards, most objectives not met Major breaches of regulation, major litigation | <ul style="list-style-type: none"> Fatality Critical loss, irreversible damage property / infrastructure | <ul style="list-style-type: none"> Critical legal, regulatory or internal policy failure and/or non compliance Staff / Board / Board Committee Member jailed |

7.1 PUBLIC AND ENVIRONMENTAL HEALTH

Complaints

For the reporting period 1 October 2015 to 31 December 2015, the Eastern Health Authority received 67 public and environmental health related complaints. The complaints for the reporting period are shown by category in Graph 1 and by respective council area in Table 1.

Graph 1:

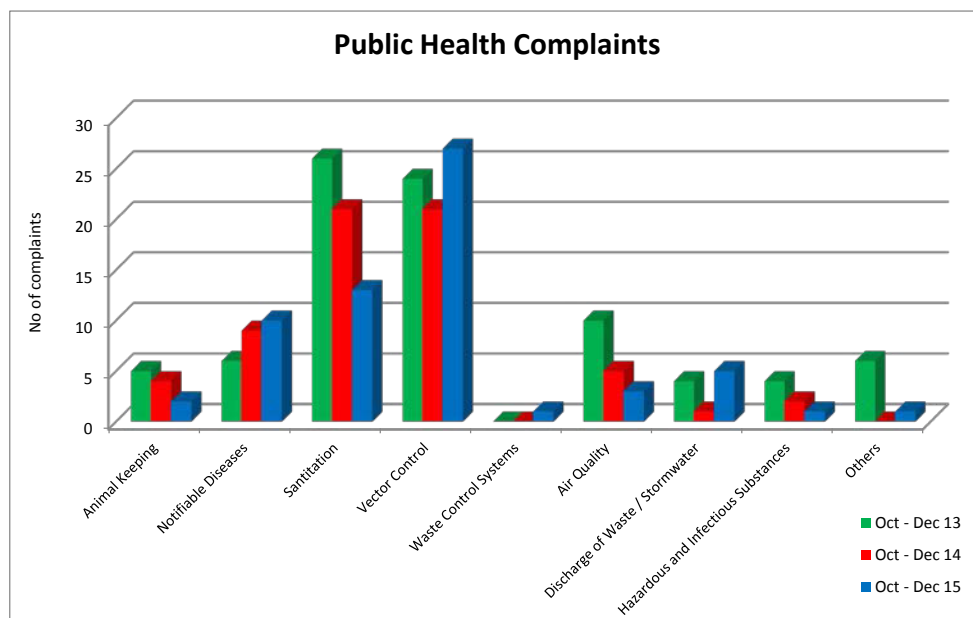


Table 1: Public and Environmental Health complaints received 1 October 2015 to 31 December 2015 by council area

| | Burnside | Campbelltown | NPSP | Prospect | Walkerville | Total |
|----------------------|----------|--------------|------|----------|-------------|-------|
| Air Quality | 1 | 3 | 2 | 1 | 0 | 7 |
| Animal Keeping | 0 | 0 | 1 | 1 | 0 | 2 |
| Hazardous Substances | 0 | 0 | 1 | 0 | 0 | 1 |
| Notifiable Disease | 0 | 1 | 4 | 3 | 2 | 10 |
| Other | 0 | 0 | 1 | 0 | 0 | 1 |
| Sanitation | 7 | 3 | 2 | 1 | 0 | 13 |
| Stormwater discharge | 1 | 1 | 2 | 1 | 0 | 5 |
| Vector Control | 4 | 11 | 6 | 3 | 3 | 27 |
| Wastewater | 0 | 0 | 1 | 0 | 0 | 1 |
| | 13 | 19 | 20 | 10 | 5 | 67 |

Cumulative totals of complaints for the financial year-to-date are shown in Graph 2 and cumulative complaints by council area and reporting category are detailed in Table 2.

Graph 2:

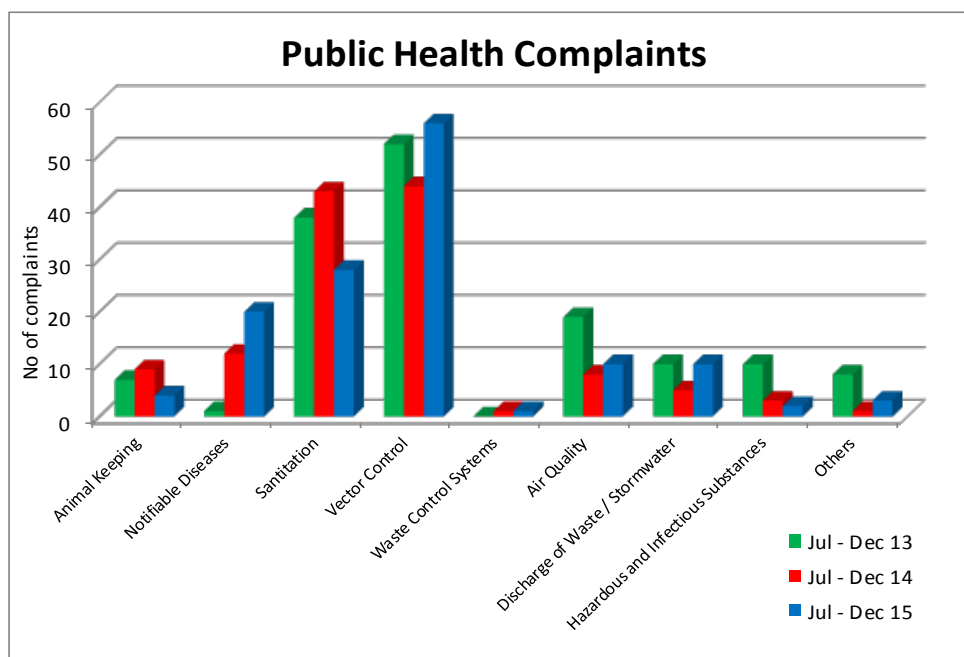


Table 2: Cumulative Public and Environmental Health complaints received 1 July 2015 to date by council area

| | Burnside | Campbelltown | NPSP | Prospect | Walkerville | Total |
|----------------------|-----------|--------------|-----------|-----------|-------------|------------|
| Air Quality | 2 | 3 | 3 | 1 | 1 | 10 |
| Animal Keeping | 0 | 2 | 1 | 1 | 0 | 4 |
| Hazardous Substances | 0 | 0 | 2 | 0 | 0 | 2 |
| Notifiable Disease | 3 | 2 | 9 | 4 | 2 | 20 |
| Other | 0 | 0 | 3 | 0 | 0 | 3 |
| Sanitation | 15 | 5 | 3 | 4 | 1 | 28 |
| Stormwater discharge | 2 | 4 | 3 | 1 | 0 | 10 |
| Vector Control | 12 | 18 | 14 | 7 | 5 | 56 |
| Wastewater | 0 | 0 | 1 | 0 | 0 | 1 |
| Total | 34 | 34 | 39 | 18 | 9 | 134 |

Animal Keeping

A complaint was received from a resident concerning excessive noise and odour from a chicken coop. The Authorised Officer conducted a joint inspection with the General Inspector from the Constituent Council and spoke with the property owner. The Officers observed that the chicken coop was poorly maintained, there was an odour and it was positioned directly against the neighbours fence. The EHO required the coop to be cleaned and tidied to assist with the controlling of the offensive odours. The General Inspector recommended the chicken coop be repositioned in line with recommended setback distances. The following week an inspection was conducted and the coop had been satisfactorily cleaned.

Notifiable Disease

During the reporting period Health Protection Programs at the Department for Health and Ageing notified EHA of three unrelated cases of *Legionella pneumophila* serogroup 1.

The first reported case required a home based investigation whereby an Officer collected three water samples from hot water system outlets in the home. In addition the Officer carried out a cooling tower desktop investigation. No registered cooling towers were identified within the vicinity the person visited during the incubation period. The detection of *Legionella* was not found in the water samples collected.

The second case involved notification of one person who was reported to have been home during the incubation period. The Officer visited the home address and carried out an investigation. The home investigation included water sampling and discussions with the cases' representative on *Legionnaires* disease and reducing risks in the home. Water samples were taken from the hot water system, shower, kitchen sink and laundry sink outlets.

A desktop investigation of all registered cooling towers in the vicinity of the home address was also undertaken. One registered cooling tower system was identified to be in the area to where the case resided. An investigation of the cooling tower system was undertaken. The contact person for the tower confirmed that there had been no detection, modifications, alterations, additions or decommissioning of the respective cooling towers. The home investigation water test results were found to be negative.

The third case also involved one ill person reported to have been home as well as several other locations within the local authority during the incubation period. Officers undertook a home investigation and desktop investigation of all cooling towers in the vicinity of the person's locations during the incubation period. Water sampling during the home investigation included the shower, bathroom hand basin and laundry tub. The desktop investigation revealed one registered cooling tower within the vicinity of where the person visited during the incubation period. A subsequent cooling tower system review showed a good compliance history and confirmation of no changes to the system. The identified cooling tower was prioritised for routine inspection and subsequently found to be compliant with the *South Australian Public Health (Legionella) Regulations 2013*. Results from the home investigation found *Legionella* species that was non disease causing in the bathroom hand basin

sample. In accordance with the *Guidelines for the Control of Legionella*, Officers recommended pasteurisation of all hot water system outlets by a licensed plumber. The contact person arranged for a plumber to undertake the recommended action on behalf of the ill person.

Sanitation

A total of 13 sanitation complaints were received which was comparable to the 15 complaints received the previous reporting period. The majority of sanitation complaints investigated during this reporting period related to:

- Severe domestic squalor involving accumulations of rubbish, waste and recyclable materials
- Hoarding of furniture, soft furnishing, clothing and other miscellaneous matter
- Poor hygiene and cleaning practices at a beauty premises

As reported to the Board of Management in October 2015, a Notice to Secure Compliance with the General Duty under Section 92(2) of the *Public Health Act, 2011* was issued to a property to be cleaned and remove all rubbish. The due date of the Notice was extended indefinitely until the owner complies with all the items in the Notice and the squalid conditions are removed. During this time the home is not permitted to be occupied.

During this reporting period three separate complaints have been received concerning rubbish and materials in the front yard of the property. In addition a complaint was received from the Metropolitan Fire Service concerning poor access throughout the property due to the accumulation of items as a result of a call out.

EHA continues to work closely with both the resident and the assigned Families SA officers seeking additional rubbish collection services and support from qualified psychologists. The property is continually inspected and monitored to determine progress with the public health Notice.

A joint inspection with the EHA Authorised Officers, the property owner, Families SA and qualified psychologists is planned to be undertaken on-site in the next reporting period. The purpose of the meeting is to identify the clean-up progress and discuss if further legal action is required.

EHA was contacted regarding concerns that a resident was residing in a home that may be squalid and structurally unsound. Authorised Officers visited the property but were unable to gain access. A letter was sent to the owner requesting access to the home to allow Authorised Officers to assess the conditions. The home owner contacted EHA but was resistant for an assessment of the property to be undertaken.

A number of attempts and various avenues to gain access were explored with no success. The Constituent Council was able to arrange an appointment with the home owner and a joint visit was conducted. An Authorised Officer conducted an assessment using the Foot in the Door Guidelines and Severe Domestic Squalor Assessment Scale. It was determined that work was necessary to clear the property to enable cleaning. The home owner was offered assistance through the council's

Commonwealth Home Support Programme (CHSP), however this has been refused. The Officers have requested that the accumulated items are removed. The EHO and Constituent Council will continue to monitor the progress within the next reporting period.

Vector Control

During the reporting period, 27 vector complaints were received. Complaints regarding rats/mice accounted for 25 of the complaints. All complaints were investigated and where Authorised Officers determined alleged complaints do not pose a public health risk, letters and information to prevent the harbourage of vermin and breeding of mosquitoes were issued.

A complaint was received alleging that a neighbour's pool was being poorly maintained and causing excessive mosquito activity for the surrounding properties. The Authorised Officer met with the property owner and found that pool was no longer in use and was half filled with organic material, providing conditions conducive to mosquito breeding; although there was no evidence of mosquito activity at the time of the inspection.

The property owner advised that the disused pool was treated with kerosene to prevent mosquito breeding. The owner was unable to continue treating the pool due to a medical condition. The Authorised Officer contacted the Constituent Council Home Community Services Officer who was able to arrange for Hendercare to attend the property and treat the pool every week for the resident. No further complaints were received.

Discharge of Waste / Stormwater

An anonymous complaint was received by EHA regarding pool water from a residential property being discharged into a laneway. The complainant was concerned the discharged water was travelling towards a storm water drain. An investigation conducted by Officers found the complaint to be justified. The occupier of the property was advised of the issue and explained the pool had been recently and incorrectly installed. As a result the greywater from the house was being discharged into the pool which subsequently discharges into the stormwater system. The owner was advised to block the pipe which was discharging the pool water and to contact the pool installer to address the issue. Two follow up inspections were conducted to ensure the pipe had been properly sealed and no more water was being discharged. Due to the owners immediate action to address the issue no Expiation Notice was served.

Cooling Towers & Warm Water Systems

Warm Water System

During the reporting period six warm water system sites were inspected and two water samples were taken from each system. Two aged care facilities received high counts following the audits. One site received seven high counts in systems across three wings of the facilities. This particular site has previously been reported to the Board of Management due to the ongoing nature of the issues at the facility. As a result of these high counts the systems were shut down and investigated. The result of the investigation by the water treatment company found that the high counts were detected in the systems where recent building works were undertaken. The facility proceeded to action all recommendations from EHA and the water treatment company. The facility increased the dosage levels of continuous residual chlorine and booked in a precautionary decontamination at the completion of the building works.

At a second facility a routine audit was undertaken and three high counts in two systems were received. Due to the recent results and ongoing *Legionella* detections, the Authorised Officer required a comprehensive investigation of the affected systems to identify the sources of the issue. The water treatment company found that the shared showers had been installed without removing the old thermostatic mixing valves. The walls in the shower had been built around the valves without an access point for cleaning and servicing which is required to be completed annually under the Australian Standards. Further to this the facility replaced and remodelled all pipework throughout the shared showers in this system.

The inspection frequency of both premises has been increased to six months.

Cooling Tower

Twelve cooling towers at eight sites were inspected and microbiological testing carried out during the reporting period. Non-compliances identified during routine inspections mostly related to inadequate document keeping, including drift eliminator certification and providing operating and maintenance manuals. In each respective instance the responsible person has been required to take action to address non-compliances within specified timeframes.

Routine sampling found the detection of *Legionella* in two cooling towers located at one site. The responsible person at the site was immediately informed and instructed to carry out the required control strategy in accordance with *Schedule 4 Part 1 of the Guidelines for the Control of Legionella in Manufactured Water Systems in South Australia*. Required control strategies included a review of water treatment programs and immediate on-line disinfection. Following on-line disinfection, a water sample re-test was undertaken and results were found to be satisfactory.

Table 3: Cooling tower and warm water system inspections conducted between 1 October 2015 to 31 December 2015 by council area

| | Burnside | Campbelltown | NPS | Prospect | Walkerville | Total |
|-----------------------|----------|--------------|-----|----------|-------------|-------|
| Complaint inspections | 0 | 0 | 0 | 0 | 0 | 0 |
| Routine inspections | 4 | 5 | 9 | 7 | 7 | 32 |
| Follow-up inspections | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 4 | 5 | 9 | 7 | 7 | 32 |

Table 4: Cumulative totals of cooling tower and warm water systems inspections conducted for the financial year-to-date

| | Burnside | Campbelltown | NPSP | Prospect | Walkerville | Total |
|-----------------------|----------|--------------|------|----------|-------------|-------|
| Complaint inspections | 0 | 0 | 0 | 0 | 0 | 0 |
| Routine inspections | 4 | 7 | 12 | 7 | 7 | 37 |
| Follow-up inspections | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 4 | 7 | 12 | 7 | 7 | 37 |

Public Swimming Pools and Spas

During the reporting period 33 inspections at 23 swimming and spa pools sites were conducted.

During routine inspections one pool and one spa was found to have high chlorine levels. In accordance with the *Public Health (General) Regulations 2013* both the pool and spa were immediately closed to the public. High chlorine levels in the pool were found to be associated with malfunctioning automatic dosing equipment. The pool remained closed until a pool contractor repaired the automatic dosing equipment and an Officer tested the pool water to ensure compliance with the Regulations. A review of the manual pool testing records revealed instances of high chlorine levels without stated action taken. As a result the proprietor was issued a warning letter advising that future non-compliance may result in legal action.

A routine inspection of an outdoor pool identified low chlorine levels. In response the pool operator immediately closed the pool. A follow-up inspection was conducted. The pool operator was able to demonstrate an ability to maintain the required chlorine levels and the test of the pool

water confirmed level of chlorine was compliant with the Regulations. As a result the pool was re-opened for public use.

Table 5: Swimming and spa pool inspections conducted between 1 October 2015 to 31 December 2015 by council area

| | Burnside | Campbelltown | NPS | Prospect | Walkerville | Total |
|-----------------------|----------|--------------|-----|----------|-------------|-------|
| Complaint inspections | 0 | 0 | 0 | 0 | 0 | 0 |
| Routine inspections | 14 | 3 | 9 | 4 | 3 | 33 |
| Follow-up inspections | 3 | 1 | 0 | 0 | 1 | 5 |
| Total | 17 | 4 | 9 | 4 | 4 | 38 |

Table 6: Cumulative totals of swimming and spa pool inspections conducted for the financial year-to-date

| | Burnside | Campbelltown | NPS | Prospect | Walkerville | Total |
|-----------------------|----------|--------------|-----|----------|-------------|-------|
| Complaint inspections | 0 | 0 | 0 | 0 | 0 | 0 |
| Routine inspections | 15 | 3 | 12 | 4 | 3 | 37 |
| Follow-up inspections | 4 | 1 | 0 | 0 | 1 | 6 |
| Total | 19 | 4 | 12 | 4 | 4 | 43 |

Hairdressers/ Beauty Salons/ Acupuncturists/Skin Penetration

As reported in the Board of Management Report in October 2015, a risk assessment of all beauty and skin penetration premises was completed and an inspection schedule developed.

During the reporting period the inspection schedule was implemented with the highest risk premises inspected as a priority. During the reporting period six routine, one complaint and two follow up inspections were conducted.

Officers observed a good standard of cleanliness and operator knowledge throughout the routine inspections. A non-conformance involving the re-using of single-use waxing instruments was observed by Authorised Officers at two separate businesses. Staff were educated on the risks associated with this practice and directed to ensure all single-use items are only used once and immediately discarded.

During the reporting period a complaint was received alleging a skin infection developed after a nail treatment from a beauty salon. It was

reported the business had poor hygiene practices including the re-using of single-use nail files and foot spas not being cleaned in between client treatments.

Two Authorised Officers investigated the complaint. The manager admitted to re-using the same nail files between each client without appropriately washing or disposing them. Other equipment was washed with an inappropriate cleaning solution. Staff were provided with educative materials and given recommendations on appropriate cleaning procedures and hygiene practices.

A follow up inspection was conducted to ensure appropriate safe hygiene practices had been implemented. The business purchased a large quantity of single use nail files which were being disposed of immediately after use. An appropriate cleaning solution was purchased to disinfect the foot spas and other equipment. The premises complied with all requirements and no further action was taken.

Table 7: Hairdressers / Beauty Therapists / Acupuncturists inspections conducted between 1 October 2015 to 31 December 2015 by council area

| | Burnside | Campbelltown | NPS | Prospect | Walkerville | Total |
|-----------------------|----------|--------------|-----|----------|-------------|-------|
| Complaint inspections | 0 | 1 | 0 | 0 | 0 | 1 |
| Routine inspections | 2 | 2 | 1 | 1 | 0 | 6 |
| Follow-up inspections | 0 | 1 | 0 | 1 | 0 | 2 |
| Total | 2 | 4 | 1 | 2 | 0 | 9 |

Table 8: Cumulative totals of Hairdressers / Beauty Therapists / Acupuncturists inspected for the financial year-to-date

| | Burnside | Campbelltown | NPS | Prospect | Walkerville | Total |
|-----------------------|----------|--------------|-----|----------|-------------|-------|
| Complaint inspections | 1 | 1 | 0 | 0 | 0 | 2 |
| Routine inspections | 2 | 3 | 2 | 1 | 0 | 8 |
| Follow-up inspections | 0 | 1 | 0 | 1 | 0 | 2 |
| Total | 3 | 5 | 2 | 2 | 0 | 12 |

Waste Control

Pursuant to the SA Public Health (Wastewater) Regulations 2013, all onsite wastewater systems and alterations to an onsite wastewater system are subject to a wastewater works approval. EHA received two applications for an on-site wastewater works approval during the reporting period. Following satisfactory assessment against the *On-site Wastewater Systems Code 2013* (the Code), one application to install a septic tank and soakage trench system was approved subject to conditions outlined in the approval notice.

EHA also received an application for an on-site wastewater works approval to install a permanent grey water system with shallow subsurface irrigation. Initial assessment of the application found requirements with the Code had not been adequately addressed. This included satisfying wastewater engineer's requirements in relation to adequate irrigation area and minimum system setback distances from any buildings and boundaries. The applicant has been informed of actions that require addressing before the application can be further assessed for approval.

RECOMMENDATION

That:

The Public and Environmental Health Report is received.

7.2 IMMUNISATION

School Based Immunisation Program (SBIP) 2015

For the reporting period 1 October 2015 to 31 December 2015, 10 school immunisation sessions were conducted with 1304 vaccines administered. This saw the completion of the 2015 SBIP for 19 high schools in the Constituent Council and City of Unley areas.

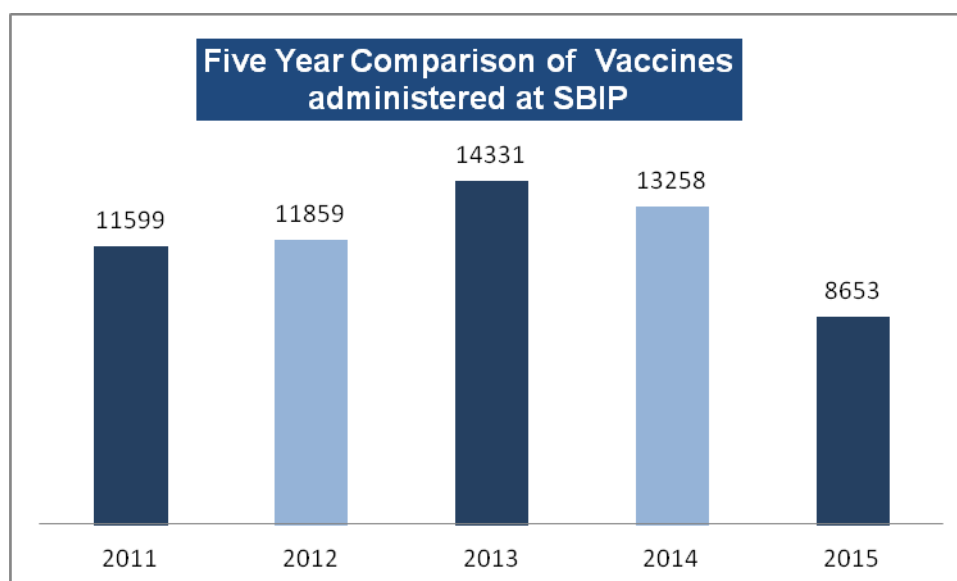
The total number of school sessions held during the 2015 calendar year was 57. The table below lists a breakdown of the vaccines administered for each council area in 2015.

Table 1: Total SBIP Vaccine Antigens for January to December 2015

| Council | Varicella Zoster | Human Papillomavirus | Diphtheria Tetanus Pertussis | Jan-Dec Total |
|--------------|---------------------|-------------------------|------------------------------------|------------------|
| Burnside | 292 | 1729 | 582 | 2603 |
| Campbelltown | 267 | 1279 | 435 | 1981 |
| NPSP | 294 | 1668 | 559 | 2521 |
| Prospect | 77 | 341 | 124 | 542 |
| Unley | 80 | 471 | 160 | 711 |
| Walkerville | 21 | 164 | 110 | 295 |
| Total | 1031 | 5652 | 1970 | 8653 |

Graph 1:

Five Year Comparison of Vaccines administered at SBIP



In 2015 there were a total of 8,653 vaccines delivered, a decrease of 4,605 (34.73%) when compared to the previous year.

This reduction is due to the changes in the National Immunisation Program for Adolescents in 2015. The changes included the cessation of catch up programs for year 9 males of the HPV 3-dose catch up program and the year 9 male and female dTpa catch up program. The reduction

was partly offset by a change in the Schedule in 2014 which saw more vaccines being given per student in Year 8.

Statistics were submitted for the school program to the Immunisation Section of SA Health. The table below compares coverage percentages for schools in the Constituent Council areas when compared with the Total Coverage in South Australia. A favourable result in all of the vaccines administered was achieved in EHA schools when compared with the total coverage percentages in South Australia.

Table 2: EHA Constituent Council Coverage Data compared with Total Coverage in South Australia

| 2015 School Based Immunisation Program Coverage Data - EHA Constituent Council Schools vs Total Coverage in South Australia | | | |
|--|--------|-----------------------------|---------------------------------|
| EHA Coverage Rate | | All SA Coverage Rate | EHA Variation to SA Rate |
| Varicella | 92.80% | 87.90% | +4.90% |
| dTpa | 91.50% | 86.20% | +5.30% |
| HPV | 91.10% | 86.50% | +4.60% |
| HPV | 90.10% | 80.70% | +9.40% |
| HPV | 82.50% | 77.90% | +4.60% |

No changes for the School Immunisation National Program are proposed for 2016 when compared with 2015.

Bookings have been confirmed with 19 schools for 2016 with a total of 57 session dates.

Worksite Program

All documents and promotional materials for the 2016 Seasonal Influenza Worksite Program were updated and a mail out to over 300 businesses was sent in December 2015.

A copy of the mail out is provided as attachment 1 and includes a copy of the Media Release by the Minister for Health, Sussan Ley who in a statement released on the 6 November 2015 said “the Turnbull Government would upgrade the Government’s National Immunisation Program (NIP) to include a new influenza vaccine for 2016 that will cover four flu strains – up from three in 2015”.

2016 is the first year that the ‘Quadrivalent’ Influenza Vaccine has been available to Immunisation Providers. All Worksite program clients are being offered the choice of the two Influenza vaccines and the ‘2016 Worksite Influenza Program Quote’ details the pricing based on the number of staff immunised.

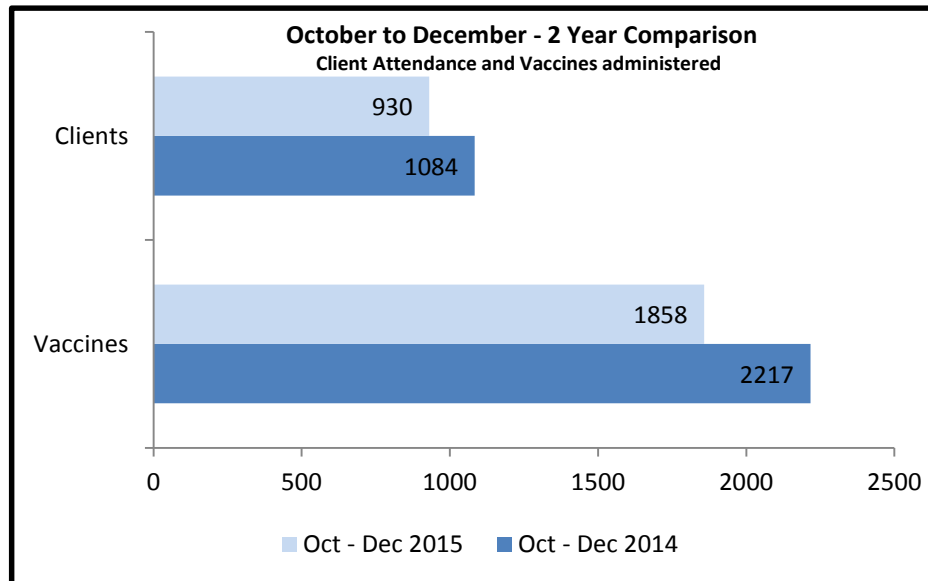
All Constituent Councils and the City of Unley were contacted in November to secure convenient dates and have confirmed bookings.

Bookings have been made from April 2016 based on the when the vaccine will be available and four specific Flu clinics have been allocated and included in the 2016 Clinic Timetable.

Public Clinics

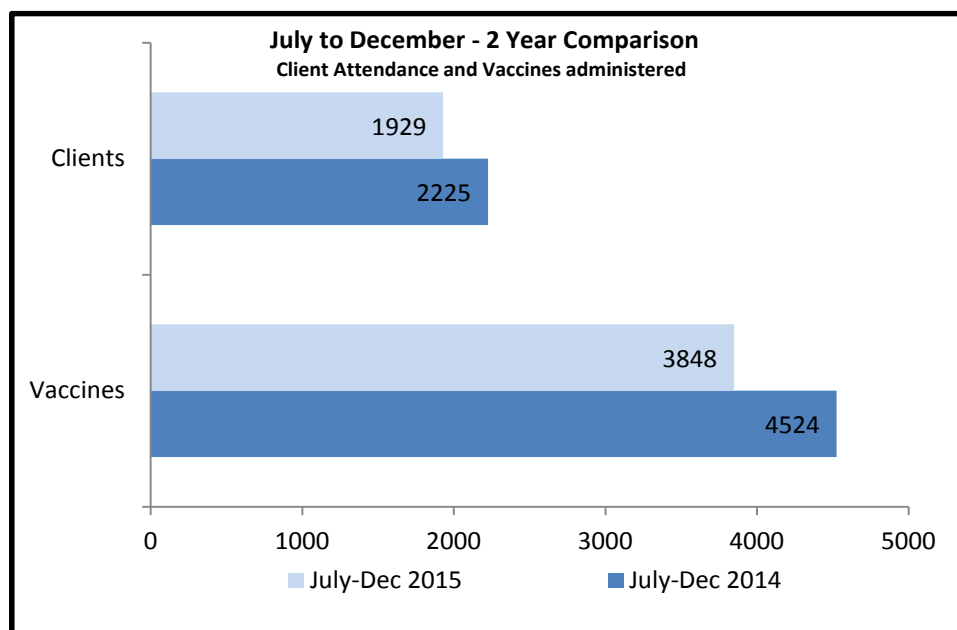
During October to December 2015, 930 clients received 1858 vaccines at EHA's public immunisation clinics. This is a decrease of 154 clients (14.21%) when compared to the same period for 2014 (see graph 2).

Graph 1: October to December - Two year comparison of Client attendance and Vaccines administered at clinics



From July 2015 to December 2015 there was a total of 1929 clients attended EHA's public clinics and received a total of 3848 vaccines. This is a decrease of 296 (13.3%) in the number of clients compared to the same period for 2014 (see graph 2).

Graph 2:
July to December - two year comparison of Client attendance and Vaccines administered at clinics



The 2016 Immunisation Clinic Timetable was redesigned and printed.

The timetable was distributed to community and government services such as Child and Youth Health Services as well as Constituent Councils and their library services.

‘No Jab No Pay’ legislation

New Immunisation requirements for Family Assistance Payments, ‘No Jab No Pay’ came into effect from 1 January 2016. Letters from Centrelink were received by many parents advising them that with the introduction of this legislation their children must be ‘fully vaccinated’ for vaccines under the National Immunisation Program (NIP) childhood schedule.

During the reporting period EHA saw a significant increase in phone enquiries and requests from parents seeking a review of their children’s immunisation records on the Australian Childhood Immunisation Register (ACIR). All immunisation providers will receive a payment of \$6.00 per encounter for all catch up vaccines overdue by a minimum of 2 months.

12 families residing within our Constituent Council areas contacted EHA requiring a catch-up immunisation history assessment for their children. As a result 16 children commenced on a vaccination program at EHA’s public clinics. These catch-ups were for children vaccinated overseas and not part of the ‘No Jab No Pay’ program.

A full review of the internal process of assessing immunisation records for children from overseas and children affected by the ‘No Jab No Pay’ changes has been performed. Feedback from other immunisation providers has been sought.

A change in practice will be implemented involving training of administration staff being able to assist with maintaining ACIR records for clients and records provided to EHA for assessment against the NIP prior to an appointment being made. This will allow EHA to maintain a quality service to our residents and cope with the increase in workload expected.

In December 2015 EHA assisted SA Health to test a significant upgrade and change software used for immunisation data management (ImPS, V4.1.0). A significant number of changes were made to the software as a result of the issues identified during the testing. The software will be introduced to all SA immunisation providers early in January 2016.

Table 3 on the following page details the numbers of clients attending each clinic venue and their council of origin.

Table 3: Combined Clinic breakdown for October – December 2015

Client breakdown giving numbers in attendance at the

Eastern Health Authority's Public Immunisation Clinics by Council area

BURNSIDE CLINIC held at Burnside Council every 2nd and 4th Monday of the month
2.00 pm to 4.00 pm

| Client Council of origin | BURNSIDE | | CAMP | | NPS | | PROSPECT | | WALK | | UNLEY | | OTHER | | Site Total | |
|--------------------------|----------|----------|---------|----------|---------|----------|----------|----------|---------|----------|---------|----------|---------|----------|------------|----------|
| | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines |
| Oct-Dec 15 | 74 | 151 | 6 | 11 | 16 | 28 | 2 | 6 | 0 | 0 | 7 | 18 | 3 | 6 | 108 | 220 |
| Year to Date | 154 | 302 | 21 | 45 | 26 | 55 | 4 | 10 | 2 | 2 | 23 | 54 | 5 | 9 | 237 | 477 |

CAMPBELLTOWN CLINIC HELD AT Campbelltown Library every 3rd Wednesday of the month
10 am to 12 noon and 6.00 pm to 7.30 pm

| Client Council of origin | BURNSIDE | | CAMP | | NPS | | PROSPECT | | WALK | | UNLEY | | OTHER | | Site Total | |
|--------------------------|----------|----------|---------|----------|---------|----------|----------|----------|---------|----------|---------|----------|---------|----------|------------|----------|
| | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines |
| Oct-Dec 15 | 7 | 13 | 75 | 126 | 7 | 12 | 2 | 3 | 0 | 0 | 1 | 2 | 3 | 6 | 95 | 162 |
| Year to Date | 10 | 18 | 146 | 262 | 10 | 20 | 4 | 7 | 0 | 0 | 1 | 2 | 3 | 6 | 174 | 315 |

NORWOOD, PAYNEHAM & ST PETERS COUNCIL CLINICS - CLINICS BACK AT ST PETERS

ST PETERS CLINIC is held at the EHA Offices, 101 Payneham Road, St Peters every Thursday all day

ST PETERS CLINIC is held every 2nd Tuesday of the month 10 am to 12.30 pm

and St Peters Evening Clinic is held every 2nd and 4th Tuesday of the month 5.30 pm to 7.00 pm

| Client Council of origin | BURNSIDE | | CAMP | | NPS | | PROSPECT | | WALK | | UNLEY | | OTHER | | Site Total | |
|--------------------------|----------|----------|---------|----------|---------|----------|----------|----------|---------|----------|---------|----------|---------|----------|------------|----------|
| | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines |
| Oct-Dec 15 | 103 | 206 | 155 | 313 | 169 | 348 | 25 | 50 | 33 | 65 | 32 | 75 | 19 | 32 | 536 | 1089 |
| Year to Date | 179 | 372 | 303 | 640 | 407 | 798 | 64 | 117 | 64 | 132 | 71 | 152 | 41 | 74 | 1129 | 2285 |

PROSPECT CLINIC held every 1st Wednesday of the month
2.30 pm to 4.30 pm

| Client Council of origin | BURNSIDE | | CAMP | | NPS | | PROSPECT | | WALK | | UNLEY | | OTHER | | Site Total | |
|--------------------------|----------|----------|---------|----------|---------|----------|----------|----------|---------|----------|---------|----------|---------|----------|------------|----------|
| | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines |
| Oct-Dec 15 | 2 | 3 | 5 | 10 | 1 | 1 | 14 | 26 | 2 | 5 | 1 | 1 | 0 | 0 | 25 | 46 |
| Year to Date | 3 | 4 | 5 | 10 | 2 | 2 | 25 | 46 | 4 | 9 | 1 | 1 | 2 | 4 | 42 | 76 |

WALKERVILLE CLINIC held every 4th Wednesday of the month
2.00 pm to 4.00 pm

| Client Council of origin | BURNSIDE | | CAMP | | NPS | | PROSPECT | | WALK | | UNLEY | | OTHER | | Site Total | |
|--------------------------|----------|----------|---------|----------|---------|----------|----------|----------|---------|----------|---------|----------|---------|----------|------------|----------|
| | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines |
| Oct-Dec 15 | 2 | 3 | 3 | 6 | 3 | 6 | 2 | 2 | 4 | 8 | 0 | 0 | 1 | 3 | 15 | 28 |
| Year to Date | 6 | 8 | 4 | 8 | 9 | 20 | 4 | 7 | 6 | 10 | 2 | 3 | 2 | 6 | 33 | 62 |

UNLEY CLINIC held at Unley Town Hall/Unley Civic Centre/Unley Citizens' Centre

| Client Council of origin | BURNSIDE | | CAMP | | NPS | | PROSPECT | | WALK | | UNLEY | | OTHER | | Site Total | |
|--------------------------|----------|----------|---------|----------|---------|----------|----------|----------|---------|----------|---------|----------|---------|----------|------------|----------|
| | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines |
| Oct-Dec 15 | 20 | 39 | 12 | 16 | 10 | 22 | 1 | 1 | 0 | 0 | 86 | 193 | 22 | 42 | 151 | 313 |
| Year to Date | 41 | 82 | 24 | 34 | 14 | 30 | 3 | 6 | 10 | 19 | 182 | 384 | 40 | 78 | 314 | 633 |

Grand Total of all Clinic Sites

| Grand Total | |
|--------------|-----------|
| Clients | Vaccines |
| Oct-Dec 15 | 930 1858 |
| Year to date | 1929 3848 |

The following Table provides details on the numbers of clients in attendance and the vaccines administered at all of the public clinics based on the clients council of origin

| | BURNSIDE | | CAMP | | NPS | | PROSPECT | | WALK | | UNLEY | | OTHER | | TOTALS | |
|--------------|----------|----------|---------|----------|---------|----------|----------|----------|---------|----------|---------|----------|---------|----------|---------|----------|
| | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines | Clients | Vaccines |
| Oct-Dec 15 | 208 | 415 | 256 | 482 | 206 | 417 | 46 | 88 | 39 | 78 | 127 | 289 | 48 | 89 | 930 | 1858 |
| Year to date | 393 | 786 | 503 | 999 | 470 | 925 | 104 | 193 | 86 | 172 | 280 | 596 | 93 | 177 | 1929 | 3848 |

RECOMMENDATION

That:

The Immunisation Services Report is received.

2016 Influenza Worksite Program

Eastern Health Authority

Experts in delivering Worksite Programs

Protect your business against the 2016 Influenza Season

Eastern Health Authority (EHA) is a leading provider and specialist in workplace influenza and occupational vaccinations for organisations of all types and sizes.

A recent study found that in Australia influenza:

- causes 18,000 hospitalisations
- requires over 300,000 GP consultations
- costs the Australian health care system at least \$85m annually

In 2015 there have been 89,519 laboratory confirmed notifications nationally of Influenza, 14,936 of those in South Australia compared with 9,910 cases reported in 2014.

62% were confirmed Influenza B and **38%** of cases were Influenza A

Due to the high percentage of Influenza B we recommend that you consider a **Quadrivalent** flu Vaccine for your workplace. Quadrivalent flu vaccines help to increase protection against circulating B Strain not included in the Trivalent flu vaccine.

Benefits of an Influenza Worksite Program:

- Reduced employee absenteeism
- Improved productivity in your workplace
- Care for your employees health and wellbeing
- Reduce the spread of flu within the workplace

Key Features of EHA's Program:



Friendly and specialised Immunisation Registered Nursing Staff come to you for your convenience



Onsite professional service with minimum downtime and interruption



Absent staff can access our numerous public clinics



Flexible booking options

EHA will provide you with an immediate competitive quote

To make a booking and ensure availability of your preferred time please complete the attached booking form and return to us or visit our website www.eha.sa.gov.au to make an enquiry.

Influenza Worksite Programs

Over 200 staff

- Trivalent Influenza Vaccine \$21.00* per vaccine
- Quadrivalent Influenza Vaccine \$26.00* per vaccine

Over 20 up to 199 staff

- Trivalent Influenza Vaccine \$22.00* per vaccine
- Quadrivalent Influenza Vaccine \$27.00* per vaccine
-

Fewer than 20 staff

- Trivalent Influenza Vaccine \$19.00* per vaccine plus Call out Fee \$180.00*
- Quadrivalent Influenza Vaccine \$23.00* per vaccine plus Call out Fee \$180.00*

Employees eligible (see list below) for free Funded Vaccines pay a service fee of only \$14.00 pp

*All prices quoted Exclude GST

The above fees include supply of the vaccine, medical consent assessment, record maintenance, vaccine cold chain storage, travel to & from the venue and administration of vaccines by an Authorised Immunisation Nurse. Any absent staff can attend any clinic to receive their vaccine at a time convenient to them.

People eligible for the Annual Seasonal Funded Influenza Program:

- All those aged 65 years and over
- All Aboriginal/Torres Strait Islander people aged 15 years and over
- All pregnant women (including those in first trimester)
- People six months of age or older with the following underlying medical conditions:
 - Cardiac disease
 - Chronic respiratory conditions including severe asthma
 - Other chronic illnesses requiring regular medical follow up or hospitalisation in the previous year, for example diabetes, chronic renal (kidney) failure, chronic metabolic disease and haemoglobinopathies
 - Chronic neurological conditions that may impact on respiratory function including multiple sclerosis, spinal chord injuries and seizure disorders
 - People with impaired immunity, including HIV infection, malignancy and chronic steroid use
 - Children on long term aspirin therapy.

Alternatively, eligible staff, as listed above, can choose to attend their local GP for the funded flu vaccine, where a Medicare gap fee may apply.

Other Worksite Programs Offered

- Hepatitis A (2 doses) \$75.00 per dose (0 & 6 month interval)
- Hepatitis B (3 doses) \$35.00 per dose (0, 1 & 5 month interval)
- Hepatitis A & B (3 doses) \$85.00 per dose (0, 1 & 5 month interval)
- Diphtheria/Tetanus/Pertussis
(Whooping cough) (1 dose) \$45.00 per dose
- Varicella (Chicken Pox) (2 doses) \$75.00 per dose (0 & 1 or 2 month interval)
- Measles, Mumps Rubella (1 or 2 doses) \$45.00 per dose (up to 2 doses 1 month apart)

Price per vaccine plus Service Delivery Cost (if applicable)

Service Delivery Cost:

A Service Fee \$125.00 per hour plus GST will be incurred where only 'Other Worksite Program' vaccines are administered and no Influenza Vaccines are booked.

There is a minimum of 3 hours service fee for the 1st visit. Minimum or maximum numbers of staff do not apply.

Please note Eastern Health Authority is a local government organisation.

Local government does not receive Medicare funding for any immunisation service delivery.

* All prices quoted Exclude GST and prices are as at October 2015 and subject to change without notice as will reflect increase in costs from suppliers.



THE HON SUSSAN LEY MP

Minister for Health
Minister for Sport
Minister for Aged Care

MEDIA RELEASE

6 November 2015

New flu protections following high season

Vulnerable Australians will get free access to even stronger protections against the flu in 2016 following another record number of reported cases this year.

Minister for Health Sussan Ley said the Turnbull Government would upgrade the Government's National Immunisation Program (NIP) to include a new influenza vaccine for 2016 that will cover four flu strains – up from three in 2015.

Ms Ley said the new vaccine would include the Brisbane and Phuket strains of the influenza virus, which contributed to the record 90,000 reported flu cases in Australia in 2015 – 25,000 higher than the previous record of 65,000 cases reported last year.

Ms Ley said the strains to be included in next year's quadrivalent (four strain) vaccine aligned with World Health Organisation recommendations for the southern hemisphere.

"The Government currently spends upwards of \$40 million immunising Australians against the flu, which poses serious health, social, productivity and economic threats to our community every year," Ms Ley said.

"We've seen another high flu season this year which saw a number of influenza viruses circulating, including both the Brisbane and the Phuket influenza B strains.

Today's announcement to move to a quadrivalent vaccine means that the best possible protection will be available free to the people who most need it," Ms Ley said.

"It's also important to remember we may be seeing more cases because more people are taking their flu symptoms seriously and going to see their doctor. This is an important public message to continue to promote in order to stop the spread and severity of the virus and its impacts on patients.

"In order to ensure we have full coverage of our population with no gaps, we will offer two vaccines in 2016 – one for people aged three years and over and one that is specifically tailored for children under three".

Ms Ley said further information on when the new flu vaccine would be available under the NIP would be communicated closer to the start of next year's flu season.

The NIP is designed to protect those population groups most at risk. This includes people aged over 65, Aboriginal and Torres Strait Islander people who are aged younger than five and older than 15 years, pregnant women, and people with certain medical conditions.

The Australian Government revises the composition of its influenza vaccinations available on the National Immunisation Program prior to every flu season taking into account World Health Organisation recommendations.

Ms Ley said the new 2016 quadrivalent vaccine would cover two A strains of influenza (California and Hong Kong) and two B strains of influenza (Brisbane and Phuket).

Influenza B viruses are estimated to have accounted for about 62 per cent of flu cases in Australia in 2015.

The Australian Government has partnered with the vaccine supplier GSK, whose Fluarix Tetra®, will be available for eligible people aged three years and older. The Government will also contract with Sanofi for their FluQuadri® Junior, which will be available for eligible children under three.

Ms Ley said Australians not eligible for vaccinations under the NIP would still be able to access seasonal flu vaccinations via the private market through their GP, employer or other allied health professionals.

Table 1. Notifications of laboratory confirmed influenza, Australia, 1 January to 30 October, 2010 to 2015, National

| | 2010* | 2011* | 2012* | 2013* | 2014* | 5 year average (2010 – 2014) | 2015* |
|-----------|--------|--------|--------|--------|--------|---------------------------------|--------|
| Australia | 11,565 | 25,999 | 42,869 | 24,731 | 65,242 | 34,081 | 92,767 |

Source: NNDSS, extracted 4 November 2015.

*1 January to 30 October of each year.

ENDS

Media Contact: James Murphy 0478 333 974

7.3 FOOD SAFETY REPORT

Complaints

For the reporting period 1 October 2015 to 31 December 2015 the Eastern Health Authority received 27 complaints that were investigated under the *Food Act 2001*. The complaints are shown by category in Graph 1 and by respective council area in Table 1.

Graph 1:

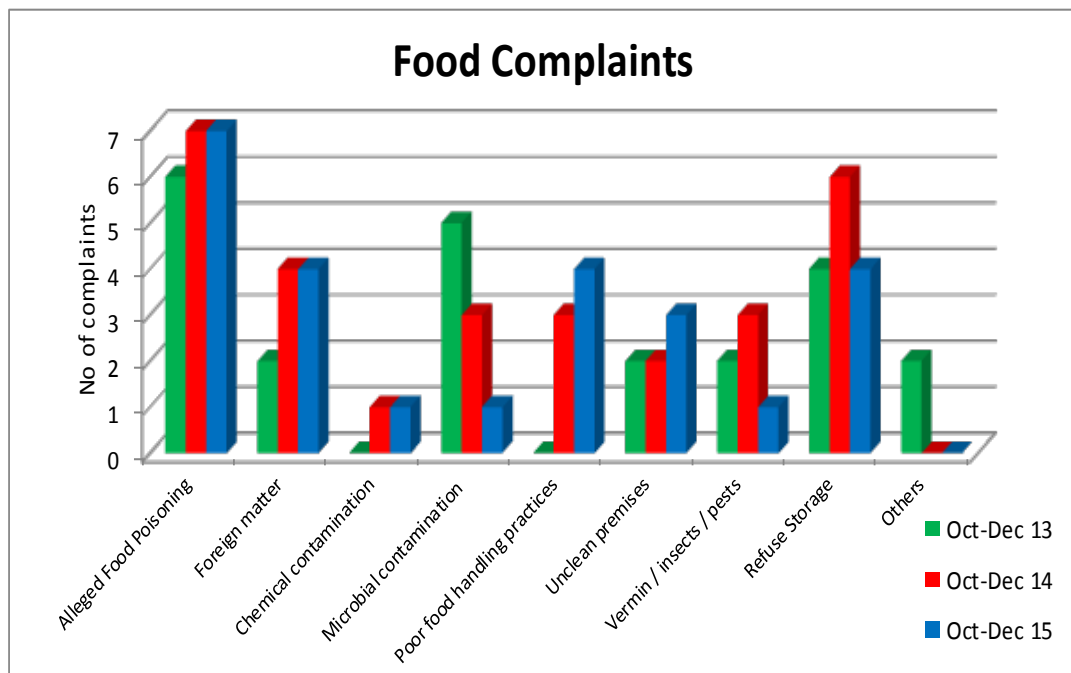


Table 1: Food complaints by council area from 1 October 2015 to 31 December 2015

| | Burnside | Campbelltown | NPSP | Prospect | Walkerville | Total |
|--|----------|--------------|-----------|----------|-------------|-----------|
| Alleged food poisoning | 4 | 0 | 1 | 2 | 0 | 7 |
| Confirmed food poisoning | 0 | 0 | 2 | 0 | 0 | 2 |
| Poor personal hygiene / poor food handling practices | 2 | 0 | 2 | 0 | 0 | 4 |
| Refuse Storage | 1 | 0 | 3 | 0 | 0 | 4 |
| Unclean premises | 1 | 0 | 2 | 0 | 0 | 3 |
| Food unsuitable/unsafe | 1 | 2 | 1 | 1 | 1 | 6 |
| Vermin / insects / pests | 0 | 0 | 1 | 0 | 0 | 1 |
| Total | 9 | 2 | 12 | 3 | 1 | 27 |

Graph 2:

Cumulative totals of complaints for the financial year to date are shown in Graph 2. Table 2 shows complaints by council area and reporting category.

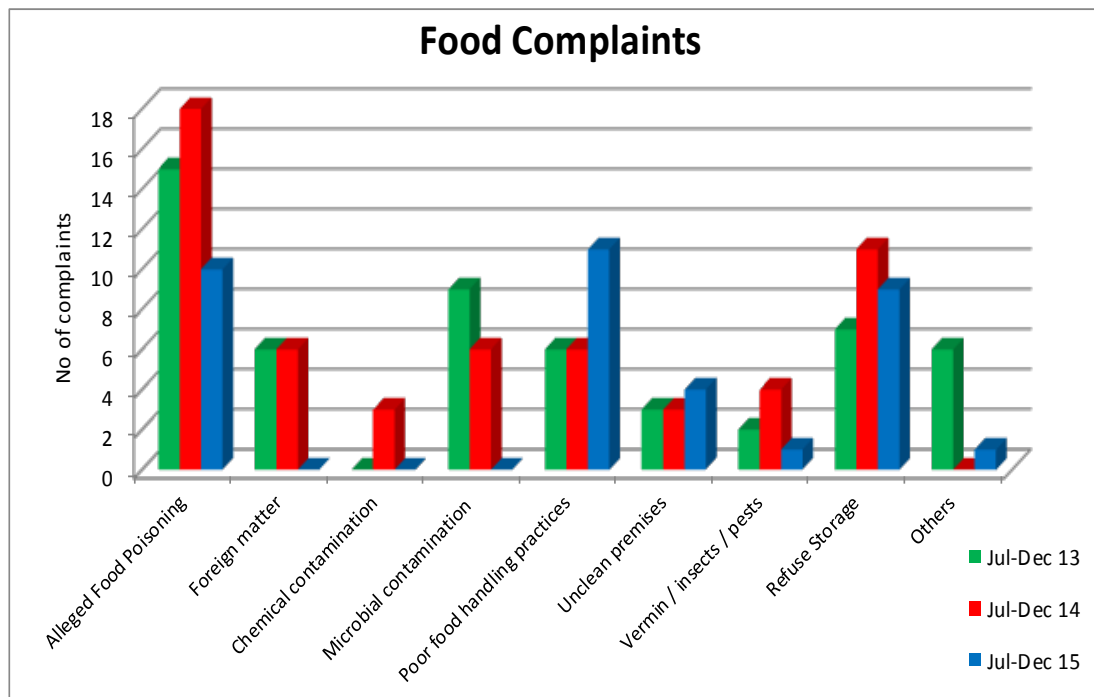


Table 2: Food complaint cumulative totals by council area and reporting category for conducted for the financial year-to-date

| | Burnside | Campbelltown | NPSP | Prospect | Walkerville | Total |
|--|-----------|--------------|-----------|----------|-------------|-----------|
| Alleged food poisoning | 6 | 0 | 1 | 2 | 1 | 10 |
| Confirmed food poisoning | 0 | 0 | 2 | 0 | 0 | 2 |
| Other | 0 | 0 | 0 | 1 | 0 | 1 |
| Poor personal hygiene / poor food handling practices | 4 | 1 | 4 | 1 | 1 | 11 |
| Refuse Storage | 1 | 0 | 3 | 0 | 0 | 4 |
| Unclean premises | 1 | 0 | 2 | 1 | 0 | 4 |
| Food unsuitable/unsafe | 1 | 3 | 2 | 2 | 1 | 9 |
| Vermin / insects / pests | 0 | 0 | 1 | 0 | 0 | 1 |
| Total | 13 | 4 | 15 | 7 | 3 | 42 |

Alleged Food Poisoning

SA Health Food Surveillance notified EHA of an alleged food poisoning incident involving two separate groups who ate at a restaurant. The Communicable Disease Control Branch (CDCB) of SA Health carried out interviews and obtained food histories from ill persons and provided relevant information to EHA as it became available. Initial information revealed that five people in one group and 11 in the second group became ill after eating at the restaurant on the same evening. Both groups shared a wide variety of different foods and reported similar time of onset and symptoms.

Officers inspected the premises and undertook extensive interviews with management and staff in an attempt to determine a cause. No staff had reported ill during the period. During the investigation it was revealed that the premises management were aware of two other groups who were reportedly unwell after also eating at the restaurant on the same evening. No stool samples were provided by any ill person through their GP and therefore a causative pathogen was unable to be determined. No major non-conformances were found during the investigation however, minor food handling process and sanitising inconsistencies were addressed.

A member of the public reported an alleged case of food poisoning after consuming two different sushi products from a food premises. Officers obtained relevant details from the ill person to assist with an investigation. The person reported that no stool samples had been taken. Officers inspected the premises and discussed food processes relating to the preparation and storage of sushi products. No staff had reported ill and no additional complaints regarding the food business were received.

Six days later another case of alleged food poisoning at the premises was reported by a different person. The case involved two persons who ate at the same premises four days after the first reported incident. It was reported that the ill persons consulted their GP however no stool samples were taken. Officers re-inspected the premises and assessed food processes and procedures based on relevant information obtained from both cases of alleged food poisoning. The cause of the alleged food poisoning was unclear, however replacement of specific equipment, demonstration of safe cooling down procedures and minor alterations to food processing procedures were required to be undertaken. No further complaints or confirmed cases were received.

Food Unfit / Unsuitable / Unsafe

A complaint was received alleging that a drink purchased from a fast food takeaway business contained a cockroach in the cup. The Authorised Officer visited the premises and reviewed the pest control records which indicated low level pest activity. The food preparation areas were thoroughly inspected for signs of cockroach activity and a dead cockroach was found under the automated post mix drinks machine. The Officer instructed the manager to immediately dismantle the drinks machine and clean and sanitise all components. A follow up inspection was conducted the following day and all necessary action had been taken. The inspection frequency of the premises has been increased and the business owners were issued with a final warning letter.

Vermin / Insects / Pests

During the reporting period a complaint was received regarding a number of cockroaches sighted at a food premises. Authorised Officers conducted an inspection and identified a serious infestation of German cockroaches throughout the premises including in the kitchen, storage and service areas. As a result a Prohibition Order was issued. Further detail regarding this serious non-compliance is reported under 'Prohibition Orders and Expiations' of this report.

Unclean Premises

A complaint was received from a property manager of a shopping centre regarding poor food hygiene standards and practices at a takeaway shop within the centre. The Authorised Officer visited the premises and substantiated the concerns which included poor standards of cleanliness, food handlers failing to appropriately wash their hands, excessive fly activity and food stored and displayed out of temperature control. The Officer conducted a follow up inspection later that week and found all necessary action had been taken. A review of the premises records indicates that there is a history of poor compliance with the Food Safety Standards and subsequently further legal action is being considered against the business.

Refuse Storage

A complaint was received concerning odours emanating from a refuse area that is shared amongst several food businesses. The Authorised Officer reviewed records and established that complaints regarding the refuse facility had been received in the past. The Officer visited the food business and at the time of the inspection there was no odour. Discussion with a representative from one of the food businesses, confirmed that recently the bins were not emptied by the waste collection company.

The Authorised Officer spoke with the strata manager and was advised that there have been ongoing issues with waste collection company failing to collect the refuse. The manager advised that they would contact the waste collection company regarding the matter to prevent the issue from reoccurring. A letter was also issued by the Authorised Officer to all the food businesses that used the refuse facility. The letter outlined their responsibilities to maintain the bins and surrounding areas in a clean condition and ensure they are regularly emptied. Monitoring of the refuse area will be taken if further complaints are received.

Food Premises Inspections

Environmental Health Officers undertook 173 routine inspections of food businesses during this reporting period. An additional 135 follow-up inspections were required to ensure non-compliance with the Food Safety Standards was appropriately corrected.

Table 3: Food Premises Inspections 1 October 2015 to 31 December 2015

| | Burnside | Campbelltown | NPSP | Prospect | Walkerville | Total |
|----------------------|-----------|--------------|------------|-----------|-------------|------------|
| Complaint inspection | 9 | 1 | 12 | 5 | 1 | 28 |
| Fit out inspection | 1 | 1 | 2 | 0 | 0 | 4 |
| Follow up inspection | 30 | 35 | 47 | 20 | 3 | 135 |
| Routine inspection | 42 | 43 | 52 | 32 | 4 | 173 |
| Total | 82 | 80 | 113 | 57 | 8 | 340 |

Table 4: Cumulative Totals for Food Premises Inspections conducted for the financial year-to-date

| | Burnside | Campbelltown | NPSP | Prospect | Walkerville | Total |
|----------------------|------------|--------------|------------|-----------|-------------|------------|
| Complaint inspection | 17 | 2 | 16 | 10 | 2 | 47 |
| Fit out inspection | 2 | 3 | 4 | 1 | 0 | 10 |
| Follow up inspection | 50 | 72 | 139 | 23 | 11 | 295 |
| Routine inspection | 68 | 90 | 142 | 46 | 12 | 358 |
| Total | 137 | 167 | 301 | 80 | 25 | 710 |

Non-Compliance with Food Safety Standards

During the reporting period, 15 Improvement Notices, seven final warnings, one prohibition order and two Expiation Notices were issued. Table 5 lists the number of each non-compliance with the Food Safety Standards encountered by officers during routine inspections.

As reported to the Board of Management in October 2015, during a routine inspection an Authorised Officers identified a food business using the 'cook chill' process to provide ready to eat meals with an extended shelf life. These food products with an extended shelf life were not recognised by Safe Food Australia. Validation records to demonstrate that the food processes would not adversely affect the microbiological safety were not maintained and were required.

An Improvement Notice was considered, however, Officers liaised closely with the business and reviewed the processes on-site. Validation records were also provided for a number of the ready to eat meals. Officers established that not all meals have been tested and further validation records are required. The food premises was given a timeframe in which to arrange for the remaining products to be tested and provide the validation records to EHA. This is due to be followed up in the next reporting period

As highlighted in blue in Table 5, unsafe storage of food, poor standard of cleanliness, inadequate sanitising, maintenance and suitable handwashing facilities were common non-compliances resulting in legal action.

Table 5: List of the types of legal action taken for breaches under the *Food Act 2001*

| Reason for enforcement activity | Written warnings | Improvement notices | Expiation Notices | Prohibition Orders |
|----------------------------------|------------------|---------------------|-------------------|--------------------|
| Standard 3.2.2 | | | | |
| Skills and Knowledge | | 1 | | |
| Notification | | 1 | | |
| Food Receipt | | | | |
| Food Storage | | 5 | | |
| Food Processing | | 5 | | |
| Food Display | | 3 | | |
| Food Packaging | | | | |
| Food Transportation | | | | |
| Food Disposal | | | | |
| Food Recall | | 1 | | |
| General Reg of Food Handlers | | | | |
| Health & Hygiene of Food | | 4 | | |
| General Duties of a Food | | 1 | | |
| Cleanliness | 8 | 13 | 1 | 1 |
| Cleaning and Sanitising | 2 | 10 | | |
| Maintenance | | 7 | | |
| Temperature measuring devices | | 1 | | |
| Single use items | | 1 | | |
| Animals and Pests | 1 | 6 | 1 | 1 |
| Standard 3.2.3 | | | | |
| General Requirements | | 3 | | |
| Water supply | | | | |
| Sewerage & waste water | | | | |
| Storage of garbage & | | 1 | | |
| Ventilation | | 1 | | |
| Lighting | | 2 | | |
| Floors | | 2 | | |
| Walls and ceilings | | 2 | | |
| Fixtures, fittings and equipment | | 5 | | |
| Hand washing facilities | 1 | 7 | | |
| Storage facilities | | | | |
| Toilet Facilities | | | | |
| Food Transport vehicles | | | | |

Table 6: Legal Action 1 October 2015 to 31 December 2015

| | Burnside | Campbelltown | NPS | Prospect | Walkerville | Total |
|---------------------|----------|--------------|-----------|----------|-------------|-----------|
| Letter of Warning | 1 | 2 | 3 | 1 | 0 | 7 |
| Improvement Notices | 3 | 5 | 5 | 1 | 1 | 15 |
| Expiation Notices | 0 | 0 | 2 | 0 | 0 | 2 |
| Prohibition Order | 0 | 0 | 1 | 0 | 0 | 1 |
| Prosecution | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 4 | 7 | 11 | 2 | 1 | 25 |

Table 7: Cumulative Totals for Legal Action for the financial year-to-date

| | Burnside | Campbelltown | NPSP | Prospect | Walkerville | Total |
|---------------------|-----------|--------------|-----------|----------|-------------|-----------|
| Letter of Warning | 0 | 0 | 3 | 0 | 0 | 3 |
| Improvement Notices | 7 | 10 | 20 | 3 | 4 | 44 |
| Expiation Notices | 3 | 3 | 6 | 1 | 0 | 13 |
| Prohibition Order | 0 | 0 | 3 | 0 | 0 | 3 |
| Prosecution | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 10 | 13 | 32 | 4 | 4 | 63 |

Improvement Notices

The Improvement Notices issued during the reporting period were a result of a number of non-conformances observed during routine and complaint inspections. Improvement Notices due during the reporting period complied and did not require further legal action. Extensions were granted to a small number of food businesses relating to structural maintenance.

Prohibition Orders and Expiations

As reported to the Board of Management in October, two premises were issued Prohibition Orders as a result of serious food safety concerns during routine inspections. During this reporting period both these businesses received Expiation Notices.

One premises received an Expiation Notice with one offence for failing to prevent the harbourage and entry of animals and pests. The second food business received an Expiation Notice for two offences for failing to prevent the harbourage and entry of animals and pests and for failing to maintain the premises to an appropriate standard of cleanliness.

A complaint was received regarding a number of cockroaches sighted at a food premises. Authorised Officers conducted an inspection and identified a serious infestation of German cockroaches throughout the premises including in the kitchen, storage and service areas. Pest control records indicated this had been an on-going issue for a number of months; however the action being taken was not effectively addressing the problem.

Due to the serious infestation the decision was made to serve a Prohibition Order, requiring the food business to close.

The Order required eradication of the cockroaches by a professional pest controller and progress updates from the pest control company. The Proprietor was also instructed to seal potential entry and harbourage points and thoroughly clean the food preparation, storage and servery areas and discard all food and packaging likely to be contaminated.

An Improvement Notice was also issued requiring non-conformances observed during the inspection to be rectified, these included matters relating to; cleaning, food storage, food processing, food handler hygiene, sanitising and maintenance of equipment.

The business re-opened after a period of four days. A further follow-up inspection will occur in the next reporting period to assess compliance with the Improvement Notice.

In accordance with the enforcement policy the inspection frequency has been increased to all food businesses that were served an Improvement or Expiation Notice or Prohibition Order during the reporting period.

Fairs, Festivals and Markets

Two special events requiring inspections occurred during the reporting period.

A total of 28 stalls were inspected at both events. Overall, the event co-ordinators and food stalls were very familiar with the food safety requirements resulting in no major non compliances. One event required minor actions to be addressed to ensure adequate temperature control of potentially hazardous foods and access to handwashing facilities.

Audits of Businesses that Serve Vulnerable Populations

During the reporting period, six businesses within the constituent council boundaries and six businesses in other council areas were audited under Standard 3.3.1 of the *Australia New Zealand Food Standards Code*. 2 follow-up audit was performed.

Table 8: Food Audits for the Period 1 September 2015 to 31 December 2015

| | Burnside | Campbelltown | NPSP | Prospect | Walkerville | Other | Total |
|------------------|----------|--------------|------|----------|-------------|-------|-------|
| Audits | 6 | 0 | 5 | 1 | 1 | 9 | 22 |
| Follow-up audits | 4 | 0 | 1 | 0 | 1 | 1 | 7 |
| Total | 10 | 0 | 6 | 1 | 2 | 10 | 29 |

Table 9: Cumulative Totals for Food Audits conducted for the financial year-to-date

| | Burnside | Campbelltown | NPSP | Prospect | Walkerville | Other | Total |
|------------------|----------|--------------|------|----------|-------------|-------|-------|
| Audits | 8 | 4 | 8 | 1 | 3 | 30 | 54 |
| Follow-up audits | 5 | 0 | 1 | 1 | 1 | 2 | 10 |
| Total | 13 | 4 | 9 | 2 | 4 | 32 | 64 |

RECOMMENDATION

That:

The Food Safety Report is received.

7.4 HEALTH CARE AND COMMUNITY SERVICES

SUPPORTED RESIDENTIAL FACILITY REPORT

Audits / Inspections

During the reporting period Eastern Health Authority (EHA) Officers audited six Supported Residential Facilities (SRF). The following requirements were reviewed:

- Adequacy of documentation
- Financial management
- Medication management
- Notification of certain events
- Nutrition and menus
- Staffing requirements
- Heating and cooling systems
- First aid requirements

Common non-conformances included insufficient medication records and issues with documentation. There were deficiencies in the prospectus' and resident contracts. Officers followed up outstanding licence conditions at several facilities. Majority of conditions were complied with, those outstanding will be followed up at the next audit.

Medication miss-management was a concern in several facilities during this reporting period. It was observed that staff were not signing the medication records immediately when dispensing the medication to residents. In addition, when a resident failed to take medication staff did not accurately identify the reason and action taken. Officers highlighted these concerns in writing to Proprietors and will monitor medication records during future inspection.

During one audit it was revealed that the proprietor was discarding the resident contracts yearly, and new contracts were signed. The proprietor has been advised that records must be kept at the facility for five years.

Licence Transfer

In the previous report it was outlined that there were concerns around medication, and the overall management at a facility, to which a five month licence was granted. Officers continued to visit the facility to monitor compliance and safety of residents. After lengthy discussions with the proprietor regarding the ongoing concerns, the proprietor decided to sell the business and retire from the industry. The licence was due to expire on 30 November 2015. The Proprietor was advised to apply for a licence renewal to allow time for the sale and transfer process. The licence was renewed until 18 December 2015.

A transfer application was received on 13 November 2015 and was processed. The transfer was finalised after a lengthy vetting process on 18 December 2015. Officers assessed the documentation submitted and visited the applicants on site at their SRF located outside of EHA's council area, to ascertain the suitability of the new proprietors and manager. The licence conditions have been amended to include relevant existing conditions from the previous licence and new conditions

Complaints

One ongoing investigation into a complaint regarding financial mismanagement has now been closed. Officers liaised with Public Trustee and carried out an onsite audit. No evidence was obtained to substantiate the complaint.

Approval of Manager / Temporary Manager

During the reporting period two applications for approval of an acting manager and one application for manager was processed. Authorised Officers carried out referee checks and reviewed documentation outlining the applicant's qualifications to ascertain the suitability of the application. The applicants were deemed suitable to fulfil the roles of both manager and acting manager. The Chief Executive Officer granted approval under delegated authority.

Other Business

During the reporting period EHA was informed that a SRF was placed into receivership and one month later the company was placed into liquidation.

Upon notification officers visited the facility to confirm the safety and care of residents was maintained. It was revealed that there had been no changes to the way the facility was being operated. There has been ongoing correspondence with the manager, DCSI and the receiver during this time.

EHA is currently corresponding with a potential purchaser. A transfer application and a detailed list of requirements have been provided to the interested party. The facility continues to be managed by the same staff under the administration of the receivers until the transfer process is complete.

RECOMMENDATION

That:

The Supported Residential Facility Report is received.