



Audit Committee Meeting

17 August 2016



local councils working together to protect the health of the community



**EASTERN HEALTH AUTHORITY
AUDIT COMMITTEE MEETING**

WEDNESDAY 17 August 2016

Notice is hereby given that a meeting of the Audit Committee of Eastern Health Authority will be held at EHA's offices at **101 Payneham Road, St Peters** on Wednesday 17 August 2016 commencing at 5.30 pm.

A light meal will be served at 5.00pm.

**MICHAEL LIVORI
CHIEF EXECUTIVE OFFICER**



AGENDA

EASTERN HEALTH AUTHORITY AUDIT COMMITTEE MEETING

WEDNESDAY 17 August 2016
Commencing at 5.30 pm

1	Opening	
2	Apologies	
3	Presiding Member's Remarks	
4	Confirmation of Minutes – 25 May 2016	
5	Reports	
5.1	Draft General Purpose Financial Statements for the year ended 30 June 2016.....	1
	Attachment 1.....	6
5.2	Report on Financial Results for the Year Ended 30 June 2016	30
	Attachment 1.....	33
	Attachment 2.....	37
5.3	Review of the Eastern Health Authority Terms of Reference.....	40
	Attachment 1.....	41
5.4	Annual Business Plan and Budgeted Financial Statements for 2016/2017	48
	Attachment 1.....	49
	Attachment 2.....	50
	Attachment 3.....	55
5.5	Complaints Handling Policy	96
	Attachment 1.....	98
	Attachment 2.....	99
6	Forward Agenda	
7	Closure of meeting	

5.1 DRAFT GENERAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Author: Michael Livori
Ref: AF16/1

Summary

This report presents the draft General Purpose Financial Statements for the year ended 30 June 2016 (the statements) for review by the Audit Committee (the Committee).

Eastern Health Authority's (EHA) Charter requires its books of accounts and financial statements to be audited annually by an external auditor. The audited financial statements must be provided to Constituent Councils prior to 31 August to allow them to be incorporated into their own audited financial statements. The audited financial statements are then required to be incorporated into the EHA Annual Report.

The Terms of Reference for the Committee include at section 7.1.1 an expectation that the Committee monitors the integrity of the financial statements of EHA, including its annual report, reviewing significant reporting issues and judgements which they contain.

Report

The draft of the statements for the year ending 30 June 2016 have been prepared in accordance with the Local Government (Financial Management) Regulations 2011, Australian Accounting Standards and the South Australian Model Financial Statements for 2016. They reflect the operations of EHA between the period 1 July 2015 and 30 June 2016.

A copy of EHA General Purpose Financial Report for the year ending 30 June 2016 is provided as attachment 1 to this report.

There are four principal statements which are accompanied by notes which form part of the financial report:

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash Flows

The external auditors were on site conducting the balance date audit on 25 and 26 July 2016. The 2016 statements presented as part of this report are based on the draft provided to the external auditors. Some minor amendments may be required to be made prior to the meeting date and the results will continue to be refined until final audit sign-off. Any significant disclosure or presentation issues identified by the external auditors will be presented as an update at this committee meeting by Jim Keogh who will be in attendance.

After their consideration of the statements the committee will be requested to recommend that:

- the external auditor be advised that the Committee is satisfied that the draft statements present fairly the state of affairs of the organisation
- the final audited statements be presented to the Board of Management and
- the Chair of the Committee and Chief Executive officer signs a statement to certify the independence of the external auditors

Subsequent to the outcomes of the Committee's review at this meeting a final draft of the 2016 statements will be prepared for presentation to the Board of Management at its meeting on 31 August 2015.

The report in relation to the statements will have a recommendation that the Board of Management authorise the Chair and the Chief Executive Officer to certify the financial statements in their final form.

The external auditor will then issue an audit opinion taking into account the Board of Management's consideration and any recommendations.

The Audit Opinion will be provided to the Board at its meeting on 26 October 2016.

Material Differences when comparing 2015 and 2016 Financial Statements

Statement of Comprehensive Income

Listed below is a summary of the material differences in relation to the Statement of Comprehensive Income when comparing 2015 and 2016.

Income

Statutory Charges

Decrease of \$42,527 (-27%) to \$114,802

Decrease in expiation fines issued relating to Food Act enforcement matters.

User Charges

Increase of \$38,661 (13%) to \$342,110

Increase in work for City of Unley (SRF), Food Auditing Income and Immunisation Worksite Income.

Investment Income

Decrease of \$5,567 (-27%) to \$15,304

Due to decrease in cash held.

Other Income

Increase of \$4,779 (72%) to \$11,439

Funding from APHN (no jab no pay), Vaccine rebate, Workcover refund.

Total income

Increase of \$31,879 (1%) to \$2,214,776

Expenses

Employee Costs

Increase of \$129,180 (10%) to \$1,483,167
Result of delays in replacement of a number of staff in previous year.

Materials, contracts and other expenses

Increase of \$34,566 (6%) to \$643,081
Costs associated with rectification of ICT environment issues.

Depreciation

Decrease of \$38,606 (-46%) to \$45,098
Correction to Asset Register.

Total Expenses

Increase of \$122,587 (6%) to \$2,192,809

Operating Surplus / Deficit Comparison

The operating surplus of \$21,967 has decreased by \$90,708 when compared to 2015.

The operating result is an improvement of \$46,884 on the adopted budget and an improvement of \$11,884 when compared to the revised budget adopted in March 2016.

It should be noted that the 2015 result was influenced by a reduction in employee expenses due to delays in replacement of a number of staff.

Statement of Financial Position Comparison

The Statement of Financial Position shows as at 30 June 2015:

Total Assets

\$1,160,901 (2015 \$1,393,338), down \$232,437 (-17%)
Result of distribution of 200K to Councils.

Total Liabilities

\$823,268 (2015 \$877,672), down \$54,404 (-6%)
Reduction in borrowings outstanding

Total Equity

\$337,633 (2015 \$515,666), down \$178,034 (-35%)
Result of distribution of 200K to Councils

Statement of Changes in Equity Comparison

Accumulated Surplus

\$337,633 (2015 \$515,666), down \$178,034 (-35%).
Result of distribution of 200K to Councils

Total Equity

337,633 (2015 \$515,666), down \$178,034 (-35%).
Result of distribution of 200K to Councils

Statement of Cash Flow Comparison

Net cash provided by (or used in) Operating Activities

\$72,841 (2015 \$123,525), down \$50,684 (-41%)

Net cash provided by (or used in) Investing Activities

(\$225,723) (2015 \$0, up (\$225,723)
Council Distribution (200K) and Asset renewal

Net cash provided by (or used in) Financing Activities

\$(55,934) (2015 \$(53,369)), up \$(2,565)
Repayment of Fit-out Loan

Net increase (decrease) in cash held

(\$208,816) (2015 \$70,156), down \$278,972

Cash and cash equivalents at the end of the period

\$581,155 (2015 \$789,971), down \$208,816
Council Distribution 200K

The external auditor will issue an Audit Opinion taking into account the considerations and any recommendations of both the Committee and Board of Management. The Audit Opinion will be provided to the Board at its meeting on 26 October 2016.

RECOMMENDATION

That:

1. The Draft General Purpose Financial Statements for the Year ending 30 June 2016 Report is noted.
2. The Committee is satisfied that the 2015/2016 draft statements present fairly the state of affairs of the organisation.
3. The 2015/2016 final audited statements are presented to the Board of Management.
4. The Chair of the Audit Committee is authorised to sign a statement to certify the independence of the external auditors.

Eastern Health Authority
General Purpose Financial Reports
for the year ended 30 June 2016

TABLE OF CONTENTS

	<u>Page</u>
Authority Certificate	1
Principal Financial Statements	
Statement of Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to, and forming part of, the Principal Financial Statements	
Note 1 - Significant Accounting Policies	6
Note 2 - Income	10
Note 3 - Expenses	12
Note 4 - Current Assets	14
Note 5 - Infrastructure, Property, Plant & Equipment	15
Note 6 - Liabilities	18
Note 7 - Reconciliation of Cash Flow Statement	19
Note 8 - Financial Instruments	20
Note 9 - Uniform Presentation of Finances	22
Note 10 - Operating Leases	23
Note 11 - Superannuation	24
Audit Report - Financial Statements	
Authority Certificate of Audit Independence	
Audit Certificate of Audit Independence	



EASTERN HEALTH AUTHORITY

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2016**

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Eastern Health Authority for the year ended 30 June 2016, Dean Newbery and Partners, Chartered Accountants, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.

.....
Michael Livori
CHIEF EXECUTIVE OFFICER

.....
Lisa Scinto
**PRESIDING MEMBER
AUDIT COMMITTEE**

Date:

Eastern Health Authority

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2016

	Notes	2016 \$	2015 \$
INCOME			
Council contributions	2	1,609,306	1,576,605
Statutory charges	2	114,802	157,329
User charges	2	342,110	303,449
Grants and subsidies	2	121,815	117,983
Investment income	2	15,304	20,871
Reimbursements	2	11,439	6,660
Total Income		<u>2,214,776</u>	<u>2,182,897</u>
EXPENSES			
Employee costs	3	1,483,167	1,353,987
Materials, contracts & other expenses	3	643,081	608,515
Depreciation, amortisation & impairment	3	45,098	83,704
Finance costs	3	21,463	24,016
Total Expenses		<u>2,192,809</u>	<u>2,070,222</u>
OPERATING SURPLUS / (DEFICIT)		<u>21,967</u>	112,675
NET SURPLUS / (DEFICIT)		<u>21,967</u>	<u>112,675</u>
transferred to Equity Statement			
Other Comprehensive Income		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME		<u>21,967</u>	<u>112,675</u>

This Statement is to be read in conjunction with the attached Notes.

Eastern Health Authority

STATEMENT OF FINANCIAL POSITION as at 30 June 2016

	Notes	2016 \$	2015 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	581,155	789,971
Trade & other receivables	4	<u>158,026</u>	<u>162,272</u>
Total Current Assets		<u>739,181</u>	<u>952,243</u>
Non-current Assets			
Infrastructure, property, plant & equipment	5	<u>421,720</u>	<u>441,095</u>
Total Non-current Assets		<u>421,720</u>	<u>441,095</u>
Total Assets		<u>1,160,901</u>	<u>1,393,338</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	6	95,855	108,658
Borrowings	6	58,623	55,934
Provisions	6	<u>259,008</u>	<u>236,220</u>
Total Current Liabilities	6	<u>413,486</u>	<u>400,812</u>
Non-current Liabilities			
Borrowings	6	376,575	435,198
Provisions	6	<u>33,207</u>	<u>41,662</u>
Total Non-current Liabilities		<u>409,782</u>	<u>476,860</u>
Total Liabilities		<u>823,268</u>	<u>877,672</u>
NET ASSETS		<u>337,633</u>	<u>515,666</u>
EQUITY			
Accumulated Surplus		<u>337,633</u>	<u>515,666</u>
TOTAL EQUITY		<u>337,633</u>	<u>515,666</u>

This Statement is to be read in conjunction with the attached Notes.

Eastern Health Authority

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2016

	Notes	Accumulated Surplus	TOTAL EQUITY
2016		\$	\$
Balance at end of previous reporting period		515,666	515,666
Net Surplus / (Deficit) for Year		21,967	21,967
Other Comprehensive Income			
Distribution to Council owners		<u>(200,000)</u>	<u>(200,000)</u>
Balance at end of period		<u>337,633</u>	<u>337,633</u>
2015			
Balance at end of previous reporting period		402,991	402,991
Net Surplus / (Deficit) for Year		<u>112,675</u>	<u>112,675</u>
Balance at end of period		<u>515,666</u>	<u>515,666</u>

This Statement is to be read in conjunction with the attached Notes

Eastern Health Authority

STATEMENT OF CASH FLOWS for the year ended 30 June 2016

	Notes	2016 \$	2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Council contributions		1,770,237	1,734,266
Fees & other charges		240,932	173,062
User charges		377,146	328,063
Investment receipts		15,304	25,557
Grants utilised for operating purposes		121,815	117,983
Reimbursements		12,583	7,326
<u>Payments</u>			
Employee costs		(1,458,250)	(1,418,550)
Materials, contracts & other expenses		(984,254)	(818,945)
Finance payments		(22,672)	(25,237)
Net Cash provided by (or used in) Operating Activities		72,841	123,525
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(25,723)	-
Capital contributed to Council owners		(200,000)	-
Net Cash provided by (or used in) Investing Activities		(225,723)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Payments</u>			
Repayments of borrowings		(55,934)	(53,369)
Net Cash provided by (or used in) Financing Activities		(55,934)	(53,369)
Net Increase (Decrease) in cash held		(208,816)	70,156
Cash & cash equivalents at beginning of period	7	789,971	719,815
Cash & cash equivalents at end of period	7	581,155	789,971

This Statement is to be read in conjunction with the attached Notes

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011*.

1.2 Historical Cost Convention

Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying Council's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest dollar (\$).

2 The Local Government Reporting Entity

The Eastern Health Authority is incorporated under the SA Local Government Act 1999 and has its principal place of business at 101 Payneham Road, St Peters SA 5069. These financial statements include the Authority's direct operations and all entities through which the Authority controls resources to carry on its functions. In the process of reporting on the Authority as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Authority obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Authority's operations for the current reporting period.

The actual amounts of untied grants received during the reporting periods (including the advance allocations) are disclosed in Note 2.

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1 - Significant Accounting Policies (cont)

4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at the Authority's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 8.

5 Infrastructure, Property, Plant & Equipment

5.1 Initial Recognition

All assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred.

5.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by the Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given in Note 5.

5.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Further detail of existing valuations, methods and valuers are provided at Note 5.

5.4 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of Council, best reflects the consumption of the service potential embodied in those assets.

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually.

Major depreciation periods for each class of asset are shown in Note 5. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

5.5 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash outflows or value in use).

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1 - Significant Accounting Policies (cont)

For assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if the Authority were deprived thereof, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

6 Payables

6.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

7 Borrowings

Loans are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables". Interest free loans are carried at their nominal amounts; interest revenues foregone by the lender effectively being a reduction of interest expense in the period to which it relates.

8 Employee Benefits

8.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

No accrual is made for sick leave as the Authority experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. The Authority does not make payment for untaken sick leave.

8.2 Superannuation

The Authority makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and the Authority's involvement with the schemes are reported in Note 11.

9 Leases

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 117.

In respect of finance leases, where the Authority substantially carries all of the risks incident to ownership, the leased items are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed within the appropriate asset class, and are amortised to expense over the period during which the Authority is expected to benefit from the use of the leased assets. Lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease.

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1 - Significant Accounting Policies (cont)

In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense over the lease term.

10 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

11 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2016 reporting period and have not been used in preparing these reports.

AASB 7	Financial Instruments – Disclosures
AASB 9	Financial Instruments
AASB 15	Revenue from Contracts with Customers
AASB 124	Related Party Disclosures

Standards containing consequential amendments to other Standards and Interpretations arising from the above - AASB 2010-7, AASB 2014-1, AASB 2014-3, AASB 2014-4, AASB 2014-5, AASB 2014-6, AASB 2014-7, AASB 2014-8, AASB 2014-9, AASB 2014-10, AASB 2015-1, AASB 2015-2, AASB 2015-3, AASB 2015-4, AASB 2015-5, AASB 2015-6 and AASB 2015-7.

(Standards not affecting local government have been excluded from the above list.)

Authority is of the view that none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

The Australian Accounting Standards Board is currently reviewing AASB 1004 *Contributions*. It is anticipated that the changes resulting from this review may have a material effect on the timing of the recognition of grants and contributions, but the financial consequences cannot be estimated until a revised accounting standard is issued.

Accounting Standard AASB 16 *Leases* may have a material effect on the amounts disclosed in these reports, particularly in relation to Infrastructure, Property, Plant & Equipment, but does not commence until the 2019/20 financial period, and it is not the Authority's intention to adopt this Standard early.

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 2 - INCOME

	Notes	2016 \$	2015 \$
COUNCIL CONTRIBUTIONS			
City of Burnside		415,037	400,896
Campbelltown City Council		389,840	376,996
City of Norwood Payneham & St Peters		490,646	487,613
City of Prospect		219,621	222,291
Town of Walkerville		94,162	88,809
		<u>1,609,306</u>	<u>1,576,605</u>
STATUTORY CHARGES			
SRF licences		4,792	4,601
Food inspections		56,355	49,059
Legionella registrations & inspections		15,275	22,779
Fines, penalties & expiations		38,380	80,890
		<u>114,802</u>	<u>157,329</u>
USER CHARGES			
Immunisation fee for service		50,515	56,222
Immunisation worksites		110,107	103,385
Food safety training		455	486
Food auditing		60,465	46,220
City of Unley		120,568	97,136
		<u>342,110</u>	<u>303,449</u>
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		15,304	20,871
		<u>15,304</u>	<u>20,871</u>

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

NOTE 2 - INCOME (continued)

	Notes	2016 \$	2015 \$
REIMBURSEMENTS			
Motor vehicle reimbursements		3,975	2,667
Sundry		<u>7,464</u>	<u>3,993</u>
		<u>11,439</u>	<u>6,660</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Other grants, subsidies and contributions			
Immunisation fees - schools		84,291	75,881
Immunisation fees - ACIR		<u>37,524</u>	<u>42,102</u>
		<u>121,815</u>	<u>117,983</u>
<i>The functions to which these grants relate are shown in Note 12.</i>			
Sources of grants			
State government		<u>121,815</u>	<u>117,983</u>
		<u>121,815</u>	<u>117,983</u>

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 3 - EXPENSES

	Notes	2016 \$	2015 \$
EMPLOYEE COSTS			
Salaries and Wages		1,303,620	1,231,367
Employee leave expense		14,333	(16,430)
Superannuation - defined contribution plan contributions	11	99,335	95,397
Superannuation - defined benefit plan contributions	11	16,838	17,471
Workers' Compensation Insurance		15,000	14,639
Other		34,041	11,543
Total Operating Employee Costs		1,483,167	1,353,987
Total Number of Employees		16	19
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		7,700	7,700
Bad and Doubtful Debts		3,293	2,590
Board of management expenses		10,772	15,800
Operating Lease Rentals - non-cancellable leases	10		
- minimum lease payments		53,185	55,159
Subtotal - Prescribed Expenses		74,950	81,249
<u>Other Materials, Contracts & Expenses</u>			
Accounting & internal audit		6,265	9,590
Contractors		22,562	23,365
Energy		8,222	9,178
Fringe Benefit Tax		20,471	16,148
Human resources		12,426	14,645
Income protection/Uniform expenses		10,953	16,801
Insurance		26,006	25,950
Legal expenses		20,373	17,689
Motor vehicle expenses		15,141	14,300
IT licencing & support		101,324	55,837
Parts, accessories & consumables		102,308	106,850
Printing & stationery		25,788	33,575
Telephone		13,842	14,001
Public health plan		-	20,678
Office rent		100,002	92,588
Staff training		14,674	19,614
Work Health & Safety		37,918	-
Sundry		29,856	36,457
Subtotal - Other Materials, Contracts & Expenses		568,131	527,266
		643,081	608,515

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 3 - EXPENSES (cont)

	Notes	2016 \$	2015 \$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings & Other Structures		23,642	23,642
Office Equipment, Furniture & Fittings		<u>21,456</u>	<u>60,062</u>
		<u>45,098</u>	<u>83,704</u>
 FINANCE COSTS			
Interest on Loans		<u>21,463</u>	<u>24,016</u>
		<u>21,463</u>	<u>24,016</u>

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 4 - CURRENT ASSETS

		2016	2015
CASH & EQUIVALENT ASSETS	Notes	\$	\$
Cash on Hand and at Bank		112,228	51,153
Short Term Deposits & Bills, etc		<u>468,927</u>	<u>738,818</u>
		<u>581,155</u>	<u>789,971</u>
 TRADE & OTHER RECEIVABLES			
Debtors - general		<u>239,871</u>	<u>358,767</u>
Total		<u>239,871</u>	<u>358,767</u>
 Less: Allowance for Doubtful Debts		<u>81,845</u>	<u>196,495</u>
		<u>158,026</u>	<u>162,272</u>

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 5 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	Fair Value Level	2015				2016			
		AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Buildings & Other Structures	3	-	472,846	(93,760)	379,086	-	472,846	(117,402)	355,444
Office Equipment, Furniture & Fittings		-	289,776	(227,767)	62,009	-	315,499	(249,223)	66,276
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		-	762,622	(321,527)	441,095	-	788,345	(366,625)	421,720
Comparatives		-	762,622	(237,822)	524,800	-	762,622	(321,527)	441,095

This Note continues on the following pages.

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 5 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2015	CARRYING AMOUNT MOVEMENTS DURING YEAR					2016	
	\$	\$					\$	
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Net Revaluation	CARRYING AMOUNT
	New/Upgrade	Renewals						
Buildings & Other Structures	379,086	-	-	-	(23,642)	-	-	355,444
Office Equipment, Furniture & Fittings	62,009	-	25,723	-	(21,456)	-	-	66,276
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	441,095	-	25,723	-	(45,098)	-	-	421,720
<i>Comparatives</i>	524,800	-	-	-	(83,705)	-	-	441,095

This Note continues on the following pages.

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 6 - LIABILITIES

	Notes	2016		2015	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		65,453		87,631	
Accrued expenses - employee entitlements		20,972		10,388	
Accrued expenses - other		9,430		10,639	
		<u>95,855</u>	-	<u>108,658</u>	-
 BORROWINGS					
Loans		<u>58,623</u>	<u>376,575</u>	<u>55,934</u>	<u>435,198</u>
		58,623	376,575	55,934	435,198
 <i>All interest bearing liabilities are secured over the future revenues of the Council.</i>					
 PROVISIONS					
Employee entitlements (including oncosts)		<u>259,008</u>	<u>33,207</u>	<u>236,220</u>	<u>41,662</u>
		259,008	33,207	236,220	41,662

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 7 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

	Notes	2016	2015
		\$	\$
Total cash & equivalent assets	4	<u>581,155</u>	<u>789,971</u>
Balances per Cash Flow Statement		<u>581,155</u>	<u>789,971</u>

**(b) Reconciliation of Change in Net Assets to Cash
from Operating Activities**

Net Surplus (Deficit)		21,967	112,675
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		45,098	83,704
Net increase (decrease) in unpaid employee benefits		24,917	(16,430)
Change in allowances for under-recovery		<u>(114,650)</u>	-
		<u>(22,668)</u>	<u>179,949</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		118,896	16,240
Net increase (decrease) in trade & other payables		<u>(23,387)</u>	<u>(72,664)</u>
Net Cash provided by (or used in) operations		<u>72,841</u>	<u>123,525</u>

(c) Financing Arrangements

Unrestricted access was available at balance date to the following lines of credit:

Corporate Credit Cards		5,000	5,000
------------------------	--	-------	-------

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 8 - FINANCIAL INSTRUMENTS

All financial instruments are categorised as *loans and receivables*.

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning fixed interest rates between 1.5% and 2% (2015: 2% and 3%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Fees & other charges	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although the Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - other levels of government	<p>Accounting Policy: Carried at nominal value.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: secured over future revenues, borrowings are repayable (describe basis); interest is charged at a fixed rate of 4.75% (2015: 4.75%)</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Finance Leases	<p>Accounting Policy: accounted for in accordance with AASB 117.</p>

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 8 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2016	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
Financial Assets					
Cash & Equivalents	581,155			581,155	581,155
Receivables	158,026	-	-	158,026	158,026
Total	739,181	-	-	739,181	739,181
Financial Liabilities					
Payables	95,855	-	-	95,855	95,855
Current Borrowings	78,606	-	-	78,606	58,623
Non-Current Borrowings	-	471,638	39,303	510,941	376,575
Total	174,461	471,638	39,303	685,402	531,053

2015	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
Financial Assets					
Cash & Equivalents	789,971			789,971	789,971
Receivables	162,272	-	-	162,272	162,272
Total	952,243	-	-	952,243	952,243
Financial Liabilities					
Payables	108,658	-	-	108,658	108,658
Current Borrowings	78,606	-	-	78,606	55,934
Non-Current Borrowings	-	471,638	117,909	589,547	435,198
Total	187,264	471,638	117,909	776,811	599,790

The following interest rates were applicable to Council's borrowings at balance date:

	30 June 2016		30 June 2015	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Fixed Interest Rates	4.75	435,198	4.75	491,132
		<u>435,198</u>		<u>491,132</u>

Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Authority.

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any allowance for doubtful debts. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Authority's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Liquidity Risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. The Authority also has available a range of bank overdraft and standby borrowing facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. The Authority has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 9 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Authority prepared on a simplified Uniform Presentation Framework basis.

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances

	2016	2015
	\$	\$
Income	2,214,776	2,182,897
less Expenses	<u>2,192,809</u>	<u>2,070,222</u>
Operating Surplus / (Deficit)	21,967	112,675
less Net Outlays on Existing Assets		
Depreciation, Amortisation and Impairment	(45,098)	(83,704)
	<u>(19,375)</u>	<u>(83,704)</u>
Net Lending / (Borrowing) for Financial Year	<u>41,342</u>	<u>196,379</u>

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 10 - OPERATING LEASES

Lease payment commitments of the Authority

The Authority has entered into non-cancellable operating leases for motor vehicles and a photocopier.

No lease imposes any additional restrictions on the Authority in relation to additional debt or further leasing.

Leases in relation to computer and office equipment permit the Authority, at expiry of the lease, to elect to re-lease, return or acquire the equipment leased.

No lease contains any escalation clause.

Commitments under non-cancellable operating leases that have not been recognised in the financial statements are as follows:

	2016	2015
	\$	\$
Not later than one year	46,399	43,041
Later than one year and not later than 5 years	46,102	37,286
	<u>92,501</u>	<u>80,327</u>

Eastern Health Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 11 – SUPERANNUATION

The Authority makes employer superannuation contributions in respect of its employees to Statewide Super (formerly Local Government Superannuation Scheme). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to the Accumulation section and/or Salarylink. All other employees (including casuals) have all contributions allocated to the Accumulation section.

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2015/16; 9.50% in 2014/15). No further liability accrues to the Authority as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Authority makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2014/15) of "superannuation" salary.

In addition, the Authority makes a separate contribution of 3% of ordinary time earnings for Salarylink members to their Accumulation account. Employees also make member contributions to the Salarylink section of the Fund. As such, assets accumulate in the Salarylink section of the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), the Authority does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2014. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.

Contributions to Other Superannuation Schemes

The Authority also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Authority.

5.2 REPORT ON FINANCIAL RESULTS FOR THE YEAR ENDED 30 JUNE 2016

Author: Michael Livori
Ref: AF15/10

Summary

Section 10 of the Local Government (Financial Management) Regulations 2011 requires a regional subsidiary to prepare a report showing its audited financial results for the previous financial year compared with its estimated financial results set out in the budget in a manner consistent with the Model Financial Statements.

Report

The required comparison has been completed and is provided as attachment 1 to this report.

Commentary in relation to the comparison is detailed below.

Statement of Comprehensive Income

Total Operating Income was \$56,030 less than originally budgeted while Total Operating Expenditure was \$102,914 less than budgeted. More detail in relation to income and expenditure variations is provided later in the report (see Funding Statement section of report).

The operating result is a surplus of \$21,967. The original budgeted result was a deficit of \$24,917. The revised (March 2016) budgeted result was a surplus of \$10,083.

Statement of Cash Flow

Net cash Provided/(Used) by operating activities of \$72,841 shows a \$16,907 improvement on the adopted budget of \$55,934.

Cash and Cash Equivalents at the End of Reporting Period \$581,155 improved by \$21,340 in comparison to the adopted budget of \$559,815.

Statement of Financial Position

Total Assets \$1,160,901 show a \$59,476 improvement on the adopted budget position of \$1,101,425.

Total Liabilities \$823,268 show a \$10,012 improvement on the adopted budget position of \$910,833.

Net Current Assets/(Current Liabilities) \$325,695 shows a \$70,704 improvement on the adopted budget position of \$254,991.

Net Assets and Total Equity \$337,633 both show a \$147,041 improvement on the adopted budget position of \$190,592. Of this improvement \$100,156 can be attributed to the previous year's accumulated surplus. The budget was adjusted to reflect this in October 2015 at the first required budget review. A comparison between the

adjusted figure of \$290,748 and the actual result shows a \$46,885 improvement in position.

Net Assets and Total Equity have reduced by (\$178,033) when compared to the previous year which is mainly attributable to the distribution of funds to Constituent Councils (\$200,000).

Statement of Changes in Equity

The net surplus of \$21,967 was an improvement of \$46,884 when compared to the adopted budget of a deficit of \$24,917.

The revised (March 2016) budgeted result was a surplus of \$10,083. The audited result of a net surplus of \$21,967 is within \$11,884 (improvement) of the revised (March 2016) budget result.

Total Equity at the end of the previous reporting period (\$515,666) reduced by \$178,033 to \$337,633. The main driver for this was the distribution of \$200,000 to Constituent Councils.

Eastern Health Authority Funding Statement 2015/2016

EHA's Funding Statement 2015/2016 provides more detailed information in relation to individual budget line performance against both the Adopted and Revised budget. The Funding Statement is provided as attachment 2.

The table below details income variations against the Adopted Budget of greater than \$5,000 and where appropriate an explanation for the variation. Unfavourable variations are shown in red, while favourable variations are black.

Income Variations		
Budget Line	Variation	Reason
Food Inspection Fees	(\$23,645)	Less inspections due to staff availability
Fines	(\$51,620)	Decrease in expiations issued
Non funded vaccines	\$5,515	Increase in price of influenza vaccine
Worksite Immunisation	\$10,107	Increase in price of influenza vaccine
Food Auditing Fees	\$6,465	Increase in audits conducted
City of Unley	\$14,568	Increases SRF contract work

The variation in relation to total actual income received as compared to budgeted income is (\$56,030) or -2.5% (Actual \$2,214,776 / Budgeted \$2,270,806).

The table below details expenditure variations of greater than \$5,000 and where appropriate an explanation for the variation. Unfavourable variations are shown in red, while favourable variations are black.

Expenditure Variations		
Budget Line	Variation	Reason
Total Employee Costs	(\$132,833)	Delays in the appointment of staff to budgeted positions
Maintenance	(\$17,782)	Replacement equipment capitalised
Vehicle Costs	(\$5,960)	Reduced lease costs and fuel
IT Support	\$54,979	Work required to resolve ICT issues (report to Board August 2015)
Board of Management	(\$5,228)	Reduced expenses
Fringe Benefits Tax	\$5,471	Timing of FBT on vehicles
WHS	\$35,918	Please note this variation is against adopted budget. WHS work required approved by Board and budgeted at first (September 2015) Budget Review.
Staff Training	(\$7,326)	Reduced training
Clinic Vaccines	\$12,996	Increase in price of influenza vaccine
Worksite Vaccines	\$17,225	Increase in price of influenza vaccine
Income Protection	(\$5,047)	Less staff covered during year
Legionella Testing	(\$6,816)	Reduced testing required and new testing provider sourced
Website Redevelopment	\$8,205	20K variation for work approved at March 2016 Review. Variation to amended budget is (\$11,975) due to timing of project. 12K variation will be required in 2016/2017 to fund completion.

The variation in relation to total operating expenditure as compared to budgeted expenditure is (\$65,952) or -3% (Actual \$2,126,248 / Budgeted \$2,192,200).

As detailed in the financial statement the **net result** was a surplus of \$21,967. This was an improvement in position of \$46,884 when compared to the budgeted result of a deficit of \$24,917.

The **cash result** was \$11,131 which is an improvement in position of \$11,131 when compared to the budgeted result of \$0.

RECOMMENDATION

That:

The report on Financial Results for the Year Ending 30 June 2016 is received.

EASTERN HEALTH AUTHORITY COMPARISON OF ADOPTED BUDGET TO AUDIT RESULTS FOR YEAR ENDING 30 JUNE 2016								
STATEMENT OF COMPREHENSIVE INCOME								
	ADOPTED BUDGET	SEPTEMBER REVIEW	DECEMBER REVIEW	MARCH REVIEW	REVISED BUDGET	AUDITED RESULT	VARIATION AGAINST ADOPTED BUDGET	VARIATION AGAINST ADOPTED BUDGET
							\$	%
INCOME								
Council Contributions	1,609,306	-	-	-	1,609,306	1,609,306	-	-
Statutory Charges	194,000	-	-	(50,000)	144,000	114,802	(79,198)	-41%
User Charges	307,000	-	-	20,000	327,000	342,110	35,110	11%
Grants, subsidies and contributions	126,500	-	-	-	126,500	121,815	(4,685)	-4%
Investment Income	20,000	-	-	-	20,000	15,304	(4,696)	-23%
Other Income	14,000	-	-	-	14,000	11,439	(2,561)	-18%
TOTAL INCOME	2,270,806	-	-	(30,000)	2,240,806	2,214,776	(56,030)	-2%
EXPENSES								
Employee Costs	1,616,000	(30,000)	(60,000)	(70,000)	1,456,000	1,483,167	(132,833)	-8%
Materials, contracts and other expenses	576,200	30,000	60,000	5,000	671,200	643,081	66,881	12%
Finance Charges	22,672	-	-	-	22,672	21,463	(1,209)	-5%
Depreciation	80,851	-	-	-	80,851	45,098	(35,753)	-44%
TOTAL EXPENSES	2,295,723	-	-	(65,000)	2,230,723	2,192,809	(102,914)	-4%
Operating Surplus/(Deficit)	(24,917)	-	-	35,000	10,083	21,967	46,884	-188%
Net Surplus/(Deficit)	(24,917)	-	-	35,000	10,083	21,967	46,884	-188%
Total Comprehensive Income	(24,917)	-	-	35,000	10,083	21,967	46,884	-188%

EASTERN HEALTH AUTHORITY COMPARISON OF ADOPTED BUDGET TO AUDIT RESULTS FOR YEAR ENDING 30 JUNE 2016								
STATEMENT OF CASH FLOWS								
	ADOPTED BUDGET	SEPTEMBER REVIEW	DECEMBER REVIEW	MARCH REVIEW	REVISED BUDGET	AUDITED RESULT	VARIATION AGAINST ADOPTED BUDGET	VARIATION AGAINST ADOPTED BUDGET
							\$	%
CASHFLOWS FROM OPERATING ACTIVITIES								
Receipts								
Operating Receipts	2,250,806	-	-	(30,000)	2,220,806	2,522,713	271,907	12%
Investment Receipts	20,000	-	-	-	20,000	15,304	(4,696)	-23%
Payments								
Operating Payments to Suppliers & Employees	(2,192,200)	-	-	65,000	(2,127,200)	(2,442,504)	(250,304)	11%
Interest Expense	(22,672)	-	-	-	(22,672)	(22,672)	-	-
Net Cash Provided/(Used) by Operating Activities	55,934	-	-	35,000	90,934	72,841	16,907	30%
CASH FLOWS FROM FINANCING ACTIVITIES								
Loans Received	-	-	-	-	-	-	-	-
Loan Repayments	(55,934)	-	-	-	(55,934)	(55,934)	-	-
Net Cash Provided/(Used) by Financing Activities	(55,934)	-	-	-	(55,934)	(55,934)	-	-
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Sale of Replaced Assets	-	-	-	-	-	-	-	-
Payments								
Expenditure on renewal / replacements of assets	-	-	-	-	-	(25,723)	(25,723)	-
Expenditure on new / upgraded assets	-	-	-	-	-	-	-	-
Distributions paid to constituent Councils	(200,000)	-	-	-	(200,000)	(200,000)	-	-
Net Cash Provided/(Used) by Investing Activities	(200,000)	-	-	-	(200,000)	(225,723)	(25,723)	13%
NET INCREASE (DECREASE) IN CASH HELD	(200,000)	-	-	35,000	(165,000)	(208,816)	(25,723)	13%
CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD	759,815	30,156			789,971			
CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD	559,815	30,156		35,000	624,971	581,155	21,340	4%

EASTERN HEALTH AUTHORITY COMPARISON OF ADOPTED BUDGET TO AUDIT RESULTS FOR YEAR ENDING 30 JUNE 2016								
STATEMENT OF FINANCIAL POSITION								
	ADOPTED BUDGET	SEPTEMBER REVIEW	DECEMBER REVIEW	MARCH REVIEW	REVISED BUDGET	AUDITED RESULT	VARIATION AGAINST ADOPTED BUDGET	VARIATION AGAINST ADOPTED BUDGET
							\$	%
CURRENT ASSETS								
Cash and Cash Equivalents	559,815	30,156	-	35,000	624,971	581,155	21,340	4%
Trade & Other Receivables	178,512	(16,240)	-	-	162,272	158,026	(20,486)	-11%
TOTAL CURRENT ASSETS	738,327	13,916	-	35,000	787,243	739,181	854	0%
NON-CURRENT ASSETS								
Equipment	363,098	(2,854)	-	-	360,244	421,720	58,622	16%
TOTAL NON-CURRENT ASSETS	363,098	(2,854)	-	-	360,244	421,720	58,622	16%
TOTAL ASSETS	1,101,425	11,062	-	35,000	1,147,487	1,160,901	59,476	16%
CURRENT LIABILITIES								
Trade & Other Payables	181,322	(72,664)	-	-	108,658	95,855	(85,467)	-47%
Provisions	251,094	(14,874)	-	-	236,220	259,008	7,914	3%
Borrowings	50,920	-	-	-	50,920	58,623	7,703	15%
TOTAL CURRENT LIABILITIES	483,336	(87,538)	-	-	395,798	413,486	(69,850)	-14%
NON-CURRENT LIABILITIES								
Provisions	43,218	(1,556)	-	-	41,662	33,207	(10,011)	-23%
Borrowings	384,279	-	-	-	384,279	376,575	(7,704)	-2%
TOTAL NON-CURRENT LIABILITIES	427,497	(1,556)	-	-	425,941	409,782	(17,715)	-4%
TOTAL LIABILITIES	910,833	(89,094)	-	-	821,739	823,268	(10,012)	11%
NET CURRENT ASSETS/(CURRENT LIABILITIES)	254,991	101,454	-	35,000	391,445	325,695	70,704	28%
NET ASSETS	190,592	100,156	-	35,000	325,748	337,633	147,041	77%
EQUITY								
Accumulated Surplus/(Deficit)	190,592	100,156	-	35,000	325,748	337,633	147,041	77%
TOTAL EQUITY	190,592	100,156	-	35,000	325,748	337,633	147,041	77%

EASTERN HEALTH AUTHORITY COMPARISON OF ADOPTED BUDGET TO AUDIT RESULTS FOR YEAR ENDING 30 JUNE 2016								
STATEMENT OF CHANGES IN EQUITY								
	ADOPTED BUDGET 15/16	SEPTEMBER REVIEW	DECEMBER REVIEW	MARCH REVIEW	REVISED BUDGET 15/16	AUDITED RESULT	VARIATION AGAINST ADOPTED BUDGET	VARIATION AGAINST ADOPTED BUDGET
							\$	%
ACCUMULATED SURPLUS								
Balance at beginning of period	415,509	100,156	-	-	515,665	515,665	100,156	24%
Net Surplus/(Deficit)	(24,917)	-	-	35,000	10,083	21,967	46,884	-188%
Distribution to Constituent Councils	(200,000)	-	-	-	(200,000)	(200,000)	-	0%
BALANCE AT END OF PERIOD	190,592	100,156	-	35,000	325,748	337,632	147,040	77%

EASTERN HEALTH AUTHORITY COMPARISON OF FUNDING STATEMENT BUDGET TO AUDITED RESULTS FOR THE FINANCIAL YEAR ENDING 30 JUNE 2016					
Income	Adopted Budget	Revised Budget	Actual Result	Variation to Adopted Budget	Variation to Revised Budget
Constituent Council Income	2015-2016				
City of Burnside	\$ 415,037	\$ 415,037	\$ 415,037	\$ -	\$ -
City of Campbelltown	\$ 389,840	\$ 389,840	\$ 389,840	\$ -	\$ -
City of NPS	\$ 490,646	\$ 490,646	\$ 490,646	\$ -	\$ -
City of Prospect	\$ 219,621	\$ 219,621	\$ 219,621	\$ -	\$ -
Town of Walkerville	\$ 94,162	\$ 94,162	\$ 94,162	\$ -	\$ -
Total Constituent Council Contributions	\$ 1,609,306	\$ 1,609,306	\$ 1,609,306	\$ -	\$ -
Statutory Charges					
Food Inspection fees	\$ 80,000	\$ 70,000	\$ 56,355	\$ (23,645)	\$ (13,645)
Legionella registration and Inspection	\$ 20,000	\$ 20,000	\$ 15,275	\$ (4,725)	\$ (4,725)
SRF Licenses	\$ 4,000	\$ 4,000	\$ 4,792	\$ 792	\$ 792
Fines	\$ 90,000	\$ 50,000	\$ 38,380	\$ (51,620)	\$ (11,620)
Total Statutory Charges	\$ 194,000	\$ 144,000	\$ 114,802	\$ (79,198)	\$ (29,198)
User Charges					
Immunisation - non funded vaccines	\$ 45,000	\$ 45,000	\$ 50,515	\$ 5,515	\$ 5,515
Immunisation - Worksites	\$ 100,000	\$ 100,000	\$ 110,107	\$ 10,107	\$ 10,107
Food Auditing	\$ 54,000	\$ 54,000	\$ 60,465	\$ 6,465	\$ 6,465
City of Unley	\$ 106,000	\$ 126,000	\$ 120,568	\$ 14,568	\$ (5,432)
Food Safety Training	\$ 2,000	\$ 2,000	\$ 455	\$ (1,545)	\$ (1,545)
Total User Charges	\$ 307,000	\$ 327,000	\$ 342,110	\$ 35,110	\$ 15,110
Grants, Subsidies, Contributions					
School Based immunisation Program	\$ 84,500	\$ 84,500	\$ 84,291	\$ (209)	\$ (209)
Child Immunisation register	\$ 42,000	\$ 42,000	\$ 37,524	\$ (4,476)	\$ (4,476)
Total Grants, Subsidies, Contributions	\$ 126,500	\$ 126,500	\$ 121,815	\$ (4,685)	\$ (4,685)
Investment Income					
Interest on investments	\$ 20,000	\$ 20,000	\$ 15,304	\$ (4,696)	\$ (4,696)
Total Investment Income	\$ 20,000	\$ 20,000	\$ 15,304	\$ (4,696)	\$ (4,696)
Other Income					
Motor Vehicle re-imburements	\$ 8,000	\$ 8,000	\$ 3,975	\$ (4,025)	\$ (4,025)
Sundry Income	\$ 6,000	\$ 6,000	\$ 7,464	\$ 1,464	\$ 1,464
Total Other Income	\$ 14,000	\$ 14,000	\$ 11,439	\$ (2,561)	\$ (2,561)
Total of non Constituent Council Income	\$ 661,500	\$ 631,500	\$ 605,470	\$ (56,030)	\$ (26,030)
Total Income	\$ 2,270,806	\$ 2,240,806	\$ 2,214,776	\$ (56,030)	\$ (26,030)

EASTERN HEALTH AUTHORITY COMPARISON OF FUNDING STATEMENT BUDGET TO AUDITED RESULTS FOR THE FINANCIAL YEAR ENDING 30 JUNE 2016 (cont)					
Expenditure	Adopted Budget	Revised Budget	Actual Result	Variation to Adopted Budget	Variation to Revised Budget
Employee Costs					
Salaries & Wages	\$ 1,450,000	\$ 1,290,000	\$ 1,303,620	\$ (146,380)	\$ 13,620
Superannuation	\$ 118,000	\$ 118,000	\$ 116,173	\$ (1,827)	\$ (1,827)
Workers Compensation	\$ 15,000	\$ 15,000	\$ 15,000	\$ -	\$ -
Employee Leave Expenses	\$ 30,000	\$ 30,000	\$ 14,333	\$ (15,667)	\$ (15,667)
Medical Officer Retainer and Agency Staff	\$ 3,000	\$ 3,000	\$ 34,041	\$ 31,041	\$ 31,041
Total Employee Costs	\$ 1,616,000	\$ 1,456,000	\$ 1,483,167	\$ (132,833)	\$ 27,167
Prescribed Expenses					
Auditing and Accounting	\$ 17,000	\$ 17,000	\$ 13,965	\$ (3,035)	\$ (3,035)
Insurance	\$ 26,000	\$ 26,000	\$ 26,006	\$ 6	\$ 6
Maintenance	\$ 45,000	\$ 55,000	\$ 27,218	\$ (17,782)	\$ (27,782)
Vehicle Leasing/maintenance	\$ 69,000	\$ 69,000	\$ 63,040	\$ (5,960)	\$ (5,960)
Total Prescribed Expenses	\$ 157,000	\$ 167,000	\$ 130,229	\$ (26,771)	\$ (36,771)
Rent and Plant Leasing					
Electricity	\$ 10,000	\$ 10,000	\$ 8,222	\$ (1,778)	\$ (1,778)
Plant Leasing Photocopier	\$ 5,700	\$ 5,700	\$ 5,286	\$ (414)	\$ (414)
Rent	\$ 101,000	\$ 101,000	\$ 100,696	\$ (304)	\$ (304)
Water	\$ -	\$ -	\$ 284	\$ 284	\$ 284
Gas	\$ 2,500	\$ 2,500	\$ 2,178	\$ (322)	\$ (322)
Total Rent and Plant Leasing	\$ 119,200	\$ 119,200	\$ 116,666	\$ (2,534)	\$ (2,534)
IT Licensing and Support					
IT Licences	\$ 15,000	\$ 15,000	\$ 12,504	\$ (2,496)	\$ (2,496)
IT Support	\$ 30,000	\$ 75,000	\$ 84,979	\$ 54,979	\$ 9,979
Internet	\$ 2,000	\$ 2,000	\$ 1,467	\$ (533)	\$ (533)
IT Other	\$ 2,000	\$ 2,000	\$ 2,374	\$ 374	\$ 374
Total IT Licensing and Support	\$ 49,000	\$ 94,000	\$ 101,324	\$ 52,324	\$ 7,324
Administration					
Administration Sundry	\$ 7,000	\$ 7,000	\$ 3,688	\$ (3,312)	\$ (3,312)
Accreditation Fees	\$ 4,000	\$ 4,000	\$ 2,928	\$ (1,072)	\$ (1,072)
Board of Management	\$ 16,000	\$ 16,000	\$ 10,772	\$ (5,228)	\$ (5,228)
Bank Charges	\$ 3,000	\$ 3,000	\$ 3,434	\$ 434	\$ 434
Public Health Sundry	\$ 5,000	\$ 5,000	\$ 4,415	\$ (585)	\$ (585)
Fringe Benefits Tax	\$ 15,000	\$ 15,000	\$ 20,471	\$ 5,471	\$ 5,471
Health promotion	\$ 5,000	\$ 5,000	\$ 5,786	\$ 786	\$ 786
Legal	\$ 20,000	\$ 20,000	\$ 20,373	\$ 373	\$ 373
Printing & Stationery & Postage	\$ 30,000	\$ 25,000	\$ 25,788	\$ (4,212)	\$ 788
Telephone	\$ 15,000	\$ 15,000	\$ 13,842	\$ (1,158)	\$ (1,158)
Work Health and Safety	\$ 2,000	\$ 32,000	\$ 37,918	\$ 35,918	\$ 5,918
Rodenticide	\$ 2,000	\$ 2,000	\$ 3,812	\$ 1,812	\$ 1,812
Staff Amenities	\$ 7,000	\$ 7,000	\$ 2,636	\$ (4,364)	\$ (4,364)
Staff Training	\$ 22,000	\$ 22,000	\$ 14,674	\$ (7,326)	\$ (7,326)
Human Resource / Organisational Development	\$ 16,000	\$ 16,000	\$ 12,426	\$ (3,574)	\$ (3,574)
Bad and Doubtful Debts	\$ -	\$ -	\$ 3,293	\$ 3,293	\$ 3,293
Total Administration	\$ 169,000	\$ 194,000	\$ 186,256	\$ 17,256	\$ (11,037)
Immunisation					
Immunisation SBP Consumables	\$ 8,000	\$ 8,000	\$ 9,043	\$ 1,043	\$ 1,043
Immunisation clinic vaccines	\$ 30,000	\$ 30,000	\$ 42,996	\$ 12,996	\$ 12,996
Immunisation worksite vaccines	\$ 15,000	\$ 15,000	\$ 32,225	\$ 17,225	\$ 17,225
Total Immunisation	\$ 53,000	\$ 53,000	\$ 84,264	\$ 31,264	\$ 31,264
Income protection					
Income Protection	\$ 16,000	\$ 11,000	\$ 10,953	\$ (5,047)	\$ (47)
Total Uniforms/Income protection	\$ 16,000	\$ 11,000	\$ 10,953	\$ (5,047)	\$ (47)
Sampling					
Legionella Testing	\$ 12,000	\$ 12,000	\$ 5,184	\$ (6,816)	\$ (6,816)
Food Sampling	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)	\$ (1,000)
Total Sampling	\$ 13,000	\$ 13,000	\$ 5,184	\$ (7,816)	\$ (7,816)
New Initiatives					
Website Upgrade	\$ -	\$ 20,000	\$ 8,205	\$ 8,205	\$ (11,795)
Total New Initiatives	\$ -	\$ 20,000	\$ 8,205	\$ 8,205	\$ (11,795)

EASTERN HEALTH AUTHORITY COMPARISON OF FUNDING STATEMENT BUDGET TO AUDITED RESULTS FOR THE FINANCIAL YEAR ENDING 30 JUNE 2016 (cont)					
Expenditure	Adopted Budget	Revised Budget	Actual Result	Variation to Adopted Budget	Variation to Revised Budget
Total Materials, contracts and other expenses	\$ 576,200	\$ 671,200	\$ 643,081	\$ 66,881	\$ (28,119)
Total Operating Expenditure	\$ 2,192,200	\$ 2,127,200	\$ 2,126,248	\$ (65,952)	\$ (952)
Finance Charges	\$ 22,672	\$ 22,672	\$ 21,463	\$ (1,209)	\$ (1,209)
Depreciation, amortisation and impairment	\$ 80,851	\$ 80,851	\$ 45,098	\$ (35,753)	\$ (35,753)
Total Expenditure	\$ 2,295,723	\$ 2,230,723	\$ 2,192,809	\$ (102,914)	\$ (37,914)
Total Income	\$ 2,270,806	\$ 2,240,806	\$ 2,214,776	\$ (56,030)	\$ (26,030)
Net Surplus/Defecit	\$ (24,917)	\$ 10,083	\$ 21,967	\$ 46,884	\$ 11,884
Depreciation Add Back	\$ 80,851	\$ 80,851	\$ 45,098	\$ (35,753)	\$ (35,753)
Loans Received	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Expenditure - plant and Equipment	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Expenditure - Office Fit-out	\$ -	\$ -	\$ -	\$ -	\$ -
Loan Repayments	\$ (55,934)	\$ (55,934)	\$ (55,934)	\$ -	\$ -
Cash Result	\$ -	\$ 35,000	\$ 11,131	\$ 11,131	\$ (23,869)

5.3 REVIEW OF THE EASTERN HEALTH AUTHORITY AUDIT COMMITTEE TERMS OF REFERENCE

Author: Michael Livori
Ref: AF12/195

Summary

This report seeks to provide members the opportunity to a review and recommend changes to the Terms of Reference (ToR) of Eastern Health Authority Audit Committee.

Discussion

The current ToR are provided as attachment 1.

No changes to the ToR has been made to the document.

There is now an opportunity for the committee to consider any changes to the current ToR and forward recommendations to the Board.

Recommendation

That:

Review of Eastern Health Authority Terms of Reference Report is received.



EHA Audit Committee

TERMS OF REFERENCE

The document on EHA's Records Management System is considered to be the current and controlled version. Before using a printed copy, verify that it is the current version.

EHA Audit Committee

TERMS OF REFERENCE

1. MEMBERSHIP

- 1.1 *The Audit Committee of Eastern Health Authority (EHA) 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 EHA. 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 EHA'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 *EHA'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 EHA 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.*

2. SECRETARIAL RESOURCES

- 2.1 *The Chief Executive Officer shall provide sufficient administrative resources to the committee to enable it to adequately carry out its functions.*

The document on EHA's Records Management System is considered to be the current and controlled version. Before using a printed copy, verify that it is the current version.

3. QUORUM

- 3.1 *The quorum necessary for the transaction of business shall be 2 members. A duly convened meeting of the committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the committee.*

4. FREQUENCY OF MEETINGS

- 4.1 *The committee shall meet at least twice per annum. The Committee can meet otherwise as required, and as approved by the Chairperson.*

5. NOTICE OF MEETINGS

- 5.1 *Ordinary meetings of the committee will be held at times and places determined by EHA or, subject to a decision of EHA, the committee. EHA recognised that the EHA Audit Committee can determine the time and place of its meetings at a meeting held on 1 February 2012 at Item 7.9. A special meeting of the committee may be called in accordance with the Act.*
- 5.2 *Notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the committee and observers, no later than three clear business days before the date of the meeting. Supporting papers shall be sent to committee members (and to other attendees as appropriate) at the same time.*

6. MINUTES OF MEETINGS

- 6.1 *The Chief Executive Officer shall ensure that the proceedings and resolutions of all meetings of the committee, including recording the names of those present and in attendance, are minuted and that the minutes otherwise comply with the requirements of the Local Government (Procedure at Meetings) Regulations 2000.*
- 6.2 *Minutes of committee meetings shall be circulated within five days after a meeting to all members of the committee and to all members of EHA and will (as appropriate) be available to the public.*

7. ROLE OF THE COMMITTEE

7.1 FINANCIAL REPORTING

- 7.1.1 *The committee shall monitor the integrity of the financial statements of EHA, including its annual report, reviewing significant financial reporting issues and judgements which they contain.*
- 7.1.2 *The committee shall review and challenge where necessary:*
- 7.1.2.1 *the consistency of, and/or any changes to, accounting policies;*
- 7.1.2.2 *the methods used to account for significant or unusual transactions where different approaches are possible;*

The document on EHA's Records Management System is considered to be the current and controlled version. Before using a printed copy, verify that it is the current version.

- 7.1.2.3 *whether EHA has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor;*
- 7.1.2.4 *the clarity of disclosure in EHA's financial reports and the context in which statements are made; and*
- 7.1.2.5 *all material information presented with the financial statements, such as the operating and financial review and the corporate governance statement (in so far as it relates to audit and risk management).*

7.2 INTERNAL CONTROLS AND RISK MANAGEMENT SYSTEMS

- 7.2.1 *The committee shall review the effectiveness of EHA's internal controls and risk management systems.*
- 7.2.2 *The committee shall review and recommend the approval, where appropriate, of statements to be included in the annual report concerning internal controls and risk management.*

7.3 WHISTLE BLOWING

- 7.3.1 *The committee shall review EHA's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The committee shall ensure these arrangements allow independent investigation of such matters and appropriate follow-up action.*

7.4 INTERNAL AUDIT

The Committee shall:

- 7.4.1 *monitor and review the effectiveness of EHA's internal audit processes in the context of EHA's overall risk management system;*
- 7.4.2 *discuss and approve the Internal Audit Program and consider appropriate resourcing*
- 7.4.3 *review internal audit reports, consider recommendations and review and monitor reports on EHA's operations from the internal auditor*
- 7.4.4 *review and monitor management's responsiveness to the findings and recommendations*

7.5 EXTERNAL AUDIT

The Committee shall:

- 7.5.1 *monitor and review the effectiveness of EHA's external audit function;*
- 7.5.2 *consider and make recommendation on the program of the external audit function;*

The document on EHA's Records Management System is considered to be the current and controlled version. Before using a printed copy, verify that it is the current version.

- 7.5.3 *review the external auditor's report on the preparation of EHA's end of year financial statements;*
- 7.5.4 *review any reports on EHA's operations prepared by the external auditor;*
- 7.5.5 *review and monitor management's responsiveness to the findings and recommendations of the external auditor;*
- 7.5.6 *consider and make recommendations to EHA, in relation to the appointment, re-appointment and removal of EHA's external auditor, including where the auditor resigns during the period of appointment.*
- 7.5.7 *oversee EHA's relationship with the external auditor including, but not limited to:*
 - 7.5.7.1 *recommending the approval of the external auditor's remuneration, whether fees for audit or non-audit services, and recommending whether the level of fees is appropriate to enable an adequate audit to be conducted;*
 - 7.5.7.2 *recommending the approval of the external auditor's terms of engagement, including any engagement letter issued at the commencement of each audit and the scope of the audit;*
 - 7.5.7.3 *assessing the external auditor's independence and objectivity taking into account relevant professional and regulatory requirements and the extent of EHA's relationship with the auditor, including the provision of any non-audit services;*
 - 7.5.7.4 *satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the external auditor and EHA (other than in the ordinary course of business);*
 - 7.5.7.5 *monitoring the external auditor's compliance with legislative requirements on the rotation of audit partners; and*
 - 7.5.7.6 *assessing the external auditor's qualifications, expertise and resources and the effectiveness of the audit process (which shall include a report from the external auditor on the audit committee's own internal quality procedures);*
- 7.5.8 *review any representation letter(s) requested by the external auditor before they are signed by management;*
- 7.5.9 *review the management letter and management's response to the external auditor's findings and recommendations.*

8. REPORTING RESPONSIBILITIES

- 8.1 *The committee shall make whatever recommendations to EHA it deems appropriate on any area within its terms of reference where in its view action or improvement is needed.*

9. OTHER MATTERS

The committee shall:

- 9.1 *have access to reasonable resources in order to carry out its duties;*

The document on EHA's Records Management System is considered to be the current and controlled version. Before using a printed copy, verify that it is the current version.

- 9.2 *be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;*
- 9.3 *give due consideration to laws and regulations of the Act;*
- 9.4 *make recommendations on co-ordination of the internal and external auditors;*
- 9.5 *oversee any investigation of activities which are within its terms of reference;*
- 9.6 *oversee action to follow up on matters raised by the external auditor; and*
- 9.7 *at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend changes it considers necessary to EHA for approval.*

The document on EHA's Records Management System is considered to be the current and controlled version. Before using a printed copy, verify that it is the current version.

Amendments to Version 1 and 2 ToR

- 1 1.2 – changed in accordance with resolution 14:022012 of the Eastern Health Authority Board Meeting 1 February 2012.
- 2 Note added to 5.1 in accordance with resolution 14:022012 of the Eastern Health Authority Board Meeting 1 February 2012.

Amendments to Version 3 ToR

- Clause 1.2 amended by deleting the sentence “The Chair may be a member of the committee, however will not hold the position of the Presiding Member of the committee” in accordance with resolution 9:082013 of the Eastern Health Authority Board Meeting 28 August 2013.
- 2 Clause 1.9 changed to read “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.” to reflect that there are two independent members on the committee in accordance with resolution 9:082013 of the Eastern Health Authority Board Meeting 28 August 2013.

Amendments to Version 4 ToR

ToR presented to the Audit Committee Meeting – 13/08/2014.

No amendments made.

Amendments to Version 5 ToR

ToR presented to the Audit Committee Meeting – 12/08/2015.

The document on EHA's Records Management System is considered to be the current and controlled version. Before using a printed copy, verify that it is the current version.

5.4 ANNUAL BUSINESS PLAN AND BUDGETED FINANCIAL STATEMENTS FOR 2016/2017

Author: Michael Livori
Ref: AF16/13

Summary

At the Audit Committee meeting held on 25 May 2016 a report was provided to members at item 5.1 in relation to the development process for the Annual Business Plan and Budget for 2016/2017. This report is to update Audit Committee members in relation to the budget development process.

Report

As members were previously advised the Board of Management (BOM) endorsed a draft Annual Business Plan and Budget for 2016/2017 at its meeting held on 27 April 2016.

The EHA Charter at clause 8.1(c) requires the draft Annual Business Plan and Budget considered at EHA's April meeting to be provided to Constituent Councils seeking any comment.

The draft Annual Business Plan and Budget for 2016/2017 was subsequently provided to Constituent Councils on 3 May 2016. A copy of the correspondence is provided as attachment 1.

Correspondence received from Constituent Councils in response to the request for comment is provided as attachment 2. It should be noted that some councils have previously provided feedback following a request in March 2016.

It was not necessary to make any changes (other than grammatical and graphical changes) to the documents presented to and considered by the Board of Management at its meeting of 27 April 2016 and subsequently considered by Constituent Councils.

In accordance with the *Local Government Act 1999* and the Eastern Health Authority Charter, the Annual Business Plan and Budgeted Financial Statements for 2016/2017 (provided as attachment 3) are required to be adopted by the BOM.

At a meeting held on 22 June 2016 the Eastern Health Authority Board of Management (BOM) adopted its Annual Business Plan and Budget (ABP) for 2016/2017.

RECOMMENDATION

That:

The Eastern Health Authority Annual Business Plan and Budgeted Financial Statements for 2016/2017 report is received.



101 Payneham Road,
St Peters SA 5069

PO Box 275
Stepney SA 5069

T 8132 3600 / F 8132 3623
eha@eha.sa.gov.au

www.eha.sa.gov.au
ABN 52 535 526 438

Our Ref: AF16/14

3 May 2016

Letter to all Constituent Council CEOs

Dear CEO

RE: Eastern Health Authority (EHA) Annual Business Plan and Budget for 2016/2017

In accordance with clause 3.5.3 of the Eastern Health Authority (EHA) Charter 2009 the Board of Management considered a draft Annual Business Plan and Budget (ABP) at its meeting held on 27 April 2016 (a copy of the report is enclosed).

This correspondence is to confirm that there has not been any material changes made to the content of the ABP from that considered by the Board at its budget workshop on 16 March 2016 and previously provided to Constituent Councils via correspondence dated 22 March 2016.

If you have any further feedback in relation to the 2016/2017 Annual Business Plan and Budget it would be appreciated if it could be received by 13 June 2016 so that it can be considered by the Board of Management at its meeting to be held on 22 June 2016.

If you need any more information or would like to discuss this further, please contact me on telephone 8132 3611.

Yours sincerely

Michael Livori
Chief Executive Officer

From: [Magnus Heinrich](#)
To: [Michael Livori](#)
Subject: FW: Eastern Health Authority Annual Business Plan and Budget 2016/2017
Date: Tuesday, 15 March 2016 5:26:24 PM
Attachments: [Board of Management meeting 24.02.2016 Report - 6.03 - Attachment - Deve.....pdf](#)

Hi Michael

Apologies for the lateness in replying to this.

It is anticipated that the service delivery model would not change appreciably from the last year. The only thing that would ramp up more positively moving forward is planning for the implementation of the Public Health Plan.

Kind regards

 **Magnus Heinrich** | Manager City Development and Safety
City of Burnside | 401 Greenhill Road Tasmore SA 5065
P: 08 8366 4136 | F: 08 8366 4299 | M: 0407149418
MHeinrich@burnside.sa.gov.au
www.burnside.sa.gov.au



From: [Carlos Buzzetti](#)
To: [Michael Livori](#); [Constituent Council Contacts](#)
Cc: [Natajsha Bevitt](#); [Nadia Conci](#)
Subject: RE: Eastern Health Authority Annual Business Plan and Budget 2016/2017
Date: Wednesday, 9 March 2016 10:26:42 AM

Hi All

Thanks for sending through the draft ABP. I have no feedback to offer at this stage in the process. However, I have forwarded it to Sharon Perkins for her consideration and she may provide you with separate feedback from NPSP in relation to financial aspect of the draft Plan.

With kind regards

Carlos Buzzetti
GENERAL MANAGER, URBAN PLANNING & ENVIRONMENT



City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067
Telephone 8366 4501
Facsimile 8332 6338
Email cbuzzetti@npsp.sa.gov.au
Website www.npsp.sa.gov.au



Think before you print.

Confidentiality and Privilege Notice

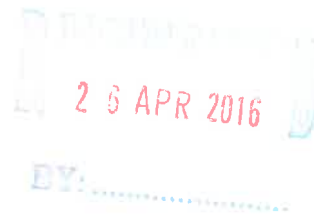
This email is intended only to be read or used by the addressee. It is confidential and may contain legally privileged information. If you are not the addressee indicated in this message (or responsible for delivery of the message to such person), or you have received this communication in error, you must not copy or distribute this message or any part of it or otherwise disclose its contents to anyone. Confidentiality and legal privilege are not waived or lost by reason of mistaken delivery to you. No representation is made that this email or associated attachments (if any) are free of viruses or other defects. Virus scanning is recommended and is the responsibility of the recipient.

MH:CM
Container Ref: B280

Enq: Michelle Hammond
Ph: 8366 9260

20 April 2016

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



Dear Mr Livori

I refer to your correspondence dated 23 March 2016 and wish to advise that Council endorsed the Authority's draft 2016/2017 Annual Business Plan and Budget as presented at its meeting held on Tuesday 19 April 2016.

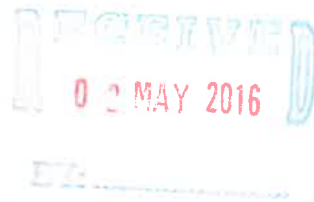
If you have any queries, please contact me.

Yours sincerely



Michelle Hammond CPA
General Manager Corporate & Community Services

REFERENCE: S/00046 (287940)
ENQUIRIES TO: MARIO BARONE
DIR. TELEPHONE: 8366 4539



City of
Norwood
Payneham
& St Peters

26 April 2016

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

CHIEF
EXECUTIVE'S
OFFICE

Dear Michael

EASTERN HEALTH AUTHORITY DRAFT 2016-2017 ANNUAL BUSINESS PLAN AND BUDGET

175 The Parade,
Norwood SA 5067

PO Box 204
Kent Town SA 5071

Thank you for your email dated 23 March 2016, regarding the Draft 2016-2017 Annual Business Plan and Budget.

Telephone
8366 4555

I note that the Authority is budgeting for a breakeven budget for 2016-2017. It is also noted that \$1.614m, an increase on the 2015-2016 financial year of 2.0%, will be received from Constituent Councils through contributions to the operational expenditure of the Authority.

Facsimile
8332 6338

It is noted that while the distribution of the Constituent Council Contribution is currently based on the formula contained in the 2009 Charter, if the revised Charter is adopted prior to the adoption of the Draft 2016-2017 Budget on 22 June 2016, that the Constituent Council Contribution will be redistributed based on the revised Charter, with the impact on this Council being an additional contribution of \$16,676.

Email
townhall@npsp.sa.gov.au

Website
www.npsp.sa.gov.au

Thank you for the opportunity to provide comments on the Draft 2016-2017 Budget.

Should you wish to discuss the above further, please do not hesitate to contact me.

Yours sincerely



Mario Barone
CHIEF EXECUTIVE OFFICER

100% Australian Made
Recycled Paper

Community
Well-being is...
Social Equity
Cultural Vitality
Economic Prosperity
Environmental
Sustainability



Item 54 Attachment 2
Town of Walkerville
ABN 49 190 949 882

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:

18 May 2016

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

Dear Michael,

RE: Eastern Health Authority (EHA) Annual Business Plan and Budget for 2016/2017

Thank you for your letter dated 3 May 2016 requesting any further feedback in regard to EHA's Annual Business Plan and Budget for 2016/2017.


Council at its 16 May Ordinary meeting considered this matter and resolved the following:

CNC402/15-16

"That Council endorses the Eastern Health Authority (EHA) Draft Annual Business Plan and Budget (ABP) for 2016/17."

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

Yours sincerely,



Deb Bria
Protocol, Compliance & Governance Officer

Annual Business Plan 2016 - 2017

CONTENTS

Introduction	1
About Eastern Health Authority	2
Overview of the Annual Business Plan	4
Funding the Annual Business Plan and Budget	6
Financial Indicators	9
Activities for 2016 - 2017	
1.0 - Governance and Organisational Development	11
2.0 - Health Education and Promotion	16
3.0 - Public and Environmental Health	19
4.0 - Immunisation	25
5.0 - Food Safety	29
6.0 - Health Care and Community Services	33
7.0 - Emergency Management	36
Eastern Health Authority Budgeted Financial Statements 2016-2017	38

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 2016-2017 financial year. The Plan, together with the Annual Budget for the 2016-2017 financial year will be presented to EHA's Board of Management for adoption on 22 June 2016.

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 approximately 160,000 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: Snapshot of the environmental health services provided for each Constituent Council

Activity Data	Burnside	C/Town	NPSP	Prospect	Walkerville	Total
No. of Food Premises	273	277	462	186	47	1245
Swimming Pools	16	3	15	2	3	39
High Risk Manufactured Systems	11	7	17	7	7	49
Supported Residential Facilities	3	2	1	2	0	8
Environmental Health Complaints	64	70	80	39	15	268
Hairdresser/Beauty Treatment	71	59	109	27	9	275
No. of Yr 8 Enrolments	700	534	664	141	64	2103
Average clients receiving vaccines at public clinics	1058	1196	1387	276	200	4117

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 2016-2017 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
- continuation of the service agreement with SA Health to deliver the School Immunisation Program (SIP)
- implementation and monitoring of the Regional Public Health Plan in conjunction with Constituent Councils
- support for Eastern Regional Public Health Plan Advisory Committee
- transition to cloud based computing environment.

Priorities

EHA has set the following priorities as part of the 2016-2017 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
- transition ICT environment from on premise to cloud based
- 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
- finalise and introduce the new food safety training program
- review EHA WHS and IM Plan 2012 – 2015
- ongoing evolution of performance development framework
- refine process for inducting staff
- retender for current service contracts
- use immunisation coverage data from a range of sources to better identify and remind residents of overdue vaccinations
- investigate available vaccine reminder services and apps
- explore further opportunities for presentations to residents through community centres and libraries to existing parent groups
- promotion and communication of changes to the National Immunisation Schedule affecting older residents .

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 2016-2017 financial year is that EHA's expenditure to carry out its operational activities detailed in the annual business plan will equal its operating income resulting in a balanced operating budget.

To achieve this operating budget result, a total of \$1,641,055 will be raised through contributions from our Constituent Councils for operational expenditure in 2016-2017.

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 37 to 38) 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, 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.

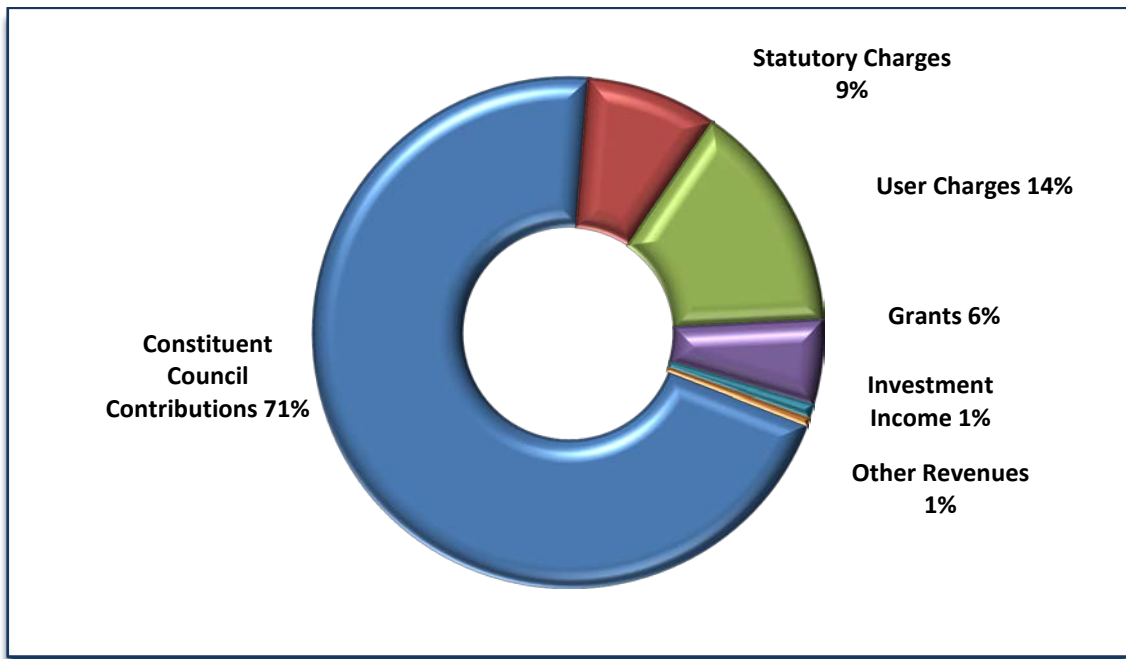
Investment Income

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.

Graph 1: Funding Sources 2016-2017



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 2015/2016 budget figures.

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

	Contribution 2015/2016	Total Budgeted Expenditure 2015/2016	Public Health Spend %
Burnside	\$415,037	\$40,851,000	1.02%
Campbelltown	\$389,840	\$38,544,600	1.01%
NPSP	\$490,646	\$38,060,000	1.29%
Prospect	\$219,621	\$21,383,715	1.03%
Walkerville	\$94,162	\$9,179,000	1.03%
Total Constituent Council Expenditure	\$1,609,306	\$148,465,600	1.09%

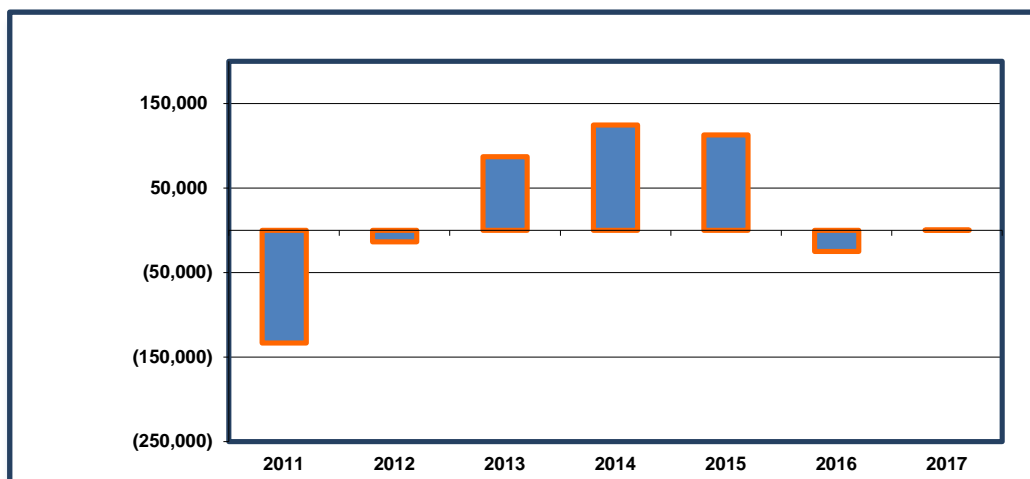
FINANCIAL INDICATORS

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.

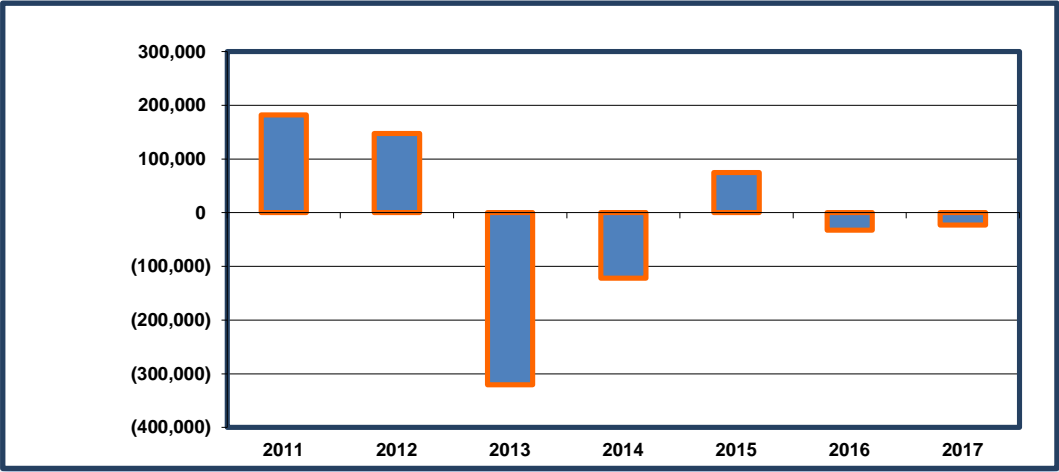
Graph 2: Operating Surplus / (Deficit)



Net Financial Assets

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

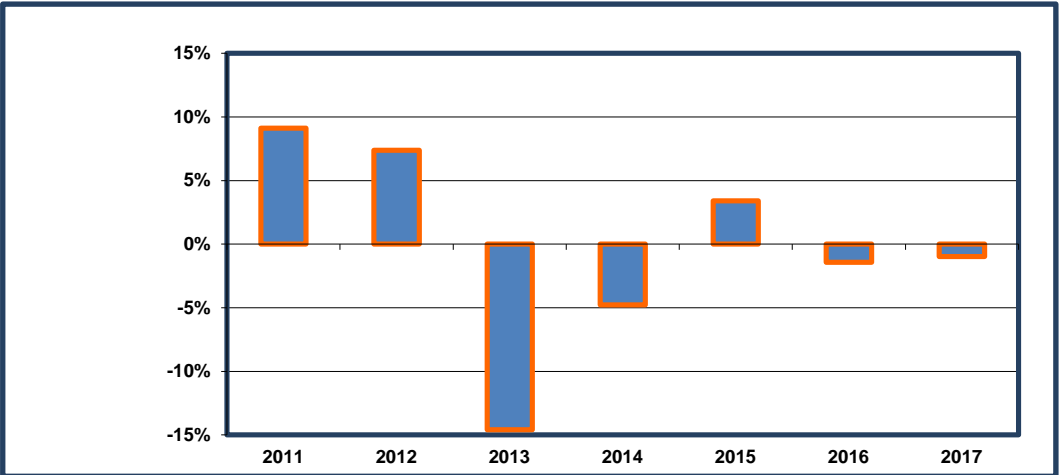
Graph 3: Net Financial Assets



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.

Objective 1 Administration of legislative and corporate governance requirements

Actions	Performance Measures
1.1 Monitor the compliance of statutory requirements identified in the Charter.	Statutory requirements complied with as per Charter.
1.2 Properly convene Board meetings providing agendas and minutes. Minimum of 5 ordinary meetings conducted. Notice of meeting given 3 clear days prior to 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 Provide regular statistical reports to Board Members and Constituent Council.	Reports provided at scheduled Board meetings.

Actions (continued)	Performance Measures
1.11 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.
1.12 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.
1.13 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.
1.14 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.
1.15 Compare Annual Business Plan against performance measures.	Report presented to August meeting.
1.16 Provide delegates report to CEO of each Constituent Council following Board meetings for tabling at subsequent council meeting.	Reports provided following Board meetings.
1.17 Properly convene meetings of Constituent Council nominated contacts including providing agendas and minutes.	4 meetings conducted per year.
1.18 Maintenance of electronic records management system to properly maintain records and reference documents of EHA.	System developed to ensure appropriate standards are being met.
1.19 Explore the potential for the expansion of service provision to areas outside of its current Constituent Council areas.	Report to Board on expansion opportunities.
1.20 Complete implementation of a computer "disaster recovery system" to assist with continuity of service in the event of loss of access to computer infrastructure.	Disaster Recovery system implemented.
1.21 Maintenance of Health Manager (HM) (electronic database). Continue to expand HM's internal and external functionality, to improve inspection, complaint and administrative efficiency and reporting capabilities.	Introduce new applications and reporting capabilities where required. Continue to liaise with Open Office to discuss new applications.

Actions (continued)	Performance Measures
1.22 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.	Implementation of electronic tablets during routine food inspections, complaint investigations and other EHO onsite field work to improve inspection, complaint and administrative efficiency.
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.
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.	Attend the Eastern Adelaide Zone Emergency Management Committee and actively contribute towards the development of the Eastern Zone Emergency Management Plan.

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 framework 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 framework review 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.

Actions (continued)	Performance Measures
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 plan reviews for all staff.
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 team and general staff meetings. Provide appropriate training and equipment to new staff.
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 Further improve EHA's induction program to ensure EHA staff are and familiar with EHA's methods of operation upon commencement of employment.	Induction program updated.

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 councils to develop a public health plan consistent with the State Public Health Plan which responds to public health challenges in the area.

A regional approach for public health planning by EHA and its Constituent Councils builds on the existing, successful collaboration for shared environmental health services through EHA as well as the initiatives of the Eastern Region Alliance (ERA). This approach improves EHA's and Council's capacity to engage with potential partner organisations and to recognise opportunities for joint advocacy.

The first Public Health and Wellbeing Plan for EHA and Constituent Councils, 'Better Living Better Health' (the Plan) was endorsed in 2015. The Plan 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 the implementation and the continual review of 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.	Target issue to be addressed as required by stakeholders.
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 to be provided as required to improve compliance with legislative requirements.
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 Finalise and introduce the new food safety training program.	Finalise 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).

Actions (continued)	Performance Measures
2.10 Participate in Public Health Week and other proactive educational initiatives that raise awareness of public health related issues amongst the community.	Number of proactive educational activities conducted each year (at least one per year).
2.11 Educate proprietors of SRFs in relation to relevant legislative requirements 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.
2.12 Review and update EHA's health promotion and information material to ensure information is relevant.	Review and update as required.
2.13 Monitor funding opportunities for pro-active health education and prevention programs.	Report opportunities to Board of Management.
2.14 Actively promote EHA's functions to the public, key stakeholders and the Constituent Council staff.	Quarterly Council Contact Meetings and presentations to Constituent Council staff. Explore promotional initiatives.
2.15 Investigate and implement improvements to upgrade EHA's website to facilitate the exchange of information and feedback and improve awareness of EHA services.	Improved website functionality.

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.'

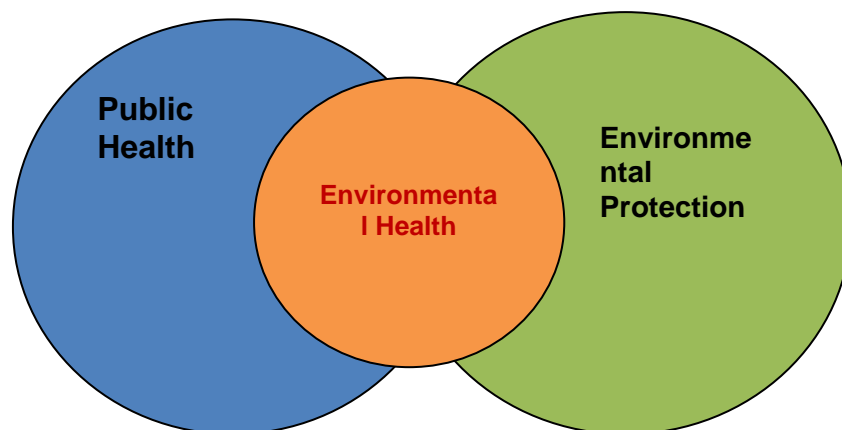


Figure 1.1 – the relationship between public health, environmental health and environmental protection

The point at which Public Health and Environmental Protection overlap is Environmental Health (Fig 1.1).

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 	Register maintained at all times.
<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>	Assessments performed according to risk based schedule.
<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>	Assessments performed at least annually.
<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>	Water samples collected and sent for analysis at least annually.
<p>3.5 Investigate notifiable <i>Legionella</i> incidences and high <i>Legionella</i> counts in a systematic manner in accordance with SA Health guidance and internal procedures.</p>	Prompt investigation commenced in accordance with service standards.

Actions (continued)	Performance Measures
3.6 Respond to complaints to ensure appropriate infection control standards at hairdressing salons are maintained in accordance with Guidelines on the Public Health standards of practice for hairdressing and other relevant legislation using Environmental Health Australia assessment form.	Investigate and respond to complaints in accordance with the customer service standards.
3.7 Respond to complaints to ensure appropriate infection control standards at beauty and skin penetration premises are maintained in accordance with Guidelines on the safe and hygienic practice of skin penetration and other and other relevant legislation using the Environmental Health Australia assessment form.	Investigate and respond to complaints in accordance with the customer service standards.
3.8 Using the SA Health assessment forms determine appropriate standards at beauty premises are maintained in accordance with Guidelines on the safe and hygienic practice of skin penetration and other and other relevant legislation.	Assessments performed according to risk based schedule. .
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 Guidelines on the safe and hygienic practice of skin penetration and other relevant legislation. Where required update the register and undertake assessments.	Continue to update the register when new businesses are identified.
3.10 Using the SA Health assessment forms determine appropriate standards at skin penetration premises (tattoo, body piercing, acupuncture) are maintained in accordance with Guidelines on the safe and hygienic practice of skin penetration and other relevant legislation.	Assessments performed according to risk based schedule.
3.11 Assess applications for the installation of waste control systems in accordance with <i>South Australian Public (Wastewater) Regulations 2013</i> , the <i>On-site Wastewater System Code, 2013</i> , internal procedures, and service standards.	Application managed in accordance with service standards. Compliance with legislative requirements.
3.12 Apply the <i>Public Health Act, 2011</i> to respond to complaints or concerns about standards of sanitation and hygiene of boarding and lodging houses.	Respond to complaints as required in accordance with customer service standards.

Actions (Continued)	Performance Measures
<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 (asbestos and clandestine drug labs) - 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>	<p>Respond to complaints as required in accordance with customer service standards.</p>
<p>3.14 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.</p>	<p>Respond to complaints as required in accordance with customer service standards.</p>
<p>3.15 Provide advice and information materials to residents about air quality concerns including the installation, operation and standards of solid fuel burning appliances.</p>	<p>Information available to community and via website and as required. Improved management of burning appliances as required.</p>
<p>3.16 Provide rodent bait to residents upon request.</p>	<p>Rodent bait provision maintained.</p>
<p>3.17 Undertake relevant notifiable disease investigations in collaboration with SA Health.</p>	<p>Respond to disease notifications in accordance with customer service standards.</p>
<p>3.18 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.</p>	<p>Community sharps disposal service maintained.</p>
<p>3.19 Collect syringes that have been unsafely discarded on private property.</p>	<p>Safe and timely collection of discarded syringes within customer service standards and following internal procedures.</p>
<p>3.20 Assessments and investigations are updated in Health Manager (electronic database) to ensure effective reporting to the Board of Management, Constituent Councils and SA Health.</p>	<p>Update within 5 days of assessment or action.</p>

Actions (continued)	Performance Measures
3.21 Co-ordinate the Eastern Hoarding and Squalor Committee meetings.	Coordinate the Eastern Hoarding and Squalor meetings.
3.22 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.
3.23 Participate in the Environmental Health Australia 'Public Health' and 'Waste Control' Special Interest Groups (SIG) to promote uniformity, 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.
3.24 Ensure activities and outcomes are communicated to the Board of Management, Constituent 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.
3.25 Respond to development application referrals from councils about public health related premises and activities.	Respond to all referrals in accordance with the customer service standards.
3.26 Liaise with Constituent Councils to address issues of environment and sustainability where there is a connection to human health.	Comment and input made where applicable.
3.27 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 a simple, safe and effective way of protecting people against harmful diseases that can cause serious health problems in the community. Immunisation not only protects individuals from life-threatening diseases, but also dramatically reduces transmission in the community. The more people who are vaccinated, the fewer opportunities a disease has to spread.

The Australian Government's Immunise Australia Program implements the National Immunisation Program (NIP) Schedule, which currently includes vaccines against a total of 16 diseases. These include routine childhood vaccinations against diseases that were once widely fatal, such as measles, diphtheria and whooping cough (pertussis), as well as more recently developed vaccines, such as Human Papillomavirus (HPV) and the meningococcal C vaccine. Local Government plays a significant role in the delivery of immunisation in South Australia contributing to the Immunise Australia Program.

EHA offers all vaccines on the National Immunisation Program Schedule at its public clinics as well as the Annual Influenza Vaccine. Around 200 community immunisation clinics are provided each year at 6 different locations at a variety of accessible times. Currently EHA offers catch-up vaccination history assessments to not only new residents to Australia but also to Australian children who are overdue. These clients are then able to attend an EHA Immunisation clinic for the vaccines recommended as per the National Immunisation Schedule. Each year dedicated clinics for influenza vaccination are provided promoting greater coverage against seasonal influenza disease.

As part of the Immunise Australia Program vaccines are provided to adolescents through the School Immunisation Program (SIP). Year 8 students will be vaccinated with HPV (human papillomavirus), Varicella (chicken pox) and dTpa (diphtheria, tetanus, whooping cough). EHA will undertake 57 visits to 19 high schools offering vaccinations to approximately 2100 Year 8 students.

Worksite Immunisation programs are conducted on a fee for service basis. A total of 4900 vaccinations were provided to EHA clients in 2015. EHA is working to increase the number of 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 Ensure effective governance and 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" • National Vaccine Storage Guidelines 'Strive for 5' 2nd Edition • the <i>Controlled Substances Act 1984</i> and the <i>Controlled Substances (Poisons) Regulations 2011</i> • the Vaccine Administration Code August 2015 v. 1.2 • EHA's Work Health and Safety protocols • South Australia's Child Protection Legislation – Child Safe Environment Guidelines. 	<p>Client feedback and attendance.</p> <p>Number of clinics and vaccinations provided.</p> <p>Annual Cold Chain audit and pharmaceutical refrigerator maintenance.</p> <p>Clinical performance and evaluation.</p> <p>Liaison with EHA's Consultant Medical Officer of Health.</p> <p>Completed review of Child Safe Environment Guidelines.</p>
<p>4.2 Promote EHA's public immunisation clinic program through a variety of mediums such as council customer service centres and publications, council and EHA websites.</p> <p>Mail out of the Immunisation Timetable to community organisations. Explore further opportunities for the provision of immunisation promotion presentations to existing parent groups at Constituent Council community centres and libraries.</p>	<p>Increased presentations at Constituent Councils.</p> <p>Increased number of clinic timetables required and distributed.</p> <p>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.</p> <p>Produce and publish annual immunisation program timetable to reflect the review of the public clinics.</p> <p>Promotion and communication of changes to the National Immunisation Program Schedule affecting older residents..</p>	<p>Annual review undertaken at each venue and documented. Identified hazards actioned. Immunisation Clinic Timetable reviewed and published in November.</p> <p>Investigate communication strategies to provide information to older residents.</p>

Actions (continued)	Performance Measures
<p>4.4 Deliver SIP to students at schools within 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>
<p>4.5 Liaise with school coordinators and Immunisation Section of SA Health regarding SIP implementation and evaluation of program.</p>	<p>Successful SIP implementation. Ongoing collaboration and evaluation of coverage. Representation on the SIP Working Party for review of Protocols for the program.</p>
<p>4.6 Provide a specialised 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>Recommend vaccinations for employees at risk of occupationally acquired vaccine preventable diseases.</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.</p>
<p>4.7 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>4.8 Use immunisation coverage data from a range of sources to better identify residents of overdue vaccinations. Investigate available vaccine reminder services</p>	<p>Review of reports available from Australian Childhood Immunisation Register, the HPV register and other sources to identify residents that are overdue.</p> <p>Investigation and review of communication and reminder services available.</p>
<p>4.9 Report immunisation statistics to SA Health and the Australian Childhood Immunisation Register (ACIR), in accordance with contractual arrangements.</p> <p>SIP statistics completed one month after the last school visit for each vaccine dose.</p> <p>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.</p> <p>Submit completed data to Immunisation Section SA Health via their Online Database.</p>

Actions (continued)	Performance Measures
<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>
<p>4.11 <u>Clinical Governance</u> Registered immunisation Nurses will participate in:</p> <ul style="list-style-type: none"> • 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 when possible. Attend in-house education sessions and mandatory updates. Attend other professional updates. Complete and document annual CPD requirements.</p> <p>Completion by RN staff of the 3 yearly 'Understanding Vaccines and the National Immunisation Program' Certificate..</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 incidences of out two most prevalent foodborne diseases *Salmonella* and *Campylobacter* is on the increase. Illness caused by food is a significant public health problem and has major social and economic impacts.

A 2014 report, '*Foodborne Illness in Australia*' annual incidence circa 2010 provided the most comprehensive assessment of Australia's annual incidence of food borne illness to date. That report showed that:

- every Australian has an episode of foodborne gastroenteritis every five years. Annually this works out to:
 - 4.1 million cases of foodborne gastroenteritis
 - 5,140 cases of non-gastroenteritis
 - 35,840 cases of more serious long-term effects
- the actual cause of most (80%) foodborne illness is unknown
- of the known causes most are due to norovirus, pathogenic E coli, *Campylobacter* and *Salmonella* species.
- illnesses from *Salmonella* and *Campylobacter* have increased.
- poultry is the primary source of *Campylobacter* infections
- the use of raw or minimally cooked eggs is likely to be a significant source of the national increase in *Salmonella*

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 an appropriate food safety rating tool to ensure compliance with the <i>Food Act 2001 and Food Safety Standards</i> .	Assessments performed using the appropriate food safety rating tool. Assessments conducted 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 <p>Liaise with SA Health and other councils to ensure a co-ordinated approach where necessary.</p>	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.

Actions (continued)	Performance Measures
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 3.2.1 and the <i>Food Act 2001</i> .	Number of audits conducted.
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 Assessments, investigations and actions are updated in Health Manager 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 as required.
5.13 Implement the agreed EHA and Constituent Council Development Assessment information sharing process, to receive notifications of new business or changes to an existing business. EHA to review plans, liaise with the applicant regarding structural fit out with relevant legislation, and provide feedback to Constituent Council's when requested.	Respond to notifications in accordance with the agreed Development Assessment information sharing process and customer service standards.
5.14 Provide new food businesses with information that introduces EHA and informs the business about the inspection fee policy and safe food practices.	Information 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 Liaise with Constituent Council and relevant event coordinators to ensure all stall holders at fairs and festivals, temporary events and school fetes are well informed of the legislative requirements and have the necessary equipment. Conduct stall holder meetings for stall holders upon request by the Constituent Councils and relevant event coordinators.	Liaise with Constituent Council and relevant event coordinators prior to the event. Provide stall holder presentations where required.

Actions (continued)	Performance Measures
<p>5.17 Twice a year distribute advisory information to schools and kindergartens to provide a reminder of the requirements to notify EHA of an upcoming school fete.</p> <p>EHA to liaise with the school or kindergarten to ensure all stall holders at fairs and festivals, temporary events and school fetes are well informed of the legislative requirements and have the necessary equipment to produce and sell safety and suitable food.</p>	<p>Distribute advisory information twice a year. Liaise with schools or kindergartens where required.</p>
<p>5.18 Participate in the Environmental Health Australia “Food Safety” Special Interest Group (SIG) to promote uniformity, professional consistency and to discuss the latest information in relation to food safety issues affecting local government.</p>	<p>Attend and actively participate at SIG meetings.</p>
<p>5.19 Actively communicate updates from SA Health and FZSANZ to food premises.</p>	<p>Provide updated information to food businesses as required.</p>

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 SRF legislation and guidelines within legislative timeframes.	Applications processed within legislative timeframes.
6.2 Assess applications for manager and acting manager with regard to SRF legislation and guidelines	Applications processed within legislative timeframes.
6.3 Conduct relicensing audits of facilities against SRF legislation and include conditions where necessary based on the findings of the audits conducted during the year and fire safety advice. . Take advice of the appropriate Fire Safety requirements from the Constituent Councils Building Fire and Safety Officers.	Unannounced audits conducted at all facilities. Fire safety advice obtained annually. Issue licences annually with conditions where required.
6.4 Conduct ongoing inspections to ensure facilities continue to operate at satisfactory standards in in accordance with the legislation. Conduct inspections of facilities to ascertain compliance with licence conditions throughout the year.	Unannounced inspections and follow-ups conducted at SRFs.
6.5 Respond to enquiries/complaints in relation to SRFs	Respond to all enquiries and complaints in accordance with the customer service standards.
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, professional consistency and to discuss the latest information in relation to SRF issues affecting local government.	Attend and actively participate at SRF SIG meetings.
6.8 Liaise with Department of Communities and Social Inclusion 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 Act as the Licensing Authority pursuant to the <i>Supported Residential Facilities Act 1992</i> for the City of Unley on a fee for service basis.	Maintain contract.

Actions (continued)		Performance Measures
6.11	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.
6.12	Ensure activities and outcomes are communicated to the Board of Management, Constituent 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.
6.13	Liaise with Constituent Councils to explore health promotion opportunities within SRF's.	Liaise with Constituent Councils.

7.0 - Emergency Management

Background

The South Australian Sampson Flat bushfires and the Nepal earthquake during 2015 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 SIG and other relevant committees.
7.6 Ensure activities and outcomes are communicated to the Board of Management, Constituent 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 where required.
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 2017		
REVISED BUDGET 2015/2016		DRAFT BUDGET 2016/2017
\$	INCOME	\$
1,609,306	Council Contributions	1,641,055
194,000	Statutory Charges	193,000
307,000	User Charges	341,000
126,500	Grants, subsidies and contributions	124,500
20,000	Investment Income	20,000
14,000	Other Income	10,000
2,270,806	TOTAL INCOME	2,329,555
	EXPENSES	
1,526,000	Employee Costs	1,543,000
666,200	Materials, contracts and other expenses	738,200
22,672	Finance Charges	19,984
80,851	Depreciation	28,371
2,295,723	TOTAL EXPENSES	2,329,555
(24,917)	Operating Surplus/(Deficit)	-
-	Net gain (loss) on disposal of assets	-
(24,917)	Net Surplus/(Deficit)	-

EASTERN HEALTH AUTHORITY STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 30 JUNE 2017		
REVISED BUDGET 2015/2016		DRAFT BUDGET 2016/2017
\$	CASHFLOWS FROM OPERATING ACTIVITIES	\$
	<u>Receipts</u>	
2,250,806	Operating Receipts	2,309,555
20,000	Investment Receipts	20,000
	<u>Payments</u>	
(2,192,200)	Operating Payments to Suppliers & Employees	(2,281,200)
(22,672)	Interest Expense	(19,984)
55,934	Net Cash Provided/(Used) by Operating Activities	28,371
	CASH FLOWS FROM FINANCING ACTIVITIES	
-	Loans Received	-
(55,934)	Loan Repayments	(58,623)
(55,934)	Net Cash Provided/(Used) by Financing Activities	(58,623)
	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	-
(200,000)	Distributions paid to constituent Councils	-
(200,000)	Net Cash Provided/(Used) by Investing Activities	-
(200,000)	NET INCREASE (DECREASE) IN CASH HELD	(30,252)
789,971	CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD	589,971
589,971	CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD	559,719

EASTERN HEALTH AUTHORITY STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDING 30 JUNE 2017		
REVISED BUDGET 2015/2016		DRAFT BUDGET 2016/2017
\$	CURRENT ASSETS	\$
589,971	Cash and Cash Equivalents	559,719
162,272	Trade & Other Receivables	162,272
-	Other	-
752,243	TOTAL CURRENT ASSETS	721,991
	CURRENT LIABILITIES	
108,708	Trade & Other Payables	108,708
236,220	Provisions	236,220
50,920	Borrowings	58,623
-	Other	-
395,848	TOTAL CURRENT LIABILITIES	403,551
356,395	NET CURRENT ASSETS/(CURRENT LIABILITIES)	318,440
	NON-CURRENT ASSETS	
360,244	Equipment	331,873
-	Other	-
360,244	TOTAL NON-CURRENT ASSETS	331,873
	NON-CURRENT LIABILITIES	
41,662	Provisions	41,662
384,279	Borrowings	317,953
425,941	TOTAL NON-CURRENT LIABILITIES	359,615
290,698	NET ASSETS	290,698
	EQUITY	
290,699	Accumulated Surplus/(Deficit)	290,699
290,699	TOTAL EQUITY	290,699

EASTERN HEALTH AUTHORITY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDING 30 JUNE 2017		
REVISED BUDGET 2015/2016		DRAFT BUDGET 2016/2017
	ACCUMULATED SURPLUS	
515,616	Balance at beginning of period	290,699
(24,917)	Net Surplus/(Deficit)	-
(200,000)	Distribution to Constituent Councils	-
290,699	Balance at end of period	290,699
290,699	TOTAL EQUITY	290,699

5.4 COMPLAINTS HANDLING POLICY

Author: Michael Livori
Ref: AF11/329

Summary

Eastern Health Authority (EHA) is committed to the provision of quality service to customers and regards complaints as an opportunity to improve practices and procedures as well as resolve the matter.

EHA has developed a Complaints Handling Policy to provide a fair, consistent and structured process for EHA customers if they are dissatisfied with EHA's actions, decisions or services. Lessons learnt from complaint investigations will be used to directly inform service improvements.

Report

The Complaints Handling Policy (the Policy) which allows for a fair, consistent and structured process for EHA customers if they are dissatisfied with EHA's actions, decisions or services was first presented to the Audit Committee at its meeting held on 25 May 2016.

The Policy encourages general complaints to be resolved as quickly as possible. For complex complaints the Policy provides information on internal reviews and alternative external authorities customers may access.

The Policy provides guidance to EHA's Board of Management, EHA Staff and the community on distinguishing between request, complaints and feedback.

As agreed at the meeting of 25 May 2016 advice has been sought in relation to the applicability of Section 270 (Procedures for review of decisions and requests for services) of the *Local Government Act 1999* to a Regional Subsidiary such as EHA. The full advice is provided as attachment 1.

A summary of the advice is provided below.

"There is no requirement for EHA to develop policies, practices and procedures under Section 270 of the Act. However, as EHA does act on behalf of its constituent councils, its actions (as well as those of EHA staff) could be the subject of a complaint under Section 270 of the Act and its decisions (and decisions of EHA staff) could be the subject of an application for a review of its decisions under Section 270 of the Act".

"In the event that a person did wish to make such a complaint or application, then he or she would need to make that complaint or application to the relevant constituent council. The relevant constituent council would be the constituent council that EHA's action or decision

related to”.

“Whilst EHA is not required to, it may adopt a policy, practice or procedure under Section 270 of the Act. However, the Act requires the constituent councils to adopt a policy, practice or procedure under Section 270 for complaints about and reviews of decisions of EHA (as a body acting on behalf of the constituent councils). In circumstances where EHA is not acting on behalf of a constituent council, for example when it acts as an enforcement agency under the Food Act 2001, then any complaint or application for review of a decision in those circumstances would need to be made to EHA and dealt with in accordance with any policy or procedure adopted by EHA”.

In light of the advice received it is recommended that EHA adopts a Complaints Handling Policy for EHA customers if they are dissatisfied with EHA's actions, decisions or services.

Matters that may be subject to a formal Section 270 review process will be dealt with by the respective Constituent Council with assistance from EHA.

Section 6.2 of the Complaints Handling Policy titled Complex Complaints which was previously presented to the committee has been amended to include a Section 270 Review as an example of a complaint that may be subject to an alternative process.

The Complaints Handling Policy is provided as attachment 2 to this report for consideration and endorsement.

RECOMMENDATION

That:

1. The report regarding the Complaints Handling Policy is noted.
2. The Complaints Handling Policy is endorsed and presented to the Board of Management for adoption.

By Email: <mlivori@eha.sa.gov.au>
Ref: FXD\M00247938F04326865.DOCX

20 July 2016

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

Dear Michael

Section 270 Policy

I refer to our telephone discussion in relation to Section 270 of the *Local Government Act 1999 (the Act)* and in particular, the adoption by the Eastern Health Authority (**EHA**) of a policy under that Section.

As you are aware, Section 270 of the Act requires a council to develop and maintain policies, practices and procedures for dealing with:

- any reasonable request for the provision of a service by the council or for the improvement of a service provided by the council; and
- complaints about the actions of the council, employees of the council, or other persons acting on behalf of the council.

The procedures a council is required to develop under Section 270 include procedures for the review of decisions of:

- the council;
- employees of the council; and
- other persons acting on behalf of the council

where EHA is not acting on behalf of a constituent council such as I have outlined above.

I would be happy to prepare or review a draft Section 270 Policy, practice or procedure should that be of assistance to you.

Should you have any queries or wish to discuss any aspect of this advice please do not hesitate to contact me.

Yours faithfully
Norman
Waterhouse



Felice D'Agostino
Direct Line: (08) 8210 1202
e-mail: fdagostino@normans.com.au

Complaints Handling Policy



Complaints Handling Policy

Policy Reference	GOV11
Date of Initial Board Adoption	
Minutes Reference	
Date of Audit Committee Endorsement (if applicable)	
Date last reviewed by Eastern Health Authority Board of Management	
Relevant Document Reference	<ul style="list-style-type: none"> - EHA Whistleblowers Protection Policy D14/10620[v3] - EHA Employee Code of Conduct D14/5685[v2] - Code of Conduct for Board Members D12/1640[v3]
Applicable Legislation	

1. Introduction

Eastern Health Authority (EHA) is committed to the provision of quality service to customers and regards complaints as an opportunity to improve practices and procedures as well as resolve the matter.

The purpose of the Complaints Handling Policy (the Policy) is to provide a fair, consistent and structured process for EHA customers if they are dissatisfied with EHA's actions, decisions or services. Lessons learnt from complaint investigations will be used to directly inform service improvements.

Emphasis will be placed on resolving complaints as quickly as possible. However where complaints cannot be settled in the first instance EHA will ensure that they are dealt with through appropriate, more formal procedures by staff with the authority to make decisions.

Complaints Handling Policy

2. Purpose

This Policy aims to provide guidance to the EHA Board of Management, EHA and Constituent Council Staff and the Community on:

- Distinguishing between requests, complaints and feedback to EHA and giving direction on management of requests
- How EHA assesses and processes requests including the collation of information which can be used to directly inform service improvements

3. Scope

This Policy applies to complaints received from customers regarding EHA's operations or service delivery by employees, contractors and volunteers.

This Policy does not apply to:

- Complaints regarding EHA's Board of Management: these will be dealt with in accordance with the Code of Conduct for EHA Board Members – Dealing with Complaints Procedure.
- Requests for a review of EHA decision will be dealt with under the Internal Review of EHA Decisions Procedure.
- Matters covered by the *Whistleblowers Protection Act 1993*: these will be dealt with in accordance with the EHA's Whistleblowers Protection Policy.
- Allegations of criminal activity: these must be referred to the South Australian Police.

4. Definitions

Staff means a person performing work on behalf of EHA, including the Chief Executive Officer (CEO), Team Leaders and staff employed on a full time, part time, casual or contract basis.

Employee means any person performing work on behalf of EHA, either paid or unpaid, including the Chief Executive Officer (CEO), Team Leaders and staff employed on a full time, part time, casual or contract basis, work experience students, agents, consultants and contractors employed by EHA.

Business Day means a day when the EHA is normally open for business; that is Monday to Friday between 9:00am and 5.00pm, excluding public holidays and the period between Christmas and New Year's Day when the EHA office is closed.

Definition of a Complaint for the purposes of this policy, a complaint is defined as:

'An expression of dissatisfaction with a product or service delivered by EHA or its representatives that have failed to reach the standard stated, implied or expected. This includes complaints about a service that has been, or should have been delivered.'

Complaints Handling Policy

Feedback can take the form of comments, both positive and negative, about services provided by EHA without necessarily forming the basis of a request for service or general complaint. EHA welcomes feedback of all types as an important way of continually monitoring its service standards.

Request for Service is an application to have EHA or its representative, take some form of action to provide or improve EHA's service.

EHA Board of Management comprises of two elected members from each Constituent Council. The Board is responsible for ensuring EHA acts in accordance with its Charter established under the *Local Government Act 1999*.

EHA Constituent Councils - City of Burnside, Campbelltown City Council, the City of Norwood Payneham St Peters, the City of Prospect and The Corporation of the of Town of Walkerville.

5. Principles

EHA acknowledges that treating customers fairly requires impartiality, confidentiality and transparency at all stages of the process.

- EHA will promote to its customers the methods by which they can request services and make general complaints.
- EHA is committed to providing sufficient resources and well trained staff to manage service and complaint matters, and to review its systems for opportunities for improvement
- Customer requests and complaints will be dealt with in accordance with this Policy in a timely manner that takes into account a response that is considerate of the matter's complexities, and takes up opportunities for improvement across the organisation where appropriate.
- In processing requests for service emphasis will be placed on:
 - Public safety and emergencies
 - Fulfilling EHA's Business Plan
 - Using EHA resources effectively

6. Policy

6.1 General Complaints Handling

6.1.1 Making a complaint

EHA welcomes complaints as a way of improving its services and programs as well as providing an opportunity to put things right.

This policy will be made widely accessible to ensure that customers are fully aware of their right to complain. Information about how to lodge a complaint will be placed in a prominent position on EHA's website.

Complaints Handling Policy

Except for minor level 1 responses, (See Procedures for resolving complaints below) EHA will try to ensure that, whenever possible, complaints will be handled independently of the original decision-maker or officer involved in the matter that is the subject of the complaint.

A person can make a complaint in a number of ways:

- Complete the appropriate form on EHA's website www.eha.sa.gov.au
- Telephone - 8132 3600
- Fax – 8132 3623
- Email – eha@eha.sa.gov.au
- Letter - PO Box 275, Stepney SA 5069
- Visit EHA:
101 Payneham Road
St Peters SA 5069
Mon - Fri 9:00am – 5:00pm

6.1.2 Processing a complaint

EHA's response to general complaints received will be managed in accordance with the General Complaint Handling Procedure. This ensures that, whenever possible, complaints are handled independently of the original decision-maker or staff member involved in the matter that is the subject of the complaint.

Staff will be trained to manage complaints efficiently and effectively, and provided with a level of delegated authority appropriate for the nature of complaints they are expected to resolve.

Staff will record all general complaints received in EHA's records management system in such a way that the information can be utilised to respond to the complaint and analysis complaints by category for service improvement opportunities.

6.1.3 Steps to resolving a complaint

The following steps will be followed by staff to ensure complaints are dealt with efficiently and effectively:

- Acknowledge complaints promptly
- Assess the complaint
- Plan the investigation where one is warranted
- Investigate the complaint
- Respond to the complainant with a clear decision
- Follow up any customer service concerns
- Consider whether there are systemic issues which need correction.

Complaints Handling Policy

6.1.4 Timeframes for response

Upon receiving a general complaint, EHA will respond within [10] business days, acknowledging receipt of the complaint and, where possible, resolving it at that time. Where a complaint cannot be resolved immediately the complainant will be advised of the process to be undertaken, the likely timeframe required to

investigate and resolve the matter, and regularly updated by email / letter as to progress that is being made to resolve the complaint (as per General Complaint Handling Procedure).

6.1.5 Procedures for resolving complaints

Complaints may vary greatly in their level of complexity and seriousness. Wherever possible complaints will be resolved when first reported, but if necessary officers will escalate complaint handling as set out below.

The complaints procedure consists of a three tiered scheme.

1. Immediate response to resolve the complaint - All staff are empowered to handle complaints in the first instance and it is preferable that they are dealt with promptly at the initial point of contact and at the appropriate officer level.
2. Complaint escalated to a more senior officer - A complaint will be directed to the appropriate Team Leader in EHA, where circumstances indicate that the complaint would be more appropriately handled at a higher level. The Team Leader will assess the complaint and determine if it is appropriate to handle the complaint or direct the matter to the CEO. This may occur, for example, where an officer has been involved in the matter that is the subject of the complaint, where the complaint is about an issue that requires a decision to be made at a more senior level.
3. Internal review of a EHA decision (see EHA's Internal Review of a EHA Decision Policy and Procedure). This is a process established that enables EHA to reconsider all the evidence relied on to make a decision, including new evidence if relevant. This process is generally a last resort in the complaint handling process, but may also be used in situations which are not able to be resolved by other means, such as a complaint about a decision of the Chief Executive.

EHA's detailed Complaints Procedure is available to the public. See Further Information

Complaints Handling Policy

6.2 Complex complaints

In some instances, an alternative complaint handling process must be used due to legislative restrictions. In these instances, EHA will advise the complainant of the alternative process requirements, and assist them to seek resolution of their concerns. Examples of alternative complaint handling processes include:

- Code of Conduct complaints about EHA Board of Management members or Employees
- Freedom of Information applications
- Internal review of a decision made by EHA on behalf of a Constituent Council is available under Section 270 of the Local Government Act 1999. This is a process established by legislation that enables a Council to reconsider all the evidence relied on to make a decision, including new evidence is relevant.
- Decisions made under legislation other than the *Local Government Act*, such as the *Food Act 2001*, *SA Public Health Act 2011*, *SRF Act 1992*, the *Housing Improvement Act 1940* or *Expiation of Offences Act 1996*.

On occasion, it may be appropriate to consider mediation, conciliation or neutral evaluation. Costs and expenses of the appointment and work of a mediator, conciliator or evaluator will be shared equally between EHA and the other party.

6.2.1 Complainant rights to external review

While EHA prefers to work with its customers to resolve complaints quickly and effectively, a complainant will always retain the right to seek other forms of resolution, such as contacting the Ombudsman, or taking legal action at any time.

Note: As a general rule, the Ombudsman prefers a complaint to be addressed by EHA in the first instance, unless this is not appropriate in the circumstances.

6.2.2 Unreasonable complainant conduct

All complaints received by EHA will be treated seriously and complainants will be treated courteously. However, occasionally the conduct of a complainant can be unreasonable. This may take the form of unreasonable persistence, unreasonable demands, lack of cooperation, argumentative or threatening behaviour. What can be termed 'unreasonable' will vary depending on a number of factors and EHA aims to manage these situations in a fair and equitable manner.

Where a complainant's behaviour consumes an unwarranted amount of EHA resources or impedes the investigation of their complaint, a decision may be made to apply restrictions on contact with the person. Before making any decision to restrict contact, the complainant will be warned that, if the specified behaviour(s) or actions continue, restrictions may be applied.

Any decision to suspend action on a complaint will be made by the CEO or their delegate and communicated in writing to the complainant.

Complaints Handling Policy

6.2.3 Using complaints to improve service

Quality of service is an important measure of EHA's effectiveness. Learning from complaints is a powerful way of helping to develop EHA and increase trust among the people who use our services.

In addition to making changes to procedures and practices where appropriate, EHA will review and evaluate the information gained through its complaints handling procedure on an annual basis to identify systemic issues and improvements to service. Where appropriate, complainants will be provided with an explanation of changes proposed or made as a result of the investigation of their complaint.

6.2.4 Privacy and confidentiality

Complainants have a right to expect that their complaint will be investigated in private, to the extent possible. The identity of complainants will be made known only to those who need to know in the process of investigating and resolving the complaint. The complaint will not be revealed or made public by EHA, except where required by law.

Note: All complaints lodged with EHA are subject to the Freedom of Information Act 1991 and confidentiality cannot be guaranteed under the provisions of that legislation.

6.2.5 Remedies

Where complaints are found to be justified EHA will, where practicable, remedy the situation in a manner which is consistent and fair for both EHA and the complainant. The solution chosen will be proportionate and appropriate to the circumstances.

As a general principle the complainant should so far as possible, be put in the position he or she would have been in, had things not gone wrong. This may mean providing the desired service or changing a decision. Sometimes, however, it may only be possible to offer an apology.

6.2.6 Alternative remedies

EHA may seek to use alternative dispute resolution methods such as mediation to resolve a complaint in circumstances where the Chief Executive or their delegate deems such a course of action appropriate and the complainant is amenable to that process.

When advising a complainant of the outcome of an investigation of a complaint, EHA will provide information about alternative remedies, including any rights of appeal and the right to make a complaint to an external agency such as the SA Ombudsman.

Complaints Handling Policy

7. 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). The CEO will report to EHA Board of Management on the outcome of the review and make recommendations for amendment, alteration or a substitution of a new Policy if considered necessary.

8. Documentation

To assist in demonstrating that Complaint Handling processes are fair, transparent and accountable, cost effective and meet community needs, EHA will document all complaints received, the process undertaken to resolve the complaint and the outcome of the complaint.

9. Further Information

This policy will be available for inspection at EHA offices during normal business hours and available from EHA's website www.eha.sa.gov.au.

10. Statement of Adoption

The Policy was adopted by the Board of Eastern Health Authority on xxxxx.

Audit Committee Meeting Dates 2016

Meeting commence at 5.30pm with a light meal provided at 5.00pm

unless otherwise advised

Date	Meeting Type	Venue	Expected Agenda Items
Wednesday 2 March 2016	Audit Committee	EHA office	Meeting Cancelled 17/02/2016 due to delay in the development of the 2016/2017 budget and recommendation to consider the draft budget at the 25 May meeting.
Wednesday 25 May 2016	Audit Committee	EHA office	<ul style="list-style-type: none"> • Draft Annual Business Plan and Budgeted Financial Statements • First Attendance of Auditor for External Audit Management Report • Policy Review
Wednesday 17 August 2016	Audit Committee	EHA office	<ul style="list-style-type: none"> • Financial Statements and Results • Management Framework and Risk Register • Policy Review – Complaints Handling Policy • Review of the Eastern Health Authority Audit Committee Terms of Reference (last reviewed 12/8/2015)
Wednesday 30 November 2016	Audit Committee	EHA office	<ul style="list-style-type: none"> • Finance Report • External Audit Management Letter for the Year Ended 30 June 2016 • Update of Long Term Financial Plan • Risk and Opportunity Management Matrix Risk and Opportunity • Dates for 2017 meetings