



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

Annual Report *2014/2015*



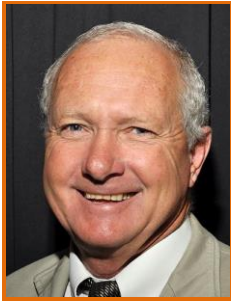
© David Crawford 2015



*Cover photo:
Eyre Highway leading into
Wudinna, courtesy of David
Crawford – taken during the
Black Dog Ride 2015 to raise
awareness for depression*



THE PRESIDENT'S REPORT



The 2014/15 financial year is the second year of operating jointly with Local Government Association (LGA) Outreach Program assisting EPLGA Member Councils employ Tony Irvine, Executive Officer of our association.

This has proven to be a valuable partnership, enabling a full time resource coordinating service delivery and Member Council assistance.

Detail of the work plan is documented in this annual report together with the activities and priorities of the LGA Outreach Program and summarises successes and difficulties experienced.

During the year we had very significant reform proposals released that will guide direction for Local Government in the short and long term.

Most significant of these was the expert panel report "The Councils of the Future". This report put forward discussion topics that will be subject to much debate over coming years. Already the concept of regionalising much of our governance, administration and service delivery is giving cause for concerted soul searching and adjusting. Government is looking carefully at the report and we, as a sector, need to be prepared and agile in our response.

Second of these was another expert panel report titled "Ideas for Reform on Planning Reform". This report suggested 27 reforms, some of which, if legislated or adopted, would substantially change the process of how we develop and implement our planning schemes.

I encourage all Elected Members to fully engage with opportunities to influence and administer the direction of these reforms. It is my firm view that Councils on Eyre Peninsula will be very different in 10 years, as State Government takes more control of some of our functions and less in others. We expect delegation without funding, regionalisation and funding constraints. How we manage service delivery to our communities will be different. Our work will be to find efficiencies and solutions at the same time in growing our communities.

Some of the highlights for 2014/2015 included:

- Joint regional training.
- Establishment of a mining taskforce.
- Roads hierarchy.
- Zone emergency plans.
- LGA Outreach Program delivery.
- Work on procurement.
- Establishment of a CEO management group.

Further details regarding these activities and actions have been presented in the body of the annual report.



I wish to place on record on behalf of Member Councils, our appreciation and thanks to outgoing President Mayor Julie Low, who ably led our association for 4 years. Julie's commitment to our region and her excellent representation on the SAROC and the LGA Board was critical in maintaining Eyre Peninsula at the forefront of State policy development. She played a significant role in setting our organisation up with talented Executive Officers and guiding us with integrity and poise. Julie was supported by her Executive Committee, which was comprised of Eddie Elleway and John Schaefer, and we endorse her appreciation of them.

Thanks also to Tony Irvine who, with energy and passion, undertakes the challenging role of assisting and leading us through change. He assists Local Government with the delivery of our services and is a strong advocate for our members and our sector.

MAYOR BRUCE GREEN



THE REGION

The region comprises 230,000km² of land in the far west of South Australia; about 23% of the State.

The region has a coastal and rural environment with approximately one third of South Australia's coastline stretching over 2,000 kilometres. The landscape features a rugged and relatively undeveloped coastline, particularly on the western side of the Eyre Peninsula. The coastal and marine environment includes marine and conservation parks and encompasses approximately 250 islands ranging in size from about 180 to 40,000 square metres.

A large proportion of the region has been cleared for agricultural production; but significant areas of native vegetation remain. Vegetation clearance for agricultural purposes ranges from 14% in the far west to 72% in the south. About 15% of the region's grazing area is covered with scattered vegetation.

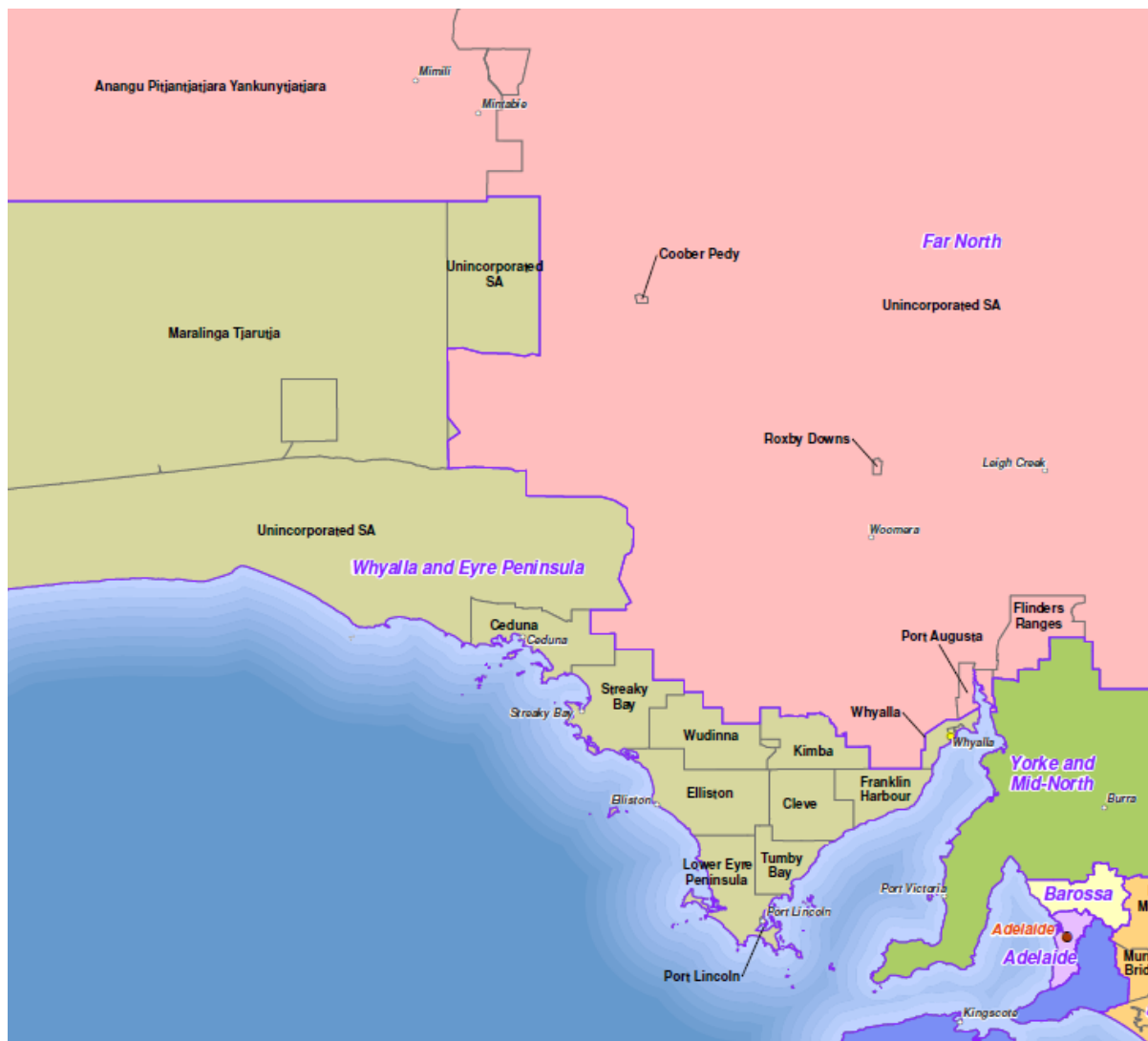


Figure 1: Context Map, Regional Development Australia, Whyalla and Eyre Peninsula.



Regional Population and Local Government

The region has eleven Local Government Authorities (LGAs) as well as remote unincorporated areas serviced by the Outback Communities Authority. The LGAs are: The City of Whyalla and City of Port Lincoln; and the District Councils of Ceduna, Cleve, Elliston, Franklin Harbour, Kimba, Lower Eyre Peninsula, Streaky Bay, Tumby Bay, and Wudinna.

For Census data collection purposes the Maralinga Tjarutja Aboriginal Land (established under the *Maralinga Tjarutja Land Rights Act*, 1984) is regarded as an LGA in its own right. However, Maralinga Tjarutja is not a member of the EPLGA.

The regional population of 56,396 (ABS 2011 Census) comprises about 3.5% of the South Australian population. 98.7% of people reside in the eleven LGAs, which collectively occupy 43,779km² or about 19% of the regional land mass. Most of the population (64.1% or 36,174 people) live in the regional cities of Whyalla and Port Lincoln.

LOCAL GOVERNMENT AREA	LAND AREA		POPULATION	
	Km ²	% of Region	No.	% of Region
Whyalla	1,032.5	0.44	22,088	39.16
Port Lincoln	30.4	0.01	14,086	24.98
Ceduna	5,427.1	2.33	3,480	6.17
Cleve	4,506.7	1.94	1,733	3.07
Elliston	6,500.0	2.79	1,046	1.85
Franklin Harbour	3,283.0	1.41	1,273	2.26
Kimba	3,986.2	1.71	1,088	1.93
Lower Eyre Peninsula	4,771.0	2.05	4,916	8.72
Streaky Bay	6,232.0	2.68	2,102	3.73
Tumby Bay	2,615.9	1.12	2,586	4.58
Wudinna	5,393.8	2.32	1,253	2.22
Collective Local Government (11 LGA's)	43,778.6	18.8	55,651	98.7

RDAWEP Local Government Land Areas and Population 2011.

It should be noted that the land areas and populations of Cleve and Franklin Harbour changed on 1st July 2014 due to an adjustment of the Council boundaries. The Boundary Adjustment Facilitation Panel supported the transfer of 492km² of land from Franklin Harbour to Cleve to address the concerns of residents living in the Hundreds of Mangalo and Heggaton. Approximately 62 residents live in the area.

In 2011, the region had 3,225 Aboriginal people comprising 5.7% of the regional population. This was notably above the proportions in South Australia (1.9%) and Australia (2.6%). 80% of the region's Aboriginal people (2,572) live in the LGAs of Whyalla, Port Lincoln and Ceduna. The greatest concentration is in Ceduna, where Aboriginal people comprise 24.9% of the Council population

Since 2001, the regional population has grown by 4.5% but this is not consistent across the region as a whole. The District Councils of Elliston, Wudinna and Kimba experienced population decline of -15.2%, -13.7% and -8.5% respectively, but the District Council of Lower Eyre Peninsula experienced growth of 17.2%. Population growth was also experienced in the coastal Councils of Streaky Bay, Tumby Bay and Port Lincoln.



The demographic change is caused by several factors, with the desire for a sea change lifestyle being a key reason. Streaky Bay and Tumby Bay are very desirable coastal locations and new estate developments have been established to cater for growing housing demand, notably by retirees from the agricultural sector. Population growth in the District Council of Lower Eyre Peninsula stems from several locational and lifestyle advantages including numerous coastal townships and proximity to the regional city of Port Lincoln and Port Lincoln Airport. Kimba and Wudinna are the only Councils without a coastline and this impacts their appeal and tourism development potential.

Population Ageing

The regional population is ageing. In 2011, the region's median age was 39, an increase from 38 in 2006. People aged 65 years and over comprised 15.5% of the regional population, which is above the 14.0% rate for Australia, but below the rate of 16.2% for South Australia.

PEOPLE 65 YEARS OF AGE AND OVER	Region	%	South Australia	%	Australia	%
2006 ABS Census	7,758	14.3	233,127	15.4	2,644,374	13.3
2006 Median Age	38		39		37	
2011 ABS Census	8,727	15.5	257,551	16.2	3,012,289	14.0
2011 Median Age	39		39		37	

People 65 Years of Age and Over. (ABS Census 2006 and 2011).

The population 65 years and over grew by 1.2% from 2006, exceeding the growth rate of 0.8% for South Australia and 0.7% for Australia.

Almost half of the regional population (49.6%) was 40 years of age and over in 2011 with 21.5% over 60 years of age. The District Council of Tumby Bay has the oldest population profile with 60.1% over the age of 40 and 32.1% over 60 years of age. Similar results for the over 40 age sector were recorded for Kimba (55.9%), Franklin Harbour (55.7%), Cleve (55.3%) and Elliston (54.5%).

Conversely, young people 15-24 years of age comprise the smallest sector of the regional population at 12.1% and this is consistent in all local government areas.

Tumby Bay (8.0%), Kimba (8.5%), Cleve (9.1%), Wudinna (9.3%) and Streaky Bay (9.9%) have the smallest proportion of 15-24 year olds, whereas Whyalla (13.4%), Port Lincoln (13.2%) and Ceduna (12.4%) are the only areas where the 15-24 aged sector exceeds the regional average.

Projections indicate that South Australia's population aged 65 and over will increase to 22.6% in 2020 and to 25.7% by 2030. It is also known that approximately 30% of young people leave the region each year for employment and study in metropolitan Adelaide. The combination of a growing aged sector and diminishing numbers of young people is not sustainable and has serious implications for future workforce provision.

Retirements will diminish the labour force of skilled and experienced labour and create employment openings for young people. It is estimated that over 11,000 workers (about 40% of the regional workforce) will leave their jobs within 20 years if they all retire at 65 years of age. But there will be limited choice with the provision of a capable replacement pool.

The regional population is too small to provide the workforce for anticipated future development needs, with the consequence that approximately 3,800 workers will need to be recruited from elsewhere by 2020.



Regional Economy

The regional economy is extremely diverse, but the industry composition is changing. Based on employment generation, the main industries in 2012-13 were health and community services, retail trade, manufacturing, agriculture, education and training, and construction. Tourism and mining are the region's fastest emerging industries and have significant potential for future growth.

The health care and social assistance industry is the largest employer in South Australia and the largest regional industry. In 2012-13, the industry provided 3,437 jobs or 14.0% of the region's jobs. Due to the ageing of the regional population and increasing demand for aged care services, the aged care sector is expected to grow in future years.

The retail trade industry is an integral part of all regional townships and has the highest concentration in Whyalla and Port Lincoln. The retail sector is the region's second largest industry providing 2,669 jobs in 2012-13 or 10.5% of regional jobs. Most employees are based in Whyalla (997 jobs) and Port Lincoln (1,064 jobs). This sector has experienced steady employment growth of about 7.0% since 2001. The growth and sustainability of the retail sector is largely reliant on the success of the region's major industries; particularly agriculture, manufacturing, mining and tourism. Many retail businesses have been established to directly support and service these industries.

Manufacturing, which includes food processing and the production of metal products, is the region's third largest industry providing 2,552 (10.4%) of jobs in 2012-13. The manufacturing industry experienced modest employment growth of about 3.6% since 2001.

Whyalla is the largest industrial city in regional South Australia and the principal centre for manufacturing, steel production and resources processing in the Upper Spencer Gulf. Manufacturing is the biggest employer in Whyalla providing 1,838 jobs in 2012-13, comprising nearly three quarters (72%) of the region's manufacturing jobs. Port Lincoln provided 577 (or 22%) of the region's manufacturing jobs.

Most of Whyalla's manufacturing jobs (1,648, or 90% of manufacturing jobs) were in the iron and steel production and metal products sectors. Whyalla's reliance on steel manufacturing makes its economy extremely vulnerable to commodity price variations in the international market. Falling commodity prices for iron ore from 2013 led to a substantial reduction of Arrium's workforce during 2015.

Agriculture provided 2,290 (9.3%) of the region's jobs in 2012-13. Agriculture was the largest employer in the District Councils of Lower Eyre Peninsula (428 jobs); Tumby Bay (322); Elliston (260); Kimba (238) and Wudinna (216). Census data indicate that agricultural employment has declined by about 16.8% since 2001; largely due to the rationalisation of farming properties which reduced employment opportunities in this sector. Agriculture is nevertheless a major industry in the region, and is the principal economic driver in some regional townships.

The RDAWEP region is world renowned for its premium seafood product, largely due to the success of the trade mark and brand: *'Eyre Peninsula – Australia's Seafood Frontier'*. However, fishing and aquaculture are small employers in comparison with other industries; providing 250 and 471 jobs respectively during 2012-13.

The region's mining sector is also a relatively small employer. In 2012-13, mining provided 923 (3.7%) of the region's jobs. Most of these jobs were provided in Whyalla (671), Ceduna (142), Franklin Harbour (53), and Tumby Bay (28). Mining is nevertheless the region's fastest growing industry, with a substantial 79.2% growth in employment during 2001-2011. This is largely the result of unprecedented mining exploration. The mining impact is expected to grow substantially in forthcoming years as new ventures move from exploration to operation. This will create numerous employment opportunities and further diversify the regional economy. However, major infrastructure investment in ports, roads, rail, power and water is essential for these development opportunities to be realised.



Tourism is also a fast growing industry with considerable development potential, due to the region's unique and diverse nature-based visitor experiences, and premium seafood products. Tourism is important for the regional economy. Visitor expenditure was estimated to be worth \$300 million in 2012-2013 from approximately 616 businesses. New tourism product is continuously being developed, and there is substantial opportunity for further growth through marketing the region as a culinary tourism destination.

A Region of Quality

Diversity is one of the region's greatest attributes and underpins its comparative advantage and competitiveness. Industrial diversity is important for economic growth and sustainability because it gives the region resilience through not being reliant on a single industry or single product for its prosperity.

But the concept of quality is emerging as a distinctive regional attribute. The region is renowned for its premium seafood, high quality grains and the pristine, unblemished nature of its landscapes, seascapes and conservation parks. The region is being lauded for high quality and different nature based tourism experiences – such as swimming with tuna, cage diving with Great White sharks and whale watching at the Head of the Bight. But other qualitative characteristics are becoming apparent as distinguishing features.

- **High quality magnetite** – the magnetite from Iron Road's Central Eyre Iron Project at Warramboo is high quality at 67% iron with few impurities. This is of considerable interest in China because the ore does not need pelletisation which expedites the smelting process and reduces environmental emissions. The magnetite is expected to attract a quality premium differential of \$US18 per tonne over the market price for iron ore and this expectation is included in Iron Road's Definitive Feasibility Study for the project.
- **High quality graphite** – the graphite mines at Uley (Valence Industries), Kookaburra Gully (Lincoln Minerals), Campoona and Waddikee (Archer Exploration) are reputed to contain the largest flake and best quality deposits in the world with the capacity for manufacturing graphene products which have increasing world demand for advanced technological and medical applications.
- **High quality kaolin** – Minotaur Exploration's Carey's Well kaolin mine near Poochera is reputed to contain the brightest and whitest kaolin in the world (at ISO brightness of 80) and is much sought after for high quality paints, inks, plastics and ceramic finishes.
- **High quality zircon** – Iluka Resources' Jacinth Ambrosia mine north of Yalata is arguably the largest deposit of the highest quality zircon the world. It is also anticipated that other heavy mineral sand deposits in the far west of the region are likely to produce similar quality product.

These qualitative attributes are complemented with escalating growth of innovative approaches and processes to economic and product development.

Collaborative problem solving approaches to economic development have been adopted region wide through industry based Target Teams and other stakeholder engagement. The region's educational institutions are pursuing research for sustainable farming and renewable technologies. Pilot and demonstration projects are being progressed for the production of biofuels from algae and other feed stocks and the application of wind hydro technology for power generation. Best practice environmentally sustainable production technologies are being pursued by the region's aquaculture industry and world class, advanced technology graphene and interpretive initiatives are being progressed to tap new and emerging international markets.

Coupled with significant and growing capex investment in recent years and yet to be realised export potential in the resources sector, the region is well positioned for long term, sustainable economic growth into the future.

The region's doors are not only open for business but they are marked by branding in big letters stating 'enter here if you want the best'.



MEMBER COUNCILS 2014/2015:

- City of Whyalla
- City of Port Lincoln
- DC Ceduna
- DC Cleve
- DC Elliston
- DC Franklin Harbour
- DC Kimba
- DC Lower Eyre Peninsula
- DC Streaky Bay
- DC Tumby Bay
- Wudinna DC

THE REPRESENTATIVES

Executive:

TITLE	MEMBER NAME	COUNCIL	TENURE
President	Mayor Bruce Green	City of Port Lincoln	From 22 February 2015
Immediate Past President	Mayor Julie Low	DC Lower Eyre Peninsula	To 22 February 2015
Deputy President	Mayor Sam Telfer	DC Tumby Bay	From 22 February 2015
Past Deputy President	Mayor Eddie Elleway	DC Franklin Harbour	To 22 February 2015
Chief Executive Officer	Mr Rob Donaldson		

The President and Deputy President are our nominated representatives to the SAROC and State Executive Forums. The Executive Officer is also a SAROC delegate.

Other Regional Organisations:

Regional Development Australia Whyalla and Eyre Peninsula Inc:

Mayor Jim Pollock, Chair/Executive Member	- City of Whyalla
Cr Colin Carter	- City of Whyalla
Mayor Allan Suter, Executive Member	- DC Ceduna
Cr Bryan Trigg	- DC Cleve
Cr Clare McLaughlin	- City of Whyalla

Eyre Peninsula Natural Resources Management Board:

Mr Rob Donaldson	- CEO, City of Port Lincoln
------------------	-----------------------------

Zone Emergency Management Committee:

Mayor Julie Low (Presiding Member)	- DC Lower Eyre Peninsula
Tony Irvine, Executive Officer	- EPLGA
Rod Pearson	- DC Lower Eyre Peninsula
Grant Drummond, General Manager Operations	- DC Ceduna
Ivan Noble, Works Manager	- DC Cleve

Eyre Peninsula Integrated Climate Change Adaptation Committee:

Mayor Julie Low (President)	- to 22 February 2015
Mayor Bruce Green (President)	- from 22 February 2015
Tony Irvine, Executive Officer	- EPLGA



EPLGA Board Members 2014/15

Under the terms of our Charter, the following Board appointments were current as at 30 June 2015.

MEMBER COUNCIL	BOARD MEMBER	DEPUTY BOARD MEMBER
Ceduna	Allan Suter (Mayor)	Lynton Brown (D/Mayor)
Cleve	Roger Nield (Mayor)	Bryan Trigg (D/Mayor)
Elliston	Kym Callaghan (Chair)	Dave Allchurch (Deputy Chair)
Franklin Harbour	Robert Starr (Mayor)	Michael Williams (D/Mayor)
Kimba	Dean Johnson (Mayor)	Graeme Baldock (D/Mayor)
Lower Eyre Peninsula	Julie Low (Mayor)	Don Millard (D/Mayor)
Port Lincoln	Neville Starke (D/Mayor)	Andrea Broadfoot (Councillor)
Streaky Bay	Sherron MacKenzie (Mayor)	Robert Stephens (Deputy Mayor)
Tumby Bay	Sam Telfer (Mayor)	Geoff Stewart (D/Mayor)
Whyalla	Jim Pollock (Mayor)	Clare McLaughlin (Councillor)
Wudinna	Eleanor Scholz (Chair)	Ned Luscombe(D/Chair)

ANNUAL CONFERENCE SCHEDULE

A highlight on the EPLGA calendar is the Annual Conference, hosted each year by a member Council. To assist in host Council planning, the following schedule is included:

Year	Council	Year	Council
2016	DC Ceduna	2022	DC Cleve
2017	DC Lower Eyre Peninsula	2023	DC Streaky Bay
2018	City of Port Lincoln	2024	DC Elliston
2019	DC Kimba	2025	DC Tumby Bay
2020	Wudinna DC	2026	City of Whyalla
2021	DC Franklin Harbour		

The 79th EPLGA Conference will be held on Monday 29 February – Wednesday 2 March 2016 in Ceduna.



REPORT OF ACTIVITIES 2014/15

Our core activities always include reacting to legislation and policy changes that may have a negative impact on our region. This year ongoing concerns and/or participation have been with the following matters:

- › State and Federal Marine Parks.
- › Natural Resources Management – joint partnership planning, delivery of services.
- › Regional Recognition/Lobbying – ongoing on various matters as they arise.
- › Mining and Impacts – implementation of a taskforce.
- › Emergency Management – regional planning and Council planning, followed by implementation.
- › Development Act Reform.
- › Coastal Access issues.
- › Various roads and waste issues – regional strategy and Zero Waste cessation.
- › Regional Strategy for LGA.
- › The Councils of the Future
- › Television reception and servicing – interstate services.
- › Mobile phone hotspots.
- › Water Planning – state of the resource, etc.
- › Regional planning – RDAWEP, EPNRM, DPTI, etc.
- › Financial Assistance and Supplementary Road Funding – ongoing issues of SA's injustice.
- › Health – local sub-regional issues.
- › Outreach Services:
 - Regional Procurement;
 - CEO's Committee;
 - CWMS Users Group;
 - Regional Training and Seminars delivery;
 - Shared Services – EBA and Award consolidation – LEP Councils;
 - Assets Management and Long Term Financial Planning; and
 - Internal Controls Group.
- › Roadside Native Vegetation – management issues.
- › Regional Climate Change Adaptation Plan finalisation and continuation of the Eyre Peninsula Integrated Climate Change Agreement [EPICCA].
- › Tourism – restructure to sub-regional groups, Food and Tourism Prospectus, RV and Caravan Strategy.
- › Speed Limits Review – reduction from 110kph to 100kph.
- › Aged Care at the local Council level – Council's role.
- › NHVR impacts on farm machinery movements.
- › Transport Plan and SLRP Prioritisation and funding applications.
- › Oil and gas exploration in the Great Australian Bight.
- › Joint submissions with RDAWEP on various issues.

PROJECTS 2014/2015

Regional Training

The LGA and other training providers have delivered many more training sessions in the region to reduce costs for Councils. Training undertaken during the last 12 months includes:

- › Audit Committee
- › Council Development Assessment Panels
- › Civil training - various
- › Code of Conduct
- › Council Contracts Management
- › Developing Confidence
- › Elected Members Training
- › Intro to Local Government
- › Leadership
- › Workplace Health and Safety
- › Plan Reading and Levelling



- › Rating
- › Records Management
- › Road Safety and Traffic Control
- › Volunteering
- › Waste Water

Other Legal Seminars on different issues such as planning and development, ICAC, etc, were also organised at individual Councils.

The LGA has developed a training program relevant to the region and this can be further enhanced with Councils submitting training plans to the EPLGA for co-ordination.

TAFE and RDAWEP have been working closely with the EPLGA to deliver more civil training on site at Councils.

Emergency Planning

Software was developed and rolled out to all 11 Member Councils to assist with the development of individual Council Emergency Plans. Difficulty was experienced in most Councils regarding utilisation of the software to develop their plans. The development of the individual plans will be reviewed in 2015/2016 in an effort to ensure all Councils are compliant.

The completion of the individual Council plans are essential, not only for compliance reasons, but for direction to be provided to the Zone Emergency Management Committee in the development of the overall zone plan. The software was developed so the highest risks for individual Councils could be rolled into a zone plan.

Outreach Services Pilot Program

The program includes:

- › assisting with the preparation of LGA policy on regional development;
- › preparing a profile of the region with a focus on what it contributes to the economic growth of both the State and Nation;
- › governance needs of each Council;
- › legislative compliance in assets management and long term financial planning;
- › skills assessment in areas such as IT, planning, environmental health, etc, and develop a regional training plan;
- › short term employment requirements rather than full time employees;
- › shared services arrangements to assist in meeting the short/long term skills requirements and other needs;
- › opportunities arising from the Local Excellence Program – trialling new methods of implementation, eg improving performance, systems and processes that sustain good performance, raising the image of Local Government, effective engagement across the region and State as a whole, ie political clout, with other spheres of government, seeking financial arrangements to support the programs required;
- › positioning Local Government and the region for the State 2014 elections by gathering evidence of the needs of the sector and possible solutions that could be an “ask” in an election environment;
- › identifying any ‘centre of excellence’ that may exist within the region;
- › developing CEO, Works Manager and any other forums to assist in the sharing of resources and information, which would eliminate repetition of the same forum x 10; and
- › managing local issues for the Member Councils – advocacy, lobbying, problem solving, etc.

The LGA and the EPLGA have completed the 2 year pilot, which was centred on:

- › preserving the current important role of the Executive Officer of the EPLGA;
- › enhancing the connections between the work of the EPLGA and that of the LGA where it is mutually beneficial to do so;
- › enhancing the services of the LGA to be an ‘outreach’ service but targeted to needs identified by the EPLGA/Region;
- › appointing a resource collaboratively identified by the LGA and EPLGA to deliver on the ground services to Councils;
- › agreeing on a program of works/activity and the funding model required; and
- › addressing other issues deemed important to the success of the pilot.



Such was the success of the pilot program that it has now been rolled out to all regional LGAs, with each receiving \$50,000 towards the program.

EPLGA CEO COMMITTEE

On 28 June 2013, the EPLGA established a Chief Executive Officer Committee to 'meet from time to time to consider issues of relevance to Eyre Peninsula Councils, and to provide advice to the EPLGA Board on those issues'.

The Committee's role is to:

1. provide high level strategic advice to the EPLGA regarding identified priority issues;
2. arrange and coordinate reports to the EPLGA on those priority issues;
3. initiate reports and advice to the EPLGA on other matters identified by the Committee to be of strategic regional significance;
4. assist and advise the EPLGA about the development and implementation of its Management Plan and other plans; and
5. share operational information and expertise amongst the committee members and other agency Chief Executive Officers.

The membership of the Committee is comprised of the Chief Executive Officers of all Councils, who are members of the EPLGA. Other regional CEOs and the Regional Risk Coordinators are invited to the meetings. These meetings allow the sharing of information and expertise, which mutually benefits clusters of Councils or the region as a whole. The agendas reflect the EPLGA agendas to a degree with other day to day operational matters included and are in the domain of the role of a CEO. However a regional economic component led by the CEO of RDAWEP is now core business for the committee.

Other working groups have been established to assist with specific regional tasks or take advantage of opportunities, eg procurement, CWMS users, WHS Groups, Roads Working Party and Internal Controls Group.

REGIONAL ROADS PRIORITIES/ REGIONAL TRANSPORT PLAN

At the EPLGA Board Meeting in June 2013, a resolution was passed to undertake a review of the criteria used to prioritise regional roads to be submitted for funding from the Special Local Roads Funding Program.

A discussion paper was released to seek support for the methodology to be used in the review. Stakeholders were in agreement with the discussion paper and from this the project was scoped for the consultants to carry out the work required. A desired outcome is a roads database for the entire region with all roads categorised and prioritised.

SMEC is nearing the end of roads component of this project, which has taken considerable effort in the collection of road data. Once the roads database is complete and adopted by Member Councils, the next phase will proceed, being a regional transport strategy. The strategy will incorporate the roads data and all other transport issues such as airports, sea ports, etc.

EP INTEGRATED CLIMATE CHANGE ADAPTATION

The Executive Officer and President sit at the EPICCA Committee table.

Under the State Climate Change Adaptation Framework, areas across the State, including the Eyre Peninsula, were required to develop a Regional Climate Change Adaptation Plan. EPICCA facilitated the development of the plan for Eyre Peninsula, focussing on a practical, regionally-appropriate and sensitive measure to address the likely impacts of climate change.

The plan has now been completed for the region and with continuation of collaboration between the EPNRM, RDAWEP and EPLGA in this area, this working group will move into implementation of the plan's pathways. All parties will contribute \$12,500pa for the next 3 years of this project. The State Government has committed \$25,000 towards the group's activities for 2015/2016.



REGIONAL WATER RE-USE PLANNING AND FUNDING

In June 2013 a funding submission was lodged to establish a Regional CWMS Users Group with a view to improving regional skills in this area in addition to a forum focussed on sharing of information. The bid was successful and hence a users group has been established.

The Eyre Peninsula Councils jointly own and operate 13 community wastewater management schemes servicing 5,775 property connections. The Councils are acutely aware of the potential impact of the Water Industry Act and the increasing regulatory and reporting environment surrounding CWMS operations due to their classification as an essential service.

The following desired outcomes of a CWMS Users group were identified:

- › Establishment of a users group to facilitate intel sharing across Councils operating CWMS.
- › Identification of regional capacity and skills gaps to provide for the efficient and compliant ongoing operation and maintenance of existing and new Community Wastewater Management Schemes.
- › Promote regional training to maintain skill sets required to ensure sustainability.
- › Development and implementation of standardised recording and reporting mechanisms.
- › Facilitated development of an up-to-date user friendly operation, and maintenance, monitoring and contingency plans.
- › Schematic mapping of existing schemes to assist with an understanding of catchment capacities and constraints.
- › Development and implementation of standardised accounting systems to assist in comparisons between schemes and Councils.
- › Identification of opportunities for shared resources, including platforms for remote access.
- › Identification of potential shared procurement opportunities in areas such as spare parts inventories, septic tank desludging and drain flushing.

It was proposed that the initial development of an EPLGA CWMS User Group be facilitated by an external third party, a model which proved successful in the South East Council's User Group.

The Member Councils of a CWMS User Group committed both management and operational resources to this project and it is intended that this initial commitment will continue through to the ongoing operations of the User Group as a recognised working group of the EPLGA.

The group held its inaugural meeting and commenced work with regular reporting to be tabled at EPLGA Board meetings.

While the LGA CWMS Committee will not be funded beyond 2014/15, the group has successfully obtained a recommitment from those Councils with CWMS Schemes for a further \$15,000 in total. This will enable the group to continue its work in 2015/2016.

REGIONAL TRAINING

An increase in Council participation has been witnessed through the Executive Officer of the EPLGA being a link and encouraging Councils to participate in LGA sponsored training programs and other training sessions/seminars. This is also contributed to the Executive Officer providing advice to the LGA on locations and timing of training to avoid clashes with regional seasonal events, such as harvest, as well as other scheduled events. As part of the independently conducted Outreach Services Pilot Program Review the following statement was made in regards to training:

"Regional Training has been very successful and continues to be increasingly supported and valued by officers and elected members:

Details	2012/2013	2013/2014	2014/2015
<i>Sessions conducted</i>	22	12	18
<i>Participants</i>	22	176	365



The Executive Officer has identified savings for 2014/ 15 to be in excess of \$365k through time, travel, accommodation and course costs per head as a direct result of the dramatic increase in participation. There are also the non-dollar benefits through increased participation and therefore increased skills, experience and networking within the region."

There is no doubt the effort in arranging regionally held training has resulted in significant savings to Councils.

MANAGEMENT PLAN REVIEW

At the June 2015 meeting the EPLGA Board considered and adopted the reviewed EPLGA Management Plan 2013 - 2016.

To avoid confusion between the Business Plan prepared by respective Councils, the EPLGA uses the term 'Management Plan'. The Management Plan is for the period 2013 - 2016 and reviewed annually, incorporating an updated annual work plan and budget for the current year. It also includes the strategic directions the EPLGA wishes to take for the period 2013-16.

Management Plan Performance

1. ACTIVELY ASSIST MEMBERS BY REPRESENTING THEIR COMBINED INTERESTS.

1 Seek invitation to provide responses to legislative and policy changes that materially impact our region.

- 1.2 Seek the mandated preparation of regional impact statements prior to any state legislated changes likely to affect our region.

Comment: RDAWEP and EPLGA jointly funded the preparation a regional statement and have captured regional evidence by developing 78 industry sets of statistics. This information will not only be used to support or object to State legislation or policy changes but to develop regional economic and strategic plans.

- 1.3 Prepare coordinated submissions to relevant inquiries and proposals on behalf of members.

Comment: RDAWEP and EPLGA prepare regional submissions in partnership.

- 1.4 Take an active interest in regional waste management, water planning, marine parks, mining, food security, climate change, local workforce planning and any activities that could impose changes to our region.

Comment: President and/or Executive Officer are actively involved in regional committees and/ or meetings dealing with regional waste management, water planning, marine parks, mining, food security, climate change, local workforce planning and other activities that may impose change upon the region.

- 1.5 Continue to advocate for roads funding opportunities.

Comment: The development of a roads database for all EP roads and a Regional Transport Strategy will be used as a tool for prioritising regional roads for funding.

- 1.6 Develop a coordinated approach to the Commodity Freight Routes across the region, being mindful of divergent needs between Councils.

Comment: Comments in 1.5 will apply to this as freight roads will be weighted to assist in the prioritisation of regional roads seeking funding assistance.



2 BUILDING STRONG PARTNERSHIPS FOR THE PROMOTION OF OUR SECTOR AND OUR REGION

- 2.1 Ensure we are represented at SAROC, State Executive Committee meetings and the General meetings of the LGA.

Comment: The President and Executive Officer attend these meetings when held.

- 2.2 Ensure regular information flows to our member Councils via newsletters, website updates, media announcements and personal contacts.

Comment: After each EPLGA Board meeting a wrap of the meeting is prepared and forwarded to all regional media outlets. It is also posted on the EPLGA website. The media are used as and when needed and are also sent the meeting agendas and minutes.

- 2.3 Seek reports from regional partners at EPLGA Board Meetings and forums.

Comment: Regional partners have a standing agenda item at each Board meeting to present to the constituent Councils. They are also invited to CEO Committee meetings.

- 2.4 Actively seek direct engagement with state government partners in order to allow bottom up, and more streamlined, planning and engagement.

Comment: The EPLGA has been a strong advocate for state government partners to visit the region on planning and engagement matters, eg Regional Forums, Regional Roadshows, Planning reform, Ministers visiting regional functions and openings, etc.

- 2.5 Seek opportunities to partner with industry and community groups to promote the economic and social prosperity of Eyre Peninsula.

Comment: RDAWEP and EPNRM CEOs and Staff meet regularly with the Executive Officer on a range of economic and social matters. The EO also meets with NGO's.

- 2.6 Work with member Councils to facilitate economic expansion by coordinating the approach to structure planning, ensuring consistency with the principles contained in the Eyre and Western Plan.

Comment: The Mining Taskforce has a focus on this functional role for Councils. More detailed work by the Taskforce's Coordinator is expected in 2015/16.

- 2.7 Work with state departments and regional partners to better coordinate Infrastructure Planning consistent with the principles in the Eyre and Western Plan.

Comment: The Executive Officer along with Council representatives have been involved in the Integrated Transport and Land Use planning undertaken by the state government. The plan is for the region to develop its own infrastructure plan to feed into state government plans. The region is also involved in RDAWEP Infrastructure planning. Further work in regional strategic planning is required and planned for the near future.

- 2.8 Investigate ways to encourage the state government to streamline its regional consultation processes to avoid multiple meetings that duplicate effort.

Comment: This has been an issue discussed at the SAROC level and continues to be pursued. The Minister for Local Government and Regional Development has held forums and roadshows in the region plus attended EPLGA Board meetings and other regional meetings. This is an example of the State Government's commitment to consulting the region in a more concise way.



3 RAISE THE PROFILE OF THE ASSOCIATION BY GREATER MEDIA PRESENCE

- 3.1 Issue a media release after each Board meeting and at any occasion where deemed appropriate.

Comment: Media used as and when appropriate. Agenda and minutes of the Board are distributed to regional media to seek interest. The meeting wrap is also distributed to the media outlets.

- 3.3 Consider the nomination of media representatives to present a coordinated and endorsed approach to all media.

Comment: Still managing media in-house.

4 ASSIST MEMBER COUNCILS BY COORDINATING REGIONAL INVESTIGATIONS OF OPERATIONAL ISSUES

- 4.1 Actively participate in meetings that promote Continuous Improvement activities in Councils.

Comment: The Outreach Services Program is in part about the continuous improvement of activities in Councils. The Executive Officer also sits on a LGA Assets management Advisory Committee investigating ways that Councils can continually improve the way they manage their assets.

- 4.2 Continue to promote regional training opportunities to assist Councils to up-skill their workforce.

Comment: The Executive Officer has been assisting with this through better co-ordination of the type of training required, when it could be held and the most suitable location for training. Councils response has been excellent, highlighting the success of this effort.

- 4.3 Facilitate Shared services investigations and discussions at either the regional or sub regional level, where appropriate.

Comment: The Executive Officer has assisted in the Lower Eyre Peninsula Councils shared service project. The consolidation of awards and EBA's project when completed can be shared with other Councils. Other works undertaken by the various groups and committees is an example of shared services and resources, eg Regional Procurement, CWMS, CEOs' Committee, Internal Control and RRC's WHS meetings.

- 4.4 Liaise with the LGA program managers to assist in linking funding opportunities to Council activities.

Comment: As an example of this working, funding has been gained for the Outreach Services (\$70,000), Regional Capacity Building (\$38,000) Lower EP Councils shared services (\$15,000) , EP CWMS Users Group (\$15,000) , Mining Taskforce (\$10,000) and Regional Procurement Road Map (\$80,000).

- 4.5 Review our Charter.

Comment: Completed in Dec 2013

- 4.6 Coordinate a regional or sub regional approach to road upgrades required for resource sector expansion.

Comment: A Mining Roundtable was held in October 2014 to assist with this type of planning. A report from the SA Centre for Economic Studies was part funded by the EPLGA and LGA to assist with these issues. A Taskforce terms of reference has been developed along with appointing a Coordinator to manage the process. The taskforce met three times during the 2014/15 year. It has gathered much information and developed great working relationships with Mining Companies, State Government, EPNRM, RDAWEP and other groups as required to ensure it can now be more individual mining project and location focussed.



- 4.7 Review the methodology of preparing the Eyre Peninsula Road Strategy.

Comment: The Roads Strategy was re-worked in 2013. Following this a database has been developed to include all EP roads with a methodology prioritisation tool inbuilt to give better road prioritisation. Further data is being collected to finalise the database to allow better planning and prioritisation. The collection of data has been a difficult task but the part of the overall Transport Strategy is nearing completion and will be presented to the working group for approval then the EPLGA Board.

- 4.8 Prepare regional submissions to fund combined approaches to governance activities required of Councils, where agreed by Members.

Comment: Working Groups and shared services will lead to this occurring on a more regular basis, eg, CWMS Group has commenced.

5 DEVELOP WAYS TO DIRECTLY ENGAGE WITH BOTH STATE AND FEDERAL GOVERNMENTS TO ASSIST IN REGIONAL PROMOTION

- 5.1 Include funding in the Annual Business Plan to allow deputation to both State and Federal parliaments on key issues that arise.

Comment: Funding included in the budget.

- 5.2 Liaise with other regional LGA and RDAs where combined lobbying best represents our interests.

Comment: The Executive Officer meets bi-monthly with other regional LGA's Executive Officers to manage such issues as joint collaboration and lobbying. The Executive Officer is located in the RDAWEP Port Lincoln Offices and has a good connection to RDAWEP lobbying efforts.

- 5.3 Seek opportunities to strengthen working relationships with the senior levels of state government.

Comment: The Executive Officer has good political connections and uses these when needed.

6 UNDERTAKE A TWO YEAR "OUTREACH SERVICES" PILOT PROGRAM IN PARTNERSHIP WITH THE LGA OF SA

- 6.1 Establish a funding agreement for \$70k per year with the LGA of SA.

Comment: Established in July 2013 and concluded 30 June 2015. Pilot completed - program will continue in all regional LGA's after the pilot at \$50,000pa funding from the LGA.

- 6.2 Establish a work plan for the pilot program in consultation with member councils and the LGA of SA.

Comment: Established as per 6.1 and reported against to EPLGA and LGA of SA. COMPLETED. Independent Evaluation undertaken and such was the success of the pilot the program has been rolled out to other regional LGA's

- 6.3 Prepare a case study of the pilot program for future reference.

Comment: COMPLETED as independent evaluation.



KEY PERFORMANCE INDICATORS

While the measurement of performance is a key component of planning, the nature of the workload for the Executive Officer has typically made KPI setting and measurement difficult. Much of the day-to-day operational activity remains reactive and in response to legislated and policy changes that routinely emerge. However, the following measurement may be an indication of performance for each year.

KPI	MEASURED BY	TARGET SCORE
Member General Satisfaction	Number of formal complaints	Zero complaints from members Actual: Zero complaints received.
Member attendance at meetings, workshops, training	Number of members who are represented	All members Actual: Usually all 11 Councils represented.
Competitive funding secured	Dollars secured	Equal to membership (\$140K) Actual: Outreach Program \$70k Lower EP Shared Services \$15k EP CWMS Group \$30k Regional Capacity \$38k Regional Procurement LGA Rebate \$10K
Achieved annual work plan		All items either achieved or timeframes for completion, and process, in place. Some subject to external funding. Actual: On target
EPLGA is represented at LGA regions meetings	Number of meetings attended	100% Actual: 100%
Co-ordinate regional training activities on EP	Number of days training per year	At least 6 Actual: target exceeded (18)
Annual review of Executive Officer	Final achievement score	Average Rating of 3/5 for personal evaluation undertaken by EPLGA Executive Actual: Review occurred in June 2015. Report of satisfactory performance by President employment contract extended by 12 months.
Greater media activity	Number of interviews and media releases	At least one interview per month. Media releases at least every 2 months. Actual: Meeting target



USE OF FINANCIAL RESOURCES

The following audited statement indicates another year of solid financial performance.

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

FINANCIAL ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2015

CONTENTS

Statement of Income & Expenditure

Balance Sheet

Notes to the Accounts

Board Certificate

Audit Report



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED 30TH JUNE, 2015

		2015	2014
	NOTE	\$	\$
<u>INCOME</u>			
Grants Received	2	279,139	107,225
Interest Received		8,975	8,950
Project Income - EP Councils	3	120,472	86,276
Membership Fees	4	151,423	145,600
Reimbursable Expenses		806	1,485
<u>TOTAL INCOME</u>		560,815	349,536
<u>EXPENDITURE</u>			
Administration		9,116	9,339
Advertising & Promotion		1,164	-
Audit Fees		1,200	1,530
Bank Charges & Taxes		445	531
Computer Expenses		3,169	707
Employee Expenses		134,126	134,831
Insurance		5,549	5,429
Meeting Expenses		5,314	3,719
President's Expenses		2,005	1,750
Project Expenditure	5	342,892	220,736
Secretarial Services		17,255	17,000
Sundry Expenses		311	644
Telephone		926	909
Travel & Accommodation		13,604	10,016
<u>TOTAL EXPENDITURE</u>		537,076	407,141
<u>NET SURPLUS/(DEFICIT)</u>		\$ 23,739	\$ (57,605)

The accompanying notes form part of these financial statements.



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED 30TH JUNE, 2015

	2015	2014
	NOTE \$	\$
Net Surplus/(Deficit)	23,739	(57,605)
Extraordinary Items	-	-
<u>TOTAL NET SURPLUS/(DEFICIT)</u>	23,739	(57,605)
Surplus Funds at July 1	183,595	241,200
SURPLUS/(DEFICIT)	207,334	183,595
<u>ACCUMULATED SURPLUS/(DEFICIT)</u> <u>AT 30TH JUNE, 2015</u>	\$ 207,334	\$ 183,595

The accompanying notes for part of these financial statements.



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE, 2015

	2015	2014
NOTE	\$	\$
<u>EQUITY</u>		
Accumulated Surplus	\$ 207,334	\$ 183,595
REPRESENTED BY		
<u>CURRENT ASSETS</u>		
Cash at Bank	6 362,766	249,210
Debtors	28,387	3,850
Income Accrued	1,865	2,670
GST Receivable	1,704	15,049
Prepayments	-	1,180
<u>TOTAL ASSETS</u>	394,722	271,959
<u>CURRENT LIABILITIES</u>		
Sundry Creditors	7 7,472	11,131
Creditors	70,207	5,034
Unspent Project Funds	8 94,084	59,519
Provision for Holiday Pay	2,601	2,610
Prov'n for Long Service Leave	9 13,024	10,070
	187,388	88,364
<u>NET ASSETS</u>	\$ 207,334	\$ 183,595

The accompanying notes form part of these financial statements.



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. This financial report is a special purpose financial report prepared for use by Board and members of the association. The Board has determined that the association is not a reporting entity.
2. The financial report has been prepared on historical cost basis and does not take into account changing money values or except where stated current valuations of non-current assets. The statements are prepared on an accruals basis.
3. Provision is made in respect of the association's liability for annual and long service leave at balance date. Long service leave is accrued from an employee's start date. Leave provision is based on current wages as at reporting date, and does not include on-costs.

	2015	2014
	\$	\$

NOTE 2 - Grants Received

LGA of SA - Outreach Service	120,000	70,000
LGA of SA - Regional Capacity	38,305	37,225
LGA of SA - CWMS Users Group	12,500	-
LGA of SA - Mining Taskforce	10,000	-
DEWNR - EP Integrated Climate Change Agreement Program	25,000	-
SAFECOM - Emergency Management Planning	73,334	-
	<u>\$ 279,139</u>	<u>\$ 107,225</u>

NOTE 3 - Project Income - EP Councils

Assets Management	-	12,500
Cert IV Training	-	9,776
CWMS Users Group	15,000	-
Emergency Management Planning	33,000	-
Procurement Roadmap	-	35,000
Shared Services EBACC Project	-	29,000
Tourism Subscriptions	72,472	-
	<u>\$ 120,472</u>	<u>\$ 86,276</u>



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2015

	2015	2014
	\$	\$
<u>NOTE 4 - Membership Fees</u>		
District Council of Ceduna	14,710	14,144
District Council of Cleve	11,013	10,589
District Council of Elliston	9,331	8,972
District Council of Franklin Harbour	9,651	9,280
District Council of Kimba	9,296	8,939
Wudinna District Council	9,734	9,360
District Council of Lower Eyre Peninsula	16,533	15,897
District Council of Streaky Bay	11,297	10,863
District Council of Tumby Bay	12,438	11,960
City of Whyalla	27,473	26,416
City of Port Lincoln	19,947	19,180
	<u>\$ 151,423</u>	<u>\$ 145,600</u>

<u>NOTE 5 - Project Expenditure</u>		
Unspent Funds at 1 July	(59,519)	(32,092)
Asset & Long Term Finance Plan	-	23,954
Birdseye Memorial	-	8,000
Cert IV Group	-	600
Charter Review	-	7,901
Committee & Working Group Mtg	8,420	-
CWMS Users Group	26,451	3,595
Emergency Management Planning	87,893	205
EP Regional Statements	-	20,000
Mining Taskforce	45,032	-
One Regional Development Plan	30,000	-
Procurement Roadmap	982	70,869
RDAWEP Internal Review-301/13	-	15,000
Regional Roads Strategy	35,576	9,885
Shared Services EBACC Project	1,500	26,000
Special Local Roads	-	7,300
Prioritisation (LGTAP)	72,472	-
Tourism Subscriptions	94,085	59,519
Unspent Funds at 30 June	<u>\$ 342,892</u>	<u>\$ 220,736</u>

<u>NOTE 6 - Cash at Bank</u>		
BankSA Society Cheque Account	138,916	34,955
Bendigo Bank Term Deposit	147,438	142,691
LGFA	67,765	63,174
LGFA - Cores EP	8,647	8,390
	<u>\$ 362,766</u>	<u>\$ 249,210</u>



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2015

	2015	2014
	\$	\$
<u>NOTE 7 - Sundry Creditors</u>		
PAYG Withheld	6,290	8,652
Superannuation	1,182	1,181
WorkCover	-	1,298
	<u>\$ 7,472</u>	<u>\$ 11,131</u>
<u>NOTE 8 - Unspent Project Funds</u>		
Regional Capacity Building	10,438	16,129
Cores - EP	8,646	8,390
Outreach Service	50,000	35,000
EP Integrated Climate Change Agreement Program	25,000	-
	<u>\$ 94,084</u>	<u>\$ 59,519</u>
<u>NOTE 9 - Prov'n for Long Service Leave</u>		
District Council of Tumby Bay	6,562	6,562
Eyre Peninsula Local Govt. Association	6,462	3,508
	<u>\$ 13,024</u>	<u>\$ 10,070</u>



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

BOARD CERTIFICATE

The Board have determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The Board of the association declares that:

- 1 the financial statements and notes present fairly the association's financial position as at 30th June 2015 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- 2 in the Board's opinion there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board:

signed		
position	<u>PRESIDENT</u>	<u>EXECUTIVE OFFICER</u>

Dated this 9 day of September 2015



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

4 Tasman Terrace, PO Box 2180

Port Lincoln, SA 5606

Telephone: (08) 8682 1899

Facsimile: (08) 8682 1408

Email: gpk@gpk.com.au

ABN 64 945 523 972

ACN 007 909 382

To the members of Eyre Peninsula Local Government Association,

Report on the financial report

We have audited the accompanying financial reports, being a special purpose financial report, of Eyre Peninsula Local Government Association, for the year ended 30th June 2015.

The responsibility of the members of the Board for the financial report

The members of the Board are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the financial reporting requirements of the Local Government Act 1999 and are appropriate to meet the needs of the members. The Board's responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian auditing standards. These auditing standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of Board, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Board's financial reporting responsibilities under the Local Government Act 1999. We

Liability limited by a scheme approved under Professional Standards Legislation

Gill Penfold Kelly Pty Ltd > growth, profits and knowledge - the keys to your business success



disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's opinion

In our opinion the financial report of the Eyre Peninsula Local Government Association presents fairly the operations and financial position of the association for the year ended 30th June 2015.

Gill Penfold Kelly Pty Ltd

A large, stylized handwritten signature in black ink, appearing to read 'G. Nicholls', is positioned above the printed name and date.

Gregory S Nicholls
19th August 2015
4 Tasman Terrace, Port Lincoln SA 5606