



4 December 2023

Contact for apologies: admin@fleurieuaquaticcentre.com.au

Dear Member,

Notice of Meeting

Notice is hereby given pursuant to the Fleurieu Regional Aquatic Centre Authority Charter and Section 87(7) of the Local Government Act, 1999, as amended that a Meeting of the **Fleurieu Regional Aquatic Centre Authority** has been called for:

Date: Thursday 7 December 2023

Time: 9:30 am

Place: Encounter Room, City of Victor Harbor

Please find enclosed a copy of the Agenda for the meeting.

Yours faithfully

for
Kellie Knight-Stacey

Acting Executive Officer

Date & Time: Thursday 7 December 2023 at 9:30 am

Location: Encounter Room, City of Victor Harbor

1. Attendance

- Steve Mathewson (Chairperson)
- Mark Easton (Independent Member)
- Vicki Tomlinson (Independent Member)
- Councillor Lou Nicholson (Alexandrina Council)
- Councillor Angela Schiller (City of Victor Harbor)

2. Apologies

- Councillor Margaret Gardner (Alexandrina Council)

3. Conflict of Interest

4. Minutes of Previous Meeting

- 4.1. Adoption of Minutes

5. Business Arising

- 5.1. Board Annual Work Plan

6. Verbal Report

- 6.1. Acting Executive Officer

7. Reports

- 7.1. Resolutions Register – Authority Board
- 7.2. 2023/24 Budget Review (Q1)
- 7.3. 2023/24 to 2032/33 Long Term Financial Plan

8. Confidential Reports

- 8.1. 2022/23 Board Self-Assessment
- 8.2. 2023/24 YMCA Performance Report – Q1
- 8.3. External Audit Services 2022-2023
- 8.4. Energy Efficiency

9. Meeting Close

10. Next Meeting – TBA

To: FRAC Authority Board
From: Kellie Knight-Stacey – Acting Executive Officer
Subject: 4.1 Adoption of Minutes
Date: 7 December 2023
References: Nil
Consultation: Nil
Attachments: Nil

Recommendation

Pursuant to section 90(2) of the Local Government Act 1999, the Board orders that all members of the public be excluded from the matter, with the exception of, Acting Executive Officer Kellie Knight-Stacey and Administration Officer Danielle Leckie on the basis that it will receive and consider item 4.1 Adoption of Minutes.

The Board is satisfied, pursuant to section 90(3)(d) of the Act, that the information to be received, discussed or considered in relation to this Agenda Item is:

commercial information of a confidential nature (not being a trade secret) the disclosure of which –

- (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and*
- (ii) would, on balance, be contrary to the public interest.*

Accordingly, the Board is satisfied that the principle that the meeting should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential as it includes information pertaining to a commercial proposal between the Authority and a third party.

Purpose

The purpose of this report is to adopt the minutes of the meetings held by the Board on the following dates:

- Out of Session Board Meeting – 16 October 2023.
- Ordinary Board Meeting - 20 October 2023.

Discussion

An Out of Session Board Meeting was held 16 October 2023 with the following resolved:

1.1 Unsolicited Proposal

Moved: Cr Angela Schiller

Seconded: Mark Easton

The Authority Board:

- receive and note the report and amended proposal as provided;*
- authorise the Chairperson to withdraw the Authority's written submission based on the original proposal;*
- request the Chairperson to make a verbal representation to the Fleurieu Regional Assessment Panel on 17 October 2023; and*
- request the Chairperson provide a letter to the developer summarising the verbal representation.*

CARRIED

Public minutes of the Board meeting held 20 October 2023 were published on the Authority website, with a confidential version provided directly to Board members for their information and review on 31 October 2023.

Recommendation

That the Authority Board:

- note and adopt the resolution of the out of session Board meeting held via email 16 October 2023; and*
- adopt the minutes of the Board meeting held on 20 October 2023.*

To: FRAC Authority Board

From: Kellie Knight-Stacey – Acting Executive Officer

Subject: 5.1 Annual Work Plan

Date: 24 November 2023

References: Nil

Consultation: Nil

Attachments: 5.1a Board Annual Work Plan 2023
5.1b Board Annual Work Plan 2024 – Draft

Purpose

The purpose of this report is to provide the Board with the updated Annual Work Plan for 2023 and provide a draft work plan for 2024.

Background

The Annual Work Plan provides an annual schedule for the Executive Officer and Board, documenting a plan for the delivery of key activities in each calendar year. The plan is continuously updated and presented at each Board meeting to track completion and document amendments.

Discussion

The 2023 Annual Work Plan has been further updated as follows:

- Six items programmed for this agenda have been completed.
- The Audit and Risk Management Committee Self-Assessment Review, Annual Activity Report and Resolutions registers are being considered by the Committee at their meeting to be held 5 December 2023 and will be provided to the Board at the first meeting of 2024.
- Three items have been deferred to 2024 due to resourcing: Asset Management Plan, Risk Management Framework (Risk Register) and In Confidence Resolution Register.

The updated Annual Work Plan is provided at Attachment 5.1a.

Meeting Schedule 2024

A meeting schedule for 2024 has been drafted and is presented to the Board at Attachment 5.1b for discussion. This schedule is based on meeting the legislative requirements of the Authority where applicable, including submission of annual budgets, annual reports, external audit outcomes, as well as Constituent Councils budget review cycles. Consideration has also been given to ensure sufficient time is allowed to receive and prepare documentation and facilitating review by the Committee and then the Board.

Current meetings of the Board are ordinarily scheduled to be held on a Friday morning due to members previous overall availability. This schedule provides the opportunity for the Board to discuss future arrangements if changes are required.

Recommendation

That the Authority Board:

- *receive and note the updated Authority Board Annual Work Plan; and*
- *acknowledge the meeting schedule proposed for 2024 with no amendment to the schedule required. (update based on discussion, including if meeting day and time change required)*

[illegible]

[illegible]

To: FRAC Authority Board
From: Kellie Knight-Stacey, Acting Executive Officer
Subject: 7.1 Resolutions Register – Authority Board
Date: 7 December 2023
References: Nil
Consultation: Nil
Attachments: 7.1a Resolutions for completion – Authority Board
7.1b Resolutions in progress - Authority Board

Purpose

The purpose of this report is to provide an update on the Resolutions Register for the Boards consideration.

Background

A Resolutions Register is maintained by the Executive Officer for both the Audit and Risk Management Committee (ARMC) and the Authority Board. The registers capture the decisions made by the ARMC and Authority Board respectively, in the form of carried motions. The registers provide a means to track decisions and ensure that each one is implemented appropriately. Resolutions may be public or confidential.

Public Resolutions of the Board were last presented for review in July 2021.

Discussion

Resolutions that do not require action are automatically closed and are not presented for consideration by the Board. Public Resolutions of the Board have been reviewed for completeness with the following provided:

- Complete - 53 resolutions noted as complete as they have no actions outstanding are provided at Attachment 7.1a.
- In Progress - 17 resolutions are still in progress and are provided at Attachment 7.1b

Recommendation

That the Authority Board:

- *receive and note the Resolutions Register – Authority Board report; and*
- *endorses status of 'completed' for the 53 public resolutions contained within Attachment 7.1a; and*
- *Acknowledge the 'in progress' status of the 17 resolutions contained within Attachment 7.1b.*

	Fleurieu Regional Aquatic Centre Authority - Resolutions (PUBLIC)				
Meeting Date	Resolution Number	Agenda Item No.	Resolution	Status	Notes
28-May-2021	FRACA00394	7.3. Audit & Risk Management Committee Self-Assessment	<p>The Authority Board:</p> <ul style="list-style-type: none"> - Receives the Audit and Risk Management Committee Annual Self-Assessment Survey Results and notes the request by the Committee to consider the feedback provided during the survey. - Amends the membership of the Audit and Risk Management Committee to: <ul style="list-style-type: none"> o 1 Independent Chairperson o 1 Independent Member o 1 Independent Board Member o 1 City of Victor Harbor Officer o 1 Alexandrina Council Officer - Requests that the Executive Officer make any and all relevant changes to the Audit and Risk Management Committee Terms of Reference to implement the change to Committee membership. 	Completed	<i>ToR updated to reflect membership changes.</i>
28-May-2021	FRACA00397	7.6 Charter Review	<p>The Authority Board:</p> <ul style="list-style-type: none"> - Endorses the proposed changes to the Authority Charter as reviewed and amended by the Authority Board on 28 May 2021. - Recommends to Constituent Council that these changes be considered by Constituent Councils and adopted as part of a formal review of the Authority Charter. - Requests that the Executive Officer prepare the appropriate documents for submission to Constituent Councils. 	Completed	<i>Charter Review completed and endorsed.</i>
28-May-2021	FRACA00402	FRACA Management Model	The Authority Board has considered the correspondence from Constituent Councils received 3 March 2020 in relation to the FRACA Management Model and has identified that the current structure is appropriate for the Authority at this time. The Authority Board requests that the Chairperson provide a formal response to each Constituent Council in response to their respective resolutions on behalf of the Authority Board.	Completed	<i>Formal response provided to Constituent Councils 29 November 2021.</i>
23-July-2021	FRACA00406	7.2 FRACA Public Resolutions Register	<p>The Authority Board:</p> <ul style="list-style-type: none"> • Receives the FRACA Public Resolutions Register report; and • Approves the closure of 63 public resolutions as documented in attachment 7.2a Public Resolutions for Review. 	Completed	<i>All resolutions marked as Closed.</i>
24-Sep-21	FRACA00419	6.2. Report on Financial Results 2020-2021	<p>The Authority Board:</p> <ul style="list-style-type: none"> • Receive and note the Report on Financial Results for the period ending 30 June 2021 with an operating deficit of \$717,238 and case at end of reporting period of \$749,123. • Request the Executive Officer prepare the appropriate documents for submission to Constituent Councils. 	Completed	<i>EO completed submission to Constituent Councils 30 Sep 2021.</i>
24-Sep-21	FRACA00420	6.3. Audit Completion Report 2021	<p>The Authority Board;</p> <ul style="list-style-type: none"> • Receive and note the Audit Completion Report 2020-2021. • Request that the Executive Officer commence the necessary work to undertake a revaluation of the Authority asset classes 'Building and Other Structures' and 'Infrastructure' by 30 June 2022, with a report to be provided to the Board on the financial implications for the Authority and Constituent Councils prior to commencement. 	Completed	<i>Asset Revaluation completed April 2023.</i>
24-Sep-21	FRACA00421	6.4 Audited Financial Statements	<p>The Authority Board:</p> <ul style="list-style-type: none"> • Receive and note the Fleurieu Regional Aquatic Centre Authority Annual Financial Statements 2020-2021. • Authorise the Chairperson and Executive Officer to sign the Certification of Financial Statement on behalf of the Authority. 	Completed	<i>Financial Statements Completed and submitted to Consituent Councils 30 Sep 2021.</i>

	Fleurieu Regional Aquatic Centre Authority - Resolutions (PUBLIC)				
Meeting Date	Resolution Number	Agenda Item No.	Resolution	Status	Notes
24-Sep-21	FRACA00422	6.5. FRACA Annual Report 2020-2021	The Authority Board: • Adopts the FRACA Annual Report 2020-2021. • Authorises the Executive Officer to make any immaterial changes required prior to submission to Constituent Councils. • Requests the Executive Officer prepare the appropriate documents for submission of the FRACA Annual Report 2020-2021 to Constituent Councils by 30 September 2021 in accordance with the Authority Charter.	Completed	Annual Report submitted to Constituent Councils 30 Sep 2021.
24-Sep-21	FRACA00423	6.6. FRACA Energy Audit Report	The Authority Board note the FRACA Energy Audit Report and request the Executive Officer undertake further analysis of the report recommendations with a report prepared for the Board.	Completed	Tender process commenced April 2023.
24-Sep-21	FRACA00424	6.7. Policy Review – Community Partnerships	The Authority Board adopts the policy Community Partnerships v2.0.	Completed	Policy added to FAC website.
24-Sep-21	FRACA00425	6.8. New Policy – Unsolicited Proposals	The Authority Board adopts the policy Unsolicited Proposals v1.0.	Completed	Policy added to FAC website.
24-Sep-21	FRACA00426	6.9. Policy Review – Media and Communications	The Authority Board adopts the policy Media and Communications v3.0.	Completed	Policy added to FAC website.
24-Sep-21	FRACA00427	6.10. Policy Review – Public Consultation	The Authority Board adopts the policy Pubic Consultation v2.0	Completed	Policy added to FAC website.
17-Dec-21	FRACA00442	7.3 Budget Review Q1 2021-2022	The Authority Board: * For the period ending 30 September 2021 adopt a Budget Review with an operating deficit of \$748,471 and estimated cost at end of reporting period of \$665,395. * Recommend the Budget Review as at 30 September 2021 to Constituent Councils with no amendment to Council contributions at this stage.	Completed	Budget submission for Q1 completed.
17-Dec-21	FRACA00444	7.5 Policy Review - Internal Financial Controls	The Authority Board: * Adopt the policy Internal Financial Controls v2.0. * Request the Executive Officer add Review of Internal Financial Controls to the Authority Work Plan as an annual activity.	Completed	Policy added to FAC website.
17-Dec-21	FRACA00445	7.6 Policy Review - Treasury Management	The Authority Board: * Adopt the policy Treasury Management v2.0. * Request the Executive Officer add Treasury Report to the Authority Work Plan as an annual activity.	Completed	Policy added to FAC website.
17-Dec-21	FRACA00446	7.7 Policy Review - Delegations	The Authority Board adopt the policy Delegations v2.0.	Completed	Policy added to FAC website.
17-Dec-21	FRACA00447	7.8 Banking Delegation	The Authority Board: * Endorse Robyn Dunstall, Manager Financial Services at Alexandrina Council, as a Level 2 delegate of the Authority in accordance with the Delegations policy. * Note that Elizabeth Williams will remain a Level 2 delegate.	Completed	Robyn Dunstall updated as signatory as per resolution.
28-Jan-22	FRACA00461	7.2 Risk Management Framework	The Authority Board endorse the FRACA Agreed Scope of Works for implementation in 2022.	Completed	Scope of works endorsed.

	Fleurieu Regional Aquatic Centre Authority - Resolutions (PUBLIC)				
Meeting Date	Resolution Number	Agenda Item No.	Resolution	Status	Notes
28-Jan-22	FRACA00463	7.4 Budget Review Q2 2021-2022	The Authority Board: * For the period ending 31 December 2021 adopt a Budget Review with an operating deficit of \$96,295 and estimated cash at end of reporting period of \$623,163. * Request the Executive Officer organise a financial planning workshop in February 2022 to respond to the current financial position and negative financial impacts of the Covid-19 pandemic. * Would like to acknowledge the efforts of staff at the YMCA in managing the effects of Covid-19 and the impact of closures on staff. * Recommend the Budget Review as at 31 December 2021 to Constituent Councils with no amendment to Council contributions at this stage.	Completed	<i>Budget review submitted to Constituent Councils 10 March 2022.</i>
28-Jan-22	FRACA00464	7.5 Out of Session Report: Chlorine System	The Authority Board authorise YMCA to purchase and install a liquid chlorine holding tank at the Fleurieu Aquatic Centre in accordance with the quote provided.	Completed	<i>Purchase completed.</i>
8-Feb-22	FRACA00473	4.1 Executive Officer Resignation	The Authority Board: * Accept the resignation of Lauren McKee as Executive Officer of the Fleurieu Regional Aquatic Centre Authority, noting that her last day will be Friday 11 March 2022. * Thank Lauren for her hard work and contribution to the Fleurieu Regional Aquatic Centre Authority.	Completed	<i>EO ceased with Authority February 2022.</i>
25-Mar-22	FRACA00489	6.2 Policy Review - Allowances and Reimbursement of Expenses	The Authority Board Adopt the policy Allowances and Reimbursement of Expenses v2.0.	Completed	<i>Policy added to FAC website.</i>
25-Mar-22	FRACA00490	6.3 Risk Management Framework	The Authority Board request the Executive Officer to establish a revised project scope and timeline in conjunction with the LGA that accommodates short term resourcing constraints.	Completed	<i>Revised scope presented to Board in June 2022.</i>
10-Jun-22	FRACA00507	5.2 FRACA Constituent Council Correspondence	The Authority Board request the Executive Officer and FRACA Chairperson provide correspondence to each Constituent Council to provide an update on the position of the Authority regarding current Board and Executive Officer vacancies.	Completed	<i>Recruitment Outcome finalised.</i>
10-Jun-22	FRACA00509	7.1 Policy Review - Informal Gatherings	The Authority Board authorise the revocation of the Informal Gatherings Policy.	Completed	<i>Policy revoked and removed from FAC website.</i>
10-Jun-22	FRACA00510	7.2 A&RMC Terms of Reference Review	The Authority Board endorses the Audit & Risk Management Committee Terms of Reference v6.0 for implementation as presented at the meeting.	Completed	<i>ToR endorsed and update to FAC website.</i>
10-Jun-22	FRACA00511	7.3 Risk management Framework	The Authority Board: * Receive and note the report, including the amended focus and timeline of the Risk Management Framework; * Note the timeframes are dependent on recruitment of the Executive Officer and required resources.	Completed	<i>Risk Management Framework completed 2023.</i>
10-Jun-22	FRACA00512	7.4 Fleurieu Aquatic Centre Access	The Authority Board: * Receive and note the draft Access Audit report; * Recommend the continuation of Stage 1 of the project for Sproutt to undertake key stakeholder consultation seeking input for improvement for access to the Centre; and * A final version of the draft report is to be presented to the Board for consideration inclusive of stakeholder consultation.	Completed	<i>Final report presented to the Board. Progression of item to occur via FRACA00547.</i>

	Fleurieu Regional Aquatic Centre Authority - Resolutions (PUBLIC)				
Meeting Date	Resolution Number	Agenda Item No.	Resolution	Status	Notes
10-Jun-22	FRACA00513	7.5 Purchase Request	The Authority Board: * Receive and note the Purchase Request report; * Request the Executive Officer continue to work with YMCA to ascertain further details on purchase options in conjunction with and consideration of Access Audit progress; and * Commit to research external funding options as the Access Audit progresses.	Completed	<i>Change table purchased and installed.</i>
28-Jul-22	FRACA00531	7.2 3 Year Business Plan	The Authority Board: •Receive and note the report; •Request the Executive Officer continue with the current draft 3 Year Business Plan as presented and inclusive of feedback provided; and •Will review an updated draft prior to formal review and endorsement by the Board at the Board meeting to be held 26th August 2022.	Completed	<i>3 Year Business Plan finalised, lodged to Constituent Councils and published to website.</i>
30-Sep-22	FRACA00541	7.1 Board Representative on Audit & Risk Management Committee	The Authority Board: •receive and note the report; •nominate Vicki Tomlinson as the Authority Independent Board Member representative for the Audit & Risk Management Committee; and •request the Executive Officer to present the nominated Independent Board Member to Constituent Councils for endorsement.	Completed	<i>Vicki Tomlinson endorsed by both Constituent Councils.</i>
30-Sep-22	FRACA00542	7.2 FRACA Annual Report 2021-2022	The Authority Board: •receives and notes the report; •adopts the FRACA Annual Report 2021-2022; •authorises the Executive officer to make any immaterial changes required prior to submission to Constituent Councils; and •request the Executive Officer prepare the appropriate documents for submission of the FRACA Annual report 2021-2022 to Constituent Councils by 30 September 2022 in accordance with the Authority Charter.	Completed	<i>Annual report endorsed by Constituent Councils and published on website.</i>
30-Sep-22	FRACA00543	7.3 Policy Review - Procurement	The Authority Board adopts the updated Procurement Policy v2.0 as amended.	Completed	<i>Policy added to FAC website.</i>
30-Sep-22	FRACA00544	7.4 Report on Financial Results 2021-2022	The Authority Board: •receive and note the Report on Financial Results for the period ending 30 June 2022 with an operating deficit of \$678,352 and cash at end of the reporting period of \$687,900; and •request the Executive Officer prepare the appropriate documents for submission to Constituent Councils.	Completed	<i>Lodged with Constituent Councils.</i>
30-Sep-22	FRACA00546	7.6 Audited Financial Statements	The Authority Board: •receive and note the Fleurieu Regional Aquatic Centre Authority Annual Financial Statement 2021-2022; and •authorise the Chairperson and Executive Officer to sign the Certification of Financial Statements on behalf of the Authority.	Completed	<i>Statement signed and certified by Chairperson and EO.</i>
16-Dec-22	FRACA00561	6.1 Board Annual Work Plan	The Authority Board: •receive and note the updated and amended Annual Work Plan 2022 of the Board; •note the amended timeframes of the listed Work Plan deliverables and that an updated plan will be presented after the completion of the review; and •approve the extension of administrative services to 25 hours per week until outcomes of the workplan review are finalised and request the Executive Officer to undertake necessary communication with Alexandrina Council to procure the extra service hours.	Completed	<i>Alexandrina Council advised of extension of hours 22 Dec 2022.</i>
16-Dec-22	FRACA00562	7.1 Policy Review - Unsolicited Proposals	The Authority Board adopts the policy Unsolicited Proposals v2.0 as presented at the meeting held 16 December 2022.	Completed	<i>Policy added to FAC website.</i>

	Fleurieu Regional Aquatic Centre Authority - Resolutions (PUBLIC)				
Meeting Date	Resolution Number	Agenda Item No.	Resolution	Status	Notes
16-Dec-22	FRACA00564	7.3 Treasury Report	The Authority Board: •receive and note the report; and •request the Executive Officer review future investment options for reconsideration of the Board once outcomes are known from the Long-Term Financial Plan and Asset Management Plan.	Completed	Treasury Report annually reviewed. Completed October 2023
16-Dec-22	FRACA00565	7.4 Budget Review 2022-2023 - Q1	The Authority Board: •for the period ending 30 September 2022 adopt a Budget Review with an operating deficit of \$742,083 and estimated cash at end of reporting period of \$627,635; and •recommend the Budget Review as at 30 September 2022 to Constituent Councils with no amendment to Council contributions at this stage, noting that an increase in electricity prices will be included in the mid-year budget review with the impact on contributions to be quantified.	Completed	BR1 lodged with Constituent Councils.
3-Feb-23	FRACA00586	7.1.A&RMC Annual Activity Report 2021-2022	The Authority Board receive and note the Audit Committee Activity Report 2021-2022 and thank the Committee for its contribution and support of the Authority Board.	Completed	Report provided to ARMC 24 March 2023.
3-Feb-23	FRACA00588	7.3.Resolutions Register – A&RMC	The Authority Board receive and note the Resolutions Register – Audit & Risk Management Committee Report and attachments.	Completed	Reported as closed updated on ARMC Resolutions Register
31-Mar-23	FRACA00619	7.2 Risk Management Framework	The Authority Board: •receive and note the report; •acknowledge the progress made on the Risk Management Framework document as presented at attachment 7.2a and 7.2b of this report; •request the Executive Officer secure training and workshop dates out of session and make the necessary arrangements to facilitate sessions as required; and •request the Executive Officer provide confirmation to LGRS and Audit and Risk Management Committee of the dates selected.	Completed	Training and Workshop undertaken May 2023.
28-Apr-23	FRACA00638	7.3.Policy Review – Code of Conduct Board and Committee Members	The Authority Board adopt the Code of Conduct Board and Committee Members Policy v3.0 (attachment 7.3a) at its meeting held 21 April 2023.	Completed	Policy added to FAC website.
28-Apr-23	FRACA00639	7.4.Policy Review – Code of Practice for Meeting Procedures	The Authority Board adopt the Code of Practice Meeting Procedures Policy v3.0 (Attachment 7.4a) as presented at its meeting held 28 April 2023.	Completed	Policy added to FAC website.
28-Apr-23	FRACA00640	7.5.Policy Review – Asset Accounting	The Authority Board adopt the Asset Accounting Policy v2.0 as presented at its meeting held 28 April 2023.	Completed	Policy added to FAC website.
28-Apr-23	FRACA00641	7.6.Policy Review – Disposal of Land and Assets	The Authority Board adopt the Disposal of Land and Assets Policy v3.0 as presented at its meeting held 28 April 2023.	Completed	Policy added to FAC website.
28-Apr-23	FRACA00642	7.7.Policy Review – Delegations	The Authority Board: •request a revised copy of the Delegations Policy be provided to the Audit and Risk Management Committee; and •adopt the Delegations Policy v3.0 (attachment 7.7a) as presented at its meeting held 28 April 2023.	Completed	Updated to website 29 May 2023. ARMC provided copy of updated policy at meeting held 23 May 2023.

	Fleurieu Regional Aquatic Centre Authority - Resolutions (PUBLIC)				
Meeting Date	Resolution Number	Agenda Item No.	Resolution	Status	Notes
28-Apr-23	FRACA00645	7.10. Annual Budget 2023-2024 - Adoption	<p>The Authority Board:</p> <ul style="list-style-type: none"> •receive and note the report; •endorse the 3 Year Business Plan including the draft 2023/2024 budget projecting an Operating Deficit of \$542,601, and Net Capital Expenditure of \$150,000, subject to: <ul style="list-style-type: none"> o the finalisation of fees and charges; and o updated financial statements to include the adopted 2022/2023 budget figures; and o update of the 3 Year Business Plan statement regarding the Authority's aim to improve sustainability outcomes; and •request the Executive Officer provide the draft Annual Budget 2023/2024 to Constituent Councils by the 30 April 2023 for approval. 	Completed	Annual budget provided to Constituent Councils. Other documents updated as noted.
25-May-23	FRACA00654	7.1 Budget Review 2022-2023 - Q3	<p>The Authority Board:</p> <ul style="list-style-type: none"> •for the period ending 31 March 2023 adopt a Budget Review with capital expenditure of \$29,130 and an operating deficit of \$549,948; and •Recommend the Budget Review as at 31 March 2023 be provided to Constituent Councils with an increase of \$108,135 combined contributions across both Councils. 	Completed	Budget review submitted to Constituent Councils 2 June 2023
8-Sep-23	FRACA00675	7.1 Audit and Risk Management Committee Appointment Terms	<p>The Authority Board:</p> <ul style="list-style-type: none"> * Receives and notes the report; and * Recommends to Constituent Councils the reappointment of Peter van der Eijk to the position of Independent Chairperson on the Fleurieu Regional Aquatic Centre Authority Audit & Risk Management Committee until 30 June 2024; and * Recommends to Constituent Councils the reappointment of Claudia Goldsmith to the position of Independent Committee Member on the Fleurieu Regional Aquatic Centre Authority Audit & Risk Management Committee until 30 June 2024; and * Requests the Executive Officer prepare the appropriate correspondence to Constituent Councils to communicate the recommendations of the Authority Board for their endorsement. 	Completed	Constituent Councils correspondence completed. ARMC members reappointed to 30 June 2024.
20-Oct-23	FRACA00693	7.3. Audited Financial Statements 2022-2023	<p>The Authority Board:</p> <ul style="list-style-type: none"> •receive and note the Fleurieu Regional Aquatic Centre Authority Annual Financial Statements 2022/2023; •receive and note the Management Representation Letter with guidance to be sought from External Auditor to confirm the appropriate signatory; and •authorise the Chairperson and Acting Executive Officer to sign the Certification of Financial Statements on behalf of the Authority. 	Completed	Annual Report and Financial Statements Completed and submitted to Consituent Councils 1 November 2023
20-Oct-23	FRACA00695	7.5.FRACA Annual Report 2022-2023	<p>The Authority Board:</p> <ul style="list-style-type: none"> •receive and note the report; •adopts the FRACA Annual Report 2022-2023; •authorises the Executive Officer to make any immaterial changes required prior to submission to Constituent Councils; and •requests the Executive Officer prepare the appropriate documents for submission of the FRACA Annual Report 2022-2023 to Constituent Councils. 	Completed	Annual Report and Financial Statements Completed and submitted to Consituent Councils 1 November 2023

	Fleurieu Regional Aquatic Centre Authority - Resolutions (PUBLIC)				
Meeting Date	Resolution Number	Agenda Item No.	Resolution	Status	Notes
28/09/2018	FRACA00167	6.3 Draft Annual Report and Audited Financial Statements 2017-18	<p>That the Authority Board:</p> <ol style="list-style-type: none"> 1. Adopts the 2017-18 Annual Report for Fleurieu Regional Aquatic Centre Authority as presented in the attachment, with any necessary non-material amendments to be made by the Executive Officer; 2. Receives and notes the Fleurieu Regional Aquatic Centre Authority Annual Financial Statements 2017-18; 3. Delegates approval of any changes to the Year End Financial Statements required by audit to the Authority Chairperson on behalf of the Board; 4. Delegates to the Deputy Chairperson to sign Year End Financial Statements in the absence of the Chairperson; 5. Endorses presentation to the constituent Councils of the Annual Report (incorporating Year End Financial Statements) prior to 30 September 2018; 6. Approves an exemption from Authority Procurement Policy requirements to facilitate engagement of current provider Alexandrina Council as provider of Finance Support Services for financial years 2018-19, 2019-20 and 2020-21 and request that, in line with external audit recommendation, that in providing future services, Alexandrina Council consider retention of corporate knowledge via provision of suitable backfill arrangements as required; 7. Reviews the Authority Asset Accounting Policy in line with external audit comments; specifically, to review the methodology, process and timing of revaluation of assets and associated impacts on 2018-19 Budget Depreciation Expense, asset values for 2018-19 and changes to Long Term Financial Plan forecasts; and 8. As part of the process of development of the Authority Risk Management Framework, undertake a review of legislative compliance in line with external audit recommendations. 	In progress	<p>2017-18 Annual Report (incorporating Year End Financial Statements) provided to Constituent Councils. Alexandrina Council engaged as provider of Finance Support Services for financial years 2018-19, 2019-20 and 2020-21. Item 6 complete. Item 7 and 8 in progress.</p>
18/04/2019	FRACA00206	6.2 Annual review of 10-Year Strategic Management Plans	That the Authority notes the review and that the 10-Year Strategic Management Plans will be updated as required following endorsement of the 2019-20 Authority Budget.	In progress	Strategic Management Plan Completed (2023-2032) but not yet endorsed by Constituent Councils
26/07/2019	FRACA00239	6.4 Consideration of donation proposal - Swimming Into Action	<p>That the Authority:</p> <ol style="list-style-type: none"> 1. Allow funds previously held by the Swimming Into Action group to be transferred directly to the Authority bank account to be used for the specific purpose of commissioning artwork as per agreed project scope and in line with the quantum of funding provided; and 2. That the Authority Executive Officer undertake a limited tender process to produce the artwork in due course. 	In Progress	EO to undertake tender process to implement project in collaboration with Swimming Into Action group.

	Fleurieu Regional Aquatic Centre Authority - Resolutions (PUBLIC)				
Meeting Date	Resolution Number	Agenda Item No.	Resolution	Status	Notes
27/09/2019	FRACA00253	Annual Review of Confidential Items	<p>1.That the Authority note the confidential orders that have lapsed or that have been assessed by the Executive Officer as appropriate to release during the review period.</p> <p>2.That the Authority endorse continuation of the following confidential orders:</p> <p>FRACA000253That pursuant to Section 91(7)(b) and (9)(a) of the Local Government Act 1999, the report, attachments and associated document in relation to FRACA000028 "Facility Management & Operation Request for Tender", remain in confidence until the Management Agreement has concluded or until the next annual review of outstanding confidential orders as it is a matter related to tenders for the supply of goods, the provision of services or the carrying out of works and the public release of the information during the management agreement may jeopardise the Authority's ability to secure the best value for money (Section 90(3)(k)).</p> <p>That pursuant to Section 91(7) and (9)(a) of the Local Government Act 1999, the report, attachments and associated documents in relation to FRACA000070 "Appointment of External Auditor", remain in confidence until the contract with the external auditor has concluded or until the next annual review of outstanding confidential orders as it is a matter related to contracts for the supply of goods, the provision of services or the carrying out of works and the public release of the information during the management agreement may jeopardise the Authority's ability to secure the best value for money (Section 90(3)(k)).</p> <p>That pursuant to Section 91(7) and (9) of the Local Government Act 1999, the report, associated documents in relation to FRACA000091 "Competitive Neutrality Review", remain in confidence until the next annual review of outstanding confidential orders as the information received, discussed or considered in relation to the agenda item is information that could reasonably be expected to confer a commercial advantage or prejudice the position of the Authority and would, on balance, be contrary to the public interest (Section 90(3)(d) and (h)).</p> <p>That pursuant to Section 91(7) and (9) of the Local Government Act 1999, the report, associated documents in relation to FRACA000094 "Draft Operational Management Key Performance Indicators 2017/18", remain in confidence until the next annual review of outstanding confidential orders as the information received, discussed or considered in relation to the agenda item is information that could reasonably be expected to confer a commercial advantage or prejudice the position of the Authority and would, on balance, be contrary to the public interest (Section 90(3)(d)).</p> <p>That pursuant to Section 91(7) and (9) of the Local Government Act 1999, the report, the unredacted Competitive Neutrality Review July 2017 report in relation to FRACA000097 "Competitive Neutrality Review", remain in confidence until the next annual review of outstanding confidential orders as the information received, discussed or considered in relation to the agenda item is information that could reasonably be expected to confer a commercial advantage or prejudice the position of the Authority and would, on balance, be contrary to the public interest (Section 90(3)(d) and (h)).</p> <p>That pursuant to Section 91(7) and (9) of the Local Government Act 1999, associated documents in relation to FRACA00137 "Draft YMCA Operational Management Key Performance Indicators", remain in confidence until the next annual review of outstanding confidential orders as the information received, discussed or considered in relation to the agenda item is information that could reasonably be expected to confer a commercial advantage or prejudice the position of the Authority and would, on balance, be contrary to the public interest (Section90(3)(d)).</p> <p>That pursuant to Section 91(7) and (9) of the Local Government Act 1999, associated documents in relation to FRACA00137 "Draft YMCA Operational Management Key Performance Indicators", remain in confidence until the next annual review of outstanding confidential orders as the information received, discussed or considered in relation to the agenda item is information that could reasonably be expected to confer a commercial advantage or prejudice the position of the Authority and would, on balance, be contrary to the public interest (Section 90(3)(d)).</p> <p>That pursuant to Section 91(7) and (9) of the Local Government Act 1999, the report, attachments and associated documents in relation to FRACA00161 "Competitive Neutrality Review", remain in confidence until the next annual review of outstanding confidential orders as the information received, discussed or considered in relation to the agenda item is information that could reasonably be expected to confer a commercial advantage or prejudice the position of the Authority and would, on balance, be contrary to the public interest (Section 90(3)(h)).</p> <p>That pursuant to Section 91(7) and (9) of the Local Government Act 1999, the report, attachments and associated documents in relation to FRACA000184 "2018 Competitive Neutrality Review", remain in confidence until the next annual review of outstanding confidential orders as the information received, discussed or considered in relation to the agenda item is information that could reasonably be expected to confer a commercial information of a confidential nature or prejudice the position of the Authority and would on balance, be contrary to the public interest (Section 90(3)(d)).</p> <p>That pursuant to Section 91(7) and (9) of the Local Government Act 1999, the report, attachments, associated documents and minute in relation to FRACA000194 "Facility Management and Operation Contract", remain in confidence until the next annual review of outstanding confidential orders as the information received, discussed or considered in relation to the agenda item is information that could reasonably be expected to confer a commercial advantage or prejudice the position of the Authority and would, on balance, be contrary to the public interest (Section 90(3)(b)).</p>	In progress	In Confidence resolutions for review Feb 2024
28/05/2021	FRACA00398	7.6 Charter Review	The Authority Board request the Executive Officer provides the Board with a copy of the Authority's insurance documents pertaining to coverage of Independent Board members.	In progress	Still required?
28/01/2022	FRACA00460	7.1 Strategic Plan 2023-2032	<p>The Authority Board:</p> <ul style="list-style-type: none"> • Adopt the Strategic Plan 2023-2032 as amended by the Authority Board on 28 January 2022. • Request the Executive Officer finalise the format of the Strategic Plan and arrange for the document to be submitted to Constituent Councils. 	In progress	Submitted to Constituent Councils 16 Mar 2022. Not yet endorsed by Constituent Councils
25/03/2022	FRACA00487	5.1 Board Annual Work Plan	<p>The Authority Board:</p> <ul style="list-style-type: none"> * Receive and note the updated Annual Work Plan 2022 of the Board and Audit & Risk Management Committee; and * Incorporate the risks associated with the continuity of the Executive Officer role into the Authority's Strategic Risk Register. 	In Progress	Strategic Risk Register in progress
28/07/2022	FRACA00530	7.1 Acknowledgement of Country	<p>The Authority Board:</p> <ul style="list-style-type: none"> •Receive and note the report; •Request the Executive Officer draft an acknowledgement for inclusion in the Strategic Plan and 3 Year Business Plan that makes reference to future consultation to formalise an Acknowledgement of Country; •Request Executive Officer to progress formation of a Reconciliation Action Plan. 	In Progress	Interim acknowledgement of Country drafted and used in report. RAP to be commenced in future if required (pending Structure Review outcome).

	Fleurieu Regional Aquatic Centre Authority - Resolutions (PUBLIC)				
Meeting Date	Resolution Number	Agenda Item No.	Resolution	Status	Notes
30/09/2022	FRACA00545	7.5 Audit Completion Report 2021-2022	The Authority Board: •receive and note the Audit Completion Report 2021-2022; •note the external Auditors list of matters to be addressed in future financial years, being the completion of an asset revaluation and an updated Asset Management Plan and Long Term Financial Plan; •adopts the actions listed as 'Matters to be addressed in Future Financial Years' in the 2022 Audit Completion Report; and •request the Executive Officer commence the necessary work to undertake a revaluation of assets, update the Asset Management Plan and Long-Term Financial Plan.	In progress	AMP and LTFP in progress
30/09/2022	FRACA00547	7.7 Fleurieu Aquatic Centre Access Audit	The Authority Board: •receive and note the Access Audit Report and attachments; and •note the item of centre accessibility will be included on the agenda of the November Board meeting to inform future actions for the project.	In progress	Access Audit in progress
16/12/2022	FRACA00563	7.2 RDA Public Transport Study	The Authority Board •receive and note the report; •support the lodgement of a submission by the Executive Officer with the RDA (draft to be presented to the January Board meeting); and •support further engagement with the RDA to advocate for improved community transport options for the Fleurieu Aquatic Centre in alignment with the Authority's Strategic Plan 2023-2032 and 3 Year Business Plan 2022-2025.	In progress	Submission made to RDA. Further discussion to occur and matter progressed in future.
31/03/2023	FRACA00618	7.1 Policy Review - Records Management	The Authority Board adopt the Records Management Policy v3.0 as presented at its meeting held 31 March 2023, noting that the policy will be updated to the current policy template prior to publication.	In Progress	Template update in progress.
31/03/2023	FRACA00620	7.3 Support Services Agreement	The Authority Board: •receive and note the report; •note the extension of the Support Services Agreement with Alexandrina Council for the provision of administrative and financial support services to the Authority until the review of the Executive structure is finalised to 30 June 2023, or other arrangements are in place; and •note the review of Internal Financial Controls will continue to progress in alignment with the Executive Structure review to assist in informing an appropriate Financial Services Model for the Authority.	In Progress	Support Services Agreement (financial) completed. Internal Financial Controls in progress with Structure Review
28/04/2023	FRACA00636	7.1.Audit and Risk Management Committee Minutes	The Authority Board: •note and accept the minutes of the Audit and Risk Management Committee meeting held on 21 April 2023; and •endorse the outsourcing of the Legislative Compliance Review and direct the Executive Officer to procure the service in line with the Authority's Procurement Policy.	In progress	Legislative Compliance Review pending.
28/04/2023	FRACA00644	7.9.Land and Building Valuation	The Authority Board: •receive and note the report; •note that the Audit and Risk Management Committee's Annual Work Plan will be updated to include a task for the ongoing improvement to the Asset Register and Valuation methodology for future valuations; and •adopt the valuation of land, buildings and other structure as at 1 July 2022 as contained within the Certificate of Value with a Written Down Value of \$29,435,846.	In Progress	ARMC Work Plan 2024 in progress.
20/10/2023	FRACA00688	6.1 Acting Executive Officer Verbal Report	The Authority Board receive and note the verbal report as provided by the Acting Executive Officer relating to: •Endorsement by Constituent Councils to extend the terms of the ARMC Chairperson Peter van der Eijk and Independent Member Claudia Goldsmith to 30 June 2024; •Update regarding the current solar tender; and •Identification of upcoming grant fund 'Community Energy Upgrade Fund Program', and upon release of grant guidelines, eligibility to be assessed and application to be lodged if appropriate.	In progress	Grant Fund to be released Dec 2023/Jan 2024

	Fleurieu Regional Aquatic Centre Authority - Resolutions (PUBLIC)				
Meeting Date	Resolution Number	Agenda Item No.	Resolution	Status	Notes
20/10/2023	FRACA00692	7.2. Audit Completion Report 2022-2023	The Authority Board; •receive and note the Audit Completion Report 2022-2023; •note the Audit and Risk Management Committee’s feedback; •note the external Auditors recommendation relating to ensuring appropriate internal financial controls for the management of FRACA financials and that LGiQ are now engaged to manage financial requirements for the Authority; •authorise the Acting Executive Officer to further discuss the associated extra costs of the Audit with Alexandrina Council if applicable; and •note the need to appoint a new auditor for the 2023-2024 financial year, once outcomes of the Executive Structure Review are known.	In progress	Invoice from Alexandrina Council pending. External Auditor appointment pending.

To: FRAC Authority Board
From: Kellie Knight-Stacey, Acting Executive Officer
Subject: 7.2 2023/24 Budget Review (Q1)
Date: 7 December 2023
References: FRAC Authority Charter; Local Government Act 1999.
Consultation: James Lomax – YMCA
Attachments: 7.2a BR1 Statements

Purpose

The purpose of this report is to present the 2023/24 Budget Review # 1 to the Board for endorsement.

Background

The quarterly budget review provides a projection of the Fleurieu Regional Aquatic Centre Authority budget for 2023-2024 identifying any variations sought from Constituent Councils to the Authority's original budget and the cumulative financial implications.

Regulation 9(1)(b) and 9(2) of the Local Government (Financial Management) Regulations 2011 requires a budget review to include a revised forecast of the Authority's operating and capital investment activities compared with estimates set out in the budget.

In accordance with the Authority Charter quarterly reports summarising the financial position and performance of the Authority against the Budget must be prepared and presented to the Board who may, with the approval of the Constituent Councils, amend its Budget for a Financial Year at any time before the year ends.

Discussion

The budget review contains year to date actuals to 30 September 2023 with forecast estimates for the period October 2023 to June 2024 to project year-end figures. At this stage, no changes are proposed to the budget for 2023/2024, with current targets being achieved. Budgets will continue to be monitored throughout the second quarter, and any proposed budget amendments will be presented to the Committee at the Budget Review – Q2 in February 2024.

Capital

No changes are proposed for the capital budget at this stage.

Operating

No changes are proposed for the operating budget at this stage.

The budget review is included in the agenda of the 5 December 2023 meeting for the Audit and Risk Management Committee. The outcome of the Committee's review will be provided as a verbal update from the Acting Executive Officer during the Board meeting.

Recommendation

That Authority Board:

- *Adopt the Budget Review for the period ending 30 September 2023 with no proposed changes to the adopted budget for 2023/2024; and*
- *Direct the Acting Executive Officer to provide the Q1 Budget Review as at 30 September 2023 to Constituent Councils with no amendment to Council contributions.*

	2022/23	2023/24	2023/24	2023/24	2023/24
Fleurieu Regional Aquatic Centre Authority Statement of Comprehensive Income As at 30 September 2023	Audited Actual	Original Budget	BR1	YTD Actual	Variance (Original v BR1)
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
INCOME					
User charges	2,019	2,275	2,275	525	-
Grants, subsidies and contributions	998	934	934	234	-
Investment income	20	23	23	7	-
Other income	4	-	-	-	-
Total Income	3,041	3,232	3,232	766	-
EXPENSES					
Employee costs	30	-	-	-	-
Materials, Contracts and Other Expenses	3,008	3,232	3,232	803	-
Finance Costs	-	-	-	-	-
Depreciation, amortisation & impairment	537	543	543	138	-
Total Direct Expenses	3,575	3,775	3,775	941	-
OPERATING SURPLUS / (DEFICIT)	(534)	(543)	(543)	(175)	-
Asset disposal & fair value adjustments	-	-	-	-	-
Amounts specifically for new or upgraded assets	-	-	-	-	-
Physical resources received free of charge	-	-	-	-	-
NET SURPLUS / (DEFICIT)	(534)	(543)	(543)	(175)	-
Net gain (loss) on revaluation of assets	12,241	-	-	-	-
TOTAL COMPREHENSIVE INCOME	11,707	(543)	(543)	(175)	-

	2022/23	2023/24	2023/24	2023/24	2023/24
Fleurieu Regional Aquatic Centre Authority Statement of Financial Position As at 30 September 2023	Audited Actual	Original Budget	BR1	YTD Actual	Variance (Original v BR1)
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
ASSETS					
CURRENT ASSETS					
Cash & Cash Equivalents	723	601	612	652	-
Trade & Other Receivables	11	159	11	37	-
TOTAL CURRENT ASSETS	734	760	623	689	-
NON-CURRENT ASSETS					
Infrastructure, Property, Plant & Equipment	29,332	28,905	28,940	29,251	-
TOTAL NON-CURRENT ASSETS	29,332	28,905	28,940	29,251	-
TOTAL ASSETS	30,066	29,665	29,563	29,940	-
LIABILITIES					
CURRENT LIABILITIES					
Trade & Other Payables	112	189	112	161	-
Short Term Borrowings	-	1	1	-	-
TOTAL CURRENT LIABILITIES	112	190	113	161	-
NON-CURRENT LIABILITIES					
Long Term Borrowings	-	38	38	-	-
TOTAL NON-CURRENT LIABILITIES	-	38	38	-	-
TOTAL LIABILITIES	112	228	151	161	-
NET ASSETS	29,954	29,437	29,412	29,779	-
EQUITY					
Accumulated Surplus	(3,356)	(3,877)	(3,898)	(3,531)	-
Asset Revaluation Reserve	12,241	12,245	12,241	12,241	-
Capital Contribution	21,069	21,069	21,069	21,069	-
TOTAL EQUITY	29,954	29,437	29,412	29,779	-

Fleurieu Regional Aquatic Centre Authority Statement of Cashflows As at 30 September 2023	2022/23	2023/24	2023/24	2023/24	2023/24
	Audited	Original	BR1	YTD Actual	Variance
	Actual	Budget			(Original v BR1)
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts					
Operating receipts	3,164	3,209	3,209	732	-
Investment receipts	18	23	23	7	-
Payments					
Operating payments to suppliers & employees	(3,110)	(3,232)	(3,232)	(810)	-
Finance payments	-	-	-	-	-
Net Cash provided by (or used in) Operating Activities	72	-	-	(71)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Receipts					
Grants specifically for new or upgraded assets	-	-	-	-	-
Repayments from Community Groups	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Payments					
Capital Expenditure on renewal/replacement of assets	(2)	(110)	(110)	-	-
Capital Expenditure on new/upgraded assets	(35)	(40)	(40)	-	-
Net Cash provided by (or used in) Investing Activities	(37)	(150)	(150)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts					
Proceeds from Borrowings	-	40	40	-	-
Payments					
Repayment of Borrowings	-	(1)	(1)	-	-
Net Cash used in Financing Activities	-	39	39	-	-
NET INCREASE (DECREASE) IN CASH HELD	35	(111)	(111)	(71)	-
CASH AT BEGINNING OF YEAR	688	712	723	723	-
CASH AT END OF PERIOD	723	601	612	652	-

	2022/23	2023/24	2023/24	2023/24	2023/24
Fleurieu Regional Aquatic Centre Authority Uniform Presentation of Finances As at 30 September 2023	Audited Actual	Original Budget	BR1	YTD Actual	Variance (Original v BR1)
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Income					
User charges	2,019	2,275	2,275	525	-
Grants, subsidies and contributions` - Operating	998	934	934	234	-
Investment income	20	23	23	7	-
Reimbursements	-	-	-	-	-
Other income	4	-	-	-	-
	3,041	3,232	3,232	766	-
Expenses					
Employee costs	(30)	-	-	-	-
Materials, contracts and other expenses	(3,008)	(3,232)	(3,232)	(803)	-
Finance costs	-	-	-	-	-
Depreciation, amortisation and impairment	(537)	(543)	(543)	(138)	-
	(3,575)	(3,775)	(3,775)	(941)	-
OPERATING SURPLUS / (DEFICIT)	(534)	(543)	(543)	(175)	-
Timing adjustment for grant revenue	-	-	-	-	-
ADJUSTED OPERATING SURPLUS / (DEFICIT)	(534)	(543)	(543)	(175)	-
NET OUTLAYS ON EXISTING ASSETS					
Capital Expenditure on Renewal and Replacement of Existing Assets	(2)	(110)	(110)	-	-
add back Depreciation, Amortisation and Impairment	537	543	543	138	-
add back Proceeds from Sale of Replaced Assets	277	-	-	-	-
	812	433	433	138	-
NET OUTLAYS ON NEW AND UPGRADED ASSETS					
Capital Expenditure on New and Upgraded Assets	(35)	(40)	(40)	-	-
add back Amounts Received Specifically for New and Upgraded Assets	605	-	-	-	-
add back Proceeds from Sale of Surplus Assets	1,200	-	-	-	-
	1,770	(40)	(40)	-	-
NET LENDING (BORROWING) FOR FINANCIAL PERIOD	2,048	(150)	(150)	(37)	-

	2022/23	2023/24	2023/24	2023/24	2023/24
Fleurieu Regional Aquatic Centre Authority Statement of Changes in Equity As at 30 September 2023	Audited Actual	Original Budget	BR1	YTD Actual	Variance (Original v BR1)
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
ACCUMULATED SURPLUS					
Opening balance at beginning of financial year	(2,821)	(3,335)	(3,355)	(3,355)	
Total comprehensive income for the year	(534)	(543)	(543)	(175)	-
Transfer to reserves					
Transfer from reserves					
Closing balance at end of period	(3,355)	(3,878)	(3,898)	(3,530)	-
ASSET REVALUATION RESERVE					
Opening balance at beginning of financial year	-	12,245	12,241	12,241	
Gain/(loss) on revaluation of infrastructure, property, plant & equipment	12,241	-		-	-
Closing balance at end of period	12,241	12,245	12,241	12,241	-
COUNCIL CONTRIBUTIONS					
Opening balance at beginning of financial year	21,069	21,069			
Closing balance at end of period	21,069	21,069	-	-	-
TOTAL EQUITY AT END OF REPORTING PERIOD	29,955	29,436	8,343	8,711	-

Fleurieu Regional Aquatic Centre Authority Financial Indicators September 2023	As at 30	2022/23 Audited Actual	2023/24 Original Budget	2023/24 BR1	2023/24 YTD Actual	TARGET RANGE
Operating Surplus Ratio <i>being operating surplus (deficit) divided by operating revenue</i>		-17.6%	-16.8%	-16.8%	-22.8%	0% - 10%
Net Financial Liabilities Ratio <i>being total liabilities less financial assets (excluding equity accounted investments in Council business), divided by total operating revenue</i>		-20.5%	-16.5%	-14.6%	-68.9%	0% - 100%
Asset Renewal Funding Ratio <i>Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets. The optimal level planned refers to the Council's Asset Management Plan (AMP) which forecasts the activities/projects that need to be undertaken in order to maintain the Council's assets.</i>		100.0%	100.0%	100.0%	0.0%	90% - 100%
Own Source Income Ratio <i>This ratio is calculated as 'income excluding Council contributions' as a percentage of total Authority expenditure</i>		67.2%	71.1%	71.1%	66.3%	59% - 64%

To: FRAC Authority Board

From: Kellie Knight-Stacey – Acting Executive Officer

Subject: 7.3. 2023/24 to 2032/33 Long Term Financial Plan

Date: 7 December 2023

References: Authority Charter

Consultation: Audit and Risk Management Committee

Attachments: 7.3a Draft Long Term Financial Plan 202324 to 203233

Purpose

The purpose of this report is to present the first draft of the reviewed Long Term Financial Plan (LTFP) for endorsement.

Background

In regard to the LTFP, the Authority Charter states:

5.5 Long Term Financial Plan

5.5.1 The Authority must prepare and submit to the Constituent Councils for their approval a Long-Term Financial Plan covering a period of at least ten (10) years in a form and including such matters which, as relevant, is consistent with Section 122 of the Act and the Local Government (Financial Management) Regulations 2011 as if the Authority were a council.

5.5.2 The Authority may at any time review the Long-Term Financial Plan but must undertake a review of the Long-Term Financial Plan as soon as practicable after the annual review of its Business Plan and concurrently with any review of its Strategic Plan.

5.5.3 In any event, the Authority must undertake a comprehensive review of its Long-Term Financial Plan every four (4) years.

5.5.4 The Long-Term Financial Plan will be taken to form part of the Authority's Strategic Plan.

The Authority endorsed its LTFP in April 2018, with a review of the plan now due as set out in its Charter.

Discussion

The LTFP has been drafted to include current economic considerations, a review of key assumptions, Authority decisions that impact financial sustainability and potential future activities.

The LTFP includes an allowance for energy efficiencies, including grant funding offsets and borrowings. CPI has been included for income and expenses as follows:

- 2024/25 – 4%
- 2025/26 – 3.5%
- 2026/27 to 2032/33 – 2.8%

The first draft is provided at Attachment 7.3a for feedback with an update to be provided to the Committee with the following amendments (as requested by the Acting Executive Officer):

- Loan borrowings to be adjusted to a Cash Advance Debenture (CADs) rather than a fixed term loan. This will allow for draw-downs as required by cash flow and enable minimisation of interest repayments.
- The cash deficit in the last three years of the plan is due to the depreciation reserve for replacement of assets being fully utilised. CADs will be utilised to fund future asset replacement at this stage, although there may need to be a change in the way the depreciation is funded by the Constituent Councils, pending the outcome of the Executive Structure Review.
- The Key Financial Indicator targets require amendment, and the next draft will provide the following for discussion:
 - Operating Surplus Ratio – current target 0% to 10%
This is unreasonable considering that the Constituent Councils amended the depreciation treatment that resulted in a deficit at least equal to depreciation in each year. The updated draft will include a proposed target of (20%) to 2%
 - Net Financial Liabilities Ratio – current target (195%) to (149%)
The current target is unreasonable, and the updated draft will include a proposed target of 0% to 40% to allow the Authority to take out borrowings as required either for endorsed projects or cash flow requirements.
 - Own Source Revenue Ratio – current target 66% to 67%
This needs to be adjusted to reflect current achievement and include a stretch target to encourage cost efficiencies and/or increased utilisation. The updated draft will include a proposed target of 60% to 100%.

The Audit and Risk Management Committee are considering the LTFP at the meeting scheduled for 5 December 2023. A verbal update including any amendments will be provided by the Acting Executive Officer at the Board meeting.

Recommendation:

That the Authority Board:

- *endorse the 2023/24 to 2032/33 Long Term Financial Plan; and*
- *direct the Acting Executive Officer to provide the Plan to Constituent Councils as per the Authority Charter.*



2023 Review

LONG TERM FINANCIAL PLAN
2023/24 – 2032/33

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2. Background

The Fleurieu Aquatic Centre (FAC) is a joint initiative of the City of Victor Harbor and the Alexandrina Council (Constituent Councils). The Fleurieu Regional Aquatic Centre Authority (Authority) was established as a regional subsidiary in August 2015 by the Constituent Councils under section 43 of the Local Government Act 1999 (LG Act).

Charter

5.5 Long Term Financial Plan

5.5.1 The Authority must prepare and submit to the Constituent Councils for their approval a Long Term Financial Plan covering a period of at least ten (10) years in a form and including such matters which, as relevant, is consistent with Section 122 of the Act and the Local Government (Financial Management) Regulations 2011 as if the Authority were a council.

5.5.2 The Authority may at any time review the Long Term Financial Plan but must undertake a review of the Long Term Financial Plan as soon as practicable after the annual review of its Business Plan and concurrently with any review of its Strategic Plan.

5.5.3 In any event, the Authority must undertake a comprehensive review of its Long Term Financial Plan every four (4) years.

5.5.4 The Long Term Financial Plan will be taken to form part of the Authority's Strategic Plan.

6.1 Strategic Plan

6.1.2 prepare an Asset Management Plan, with detailed financials for the first ten years;

Local Government Act 1999

In line with section 122 (1a) of the Local Government Act 1999 and its Charter, the Authority must, in conjunction with its strategic management plans develop and adopt a Long Term Financial Plan for a period of at least 10 years and an Infrastructure and Asset Management Plan.

Local Government Financial Management Regulations

5—Long-term financial plans

(1) A long-term financial plan developed and adopted for the purposes of section 122(1a)(a) of the Act must include—

- a summary of proposed operating and capital investment activities presented in a manner consistent with the note in the Model Financial Statements entitled Uniform Presentation of Finances; and
- estimates and target ranges adopted by the council for each year of the long-term financial plan with respect to an operating surplus ratio, a net financial liabilities ratio and an asset sustainability ratio presented in a manner consistent with the note in the Model Financial Statements entitled Financial Indicators.

(2) A long-term financial plan must be accompanied by a statement which sets out—

- the purpose of the long-term financial plan; and
- the basis on which it has been prepared; and
- the key conclusions which may be drawn from the estimates, proposals and other information in the plan.

(3) A statement under sub regulation (2) must be expressed in plain English and must avoid unnecessary technicality and excessive detail.

3. Overview

The Authority considers that its Long Term Financial Plan (LTFP) is a fundamental instrument of accountability and projections for its planned activities over a ten-year timeframe. The key objective of the LTFP is financial sustainability in the medium to longer term, while still achieving the Authority's objectives as specified in its Charter and Strategic Plan.

The LTFP ensures that we understand the impact of decisions made today on our future. This means ensuring the cost-effective delivery of services, and the appropriate maintenance and renewal of our significant asset (FAC) in a financially sustainable manner.

The purpose of this plan is not to provide specific detail about individual services. The LTFP provides a decision-making tool that allows various assumptions to be applied that will indicate the ability of the Authority to deliver cost effective services to our community in the future in a financially sustainable manner.

The Authority Board has adopted a fee structure for services delivered at FAC based on market research, competitor analysis, recommendations from contracted operational managers YMCA SA (based on its significant industry knowledge and experience); and application of pricing strategies to support establishment of FAC as a greenfield site. The Authority aims to provide an affordable, competitive and equitable fee structure for FAC.

FAC's primary catchment area of 23,157 residents is comprised of a higher than average over 50-year-old population (13,193 or 57%) and lower than average under 15-year-old population (3,140). The catchment area also has lower than average income levels. The weekly household income profile of the catchment area is comparatively lower than all other regions and the highest proportion of low-income households. Specifically, the proportion of low-income households is 6% higher than regional South Australia and 10% higher than South Australia as a whole.

As such, the identified catchment has increased price sensitivities compared to state averages. In line with local demographics, prices are set at the middle end of the competitor pricing continuum. To further address cost barriers, the Aquatic Centre offers discounted membership for older community members and youth; and concession discounts for casual admissions, visit passes and memberships.

4. Planning framework

This document presents the Long Term Financial Plan for the years 2023/24 to 2032/33. The basis of the LTFP is consistent with the Financial Statements 30 June 2022 and the 2023/24 Annual Business Plan and Budget adopted by the Authority within the 3-Year Business Plan. The LTFP is informed by the Authority Strategic Plan 2018-2027, 3-Year Business Plan and any authorised amendments; and the Asset Management Plan 2018-2027.

This is a fluid document, which will be updated and amended over time as circumstances change. The Authority will review its LTFP twice each year; once during the review of its 3-Year Business Plan and preparation of its annual Budget; and again, following the financial year end. Other updates are made to the LTFP, where it is considered appropriate. In addition, a full review is required at least every four years (per the Charter).

The 10-year LTFP is prepared based on a number of assumptions (please refer to page 8), with regard to projected fees, charges and Constituent Council contributions and also includes assumptions with regard to future operational and capital expenditure. Given that LTFPs are derived from an estimate of future performance, it should be appreciated that actual results are likely to vary from the information contained in the LTFP and at times these variations could be material.

It should also be noted that as FAC only commenced operations in March 2017, normalised income and expenditure levels are still to be determined.

The Authority has adopted an Asset Management Plan to assist in determining the funding impact of maintaining and replacing our assets. These projections are based on the current understanding of asset management needs over the next ten years and ensure that assets are maintained at a safe and functional standard that meet community expectations and cater for future growth and demographic changes.

The Authority is proposing capital work renewal of \$560,300 over the ten years of the plan in recognition of the age of the facility (construction completed in March 2017) and in line with the adopted 3 Year Business Plan and Asset Management Plan. The Asset Management Plan projected renewal expenditure has been indexed by CPI to obtain future costs for inclusion in the LTFP. The current Asset Management Plan has a life span until 2027/28, and average renewal expenditure has been factored into the LTFP for the years of 2028/29 through to 2032/33. The LTFP also factors in new capital work expenditure of \$1,500,000 for Energy Efficiency Projects.

Borrowings of \$1,000,000 have been factored into the LTFP for Energy Efficiency Projects, and grant funding of \$750,000. Further drawdowns of the Cash Advance Debenture facility will be required in years 2030/31, 2031/32 and 2032/33 due to negative cash balances, to ensure sufficient cashflow to fund renewal and replacement of assets. Future debt will be considered:

- in the context of the strategic objectives of the Authority
- in the context of long term financial forecasts and objectives
- as funding for long term infrastructure asset creation
- as a means of spreading the recovery of infrastructure costs over time
- as a mechanism to fund temporary cash shortfalls.

The construction of FAC was funded by the Constituent Councils with funding support from the Federal Government and the South Australian Government's Community, Recreation and Sport Facilities Program; and a generous land donation from Beyond Today. The aim of the State Government funding program is to support the strategic objective of increasing the proportion of South Australians participating in sport or physical recreation at least once per week to 50% by 2020¹. The Australian Government funding was provided for *'the provision of an indoor aquatic centre to provide health, sport and recreation facilities for the growing communities around Victor Harbor and Goolwa'*.

A business case was undertaken by the Constituent Councils in 2013 in respect of establishing a regional aquatic centre which incorporated a health and fitness studio. The business case examined population trends and anticipated demand for a regional aquatic facility, the aquatic and health and fitness markets relevant to a regional aquatic centre and the financial viability of a regional aquatic centre. The Business Case concluded that a regional aquatic facility would operate at a loss in each of the first five years of operation and would require a financial contribution from the Constituent Councils.

To determine whether this LTFP ensures financial sustainability of the Authority's operations over the long term, appropriate financial indicators have been included.

The LTFP is an evolving document that will be renewed over time as a result of changes to the community and constituent Council expectations; changes to income and expenditure projections; and to remain directly linked to the Asset Management Plan. The Authority's 3-Year Business Plan and Annual Budget is prepared on the basis of the LTFP, taking into account any new information and economic factors at the time of preparation.

¹ Target 83, Sport and Recreation, South Australian Strategic Plan (<http://saplan.org.au/targets/83-sport-and-recreation>)

The LTFP estimates are presented as:

- Estimated Financial Statements
- Estimated Key Financial Indicators

Please refer to Appendices A and B.

5. Measuring our performance

Key financial indicators

Key Financial Indicators enable an assessment of the Authority's long term financial performance and position and will place the Authority on a path to deliver long term sustainability of operations (based on the assumptions used in the modelling) and give it the flexibility to respond to anticipated future costs.

The Local Government (Financial Management) Regulations 2011 Part 2, 5(1) requires that the Authority LTFP includes estimates and target ranges adopted by the Authority for each year of the LTFP with respect to an operating surplus ratio, a net financial liabilities ratio and an asset sustainability ratio. Due to the nature of the Authority funding model, the net financial liabilities ratio is not relevant. This is due to cash reserves (predominantly Depreciation Reserve) being significantly higher than projected liabilities for the life of the plan; and the resultant ratio not being a useful measurement of financial performance for the Authority.

Given the above, an alternate third financial sustainability ratio is proposed for use; that being the 'Own Source Income Ratio' (please refer below).

The Key Financial Indicators support a positive forward outlook and adherence over the longer term to the Authority's financial sustainability. The Authority has set targets for its Key Financial Indicators to guide revenue and expenditure decisions; overall budget strategies and future decision making.

Indicator	LTFP Target
Operating Surplus/(Deficit) Ratio - %	(20%) – 2%
Own Source Income Ratio - %	60% – 100%
Asset Renewal Funding Ratio - %	90% – 110%
Net Financial Liabilities Ratio - %	0% – 40%

Operating Surplus / (Deficit) Ratio

The Operating Ratio measures the extent to which the Authority's operating income meets its operating expenditure.

Due to the financial operating model for the Authority, the Operating Surplus/(Deficit) Ratio will always be equal to the depreciation expense amount at budget however may be less or greater at year end should the operating result differ from the budget.

Own Source Income Ratio

This ratio is calculated as 'income excluding Council contributions' as a percentage of total Authority expenditure. The ratio is forecast to improve from 71% to 73% during the life of the plan. The gradual increase in this ratio will indicate improvement in the Authority's financial self-sustainability.

Asset Renewal Funding Ratio

The Asset Renewal Funding Ratio is a measure of the Authority's capital expenditure on renewal or replacement of assets relative to the level of such expenditure proposed in the Authority's Asset Management Plan.

The Asset Renewal Funding ratio indicates that the forecast expenditure on the renewal and replacement of assets (based on the Asset Management Plan) and what the Authority's propose to spend on these assets (budgeted capital expenditure) are aligned. As such, the Asset Renewal Funding Ratio is not applicable for years in which no expenditure on renewal and replacement of assets is forecast; however, is forecast at 100% over the remaining years of the plan.

Net Financial Liabilities Ratio

The Net Financial Liabilities Ratio indicates the extent to which the net financial liabilities of the Authority could be met by its annual operating revenue. The Net Financial Liabilities Ratio is forecast to increase from 7% to 17% over the life of the plan.

6. Financing the Plan

The Authority is funded by user-pays charges for services delivered at FAC and by contributions from constituent Councils in line with the Authority Charter.

The Authority Charter provides:

5.2 Financial Contributions

5.2.1 The Constituent Councils will contribute funds to the Authority as set out in the Budget adopted by the Authority and approved by the Constituent Councils.

5.2.2 The Constituent Councils may agree to provide the Authority with additional funds at any time on such terms and conditions, if any, as determined by the Constituent Councils.

Constituent Council contributions to the Authority are forecast in annual budgets and in the LTFP at amounts equivalent to the forecast operating deficit (excluding depreciation and excluding such contributions).

The table below shows the Authority's estimated net lending/ (borrowing) result for the LTFP. The data is drawn from the Authority's Estimated Uniform Presentation of Finances (refer Appendix A). The Authority LTFP has a net borrowing result for the life of the plan.

7. Capital Works Program

Asset Renewal

Below is a list of the forecast Asset Renewal expenditure requirements to maintain the Authority's assets to their current standards and service levels. These requirements are in accordance with the Authority's Asset Management Plan. The forecast expenditure on the renewal and replacement of assets (based on the Authority's Asset Management Plan) and what the Authority proposes to spend on these assets (budgeted expenditure) are aligned (with indexing of replacement costs reflected in the LTFP). The current Asset Management Plan has a life span until 2027/28, and average renewal expenditure has been factored into the LTFP for the years of 2028/29 through to 2032/33.

Year	Source	Total Expenditure
2023/24	3 Year Business Plan	\$110,000
2024/25	3 Year Business Plan	\$161,861
2025/26	3 Year Business Plan	\$21,484
2026/27	Asset Management Plan	\$96,989
2027/28	Asset Management Plan	\$0
2028/29	AMP Average	\$32,590
2029/30	AMP Average	\$33,287
2030/31	AMP Average	\$33,985
2031/32	AMP Average	\$34,683
2032/33	AMP Average	\$35,380
Total		\$560,259

New or Upgraded Assets

Below is a list of planned annual expenditure on New and Upgraded Assets. This includes spend to upgrade or expand the Authority's infrastructure to meet increasing demand and capacity requirements.

Year	Project	Total Expenditure
2023/24	Energy Efficiency Projects	\$1,500,000
2024/25		\$0
2025/26		\$0
2026/27		\$0
2027/28		\$0
2028/29		\$0
2029/30		\$0
2030/31		\$0
2031/32		\$0
2032/33		\$0
Total		\$1,500,000

8. Assumptions

Operating Income

User Charges

User charges relate to the recovery of service delivery costs through the charging of fees to users of FAC. Increases in user charges have been indexed by forecasted CPI for years 2 to 10 and include no growth allocation. User Charges as a percentage of operating income is an average of 73% for the life of the plan.

Grants and Subsidies

No operating grants have been included in the LTFP.

Council contributions

Contributions are received from constituent Councils in line with the Authority Charter (please refer above). Constituent Council contributions to the Authority are forecast in annual budgets and in the LTFP at amounts equivalent to the forecast operating deficit (excluding depreciation and excluding such contributions).

Investment Income

Investment income is calculated using CPI, based on the closing cash balance per financial year.

Amounts Specifically for New / Upgraded Assets

Capital grant funding of \$750,000 for Energy Efficiency Projects has been incorporated into the LTFP.

Operating Expenses

FAC operating expenses for future years are increased by forecast CPI and do not include any growth allocation, with the exception of adjustments to depreciation, electricity and finance costs as discussed below.

FAC Operational Management Fees:

The fee for the life of the LTFP is based on the current contract fee plus annual indexation. This will be reviewed following future contract negotiations.

Materials, Contracts & Other Expenses

Materials cover payments for physical goods including purchase of consumables, water and energy. Contract services include payments for the external provision of services. Over the period of the plan, CPI has been applied for indexation purposes. Due to the Energy Efficiency Projects, a 25% reduction in the cost of electricity has been factored into the LTFP.

Materials, Contracts and Other Expenses as a percentage of operating expenditure is an average of 83% for the life of the plan.

Depreciation

Depreciation is an accounting measure, which records the consumption of the Authority's infrastructure, property, plant and equipment. It reflects the combined effect of the impact of depreciable assets created by capital expenditure on new/ upgraded assets, and the ongoing impact of regularly revaluing infrastructure assets on a 'fair value' basis. Annual depreciation expense has been indexed by forecasted CPI, with additional depreciation included for new assets resulting from the Energy Efficiency Project. Depreciation expense as a percentage of operating expenditure is an average of 16% for the life of the plan.

Net Outlays on New and Existing Assets

Capital expenditure for renewal/replacement of assets and new/upgraded assets has been included in the LTFP as outlined in section 7 above.

Proceeds & Repayment of Borrowings

The Authority has a Treasury Management Policy to ensure that it maximises the return on surplus funds, taking into consideration the level of risk. Authority funds are preserved and invested in accordance with its legislative and common law responsibilities ensuring that interest cost of borrowings is minimised. All investments and borrowings are to be made exercising the care, diligence and skill that a prudent person of business would exercise in managing the affairs of other persons.

Borrowings of \$1,000,000 have been factored into the LTFP for Energy Efficiency Projects. Further drawdowns of the Cash Advance Debenture facility will be required in years 2030/31, 2031/32 and 2032/33 to ensure sufficient cashflow to fund renewal and replacement of assets.

Balance Sheet Assets

Trade and Other Receivables are not expected to change significantly and therefore have been based in accordance with the 2022/23 Financial Statements. Non-Current Assets reflect the combined effect of all capital expenditure, the depreciation of existing assets, the book value of assets sold and the ongoing revaluation of infrastructure assets on a 'fair value' basis.

Liabilities

Trade and Other Payables are not expected to change significantly throughout the life of the plan and have been forecast based in accordance with the 2022/23 Financial Statements.

Equity

The Authority's Accumulated Surplus is forecast change in accordance with the net surplus / deficit result per year. The Asset Revaluation Reserve incorporates revaluations due to occur during 2027/28 and 2032/33.

CPI Forecasts

CPI has been included in the Plan as follows:

INDEXATION FACTORS	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
CPI	4.00%	3.50%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%

9. Planning for the Future

The Authority has mandatory responsibilities under the Local Government Act and other relevant legislation; as well as under its Charter. These include:

- setting fees and charges; preparing an annual budget; and determining longer-term strategic management plans for FAC;
- management of infrastructure including the FAC facility, gardens, internal roads, footpaths, lighting and storm-water drainage

FAC operates on a fee for service basis and provides important community benefits whilst also generating revenue to help deliver a value for money service.

10. Financial Terms Glossary:

Accrual Accounting	An accounting approach by which expenses, revenue, assets and liabilities are recognised in the reporting period to which they relate even though cash may have exchanged hands in different periods. Accrual accounting recognises expenses as they are incurred and revenue when it is earned.
Annual Budget	An entity's statement of: its intended operating expenses, revenue and capital expenditure that give effect to its annual business plan for the reporting period, its cash inflows and outflows associated with intended operating, investing and financing activities, and its projected financial position at the end of the reporting period.
Annual Business Plan (ABP)	An entity's statement of its intended programs and outcomes for the year.
Annual Financial Statements	The Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement prepared in accordance with Australian Accounting Standards together with the notes and certification statements as prescribed in the Model Financial Statements.
Assets	Resources controlled by an entity the value of which can be reliably measured and from which future economic benefits are expected to flow to the entity.
Asset Maintenance Costs	Costs incurred in holding and operating an asset so that it is capable of delivering service levels up to its design capacity over its useful life.
Asset Management Plan (AMP)	Plan that projects the timing and level of cash flows associated with cost-effectively optimising acquisition of replacement and new additional assets and asset maintenance and disposal in order to be able to achieve desired service levels from assets. The Authority is required to
	prepare such a document with a planning period of at least ten years. The plan assists in determining the Authority's funding and financing needs and helps guide the content of the Authority LTFP and Annual Budget.
Asset Renewal/ Replacement Costs	Costs associated with renewing or replacing an asset in order to maintain existing service level capacity.
Asset Renewal Funding Ratio	The ratio of the Authority's capital expenditure on renewal or replacement of assets (net of proceeds from sale of replaced assets) relative to the level of such expenditure proposed in the Authority's Asset Management Plan.
Audit & Risk Management Committee	An Authority committee established pursuant to Schedule 2, Part 2 Clause 30 of the Act and Local Government (Financial Management) Regulations 2011.
Audited Statements	The Annual Financial Statements prepared in accordance with Australian Accounting Standards that have been audited by an external auditor.

Australian Accounting Standards	Accounting Standards issued by the Australian Accounting Standards Board that are equivalent to standards issued by the International Accounting Standards Board. These standards are binding on South Australian Councils and all other bodies established pursuant to the Local Government Act.
Balance Sheet	A financial statement showing the Assets, Liabilities and Equity of an organisation at the end of a reporting period. Also referred to as a Statement of Financial Position.
Capital Expenditure	Expenditure on items which will provide benefits that extend into future financial periods. It includes expenditure to acquire or enhance existing assets to provide expanded, or a higher level of, services.
Cash Flow Statement	A financial statement showing the inflows and outflows of cash and cash equivalents of an organisation during a reporting period. Cash flows are classified as Operating, Investing and/ or Financing activities. Also referred to as Statement of Cashflow.
Depreciation Expenses	The value of the assets of an entity consumed and systematically allocated as an expense to a particular reporting period.
Financial Sustainability	Financial Sustainability occurs when expenditure, revenue raising and service level decisions are made such that planned long-term service and infrastructure levels and standards can be achieved without unplanned increases in rates or disruptive cuts to services.
Forecast Operating Expenses/ Revenue	An estimate of future expenses/ operating revenue for a reporting period as shown in the Statement of Comprehensive Income. Operating expenses are calculated on an accrual accounting basis and include depreciation but exclude expenditure of a capital nature. Operating revenue excludes profit on disposal of non-financial assets and amounts received specifically for new/ upgraded infrastructure and other assets.
Income Statement	Refer to Statement of Comprehensive Income.
Infrastructure	A term used to describe physical assets such as internal roads, buildings and stormwater drainage systems controlled by the Authority.
Key Financial Indicators	Financial measures or ratios that are used in management plans, annual reports and other internal and external reports to guide or assess the financial performance and position of the Authority.
Local Government Finance Authority (LGFA)	Provides investment and loan services and works for the benefit of Councils and other Local Government Bodies within Australia.
Long-Term Financial Plan (LTFP)	A Plan that projects a forecast of the Authority's financial performance and position over a period of at least 10 years. It is one of a suite of documents that collectively make up the Authority's Strategic Management Plan and the Long Term Financial Plan should be consistent with, and express financially, actions expressed or required to give effect to strategies proposed in these other documents.

Model Financial Statements	A template format for the presentation of Annual Financial Statements for South Australian Councils and other bodies established pursuant to the Local Government Act. The Model Financial Statements comply with Australian Accounting Standards and additional requirements imposed under the Local Government (Financial Management) Regulations and are updated annually by the LGA.
Net Financial Liabilities	Net financial liabilities represent what is owed to others less money held, invested or owed to the Authority. Net financial liabilities is the most comprehensive measure of the indebtedness of the Authority as it includes items such as employee long service leave entitlements and other amounts payable as well as taking account of the level of the Authority's cash and investments. It is calculated as total liabilities of the Authority less its financial assets (excluding equity accounted investments in Authority businesses).
Net Financial Liabilities Ratio	The net financial liabilities ratio indicates the extent to which net financial liabilities of the Authority at a point in time could be met by its annual operating revenue. The ratio is calculated by expressing net financial liabilities at the end of a reporting period as a percentage of the Authority's operating revenue for the same reporting period.
Net Lending/ (Borrowing)	The Authority's Net lending/ (borrowing) result in a financial year is calculated as the operating surplus/ (deficit), less capital expenditure on assets, plus depreciation and sale of assets. A 'net borrowing' result therefore represents the extent to which operating expenses (less depreciation) and capital expenditure exceeds funding provided by operating revenue and amounts received specifically for new/ upgraded assets. A net borrowing result increases the Authority's accumulated level of net financial liabilities. A net lending result reduces the level of net financial liabilities.
Operating Surplus/ Deficit Ratio	The operating surplus ratio is calculated by expressing the operating surplus/ deficit shown in a Statement of Comprehensive Income as a percentage of operating income. A negative ratio indicates the percentage increase in total rates that would be required to achieve an operating break-even result (i.e. income is equal to operating expenses).
Statement of Cash Flow	Refer definition for Cash Flow Statement.
Statement of Comprehensive Income	A financial statement included in the Annual Financial Statements that shows all revenue and operating expenses in the reporting period. It highlights the operating surplus/ deficit result, being the extent to which revenue is sufficient or insufficient to fund the cost of services.
Statement of Financial Position	Refer definition for Balance Sheet. Summary Statement including Financing Transactions A high level summary of both operating and capital investment activities of the Authority prepared on a uniform and consistent basis. Amongst other things, this enables meaningful comparisons of the Authority's finances. It also enables financial performance data of the Local Government sector as a whole to be assembled and reported.

Strategic Plan (SP)	A strategic planning document which focuses on the community, rather than the internal operations of the Authority. The Authority must develop and adopt plans (which may take various forms) for the management of its area, to be called collectively the Strategic Management Plans. Section 122 of the Local Government Act specifies some requirements concerning the timing, content and process for developing such plans (which include both LTFPs and AMPs).
Treasury Management Policy	Establishes a decision framework to ensure that: funds are available as required to support approved outlays; interest rate and other risks (e.g. liquidity and investment credit risks) are acknowledged and responsibly managed; and the net interest costs associated with borrowing and investing are reasonably likely to be minimised on average over the longer term.

Appendix A – Estimated Financial Statements

FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY										
	2023/ 24 Adopted Budget	2024/ 25 Forecast	2025/ 26 Forecast	2026/ 27 Forecast	2027/ 28 Forecast	2028/ 29 Forecast	2029/ 30 Forecast	2030/ 31 Forecast	2031/ 32 Forecast	2032/ 33 Forecast
STATEMENT OF COMPREHENSIVE INCOME	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME										
User charges	2,275	2,366	2,449	2,517	2,588	2,660	2,735	2,811	2,890	2,971
Investment income	23	25	19	10	8	4	0	0	0	0
Council Contributions	934	875	906	934	956	980	1,003	1,029	1,058	1,089
TOTAL INCOME	3,232	3,266	3,373	3,461	3,551	3,644	3,738	3,840	3,948	4,060
EXPENSES										
Materials, contracts & other expenses	3,232	3,205	3,317	3,410	3,506	3,604	3,705	3,809	3,915	4,025
Depreciation	543	642	665	684	703	722	743	763	785	807
Finance costs	1	60	56	51	45	40	34	31	33	35
TOTAL EXPENSES	3,775	3,908	4,038	4,145	4,254	4,366	4,481	4,603	4,733	4,867
OPERATING SURPLUS / (DEFICIT)*	(543)	(642)	(665)	(684)	(703)	(722)	(743)	(763)	(785)	(807)
Asset disposal and fair value adjustments										
Amounts received specifically for new or upgraded assets	750	-	-	-	-	-	-	-	-	-
NET SURPLUS / (DEFICIT)	207	(642)	(665)	(684)	(703)	(722)	(743)	(763)	(785)	(807)
TOTAL COMPREHENSIVE INCOME	207	(642)	(665)	(684)	(703)	(722)	(743)	(763)	(785)	(807)

	2023/ 24 Adopted Budget	2024/ 25 Forecast	2025/ 26 Forecast	2026/ 27 Forecast	2027/ 28 Forecast	2028/ 29 Forecast	2029/ 30 Forecast	2030/ 31 Forecast	2031/ 32 Forecast	2032/ 33 Forecast
STATEMENT OF FINANCIAL POSITION	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS										
Current Assets										
Cash & cash equivalents	863	630	533	354	267	143	12	4	8	5
Trade & other receivables	11	11	11	11	11	11	11	11	11	11
Total Current Assets	873	641	544	365	278	154	23	15	19	16
Non-current Assets										
Infrastructure, Property, Plant & Equipment	30,400	29,919	29,276	28,689	32,003	31,315	30,605	29,875	29,125	32,431
Total Non-current Assets	30,400	29,919	29,276	28,689	32,003	31,315	30,605	29,875	29,125	32,431
TOTAL ASSETS	31,273	30,560	29,820	29,055	32,281	31,468	30,628	29,890	29,144	32,447
LIABILITIES										
Current Liabilities										
Trade & Other Payables	112	117	121	124	127	131	135	139	143	147
Overdraft	-	-	-	-	-	-	-	-	-	-
Borrowings	75	80	85	90	96	102	108	115	122	129
Total Current Liabilities	187	197	206	214	223	233	243	254	265	276
Non-current Liabilities										
Long Term Borrowings	925	845	761	671	575	474	366	381	409	430
Total Non-current Liabilities	925	845	761	671	575	474	366	381	409	430
TOTAL LIABILITIES	1,112	1,042	966	885	798	706	609	635	674	706
NET ASSETS	30,161	29,518	28,853	28,170	31,484	30,762	30,019	29,255	28,470	31,740
EQUITY										
Accumulated Surplus (Deficit)	(3,150)	(3,792)	(4,457)	(5,140)	(5,843)	(6,565)	(7,308)	(8,072)	(8,857)	(9,664)
Asset Revaluation Reserve	12,242	12,242	12,242	12,242	16,259	16,259	16,259	16,259	16,259	20,336
Council Contribution	21,069	21,069	21,069	21,069	21,069	21,069	21,069	21,069	21,069	21,069
TOTAL EQUITY	30,161	29,518	28,853	28,170	31,484	30,762	30,019	29,255	28,470	31,740

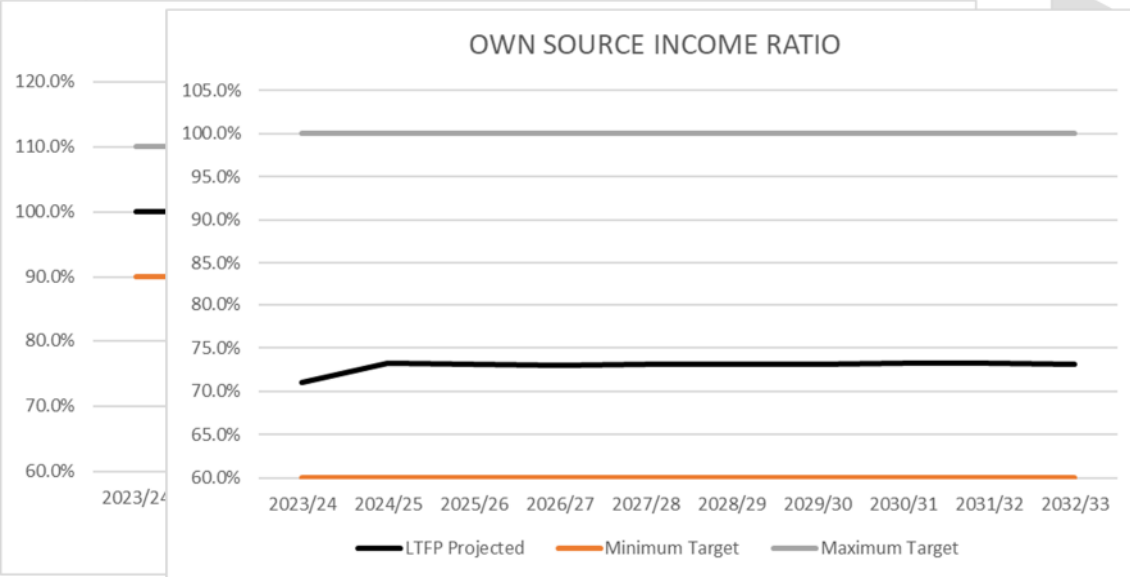
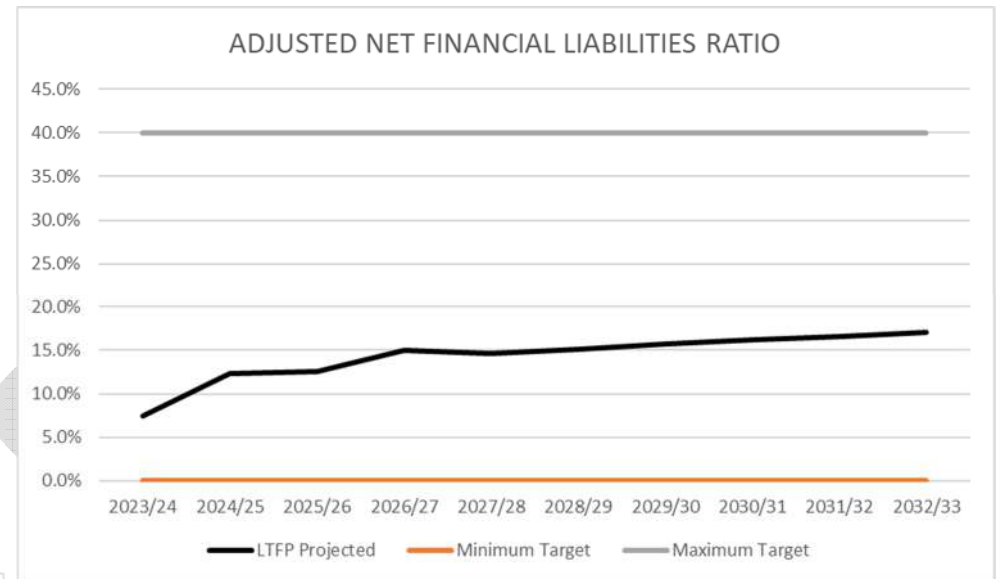
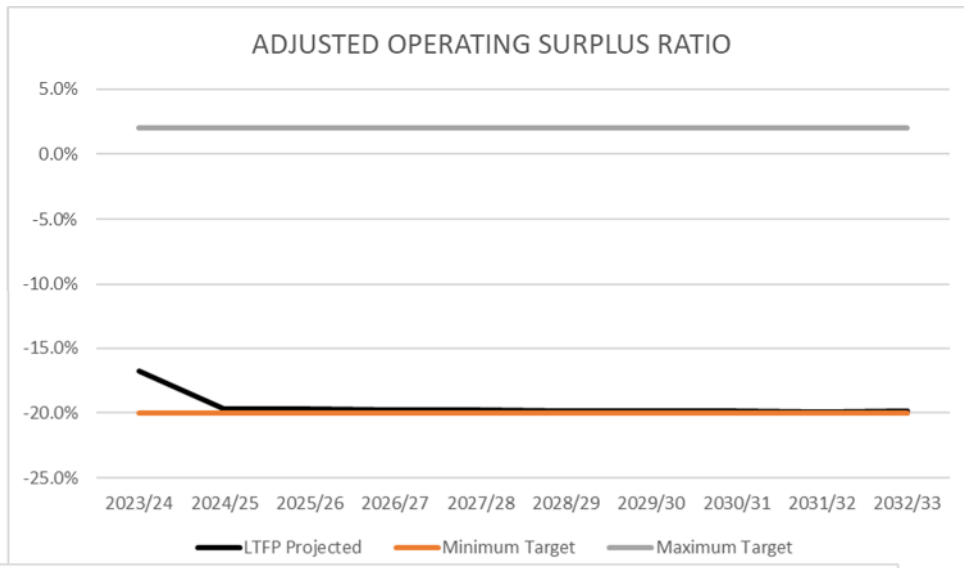
STATEMENT OF CASH FLOWS	2023/24 Adopted Budget	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast	2029/30 Forecast	2030/31 Forecast	2031/32 Forecast	2032/33 Forecast
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM OPERATING ACTIVITIES										
Receipts										
Operating Receipts	3,209	3,240	3,354	3,451	3,544	3,640	3,738	3,840	3,948	4,060
Investment Receipts	23	25	19	10	8	4	0	0	0	0
Payments										
Operating Payments to Suppliers & Employees	(3,232)	(3,201)	(3,313)	(3,407)	(3,503)	(3,600)	(3,701)	(3,805)	(3,911)	(4,021)
Finance Payments	(1)	(60)	(56)	(51)	(45)	(40)	(34)	(31)	(33)	(35)
Net Cash provided by (or used in) Operating Activities	(1)	4	4	3	3	4	4	4	4	4
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Amounts specifically for new or upgraded assets	750	-	-	-	-	-	-	-	-	-
Payments										
Expenditure on renewal/replacement of assets	(110)	(162)	(21)	(97)	-	(33)	(33)	(34)	(35)	(35)
Expenditure on new/upgraded assets	(1,500)	-	-	-	-	-	-	-	-	-
Net Cash provided by (or used in) Investing Activities	(860)	(162)	(21)	(97)	-	(33)	(33)	(34)	(35)	(35)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Proceeds from Borrowings	1,000	-	-	-	-	-	-	130	150	150
Payments										
Repayments of Borrowings	-	(75)	(80)	(85)	(90)	(96)	(102)	(108)	(115)	(122)
Net Cash provided by (or used in) Financing Activities	1,000	(75)	(80)	(85)	(90)	(96)	(102)	22	35	28
Net Increase / (Decrease) in cash held	139	(232)	(97)	(179)	(87)	(124)	(131)	(8)	4	(3)
Cash & cash equivalents at beginning of period	723	863	630	533	354	267	143	12	4	8
Cash & cash equivalents at the end of the reporting period	863	630	533	354	267	143	12	4	8	5

	2023/ 24 Adopted Budget	2024/ 25 Forecast	2025/ 26 Forecast	2026/ 27 Forecast	2027/ 28 Forecast	2028/ 29 Forecast	2029/ 30 Forecast	2030/ 31 Forecast	2031/ 32 Forecast	2032/ 33 Forecast
STATEMENT OF CHANGES IN EQUITY	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ACCUMULATED SURPLUS										
Balance at end of previous reporting period	(3,356)	(3,150)	(3,792)	(4,457)	(5,140)	(5,843)	(6,565)	(7,308)	(8,072)	(8,857)
Net Surplus / (Deficit) for Year	207	(642)	(665)	(684)	(703)	(722)	(743)	(763)	(785)	(807)
Balance at end of period	(3,150)	(3,792)	(4,457)	(5,140)	(5,843)	(6,565)	(7,308)	(8,072)	(8,857)	(9,664)
ASSET REVALUATION RESERVE										
Balance at end of previous reporting period	12,242	12,242	12,242	12,242	12,242	16,259	16,259	16,259	16,259	16,259
Gain / (loss) on revaluation of infrastructure, property, plant & equipment	-	-	-	-	4,017	-	-	-	-	4,077
Balance at end of period	12,242	12,242	12,242	12,242	16,259	16,259	16,259	16,259	16,259	20,336
COUNCIL CONTRIBUTIONS										
Balance at end of previous reporting period	21,069	21,069	21,069	21,069	21,069	21,069	21,069	21,069	21,069	21,069
Balance at end of period	21,069	21,069	21,069	21,069	21,069	21,069	21,069	21,069	21,069	21,069
TOTAL EQUITY AT END OF REPORTING PERIOD	30,161	29,518	28,853	28,170	31,484	30,762	30,019	29,255	28,470	31,740

	2023/ 24 Adopted Budget	2024/ 25 Forecast	2025/ 26 Forecast	2026/ 27 Forecast	2027/ 28 Forecast	2028/ 29 Forecast	2029/ 30 Forecast	2030/ 31 Forecast	2031/ 32 Forecast	2032/ 33 Forecast
UNIFORM PRESENTATION OF FINANCES	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenues	3,232	3,266	3,373	3,461	3,551	3,644	3,738	3,840	3,948	4,060
less Operating Expenses	(3,775)	(3,908)	(4,038)	(4,145)	(4,254)	(4,366)	(4,481)	(4,603)	(4,733)	(4,867)
	(543)	(642)	(665)	(684)	(703)	(722)	(743)	(763)	(785)	(807)
Net Outlays on Existing Assets										
Capital Expenditure on renewal and replacement of Existing Assets	(110)	(162)	(21)	(97)	-	(33)	(33)	(34)	(35)	(35)
add back Depreciation, Amortisation and Impairment	543	642	665	684	703	722	743	763	785	807
add back Proceeds from Sale of Replaced Assets	-	-	-	-	-	-	-	-	-	-
	433	480	643	587	703	690	709	729	750	771
Net Outlays on New and Upgraded Assets										
Capital Expenditure on New and Upgraded Assets	(1,500)	-	-	-	-	-	-	-	-	-
add back Amounts received specifically for New and Upgraded Assets	750	-	-	-	-	-	-	-	-	-
add back Proceeds from Sale of Surplus Assets	-	-	-	-	-	-	-	-	-	-
	(750)	-	-	-	-	-	-	-	-	-
Net Lending / (Borrowing) for Financial Year	(861)	(162)	(22)	(97)	(0)	(32)	(34)	(34)	(35)	(36)

Appendix B - Estimated Key Financial Indicators

	2023/24 Adopted Budget	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast	2029/30 Forecast	2030/31 Forecast	2031/32 Forecast	2032/33 Forecast
FINANCIAL INDICATORS										
ADJUSTED OPERATING SURPLUS RATIO										
Adjusted Operating Surplus / Deficit	(543)	(642)	(665)	(684)	(703)	(722)	(743)	(763)	(785)	(807)
Total Adjusted Operating Revenue	3,232	3,266	3,373	3,461	3,551	3,644	3,738	3,840	3,948	4,060
LTFP Projected	-16.8%	-19.7%	-19.7%	-19.7%	-19.8%	-19.8%	-19.9%	-19.9%	-19.9%	-19.9%
Minimum Target:	-20%	-20%	-20%	-20%	-20%	-20%	-20%	-20%	-20%	-20%
Maximum Target:	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
ADJUSTED NET FINANCIAL LIABILITIES RATIO										
Net Financial Liabilities	239	401	422	519	520	552	586	620	655	690
Total Adjusted Operating Revenue	3,232	3,266	3,373	3,461	3,551	3,644	3,738	3,840	3,948	4,060
LTFP Projected	7.4%	12.3%	12.5%	15.0%	14.6%	15.2%	15.7%	16.1%	16.6%	17.0%
Minimum Target:	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Maximum Target:	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%
ASSET RENEWAL FUNDING RATIO										
Net Asset Renewals	110	162	21	97	-	33	33	34	35	35
Asset Renewals per AMP	110	162	21	97	-	33	33	34	35	35
LTFP Projected	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Minimum Target:	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
Maximum Target:	110%	110%	110%	110%	110%	110%	110%	110%	110%	110%
OWN SOURCE INCOME RATIO										
Operating Income excluding Council Contributions	2,298	2,391	2,467	2,527	2,595	2,664	2,735	2,811	2,890	2,971
Operating Expenditure excluding Depreciation	3,233	3,266	3,373	3,461	3,551	3,644	3,739	3,840	3,948	4,060
LTFP Projected	71.1%	73.2%	73.1%	73.0%	73.1%	73.1%	73.2%	73.2%	73.2%	73.2%
Minimum Target:	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%
Maximum Target:	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%



Note on adoption: The Long Term Financial Plan 2034/24 to 2032/33 was adopted by the Authority on xxxxxxx effective from that date. The Authority prepares its Annual Business Plan and Budget each year, taking into account its long term financial position.

Document History

VERSION	DOCUMENT	ACTION	DATE
0.1	Draft	Considered by Authority Audit and Risk Management Committee (as a draft)	5 December 2023
0.2	Draft	Authority Board endorsement for the purposes of public consultation	
0.3	Final draft	Authority Board endorsement	
1.0	Approved version 1.0	Alexandrina Council – Council endorsement City of Victor Harbor – Council endorsement	

HOW TO CONTACT US:

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To: FRAC Authority Board
From: Kellie Knight-Stacey – Acting Executive Officer
Subject: 8.1 2022/23 Board Self-Assessment
Date: 7 December 2023
References: Nil
Consultation: Nil
Confidential
Attachments:

Recommendation

Pursuant to section 90(2) of the Local Government Act 1999, the Committee orders that all members of the public be excluded, with the exception of Acting Executive Officer Kellie Knight-Stacey and Administration Officer Danielle Leckie, on the basis that it will receive and consider item 8.1 2022/23 Board Self-Assessment.

The Committee is satisfied, pursuant to section 90(3)(a) of the Act, that the information to be received, discussed or considered in relation to this Agenda Item is:

Information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)

personal affairs of a person includes—

(a) that person's—

(i) financial affairs;

(ii) criminal records;

(iii) marital or other personal relationships;

(iv) personal qualities, attributes or health status;

(b) that person's employment records, employment performance or suitability for a particular position, or other personnel matters relating to the person, but does not include the personal affairs of a body corporate.

Accordingly, the Board is satisfied that the principle that the meeting should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential to prevent the unreasonable disclosure of information relating to the personal affairs for a particular person or persons.

To: FRAC Authority Board
From: Kellie Knight-Stacey – Acting Executive Officer
Subject: 8.2 2023/24 YMCA Performance Report – Q1
Date: 7 December 2023
References: Nil
Consultation: James Lomax, YMCA
Confidential 8.2a 2023/24YMCA Performance Report – Q1
Attachments:

Recommendation

Pursuant to section 90(2) of the Local Government Act 1999, the Authority orders that all members of the public be excluded, with the exception of Acting Executive Officer Kellie Knight-Stacey, Administration Officer Danielle Leckie, on the basis that it will receive and consider item 8.2 2023/24 YMCA Performance Report – Q1.

The Authority is satisfied, pursuant to section 90(3)(d) of the Act, that the information to be received, discussed or considered in relation to this Agenda Item is:

commercial information of a confidential nature (not being a trade secret) the disclosure of which –

(i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and

(ii) would, on balance, be contrary to the public interest.

Accordingly, the Authority is satisfied that the principle that the meeting should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential to prevent the disclosure of commercial information of a confidential nature (not being a trade secret) as it includes information that may prejudice the commercial position of the Authority.

To: FRAC Authority Board
From: Kellie Knight-Stacey – Acting Executive Officer
Subject: 8.3 External Audit Services 2022-2023
Date: 7 December 2023
References: Nil
Consultation: Dean Newbery
Confidential
Attachments:

Recommendation

Pursuant to section 90(2) of the Local Government Act 1999, the Authority orders that all members of the public be excluded, with the exception of Kellie Knight-Stacey, Acting Executive Officer and Danielle Leckie, Administration Officer, on the basis that it will receive and consider item 8.3 External Audit Services 2022-2023.

The Authority is satisfied, pursuant to section 90(3)(d) of the Act, that the information to be received, discussed or considered in relation to this Agenda Item is:

commercial information of a confidential nature (not being a trade secret) the disclosure of which –

- (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and*
- (ii) would, on balance, be contrary to the public interest.*

Accordingly, the Authority is satisfied that the principle that the meeting should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential to prevent the disclosure of commercial information of a confidential nature (not being a trade secret) as it includes information relating to a commercial contract of the Authority with a third party.

To: FRAC Authority Board
From: Kellie Knight-Stacey – Acting Executive Officer
Subject: 8.4 Energy Efficiency
Date: 7 December 2023
References: Nil
Consultation: Audit and Risk Management Committee
Confidential
Attachments:

Recommendation

Pursuant to section 90(2) of the Local Government Act 1999, the Authority orders that all members of the public be excluded, with the exception of Kellie Knight-Stacey, Acting Executive Officer and Danielle Leckie, Administration Officer, on the basis that it will receive and consider item 8.4 Energy Efficiency.

The Authority is satisfied, pursuant to section 90(3)(d) of the Act, that the information to be received, discussed or considered in relation to this Agenda Item is:

commercial information of a confidential nature (not being a trade secret) the disclosure of which –

- (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and*
- (ii) would, on balance, be contrary to the public interest.*

Accordingly, the Authority is satisfied that the principle that the meeting should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential to prevent the disclosure of commercial information of a confidential nature (not being a trade secret) as it includes information relating to a current commercial tender process.