



5 August 2022

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File Ref: GOV9.14.041

Dear Board Member

### **NOTICE OF MEETING**

Notice is hereby given pursuant to the Victor Harbor Horse Tram Authority Charter and Section 87(4) of the Local Government Act, 1999, as amended that a meeting for the **Victor Harbor Horse Tram Authority** has been called for:-

**DATE:** Tuesday, 9 August 2022

**TIME:** 3pm

**PLACE:** Encounter Room, Civic Centre, 1 Bay Road, Victor Harbor

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

Yours faithfully

**Megan Whibley**  
**General Manager**

Victor Harbor Horse Tram Authority

*Please be advised that filming, photography and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999.*



**1. Open Meeting/Welcome**

**2. Attendance**

Nigel Catt (Chair)  
Paul Brown  
Rachel Kennedy  
Natasha Hunt

Megan Whibley (General Manager VHHTA)  
Tamar Herron (Minute Secretary VHHTA)

Kellie Knight-Stacey (Acting Director Corporate and Customer Service)

**3. Apologies**

Cr Carol Schofield AM

**4. Minutes of Previous meeting**

4.1	Board Meeting Minutes Report – 12 April 2022, 10 May 2022, 12 May 2022	3
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**5. Adjourned Item(s)**

Nil

**6. Reports for Receiving and Noting only**

6.1	Resolutions Register Report	15
6.2	Audit Committee Meeting Minutes Report	21

**7. Reports for Decision**

7.1	Changes to the VHHTA Procurement Policy	26
7.2	Chester's Retirement Plan	35

**8. Presentation(s)**

Nil



**9. Discussion Items – No decision(s)**

- 9.1 End of Financial Year Information update
- 9.2 COVH Covid-19 Vaccination Policy

**10. Correspondence Received**

Nil

**11. Urgent Business without Notice**

Nil

**12. Confidential Reports**

Nil

**Next Meeting**

Tuesday 13 September 2022, 3pm – Encounter Room

**Meeting Close**

**Please be advised**

- *That filming, photography and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999.*
  
- *To comply with COVID-19 physical distancing requirements, places in the public gallery are limited and will be filled on a 'first in' basis.*



Meeting **Victor Harbor Horse Tram Authority**  
Date **9 August 2022**  
From **Megan Whibley**  
Subject **Board Meeting Minutes – 12 April 2022, 10 May 2022 and 12 May 2022**  
Report Number **4.1**

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## **RECOMMENDATION**

- 1. That the minutes of the previous Victor Harbor Horse Tram Authority Board Meeting held Tuesday, 12 April 2022, be confirmed as a true and accurate record.**
- 2. That the minutes of the previous Victor Harbor Horse Tram Authority Board Special Meeting held Tuesday, 10 May 2022, be confirmed as a true and accurate record.**
- 3. That the minutes of the previous Victor Harbor Horse Tram Authority Board Special Meeting held Thursday, 12 May 2022, be confirmed as a true and accurate record.**

## **INFORMATION**

### **Purpose**

The purpose of this report is to present the Victor Harbor Horse Tram Authority minutes for the meetings held on 12 April 2022, 10 May 2022 and 12 May 2022 for confirmation.

### **Background**

A Board meeting of the Victor Harbor Horse Tram Authority was held on Tuesday, 12 April 2022. A special Board meeting of the Victor Harbor Horse Tram Authority was held on Tuesday 10 May 2022 and Thursday 12 May 2022.

### **Commentary**

The minutes for the Victor Harbor Horse Tram Authority meeting held Tuesday, 12 April 2022 were distributed to Members on Friday, 15 April 2022. The minutes for the Victor Harbor Horse Tram Authority special meetings held Tuesday 10 May 2022 and Thursday 12 May 2022 were distributed to Members on Friday, 13 May 2022.

A copy of the minutes are provided at attachments A, B and C to this report.

## **RISK ASSESSMENT**

**Legal and Compliance** – The minutes were prepared and distributed to members in line with legislation. This risk is assessed as **low**.

## **REFERENCES**

Nil

## **BUDGET IMPLICATIONS**

Excluding endorsed budgeted staff resources there are no budget implications in confirming the Victor Harbor Horse Tram Authority minutes.

No additional funds are required.

## **CONSULTATION**

Victor Harbor Horse Tram Authority Board members

**Minutes of the Victor Harbor Horse Tram Authority  
Board Meeting  
For meeting Tuesday 12 April 2022 Commencing  
at 3:00pm Encounter Room**



**Present**

Nigel Catt (Chair)  
Cr Carol Schofield AM  
Paul Brown  
Rachel Kennedy  
Natasha Hunt (Via Zoom)

**In Attendance**

Megan Whibley (General Manager VHHTA)  
Tamar Herron (Minute Secretary VHHTA)

Karen Rokicinski (Director Corporate and Customer Service CVH)

**Commencement**

The meeting commenced at 3:04 pm

**3. Apologies**

Nil

**4. Minutes of the Previous Meeting**

**4.1 Board Meeting Minutes – 8 February 2022, 16 February 2022 and 8 March 2022**

VHHTA299 Moved: Paul Brown  
Seconded: Carol Schofield

1. That the minutes of the previous Victor Harbor Horse Tram Authority Board Meeting held Tuesday, 8 February 2022, be confirmed as a true and accurate record.
2. That the minutes of the previous Victor Harbor Horse Tram Authority Board Special Meeting held Wednesday, 16 February 2022, be confirmed as a true and accurate record.
3. That the minutes of the previous Victor Harbor Horse Tram Authority Board Special Meeting held Tuesday, 8 March 2022, be confirmed as a true and accurate record.

**CARRIED**



**Minutes of the Victor Harbor Horse Tram Authority  
Board Meeting  
For meeting Tuesday 12 April 2022 Commencing  
at 3:00pm Encounter Room**



**7. Reports for decision**

**7.1 Proposed Changes to the Victor Harbor Horse Tram Authority Charter**

VHHTA303            Moved:        Paul Brown  
                          Seconded:    Natasha Hunt

1. That the Victor Harbor Horse Tram Authority Board receive and note the Proposed Changes to the Victor Harbor Horse Tram Authority Charter report.

**CARRIED**

VHHTA304            Moved:        Natasha Hunt  
                          Seconded:    Paul Brown

2. That the Victor Harbor Horse Tram Authority Board;
  - a. endorse the Proposed Changes to the Victor Harbor Horse Tram Authority Charter as provided at attachment A, and;
  - b. seek the endorsement of Council in relation to the Charter changes and that they further seek approval from the Minister.

**CARRIED**

**7.2 Draft Business Plan Annual Revision 2022**

VHHTA305            Moved:        Rachel Kennedy  
                          Seconded:    Carol Schofield

1. That the Victor Harbor Horse Tram Authority Board receive and note the Draft Business Plan Annual Revision 2022 Report.

**CARRIED**

VHHTA306            Moved:        Paul Brown  
                          Seconded:    Rachel Kennedy

2. That the Victor Harbor Horse Tram Authority Board endorse the annually revised Draft Business Plan 2021-23 as provided at Attachment A, subject to



**Minutes of the Victor Harbor Horse Tram Authority  
Board Meeting  
For meeting Tuesday 12 April 2022 Commencing  
at 3:00pm Encounter Room**



minor changes as discussed and emailed, and provide the plan to City of Victor Harbor.

**CARRIED**

**7.3 Draft Capital Budget 2022/23**

VHHTA307 Moved: Carol Schofield  
Seconded: Paul Brown

1. That the Victor Harbor Horse Tram Authority Board receive and note the Draft Capital Budget 2022/23 report.

**CARRIED**

VHHTA308 Moved: Rachel Kennedy  
Seconded: Paul Brown

2. That the Victor Harbor Horse Tram Authority Board endorse the Draft Capital Budget 2022/23 as provided in the Capital Budget / Assets Management Plan 2022/23 at attachment A to this report, and recommend it to Council for their approval.

**CARRIED**

**8. Presentations**

Nil

**9. Discussion Items – No decision(s)**

- 9.1 Discussion around the opening of the finished merchandise area after window installation in May / June was an agenda item for the 12 April meeting, but occurred prior to the meeting during the information / briefing session.

**10. Correspondence Received**

Nil

**11. Urgent Business without Notice**

Nil

**Minutes of the Victor Harbor Horse Tram Authority  
Board Meeting  
For meeting Tuesday 12 April 2022 Commencing  
at 3:00pm Encounter Room**



**12. Confidential Item(s)**

Nil

**13. Next Meetings**

Tuesday 7 June 2022, 10m – Encounter Room, TBC

**14. Meeting Closed.**

The Chair declared the meeting closed at 4:01pm

***Please be advised** that filming, photography and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999.*



**Minutes of the Victor Harbor Horse Tram Authority  
Special Board Meeting  
For meeting Tuesday 10 May 2022 Commencing  
at 3pm, Encounter Room**



#### **4.2 Final Adoption - Capital and Operating Budget 2022/23**

VHHTA311                 Moved:         Rachel Kennedy  
                                Seconded:    Paul Brown

1. That the Victor Harbor Horse Tram Authority receive and note the Final Adoption - Capital and Operating Budget 2022/23 report.

**CARRIED**

VHHTA312                 Moved:         Natasha Hunt  
                                Seconded:    Rachel Kennedy

2. That:

- the Victor Harbor Horse Tram Authority adopt the 2022/23 Operating Budget in the accompanying financial statements as provided at Attachment A to this report, detailing a Council contribution of \$415,000 (operating deficit) and consistent with the approval given by the Council at their meeting on 28 February 2022; and
- the Victor Harbor Horse Tram Authority adopt the 2022/23 Capital Budget in the accompanying Capital Asset Management Plan as provided at Attachment B to this report, detailing net capital expenditure of \$131,000 and consistent with the approval given by the Council at their meeting on 26 April 2022; and
- the Victor Harbor Horse Tram Authority provide a copy of the adopted budget to Council, as required by section 5.4 of the Charter.

**CARRIED**

#### **13. Next Meetings**

Tuesday 7 June 2022, 10am – Encounter Room, TBC

#### **14. Meeting Closed.**

The Chair declared the meeting closed at 3:45pm

**Minutes of the Victor Harbor Horse Tram Authority  
Special Board Meeting  
For meeting Tuesday 10 May 2022 Commencing  
at 3pm, Encounter Room**



***Please be advised** that filming, photography and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999.*



**Minutes of the Victor Harbor Horse Tram Authority  
Special Board Meeting  
For meeting Thursday 12 May 2022 Commencing  
at 12:30pm, Via Zoom**



**4.2 Proposed Changes to the Victor Harbor Horse Tram Authority Charter**

VHHTA315                    Moved:       Paul Brown  
                                    Seconded:    Carol Schofield

1. That the Victor Harbor Horse Tram Authority receive and note the Proposed Changes to the Victor Harbor Horse Tram Authority Charter report.
  
2. That the Victor Harbor Horse Tram Authority Board;
  - a. endorse the Proposed Changes to the Victor Harbor Horse Tram Authority Charter as provided at attachment A, and;
  
  - b. seek the endorsement of Council in relation to the Charter changes and that they further seek approval from the Minister.

**CARRIED**

**13. Next Meetings**

Tuesday 7 June 2022, 10am – Encounter Room, TBC

**14. Meeting Closed.**

The Chair declared the meeting closed at 12:37pm

***Please be advised** that filming, photography and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999.*

Meeting **Victor Harbor Horse Tram Authority**

Date **9 August 2022**

From **Megan Whibley**

Subject **Resolutions Register Report**

Report Number **6.1**

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## **RECOMMENDATION**

That the Victor Harbor Horse Tram Authority receive and note the Outstanding Resolutions Register report.

## **INFORMATION**

### **Purpose**

The purpose of this report is to review the outstanding resolutions register and determine the best course of action for items where required.

### **Background**

The General Manager is to maintain a register of outstanding resolutions and implement resolutions of the Board in a timely and efficient manner.

The outstanding resolutions report lists all the outstanding resolutions from previous Board meetings, with a progress note against each resolution. Completed items are removed from the register for the following Board meeting to ensure that the list remains a current working document of outstanding resolutions that require action.

### **Commentary**

The current outstanding resolutions register is provided at attachment A.

## **RISK ASSESSMENT**

**Corporate Governance** –The Board must manage its governance risk of implementing decisions of the Board and associated actions as well as undertake duties as required by the Local Government Act 1999 Section 99(1)(a) and the Charter within approved budgets and required time frames. This report provides a mechanism for the Board to monitor progress of resolutions, work and actions and to manage the associated governance risk. The risk is assessed as **low**.

**Socio Political, Community Issues / Reputation** – There may be some concern from Board members, Council and the broader community if resolutions are not actioned in a timely



manner or if the current Board determines to resolve contrary to an earlier resolution. The risk is assessed as *medium*.

## **BUDGET IMPLICATIONS**

There are no budget implications associated with the Board receiving and noting this report.

The majority of tasks on the outstanding resolutions register will be undertaken by the General Manager Horse Tram Authority as scheduled and without requirement for additional funds. Where additional funds are required to achieve items on the resolutions register, endorsement by the Horse Tram Authority Board, or where applicable, budget bids to Council, will be applied to individual items as required.



Attachment A  
**VHHTA – Outstanding Resolutions Register – updated 5-Aug-22**  
 \*newest at top

Date	Minute Number	Resolution	Status/Update
<i>Leave blank</i>			
12 May 2022	VHHTA315	That the Victor Harbor Horse Tram Authority Board; <ul style="list-style-type: none"> <li>a. endorse the Proposed Changes to the Victor Harbor Horse Tram Authority Charter as provided at attachment A, and;</li> <li>b. seek the endorsement of Council in relation to the Charter changes and that they further seek approval from the Minister.</li> </ul>	Complete  Complete – Waiting on CEO to furnish a copy of the Charter, with approved changes, to the Minister, and to publish a message in the Government Gazette. At that time the VHHTA will publish a copy of the amended Charter on its website.
12 May 2022	VHHTA314	. That the Victor Harbor Horse Tram Authority: <ul style="list-style-type: none"> <li>(i) endorse the March Quarterly Budget Review 2021/22 as presented at attachment A to this report, noting an unchanged contribution from Council (operating deficit) of \$415,400; and</li> <li>(ii) provide the Budget Review to Council.</li> </ul>	Complete  Approved by the Council, at a Council Special Meeting – 30 May 2022
12 May 2022	VHHTA313	That the Victor Harbor Horse Tram Authority:	



Attachment A

Date	Minute Number	Resolution	Status/Update
		(i) endorse the March Quarterly Budget Review 2021/22 as presented at attachment A to this report, noting an unchanged contribution from Council (operating deficit) of \$415,400; and  (ii) provide the Budget Review to Council.	Complete  Complete
10 May 2022	VHHTA312	. That: <ul style="list-style-type: none"> <li>• the Victor Harbor Horse Tram Authority adopt the 2022/23 Operating Budget in the accompanying financial statements as provided at Attachment A to this report, detailing a Council contribution of \$415,000 (operating deficit) and consistent with the approval given by the Council at their meeting on 28 February 2022; and</li> <li>• the Victor Harbor Horse Tram Authority adopt the 2022/23 Capital Budget in the accompanying Capital Asset Management Plan as provided at Attachment B to this report, detailing net capital expenditure of \$131,000 and consistent with the approval given by the Council at their meeting on 26 April 2022; and</li> <li>• the Victor Harbor Horse Tram Authority provide a copy of the adopted budget to Council, as required by section 5.4 of the Charter.</li> </ul>	Complete  Complete  Complete
10 May 2022	VHHTA310	That the Victor Harbor Horse Tram Authority: <ul style="list-style-type: none"> <li>(i) endorse the March Quarterly Budget Review 2021/22 as presented at attachment A to this report, noting an unchanged contribution from</li> </ul>	Complete



Attachment A

Date	Minute Number	Resolution	Status/Update
		<p>Council (operating deficit) of \$415,400; and</p> <p>(ii) provide the Budget Review to Council.</p>	<p>Approved by the Council, at a Council Special Meeting – 30 May 2022</p>
<p><b>12 April 2022</b></p>	<p>VHHTA308</p>	<p>That the Victor Harbor Horse Tram Authority Board endorse the Draft Capital Budget 2022/23 as provided in the Capital Budget / Assets Management Plan 2022/23 at attachment A to this report,</p> <p>and recommend it to Council for their approval.</p>	<p>Complete</p>
<p><b>12 April 2022</b></p>	<p>VHHTA306</p>	<p>That the Victor Harbor Horse Tram Authority Board</p> <p>endorse the annually revised Draft Business Plan 2021-23 as provided at Attachment A, subject to minor changes as discussed and emailed,</p> <p>and provide the plan to City of Victor Harbor.</p>	<p>Complete</p> <p>Complete</p>
<p><b>12 April 2022</b></p>	<p>VHHTA304</p>	<p>2. That the Victor Harbor Horse Tram Authority Board;</p> <p>a. endorse the Proposed Changes to the Victor Harbor Horse Tram Authority Charter as provided at attachment A, and;</p> <p>b. seek the endorsement of Council in relation to the Charter changes and that they further seek approval from the Minister.</p>	<p>Complete</p> <p>Complete (Mirrored above at 12 May 2022 - VHHTA315)</p>
<p><b>8 March 2022</b></p>	<p>VHHTA298</p>	<p>That the Victor Harbor Horse Tram Authority Board:</p>	



Attachment A

Date	Minute Number	Resolution	Status/Update
		<p>(a) endorse that the Victor Harbor Horse Tram Authority apply for a loan with the Local Government Finance Authority, being a Cash Advance Debenture of \$200,000; and</p> <p>(b) seek approval from the City of Victor Harbor that, as the entity responsible for the establishment of the Subsidiary, they act as guarantor for the Cash Advance Debenture; and</p> <p>(c) subject to approval of the Cash Advance Debenture by LGFA, authorise the Board Chair and the VHHTA General Manager to execute the relevant loan agreements and affix the subsidiary common seal thereto.</p>	<p>Complete</p> <p>Complete – Council approval provided – 28 March 2022 Council meeting</p> <p>Complete</p>
<b>8 February 2022</b>	Discussion item	VHHTA adopt a Covid-19 Vaccination Policy.	See Discussion Item 9.2
<b>1 December 2020</b>	VHHTA209	That the General Manager present a report to the Victor Harbor Horse Tram Authority Board prior to the setting of the 2021/2022 budget, that includes information on our training policy and our budget requirements for training, so as to provide direction for the Board.	In Progress – Training Policy for VHHTA is in early stages of development, in consultation with CVH.
<b>20 Aug 2019</b>	VHHTA96	That the Victor Harbor Horse Tram Authority examine the policy associated with sales and Merchandise.	In progress – this needs to be developed.



Meeting **Victor Harbor Horse Tram Authority**  
Date **9 August 2022**  
From **Megan Whibley**  
Subject **Audit Committee Public Minutes – Tuesday 10 May 2022**  
Report Number **6.2**

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## **RECOMMENDATION**

**That the Victor Harbor Horse Tram Authority receive and note the unconfirmed public minutes of the Audit Committee meeting 10 May 2022 at attachment A to this report.**

## **INFORMATION**

### **Purpose**

The purpose of this report is to receive and note the minutes of the Audit Committee meeting held on Tuesday, 10 May 2022 and to consider recommendations from the Audit Committee.

### **Background**

The Audit Committee minutes from the meeting held on Tuesday, 10 May 2022 were distributed to Members on Friday, 13 May 2022.

### **Commentary**

During the meeting held 10 August 2021, the Audit Committee made the following Action List notes regarding recommended changes to the VHHTA Procurement Policy;

9.1.1 Action: Two Board Members to approve the Manager's monthly credit card expenditure.

9.1.2 Action: VHHTA Manager to present proposed changes of the Procurement Policy to the Audit Committee, so as to state that two Board Members will approve the Manager's monthly credit card expenditure, and to include a sentence stating that funds (for capital and/or operating purchases) will be used from either the current at-call bank account and / or Local Government Finance Authority funds, as required.

The VHHTA Manager presented the proposed changes to the Procurement Policy to the Audit Committee, via email, on Tuesday 31 May 2022.

A copy of the 10 May 2022 Audit Committee minutes are provided at attachment A to this report.

## **RISK ASSESSMENT**

**Legal and Compliance** – The minutes were prepared and distributed to members in line with legislative requirements. This risk is assessed as **low**.

## **REFERENCES**

VHHTA Charter

The Local Government Act 1999

Local Government (Financial Management) Regulations 2011

## **BUDGET IMPLICATION**

Excluding endorsed budgeted staff resources there are no budget implications in the preparation and receipt of this report.

No additional funds are required

## **CONSULTATION**

Audit Committee Members







Minutes of the Victor Harbor Horse Tram Authority  
Audit Committee Meeting  
For meeting Tuesday 10 May 2022  
Commencing at 12:30pm, Encounter Room



and/or operating purchases) will be used from either the current at-call bank account and / or Local Government Finance Authority funds, as required.

9.2 Capital Budget – Financial Asset Management Plan / LGFA Funds

**10. Correspondence Received**

Nil

**11. Urgent Business without Notice**

Nil

**12. Confidential Item(s)**

Nil

**13. Next Meetings**

Tuesday 13 September 2022, 12:30pm at the Encounter Room

**14. Meeting Closed.**

1:22pm

***Please be advised** that filming, photography and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999.*



Meeting **Victor Harbor Horse Tram Authority**  
Date **9 August 2022**  
From **Megan Whibley**  
Subject **Changes to the VHHTA Procurement Policy**  
Report Number **7.1**

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## **RECOMMENDATION**

- 1. That the Victor Harbor Horse Tram Authority receive and note the Changes to the VHHTA Procurement Policy report.**
- 2. That the Victor Harbor Horse Tram Authority endorse the changes to the Procurement Policy, as recommended by the Audit Committee, and as detailed at attachment A to this report.**

## **INFORMATION**

### **Purpose**

The purpose of this report is to review and approve recommendations from the Audit Committee for changes to the VHHTA Procurement Policy.

### **Background**

One role of an Audit Committee is to provide recommendations to the VHHTA regarding financial, strategic or corporate risk. Policies of the VHHTA provide details and particulars as to how the VHHTA is managing those risks.

### **Commentary**

At the 10 May 2022 Audit Committee meeting the VHHTA requested guidance as to how to achieve oversight regarding the VHHTA's credit card expenditures. The Audit Committee recommended that two members of the Board should review and approve VHHTA credit card monthly expenditure;

*9.1.1 Action: Two Board Members (currently Nigel Catt and Rachel Kennedy) to approve the Manager's monthly credit card expenditure.*

The Audit Committee also recommended that the VHHTA insert the following content into the VHHTA Procurement Policy;

*9.1.2 Action: VHHTA Manager to present proposed changes of the Procurement Policy to the Audit Committee, so as to state that two Board Members will approve the Manager's monthly credit card expenditure, and to include a sentence stating that funds (for capital and/or operating purchases) will be used from either the current at-call bank account and / or Local Government Finance Authority funds, as required.*

Edits have been made to page three of the policy, where the word *Council* is replaced with *the Authority*, and also to the table in Schedule 1 where the City of Victor Harbor Staff are removed as appropriate delegates from the Procurement Table as the VHHTA no longer has any staff seconded from the City of Victor Harbor.

The VHHTA Manager presented the proposed changes to the Procurement Policy to the Audit Committee, via email, on Tuesday, 31 May 2022. The Committee approved the changes with some recommended minor edits.

The reviewed policy is provided at attachment A to this report.

## **RISK ASSESSMENT**

**Legal and Compliance** – The Victor Harbor Horse Tram Authority Audit Committee are tasked with reviewing policies and documents pertaining to the functions of the VHHTA. The recommended changes to the policy seek to improve the documents and its functionality for the VHHTA. The risk is assessed as **low**.

## **REFERENCES**

The Local Government Act 1999

VHHTA Charter

VHHTA Audit Committee Terms of Reference

## **BUDGET IMPLICATIONS**

Excluding endorsed budgeted staff resources there are no budget implications in the VHHTA endorsing the policy changes recommended by the Audit Committee.

No additional funds are required.



# Policy

<b>Policy Name</b>	<b><i>Procurement Policy</i></b>
<b>Policy/File Number</b>	ED4.12.012
<b>Review Frequency</b>	Every Three Years
<b>Attachments</b>	<i>Schedule 1 – Procurement Delegation Table</i>

## 1. Purpose

The purpose of this policy is to set out a clear direction to guide the Victor Harbor Horse Tram Authority for the acquisition of goods and services and carrying out of the procurement principles. This policy applies to the procurement of all goods, equipment and related services, construction contracts and service contracts (including maintenance).

## 2. Scope

The Authority's purchasing activities aim to achieve advantageous procurement outcomes by:

- promoting value for money with probity and accountability
- advancing the Authority's economic, social and environmental policies
- providing reasonable opportunity for competitive local businesses to supply to the Authority
- appropriately manages risk
- providing a framework to meet compliance with relevant legislation

## 3. Policy Statement (Summary)

The Victor Harbor Horse Tram Authority will strive to achieve value for money whilst taking into consideration probity and accountability, effective risk management including risks to health and safety of board members, employees, supporting local business, and efficiency in the procurement process.

## 4. Legislation and Compliance

Section 49 (1) of the *Local Government Act 1999* requires to prepare and adopt policies on contracts and tenders, including policies on the following:

- the contracting out of services
- competitive tendering and the use of other measures to ensure that services are delivered cost effectively
- the use of local goods and services
- the sale or disposal of land or other assets

The power and duty pursuant to *Section 49 (2)* of the *Local Government Act* to ensure that any policies on contracts and tenders

## 5. Definitions

**General Manager** means the General Manager of the Authority and includes a person acting in that position.

**Local Supplier** means a supplier of goods and/or services who conducts their business from the Victor Harbor area.

**Procurement Transactions** means transactions made with funds (for capital and/or operating purchases) used from either the current at-call bank account and / or Local Government Finance Authority funds, as required.

**Purchase Order** means a record generated by the Victor Harbor Horse Tram Authority used to engage a supplier to deliver work, goods or services.

## 6. Policy Content

Authority staff must have regard to the following procurement principles in all purchasing activities:

### 6.1 Open and effective competition

Purchasing should be open and result in effective competition in the provision of goods and services. The Authority must give fair and equitable consideration to all prospective suppliers.

### 6.2 Value for money

This is not restricted to price alone. An assessment of value for money must include, where possible, consideration of:

- a) the contribution to Victor Harbor Horse Tram Authority long term plan and strategic direction;
- b) any relevant direct and indirect benefits to Victor Harbor Horse Tram Authority, both tangible and intangible;
- c) efficiency and effectiveness of the proposed procurement activity;
- d) the performance history, quality, scope of service and support of each prospective supplier;
- e) fitness for purpose;
- f) whole of life costs - including costs of acquiring, using, maintaining and disposal;
- g) council's internal administration costs;
- h) technical compliance issues;
- i) risk exposure; and
- j) the value of any associated environmental benefits.

### 6.3 Probity, Ethical Behaviour, Fair Dealing and Professional Integrity

The Victor Harbor Horse Tram Authority will act with impartiality, fairness, openness, integrity, and professionalism in all discussions and negotiations with suppliers and their representatives.

At all stages of the procurement process the Victor Harbor Horse Tram Authority will ensure appropriate management of confidential information, conflicts of interest, gifts and gratuities (managed in accordance with Victor Harbor Horse Tram Authority Code of Conduct for Board Members, conflict of interest and gifts and benefits procedures, and Fraud and Corruption Policy).

#### 6.4 Accountability, Transparency and Reporting

To ensure appropriate probity standards are met, [the Authority Council](#) will operate with consistency and transparency in all procurement dealings. Procurement transactions will be undertaken in a manner that will withstand external scrutiny.

The Victor Harbor Horse Tram Authority must, in accordance with legislative and organisational requirements, keep appropriate records of all purchases.

The Victor Harbor Horse Tram Authority's Contracts and Tenders Registers should include a summary of contracts including contract values.

#### 6.5 Encouragement of the development of competitive local business and industry

The Authority encourages the development of competitive local businesses within the City of Victor Harbor areas and within the Fleurieu Region.

Where price, performance, quality, suitability and other evaluation criteria are comparable, the following areas may be considered in evaluating offers:

- environmentally friendly/ low impact considerations
- creation of local employment opportunities
- more readily available servicing support
- more convenient communications for contract management
- economic growth within the local area
- benefit to the Authority and/or the constituent communities of associated local commercial transaction

#### 6.6 Environmental protection

The Authority promotes environmental protection through its purchasing procedures.

In undertaking any purchasing activities the Authority will:

- promote the purchase of environmentally friendly goods and services that satisfy value for money criteria
- foster the development of products and processes of low environmental and climatic impact
- provide an example to business, industry and the community by promoting the use of climatically and environmentally friendly goods and services
- encourage environmentally responsible activities

#### 6.7 Contractors

Contractors are obliged to comply with the Board's policies on Workplace, Health and Safety and environmental protection.

#### 6.8 Purchase Orders

Purchase orders authorise the purchase of goods and services and need to be provided for all purchases except for:

- Government utilities
- Lease or contracts purchasing where the amount of use and/or the cost and/or the frequency is set in the agreement.
- Minor procurement via petty cash under \$100
- Minor procurement via credit card under \$100
- Credit card purchases for air fares and accommodation.

Standing Orders can be used to allow for minor regular purchases. The standing order needs to adhere to the purchasing policy and state the amount of authorised spending per month and the type of expenditure to be incurred.

**6.8.1 Purchases under \$10,000.00 (Exclusive of GST) Per Purchase**

- (a) for purchases under \$1,000 at least one verbal quote sought
- (b) for purchases between \$1,000 to \$5,000.00 at least one written quotation sought
- (c) for purchases between \$5,000.00 and \$10,000.00 at least two written quotations sought

Records of quotations must be registered and filed.

**6.8.2 Purchases between \$10,001.00 and \$50,000.00 (exclusive of gst) per purchase**

The Authority requires inviting written quotations before making a service agreement or contract for the carrying out of work or the supply of goods or services involving a cost of between \$10,001.00 and \$50,000.00. The invitation must be given to at least three persons/organisations who the Authority considers can meet its requirements at competitive prices.

Records of offers received must be registered and filed.

**6.8.4 Purchases above \$50,001.00 (exclusive of gst) per purchase**

This Policy requires inviting tenders before making a contract for the carrying out of work, or the supply of goods or services involving a cost of more than \$50,001.00.

The invitation must be via electronic method such as Tenders SA or alternative as nominated by the Authority allowing at least 21 days from the day of the advertisement for the submission of tenders.

Records of tenders received must be registered and filed.

**6.9 EXCEPTIONS**

Generally, open and fair competition is best achieved by undertaking a full public tender call so all interested parties have an opportunity to bid on the call. However, there may be procurements in which a full public tender will not necessarily deliver best value for money and other market approaches may be more appropriate.

The Authority may be exempt from the requirement to seek tenders or quotations, in the following circumstances:

- there may be significant public risk if the procurement is delayed by process requirements, such as emergency situations threatening life and property
- a small, stable and well documented supply market exists such that the Authority can ensure that all potential suppliers are invited to participate
- the pressures of time are such that an open call is not feasible, such as where there has been an unanticipated VHHT Authority or Government policy decision
- the Authority purchases goods at an auction
- the Authority purchases second-hand goods



- the contract is made with, or under an arrangement with or made by:
  - the State, a government entity, a local government owned corporation, another local government body, Local Government Corporate Services (LGCS Pty Ltd) or Strategic Purchasing (MAPS Group)
  - another Australian Government, an entity of another Australian Government or a local government of another State or a Territory.
- The Authority resolves to enter into a contract using a significant purchasing activity plan which must state:
  - the objectives of the purchase and how they will be achieved
  - any alternative ways of achieving the objectives, and why the alternative ways were not adopted
  - a risk analysis of the market from which the goods or services are to be procured.

When assessing the most effective method of obtaining goods and/or services, the Authority staff should consider the administrative resources required and monetary costs to the Authority of seeking tenders or quotations independently, and the reduction of these costs which can be achieved by use of approved alternative arrangements outlined above.

A request for waiver of competitive process should not be viewed as a mechanism to speed processes in a way that will not stand up to rigorous scrutiny or as a mechanism to obviate the need for careful forward planning. The granting of waiver of competitive process must be appropriately documented and approved by the General Manager and Chairperson.

## 6.10 CREDIT CARD FACILITIES

The Authority has a Board approved limit for one credit card of \$5,000 per calendar month approved for allocation to the General Manager position.

The holder of a credit card is responsible for all transactions and that receipts are provided for each transaction with the following details:

- Name of supplier and ABN number
- Date of issue
- Description of goods or services
- Total cost including of GST
- Words: 'Tax Invoice'

Credit card purchases will be consolidated within Authority accounts monthly. Two Board Members will inspect and approve the Manager's monthly credit card expenditure.

## 6.11 INVOICE APPROVAL

### 6.11.1 Purchase Order Invoices

Invoice received where a purchase order has been raised must be authorised by staff with the appropriate delegation that:

- Goods have arrived in good condition as per purchase order
- Invoice amounts are correct
- Payment is authorised.

### 6.11.2 Contract Invoices

Where a contract is in place and details show purchasing frequency, purchase quantity and cost the invoice should be checked against the contract and signed stating that:

- Services were performed according to the contract
- Fees and charges were according to the contract

## 6.12 Store Accounts

Store Accounts can be established with local businesses. Purchase orders are to be raised for all purchases with these businesses as per the Purchasing guidelines and Delegation Schedule.

For small regular purchases such as milk etc. a standing order is to be raised by an Officer listed in the Purchasing Delegations Schedule to cover these purchase types. A receipt for all purchases raised against standing purchase orders are to be obtained and retained for reconciliation with the monthly account. The standing order can then be used by staff to purchase these small items, without this standing order being in place, staff without purchasing delegation, do not have the authority to purchase small items against the account.

## 7. Risk Management

The Victor Harbor Horse Tram Authority General Manager has the responsibility for ensuring that budget preparation and reviews are conducted in accordance with legislation, Accounting Standards and Authority policies and that expenditure does not exceed adopted budgets at any given time.

## 8. Implementation/Delegations

Only the Authority officers listed in the attached Schedule 1 are entitled to sign requisitions, and then only in accordance with their financial delegation limits as set out in the schedule. By signing a purchase order officers are confirming that they have taken full notice of this policy and will comply with all of the requirements of this policy.

The General Manager of the Victor Harbor Horse Tram Authority is provided with the delegated authority to implement this Policy

## 9. Related Documents

Budget Framework Policy  
Code of Conduct for Board Members  
Code of Conduct for Employees  
Local Government Act 1999  
Local Government (Financial) Regulations 2010  
Victor Harbor Horse Tram Authority Charter  
Work Place Health and Safety Act 2012

## 10. Availability of Policy

This policy is available on Victor Harbor Horse Tram website at [www.horsedrawntram.com.au](http://www.horsedrawntram.com.au). It may also be inspected or purchased at the Principal Office of the City of Victor Harbor, 1 Bay Road, Victor Harbor.

**Document History**

Version	Document	Action	Date
1.0	Approved version	Victor Harbor Horse Tram Authority endorsement VHHTA08	3/12/18
1.1	Approved Version	Victor Harbor Horse Tram Authority endorsement VHHTA243	08/06/2021

**Schedule 1**

**Procurement Delegation Table**

	Verbal Quote	One (1) Written Quote	Quotes dependent on cost	Two (2) Written Quotes Sought	Three (3) Written Quotes Sought	Request for Tender	Request for Tender	
	<b>Delegation subject to budget limits</b>							
<b>Position</b>	<\$1,000	\$1,000 - \$5,000	Credit Card \$5,000 monthly limit	\$5,001 - \$10,000	\$10,001 - \$50,000	\$50,001 - \$100,000	Above \$100,000	Emergency expenditure outside of budget limits Up to \$10,000
General Manager	Yes	Yes	Yes	Yes	Yes			
General Manager in consultation with Chairperson					Yes	Yes		Yes
Board Decision							Yes	
City of Victor Harbor Staff	Yes	Yes						

*All limits are exclusive of GST.*



Meeting **Victor Harbor Horse Tram Authority**  
Date **9 August 2022**  
From **Megan Whibley**  
Subject **Chester's Retirement Plan**  
Report Number **7.2**

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## **RECOMMENDATION**

- 1. That the Victor Harbor Horse Tram Authority receive and note the Chester's Retirement Plan report**
- 2. That the Victor Harbor Horse Tram Authority recommend to Council the horse known as Chester, who is currently retired from duties with the Victor Harbor Horse Tram, be the subject of a transfer of ownership, ensuring that the new owner has demonstrated capability, capacity and an appropriate environment that will provide for the horse's ongoing care and wellbeing.**

## **INFORMATION**

### **Purpose**

The purpose of this report is for the Victor Harbor Horse Tram Authority to recommend to Council that retired horse Chester be the subject of a transfer of ownership and to endorse support for this transfer to Howard Moss.

### **Background**

Chester was purchased in 2019 from a local South Australian Clydesdale breeder for the purpose of being trained as a tram horse. At that time Chester was 9 years of age, a purebred Clydesdale, and a full brother to one of our currently successful tram horses, Isabella. Chester's purchase price was \$12,000.

At the time the VHHTA received advice that Chester was a suitable and desirable candidate for the tram, given his experience, training, reasonable purchase price, and his sister's proven performance and suitability. At the point of purchase Chester had already received substantial and professional harness training, and with the VHHTA's preferred horse and harness trainer.

## Commentary

Chester has received considerable training since his purchase by the VHHTA's dedicated horse husbandry team. Chester has at times made considerable progress towards becoming a safe and reliable tram horse, but has also exhibited moments of unpredictability. These moments of unpredictability are not unusual for horses during training and tend to disappear as training progresses. Chester's behaviour had shown considerable improvement but unpredictable moments can still occur.

Chester's training has occurred during an unfortunate period of unpredictability. Since his purchase the VHHTA has experienced regular Causeway closures, due to the condition of the original Causeway, pandemic conditions and, most recently, the construction period of the new Causeway, which prevented any opportunity to continue Chester's Causeway training due to risk assessments conducted by the VHHTA. The Causeway was completed and opened as the busy, crowded summer holiday period began, also presenting an unsafe period to resume Chester's Causeway training. This period was then followed by extensive rail replacement on Granite Island and the installation of the Causeway boat ramp and required piling, with significant delays due to severe weather, finally completed in late June 2022.

Chester's harness training has continued at the paddock during this entire period, consisting of ridden work, and harness work, tyre and log pulling, and long reining. In July 2022 the VHHTA resumed some light training for Chester at the tram office and Causeway. The VHHTA observed that Chester had reverted backwards in his training, and displayed impatient, scared, agitated and nervous behaviour while at the tram office.

A significant event occurred during Chester's training on Friday, 22 July 2022, Staff were working with Chester in the paddock, as per his usual routine and in a manner and with an activity that Chester is entirely familiar and comfortable with. Chester was harnessed and pulling a tyre, with an experienced staff member long reining him. Unexpectedly Chester, without observable cause, 'freaked out', bolted and fled blindly across the paddock, completely oblivious to his surroundings, his harness attire, his trainers, the tyre he was attached to, and the boundaries of the paddock.

The long reining staff member was pulled to the ground and tumbled several times, trying to regain control. The other horse husbandry team member attempted to assist and prevent Chester's flight, but was unsuccessful and was knocked as well, receiving a mild blow to the head.

As Chester arrived at the fence line he attempted to jump the fence, with the tyre still chained to him, and ended up going through it, getting tangled in the wires and going down to the ground, dragging a fence post down with him. As one staff member was running to get wire cutters, and the second moving to assist and calm Chester, Chester managed to free himself from the fence and ran to the other horses located in that paddock. Staff quickly arrived and assessed him for injuries. Amazingly he had no significant injuries. A few scrapes and grazes were observed. He was, understandably very shaken and agitated. It required a substantial period for him to settle and for the staff to unharness him. Staff were visibly shaken too, and both had received minor injuries.

The VHHTA has performed risk assessments regarding the incident, and has assessed that it is unsafe to continue with Chester's training. With consideration for the safety of staff and the broader public, the VHHTA has concluded that Chester is an unsuitable prospect for tram work. The risk to Council and the VHHTA if the horse was to react in this way in the public sector is significant. There could likely be substantial damage to the Horse Tram's and Council's reputation and public image. There is also a foreseeable risk of harm and injury to staff, the public and the horse.

In light of this assessment, the VHHTA has decided that it is necessary to dispose of Chester. As Chester is a Council asset the VHHTA has examined the policy governing the disposal of Council assets, the Disposal of Land and other Assets Policy. Given the circumstances requiring Chester's disposal the VHHTA believes that the methods of disposal as listed in the policy at 6.4.5 are unsuitable.

The VHHTA has reached out to the previous owner who has been made to understand that the disposal of Chester would need to see him become a paddock and companion horse only. The previous owner understands the horse better than most and understands that he can only ever be a paddock horse in the future as he is too much of a liability to be anything else. The previous owner has made an offer of \$1,000 to reacquire Chester, which the VHHTA believes is a reasonable estimation of his current value.

The VHHTA considers that disposing of the asset to the previous owner to be the most efficient and effective method of disposal, and is the best avenue for obtaining value for money. Given the asset's unsuitability for the tender process, the horse's reduced capacity for use, (diminishing his financial value to almost zero), and the horse's capacity to pose a danger to an inexperienced owner/handler, the other viable option for disposal is euthanasia. This would require the horse to be euthanized by a veterinarian, followed by a costly body disposal process. This process would incur substantial expense. It would also incur a risk of community backlash and reputational harm.

In consideration of the horse's wellbeing and the principles of disposal within Council's Disposal of Land and Other Assets Policy, none of the disposal methods under clause 6.4.5 are appropriate.

The VHHTA authority requests approval to dispose of the asset to the previous owner via private sale as this method of disposal presents the best possible outcome for the horse, the VHHTA and Council as a whole.

## **RISK ASSESSMENT**

**Public Relations** - The Community has a great interest in the health and wellbeing of the Horse Tram horses, and care has been taken to find and recommend a suitable retirement home ensuring that Chester is provided with the care and experienced handling that he needs. The risk is assessed as **low**.

**Public Relations** - The Community has a great interest in the health and wellbeing of the Horse Tram horses. The euthanasia of a healthy tram horse would create a risk of community backlash and reputational harm. The risk is assessed as **high**.

**Employee Safety/ Public Safety** – The disposal of Chester will reduce the potential of foreseeable harm to employee and public safety. The recommended new owner has intimate knowledge of Chester and many years of experience safely handling him. The risk is assessed as *low*.

## **REFERENCES**

Council's Sale and Disposal of Land and Other Assets policy

## **BUDGET IMPLICATIONS**

The sale of Chester is intended to be at a nominal value, reflecting Chester's permanently retired status, while redeeming the maximum financial return possible. Previous horses have sold for \$1 as negotiated by the Chief Executive and staff based on the quality of care being offered. The other suitable method of disposal, euthanasia, would incur substantial expense.

Costs relating to feed, veterinary attention and hoof trimming would be reduced by the disposal of Chester.

No additional funds are required.

## **CONSULTATION**

Kellie Knight-Stacey (Acting Director Corporate and Customer Service)

Clydesdale Breeder (Chester's previous owner and breeder)