



DRAFT Regional Subsidiary Charter

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1. INTRODUCTION

1.1 Name

The name of the subsidiary is the *North Eastern Wheatbelt Regional Subsidiary*

1.2 Interpretation and Definitions

“*Absolute majority*” of the Participant Councils means a majority of the whole number of the Constituent Councils;

“*Act*” means the *Local Government Act 1995*;

“*Authorised institution*” means an authorised deposit-taking institution as defined in the *Banking Act 1959* (Commonwealth) section 5; or the Western Australian Treasury Corporation established by the *Western Australian Treasury Corporation Act 1986*;

“*Board*” means the Board of Management of the Subsidiary established under Clause 3;

“*Board Member*” means a person who has been appointed to the Board by a constituent Council in accordance with Clause 3;

“*Participant Council*” means those Councils named in Clause 1.3;

“*Constituent Council*” means the Councillors and Administration of the Participant Council

“*Elected Member*” means an elector Mayor or President, or Councillor of a Council who has been elected pursuant to the Local Government Act 1995;

“*Financial Year*” means a year beginning on 1 July in each year and ending on 30 June of the following year;

“*Foreign Currency*” means a currency except the currency of Australia;

“*Levy*” means a charge imposed by the Subsidiary on the Participant Councils in accordance with Clause 5.2.1

“*Meeting*” includes an ordinary and a special meeting of the Board;

“*Member*” means the Participant Council

“*Minister*” means the Minister of the Crown to whom the administration of the Act is for the time being committed by the Governor and includes a Minister of the Crown for the time being acting for or on behalf of the Minister;

“*Participant Council*” means the local government member of the regional subsidiary

“*region*” means the constituent Councils

“*regional subsidiary*” has a meaning given to it in *Section X of the Local Government Act 1995*.

“*Subscription*” means those monies the Participant Councils are liable to contribute to the Subsidiary in accordance with Clause 6.2;

the term “*person*” shall include a corporate body;

“*Subsidiary*” means the *North Eastern Wheatbelt Regional Subsidiary*

the term “singular” includes the plural and vice versa;

a reference to the masculine includes the feminine and vice versa;

references to clauses are to clauses of the Charter.

1.3 Establishment, Structure and Membership

The Subsidiary is a regional subsidiary established pursuant to Section 3.69 of the Act.

Members (Participant Council) of the regional subsidiary includes:

1.3.1 *Shire of Nungarin*

1.3.2 *Shire of Mukinbudin*

1.3.3 *Shire of Trayning*

1.3.4 *Shire of Koorda*

1.3.5 *Shire of Mt Marshall*

1.3.6 *Shire of Wyalkatchem*

1.3.7 *Shire of Dowerin*

Membership commences when the Constituent Council signs this Charter

The Subsidiary is a body corporate with perpetual succession and a common seal and is governed by its Charter

1.4 Local Government Act 1995

This Charter must be read in conjunction with **Section _ of the Act**.

The Subsidiary shall conduct its affairs in accordance with **Section _ of the Act** except as modified by this Charter as permitted by **Section _**

1.5 Objectives and Purpose for which the subsidiary is established

1.5.1 The purpose of the subsidiary is to affirm the partnership and collaboration of the local governments under 1.3.

The objects of the subsidiary are to:

- a) Provide a means for the constituent Councils, to assess the possibilities and methodology of facilitating a range of projects, services and facilities on a regional basis under the themes of advocacy, community, economy, environment and governance, without the rationalisation of jobs
- b) Promote, initiate, undertake, manage and facilitate under the themes of advocacy, community, economic, environment and governance

- c) Provide a means for the constituent Councils to attract specialist skills and create employment opportunities across the members
- d) To take an active interest in all matters affecting the communities of the constituent Councils with the view to improving, promoting and protecting them
- e) To develop, encourage, promote, foster and maintain consultation and cooperation and to strengthen the representation and status of local government when dealing with other governments, private enterprise and the community;

1.6 Powers, Functions and Duties

The powers, functions and duties of the Subsidiary are to be exercised in the performance and furtherance of the Subsidiary's purposes. The Subsidiary shall have those powers, functions and duties assigned to it under this Charter by the constituent Councils from time to time that include but are not limited to –

1.6.1 becoming a member of or co-operating with any other association or organisation whether or outside the area of the Participant Councils which are similar objects and purposes to the Subsidiary;

1.6.2 entering into contracts or arrangements with any Government agency or authority which are incidental or conducive to the attainment of the objects and exercise of the powers of the Subsidiary;

1.6.3 appointing, employing, remunerating, removing or suspending officers, managers, employees and agents of the Subsidiary;

1.6.4 entering into contracts for the acquisition of goods and services;

1.6.5 raising revenue through subscriptions and fees from Participant Councils by arrangements with sponsor organisations, by arrangement or contract with any other organisation or person and by any other means not inconsistent with the purposes of the Subsidiary;

1.6.6 printing and publishing any newspapers, periodicals, books, leaflets, or other like writing;

1.6.7 establishing such committees as it deems necessary and to define the terms of reference of such committees which may include to steer projects or to pursue geographic or functional interests of the Subsidiary, the Participant Councils or specific groups of the Participant Councils;

1.6.8 subject to Clause 1.8 and the Act delegating any of the Subsidiary powers and functions to the Executive Officer or any Committee established by the Subsidiary, and changing or revoking such delegations;

1.6.9 appointing any elected member, officer or employee of a Participant Council or any other person to be a member of any duly appointed committee;

1.6.10 subject to Clause 5.8 acquiring goods and services relevant to the purpose for which the Subsidiary is established;

1.6.11 opening and operating bank accounts;

1.6.12 establishing reserve accounts for future purposes;

1.6.13 doing all other things that are necessary or incidental or conducive to the attainment of the objects and purposes, the furtherance of the interests and the exercise, performance or discharge of the powers of the Subsidiary;

1.7 Property

1.7.1 All property held by the Subsidiary is held by it on behalf of the Constituent Councils

1.7.2 No person may sell, encumber or otherwise deal with any property of the Subsidiary without the approval of the Board by way of majority resolution at a Board meeting.

1.8 Delegation by Subsidiary

The Subsidiary may by resolution of the Board delegate any of its powers, functions and duties under this Charter to the Executive Officer but may not delegate

1.8.1 the power to impose charges including the power to impose a fee or subscriptions

1.8.2 the power to borrow money or obtain any other form of financial accommodation

1.8.3 the power to approve expenditure of money on the works, services or operations of the Subsidiary not set out or included in a budget approved by the Subsidiary or where required by this Charter approved by the Participant Councils

1.8.4 engage additional employees of the Subsidiary unless prior approval has been granted by the majority of Participant Councils

2. NATIONAL COMPETITION POLICY

The Subsidiary must not undertake any commercial activities, which constitute a significant business activity of the Subsidiary, in accordance with the principles of competitive neutrality.

3. BOARD OF MANAGEMENT

The Board is responsible for managing all activities of the Subsidiary and ensuring that the Subsidiary acts in accordance with this Charter.

3.1 Membership of the Board

3.1.1 Each Participant Council is entitled to appoint one elected member with the necessary skills, of the Constituent Council to be a Board Member (1 vote) and may at any time revoke such appointment and appoint another member on behalf of that Constituent Council

3.1.2 Subject to Clauses 3.1.3, 3.1.7 a Board Member shall be appointed for a term specified in their instrument of appointment not exceeding the term that the Board Member continues as an elected member of the Constituent Council or until the conclusion of the next periodic Local Government Election following their appointment, whichever term is lesser, at which time they will be eligible for re-appointment by the Constituent Council;

3.1.3 Each Participant Council is to appoint a sufficient number of elected member(s) of the Constituent Council to act as a Deputy Board Member in place of that Board Member if the Board Member will be unable to be present at a meeting of the Board. The Participant

Council may revoke the appointment of a Deputy and appoint another elected member as Deputy at any time;

3.1.4 In the absence of a Board Member, a Deputy Board Member has all the rights and responsibilities of the Board Member

3.1.5 Each Participant Council must give notice in writing to the Subsidiary of the elected members it has appointed as a Board Member and Deputy Board Members and of any revocation of any of those appointments

3.1.6 A Subsidiary is to permit any elected member or CEO of a Constituent Council to attend meetings of the Board in the capacity of an observer

3.1.7 The provisions regarding terminating the appointment of an Elected Member as prescribed in the Act apply to all Board Members. In addition to those provisions, the appointment of a Board Member shall terminate –

- a) upon the Council who appointed him/her ceasing to be a Constituent Council; or
- b) if the Board member ceases to be an elected member of the Constituent Council which appointed him/her;
- c) upon the happening of any other event through which the Board Member would become ineligible to remain as a Board Member;
- d) upon their term expiring

3.1.8 The Board may by an absolute majority vote of the Board Members present make a recommendation to the relevant Constituent Council requesting that they terminate the appointment of a Board Member in the event of –

- a) any behaviour of the Board Member which in the opinion of the Board amounts to impropriety;
- b) serious neglect of duty in attending to the responsibilities of a Board Member;
- c) breach of fiduciary duty to the Subsidiary or the Constituent Council;
- d) breach of the duty of confidentiality to the Subsidiary or the Constituent Council;
- e) breach of the conflict of interest provisions of the Act; or
- f) any other behaviour that may, in the opinion of the Board, discredit the Subsidiary or the Constituent Council.

3.2 Membership – Subject Matter Expert

3.2.1 The Board may consist of or include up to two (2) persons ('subject matter expert') not being elected members or employees appointed to the Board, by majority of the Participant Councils. In this context, 'subject matter expert' means a person is to have the abilities and attributes to provide expertise, skills and experience relevant to the purpose of the subsidiary.

3.2.2 The Board is to determine the selection and appointment process for subject matter expert positions.

3.3 Functions of the Board

3.3.1 The formulation of strategic plans, annual business plans, financial plans and broad strategies aimed at achieving the purpose, objects and improving the activities of the Subsidiary

3.3.2 To provide input, direction, approval and monitoring of policies of the Subsidiary

3.3.3 Appointing, monitoring, overseeing and evaluating the performance of the Executive Officer of the Subsidiary

3.3.4 Ensuring all activities undertaken by the Subsidiary are in line with relevant legislation, regulations and policies;

3.3.5 Ensuring that the activities of the Subsidiary are undertaken in an open and transparent manner

3.3.6 Represent the interests of the Participant Councils in performing their roles and responsibilities

3.3.7 Participate in the decision-making process of the Subsidiary

3.3.8 Ensuring the Subsidiary has sound financial management policies and practices

3.3.9 Anticipating and reducing risks on the Subsidiary and Constituent Councils

3.3.10 Engaging in professional development to ensure the Board has the necessary skills to achieve the objectives of the subsidiary

3.4 Propriety of Members of the Board

3.4.1 The provisions regarding conflict of interest prescribed in the Act apply to all Board Members in the same manner as if they were elected members of a Council.

3.4.2 Board Members must at all times act in accordance with their duties of confidence and confidentiality and individual fiduciary duties including honesty and the exercise of reasonable care and diligence with respect to the performance and discharge of official functions and duties.

3.5 Chairperson of the Board

3.5.1 A Chairperson and Deputy Chairperson shall be elected at the Annual General Meeting by a majority of the Board members present

3.5.2 Where there is more than one nomination for the position of Chairperson or Deputy Chairperson, the election shall be decided by secret ballot.

3.5.3 Subject to legislation and any other provision in this Charter to the contrary, the Chairperson and Deputy Chairperson shall hold office from the Annual General Meeting at which they were elected until the next Annual General Meeting unless he/she resigns or is no longer eligible to act as a Board Member.

3.5.4 If the Chairperson should cease to be a Board member, the Deputy Chairperson shall act as Chairperson until the election of a new Chairperson at the next Annual General Meeting.

3.6 Powers of the Chairperson and Deputy Chairperson

3.6.1 The Chairperson shall preside at all meetings of the Board and, in the event of the Chairperson being absent from a meeting, the Deputy Chairperson shall preside. In the event of the Chairperson and Deputy Chairperson being absent from a meeting, the Board shall appoint a member from amongst themselves, who shall preside for that meeting or until the Chairperson or Deputy Chairperson is present.

3.6.2 The Chairperson shall have a deliberate vote but no second or casting vote.

3.6.3 The Chairperson speaks on behalf of the Subsidiary.

3.6.4 The Chairperson is to liaise with the Executive Officer.

3.7 Meetings of the Board

3.7.1 The Board may determine meeting procedures, in addition to but not inconsistent with those specified in this Charter, to apply at or in relation to its meetings.

3.7.2 Ordinary meetings of the Board must take place at such times and places as may be fixed by the Board or the Chairperson or Executive Officer of the Subsidiary from time to time, and in any event not less than four (4) times per financial year.

3.7.3 An ordinary meeting of the Board will constitute an ordinary meeting of the Subsidiary. The Board shall administer the business of the ordinary meeting.

3.7.4 For the purposes of this sub-clause, the contemporary linking together by telephone, audio-visual or other instantaneous means ("telecommunications meeting") of the Board Members, provided that at least a quorum is present, is deemed to constitute a meeting of the Board. Each of the Board Members taking part in the telecommunications meeting, must at all times during the telecommunications meeting be able to hear and be heard by each of the other board Members present. At the commencement of the meeting, each Board Member must announce his/her presence to all other Board Members taking part in the meeting. A Board member must not leave a telecommunications meeting by disconnecting his/her telephone, audio-visual or other communication equipment, unless that Board Member has previously notified the Chairperson of the meeting.

3.7.5 Notice of ordinary meetings of the Board (including the Annual General Meeting) must be given by the Chairperson or Executive Officer of the Subsidiary at least two weeks prior to the holding of the meeting by email to Board Members and the CEOs of the Participant Councils

3.7.6 Notice of a meeting for the purpose of making a recommendation to the Participant Councils to wind up the Subsidiary will be sent to Board Members and the Chief Executive Officers of the Participant Councils at least eight (8) weeks before the date of the meeting.

3.7.7 Any one of the Participant Councils may by delivering a written request to the Executive Officer of the Subsidiary require a special meeting of the Board to be held. On receipt of the request, the Executive Officer shall send a notice of the special meeting to all Board Members and Chief Executive Officers of the Participant Councils at least seven (7) days prior to the date of the special meeting in the manner provided for in Clause 3.6.5. Such notice shall specify the date, time and place of the special meeting and be signed by the Executive Officer of the Subsidiary, and contain, or be accompanied by, the agenda for the meeting.

3.7.8 The request by any Participant Council to the Executive Officer of the Subsidiary requiring a special meeting to be held must be accompanied by the proposed agenda for the meeting and any written reports intended to be considered at the meeting (and if the proposed agenda is not provided the request is of no effect).

3.7.9 The Chairperson may convene a special meeting of the Board at the Chairperson's discretion without complying with the notice requirements prescribed by Clause 3.6.5 provided always that there is a minimum one (1) hour notice given to Board Members.

3.7.10 The Chairperson shall convene other meetings of the Board as the Board may direct.

3.8 Board Quorum

Four Board Members will constitute a quorum at a meeting and no business will be transacted at a meeting unless a quorum is present.

3.9 Voting

3.9.1 Each Board Member including the Chairperson, shall be entitled to make a deliberate vote and is to be conducted so that no voter's vote is secret. The Chairperson is to have a casting vote in the event of an equality of votes.

3.9.2 Questions arising for decision at ordinary meetings of the board will be decided by a simple majority of votes on the basis of one (1) vote per Board Member present at the meeting, providing the number of "for" votes is not less than the absolute majority of Constituent Councils.

3.9.3 A recommendation to Participant Councils to wind up the Subsidiary requires the votes of the Board Members of an absolute majority of the Constituent Councils.

3.9.4 Subject to conflicts of interest, each Board Member validly present at a meeting and entitled to a vote in accordance with Clause 3.7.12 (a) must vote on a question arising for decision at the meeting. Failure by any Board Member to vote other than in conflict of interest situations will be deemed to be a negative vote in relation to the question for decision.

3.9.5 Any decision on a significant change to the Subsidiary Charter requires the votes of the Board Members of an absolute majority of the Constituent Councils.

3.10 Board Meeting Procedures

3.10.1 A majority of the Board Members present at a meeting of the Board may adjourn the meeting

3.10.2 Meetings of the Board must be conducted in a place open to the public.

3.10.3 All Board Members must at all times keep confidential all documents and any information provided to them on a confidential basis for their consideration prior to a meeting of the Board.

3.10.4 The Board may order that the public, Constituent Council observers and employees of the Subsidiary be excluded from attendance at any meeting when a confidential matter is under discussion.

This does not apply to:

- a) a Board Member not having a conflict of interest; or
- b) any person permitted by the Board to remain in the room.

3.10.5 Where the Board has considered any information or a matter in confidence it may subsequently resolve to keep minutes and/or any other documents considered during that part of the meeting confidential.

3.10.6 Where an order to close a meeting to the public is made, the minutes are to record the making of the order and the grounds on which it was made.

3.10.7 The Executive Officer must cause minutes to be kept of the proceedings at every meeting of the Board and present the minutes at the next meeting of the board for confirmation and adoption.

3.10.8 Where the Executive Officer is excluded from attendance at a meeting of the Board pursuant, the person presiding at the meeting shall cause the minutes to be kept.

3.10.9 A Board member, employee or Councillor of a participating Council is entitled to inspect, without payment of a fee:

- a) minutes of a Board meeting
- b) reports to the Board received at a meeting of the Board
- c) recommendations presented to the Board in writing and adopted by resolution of the Board.

3.10.10 Clause 3.10.9 does not apply in relation to a document or part of a document if the document or part of the document relates to a matter of a kind referred to in Clause 3.10.5; and the Board orders that the document or part of the document be kept confidential (provided that in so ordering the Board must specify the duration of the order or the circumstances in which it will cease to apply or a period after which it must be reviewed).

3.10.11 Subject to this Charter and to any direction of the Participant Councils the Board may determine its own procedures for voting, which must be fair and contribute to free and open decision making.

3.9 Annual General Meeting

The Annual General Meeting will:

- a) be held on a day selected by the Subsidiary but not more than 60 days after the end of the financial year
- b) receive the Subsidiary's Annual Report which may incorporate reports from committees and any representatives reports from other organisations
- c) receive the audited financial statement for the preceding financial year
- d) acknowledge the appointment of Board Members
- e) elect the: Chairperson; and Deputy Chairperson
- f) appoint representatives to other organisations
- g) consider any other business requiring consideration by the Board members in general meeting.

3.9 Fees, Allowances and Reimbursements

3.9.1 Meeting attendance fees or annual allowances; expenses and reimbursements are to be determined annually by the Subsidiary.

4. EXECUTIVE OFFICER

4.1 The Board shall appoint an Executive Officer to manage the business of the Subsidiary on terms agreed between the Executive Officer and the Board. The Executive Officer may be an employee of the Subsidiary or a subcontractor.

4.2 The Executive Officer is responsible to the Board for the execution of decisions taken by the Board and for the efficient and effective management of the affairs of the Subsidiary .

4.3 The Executive Officer shall cause records to be kept of all activities and financial affairs of the Subsidiary in accordance with this Charter, subsidiary policies and in addition to other duties provided for by this Charter and those specified in the terms and conditions of appointment.

4.4 The Executive Officer will ensure that there is compliance with relevant legislation, sound business and human resource management practices are applied in the efficient and effective management of the operations of the Subsidiary

4.5 The functions of the Executive Officer shall be specified in the terms and conditions of appointment and shall include but are not limited to:

- a) attendance at all meetings of the Board;
- b) ensuring that the decisions of the Board are implemented in a timely and efficient manner;
- c) providing information to assist the Board to assess the Subsidiary's performance against its Strategic and Business Plans;
- d) reporting regularly to the Constituent Councils;
- e) the employment, management, supervision, direction and dismissal of employees of the Subsidiary
- f) determining the conditions of employment of employees of the Subsidiary within budgetary constraints set by the Board;
- g) providing advice and reports to the Board on the exercise and performance of its powers and functions under this Charter or any Act;
- h) ensuring that the Subsidiary is at all times complying with this Charter or any other Act;
- i) coordinating and initiating proposals for the consideration of the Board including but not limited to continuing improvement of the operations of the Subsidiary;
- j) ensuring that the assets and resources of the Subsidiary are properly recorded, managed and maintained;
- k) ensuring that records required under the Act or any other legislation are properly kept and maintained;
- l) ensuring that the Subsidiary's Annual Report is distributed to the Participant Councils in time to be incorporated in their Annual Reports;
- m) exercising, performing or discharging other powers, functions, delegations or duties conferred on the Executive Officer by or under the Act or any other Act, and performing other functions lawfully directed by the Board; and
- n) achieving financial outcomes in accordance with adopted plans and budgets of the Subsidiary

4.6 The Executive Officer is to liaise with the Chairperson.

4.7 The Subsidiary will adhere to the National Employment Standards

5. MANAGEMENT

5.1 Financial Management

5.1.1 The Subsidiary shall keep proper books of accounts and reconsider its budget in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996*.

5.1.2 The Subsidiary's accounts and records must be available for inspection by any Board Member or authorised representative of any Constituent Council at any reasonable time on request.

5.1.3 The Subsidiary must establish and maintain a bank account with such banking facilities and at a bank to be determined by the Board.

5.1.4 The Subsidiary shall appoint no less than two Board Members and the Executive Officer as authorised operators of the Bank accounts. A minimum of two authorised operators must be required to deal with the bank account at any one time.

5.1.5 Any payments made by credit card or Electronic Funds Transfer must be made in accordance with policies, procedures and by a person or persons authorised and approved by resolution of the Board

5.1.6 The Executive Officer must act prudently in the handling of all financial transactions for the Subsidiary and must provide quarterly financial and corporate reports to the Board and if requested, the Constituent Councils.

5.1.6 The Subsidiary has the power to borrow and it must be presented to each Constituent Council for their approval and then approved by an absolute majority of all Participant Councils of the subsidiary

5.1.7 The Subsidiary has the power to borrow however the Subsidiary must have the ability to service the debt as measured by the Debt Service Cover Ratio (greater than or equal to two) as outlined in the *Department of Local Government Operational Guidelines*

5.2 Levies

5.2.1 The Subsidiary may levy Participant Councils or any one of them for an annual subscription and/or for a specified activity, project or activities.

5.2.2 A levy may be imposed by the Board at an ordinary meeting or an Annual General Meeting

5.2.3 A subscription levy must be agreed to by a simple majority of Participant Councils

5.2.4 A levy for a specific project, activities or activities must be agreed upon by an absolute majority of the Constituent Councils agreeing to participate in the specific project, activities or activity. The levy is binding on the Constituent Council until the project, activities or activity ceases.

5.2.5 The Executive Officer must give notice to Constituent Council of the purposes of a levy at least four (4) weeks prior to an ordinary meeting of the Board or at least eight (8) weeks prior to an Annual General Meeting.

5.2.6 In the event that a Constituent Council does not wish to participate in an activity, project or activities where a levy was to be imposed, that Council may elect to be excluded from that activity or activities.

5.2.7 The Executive Officer must give notice of the levy to all affected Participant Councils.

5.2.8 The Chairperson may convene a special general meeting to consider an objection to a levy.

5.3 Audit

5.3.1 The Board shall appoint an external independent Auditor in accordance with the *Local Government (Financial Management) Regulations 1996*.

5.3.4 The audit of financial statements of the Subsidiary, together with the accompanying report from the external Auditor, shall be submitted to both the Board and the Constituent Councils.

5.3.5 The accounts and financial statements shall be audited at least once a year.

5.4 Business Plans

5.4.1 The Subsidiary shall prepare an Annual Business Plan linking the core activities of Subsidiary to strategic, operational and organisational requirements with supporting financial projections setting out the estimates of revenue and expenditure as necessary for the period; and

5.4.2 The Board shall compare the Annual Business Plan against performance targets at least twice every operating year; and

5.4.3 The Subsidiary shall, in consultation with the Participant Councils each year, review the contents of the Annual Business Plan; and

5.4.4 The Subsidiary shall consult with the Participant Councils prior to amending the Annual Business Plan.

5.5 Annual Program and Budget

5.5.1 A proposed annual program and budget detailing the estimated revenues, costs and levies for the ensuing financial year shall be submitted by the Executive Officer to the Board by 30 June in each financial year and must comply with AAS

5.5.2 The proposed annual program and the budget detailing the estimated revenues, costs and levies for subscriptions, projects, activities or an activity must align with the purposes of this Charter and may be altered by the Board and shall be adopted by the Board subject to such alterations as the Board agrees upon after 31 May for the ensuing financial year and before 31 August for the current financial year.

5.5.3 The proposed annual program and the budget must be referred to the Constituent Councils at least eight (8) weeks prior to the date of the meeting at which the budget is to be adopted.

5.5.4 A Constituent Council may comment on the annual program and the budget in writing to the Executive Officer at least seven (7) business days before the meeting at which the budget is to be adopted or through its Board Members at that meeting.

5.5.5 The Board must provide a copy of the adopted budget to the Chief Executive Officers at each Constituent Council within five (5) business days after the budget is adopted.

5.5.6 The Board will reconsider the budget at least once during the financial year.

5.5.7 Where the Board determines that the Participant Council will make any contribution (other than the annual levy) including, without limitation, any contribution towards the acquisition of any asset of a capital nature, then the Board will decide upon the proportions.

5.6 Strategic Plan

5.6.1 The Subsidiary shall prepare and implement a 4yr Strategic Plan, which will be reviewed by the Board every 2yrs.

5.6.2 The Strategic Plan will:

- a) Identify the Subsidiary's goals and objectives over the period
- b) Identify the principal activities that the Subsidiary intends to undertake to achieve its objectives
- c) State the measures that are to be used to monitor and access the performance of the Subsidiary over the period
- d) Identify the broad means by which its activities are to be carried out
- e) Address any risks associated with its Strategic Plan

5.6.3 The Strategic Plan will be accompanied by the Annual Business Plan

5.7 Reporting

5.7.1 The Subsidiary must submit to the Constituent Councils, at least once in each operating year and prior to 31 August of the subsequent financial year, a report on the work and operations of the Subsidiary detailing achievement of the aims and objectives of its Strategic Plan, Business Plan and incorporating the audited Financial Statements of the Subsidiary and any other information or report as required by the Constituent Councils

5.7.2 The Subsidiary must at each Board meeting have a statement of comprehensive income; Statement of financial position; A Cashflow statement; A Budget v Actuals; Statement of Changes in Equity

5.8 Provision of Goods and Services

5.8.1 Tenders: A regional subsidiary is to comply with the provisions of Part 4 Division 2 and Division 3 of The *Local Government (Functions and General) Regulations 1996* that expressly apply to regional subsidiaries.

5.8.2 Where all of the participants of a regional subsidiary have adopted a regional price preference policy the regional subsidiary may adopt a participant's policy instead of adopting a policy under Part 4A of the Local Government (Functions and General Regulations) 1996.

5.8.3 Where a regional subsidiary has adopted a participant's policy under sub regulation 2 it need not comply with regulations 24E(1)and 24F(1) of the Local Government (Functions and General Regulations) 1996.

5.9 Annual Financial Report

A regional subsidiary is to prepare an annual report for each financial year.

5.9.1 The annual report is to contain:

- a) a report from the Executive Officer or where the regional subsidiary does not have an Executive Officer, from the presiding member of the regional subsidiary's governing body or as otherwise prescribed in the regional subsidiary's charter;
- b) the financial report for the financial year
- c) the auditor's report prepared pursuant to section 3.70A of the Local Government Act;

6. MISCELLANEOUS

6.1 New Members

6.1.1 Subject to the provisions of the Act, including but not limited to Ministerial approval, this Charter may be amended by the absolute majority of the Participant Councils to provide for the admission of a new Constituent Council or Councils, with or without conditions of membership, such conditions to be determined by the Board.

6.2 Subscription

6.2.1 Every Participant Council shall be liable to contribute monies to the Subsidiary each financial year, as determined by the Board

6.2.2 The amount of each Participant Council's subscription will be decided at the Annual General Meeting and will be due and payable within one (1) month of a written request from the Executive Officer for payment.

6.2.3 If a Council becomes a Participant Council after the first day of July in any year, the subscription payable by that council for that year will be calculated on the basis of the number of months remaining in that year.

6.3 Standing Orders

The Subsidiary may by resolution at any meeting of the Board pass, alter or rescind standing orders or rules for the due management and regulation of the Subsidiary. Standing orders or rules made pursuant to this Clause shall be entered in a book that will be kept for the information of Board Members and may be printed or circulated at the discretion of the Subsidiary.

6.4 Withdrawal

6.4.1 Subject to any legislative requirements, including but not limited to Ministerial approval, a Participant Council may at any time between 1 July and 31 December in any given year give to the Subsidiary and to each of the other Participant Councils notice of its intention to withdraw from the Subsidiary.

6.4.2 The withdrawal of a Participant Council is to take effect from the end of the financial year after the financial year in which the notice of withdrawal under Clause 6.4.1 is given.

6.4.3 The withdrawal of any Participant Council does not extinguish the liability of that Participant Council to contribute to any loss or liability incurred by the Subsidiary at any time before or after such withdrawal in respect of any act or omission by the Subsidiary prior to such withdrawal.

6.4.4 The withdrawal of any Participant Council does not exclude them from the liability of any borrowings or commitments to projects, activities, an activity, services etc agreed to by the Participant Council or Constituent Councils during their time of membership

6.4.5 The withdrawal of any Participant Council does not exclude them from the borrowing commitments of the Regional Subsidiary, that were made during the Participant Councils membership

6.5 Insurance and Superannuation Requirements

6.5.1 The Subsidiary shall ensure appropriate insurance and superannuation compliance requirements are executed.

6.6 Winding Up

6.6.1 If a service or project is to be wound up and there remains, after satisfaction of all its debts and liabilities, any property and assets of the service or project then the property and assets shall be realised and the proceeds along with any surplus funds shall be divided among the Participant Councils in the proportions referred to in plans or by the discretion of the Board.

Clause 6.6.1 shall not apply where the Participant Council advises the subsidiary that a realisation of the property and assets is not necessary.

6.6.2 The Subsidiary may be wound up by the Minister acting upon a unanimous resolution of the Participant Councils.

6.6.3 In the event of a winding up of the Subsidiary, any surplus assets after payment of all expenses shall be returned to Participant Councils in proportion to the subscription paid in the financial year prior to the passing of the resolution to wind up.

6.6.4 If there are insufficient funds to pay all expenses due by the Subsidiary on winding up, a levy shall be imposed on all Participant Councils in proportion to the subscription paid in the financial year prior to the passing of the resolution to wind up.

6.6.5 Notice of a meeting for the purpose of making a recommendation to the Participant Councils to wind up the Subsidiary will be sent to Board Members and the Chief Executive Officers of the Participant Councils at least eight (8) weeks before the date of the meeting.

6.7 Direction by Participant Council

6.7.1 The establishment of the Subsidiary does not derogate from the power of the Participant Councils to jointly act in any manner prudent to the sound management and operation of the Subsidiary provided the Participant Councils have first agreed by resolution of each Constituent Council as to the action to be taken.

6.7.2 The establishment of the Subsidiary does not derogate from the power of any of the Participant Councils to act independently in relation to a matter for which the Subsidiary has been established.

6.7.3 Provided that the Participant Councils have all first agreed unanimously as to the action to be taken, the Participant Councils may direct and control the Subsidiary.

6.7.4 For the purpose of sub-clause 6.8.3, any direction given by the Participant Councils must be given in writing to the Executive Officer of the Subsidiary.

6.8 Alteration and Review of Charter

6.8.1 This Charter will be reviewed by the Participant Councils acting in concurrence at least once every two years.

6.8.2 This Charter may be amended by absolute majority of the Participant Councils at an Annual General Meeting.

6.8.3 Notice of a proposed alteration must be given by the Executive Officer to all Participant Councils at least four (4) weeks prior to the meeting at which the alteration is proposed.

6.8.4 The Executive Officer must ensure that a copy of the amended Charter is provided to the Minister in accordance with Section 3.70(3) of the Act.

6.9 Disputes Between Participant Councils

6.9.1 The Participant Councils agree to work together in good faith to resolve any matter requiring their direction or resolution.

6.9.2 Where the Participant Councils are unable to resolve a matter within twenty one (21) days of the matter being presented to them the Subsidiary or any Constituent Council may notify the others in writing (Arbitration Notice) that it requires the dispute to be referred to independent arbitration;

6.9.3 Notwithstanding sub-clause 6.9.2 the Participant Councils agree to be bound by the decision of the independent appointed arbitrator (except in relation to any decision relating to the acquisition or disposal of any real property) and will endeavour to work together in good faith in the implementation of that decision.

6.9.4 The costs of arbitration shall be borne equally by the Participant Councils involved in the arbitration.

6.10 Committees

6.10.1 The Board may establish a committee of for the purpose of:

- a) enquiring into and reporting to the Board on any matter within the Subsidiary's powers, functions and duties and as detailed in the terms of reference given by the Board to the Committee;
- b) exercising, performing or discharging delegated powers, functions or duties (written).

6.10.2 A member of a committee established under this Clause holds office at the discretion of the Board.

6.10.3 The Chairperson of the Board is an ex-officio member of any committee or advisory committee established by the Board.

6.11 Common Seal

6.11.1 The Subsidiary shall have a common seal

6.11.2 The common seal shall not be used without the express authorisation of a resolution or Policy of the Subsidiary and every use of the common seal shall be recorded in the minute book of the Subsidiary.

6.11.3 The affixing of the common seal shall be witnessed by the Chairperson or Deputy Chairperson and the Executive Officer or such other person as the Subsidiary may appoint for the purpose.

6.11.4 The common seal shall be kept in the custody of the Executive Officer or such other person as Subsidiary may from time to time decide.

6.12 Circumstances Not Provided For

6.12.1 If any circumstance arises about which this Charter is silent, incapable of taking effect or being implemented according to its strict provisions, the Chairperson may decide the action to be taken to ensure achievement of the objects of the Subsidiary and its effective administration.

6.12.2 The Chairperson shall report any such decision at the next general meeting.

7. Execution

EXECUTED by the Parties

PARTICIPANT	Date of resolution to enter this Memorandum of Understanding
Shire of Dowerin	
Shire of Koorda	
Shire of Mt Marshall	
Shire of Mukinbudin	
Shire of Nungarin	
Shire of Trayning	
Shire of Wyalkatchem	

THE COMMON SEAL of SHIRE OF DOWERIN was hereunto affixed in the presence of:

President

Chief Executive Officer

THE COMMON SEAL of SHIRE OF KOORDA was hereunto affixed in the presence of:

President

Chief Executive Officer

THE COMMON SEAL of SHIRE OF MT MARSHALL was hereunto affixed in the presence of:

President

Chief Executive Officer

THE COMMON SEAL of SHIRE OF MUKINBUDIN was hereunto affixed in the presence of:

President

Chief Executive Officer

THE COMMON SEAL of SHIRE OF NUNGARIN was hereunto affixed in the presence of:

President

Chief Executive Officer

THE COMMON SEAL of SHIRE OF TRAYNING was hereunto affixed in the presence of:

President

Chief Executive Officer

THE COMMON SEAL of SHIRE OF WYALKATCHEM was hereunto affixed in the presence of:

President

Chief Executive Officer

APPENDICES

Example Project Plan

PROJECT PLAN TITLE

1. Document Purpose

2. Background

3. Project Details

3.1 Purpose

3.2 Alignment to NEWROC Objectives and Strategic Plan

3.3 Roles and Responsibilities / Team Experience

3.4 Desired Outcomes

3.5 Key Deliverables

3.6 Milestone Schedule

Ref	Activity	Outcome	Status

4. Key Stakeholders and Communication Plan

Stakeholder	Key Involvement		Communication	Frequency

5. Project Budget

6. Risk Management

7. Additional Requirements

7.1 Quality Management

7.2 Procurement

7.3 Project Closing and Evaluation