

CONFIDENTIAL DECISION REPORT

Report Title: Affixation of Common Seal on Agreements with National Australia Bank (NAB)

Item No: 8.1

Date of Meeting: 17 August 2021

Author: Craig Mudge, Manager Corporate Services

Attachments:

- 1. NAB Corporate Cards**
- 2. Deed of Charge**
- 3. NAB Business Overdraft**

Provisions for Confidentiality (Commercial Advantage)

That pursuant to Section 90(2) and 90(3)(b) of the Local Government Act 1999, the Council orders that all persons present with the exception of Sam Johnson, Chief Executive Officer, Craig Mudge, Manager Corporate Services, Jacqui Kelleher, Manager Administrative Services, and Brenton Daw, Manager Infrastructure and Regulatory Services be excluded from the meeting as Council considers that the requirement for the meeting to be conducted in a place open to the public has been outweighed in circumstances where the Council will receive and consider a report containing information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting, or proposing to conduct, business or to prejudice the commercial position of the Council and would, on balance be contrary to the public interest.

For resolution after consideration of the matter:

That in accordance with Section 91(7) and (9) of the Local Government Act 1999, Council orders that this report agenda Item 8.1 Affixation of Common Seal on Agreements with National Australia Bank (NAB), appendices to the report and the minutes pertaining to this item having been considered in confidence under Section 90(2) and 90(3)(b) of the Local Government Act 1999, be kept confidential and not available for public inspection on the basis that it contains information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the Council and would, on balance, be contrary to the public interest. This order is to remain in force until the conclusion of the contract notwithstanding that it will be reviewed annually in December each

1. EXECUTIVE SUMMARY

The purpose of this report is to seek approval from the Elected Members for the Mayor and the Chief Executive Officer to sign the required documents as part of the agreement with the National Australia Bank (NAB) for the provision of banking services, and to affix the Common Seal of Council onto those documents.

2. RECOMMENDATION

That Council:

1. receives and notes the report; and
2. authorises the Mayor and the Chief Executive Officer to sign the required documents with the National Australia Bank as printed in the Council Agenda, and to affix the Common Seal of Council.

3. RELEVANT CORE STRATEGIES/POLICIES

DCMR Community Plan 2021 – 2031

6.4 – Provide Financial Sustainability

4. BACKGROUND

In January 2021, Council confidentially approved the provision of banking services to the National Australia Bank (NAB).

Since that time Council staff have been working towards implementing that change, and completed numerous required documents as part of setting up new accounts etc. These have been authorised by the Chief Executive Officer and/or the Manager Corporate Services under their delegations.

There are some documents, however, that require the Common Seal of Council to be affixed, which requires a resolution of Council to do so, and is to be signed by the Mayor and the Chief Executive Officer as per the requirements of Section 38 of the Local Government Act 1999.

5. DISCUSSION

Council released a tender for the provision of banking services through the SA Tenders & Contracts website. This tender closed in November 2020 and following an initial review, and subsequent discussions with other Councils on their arrangements, the National Australia Bank (NAB) was contacted and asked to provide a proposal which was received in December 2020, and was subsequently approved by Council in January 2021.

Council staff have been working with NAB since then to implement the new arrangements. This has included completing numerous documents for new accounts, EFTPOS terminals, etc. These documents have been authorised by the Chief Executive Officer and/or the Manager Corporate Services under their delegations.

The documents attached to the Agenda – NAB Credit Cards, Deed of Charge and NAB Business Overdraft – require the Common Seal of Council to be affixed, which requires approval by Council.

Council staff have negotiated the Deed of Charge and NAB Business Overdraft with NAB for future potential use. This is another avenue for possible borrowings for Council which does not necessarily need to be used, but it does give Council more options.

6. ANALYSIS OF OPTIONS

Option 1:

That Council:

1. receives and notes the report; and
2. authorises the Mayor and the Chief Executive Officer to sign the required documents with the National Australia Bank as printed in the Council Agenda, and to affix the Common Seal of Council.

This option will allow Council to continue with the execution of the relevant agreements with NAB for the provision of relevant banking services to Council.

Option 2:

That Council receives and notes the report.

This option will allow Council to receive and note the report, but would not authorise the signing of the documents or the affixation of the Common Seal of Council. If Council takes this option, it would have an immediate impact on the Council Administration not being able to use Corporate Credit Cards, and possible future impact with respect to potential Council borrowings.

7. RECOMMENDED OPTION

Option 1 is the recommended option.

8. POLICY IMPLICATIONS

8.1 Financial/Budget – Nil.

8.2 Legislative/Risk Management

Section 38 of the Local Government Act 1999 applies with respect to affixing the Common Seal of Council.

8.3 Staffing/Work Plans

Significant work has been undertaken by the Chief Executive Officer and Manager Corporate Services with respect to the changeover to NAB.

8.4 Environmental/Social/Economic

Nil.

8.5 Stakeholder Engagement

Nil.

9. REPORT CONSULTATION

Discussions were held with the Chief Executive Officer regarding this item.

10. REPORT AUTHORISERS

Sam Johnson	Chief Executive Officer
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