

Council Meeting Agenda & Reports

6 May 2024

Our Vision

*A City which values its heritage, cultural diversity,
sense of place and natural environment.*

*A progressive City which is prosperous, sustainable
and socially cohesive, with a strong community spirit.*

City of Norwood Payneham & St Peters
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City of
Norwood
Payneham
& St Peters

2 May 2024

To all Members of the Council

NOTICE OF MEETING

I wish to advise that pursuant to Sections 83 and 87 of the *Local Government Act 1999*, the next Ordinary Meeting of the Norwood Payneham & St Peters Council, will be held in the Council Chambers, Norwood Town Hall, 175 The Parade, Norwood, on:

Monday 6 May 2024, commencing at 7.00pm.

Please advise Tina Zullo on 8366 4545 or email tzullo@npsp.sa.gov.au, if you are unable to attend this meeting or will be late.

Yours faithfully



Mario Barone
CHIEF EXECUTIVE OFFICER

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City of
**Norwood
Payneham
& St Peters**

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VENUE Council Chambers, Norwood Town Hall

HOUR

PRESENT

Council Members

Staff

APOLOGIES

ABSENT

1. **KAURNA ACKNOWLEDGEMENT**
2. **OPENING PRAYER**
3. **CONFIRMATION OF THE MINUTES OF THE SPECIAL COUNCIL MEETING HELD ON 8 APRIL 2024**
4. **MAYOR'S COMMUNICATION**
5. **DELEGATES COMMUNICATION**
6. **QUESTIONS WITHOUT NOTICE**
7. **QUESTIONS WITH NOTICE**

7.1 QUESTIONS WITH NOTICE - 2024-2025 ANNUAL BUDGET – OPERATING PROJECTS - SUBMITTED BY CR GRANT PIGGOTT

QUESTION WITH NOTICE: 2024-2025 Annual Budget – Operating Projects
SUBMITTED BY: Cr Grant Piggott
FILE REFERENCE: qA1040
ATTACHMENTS: Nil

BACKGROUND

Cr Piggott has submitted the following Question with Notice:

Should Council choose to follow the recommendation of the Audit & Risk Committee (meeting 22 April 2024) and consider that the funding of Gather Round is essential in 2024-2025, projects recommended by the Executive Leadership Team for funding (Council Meeting 8 April 2024) to the value of at least \$200,000 will need to be withdrawn from the 2024-2025 budget.

Noting that the final decision rests with Council, which projects (to a value of no less than \$200,000), in the opinion of the Executive Leadership Team, are the projects that they would withdraw?

TABLE 2: OPERATING PROJECTS 2024-2025

Operating Projects	\$
St Peters Billabong Engineering Review	100,000
Development of an IT Strategy	80,000
Implementation of Year 1 of the Art & Culture Plan	68,874
Participation in 2025 Tour Down Under	60,000
Additional Administrative staff for Regulatory Services	47,336
Purchase and installation of CIVICA Authority ACTUS Mobile App	43,862
Information Systems Project Support Staff (fixed-term contract)	40,000
Eastside Business Awards	40,000
Raising the Bar Adelaide	40,000
Payneham Memorial Swimming Centre Communications	10,000
Glynde Heavy Vehicle Traffic Study	25,000
Implementation of Electronic Permits	20,000
Development of Tree Strategy Contractor	20,000
Urban Greening Program (Tree vouchers)	10,000
Firstval Festival (Library Services)	4,000
Music Month in the Libraries (Library Services)	3,800
Culturally Diverse Early Literacy Project (Library Services)	3,300
Total Operating Projects Expenditure	616,172

REASONS IN SUPPORT OF QUESTION

Nil

RESPONSE TO QUESTION PREPARED BY GENERAL MANAGER, GOVERNANCE & CIVIC AFFAIRS

In response to the Question with Notice from Cr Piggott, the following information is provided:

1. The recommended Draft 2024-2025 Budget that was provided to and considered by the Council at its meeting held on 8 April 2024, contained all of the recommended Projects and associated expenditures which the Executive Leadership Team considered appropriate to achieve the outcome contained in the Draft Long-Term Financial Plan.

On the basis of the recommended projects and the expenditures, the Project Operating Surplus contained in the Draft 2024-2025 Budget was \$170,953.

2. The advice that has been provided to the Council by its Audit & Risk Committee, ostensibly recommends to the Council that Rate Revenue should be set at 8% or less and that an Operating Surplus of at least \$171,000 be achieved by re-considering all of the Operating Projects, with particular focus on those Projects that will incur recurrent funding.
3. The report on the Draft 2024-2025 Budget (Item 11.4 of this Agenda) sets out a number of matters that the Council, should now take into consideration in determining Rate Revenue and its consequent impact on the Average Residential Rate and the Average Commercial Rate – noting the impact of the current property valuations.
4. In line with the Audit & Risk Committee's recommendation, consideration should be given to re-considering all of the Operating Projects that are included in the Draft 2024-2025 Budget, in addition to those set out in Cr Piggott's Question with Notice.
5. In respect to the list of Projects that have been recommended by the Executive Leadership Team, Raising the Bar was reduced by the Council at its meeting held on 8 April 2024 from the recommended \$40,000 to \$25,000.
6. The Executive Leadership Team has re-considered the list of recommended Projects as requested in the Question with Notice and has concluded that the process of assessing the various Projects that have been submitted through the Budget preparation process has identified these Projects as being worthy of inclusion in the Draft 2024-2025 Budget, noting that the St Peters Billabong Engineering Review is required to determine the best solution for management of the Billabong and the preparation of a robust IT strategy, is an important piece of work that is required before the Council can consider the implementation of contemporary IT infrastructure.

8. **DEPUTATIONS**
Nil

9. **PETITIONS**
Nil

10. **WRITTEN NOTICES OF MOTION**

10.1 WRITTEN NOTICE OF MOTION – ATTENDANCE OF ELECTED MEMBERS AT INFORMATION AND BRIEFING SESSIONS – SUBMITTED BY CR CHRISTEL MEX

NOTICE OF MOTION: Attendance of Elected Members at Information and Briefing Sessions
SUBMITTED BY: Cr Christel Mex
FILE REFERENCE: qA1039
ATTACHMENTS: Nil

Pursuant to Regulation 12(1) of the *Local Government (Procedures at Meetings) Regulations 2013*, the following Notice of Motion has been submitted by Cr Christel Mex.

NOTICE OF MOTION

That attendance of Elected Members at Information and Briefing Sessions be recorded and published in the Council's Annual Reports, commencing from 1 July 2024.

REASONS IN SUPPORT OF MOTION

As our Annual Report explains, Information and Briefing Sessions provide a valuable opportunity to enhance Council decision-making process by providing opportunities for Elected Members to become better informed and seek clarification on important issues.

The sessions are held to discuss issues involving strategy and policy and to brief Elected Members on issues relating to future decision making.

The Annual Report publishes Elected Member attendance at events, Council meetings and Special Council meetings. Attendance at Committee meetings is recorded through official Minutes.

Staff currently record Elected Member attendance at Information and Briefing Sessions informally, but these records are not published in the Annual Report.

Staff go to great lengths to prepare quality reports and presentations at Information and Briefing Sessions. The sessions are held out of hours to accommodate most Elected Members.

The Motion seeks to rectify this anomaly by publishing attendance information in the Annual Report which will further increase transparency and accountability.

STAFF COMMENT

PREPARED BY GENERAL MANAGER, GOVERNANCE & CIVIC AFFAIRS

Information and Briefing Sessions provide a valuable opportunity to enhance Council decision-making processes by providing opportunities for Elected Members to become better informed and seek clarification on issues. Information and Briefing Sessions are held in accordance with Section 90A of the *Local Government Act 1999* (the Act).

Section 90A (2) of the Act sets out that a matter must not be dealt with at a Council Information or Briefing Session in such a way as to obtain, or effectively obtain, a decision on the matter outside a formal meeting of the Council or a Council Committee.

As such, by their very nature, Information and Briefing Sessions are not subject to the procedural meeting requirements of the Act or the *Local Government (Proceedings at Meetings) Regulations 2013*.

Formal minutes are therefore not recorded and there is no requirement for a record to be kept in terms of who attended or did not attend the Information and/or Briefing Session.

In terms of the legislative requirements for Elected Members to attend Council and/or Committee Meetings and/or Information and Briefing Sessions, the only provision set out within the Act to this effect, is the requirement for Elected Members to attend Council Meetings. This is implied within Section 54 (d) of the Act which sets out that an Elected Member *“is removed from office by the council on the ground that he or she has been absent, without leave of the council, from three or more consecutive ordinary meetings of the council”*.

Information and Briefing Sessions are held on a regular basis to ensure that Members are briefed on a range of matters. As such, it is expected that from time-to-time Elected Members may not be in a position to attend an Information and/or Briefing Session due to other commitments (ie work, family, illness, leave, etc).

It has therefore been the practise of this Council that a copy of any presentations and information provided at Information and/or Briefing Sessions, is provided electronically to all Members via their iPads following the session.

In addition, staff are available to meet and/or discuss with any Elected Member who could not attend an Information and/or Briefing Session, the content of the session.

As set out above, there is no legislative requirement for the attendance at Information and Briefing Sessions to be recorded.

Having said that, this does not mean that a register of attendances at Information and Briefing Sessions cannot be maintained and published in the Council’s Annual Reports.

In other words, it is at the Council’s discretion to determine if the Council wants to prepare and publish a Register of Attendances at Information and Briefing Sessions.

If the Council resolves in accordance with the Notice of Motion that has been submitted, staff can implement the process.

10.2 WRITTEN NOTICE OF MOTION – GEORGE STREET UPGRADE PROJECT – SUBMITTED BY CR GRANT PIGGOTT

NOTICE OF MOTION: George Street Upgrade Project
SUBMITTED BY: Cr Grant Piggott
FILE REFERENCE: qA1039
ATTACHMENTS: Nil

Pursuant to Regulation 12(1) of the *Local Government (Procedures at Meetings) Regulations 2013*, the following Notice of Motion has been submitted by Cr Grant Piggott.

NOTICE OF MOTION

That:

1. the funding of \$800,000 included in the 2023-2024 Budget for the George Street Upgrade not be carried over to the 2024-2025 financial year;
2. the proposed additional funding of \$1,500,000 included for George Street Upgrade as part of the draft 2024-2025 Budget be withdrawn;
3. the implementation of the George Street Upgrade be considered as part of the overall Parade Masterplan and that a report be presented to the Council for consideration and approval; and
4. staff consider the best timing for progressing the George & Harris Street Stormwater Project and advise the Council.

REASONS IN SUPPORT OF MOTION

This Motion proposes delaying the George Street Upgrade to allow greater certainty around the required funding for The Parade Masterplan. It does not seek to abandon the Upgrade but ensure its progress is of the appropriate level, given the need to progress the overall Parade Masterplan and the future need to borrow funds for any capital project.

The reasons for the change of approach are as follows:

- The allocated funds for the George Street Upgrade in the 2023/2024 Budget is \$800,000. The project cost is now estimated at \$2,300,000, requiring a further \$1,500,000 to be included as part of the Draft 2024-2025 Annual Business Plan. This is additional funding against the background of the Council's current Long-Term Financial Plan showing debt exceeding \$100 million in 2028 and remaining over \$100 million beyond 2033 (last year of the 10-year Plan). All future capital commitments need to be closely scrutinised.
- The current inclusion in the Long-Term Financial Plan for the entire Parade Masterplan (1.6 kilometres) is only \$30 million – an estimate made prior to the recent cost hikes identified in all Council projects and likely to be subject to escalation. It is inappropriate to spend \$2.3 million on the upgrade of one side street with such uncertainty regarding the total project.

Assessment of the George Street Upgrade as part of the total Parade Masterplan allows it to progress at that time, confident that the upgrade will be consistent with other work across the length of The Parade and that this work is fully funded.

The George & Harris Street Stormwater Project was brought forward to coincide with the planned George Street Upgrade work. Should the George Street Upgrade be deferred, staff should consider the appropriate timing of progressing the Stormwater project and advise Council.

**STAFF COMMENT
PREPARED BY GENERAL MANAGER, GOVERNANCE & CIVIC AFFAIRS**

In 2021, the Council resolved to commence the George Street Upgrade Project as Stage 1 of the implementation of The Parade Masterplan. As such, the Council allocated \$800,000 for the George Street Upgrade. This estimate was based on construction costs at that time (ie. 2021).

Since the initial budget allocation for the George Street Upgrade, the costs to undertake the works have increased to a total of \$1,560,000. This is partly due to the scheduling of construction to ensure that The Parade Central (Hoyts) and Parade Place (Foodland), are not unnecessarily inconvenienced by the construction works.

The additional funding for the George Street Upgrade has been included as part of the Draft 2024-2025 Budget, however as part of the Third Budget Review, the Council, at its meeting held on 2 April 2024, resolved only to "receive and note" the additional funding required for the George Street Upgrade.

At the Council Meeting held on 8 April 2024, the Council considered the Draft 2024-2025 Budget. The Council did not resolve to carry over the George Street Upgrade and allocate the additional funding required for the project.

At that time, the Council was advised that a review of the 2023-2024 Capital Projects is currently being undertaken based on year-to-date expenditure and project timelines to evaluate if any project (including the George Street Upgrade Project) will need to be carried forward and included as part of the Draft 2024-2025 Budget.

Members may also recall that at the Council Meeting held on 8 April 2024, the funding of the George Street Upgrade was raised.

At that time, it was determined that, due to the complexities regarding the various Council decisions in respect to The Parade Masterplan and the George Street Upgrade Project component of the Masterplan, legal advice would be obtained to provide clarity in terms of the correct process in the event the Council did wish to re-consider the timing and/or funding of the George Street Upgrade Project.

For Elected Members' information, it should be noted to assist with the funding of both the streetscape and stormwater components, staff have lodged grant applications with the Stormwater Management Authority (\$600,000) and the Open Space Grant Program (\$500,000).

The outcome of these applications is expected to be known by the end of May 2024.

In summary, the legal advice has confirmed that the proposed Motion, as submitted, is not ultra vires and does not require a rescission motion.

The effect of the proposed Motion with Notice, if supported by the Council, is that the George Street Upgrade Project will be held in abeyance until the Council resolves to reconsider the timing of the George Street Upgrade Project and include the required funding to undertake the work as part of a Council Budget.

In other words, any project agreed or endorsed by the Council is subject to the necessary funding being allocated as part of the Council's budgeted.

The proposed Motion of Notice does not have the effect of defeating or abandoning implementation of The Parade Masterplan in its entirety.

A copy of the legal advice which has been obtained in respect to this matter has been provided to Elected Members via email from the Council's General Manager, Governance & Civic Affairs.

11. STAFF REPORTS

Section 1 – Strategy & Policy

Reports

11.1 2024-2028 ACCESS & INCLUSION STRATEGY

REPORT AUTHOR: Manager, Community Services
GENERAL MANAGER: General Manager, Community Development
CONTACT NUMBER: 8366 4600
FILE REFERENCE: qA88288
ATTACHMENTS: A - C

PURPOSE OF REPORT

The purpose of this report is to present the results of the community consultation on the *Draft 2024-2028 Access & Inclusion Strategy* and final *2024-2028 Access & Inclusion Strategy* for consideration and endorsement.

BACKGROUND

The City of Norwood Payneham & St Peters *2018-2022 Access & Inclusion Strategy* was first adopted by the Council in 2018. The Strategy focused on improving the accessibility and inclusiveness of Council's facilities, infrastructure, information, services and programs for citizens and visitors of all ages, abilities, cultures and backgrounds.

The South Australian *Disability Inclusion Act (2019)* provides the legislative framework for the development of access and inclusion strategies. This includes a requirement to undertake two (2) stages of community engagement to support development of a strategy. The first phase of consultation was undertaken in 2023 during the development stage followed by the most recent consultation which sought comment on the draft Strategy.

The Council's *2018-2022 Access & Inclusion Strategy* (the Strategy), was subsequently reviewed and a draft *2024-2028 Access & Inclusion Strategy* developed. The Strategy was endorsed by the Council to be released for community consultation at its 5 December 2023 Council meeting. The consultation process commenced on 7 March and concluded 8 April 2024. Modifications to the Strategy have been made in response to the feedback and the final version of the *2024-2028 Access & Inclusion Strategy* (included as **Attachment A**) is provided for Council's endorsement .

RELEVANT STRATEGIC DIRECTIONS & POLICIES

CityPlan 2030 Shaping our Future

The *2024-2028 Access & Inclusion Strategy* supports a number of outcomes and objectives within Council's Strategic Plan *CityPlan 2023 Shaping our Future*. This includes:

Outcome 1 Social Equity

- Objective 1.1 Convenient and Accessible service, information and facilities;
- Objective 1.3 An engaged and participating community; and
- Objective 1.4 A strong, healthy and inclusive community.

FINANCIAL AND BUDGET IMPLICATIONS

Any initiatives or actions that arise in respect to the implementation of the Strategy will be considered as part of the Council's Annual Business Plan and Budget process.

There will be a small cost with respect to publishing the Strategy. A small print run of fifty (50) copies of the Strategy will be required with a cost in the order of approximately \$2,500 which will be funded from existing budgets.

EXTERNAL ECONOMIC IMPLICATIONS

There are no external economic implications associated with the development or endorsement of this Strategy.

SOCIAL ISSUES

In order to ensure that the Strategy was accessible to all citizens, the consultation process was promoted across a range of mediums social media, website, posters, postcards and email. A copy of the Strategy was available through the Council's website and citizens services, libraries and community centres across the City. Assistance was offered by Council staff to assist community members to access or read the Strategy.

CULTURAL ISSUES

The City has a culturally diverse population. Assistance was offered by Council staff to assist community members to access or read the Strategy.

ENVIRONMENTAL ISSUES

There are no environmental issues associated with the draft Strategy.

RESOURCE ISSUES

The second phase of Consultation was co-ordinated internally by Council's communications and marketing team.

RISK MANAGEMENT

A risk assessment associated with this stage of the *2024 – 2028 Access & Inclusion Strategy* is summarised in Table 1 below:

TABLE 1: RISK ASSESSMENT

Risk No	Risk Event	Impact Category	Risk Rating	Primary Mitigation	Impact Category	Residual Rating
1.	Council not endorsing the Strategy	Service/ programs	Substantial 13	Provision of detailed Council report and draft Strategy	Service/ programs	Medium 17
		Reputation	Medium 19		Reputation	Low 21
2	The Strategy is not supported by the community	Service/ programs	Medium	Develop a community engagement plan to engage citizens and stakeholders. Review and analyse responses and where applicable, modify the Strategy to ensure it reflects the aspirations of the community	Service / programs	Low 21

CONSULTATION

- **Elected Members**

Not Applicable

- **Community**

The community engagement promotions and actions to promote the consultation opportunity are summarised in Table 2 below:

TABLE 2: COMMUNITY ENGAGEMENT ACTIVITIES AND PROMOTIONS

Engagement Technique	Details	Target Audience	Dates
Council's E-newsletter	This newsletter has 1,800 subscribers	Community	March 2024
Access and Inclusion Survey available online and in hardcopy.	12 responses were received	Community	7 March 2024 – 8 April 2024
Email to Council's Access & Inclusion Engagement Register members.	Email sent to 14 people	People living with disability and carers	March 2024
Email to Stakeholders and people who participated in phase one (1) consultation.	Email was sent to 87 stakeholders and community members.	Disability and aged care providers, retirement villages, mental health providers, schools, resident and community associations, Cultural and Linguistically Diverse specialty service providers, NDIS local area co-ordinator and low-income housing providers.	7 March 2024
The Council's promotion of the Access & Inclusion Strategy Consultation was also promoted through by Access2Arts.	Access2Arts promoted the consultation through their social media (Instagram, and Facebook)	Community	14 March 2024
Posters and Postcards.	Were posted and placed on The Parade, Town Hall and Libraries and Community Centre	Community	7 March 2024
Promotion of the Access & Inclusion Strategy consultation opportunity to the South Australian Disability Talk database.	This was organised by the South Australian Department of Human Services	Community members including citizens living with disability, their carers and advocates.	15 March 2024
Reel produced and promoted via Council's social media and website platforms.	The reel promoted the Council's accessible exhibition <i>If Fabrics Could Talk</i> and the draft <i>2024-2028 Access & Inclusion Strategy</i> community Consultation (32 Views)	Community	13 March 2024
Promotion of Access & Inclusion Strategy consultation via Council's social media (Instagram and Facebook)	2 Facebook posts (total reach of 623 and 9 engagements) and 1 Instagram Post (241 reach and 5 Likes)	Community	7 March – 5 April 2024

The Disability Talk database is a stakeholder mailing list which includes representatives from the community across the State. The database is maintained and operated by the South Australian Department of Human Services.

- **Staff**

Not Applicable.

- **Other Agencies**

As part of the consultation, a range of stakeholders were advised of the opportunity to provide feedback on the 2024-2028 Strategy including:

- South Australian Department of Human Services;
- Bapcare;
- Housing Choices
- Matchworks;
- DLI choices for Living;
- Women's community Centre;
- No Strings Attached;
- Norwood Residents Association;
- Kent Town Residents Association ;
- St Peters Rotary;
- Rotary Club of Norwood;
- Beyond Blindness (Blind Welfare);
- See Differently (Royal Society For the Blind);
- Orana;
- Autism SA;
- Novita;
- Life without Barriers;
- Older Persons Mental Health Services; and
- Eastern Community Mental Health Team.

DISCUSSION

The South Australian Department of Human Services recognises ongoing challenges for organisations engaging the community when developing access and inclusion strategies which, in part, a result of 'consultation fatigue' as 68 Councils developed their respective Access and Inclusion Plans. The Department is considering reviewing the legislative requirement for Local Government to have individual Access & Inclusion Plans/Strategies in the future.

In developing the consultation process, advice was sought from the Manager, Strategy Reform, Strategic Policy and Disability, South Australian Department of Human Services, regarding how to increase community engagement. The Department offered assistance through the promotion of the consultation to the Department's *Disability Talks* database. In addition, they reviewed the draft Strategy and confirmed its compliance with the South Australian *Disability Access & Inclusion Act (2018)*. Following this review, a statement has been included in the Strategy's *Introduction* to clarify that for legislative purposes the Strategy also acts as the Council's Disability Access and Inclusion Plan.

Other measures used to increase community engagement/improve access were reflected in the design of the Strategy which included;

- colour contrast analysis applied to ensure the presentation is suitable for a range of vision abilities;
- ensuring the PDF file of the document was compatible with readers;
- font size increased for older citizens and citizens who are vision impaired; and
- infographics and photos to improve appeal of the document.

Comment on the Strategy was sought through participants completing a survey (online or hard copy), email or verbally. A copy of the survey is provided in **Attachment B**.

A total of ten (10) responses was received. Eight (8) of these responses were survey responses and two (2) were emails. A summary of the responses and copies of the emails are provided in **Attachment C**.

Proposed Amendments to the Strategy

The outcome of the consultation revealed that 90% of respondents agreed with the Vision Statement. One respondent suggested that the Vision statement was “dry” and could be improved to reflect the feeling of belonging, engagement and opportunity to participate.

In this regard, it is recommended that the Vision statement be amended from “*An accessible and connected City where people feel safe and included*”, to: “*An accessible and connected City where people feel welcome*”

All respondents were in agreement with the priorities of the Strategy.

In respect to other suggested actions or priorities the following comments were received;

1. **Comment** - that the Council should set employment targets of citizens with disability.

Response - as an equal opportunity employer, recruitment is based on assessments of merit, and ensuring that necessary supports are available to enable candidates/employees with disability to have access/undertake the responsibilities of their position. More broadly, all staff are offered education on disability awareness and inclusion.

2. **Comment** - that the Council offer incentives to local businesses to employ people with disabilities (rate reductions).

Response - it is not recommended that Council adopt this action as this is already offered by the Australian Government through their Wage Subsidy Scheme.

3. **Comment** - to include sensory space/rooms for citizens who are neurodiverse.

Response - whilst Council takes into consideration the needs of neurodiverse citizens at its events, it is recommended that an action is included in the Strategy to consider the needs of citizens who are neurodiverse in all upgrades of facilities, spaces and new projects. The Strategy has been updated to include this action under *Priority 2- Inclusive Living and Lifestyle*;

4. **Comment** -the Council should have an Advisory Committee.

Response - the Council has a register of citizens who provide advice on access and inclusion issues on Council projects, services and procedures. In this regard there is no need for an Advisory Committee.

5. **Comment** -that there should be a specific priority related to being LGBT+ inclusive.

Response - the Strategy is designed to improve access and inclusion for citizens of all ages, abilities and backgrounds which includes lesbian, gay, bisexual, intersex, queer, asexual (LGBTQIA+). Council programs and services are developed taking into consideration a range of needs and preferences so that they are suitable for all citizens which includes the LGBTQIA+ community. Notwithstanding this given there was a small proportion of this group who were engaged during the development of this strategy it may be worth to include them as part of the focus on active participation in community engagement to better understand their needs and aspirations. In this regard it is recommended that the following action be modified as follows in *Priority 5- Collaboration and Leadership Section* :

Continue to provide opportunities for active participation in contributing to decision making for all citizens with a particular focus on ;

- *Citizens Living with disability;*
- *Culturally and Linguistically diverse communities;*
- *Women; and*
- *Children and young people*

be changed to

Continue to provide opportunities for active participation in contributing to decision making for all citizens with a particular focus on;

- *Citizens Living with disability;*
- *Culturally and Linguistically diverse communities;*
- *Women;*
- *LGBT+ Community; and*
- *Children and young people*

6. **Comment**-that the Council ensure that it continues to focus on maintaining its footpaths (from pavers and tree roots that are lifting and cause trip hazards) to make it accessible for citizens in wheelchairs.

Response - this action is already addressed by the Strategy under Priority 1- *Accessible Environments*.

7. **Comment** -There are not enough accessible car parks in the City.

Response -actions have been included in the Strategy to develop a map of accessible carparks in the City. As part of this action the Council will review the number of accessible carparks for Council facilities.

8. **Comment** - clarification on information provided in *Priority 4 - Informed and Supportive Workforce* was requested, in particular, who the citizens of all abilities were (i.e. are they employees or residents).

Response - the Strategy is applicable to all citizens which includes citizens who live work or visit the City. In this regard, it includes both residents and Council employees and volunteers. To make this clearer in the Strategy, it is recommended that the goal of this priority be modified from;

The Council will seek to create a culture of awareness, respect and support for all citizens living and visiting the City of Norwood Payneham & St Peters ;

to

The Council will seek to create a culture of awareness, respect and support for all citizens who live, work, study and visit the City of Norwood Payneham & St Peters.

In summary the following changes have been made to the draft Strategy:

- inclusion of a statement in the Introduction identifying that the Strategy also acts as the Council's Disability Access and Inclusion Plan;
- change the Vision Statement to "*An accessible and connected City where people feel welcome*";
- to include an action in *Priority 2 - Inclusive Living and Lifestyle* to consider the needs of citizens who are neurodiverse in all upgrades of facilities, spaces and new projects;
- that the following action be modified as follows in the *Priority 5 - Collaboration and Leadership Section*;

Continue to provide opportunities for active participation in contributing to decision making for all citizens with a particular focus on;

- *Citizens Living with disability;*
- *Culturally and Linguistically diverse communities;*
- *Women;*
- *LGBT+ Community; and*
- *Children and young people.*

- to clarify who the Strategy is applicable for in *Priority 4 - Informed and Support Workforce* -that the goal is amended to:

The Council will seek to create a culture of awareness, respect and support for all citizens who live, work, study and visit the City of Norwood Payneham & St Peters.

OPTIONS

Option 1

The Council can determine to endorse the Strategy, incorporating the suggested amendments, as set out above, that have been made in response to the comments that have been received. This option is recommended as the Strategy reflects community feedback provided to date.

Option 2

The Council can determine to endorse the Strategy with other amendments to the Strategy prior to publication. This option is not recommended, as the development of the Plan has been informed through community engagement, consideration of resource priorities and achievable actions within the timeframe of the Strategy.

CONCLUSION

A review of the Council's *2018-2022 Access & Inclusion Strategy - A City for All*, has been undertaken. A draft *2024-2028 Access & Inclusion Strategy* was developed based on feedback received from staff, volunteers and the community. The Strategy was released for the second phase of Community Consultation in March 2024. Based on the comments that have been received, minor amendments to the Strategy are recommended.

COMMENTS

Inclusive SA, the South Australian Government's Disability Access & Inclusion Plan is currently being prepared and is likely to be released in 2024. The South Australian Government's Plan is likely to include some actions applicable to local government and Councils will be required to incorporate the relevant actions into their respective Access & Inclusion Strategies or Plans. In this regard, the Council's *2024-2028 Access & Inclusion Strategy* may be required to be reviewed in 2024, to incorporate the relevant South Australian Government's Plan actions in the Council's Strategy.

RECOMMENDATION

1. That the *2024-2028 Access & Inclusion Strategy - City for All* as amended through the proposed changes as contained in **Attachment A**, be adopted.
2. That the Chief Executive Officer be authorised to make any minor amendments to the draft *2024-2028 Access & Inclusion Strategy*, to finalise the document in a form suitable for release to the community.

Attachments – Item 11.1

Attachment A

2024-2028 Access & Inclusion Strategy

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City of
Norwood
Payneham
& St Peters



A1

Access & Inclusion Strategy 2024–2028



City of
Norwood
Payneham
& St Peters

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Our Vision

**An accessible
and connected
City where
people feel
welcome.**



Introduction

The City of Norwood Payneham & St Peters enjoys a reputation as one of Adelaide's most desirable places to live, work and visit.

With some 38,000 citizens from diverse backgrounds and abilities, the Council recognises the need to be flexible, agile and responsive to the needs of our citizens and those who work, study or visit the City.

Recognising the importance of family, communities, culture and ageing in place, the purpose of this Access & Inclusion Strategy is to support citizens to live safely, healthy and connected lives within an accessible and inclusive community.

This Strategy replaces the Access & Inclusion Strategy: A City for All 2018–2022, which was adopted by the Council in 2018.

A review of the Strategy commenced in December 2022, to ensure that it remains contemporary and relevant. This Strategy sets the focus for the next four years, however, it is flexible and can respond to shifting priorities and changes as required.

Similar to the previous Strategy, this Strategy aims to improve opportunities for inclusion and accessibility throughout the City for all citizens of all ages, abilities and backgrounds.

This Strategy acknowledges and responds to the Council's obligations under the:

- *Commonwealth Disability Discrimination Act (1993)*;
- *South Australian Equal Opportunity Act (1984)*;
- *South Australian Disability Inclusion Act (2018)*;
- South Australian Disability Inclusion Plan: Inclusive SA; and
- Australia's Disability Strategy 2021-2031.

Under the State Disability Inclusion Act (2018) the Council is required to have a Disability Access & Inclusion Plan that seeks to improve outcomes for citizens living with disability. To satisfy this legislative requirement this Strategy will also act as the Council's Disability Access & Inclusion Plan.

The Strategy will continue to provide guidance for future planning, decision making and resource allocation for the provision of services, programs and facilities for citizens across the life of the Strategy.

Our Community

Citizens who live, work or study in the City of Norwood Payneham & St Peters are diverse in age, culture and abilities.

Population

38,005

citizens in the City of Norwood Payneham & St Peters.

Citizens Living with Disability



2,181

citizens identified as requiring assistance due to disability.

Cultural Diversity



of citizens were born overseas. A culturally diverse population with more than 120 different ethnicities represented.

Community Profile

The City has maintained a relatively stable population with moderate growth. In 2023, the estimated population in the City of Norwood Payneham & St Peters was 38,005. The population is forecast to increase to 40,063 by 2036.

The City's urban density, its proximity to the CBD and focus on creating a pedestrian friendly environment are positive features which, facilitates access to services within the City.

The City of Norwood Payneham & St Peters has a higher socio-economic profile than Greater Adelaide, however, it also has pockets of disadvantaged citizens who may need additional support to connect with the community and may include people:

- living on a lower household income;
- living with disability or caring for someone with disability;
- from culturally and linguistically diverse backgrounds;
- from First Nations backgrounds; and
- with diverse gender or sexual identities.

Aboriginal and Torres Strait Islanders

In 2021 the ABS Census recorded 222 Aboriginal and Torres Strait Islanders citizens in the City of Norwood Payneham & St Peters.

Citizens Living with Disability

In 2021, there were 2,181 citizens identified as requiring assistance due to disability in one or more of the three core activity areas of self-care, mobility and communication, which is likely to last for more than six months. Approximately 73% of citizens requiring assistance were aged over 60 years of age. With respect to citizens under 60 years of age 18% were aged 20 to 59 years of age and 8% were aged 0 to 19 years of age.

Based on the 2021 ABS Census, there are approximately 4,138 carers in the City of Norwood Payneham & St Peters who are providing unpaid assistance to a person living with a disability, long term illness or old age.

Cultural Diversity

The City of Norwood Payneham & St Peters has a culturally diverse population with more than 120 different ethnicities represented. In 2023, 31% of citizens were born overseas. Emerging trends reveal that that in comparison to the 2016 ABS Census there has been an increase in the number of citizens from China (169) and India (397).

Overall, approximately 26% of the City's population speak another language and 3% do not speak English well. Approximately 8% of older citizens were born overseas. A proportion of these citizens are post war migrants from Italian, Greek and German background.

Age Profile

Based on the 2021 Census the City has a lower proportion of younger people (i.e. aged under 17 years) and a higher proportion of older people (aged over 60 years) than the Greater Adelaide region. There is also a larger proportion of people aged 25 to 34 years.

Age Groups	Number of Citizens in NPSP	% of Citizens in NPSP	% in Greater Adelaide Region
0–4	1,602	4.3	5.4
5–11	2,588	6.9	8.2
12–17	2,382	6.4	6.9
18–24	2,382	6.4	6.9
25–34	5,758	15.4	14
35–49	7,179	19.2	19.6
50–59	4,650	12.4	12.6
Over 60	10,068	27	24.5

Household Composition

Analysis of the household composition and family types in the City of Norwood Payneham & St Peters indicates a trend of smaller family and household sizes.

There is a significant number of citizens living alone within the City. The proportion of citizens living alone can in part be explained by the City's ageing population, with approximately 16% falling within this category. This is an increase on the previous Census data whereby 14.3% of citizens living alone were over 65 years of age.

Children

4,190

of the City's population aged 0 to 11 years.

Youth

4,764

of the City's population aged 12 to 24 years.

Adults

17,587

of the City's population aged 25 to 59 years.

Older People

10,068

of the City's population aged over 60.

Key issues for Consideration

The review of the Strategy has identified a number of key issues. The issues identified relating to accessibility and inclusion apply to the whole community (including citizens living with disability) and have been taken into consideration in the development of this Strategy.

It is estimated that more than 10,000 citizens living in the City of Norwood Payneham & St Peters have specific access and inclusion needs including:

- citizens who live with disabilities;
- families with children aged 0 to 4 years;
- people aged over 65 years of age;
- people from culturally diverse communities; and
- Aboriginal and Torres Strait Islanders.

For this reason it is important that the Council continues to provide services and infrastructure for citizens at all stages of life and abilities in order to fully support and respond to all of the community's needs.

Children and Youth

With the projected increase of children and, in particular, those aged 0 to 4 years of age, the Council's recreational infrastructure such as parks, playgrounds, libraries and other facilities (i.e. Swimming Centres) and activities need to be accessible for children of all abilities.

In respect to young people, whilst a significant proportion of young citizens are actively engaged through secondary or tertiary education, extracurricular activities or employment, this can mask the pockets of disadvantage and isolation that may be experienced by different groups. In this regard, it is important to ensure that programs and events are accessible, affordable and inclusive for all young people.

Older People

The City has an ageing population. The projected increase in older citizens reflects the entry of the next generation of retirees, the Baby Boomers and Generation X. Both generations will live and work longer and have more active lifestyles than previous generations. Consequently, they are more likely to require services and programs which support them to remain more active and connected both socially and technologically.

Older people often experience the loss of social and family support which can result in social isolation and subsequently a decline in their well-being.

The availability of convenient and accessible transport is as important as offering social activities to provide opportunities to make new or maintain existing social networks and relationships. It is therefore important that the Council continues to offer accessible transport and social activities.



Aboriginal and Torres Strait Islanders

In respect to Aboriginal and Torres Strait Islanders citizens, whilst this City has a comparatively small proportion of Aboriginal and Torres Strait Islanders, it is important to understand and respond to their needs so they can access services and remain connected to the community.

Carers

Carers play an important role in our community, by providing unpaid care and support to family members and friends. It is important that there are services and programs available in the community to ensure that Carers are supported in their roles.

Cultural Diversity

The City of Norwood Payneham & St Peters has a culturally diverse population, A proportion of these citizens are post war migrants from Italian, Greek and German backgrounds. There is also an increasing number of citizens who are from Chinese and Indian backgrounds. The Council will continue to ensure that its information, services and programs continue to be inclusive and provide information, services and programs that take into consideration cultural and linguistic needs.

Facilities and Infrastructure

All citizens benefit from accessible facilities and infrastructure. Comments received through consultation highlighted the importance of well-maintained, wide footpaths to improve access and reduce the risks of trips and falls.

Families with babies and pre-schoolers have accessibility requirements in the community such as the requirement for mobility ramps, larger footpaths and lifts.

The increase in the use of mobility scooters and wheelchairs will also require wide and well-maintained footpaths, spaces and facilities.

Information and Technology

Access to services and information is increasingly offered through the internet. It is notable that 15.6% of households in the City do not have internet access. Whilst this trend may be partially due to the City's ageing population, it also suggests that citizen who are financially disadvantaged may not have access to the internet at home.

The community consultation process highlighted the importance of people accessing information regarding services and ensuring that services were promoted effectively through a range of mediums (i.e. mail, print, social media and through various networks).

The impact of technology is resulting in an increasing amount of information being made available online (i.e. banking, Medicare, job vacancies and Centrelink). For those who do not have access to the internet (i.e. older citizens and lower income citizens) there is an opportunity for the Council to facilitate access to information available digitally.

The Council's Library Service has a significant role to play in facilitating access to information by providing internet access to citizens and offering training on computers and other devices.

One of the key messages highlighted from the consultation process was for the Council to ensure it continued to distribute information in a variety of formats. This included multiple languages and online content with an audio option for citizens who are vision impaired, as well as promotion of services to new citizens and hard copies for those who have no access to the internet.

Other issues for consideration

Past events and upcoming legislative and policy changes need to be considered by the Council with respect to its service and program delivery.

These events and changes include:

- The Australian Government is in the process of developing a new aged care service model. The model is based on the Age Care Commission's recommendations with respect to how Home Care Packages and Commonwealth Home Support Services will be delivered from 1 July 2025. The Commonwealth Home Support Program Services are expected to transition to the new model from July 2027. It is expected that a new in-home support service will be implemented.

There will be significant changes for providers and based on these proposed changes the Council will need to review and determine what services and programs it will offer in the future. This is in addition to ensuring that there are other service providers available to deliver services locally to citizens requiring support at home.

- The State Government is currently reviewing the *State Disability Inclusion Act (2018)* and the State Disability Access & Inclusion Plan Inclusive SA 2018–2023. *The Disability Inclusion Act (2018)*, legislation requires the Council to develop an Access & Inclusion Plan and includes information with respect to the legislative requirements concerning what the Plan needs to consider along with requirements for community consultation and reporting. Once completed there may be actions for local government authorities to consider and incorporate in their respective plans.
- From October 2024, the State Government will be implementing its responsibilities under the National Construction Code which will ensure new liveability and accessibility standards for new homes across South Australia. The new accessibility standards will make it easier for citizens living with disability and older people to find suitable housing, which contain improved entries and spaces inside homes such as wider doors and corridors. The Council will be required to administer the new standards to new home building approvals.

Consultation Process

The Council engaged Healthy Environs to facilitate the community engagement stage of the Access & Inclusion Strategy.



The community engagement process for the development of the Strategy included both online, face-to-face meetings and group consultations with citizens, staff and stakeholders.

A total of 78 people participated in the consultation process which helped inform the development of the Strategy.

Staff Workshop

A staff workshop was held on 9 December 2022, with staff representatives from across the organisation. The workshop aimed to build the capacity and motivate staff members to support access and inclusion for all citizens within the City of Norwood Payneham & St Peters. The Workshop was also intended to gain perspectives on access and inclusion actions and priorities at the local level and understand its relevance to different Council Departments.

The following Council Departments were represented at this workshop:

- Corporate & Community Services;
- Governance & Civic Affairs;
- Urban Planning & Environment;
- Urban Services; and
- Chief Executive's Office.

15 staff attended the workshop. The four pillars of the South Australian Disability Inclusion Plan were used to assess the current trends, issues and identify opportunities for improvement.

Council staff were again consulted during the development of the Strategy to obtain feedback with respect to the actions included in this Strategy.

Access & Inclusion Survey

An Access & Inclusion Survey was developed and launched online from 14 December 2022. The Survey could be completed online through the Council's website or by downloading a printable version. Copies of the survey were also available at the Norwood Town Hall and the Council's three Libraries. The community was invited to contact the Council's Community Services staff if they required assistance or interpreters to complete the Survey.

The Survey questions were designed to explore access and inclusion issues and opportunities for improvement in Council owned facilities and services, information and feedback.



34

surveys completed.

The respondents' profile reveals that the community members who responded were:

- citizens;
- citizens living with disability;
- interested community members; and
- people aged over 65.

Community Forum

A Community Forum for the public and external stakeholders, facilitated by Healthy Environs, was held on 8 February 2023. The Forum was promoted to citizens listed on the Council's Access & Inclusion Engagement Register, citizens who had received services from the Council's Home Support Program the Council's consultation website and social media channels, as well as through Council venues and services (i.e. Norwood Town Hall, Payneham Community Centre and the Council's Libraries). A range of external stakeholders were also invited to attend the Forum.

The Forum included the following:

- discussions about what access and inclusion means;
- group discussions about the trends and issues associated with the Council facilities, services and communication;

- reflections about opportunities to improve access and improvement for all; and
- suggestions of a City vision for access and inclusion for all.


16
 people attended the Forum.

The attendees included representatives from the Norwood Residents Association, Housing Choices South Australia, Direct Care Australia, DLI Choices for Living, Women's Community Centre and the Department of Human Services SA.

Strategic Alignment

The Access & Inclusion Strategy aligns with the Council's Strategic Management Plan *CityPlan 2030: Shaping our Future*

CityPlan 2030: Shaping our Future

The Access & Inclusion Strategy contributes to the *CityPlan 2030 Shaping our Future* outcome of Social Equity which includes the following objectives:

- convenient and accessible services information and facilities;
- an engaged and participating community;
- a people friendly integrated and sustainable transport network: and
- a strong healthy resilient and inclusive community.

Better Living Better Health 2020–2025

Better Living Better Health 2020–2025 is the second Eastern Regional Public Health Plan for the constituent Councils of the Eastern Health Authority and builds on the previous plan Better Health, Better Living 2014–2018.

Better Health and Better Living 2020–2025, develops regional strengths and addresses regional challenges. The Council's Access & Inclusion Strategy plays an important role in supporting the outcomes of the Eastern Regional Public Health Plan by ensuring that services, facilities, and programs are accessible and inclusive for all citizens.

Australia's Disability Strategy 2021–2031

Australia's Disability Strategy represents a commitment by all levels of government, industry and the community to a unified, national approach to policy and program development. This approach will ensure that citizens living with disability can access equal and inclusive opportunities.

The outcomes and actions identified in this Strategy are aligned with the outcomes of the Australia's Disability Strategy 2021–2031:

- Employment and Financial Security;
- Inclusive Homes and Communities;
- Safety, Rights and Justice;
- Personal and Community Support;
- Education and Learning;
- Health and Wellbeing; and
- Community Attitudes.

Inclusive SA

Inclusive SA is the South Australian Government's Disability Access and Inclusion Plan, which aims to address access and Inclusion for all South Australians living with disability. Inclusive SA sets out a range of actions to achieve accessible and inclusive outcomes some of which are applicable to Local Government. Inclusive SA is currently being reviewed for the purpose of developing the next State Disability Access & Inclusion Plan. This Strategy will be reviewed when the new Inclusive SA has been released to consider any actions that are relevant for Local Government.

Strategic Framework

This Strategy sets out the Council's approach to planning and service delivery for an accessible and inclusive City.



The Council will aim to be a more accessible and inclusive City by:

- raising awareness and understanding of disability and related needs of the community;
- creating accessible environments to ensure that citizens of all abilities, can access the Council's facilities and services;
- contributing to the provision of information services regarding Council services and facilities; and
- facilitating and supporting initiatives provided by community and service groups that provide opportunities for all citizens to participate, particularly those living with disability.

This Strategy identifies five priority areas for the Council to focus on:

1 Accessible environments

2 Inclusive communities

3 Effective and accessible information

4 Informed and supportive work environments

5 Collaboration and leadership



Principles of this Strategy

This Strategy is based on the following 14 principles for all citizens:

- to have the same fundamental human rights, responsibility and the same right to autonomy;
- individual worth and dignity;
- have the right to participate in social and economic life and where appropriate be supported to do so;
- to have the right to realise social, sexual, reproductive, emotional and intellectual capacities;
- to have the right to make decisions that affect their lives, including decisions involving risks to the full extent of their capacity;
- to have the right access to information in appropriate forms which takes into consideration their cultural background to enable them to make decisions;
- to be respected for cultural or linguistic diversity, age, gender, sexual orientation and religious beliefs;
- to have the right to privacy and confidentiality;
- to have the right to live free from neglect, abuse and exploitation;
- to have the right to pursue complaints and access justice;
- acknowledgement of and respect for, the crucial role of families, carers and significant persons;
- to have the right to freely engage with family, social and friendship activities;
- to respect the needs of children and young people as they develop and their rights as members of the community are respected; and
- acknowledgement of and respect for the abilities, strengths, goals and needs of people living with disability.

Priority 1 – Accessible Environments

Goal: The Council will seek to strategically identify and address issues relating to physical access, vision and hearing impairments.

Outcome: Citizens of all ages and abilities and cultures have equitable access to facilities, open space and services offered by the City.

Action	Time Frame
Incorporate the Universal Principles of Design at the Master Planning (or planning) stage of all project's services and programs, where possible.	Ongoing
Continue to maintain existing accessible facilities, open space and other assets.	Ongoing
Respond to community feedback to address access issues such as trip hazards or damage to footpaths.	Ongoing
Provide compliant mobility ramps and tactile indicators as part of new capital or renewal works.	Ongoing
Undertake Access Audits of Council owned facilities.	December 2026
Ensure all projects incorporate best practice design for access and inclusion.	Ongoing
Create the Payneham Memorial Swimming Pool redevelopment as an example of best practice in accessibility and inclusion.	Late 2026
Develop a map of accessible toilets and car parks.	December 2024
Based on the mapping of accessible toilets and car parks review the need and where applicable locations for additional accessible car parks.	June 2025
Research Apps available to assist citizens to locate accessible reserves and parks within the City of Norwood Payneham & St Peters.	June 2024
Review the provision of accessible car parks as part of upgrade works for infrastructure such as parks and facilities.	Ongoing
Ensure that lifelong learning, social and wellbeing programs are delivered in venues that are accessible.	Ongoing

Continued	
Action	Time Frame
Administer the Liveable Housing Standards, which are part of the National Construction Code and are designed to improve the accessibility of new houses (i.e. reducing the need for steps, larger doorways).	December 2024
Provide information on best practice with respect to access and inclusion to businesses located within the City.	Annually
Continue working with businesses and users to encourage and regulate clear paths of travel for pedestrians.	Ongoing
Investigate the installation of hearing loops in the Council Chambers and Norwood Concert Hall.	June 2024

Priority 2 – Inclusive Living and Lifestyle

Goal: The Council will facilitate and support initiatives that promote inclusiveness and enhance the lifestyle, health and safety of all citizens.

Outcome: All citizens have the opportunity to participate as valued members of the Community.

Action	Time Frame
Continue to offer a range of inclusive lifelong learning, social and well-being activities.	Ongoing
Review and determine the strategic direction of the Council's home support services and programs for older people.	May 2024
Continue to maintain and improve the accessibility of library collections and equipment to meet the needs of all citizens.	Ongoing
Ensure that the St Peters Childcare Centre & Preschool continues to consider and respond to the individual and specific needs of children living with disability and from diverse cultures attending the centre.	Ongoing
Investigate an accessible Exhibition in conjunction with the History Trust of South Australia, Access2arts and/or Arts SA.	December 2024
Provide opportunity for hirers of the Norwood Concert Hall to be able to access and hire a temporary ramp so participants with disability can access the main Concert Hall Stage.	Ongoing
Ensure services and programs take into consideration the cultural and linguistic needs of First Nation and Culturally and Linguistically Diverse citizens.	Ongoing
Create community connections through developing and offering cross generational and cultural programs and events.	Ongoing
Engage aged care facilities, disability providers and advocacy agencies about the types of cultural heritage and art display activities and other programs that would be suitable for their recipients.	June 2024
Continue to explore and develop strategies and actions to improve the inclusiveness of programs, facilities and events.	Ongoing

Continued

Action	Time Frame
Provide options for flexible application formats for community funding, artists commissions and exhibition program expression of interests.	December 2024
Ensure that Council events are held at accessible locations.	Ongoing
Create an exhibition Style Guide for Cultural Heritage and Art Exhibitions which includes font sizes, colour and type.	July 2024
Incorporate accessibility measures into the planning for all events.	Ongoing
Offer sensory friendly sessions at the Payneham Memorial Swimming Centre and Norwood Swimming Centre.	July 2026
Ensure that the safety needs of vulnerable groups of people are embedded in programs, service delivery and the design and management of Council facilities.	Ongoing
Where possible ensure that Council services programs and events are affordable.	Ongoing
Offer tailored computer training targeting older people and citizens on a lower income.	December 2024
Consider sensory space for citizens who are neurodiverse in all facilities, upgrades and new projects.	Ongoing

Priority 3 – Effective and Accessible Information

Goal: The Council will provide information to increase the awareness of accessible facilities and support and lifestyle opportunities for all citizens.

Outcome: All citizens have equitable access to information on Council services, facilities and lifestyle opportunities.

Action	Time Frame
Create a hard copy information kit for new residents moving to the City of Norwood Payneham & St Peters.	June 2024
Provide information via the Council's website on the accessibility features of Council's facilities.	June 2024
Promote the Council's contact details and process for providing feedback on access issues (i.e., footpaths, trees and facilities) in the Community.	March 2024
Promote electronic App to the community which can be used to report access issues (i.e. footpath hazards and trees) to the Council.	September 2024
Consider whether information concerning footpath maintenance and roadworks can be published on the Council's website so the community can be made aware when works may interrupt access to footpaths.	December 2025
Promote web tools that are compatible with the Council's website and can assist citizens with vision impairment to access the Council's website.	March 2024
For all videos loaded on the Council's website to include a transcript of the video.	Ongoing
Ensure information provided by the Council promotes advice regarding how to access translations where possible.	Ongoing
Provide information to business owners and operators (via Electronic Newsletter) on the new Access & Inclusion Strategy.	June 2024

Priority 4 – Informed and Supportive Workforce

Goal: The Council will seek to create a culture of awareness, respect and support for all citizens who live, work, study or visit the City of Norwood Payneham & St Peters

Outcome: An inclusive and accessible organisational culture.

Action	Time Frame
Ensure every effort is made to accommodate employees of all abilities, cultures and gender orientation working at the City of Norwood Payneham & St Peters.	Ongoing
Provide a range of diverse Volunteering opportunities to the Community.	Ongoing
Recruit volunteers based on their abilities, interests and attributes relevant to the role. Practical adjustment of the roles can be made to improve the Volunteers capacity to participate.	Ongoing
Include training topics and refresher training on access and inclusion as part of the Council's Corporate Training Program.	Ongoing
Provide training or information on access and inclusion to Volunteers.	Ongoing
Provide refresher training on access & inclusion to Elected Members.	December 2024
Together with the Office of the Commissioner for Public Sector Employment develop measures to track the percentage of people living with disability who are employed in the City of Norwood Payneham & St Peters.	June 2024

Priority 5 – Collaboration and Leadership

Goal: To develop and strengthen connection and partnerships with the community and other organisations in the region to improve access and inclusion outcomes for all citizens.

Outcome: The Council collaborates with community members, State Government and other organisations to improve the quality of access and inclusion outcomes.

Action	Time Frame
Regularly engage, network and partner with other Local Government and State Government agencies to improve the quality of access & inclusion.	Ongoing
Develop information on support services (including accommodation) for citizens at risk of homelessness.	March 2024
Develop and deliver a workshop to engage community groups with the aim of facilitating the promotion of programs and services through creating community networks.	June 2024
Establish community networks to assist to promote Council services, programs and events.	December 2025
Review the framework for the Access & Inclusion Engagement Register.	June 2024
Identify opportunities to deliver access and inclusion programs in partnership with local service providers.	Annually
Continue to promote and recruit new members for the Council's Access & Inclusion Engagement Register.	Ongoing
Improve opportunities for the Members of the Access & Inclusion Engagement – to have their say at the master planning stage of major projects.	December 2027

Continued	
Action	Time Frame
Continue to support young people in particular those living with disability to participate in decision making.	Ongoing
Investigate and implement processes to support citizens living with disability to participate in Council community engagement activities.	June 2026
Continue to provide opportunities for active participation in contributing to decision making for all citizens with a particular focus on; <ul style="list-style-type: none"> • citizens living with disability; • culturally and linguistically diverse communities; • women; • LGBTQ+ community and • children and young people. 	Ongoing
Review the State's Disability and Inclusion Plan (once it has been released) to identify whether there are any actions that need to be included in Council's Access & Inclusion Strategy.	Ongoing
Promote Council's achievements in relation to best practice in access and inclusion outcomes.	Ongoing

Performance Measures

A set of performance measures have been developed to measure the achievements of this strategy.

Those performance measures will be reported on annually.

Priority 1 – Accessible Environments

Metric	Target
The level of community satisfaction with access to services and facilities.	<p>Achieve a citizen perception rating higher than the average of the previous four Community Surveys.</p> <p>Achieve a business perception rating higher than the average from the previous four Community Surveys.</p>

Priority 2 – Living and Lifestyle

Metric	Target
The level of satisfaction with how inclusive services and programs are.	Achieve a resident perception rating higher than the average of the previous Council Community Surveys.
Library users have access to a range of equipment (i.e. large print books, audio books, readers and iPad) that provides access to library services.	A range of accessible items and equipment is maintained and where new technology is available reviewed and upgraded as required.
The number of lifelong learning and wellbeing programs that are offered by the Council.	Maintain the number of lifelong learning and well-being programs offered.
The level of community satisfaction with safety.	<p>Achieve a resident perception rating higher than the average from the previous four years.</p> <p>Achieve a business perception rating higher than the average from the previous four Community Surveys.</p>

Priority 3 – Effective and Accessible Information

Metric	Target
The Council offers a range of accessible information to citizens of all abilities.	Council’s publications are accessible to citizens who are visually impaired. Number of new resident kits issued.
To promote the availability of translated Services in Council brochures and newsletters.	Number of information brochures available to the community is maintained. All brochures and publications provide advice on how translated copies can be accessed. Number of translated brochures available to the community.

Priority 4 – Informed and Supportive Workforce

Metric	Target
Number of Staff and Volunteers who have participated in Disability Awareness Training.	100% of staff have completed Disability Awareness training. Refresher Disability Awareness Training is offered to Volunteers every two years. By 2026, 90% of Volunteers have received Disability Awareness training.
Number of training programs offered to staff and Volunteers on access and inclusion topics.	A minimum of two training topics will be offered per year to Staff and Volunteers.
Percentage of Elected Members that have participated in Disability Awareness Training.	100% of Elected Members have attended Disability Awareness training.

Priority 5 – Leadership and Collaboration

Metric	Target
Number of access and inclusion Community Members on the Access & Inclusion Register.	Year upon year increase in the number of active members on the Register.
Number of access and inclusion initiatives delivered in partnership with another organisation.	A minimum of one initiative carried out in partnership with another organisation per year.
Level of promotion of Council's initiatives which are best practice in access and inclusion.	At least one article per year is published in Look East or on the Council website.

Implementation and Reporting

The Access & Inclusion Strategy will be monitored, evaluated and updated.





Reports from responsible managers will provide information regarding the performance measures and inform an Annual Report to the Council. The Annual Report to the Council will also include the status of actions.

The current review of the *State Disability Inclusion Act (2018)* and State Disability Access & Inclusion Plan may require additional mandatory actions in the Access & Inclusion Strategy 2024–2028. In this regard the Council’s Strategy may need to be reviewed and updated prior to 2028.

The Council has a legislative responsibility under the *State Disability Access & Inclusion Act (2018)* to provide an annual report to the State Department of Human Service, on its progress in implementing its Access & Inclusion Strategy. In this regard, information from the report to Council on the progress of the Access and Inclusion Strategy will be submitted to the Department of Human Services.

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

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City of
**Norwood
Payneham
& St Peters**

Attachment B

2024-2028 Access & Inclusion Strategy

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Facsimile 8332 6338
Email townhall@npsp.sa.gov.au
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City of
Norwood
Payneham
& St Peters

Draft Access and Inclusion Strategy

In 2023 the Council held a range of consultations to obtain feedback about the trends and needs of the community with respect to Access & Inclusion. The Draft 2024-2028 Access & Inclusion Strategy has been developed taking into consideration your feedback.

We would appreciate your feedback with respect to the Strategy itself. You can provide your feedback on the Strategy by either completing this survey or contacting the Manager, Community Services on 8366 4600.

Your name *

Postcode *

The Vision Statement:

An accessible and connected City where people feel safe and included.

1. Do you agree with this statement ?

Yes

No

If not, how can it be improved.

The five priorities areas which the Strategy seeks to address are:

- Accessible environments – Ensuring that our communities facilities, services, programs and open space are accessible to the community.
- Inclusive communities – All citizens have the opportunity to participate as valued members of the community.
- Effective and accessible information – All citizens have equitable access information on Council services, facilities and lifestyle opportunities.
- Informed and Supportive Workforce – The Council develops an inclusive and accessible organisational culture for citizens of all abilities.
- Collaboration and Leadership – to collaborate with the community members, State Government and other organisations to improve the quality of access and inclusion outcomes.

Are you in agreement with these priorities?

Yes

No

If not, how can they be improved.

3. Are there any priorities in the Strategy that have not been included that you feel need to be?

Keep up-to-date! I would like to receive Your NPSP bi-monthly eNewsletter.

Yes

Attachment C

2024-2028 Access & Inclusion Strategy

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
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Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au



City of
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Attachment C Summary of Feedback

Date	Do you agree with Vision Statement	Comments on Vision	Do you agree with Prioirties	Other Suggested priorities	Other Recommended Actions
7/03/2024 17:00	Yes		Yes	no	
12/03/2024 10:41			Yes		
13/03/2024 16:00	Yes	Very dry. connected and safe sounds like a cyber usage policy. Access and inclusion can be feeling a sense of belonging, engagement and opportunity to participate	Yes	Continuous improvement Monitor review and respond It's sort of covered by collaboration and the metrics, but a positive affirmation to actively drive improvement is always a useful priority	I don't understand the use of citizen over resident. 1,2,3 and 5 are well stated priorities 4 seems to be mixed tense.. internal council culture is important for delivering to residents, but who are the 'citizens of all abilities'.. employees or residents?
13/03/2024 19:00	Yes		Yes		
14/03/2024 0:43	No	More lgbt+ Inclusive	Yes	Lgbt+ Inclusive	Lgbt+ Inclusive

Date	Do you agree with Vision Statement	Comments on Vision	Do you agree with Priorities	Other Suggested priorities	Other Recommended Actions
15/03/2024 18:11	Yes		Yes	<p>Yes. There is no mention of people like me. What does inclusion mean? At the coal face of life and at a government and council level, to me it's about people being seen. I mean literally seen and metaphorically. Seen for who they are today, who they have been and their struggles. And also I think for who they want to be. Inclusion goes hand in hand with respect. And it's not about one group dominating either.</p>	<p>woman of 42 years of age living with my dog. I do feel invisible. Invisible in the community and to people I know. The female societal aspiration in a hetero normative sense is still to be with a man and have children. If it wasn't there would be more woman like me. The lack of inclusion is I can't really go anywhere with my dog. In the UK/London you can take your dog everywhere. I went to church at Christmas in the UK and there was a spot at the back of the church where parishioners could sit with there dog. I could only dream of this in Adelaide. As an example, I can't take my dog into a shopping centre and tie him up on a bench inside the centre. I have to leave him outside in the elements where I can't see him. I have to go to cafes on a hot day and not be able to sit inside despite hardly anyone being inside. The irony is that when the weather is nice I can't get a seat because everyone else who</p>

Date	Do you agree with Vision Statement	Comments on Vision	Do you agree with Priorities	Other Suggested priorities	Other Recommended Actions
20/03/2024 15:21	Yes		Yes	<p>Council should lead the way by setting employment targets of people with disabilities.</p> <p>Council could offer incentives to local businesses to employ people with disabilities (rate reductions)</p> <p>Council should have an Advisory Board made up of people with disabilities.</p> <p>In Council facilities there should be sensory space/rooms for people who are Neurodiverse</p>	
3/04/2024 1:38	Yes		Yes		

Rosanna Busolin

From: RBusolin@npsp.sa.gov.au
Subject: FW: Council's Access & Inclusion Strategy - consultation now open

Date: 24 March 2024 at 3:45:28 pm AEDT
To: Christel Mex <cmex@electedmembers.npsp.sa.gov.au>
Subject: RE: Council's Access & Inclusion Strategy - consultation now open

Hello Christel,

Thank you for making contact with me after all this time., it is good that the Council is working on the improvement of a strategy for aspects of access for people and particularly for those who live with a disability. My main concern is access on the foot paths and street crossings around the district. This matter is of more concern to me now than when you first met me because I am no longer walking as well as I was then and these issues remain. As I said, I have been an advocate for people with disabilities for some time and when issues remain unattended, I feel there is a need to bring these specific issues to whomever is responsible in the Norwood Council. Due to my disabilities, I no longer drive a motor vehicle, therefore I use an electric scooter, my walker or my 3-wheel push bike for my mobility. Using each of these means I am aware of the following issues ;

- 1/ tree roots causing mounding of the surface and the raising of individual pavers which are very difficult to see and thus are a significant fall risk for me if my foot catches it or a wheel is caught thus bringing me to a halt, or simply making walking unpleasant or a very rough ride and thus very strenuous,

- 2/ the surface of the path is not level making the use of the walker very difficult , often directing me toward the gutter . My poor balance and thus slow response or recovery from such an incident makes walking very uncertain for me and thus I do not walk alone which is not without its significance.

- 3/ often, with the numerous construction sites, pavers have been removed from the path at the front of the site to allow for new underground services to be laid and have not been re-laid or if so are poorly done , I have often had to back track quite a distance due to a temporary fence gate being left open across the path blocking the way, or a tradesman's van or truck for the site protruding from the site's access point or just a car 'just visiting or dropping something off' and therefore relying on the presence and goodwill of someone to allow access. The point being is that for me with a scooter or a person on a powered wheelchair the width of the path can be insufficient to allow for a turn about on the spot to explore for an alternative route.
- 4/ disability spaces within carparks, there seem to be relatively few of them and they may be located quite a distance from the entrance of the shop or facility, are rarely wide enough to allow for the passenger door to swing completely open, not infrequently have I found an occupied large SUV in a spot with its motor running but without the

necessary official tag hanging from its rear vision mirror. I am aware that some of these carparks would be on 'private property and is thus beyond the jurisdiction of the council but poor parking of cars occurs in carparks generally, the point being that the policing of these infractions is left up to the person with the disability, their carer or advocate who might be disinclined to take the matter into their own hands.

Diane and Jim Forbes

From: Christel Mex <>
Sent: Tuesday, 19 March 2024 4:33 PM
To: [REDACTED]
Subject: Council's Access & Inclusion Strategy - consultation now open

Dear [REDACTED]

I hope this email finds you well.

A few years ago I met you while I was door-knocking, and you expressed interest in improving access and inclusion for people living with a disability.

The Council has updated a draft Access & Inclusion Strategy and invites feedback before 8 April. If you would like to have a say on the Strategy it can be viewed here at the Council's website:

<https://www.npsp.sa.gov.au/article/view/2116>
<<https://www.npsp.sa.gov.au/article/view/2116>>

Feel free to contact me with any questions on [REDACTED].

Warm regards,
Christel

Christel Lorraine Mex PhD
Councillor, Kensington/East Norwood Ward
City of Norwood, Payneham & St Peters

Ph: [REDACTED] 1 [REDACTED] 3

I acknowledge the Kaurna people as the traditional owners of this country and their connection to land and community. I pay my respect to them and their cultures, and to the Elders both past and present.

Rosanna Busolin

From: [REDACTED]
Sent: Monday, 8 April 2024 1:12 PM
To: Rosanna Busolin
Subject: Fwd: Draft Access & Inclusion Strategy

Hi Rosanna

I have looked through the Access and Inclusion draft strategy and Consultation Report.

The layout is excellent

Very easy to understand as there is a great deal of information and research to read about but easily understood.

Great use of colours very welcoming.

The changes are going to be life changing for people living with disabilities.

The city of N. P. and S.P have certainly listened to their residents whether Elderly, Disabled or growing Families the draft Strategy has shown the Access and Inclusion will be for all, it will take away any barriers that exist and an exciting future ahead for those feeling Isolated in your Council Area.

The awareness in the Strategy was on point showing the Councils hard work and dedication in their research and getting the changes right.

The Strategy and Consultation report is an exciting read of what's ahead, especially for those of us living with many Barriers and facing Isolation and Social Inclusion every day in the Community we live in.

Having a Council that is Aware of people's needs and getting the Diversity right makes a great place to live and feel safe.

Thank you for letting me be part of giving feed back.

I hope this helps.

Kind regards

[REDACTED]

The

----- Forwarded message -----

From: **Rosanna Busolin** <RBusolin@npsp.sa.gov.au>

Section 2 – Corporate & Finance
Reports

11.2 AUDIT & RISK COMMITTEE – CONSIDERATION OF THE DRAFT 2024-2025 BUDGET

REPORT AUTHOR: General Manager, Governance & Civic Affairs
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4549
FILE REFERENCE: qA115335
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to advise the Council of the recommendation from the Council's Audit & Risk Committee regarding the Council's Draft 2024-2025 Budget.

BACKGROUND

At its meeting held on 8 April 2024, the Council considered the Draft 2024-2025 Budget and resolved the following:

1. *That the proposed Operating and Capital Projects as set out in Attachments A and B, and as amended, be endorsed "in principle".*
2. *That the Draft 2024-2025 Budget, set out in the Financial Statements contained in Attachment E, which incorporates the proposed Operating and Capital Projects, as approved by the Council and including those Projects as set out above and contained in Attachments A and B, be endorsed "in principle".*
3. *The Council notes that a report on the adoption of the Draft 2024-2025 Annual Business Plan and Budget, which includes the 2024-2025 Rating Strategy, will be prepared for the Council's consideration.*

As occurred with the Draft 2023-2024 Budget, the Draft 2024-2025 Budget was provided to the Council's Audit & Risk Committee for advice.

A meeting of the Council's Audit & Risk Committee was held on Monday, 22 April 2024, to enable the Committee to consider and provide any advice and comments to the Council prior to the Council Meeting to be held on 6 May 2024.

RELEVANT POLICIES & STRATEGIC DIRECTIONS

Not Applicable.

FINANCIAL IMPLICATIONS

Not Applicable.

SOCIAL ISSUES/IMPACT

Nil

ENVIRONMENTAL ISSUES

Nil

RESOURCE ISSUES

Nil

RISK MANAGEMENT

Not Applicable.

CONSULTATION

- **Elected Members**
At its meeting held on 8 April 2024, the Council endorsed “in principle” the Draft 2024-2025 Budget.
- **Community**
Not Applicable.
- **Staff**
Chief Executive Officer.
- **Other Agencies**
Not Applicable.

DISCUSSION

The Council's Draft 2024-2025 Budget is based on the continuation of existing services and priorities, as determined by the Council, being appropriately resourced as well as maintaining existing service standards to support the delivery of the Strategic Objectives outlined in *CityPlan 2030: Shaping our Future* and that those services receive appropriate funding.

The Draft Budget comprises the Recurrent Budget, which incorporates the revenue and expenditure which is required to provide the “Business as Usual” services and programs. The second component incorporates the Capital and Operating Project Budget. The Operating Projects Budget encompasses services, programs and activities that are additional to the “Business as Usual” services and are considered discretionary in nature, (ie. the Council is under no obligation to provide the services, activities or programs or if required to undertake the activity, for example the Representation Reviews are irregular in nature). Operating Projects generally include one off activities or programs, an expansion of an existing service or program or proposals to introduce a new service or program. Operating Projects are funded from Rate Revenue or a fee for service charge.

The Capital Works Budget encompasses Capital Projects which renew, upgrade or create new infrastructure assets.

Following the Council Meeting held on 8 April 2024, the Draft 2024-2025 Budget was updated to reflect the Council's decisions in respect to the various inclusions and exclusions that were made by resolution of the Council.

The amended Draft 2024-2025 Budget was presented to the Audit & Risk Committee at its meeting held on Monday 22 April 2024.

Following consideration of the Draft 2024-2025 Budget, the Audit & Risk Committee resolved the following:

1. *That the report be received and noted.*
2. *That the Audit & Risk Committee recommends to the Council, that the Council should seek to achieve:*
 - *a Rate Revenue increase of no more than 8.0% as part of the Draft 2024-2025 Budget; and*
 - *an Operating Surplus of at least \$171,000, by re-considering the funding of all Operating Projects, with a particular focus on those projects that will incur recurrent funding.*

A copy of the Minutes of the Audit & Risk Committee Meeting held on 22 April 2024, is contained within **Attachment A**.

In terms of considering the impact of endorsing the Audit & Risk Committee's recommendations, the Council will consider the Draft 2024-2025 Annual Business Plan and Budget as part of this meeting. More detailed information regarding the 2024-2025 Annual Business Plan and Budget has been provided within the associated report (Item 11.4 of this Agenda).

On the basis of the Audit & Risk Committee's recommendation and the timing associated with the Council's consideration of the Draft 2024-2025 Annual Business Plan & Budget, the Minutes of the Audit & Risk Committee Meeting held on 22 April 2024, are presented in this report and if the Council so determines, adopt the recommendation of the Audit & Risk Committee at this point in the meeting (ie prior to the Council's consideration of the Draft 2024-2025 Annual Business Plan & Budget).

OPTIONS

Essentially the Council has two (2) options in respect to this matter:

- **Option One**

The Council can determine to adopt the recommendation as set out in the Minutes of the Audit & Risk Committee Meeting as a decision of the Council.

The adoption of the recommendation from the Audit & Risk Committee does not "bind" the Council as the Audit & Risk Committee have recommended that the Council should seek to achieve the outcome contained in the Committee's advice.

However, in the event the Council does adopt the recommendation of the Audit & Risk Committee, the Council is essentially agreeing to give consideration to the advice of the Audit & Risk Committee when endorsing the Draft 2024-2025 Annual Business Plan & Budget for the purpose of undertaking public consultation and as part of its review of the Long-Term Financial Plan.

- **Option Two**

The Council can determine not to adopt the recommendation as set out in the Minutes of the Audit & Risk Committee Meeting as a decision of the Council.

Whilst the Audit & Risk Committee can provide "advice" and make recommendations to the Council, ultimately, the Council is responsible for the Budget and therefore the Council can determine not to adopt the recommendations of the Audit & Risk Committee.

However, this Option is not recommended. The Audit & Risk Committee has been established to provide independent assurance and advice to the Council on accounting, financial management, internal controls, risk management and governance matters, and it would be prudent for the Council to consider the advice as part of its Budget deliberations before making a final decision to adopt the 2024-2025 Annual Business Plan & Budget.

It is therefore recommended that the Council adopt the recommendations as set out in the Minutes of the Audit & Risk Committee Meeting held on 22 April 2024, as contained within **Attachment A**.

RECOMMENDATION

That the Minutes of the Audit & Risk Committee Meeting held on 22 April 2024, be received and that the resolution set out therein as a recommendation to the Council regarding the Draft 2024-2025 Annual Business Plan & Budget is adopted as a decision of the Council.

Attachments – Item 11.2

Attachment A

Audit & Risk Committee Consideration of the Draft 2024-2025 Budget

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

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Website www.npsp.sa.gov.au



City of
Norwood
Payneham
& St Peters

Audit & Risk Committee Minutes

22 April 2024

Our Vision

*A City which values its heritage, cultural diversity,
sense of place and natural environment.*

*A progressive City which is prosperous, sustainable
and socially cohesive, with a strong community spirit.*

City of Norwood Payneham & St Peters
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City of
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VENUE Mayors Parlour, Norwood Town Hall

HOUR 7.00pm

PRESENT

Committee Members Mayor Robert Bria (Presiding Member)
Cr Grant Piggott
Cr Claire Clutterham
Ms Sandra Di Blasio (Independent Member)
Ms Stefanie Eldridge (Independent Member)

Staff Mario Barone (Chief Executive Officer)
Lisa Mara (General Manager, Governance & Civic Affairs)
Natalia Axenova (Chief Financial Officer)
Marina Fischetti (Executive Assistant, Governance & Civic Affairs)

APOLOGIES Nil

ABSENT Nil

TERMS OF REFERENCE:

The functions of the Audit & Risk Committee include:

- (a) reviewing Annual Financial Statements to ensure that the Statements present fairly the state of affairs of the Council; and
- (b) proposing, and providing information relevant to, a review of the Council's strategic management plans or annual business plan; and
- (c) monitoring the responsiveness of the Council to recommendations for improvement based on previous audits and risk assessments, including those raised by the Council's External Auditor; and
- (d) proposing, and reviewing, the exercise of powers under Section 130A of the Local Government Act 1999; and
- (e) liaising with the Council's External Auditor in accordance with any requirements prescribed by the regulations; and
- (f) reviewing the adequacy of the accounting, internal controls, reporting and other financial management systems and practices of the Council on a regular basis; and
- (g) providing oversight of planning and scoping of the Internal Audit work plan; and
- (h) reviewing and commenting on reports provided by the person primarily responsible for the Internal Audit function at least on a quarterly basis; and
- (i) reviewing and evaluating the effectiveness of policies, systems and procedures established and maintained for the identification, assessment, monitoring, management and review of strategic, financial and operational risks on a regular basis; and
- (j) reviewing any report obtained by the Council pursuant to Section 48(1) of the Local Government Act 1999; and
- (k) performing any other function determined by the Council or prescribed by the regulations.

1. CONFIRMATION OF MINUTES OF THE AUDIT & RISK COMMITTEE MEETING HELD ON 7 MARCH 2024

Ms Sandra Di Blasio moved that the Minutes of the Audit & Risk Committee meeting held on 7 March 2024 be taken as read and confirmed. Seconded by Cr Grant Piggott and carried unanimously.

2. PRESIDING MEMBER'S COMMUNICATION

As Presiding Member of the Audit & Risk Committee, whose role tonight is to provide advice to the Council in respect to the draft 2024-2025 Budget, it is my view that the Council should be committed to a maximum Rate Revenue increase of 8%, as set out in the draft 2024-2034 Long Term Financial Plan.

I therefore, strongly recommend that the Committee gives consideration to how this can be achieved as part of the Draft 2024-2025 Budget.

As Committee Members may recall, the draft 2024-2034 Long Term Financial Plan has incorporated the cost of the Payneham Memorial Swimming Centre redevelopment, together with a number of other key projects and has projected the revenue which the Council should seek to achieve to funds these projects.

It is important therefore, that the Committee and indeed the Council, give serious regard to achieving these targets and in doing so, manage its expenditure.

3. **QUESTIONS WITHOUT NOTICE**
Nil
4. **QUESTIONS WITH NOTICE**
Nil
5. **WRITTEN NOTICES OF MOTION**
Nil
6. **STAFF REPORTS**

6.1 DRAFT 2024-2025 BUDGET

REPORT AUTHOR: General Manager, Governance & Civic Affairs
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4549
FILE REFERENCE:
ATTACHMENTS: A – C

PURPOSE OF REPORT

The purpose of the report is to present the Draft 2024-2025 Budget to the Audit & Risk Committee to enable the Committee to provide comment and recommendations to the Council, prior to the Council's "in principle" endorsement of the Draft 2024-2025 Annual Business Plan, the Draft 2024-2025 Budget and the Draft Rating Policy, prior to placing these documents on public consultation.

BACKGROUND

Section 123(8) of the *Local Government Act 1999*, requires the Council to adopt an Annual Business Plan and a Budget for the ensuing financial year after 31 May and except in a case involving extraordinary administrative difficulty, before 15 August.

The Draft Budget comprises the Recurrent Budget, which incorporates the revenue and expenditure which is required to provide the "Business as Usual" services. The second component incorporates the Capital and Operating Project Budget. The Operating Projects Budget encompasses services, programs and activities that are outside the "Business as Usual" services and are considered discretionary in nature, (the Council is under no obligation to provide the services, activities or programs or if required to undertake the activity – For example a Representation Review is irregular in nature). Operating Projects generally include one off activities or programs, an expansion of an existing service or program or proposals to introduce a new service or program. Operating Projects are funded from Rate Revenue or a fee for service charge.

The Capital Works Budget encompasses projects which renew, upgrade or create new infrastructure assets. Examples of some projects are the Civil Infrastructure Whole-of-Life Program (referred to as renewals), Playground/Reserve Redevelopment (referred to as upgrades). Renewal Capital Projects are funded through Rate Revenue, via the depreciation charge, with new or upgrade works funded through borrowings or cash reserves.

At its meeting held on 8 April 2024, the Council considered the Draft 2024-2025 Budget. Following consideration of the Draft 2024-2025 Budget the Council resolved the following:

1. *That the proposed Operating and Capital Projects as set out in Attachments A and B, and as amended, be endorsed "in principle".*
2. *That the Draft 2024-2025 Budget, set out in the Financial Statements contained in Attachment E, which incorporates the proposed Operating and Capital Projects, as approved by the Council and including those Projects as set out above and contained in Attachments A and B, be endorsed "in principle".*
3. *The Council notes that a report on the adoption of the Draft 2024-2025 Annual Business Plan and Budget, which includes the 2024-2025 Rating Strategy, will be prepared for the Council's consideration.*

The Draft 2024-2025 Annual Business Plan, will be considered at the Council Meeting scheduled for 6 May 2024.

The Draft 2024-2025 Annual Business Plan and Budget will be released for public consultation for a period of twenty-one (21) days as required by the *Local Government Act 1999*.

RELEVANT POLICIES & STRATEGIC DIRECTIONS

The Council's long term strategic direction is outlined in its Strategic Management Plan *City Plan 2030: Shaping our Future*. The Draft 2024-2025 Annual Business Plan and supporting Draft 2024-2025 Budget, set out the proposed services and programs and explains how the Council intends to finance its continuing and new activities which are proposed to be undertaken during the year.

The Council's Long Term Financial Plan (LTFP), is a key document in the Council's Planning Framework. It is the primary financial management tool which links the Council's Strategic Plan, *City Plan 2030: Shaping our Future*, Whole-of-Life Assets Management Plans and the Annual Business Plan and Budget.

Financial sustainability underpins the Council's Financial Goals and Outcomes, which are set out in the Long-Term Financial Plan. In general terms, financial sustainability is ensuring that the Council has the financial resources to meet the long-term service and infrastructure needs of the community, without any severe increases in rate revenue or cuts in service provision and standards.

From an operational perspective, financial sustainability is being able to manage the balance between keeping rate revenues increases to a reasonable level, maintaining existing service standards and financing new services and major capital investments.

The Draft 2024-2025 Budget has been developed on the basis of ensuring that it will assist in delivering on the Council's Long Term Strategic direction and financial objectives set out in the LTFP.

FINANCIAL AND BUDGET IMPLICATIONS

For the 2024-2025 Financial Year, the LTFP estimates an Operating Surplus of \$170,953, based on a Rate Revenue increase of 8%.

To ensure that the Council can deliver on its financial objectives, as set out in the Council's Long Term Financial Plan, the Draft Recurrent Budget has been prepared with reference to the Budget Parameters which were adopted by the Council at its meeting held on 22 January 2024.

The Draft 2024-2025 Budget, as presented to the Council at its meeting held on 8 April 2024, was based on the 8% Rate Revenue increase as set out in the Long-Term Financial Plan, which in turn will deliver an estimated Operating surplus of \$170,953.

At its meeting held on 8 April 2024, the Council resolved "*in principle*" to incorporate a number of projects within the Draft 2024-2025 Budget. Details of these projects and the impact on the Draft 2024-2025 Budget are set out in the Discussion section of this report.

At the time of writing this report, the rate increase for the average residential ratepayer is not available (noting that the Rate Revenue increase does not necessarily translate to the same percentage increase in the average rate).

EXTERNAL ECONOMIC IMPLICATIONS

The South Australian economy has continued to perform solidly across a number of economic indicators, as the State ranked highest in four of the key economic indicators compared to other Australian States and Territories (i.e. in relative Economic Growth, Unemployment, Construction work (the total real value of residential, commercial and engineering work completed) and Dwellings (housing statistics driven in part by population growth). However, the pace of growth appears to be moderating.

Following growth of 5.1% in 2021-2022, Gross State Product (GSP) declined in 2022-2023, growing only by 3.8%. This data is not available on a quarterly basis. Therefore, the State Final Demand (SFD) is another key component of economic growth the Council can consider, which reflects the consumption on goods and services (including imports) and capital investment. The nominal SFD seasonally adjusted for the December 2023 quarter only increased by 1.6% year-on-year. Growth in both GSP and SFD is expected to remain low in 2023-2024 and 2024-2025 as inflation comes down and real incomes start to rise. Consumption growth is expected to come back to pre-pandemic levels over the next couple of years.

The outlook for inflation has been revised downwards, as it is expected to eventually decline to the 2%–3% target range in 2025 and to reach the midpoint in 2026. Goods price inflation has declined but services price inflation remains high, supported by continued excess demand in the economy and strong domestic cost pressures, both for labour and non-labour inputs. The Adelaide Consumer Price Index (CPI) is forecast to grow by 0.7% towards the later stages of 2023-2024 quarters, reflecting the rising prices for automotive fuel, rents, new dwelling purchases by owner-occupiers, electricity, restaurant meals and property rates and charges. However, this is forecasted to fall back within the Reserve Bank of Australia's target range from 2024-2025.

SOCIAL ISSUES

No Applicable.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

Not Applicable.

RISK MANAGEMENT

The Draft 2024-2025 Budget will also be impacted upon by the decisions made by the Federal Government and State Government in their respective budgets. No information regarding these budgets is available at the time of preparation of this report.

As a result, the Draft 2024-2025 Budget presented in this report, has been developed on the following assumptions:

- that the Financial Assistance Grants, comprising of the General Assistance Grant and the Road Funding Grant, will be provided based on the current funding arrangements of four (4) quarterly instalments. The value of these payments has not been indexed;
- State Government Charges, which are set by Legislation, are yet to be indexed; and
- no new fees and charges will be introduced with the exception of the fees associated with the Visitor Parking Permit Booklets and copies of the Council Assessment Record.

Any adjustments to the Draft Budget arising from the State and Federal Budgets will be incorporated into the Council's 2024-2025 Budget when this information becomes available.

Notwithstanding this, the preparation of the Draft 2024-2025 Annual Business Plan and Budget has been prepared to ensure the Council meets its legislative responsibility in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

CONSULTATION

- **Elected Members**
Elected Members have considered the Draft 2024-2025 Recurrent Budget, Capital Works Program and Operating Projects at an Information Briefing held on 12 March 2024 and at the Special Council Meeting held on 8 April 2024.
- **Community**
Citizens will be provided the opportunity to have input into the Draft 2024-2025 Budget through public consultation on the Draft Annual Business Plan, which is scheduled to be undertaken from 27 May 2024.
- **Staff**
The preparation of the Draft 2024-2025 Budget has been completed with the involvement of the Chief Executive Officer, General Managers and staff responsible for management of the Budget.

- **Other Agencies**
Not Applicable.

DISCUSSION

The Draft 2024-2025 Budget is based on the continuation of existing services and priorities, as determined by the Council, being appropriately resourced and that the Council can maintain the service standards for its existing services to support the delivery of the Strategic Objectives outlined in *CityPlan 2030: Shaping our Future* and that those services receive appropriate funding.

The key objective therefore, is to develop a Budget that not only contributes to the Council's broader strategic objectives of achieving *Community Well-being*, but also ensures that the Council is managing its financial resources in a sustainable, prudent and equitable manner and to ensure that future financial impacts can either be avoided or managed in a measured way, so that the funding requirements are balanced with ensuring that the community does not face unreasonable increases in their annual rates contribution.

Budget Parameters/Assumptions

In developing the Draft 2024-2025 Budget, the following principles and assumptions have been applied:

- the Recurrent Budget be prepared based on the provision of existing services, programs and activities;
- the cost escalation for Material, Contracts and Other Expenses has been set at a 3.5% Inflation; and
- Wages and Salaries increases are based on the Council's Enterprise Agreements.

Budget Overview

As stated previously, the Draft 2024-2025 Budget presented to the Council at its meeting held on 8 April 2024, was based on the draft LTFP with a recommended Rate Revenue increase of 8% delivering an Operating Surplus of \$170,953.

A copy of the report which was presented to the Council at its meeting held on 8 April 2024, is contained within **Attachment A** (noting that only the report is provided).

The draft 2024-2025 Budget as presented to the Council at its meeting held on 8 April 2024, included the Recurrent Budget and Programs, which incorporates the revenues and expenditure required to provide the "*Business as Usual*" services and delivered a surplus of \$3.003 million, which will be used to fund the delivery of the proposed Operating Projects and fund additional interest costs to cover the additional finance costs associated with borrowings required to fund the delivery of the proposed Capital Works Program.

The total Operating Expenditure is \$53.86 million, with \$41.22 million (73%) being influenced by the decisions that have been made as part of the budget process while the remaining \$15.47 million (27%) of expenditure relates to the depreciation of existing and new assets, as well as finance costs.

It should be noted that while the cost to finalise any carry forward Operating Projects from 2023-2024 financial year are not included in the Draft 2024-2025 Operating Surplus, the funding to undertake these projects will be sourced from cash reserves.

At this stage, only the Draft Budgets of the Regional Subsidiaries (with the exception of the Eastern Health Authority Draft 2024-2025 Budget), have been incorporated into the Council's Draft Operating result for 2024-2025 as the Council is yet to receive the finalised budgets of the Regional Subsidiaries. The Council is required to report the Council's share of the Regional Subsidiaries operating results and while this will have an impact on the Council's reported Operating Result, this is a non-cash transaction that does not have an impact on the Council's cash position.

Following consideration of the Draft 2024-2025 Budget, the Council resolved to amend the Draft 2024-2025 Budget as presented and as recommended at the 8 April 2024 Council Meeting.

The implications of the Council's decision are set out below.

Draft 2024-2025 Budget as at 8 April 2024

At its meeting held on 8 April 2024, the Council endorsed "*in principle*" the inclusion of an additional \$340,000 for Operating Projects. In addition, the Council did not support the inclusion of one (1) project and reduced the funding for one (1) project as part of the Draft 2024-2025 Budget.

The total net cost as a result of the Council's decision is \$315,000.

Details of the additional projects which the Council supported as part of the Draft 2024-2025 Budget are set out in Table 1.

TABLE 1: ADDITIONAL OPERATING PROJECTS TO BE INCLUDED AS PART OF THE DRAFT 2024-2025 BUDGET

Project	Description	Funding Allocation
2025 AFL Gather Round	To host events and activities associated with the 2025 Gather Round, should Norwood Oval be selected as a venue to host matches as part of the 2025 Gather Round.	\$200,000
Building Assets Review/Strategy	The purpose of this project is to develop a strategy for the Council's buildings and facilities. Strategy will include an analysis of current facility utilisation and predictions of future needs, together with a condition audit data of the Council's buildings assets, the Whole of Life program and the Council's Asset Management Plans.	\$ 20,000
Implementation of the IT Strategy	This funding is to commence the implementation of the IT Strategy following the completion of the review.	\$100,000
Verge Upgrade Program	To financially assist residents wanting to upgrade the verge with the cost of removing dolomite or quartz gravel and growing greenery in its place.	\$ 20,000
TOTAL		\$340,000

The Council did however, resolve **not to** allocate funds for the Payneham Memorial Swimming Centre Communications project of \$10,000 and reduced the funding for the *Raising the Bar* program from \$40,000 to \$25,000.

As stated above, the decisions made by the Council at its meeting held on 8 April 2024 represents an increase of **\$315,000** compared to the Draft Budget presented and recommended to the Council.

A total of Funding Submissions received for Operating Projects totalled \$1,480,652.

The Council's Executive Leadership Team recommended for approval proposed Operating Projects of \$616,172, which were included into the Draft 2024-2025 Budget. The remaining projects to the value of \$864,480 were not recommended for approval due to various reasons which includes, alignment to the Council's current priorities and strategies of the Council and the impact of these proposed projects on the Recurrent Budget beyond 2024-2025, LTFP and Cashflow forecast. The intention being to potentially delay and re-submit some of the proposed projects at a later year to align with LTFP timeline, if required.

The Operating Projects for 2024-2025 which were presented to the Council for approval at its meeting held on 8 April 2024 and subsequently endorsed "*in principle*" by the Council are detailed in Table 2.

TABLE 2: OPERATING PROJECTS 2024-2025

Operating Projects	\$
St Peters Billabong Engineering Review	100,000
Development of an IT Strategy	80,000
Implementation of Year 1 of the Art & Culture Plan	68,874
Participation in 2025 Tour Down Under	60,000
Additional Administrative staff for Regulatory Services	47,336
Purchase and installation of CIVICA Authority ACTUS Mobile App	43,862
Information Systems Project Support Staff (fixed-term contract)	40,000
Eastside Business Awards	40,000
Raising the Bar Adelaide	40,000
Payneham Memorial Swimming Centre Communications	10,000
Glynde Heavy Vehicle Traffic Study	25,000
Implementation of Electronic Permits	20,000
Development of Tree Strategy Contractor	20,000
Urban Greening Program (Tree vouchers)	10,000
Firstval Festival (Library Services)	4,000
Music Month in the Libraries (Library Services)	3,800
Culturally Diverse Early Literacy Project (Library Services)	3,300
Total Operating Projects Expenditure	616,172

The Operating Projects that were recommended for approval are contained in **Attachment B**, Table 1 and the proposed Operating Projects not recommended for approval are contained in **Attachment B**, Table 2.

The Draft 2024-2025 Budget presented to the Council at its meeting held on 8 April 2024, which included the Operating Projects set out in Table 2 above, was based on an 8% Rate Revenue increase, in accordance with the draft LTFP, with an Operating Surplus of \$170,953.

The inclusion of the additional \$315,000 in Operating Projects, based on a Rate Revenue Increase of 8%, in accordance with the draft LTFP, results in an **Operating Deficit of \$144,047**.

Based on the decision made by the Council at its meeting held on 8 April 2024, the Financial Statements have been updated to include the additional \$315,000. A copy of the updated Financial Statements is contained within **Attachment C**.

As set out in the updated Financial Statements, in order to achieve a modest Operating Surplus (ie \$70,000), the Council would now be required to increase Rate Revenue by 8.5%.

It is important to note that a 0.25% increase in Rate Revenue will result in approximately an additional \$105,000 in revenue and the average rates year-on-year will increase by approximately 0.20%.

Budgeted Capital Projects

The Draft 2024-2025 Budget, as presented, incorporates Capital Projects to the value of \$52.868 million (which is the net of Grant funding and total expenditure required). It also includes staff costs of \$1.101 million which are to be capitalised (i.e. staff involved in the delivery of the projects involving physical assets).

The proposed Capital Projects for 2024-2025, have been broken down into a number of categories as set out Table 3 below.

TABLE 3: CAPITAL PROJECT CATEGORIES

Capital Expenditure Project	\$
Whole-of-Life Capital Works Program	
* Road Resealing	4,176,766
* Footpath Reconstruction	951,400
* Kerb Reconstruction	1,551,917
* Stormwater Drainage Program (including Trinity Valley Stormwater Upgrade Project)	11,771,866
* Other Infrastructure Asset Renewal	1,972,313
Payneham Memorial Swimming Centre – Year 2	35,000,000
George Street Upgrade (including additional funding)	1,560,000
Quadrennial Art Project	9,000
Traffic Management (various)	620,000
Minor projects (IT Equipment upgrade and Bike Parking at Webbe Street facility)	77,500
Capitalisation of Salaries (existing staff)	1,101,342
Total Capital Projects Expenditure	58,792,104
Grant Funding	5,924,000
Net Cost	52,868,104

Borrowings

Capital expenditure of \$58.792 million is proposed to be funded as shown in Table 4.

TABLE 4: CAPITAL PROJECTS FUNDING

Use of depreciation recovered through Rate Revenue	\$11,342,926
Grant Funding	\$5,924,000
Borrowings	\$41,525,178
TOTAL	\$58,792,104

In determining the timing and the level of borrowings that are required to fund the proposed Capital Program, consideration has been given to the cash flow requirements and to intergenerational equity between current and future users (that is, an asset is funded from loan borrowings which is paid off over the life of the asset rather than raising rate revenue from current rate payers to pay for the asset).

The Council has an option in respect to its borrowing arrangements using financial instruments such as Cash Advance Debenture (CAD) or Traditional Loan (Loan) provided by the Local Government Financing Authority (LGFA). It is important that borrowing decisions are made strategically, considering factors such as cost, risk, and suitability to the Council's financial objectives and for its ongoing financial sustainability.

OPTIONS

The purpose of this report is to provide the opportunity for the Committee to provide comment on the Draft 2024-2025 Budget, prior to the Council endorsing the Draft 2024-2025 Annual Business Plan, the Draft 2024-2025 Budget and the Draft Rating Policy for the purpose of undertaking public consultation.

In this regard, the Committee has the following options in respect to the consideration of this matter;

- advise the Council that the Draft 2024-2025 Budget, set out in the Financial Statements contained in **Attachment C**, which incorporates the proposed Operating and Capital Projects contained in **Attachment B** and as endorsed “*in principle*” by the Council at its meeting held on 8 April 2024 is recommended for endorsement “*in principle*” by the Council; or
- recommend to the Council, amendments to the Draft 2024-2025 Budget as endorsed “*in principle*” by the Council at its meeting held on 8 April 2024, as set out in the Financial Statements contained in **Attachment C**, by:
 - reducing Operating and Capital Projects; and/or
 - increasing or decreasing non-rate revenue; or
 - increasing or decreasing the proposed Rate Revenue increase; or
 - increasing or decreasing recurrent expenditure.

At its meeting held on 7 March 2024, the Committee considered the updated draft 2024-2034 Long-Term Financial Plan which sets out the Rate Revenue increases over the life of the Plan as follows:

Rate Revenue

LONG TERM FINANCIAL PLAN – RATE REVENUE INCREASES

2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	2033-2034
8.0%	8.0%	7.0%	6.5%	6.0%	4.0%	4.0%	4.0%	4.0%	4.0%

At its meeting held on 2 April 2024, the Council adopted the draft *2024 to 2034 Long-Term Financial Plan*.

As set out above, in accordance with the draft *2024 to 2034 Long-Term Financial Plan*, it is recommended that the Committee recommends to the Council that the Council adopts a Rate Revenue increase of 8% as part of the 2024-2025 Budget and that the 2024-2025 Budget should achieve a modest Operating Surplus. As set out above, this can be achieved through a range of options.

CONCLUSION

The Draft 2024-2025 Budget is based on the Council continuing to deliver its existing services, programs and activities at the existing endorsed standard.

To ensure that a responsible budget is set by the Council, a series of Budget Parameters have previously been adopted by the Council to guide staff in preparing the respective budget estimates and submissions. As detailed in this report, the Draft 2024-2025 Recurrent Budget has been prepared with reference to these guidelines and where the parameters have not been achieved, the reasons for the departure have been provided.

Financial sustainability underpins the Council’s Financial Goals and Outcomes, which are set out in the Draft Long-Term Financial Plan. In general terms, financial sustainability is about ensuring that the Council has the financial resources to meet the long-term service and infrastructure needs of the community, without any sharp increases in rate revenue or cuts in service provision and standards.

From an operational perspective, financial sustainability is being able to manage the conflict between keeping rate revenues increases to a reasonable level, maintaining existing service standards and spending on new services and major capital investments that are required to ensure that the objective of Community well-being is achieved.

As previously advised, decisions regarding the Draft 2024-2025, need to take into account the impact on the Council's ability to continue to meet its operational and financial outcomes in the future.

COMMENTS

If Elected Members have any questions in relation to specific budget items or proposed allocations, please contact the Chief Financial Officer on 8366 4548, prior to the meeting as these discussions may assist in resolving any enquiry.

RECOMMENDATION

That the report be received and noted.

Short Term Suspension of Proceedings

At 7.06pm, with the approval of two-thirds of the Committee Members present, the Presiding Member suspended the meeting proceedings pursuant to Regulation 20(1) of the *Local Government (Procedures at Meetings) Regulations 2013* for 45 minutes, to enable informal discussion regarding the Draft 2024-2025 Budget.

Further Suspension of Proceedings

At 7.51pm, with the approval of two-thirds of the Committee Members present, the Presiding Member suspended the meeting proceedings pursuant to Regulation 20(1) of the *Local Government (Procedures at Meetings) Regulations 2013* for a further 10 minutes, to enable further informal discussion regarding the Draft 2024-2025 Budget.

Resumption of Proceedings

The meeting resumed at 8.05pm.

Cr Clutterham moved:

1. *That the report be received and noted.*
2. *That the Audit & Risk Committee recommends to the Council, that the Council should seek to achieve:*
 - *a Rate Revenue increase of no more than 8.0% as part of the Draft 2024-2025 Budget; and*
 - *an Operating Surplus of at least \$171,000, by re-considering the funding of all Operating Projects, with a particular focus on those projects that will incur recurrent funding.*

Seconded by Ms Sandra Di Blasio and carried.

Division

Cr Piggott called for a division and the decision was set aside.

Those in favour:

Cr Clutterham, Ms Stefanie Eldridge, Ms Sandra Di Blasio and Mayor Bria.

Those against:

Cr Piggott.

The Presiding Member declared the motion carried.

7. CONFIDENTIAL REPORTS
Nil

8. OTHER BUSINESS
Nil

9. NEXT MEETING
Monday 20 May 2024

10. CLOSURE

There being no further business the Presiding Member declared the meeting closed at 8.28pm.

Mayor Robert Bria
PRESIDING MEMBER

Minutes Confirmed on _____
(date)

11.3 MONTHLY FINANCIAL REPORT – MARCH 2024

REPORT AUTHOR: Chief Financial Officer
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4548
FILE REFERENCE: A823880
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to provide the Council with information on the status of its financial performance for the period ended March 2024.

BACKGROUND

Section 59 of the *Local Government Act 1999* (the Act), requires the Council to keep its resource allocation, expenditure and activities and the efficiency and effectiveness of its service delivery, under review. To assist the Council in complying with these legislative requirements and the principles of good corporate financial governance, the Council is provided with monthly financial reports detailing its financial performance compared to its Budget.

RELEVANT STRATEGIC DIRECTIONS AND POLICIES

Not Applicable.

FINANCIAL AND BUDGET IMPLICATIONS

Financial sustainability is as an ongoing high priority for the Council. The Adopted Budget forecast an Operating Surplus of \$1,387,382 for the 2023-2024 Financial Year. Over the course of three Budget Reviews that have been undertaken over the course of the 2023-2024 financial year and subsequent adoption of the 2023-2024 Budget, the Council's financial trajectory has undergone some changes, such as Carry Forwards from previous year, additional projects that have been approved by the Council and in some cases reductions in budgets where the projects and activities were not foreseen to be completed in 2023-2024. Following the Third Budget Review an Operating Surplus forecast has been projected at \$1,095,985.

DISCUSSION

For the period ended March 2024, the Council's financial performance remained stable, with a year-to-date Operating Deficit of \$429,928 against budgeted Deficit of \$395,833 resulting in an unfavourable variance of \$34,095. There are number of variances in certain income and expense categories, impacting the overall performance and they are set out below. Details outlined in table 1.

Table 1 below sets out details relating to the Council’s financial performance to 31 March 2024.

TABLE 1: OVERVIEW OF FINANCIAL PERFORMANCE

Financial Performance for the Period Ended 31 March 2024					
LYTD Actual		YTD Actual	YTD Revised Budget	Var	Var %
\$'000		\$'000	\$'000	\$'000	
Revenue					
29,981	Rates Revenue	32,749	32,639	109	0%
1,557	Statutory Charges	1,568	1,616	(48)	(3%)
2,720	User Charges	2,940	2,928	12	0%
1,315	Grants, Subsidies and Contributions	1,463	1,370	93	7%
136	Investment Income	59	90	(31)	(35%)
402	Other	399	370	29	8%
212	Reimbursements	83	4	79	1,893%
36,324	Total Revenue	39,260	39,018	242	1%
Expenses					
12,324	Employee Expenses	13,505	13,673	169	1%
8,946	Contracted Services	10,359	10,432	73	1%
1,090	Government Levies	1,203	1,101	(102)	(9%)
676	Parts, Accessories and Consumables	880	806	(75)	(9%)
782	Utilities	956	1,006	49	5%
669	Insurance	711	678	(33)	(5%)
578	Subscriptions, Memberships & Licences	542	491	(51)	(10%)
289	Legal Expenses	491	268	(223)	(83%)
1,507	Other Expenses	1,316	1,275	(41)	(3%)
8,369	Depreciation, amortisation & impairment	9,346	9,346	0	0%
352	Finance Costs	381	342	(39)	(11%)
-	Net Loss - Joint Ventures & Associates	-	(4)	(4)	100%
35,582	Total Expenses	39,690	39,414	(276)	(1%)
742	Operating Surplus/(Deficit)	(430)	(396)	(34)	9%

Variations to Income

The major variances in respect to Income and reasons for the variances is set out below:

- **Rates**
Positive variance is due to higher than budgeted amount for late payment of rates of \$109,072.
- **Statutory Fees & Charges**
The reduced statutory Fees & Charges are primarily due to the lower income from Parking Infringements. It is challenging to accurately budget for parking infringement income due to its unpredictable nature.
- **Grants**
Increase in Grant income in comparison to Budget is due to the receipt of the *Local Roads and Community Infrastructure (LRCI) Program Grant* of \$127,035 from the Department of Infrastructure & Transport which was not anticipated or accounted for in the Adopted Budget.

Variances to Expenditure

The major variances in respect to Expenditure and reasons for the variances is set out below:

- **Employee Costs**

In the first half of the year, there is an under expenditure of \$369,154 due to vacant positions that have not yet been filled. While some of these roles are temporarily covered by contract staff, several positions are currently in the recruitment process. Following the Second and Third Budget Reviews, the decision was made to review and reduce the Employee Expenses Budget to align expenditure to the expectation of the roles being filled before 30 June 2024. As a result, there is a budget saving of \$168,867 attributed to the positions that were vacant during the year that have now been filled.

- **Contracted Services**

The positive variance of \$73,383 is due to under-spend on Consultants compared to Budget which is mainly due to the Operating Project Additional Resources approved in the 2023-2024 Budget being incorrectly allocated to Contracted Services. The costs of additional staff resources should have been entered as part of Employee Expenses.

- **Parts, Accessories & Consumables and Utilities**

The variance of (\$74,804) is associated with higher than forecast bin replacement costs, equipment hire for Concert Hall and Events as well as cost of Council Leased Vehicles not being budgeted as an expense throughout the year.

- **Government Levies:** Higher cost than forecast Green Adelaide Landscape Levy. (Noting that this has no impact on the Budget).

- **Subscriptions, Memberships & Licences**

The overspend of \$51,189 is due to the timing of Information Technology and Events subscriptions and licences, compared to budget. In addition, this variance is impacted by the accruals via Purchase Orders of upcoming subscription that are currently recognised in full. In line with accounting principles of prepayments these transactions will be recognised on straight line basis over the term of subscriptions at the time of goods receipt. The gap between Actuals and Budget expected to close.

- **Legal Fees**

An unfavourable variance of \$222,785 is due to the increased level of Planning Appeals and regulatory compliance matters. The unpredictable and complex nature of such activities results in the Council having to respond to Environment Resources and Development Court appeals and other matters with legal representation.

OVERVIEW OF PROJECTS

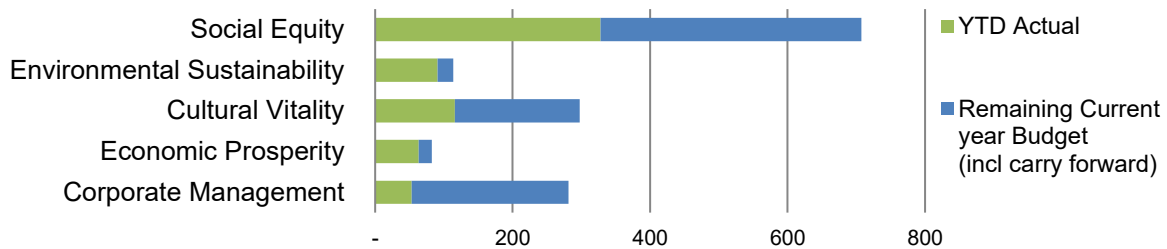
The Council's financial performance is based on recurring expenses and on the progress of Operating and Capital Projects. Table 2 below provides an overview of both Operating and Capital projects - those Carried Forward from the new projects initiated as part of the 2023-2024 Adopted Budget. At the start of the 2023-2024 financial year, significant focus has been placed on completing Carried Forward projects from the previous budget year as well as reducing the Carried Forwards from the 2023-2024 Financial Year.

TABLE 2: OVERVIEW OF PROJECT EXPENDITURE

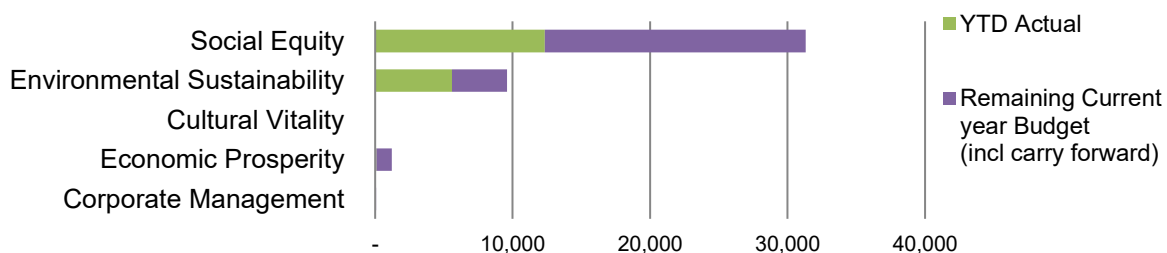
Project Expenditure Summary for Period Ended 31 March 2024

	YTD Actual \$'000	YTD Budget \$'000	Remaining Current year Budget (incl carry forward) \$'000
Operating Projects			
Corporate Management	53	270	228
Economic Prosperity	64	89	19
Cultural Vitality	116	357	182
Environmental Sustainability	91	55	23
Social Equity	328	794	380
Net Cost of Operating Projects	651	1,566	831
Capital Projects			
Corporate Management	31	137	40
Economic Prosperity	97	83	1,112
Cultural Vitality	21	55	-
Environmental Sustainability	5,599	8,956	3,997
Social Equity	12,350	18,217	18,967
Net Cost of Capital Projects	18,098	27,448	24,116

OPERATING PROJECTS EXPENDITURE (incl Carry forwards*)



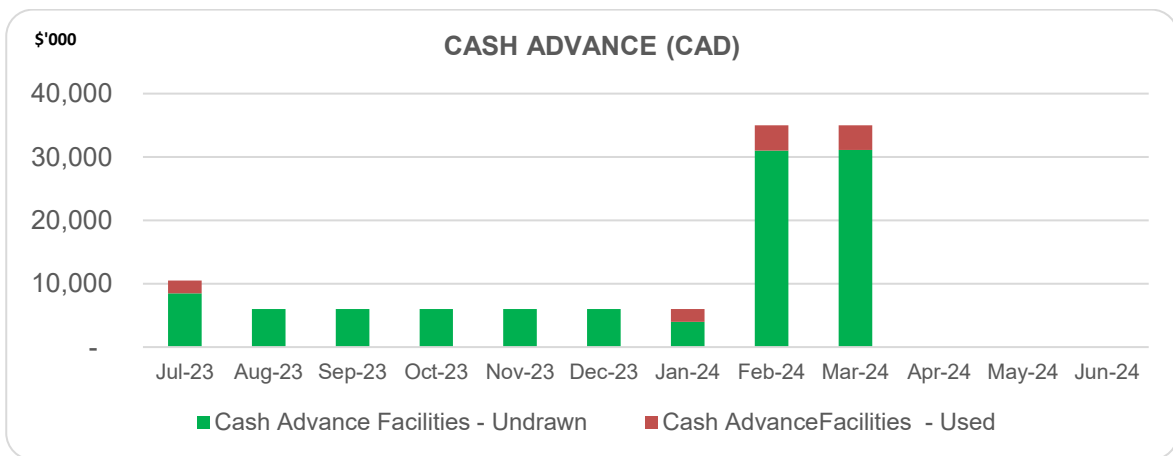
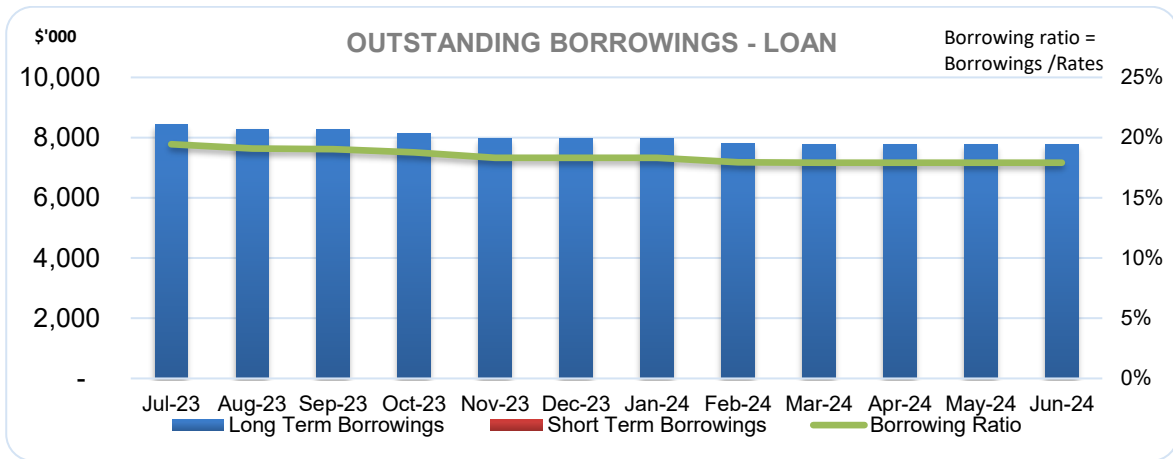
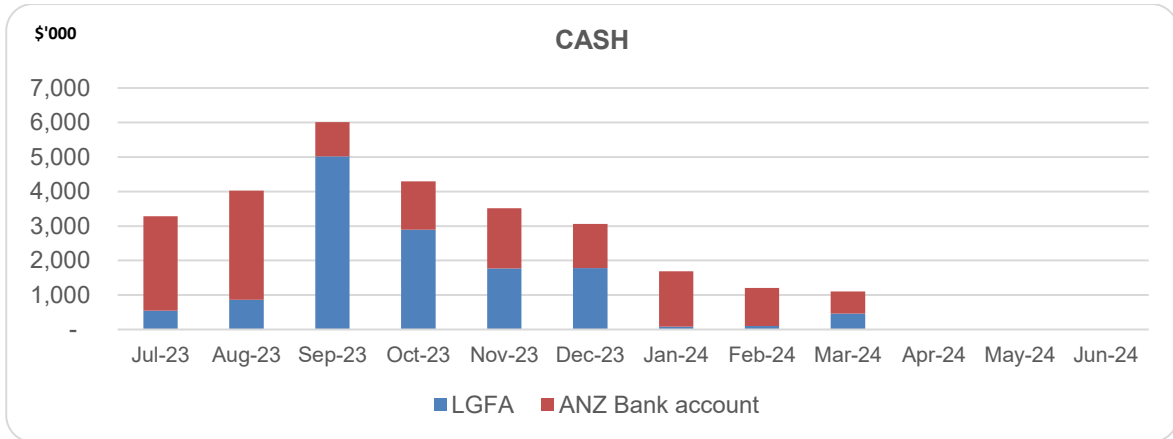
NEW ASSETS AND RENEWALS EXPENDITURE (incl Carry forwards*)



STATEMENT OF FINANCIAL POSITION

	June 2023	31 March	Movement	
	Draft	Actual		
	\$'000	\$'000	\$'000	%
ASSETS				
Current Assets				
Bank and Cash	4,317	1,111	3,207	74%
Accounts receivables	2,746	2,193	553	20%
Less : Provision for Bad Debts	(580)	(580)	-	0%
Total Current Assets	6,483	2,724	3,759	58%
Non-current Assets				
Financial Assets	(2)	-	(2)	100%
Investments in Joint Ventures	1,949	2,749	(800)	-41%
Infrastructure, Property, Plant and Equipment	595,636	601,845	(6,209)	-1%
Other Non-current Assets	5,707	5,707	-	0%
Total Non-current Assets	603,290	610,301	(7,011)	-1%
Total Assets	609,773	613,025	(3,252)	-1%
LIABILITIES				
Current Liabilities				
Trade and Other Payables	8,689	9,877	(1,188)	-14%
Borrowings	174	4,074	(3,900)	-2246%
Provisions	2,910	4,006	(1,096)	-38%
Total Current Liabilities	11,773	17,957	(6,184)	-53%
Non-current Liabilities				
Borrowings	8,446	7,779	667	8%
Provisions	1,250	288	961	77%
Investments in Joint Ventures	952	941	11	1%
Total Non-current Liabilities	10,648	9,008	1,640	15%
Total Liabilities	22,420	26,965	(4,544)	-20%
NET ASSETS	587,352	586,060	1,292	0%
EQUITY				
Accumulated Surplus	64,652	60,976	3,676	
Profit/(Loss) for the year-to-date	-	(430)	430	
Asset Revaluation Reserves	522,700	525,514	(2,814)	
TOTAL EQUITY	587,352	586,060	1,292	0%

TREASURY



CONCLUSION

Not Applicable.

COMMENTS

Nil.

RECOMMENDATION

That the March 2024 Monthly Financial Report be received and noted.

Attachments – Item 11.3

Attachment A

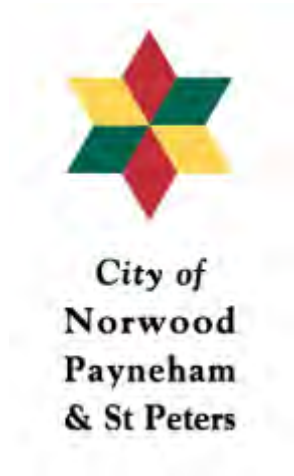
Monthly Financial Report March 2024

City of Norwood Payneham & St Peters
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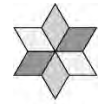


City of
Norwood
Payneham
& St Peters



FINANCIAL REPORT

MARCH 2024



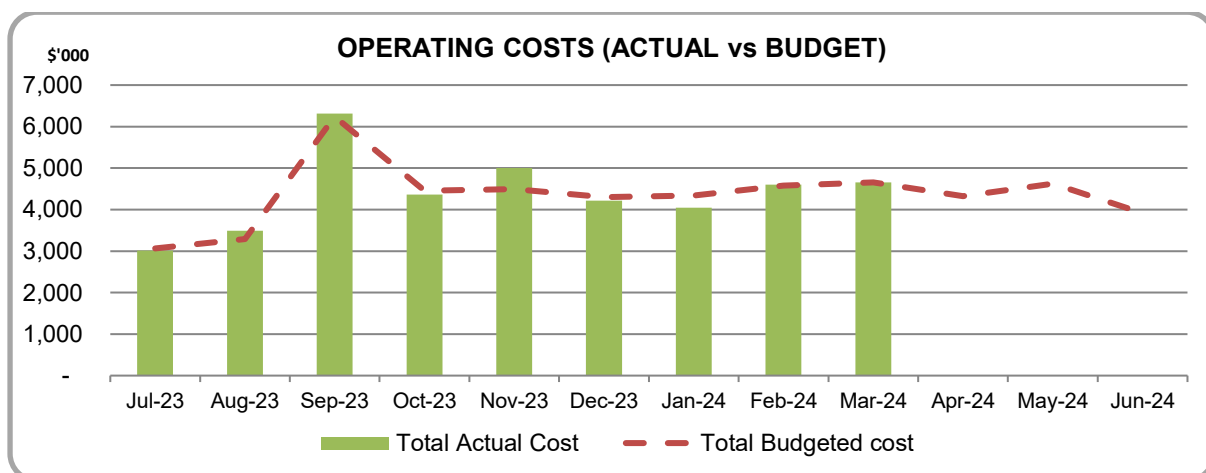
FINANCIAL REPORT

MARCH 2024

OVERVIEW OF FINANCIAL PERFORMANCE

For the period ended March 2024, the Council's Operating Deficit is \$430,268 against a Budgeted Deficit of \$395,833 resulting in an unfavourable variance of \$34,435. There are notable variances in certain expense categories, impacting the overall performance. This report provides a summary analysis of these variances and the respective impact on the Council's financial results. These variances will continue to be monitored and actions will be taken to maintain its financial stability.

Financial Performance for the period ended 31 March 2024					
LYTD Actual		YTD Actual	YTD Revised Budget	Var	Var %
\$'000		\$'000	\$'000	\$'000	
	Revenue				
39,921	Rates Revenue	32,749	32,639	109	0%
2,007	Statutory Charges	1,568	1,616	(48)	(3%)
3,753	User Charges	2,940	2,928	12	0%
3,088	Grants, Subsidies and Contributions	1,463	1,370	93	7%
46	Investment Income	59	90	(31)	(35%)
501	Other	399	370	29	8%
17	Reimbursements	83	4	79	1,893%
49,332	Total Revenue	39,260	39,018	242	1%
	Expenses				
(16,083)	Employee Expenses	13,505	13,673	169	1%
(12,773)	Contracted Services	10,359	10,432	73	1%
(1,438)	Government Levies	1,203	1,101	(102)	(9%)
(1,090)	Parts, Accessories and Consumables	880	806	(75)	(9%)
(1,336)	Utilities	956	1,006	49	5%
(826)	Insurance	711	678	(33)	(5%)
(630)	Subscriptions, Memberships & Licences	542	491	(51)	(10%)
(267)	Legal Expenses	491	268	(223)	(83%)
(2,086)	Other Expenses	1,316	1,275	(41)	(3%)
(11,159)	Depreciation, amortisation & impairment	9,346	9,346	0	0%
(515)	Finance Costs	381	342	(39)	(11%)
(263)	Net Loss - Joint Ventures & Associates	-	(4)	(4)	100%
(48,465)	Total Expenses	39,690	39,414	(276)	(1%)
867	Operating Surplus/(Deficit)	(430)	(396)	(34)	9%



Key Variances

Income:

- **Rates:** Positive variance is due to higher than budgeted rate for Penalties for Late Payment.
- **Statutory Charges:** The reduced statutory charges are primarily owing to the lower income from parking infringements. It is challenging to accurately budget for parking infringement income due to its unpredictable nature.
- **Grants, Subsidies & Contributions:** Increase in Grant income in comparison to budget is due to the receipt of the Local Roads and Community Infrastructure (LRCI) Program Grant of \$127,035 from the Department of Infrastructure & Transport which was not accounted for in the Adopted Budget.
- **Reimbursements:** The increase in reimbursement income is due to settlement of insurance claims from the Local Government Association Asset Mutual Fund of \$37,178 not accounted for in the budget and recovery income from Azzurri Sports Club for Council's maintenance costs incurred on the Marden practice pitch in 2022-2023 that was higher than forecast.

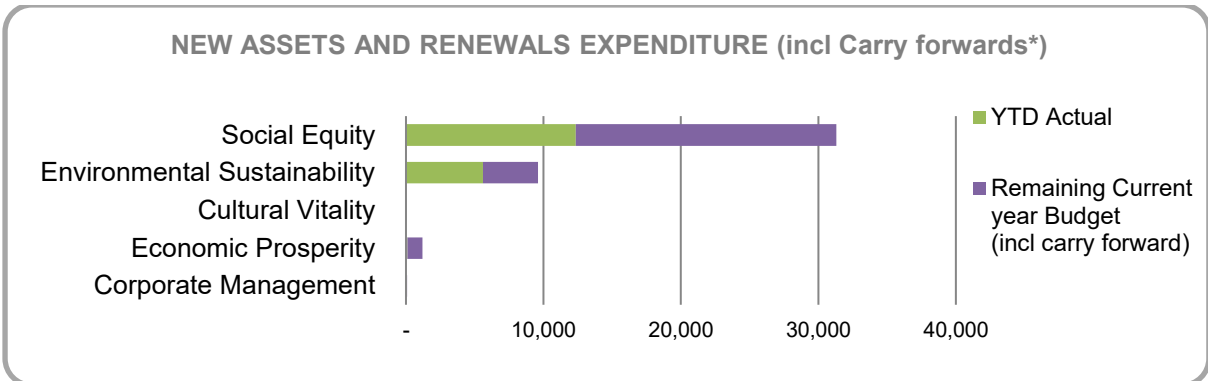
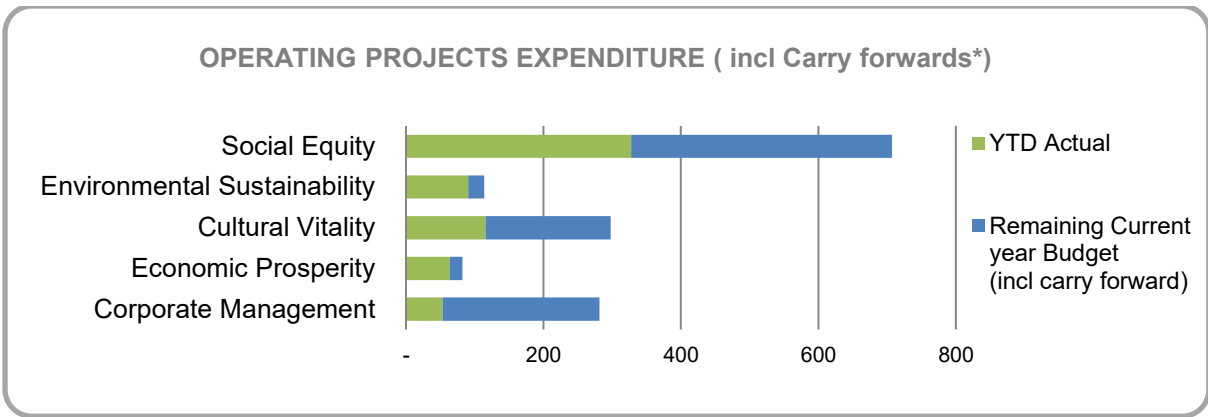
Expenses:

- **Employee Costs:** There is a budget saving of \$168,867 attributed to the positions that were vacant during the year that have now been filled.
- **Contracted Services:** The positive variance is due to underspend in Consultants compared to budget which is mainly due to the Operating Project Additional Resources approved budget for 2023-2024 being allocated to Contracted Services versus Actual costs of additional resources have been entered as part of Employee Expenses and timing of Actual vs Budget for Operating Project Gather Round (where we would expect the gap/ variance to close in the next few months as invoices are paid).
- **Government Levies:** Higher than forecast Green Adelaide Landscape Levy Quarters one to three.
- **Parts, Accessories & Consumables and Utilities:** The variance is mainly related to higher than forecasted bin replacement costs, equipment hire for Concert Hall and Events as well as cost of Council Leased Vehicles not being budgeted as an expense throughout the year.
- **Subscriptions, Memberships & Licences:** The overspend of \$51,189 is due to the timing of Information Technology and Events subscriptions and licences, compared to budget. In addition, variance is impacted by the accruals via Purchase Orders of upcoming subscription that is currently recognised in full. In line with accounting principles of prepayments these transactions will be recognised on straight line basis over the term of subscriptions at the time of goods receipt. The gap between Actuals and Budget expected to close.
- **Legal Fees:** There was an overspend of \$222,785 in the Legal Fees category, primarily due to the increased level of appeals and regulatory compliance matters to Enforcement activities and other property-related legal advice. The unpredictable and complex nature of such activities results in Council having to respond to with legal representation.

PROJECTS OVERVIEW

The Council’s financial performance has been based not only on recurring expenses but also on the progress of Operating and Capital projects. Table provides an overview of both Operating and Capital projects, those carried forward from the previous financial year and new projects initiated as part of the 2023-2024 Adopted Budget. At the start of this financial year, significant focus has been placed on completing carried forward projects from the previous financial year.

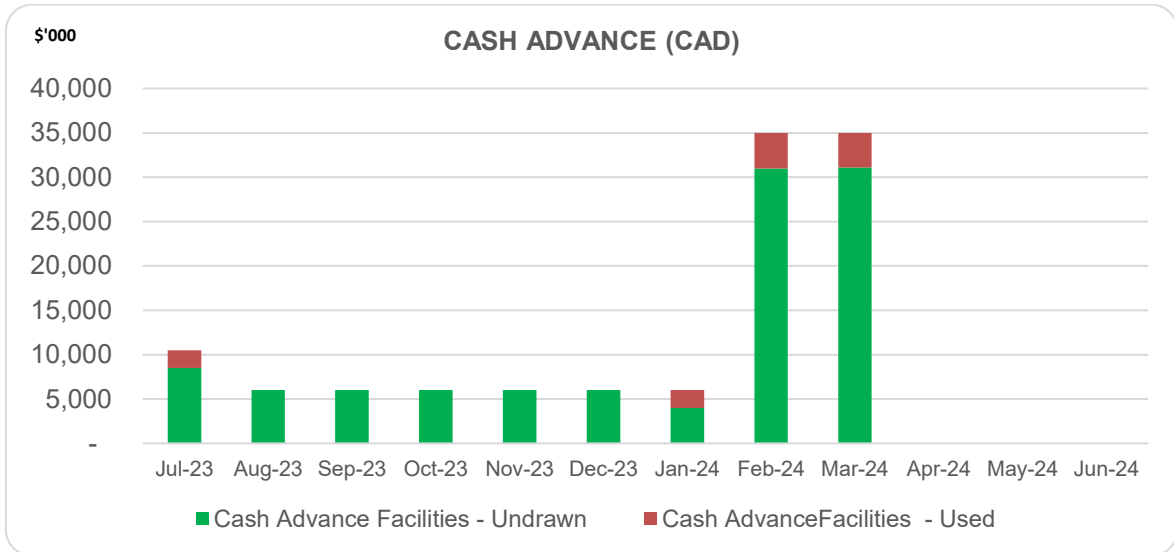
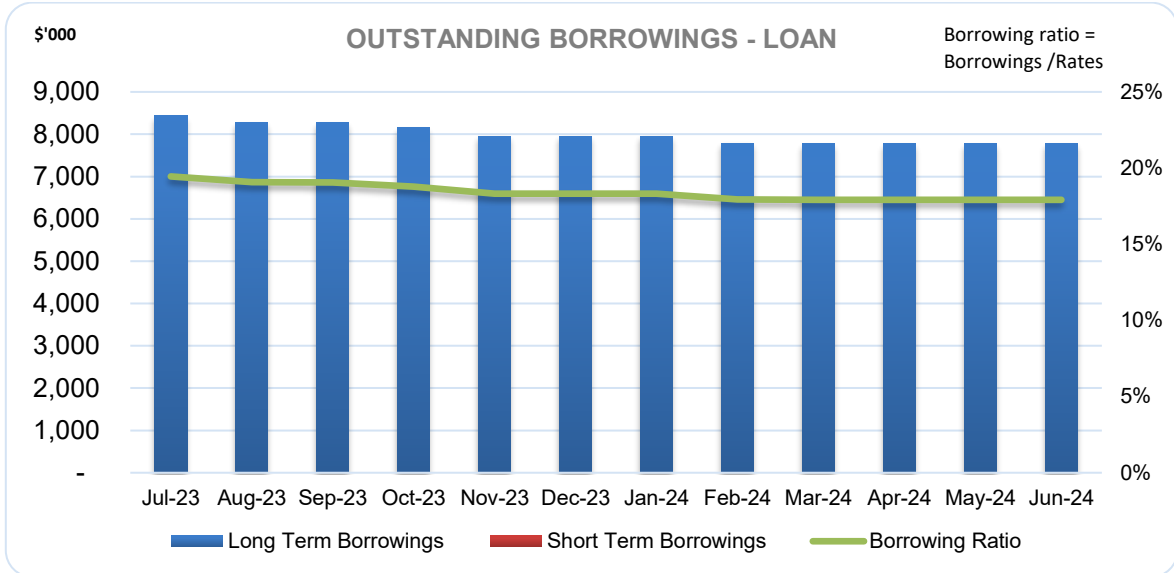
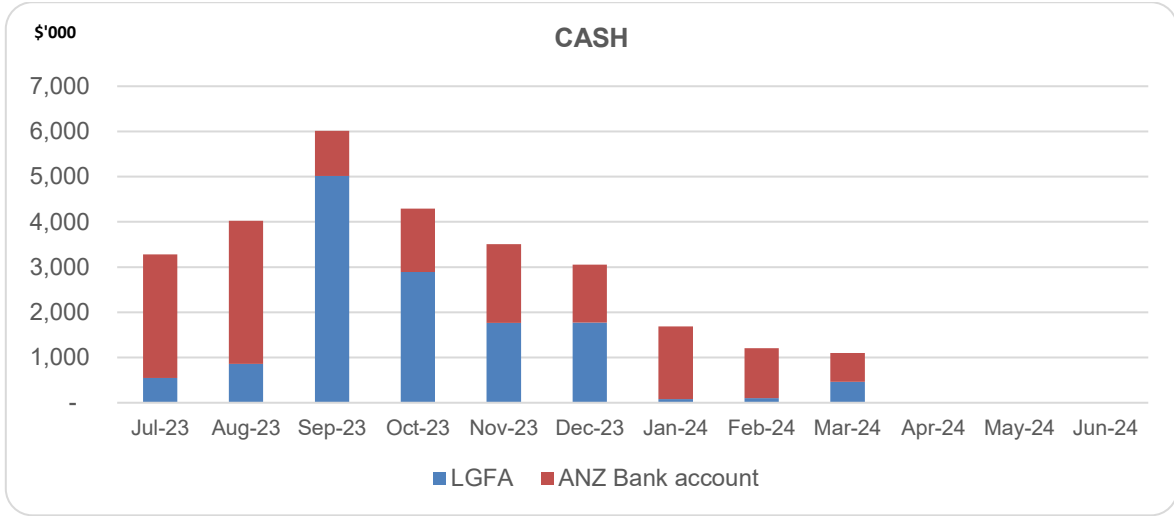
Project Expenditure Summary for period ended 31 March 2024			
	YTD Actual	YTD Budget	Remaining Current year Budget
	\$'000	\$'000	\$'000
Operating Projects			
Corporate Management	53	270	228
Economic Prosperity	64	89	19
Cultural Vitality	116	357	182
Environmental Sustainability	91	55	23
Social Equity	328	794	380
Net Cost of Operating Projects	651	1,566	831
Capital Projects			
Corporate Management	31	137	40
Economic Prosperity	97	83	1,112
Cultural Vitality	21	55	-
Environmental Sustainability	5,599	8,956	3,997
Social Equity	12,350	18,217	18,967
Net Cost of Capital Projects	18,098	27,448	24,116



STATEMENT OF FINANCIAL POSITION

	June 2023	31 March	Movement	
	Draft	Actual		
	\$'000	\$'000	\$'000	%
ASSETS				
Current Assets				
Bank and Cash	4,317	1,111	3,207	74%
Accounts receivables	2,746	2,193	553	20%
Less : Provision for Bad Debts	(580)	(580)	-	0%
Total Current Assets	6,483	2,724	3,759	58%
Non-current Assets				
Financial Assets	(2)	-	(2)	100%
Investments in Joint Ventures	1,949	2,749	(800)	-41%
Infrastructure, Property, Plant and Equipment	595,636	601,845	(6,209)	-1%
Other Non-current Assets	5,707	5,707	-	0%
Total Non-current Assets	603,290	610,301	(7,011)	-1%
Total Assets	609,773	613,025	(3,252)	-1%
LIABILITIES				
Current Liabilities				
Trade and Other Payables	8,689	9,877	(1,188)	-14%
Borrowings	174	4,074	(3,900)	-2246%
Provisions	2,910	4,006	(1,096)	-38%
Total Current Liabilities	11,773	17,957	(6,184)	-53%
Non-current Liabilities				
Borrowings	8,446	7,779	667	8%
Provisions	1,250	288	961	77%
Investments in Joint Ventures	952	941	11	1%
Total Non-current Liabilities	10,648	9,008	1,640	15%
Total Liabilities	22,420	26,965	(4,544)	-20%
NET ASSETS	587,352	586,060	1,292	0%
EQUITY				
Accumulated Surplus	64,652	60,976	3,676	
Profit/(Loss) for the year-to-date	-	(430)	430	
Asset Revaluation Reserves	522,700	525,514	(2,814)	
TOTAL EQUITY	587,352	586,060	1,292	0%

TREASURY



11.4 2024-2025 DRAFT ANNUAL BUSINESS PLAN AND BUDGET

REPORT AUTHOR: Finance Business Partner
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4548
FILE REFERENCE:
ATTACHMENTS: A - B

PURPOSE OF REPORT

The purpose of this report is to provide for the Council's consideration and '*in principle*' endorsement, the Draft 2024-2025 Annual Business Plan, the Draft 2024-2025 Budget and the Draft Rating Policy, to be released for public consultation.

BACKGROUND

Pursuant to the provisions contained in Chapters 8, 9 and 10 of the *Local Government Act 1999* (the Act), the Council is required to adopt for each Financial Year, an Annual Business Plan (ABP) and Budget (Draft Budget) after 31 May and except in a case involving extraordinary administrative difficulties, before 31 August.

Part 2 of the Act, "*Annual Business Plans and Budgets*" requires the Council to consider its budget in conjunction with the Council's Annual Business Plan and adopt the Budget following adoption of the Annual Business Plan.

Pursuant to Section 123 (3) of the Act, before the Council adopts an Annual Business Plan, the Council must prepare a Draft ABP and make it available for public consultation.

At the Special Council Meeting held on 8 April 2023, the Council considered the Draft 2024-2025 Recurrent Budget, the Draft 2024-2025 Operating and Capital Projects Budget (the Draft 2024-2025 Budget), which projected an Operating Surplus \$170,953 on a full accrual basis, based on an increase in Rate Revenue of 8%.

Following consideration of the Draft 2024-2025 Budget, the Council endorsed the Draft 2024-2025 Budget '*in principle*' and made a number of amendments to the Draft Budget including the addition of Operating Projects to the value of \$340,000. Details of the additional Operating Projects that have been included in the Draft 2024-2025 Budget are set out below:

- 2025 AFL Gather Round (\$200,00);
- additional funds for the Information Services (IT) Strategy (\$100,000);
- Verge Greening Incentive Fund (\$20,000);
- Building Assets Review/Strategy (\$20,000); and
- Raising the Bar (reduction in funding from \$40,000 to \$25,000).

The total net cost as a result of the Council's decision is \$315,000.

The inclusion of the additional \$315,000 in Operating Projects, based on a Rate Revenue Increase of 8%, as set out in the draft Long-Term Financial Plan, now results in an **Operating Deficit of \$144,047**.

RELEVANT POLICIES & STRATEGIC DIRECTIONS

The Council's Long Term Strategic directions are outlined in the Council's Strategic Management Plan, *City Plan 2030 – Shaping our Future*. The Draft 2024-2025 Annual Business Plan and supporting Draft Budget, sets out the proposed services and programs and initiatives for the 2024-2025 Financial Year and explains how the Council intends to finance its continuing services, programs and initiatives which are to be undertaken during the financial year.

The Council's Long Term Financial Plan (LTFP) is a key document in the Councils Planning Framework. It is the primary financial management tool which links the Council's Strategic Plan, *City Plan 2030 – Shaping our Future*, Whole-of-Life Asset Management Plans, the Annual Business Plan and Budget.

Financial sustainability underpins the Council's Financial Goals and Outcomes, as set out in the Long-Term Financial Plan. In general terms, financial sustainability is ensuring that the Council has the financial resources to meet the long-term service and infrastructure needs of the community, without any sharp increases in rate revenue or cuts in service provision and standards.

The Draft 2024-2025 Annual Business Plan and Budget has been developed on the basis of ensuring that it will assist in delivering on the Council's Long Term Strategic direction set out in the Council's Strategic Plan, *City Plan 2030 – Shaping our Future*, delivery of the Council's Asset Management principles set out in the respective *Infrastructure and Assets Management Plans* and financial objectives set out in the *Long-Term Financial Plan*.

FINANCIAL AND BUDGET IMPLICATIONS

The '*in-principle*' adoption of the Draft 2024-2025 Budget, as presented (based on Rate Revenue increase of 8%), will result in an Operating Deficit of \$144,047 and a Net Surplus (after Capital Income) of \$5.8 million.

It should be noted that the Draft 2024-2025 Budget does not include any Carry Forwards from the 2023-2024 financial year, which are anticipated not to be completed by 30 June 2024. The Carry Forward amounts will be presented to the Council as part of the First Budget review in 2024-2025 following the finalisation of the June 2024 results.

SOCIAL ISSUES

Nil.

CULTURAL ISSUES

Nil.

ENVIRONMENTAL ISSUES

Nil.

RESOURCE ISSUES

Nil.

RISK MANAGEMENT

The Draft 2024-2025 Budget will also be impacted upon by the decisions which are made by the Federal Government and State Government in their respective budgets. No information regarding these budgets is available.

As a result, the Draft 2024-2025 Budget presented in this report, has been developed on the following assumptions:

- that the Financial Assistance Grants, comprising of the General Assistance Grant and the Road Funding Grant, will be provided based on the current funding arrangements. The value of these payments has not been indexed;
- State Government Charges, which are set by Legislation, are yet to be indexed; and
- no new fees and charges will be introduced with the exception of the fees associated with the Visitor Parking Permit Booklets and copies of the Assessment Record.

Any adjustments to the Draft Budget arising from the State Budget will be incorporated into the Council Budget when this information becomes available.

Notwithstanding this, the preparation of the Draft 2024-2025 Annual Business Plan and Budget has been prepared to ensure the Council meets its legislative responsibility in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

CONSULTATION

- **Elected Members**

Elected Members have been involved throughout the Budget preparation process and have considered the various components of the Draft Annual Business Plan & Budget and made decisions as appropriate.

- **Audit & Risk Committee**

The Council's Audit & Risk Committee considered the Draft 2024-2025 Recurrent Budget and the Draft 2024-2025 Operating and Capital Projects Budget at its Special Meeting held on 22 April 2024.

- **Community**

Citizens will be provided the opportunity to have input into the Draft 2024-2025 Budget through public consultation on the Draft Annual Business Plan, which is scheduled to commence on 10 May 2024.

- **Staff**

The preparation of the Draft 2024-2025 Budget has been completed with the involvement of the Chief Executive Officer, General Managers and staff responsible for management of the Budget.

- **Other Agencies**

Not Applicable.

DISCUSSION

The Draft 2024-2025 Budget is based on the continuation of existing services and priorities, as determined by the Council, being appropriately resourced to do so and ensures that the Council can maintain the service standards for its existing services to support the delivery of the Strategic Objectives contained in Council's Strategic Management Plan *CityPlan 2030: Shaping our Future*.

The key objective therefore, is to develop a Budget that not only contributes to the Council's broader strategic objectives of achieving *Community Well-being*, but also ensures that the Council is managing its financial resources in a sustainable, prudent and equitable manner and to ensure that future financial impacts can either be avoided or managed in a measured way, so that the funding requirements are balanced with ensuring that the community does not face unreasonable increases in their annual rates contribution.

At the Special Meeting held on 8 April 2024, the Council considered the Draft 2024-2025 Budget and requested that the Council's Audit & Risk Committee provide comments on the Draft 2024-2025 Budget for the Council's consideration prior to the Council's endorsement of the Draft 2024-2025 Budget, for the purpose of community consultation.

A Special Meeting of the Council's Audit & Risk Committee was held on Monday, 22 April 2024 and at this meeting, the Audit & Risk Committee agreed that it was important for the Council to achieve an Operating Surplus and not an Operating Deficit, to ensure the Council can meet its financial obligations and deliver on its financial objectives.

To this end, following consideration of the Draft 2024-2025 Budget, the Audit & Risk Committee resolved to recommend the following to the Council:

1. *That the report be received and noted.*

2. *That the Audit & Risk Committee recommends to the Council that the Council should seek to achieve:*

- *a rate revenue increase of no more than 8.0% as part of the 2024-2025 Budget; and*
- *an operating surplus of at least \$171,000 by re-considering the funding of all operating projects with a particular focus on those that will incur recurrent funding.*

Elected Members may recall that for the 2024-2025 Financial Year, the Long-Term Financial Plan estimates an Operating Surplus of \$170,953, based on a Rate Revenue increase of 8%.

However, applying a Rate Revenue increase of 8% as set out in the Long-Term Financial Plan based on the Draft 2024-2025 Budget that was adopted by the Council at its meeting held on 8 April 2024, will now result in an Operating Deficit of \$144,047.

To achieve an Operating Surplus of \$171,000 (as recommended by the Council's Audit & Risk Committee), based on the current Draft 2024-2024 Budget, a Rate Revenue increase of 8.74% would be required.

Budget Overview

Table 1 below sets out the proposed Operating Deficit of \$144,047, based on a Recurrent Operating Surplus of \$3,002,742, an Operating Deficit relating to Operating Projects (excluding 2023-2024 Carry Forwards) of \$931,172 and an additional \$2,215,617, for additional finance costs associated with borrowings which are required to deliver the projects that have been included in the Draft Capital Projects Budget.

TABLE 1: 2024-2025 PROPOSED STATEMENT OF COMPREHENSIVE INCOME

	Recurrent Budget	Recurrent Budget - impact of Capital projects	Carry Forwards	Operating Projects	Proposed Budget
	2024-2025	2024-2025	2024-2025	2024-2025	2024-2025
	\$	\$	\$	\$	\$
INCOME					
Rates	46,978,253				46,978,253
Statutory Charges	2,180,953				2,180,953
User Charges	4,006,054			500	4,006,554
Grant Subsidies, Contributions	2,676,675				2,676,675
Grants, Subsidies and Contributions - capital	444,393				444,393
Investment Income	77,965				77,965
Other Income	496,163				496,163
Net gain - equity accounted Council businesses	-				-
Total Income	56,860,456	-	-	500	56,860,956
EXPENSES					
Employee Expenses	19,549,303			49,336	19,598,639
Materials, Contracts & Other Expenses	20,796,083			882,336	21,678,419
Depreciation, Amortisation & Impairment	13,078,887			-	13,078,887
Finance Costs	170,775	2,215,617		-	2,386,392
Net Loss - Joint Ventures & Associates	262,666			-	262,666
Total Expenses	53,857,714	2,215,617	-	931,672	57,005,003
OPERATING SURPLUS / (DEFICIT)	3,002,742	(2,215,617)	-	(931,172)	(144,047)
Net gain (loss) on disposal or revaluation of assets	-	36,000			36,000
Amounts specifically for new or upgraded assets	-	5,924,000			5,924,000
NET SURPLUS (DEFICIT)	3,002,742	3,744,383	-	(931,172)	5,815,953

The Council is required to report the Council's share of the Regional Subsidiaries Operating results and while this will have an impact on the Council's reported Operating Result, this is a non-cash transaction that does not have an impact on the Council's cash position. The underlying Operating Deficit (adjusted for Regional Subsidiaries) is currently estimated at \$262,666.

Financial sustainability underpins the Council's Financial Goals and Outcomes which are set out in the Council's LTFP. In general terms, financial sustainability is based on ensuring that the Council has the financial resources and capacity to meet the long term service and infrastructure needs of the community, without any large rate revenue increases or cuts in service provision and/or standards.

From an operational perspective, financial sustainability is being able to manage the balance between keeping rate revenues increases to a minimum, maintaining existing service standards and expenditure on appropriate new services and necessary major capital investments and initiatives.

To be truly financially sustainable, the Council needs to generate sufficient cash flow from its recurrent operations to meet existing principal loan repayments, spending on renewal works, while having the future financial capacity (i.e. cash reserves to meet future loan servicing) to undertake new investments in the Councils Infrastructure, services and activities.

Pursuant to Section 123 (10)(b) of the *Local Government Act 1999*, Part 2 Financial Accountability Regulation 7 of the *Local Government (Financial Management) Regulations 2011*, sets out that the budget must:

- (a) *include budgeted financial statements, which must be presented, other than notes and other explanatory documentation, in a manner consistent with the Model Financial Statements; and*
- (b) *state whether projected operating income is sufficient to meet projected operating expenses for the relevant financial year; and*
- (c) *include a summary of operating and capital investment activities presented in a manner consistent with the note in the Model Financial Statements entitled Uniform Presentation of Finances; and*
- (d) *include estimates with respect to the council's operating surplus ratio, net financial liabilities ratio and asset renewal funding ratio presented in a manner consistent with the note in the Model Financial Statements entitled Financial Indicators.*

The Financial Statements contained in **Attachment A**, are presented as prescribed in the Model Financial Statements and are based on 8% increase in Rate Revenue. The Financial Statements also provide comparisons with the 2023-2024 Forecast and the Audited Financial Statements for the past three (3) years. Together, these Statements provide a complete picture of the Council's budgeted financial position for the 2024-2025 Financial year.

The Financial Statements will be updated following the Council's decision on the various components of the Draft 2024-2025 Budget.

Budgeted Capital Projects

At the Special Council Meeting held on 8 April 2024, the Council considered the Draft 2024-2025 Capital Budget ("Draft Capital Budget") and resolved to endorse "*in-principle*", a Draft Capital Budget, which incorporates Capital Projects to the value of \$58.8 million, excluding expenditure that is required to finalise those 2023-2024 Capital Projects which are not anticipated to be completed by 30 June 2024. The Total Capital Projects include staff costs of \$1.101 million which are capitalised (i.e. staff involved in the delivery of the projects involving physical assets). The Draft 2024-2025 Capital Budget expenditure is offset by Grant Funding to the value of \$5.924 million (\$2.24m for the Payneham Memorial Swimming Centre Re-development and \$3.5m for the Trinity Valley Stormwater Upgrade Project, which will result in a net cost to the Council of \$52.868 million which will be funded via cash borrowings and depreciation (via Rate Revenue).

The endorsed Capital Projects for 2024-2025 have been broken down into a number of categories as detailed in Table 2 below.

It should be noted that the Total Capital Projects Expenditure as set out in Table 2 is based on the proposed scheduling of major projects (i.e. the Payneham Memorial Swimming Centre Project and the Trinity Valley Stormwater Upgrade Project).

TABLE 2: CAPITAL PROJECT CATEGORIES

Capital Expenditure Project	\$
Whole-of-Life Capital Works Program	
* Road Resealing	4,176,766
* Footpath Reconstruction	951,400
* Kerb Reconstruction	1,551,917
* Stormwater Drainage Program (including Trinity Valley Stormwater Upgrade Project)	11,771,866
* Other Infrastructure Asset Renewal	1,972,313
Payneham Memorial Swimming Centre – Year 2	35,000,000
George Street Upgrade (including additional funding)	1,560,000
Quadrennial Art Project	9,000
Traffic Management (various)	620,000
Minor projects (IT Equipment upgrade and Bike Parking at Webbe Street facility)	77,500
Capitalisation of Salaries (existing staff)	1,101,342
Total Capital Projects Expenditure	58,792,104
Grant Funding	5,924,000
Net Cost	52,868,104

On a full accrual basis, the Capital Expenditure will not affect the Operating Result before Capital Revenues, except through future years' depreciation and financing costs on any associated loan borrowings. Grant income which has been received and which is associated with Capital Projects, will however, be included as Capital Income within the Budgeted Income Statement, after the Operating Surplus/(Deficit), as required by the Model Financial Statements prescribed by the *Local Government Act 1999*.

Details of the Capital and Operating Projects which have been endorsed by the Council as part of the Draft 2024-2025 Annual Business Plan and Budget are contained in *Appendix One: Key Initiatives & Projects of Attachment B*.

Borrowings

The Proposed Capital Expenditure, as detailed in **Attachment B**, of \$58.792 million is proposed to be funded as shown in Table 3 below:

TABLE 3: CAPITAL PROJECTS FUNDING

Use of depreciation recovered through Rate Revenue	\$11,342,926
Grant Funding	\$5,924,000
Borrowings	\$41,525,178
TOTAL	\$58,792,104

In determining the timing and the level of borrowings that are required to fund the Capital Program, consideration has been given to the cash flow requirements and to intergenerational equity between current and future users (that is, an asset is funded from loan borrowings which is paid off over the life of the asset rather than raising rate revenue from current rate payers to pay for the asset). Whilst these considerations have formed part of the budget model, they will be reviewed and reconsidered before the decision to commit to any borrowings.

Rates Modelling

The Council’s draft Long Term-Financial Plan is based on a series of financial outcomes, with one being Rate Stability, with the overall objective being that “annual rate collections are fair and equitable for our residents and ratepayers with the aim to keep rate revenue increases stable over the medium term”. The LTFP has set the target of Rate Revenue increases ranging between 4% and 8% each year.

Whist Rate Stability is a key objective which requires annual rate collections to be fair and equitable, it also requires that increases in Rate Revenue to be stable over the medium term. To ensure that this objective is met, the Council must make decisions in respect to Rate Revenue (or decreases in expenditure) with the future in mind, as any significant decrease in Rate Revenue in one year may result in sharp Rate Revenue increases in the future.

Increases in Rate Revenue need to be reflective of increases in service levels, to ensure that the Council remains financially sustainable. In considering increases in service levels, the Council needs to take into account not only the increase in operating programs and services, but also the increase in service levels that emanate from past and proposed capital investment.

At its meeting held on 22 April 2024, the Audit & Risk Committee was advised that the Rate Modelling undertaken to date was based on the valuation information provided by the Valuer-General on 1 April 2024, which indicated that the growth in the Residential Land Use classification shows a Capital Value increase of 6.42% on 2023-2024 values. For the Commercial Land Use Classification, the Capital Value increase is 5.01% on 2023-2024 values.

Based on the valuation information received on 22 April 2024, the growth in the Residential Land Use classification, shows a Capital Value increase of 6.84% on 2023-2024 values. For the Commercial Land Use Classification, the Capital Value increase is 5.10% on 2023-2024 values.

Preliminary rates modelling, based on valuations provided by the Valuer-General for the week ended 1 April 2024, has been undertaken. It should be noted that the valuation information for the week ended 17 June 2024, will be used to determine the final average rate at the Council meeting to be held on 1 July 2024. The impact of the respective strategies on the Councils Operating result are set out in Table 4 below.

TABLE 4: RATING STRATEGY

	Budget					
	7.75%	8.00%	8.25%	8.50%	8.75%	9.00%
<i>Proposed Rate Revenue Increases</i>	7.75%	8.00%	8.25%	8.50%	8.75%	9.00%
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
General Rate Revenue (Gross)	\$46,267	\$46,375	\$46,482	\$46,590	\$46,697	\$46,803
Increase on 2023-2024	\$3,328	\$3,436	\$3,543	\$3,651	\$3,758	\$3,864
Operating Surplus/(Deficit) after rate revenue increases *	-\$251	-\$144	-\$36	\$72	\$179	\$285

The Average Rate

The Average Rate is calculated by dividing the total rates value by the number of properties in each land use code.

The increase in the average residential rate is affected by three (3) items:

- growth associated with new property development;
- the change in the residential proportion of the overall total valuation amount; and
- the proposed increase in rate revenue.

It should be noted that the average rate figure may change once more accurate valuation data becomes available and will be based on valuation data for the week ended 17 June 2024, as at the adoption of the Annual Business Plan and Budget.

Table 5 below details the impact of the proposed rating strategy options on the Residential and Commercial Rates.

TABLE 5: IMPACT OF RATING STRATEGY ON RESIDENTIAL AND COMMERCIAL RATES

Proposed Rate Revenue Increases	2023-24			2024-25			
	8.50%	7.75%	8.00%	8.25%	8.50%	8.75%	9.00%
Residential Rate							
Average Rate	\$1,891	\$2,030	\$2,034	\$2,038	\$2,043	\$2,047	\$2,051
Average Rate Difference \$	\$89	\$139	\$143	\$147	\$152	\$156	\$160
Increase from previous year blended %	4.04%	6.83%	6.91%	7.24%	7.44%	7.65%	7.85%
Rate-in-the-Dollar	0.0018285	0.0018717	0.0018771	0.0018825	0.0018878	0.0018932	0.0018985
Rate-in-the-Dollar Change	-5.21%	2.36%	2.66%	2.95%	3.24%	3.54%	3.83%
Commercial Rate							
Average Rate	\$3,164	\$3,382	\$3,391	\$3,400	\$3,409	\$3,418	\$3,426
Average Rate Difference \$	\$612	\$219	\$228	\$236	\$245	\$254	\$263
Increase from previous year blended %	18.19%	6.45%	6.57%	6.91%	7.14%	7.37%	7.60%
Rate-in-the-Dollar	0.0021942	0.002246	0.0022525	0.002259	0.0022654	0.0022718	0.0022782
Rate-in-the-Dollar Change	-5.22%	2.36%	2.66%	2.95%	3.24%	3.54%	3.83%

The Minimum Rate

Table 6 below details the impact of the proposed rating strategy options on the Minimum Rate. It must be noted however that having aligned the increase of the Minimum Rate to the proposed Rate Revenue increase will result in 35.03% of assessments receiving the Minimum Rate. This exceeds the maximum threshold of 35% as set in Section 158 (2)(d) of the *Local Government Act 1999*, Part 1 Rates and Charges on Land.

To ensure this threshold is not exceeded, a 4% increase for the Minimum Rate is proposed.

TABLE 6: IMPACT OF RATING STRATEGY ON MINIMUM RATES

Proposed Minimum Rate Increases	2023-24	2024-25	2024-25
	8.50%	4.00%	8.00%
Minimum Rate	\$1,228	\$1,277	\$1,326
\$ Difference from prior year	\$96	\$49	\$98
No. of assessments	6,761	6,857	7,285
% of assessments on Minimum Rate	32.66%	32.97%	35.03%

Table 7 sets out the Capital Value, by Land Use, for all property classes as advised by the Valuer-General.

TABLE 7: CAPITAL VALUES BY LAND USE

Land Use	Capital Value	Capital Value	Capital Value	No of	Average Value
	2024-25	Increase/ (Decrease)	Increase/ (Decrease)	Assessments	
	\$'000	\$'000	%	#	
Residential	\$ 18,188,645	\$ 1,164,625	6.84%	17,881	\$ 1,017
Commercial	\$ 3,261,130	\$ 158,319	5.10%	2,227	\$ 1,464
Industrial	\$ 168,245	\$ 4,890	2.99%	137	\$ 1,228
Vacant Land	\$ 172,000	-\$ 48,935	-22.15%	189	\$ 910
Other	\$ 478,062	\$ 28,911	6.44%	90	\$ 5,312
Primary Production	\$ 1,008	\$ 46	4.73%	1	\$ 1,008
Total Rateable Value	\$ 22,269,091	\$ 1,307,855	6.24%	20,525	\$ 1,085
Non Rateable	\$ 457,663	\$ 16,891	3.83%	273	\$ 1,676
Total	\$ 22,726,753	\$ 1,324,746	6.19%	20,798	\$ 1,093

Rating Policy

A review of the Council's Rating Policy has been undertaken, with particular focus on the eligibility criteria for Rate Capping Rebates.

Residential Properties

Pursuant to Section 166(1)(l)(ii) of the Act, the Council grants a rebate of General Rates, subject to meeting certain eligibility criteria, to the principal ratepayer of a residential assessment, where that property is the principal place of residence and that the increase in the rates that are levied is a result of a rapid change in the value of the property.

For eligible residential ratepayers, the increase in general rates (excluding the Regional Landscape Levy) will be capped at two (2) times the rate revenue increase, subject to certain conditions.

The current eligibility criteria for the automatic rebate is any such increase in property value, in whole or part is not result of:

- (a) development greater than \$30,000 undertaken on the property, or
- (b) a change in land use for rating purposes on the date the Council declared its general rates; or
- (c) a change in the zoning of the land; or
- (d) a change in the ownership of the property since 1 January 2023.

Commercial Properties

Section 166(1)(l)(ii) of the Act also applies to Commercial properties and therefore, the Council can grant a rebate of General Rates for all properties on a specified land use basis.

As set out in Table 7 above and as advised by the Valuer-General, valuations for Commercial properties have increased by 5.10%.

Whilst a General Rate Rebate can be applied to Commercial properties, the Council has not previously applied a General Rate Rebate for Commercial properties.

For 2024-2025, the Capital Values increased (as advised by the Valuer-General), across the City by 6.2%, which was predominately driven by the increase in the Capital Value of residential of 6.84% and other properties of 6.4%. Other properties include mainly Educational, Religious and Community based type of properties.

The impact of this means that the Average Rate Difference for Commercial properties for 2024-2025 has increased by \$228.00, compared to the Average Rate for the 2023-2024 financial year.

Draft Annual Business Plan

To fulfil the requirements of the Act and therefore provide citizens with the opportunity to review and comment on the Council's proposed activities for the 2024-2025 Financial Year and the proposed funding of those activities, the Draft Annual Business Plan has been prepared and is included in **Attachment B**.

The Draft 2024-2025 Annual Business Plan incorporates all of the assumptions detailed within this report and for illustrative purposes only, has factored in an increase in Rate Revenue of 8%. Upon finalisation of the Draft 2024-2025 Budget through its '*endorsement in principle*', the Draft 2024-2025 Annual Business Plan will be made available for citizens in May 2024. Submissions will be sought with interested citizens providing comments prior to or at the Public Meeting to be held on 27 May 2024.

Following consideration of the submissions by the Council on 11 June 2024, the final 2024-2025 Annual Business Plan and Budget will be presented to the Council for adoption at the Council Meeting to be held on 1 July 2024.

OPTIONS

The Council can endorse the 2024-2025 Draft Annual Business Plan and Budget as presented in this report or can choose to amend the 2024-2025 Draft Annual Business Plan and Budget by either:

- increasing or reducing Operating Projects; and/or
- increasing or decreasing rate revenue: and/or
- revisiting recurrent operating expenditure; or
- increasing or reducing the Capital Projects.

CONCLUSION

The Council's Draft Long-Term Financial Plan sets out the Council's commitment to achieving and maintaining Financial Sustainability. The development of the Annual Budget with reference to the financial targets and outcomes outlined in the LTFP, will ensure that the Council continues to move in the right direction to achieve its ultimate goal of Financial Sustainability.

The '*in-principle*' adoption of the Draft 2024-2025 Annual Business Plan and Budget as presented in **Attachment B**, will deliver an Operating Deficit of \$144,047 based on an 8% increase in Rate Revenue.

Decisions regarding Rate Revenue will have future impacts on the Council's ability to deliver on the financial objectives and targets set out in its Long-Term Financial Plan and while the Draft Budget as presented in this report, is forecasting an Operating Deficit, the draft Budget, as presented is forecast to deliver a cash surplus of \$500,000 after taking into account borrowings of \$41million.

Notwithstanding this, the '*in-principle*' adoption of the Draft 2024-2025 Annual Business Plan and Budget will contribute to the Council achieving its goals and objectives as set out in the suite of Strategic Planning documents.

COMMENTS

As Elected Members are aware, following consideration of the Draft 2024-2025 Budget, at its Special Council Meeting held on 8 April 2024, the Draft 2024-2025 Budget was presented to Council's Audit & Risk Committee for advice.

The advice that has been provided to the Council by its Audit & Risk Committee, is that the increase in Rate Revenue should be no more than 8% and that an Operating Surplus of at least \$171,000 should be achieved.

Ostensibly, this advice, if followed, achieves the same outcome as the Draft 2024-2025 Budget that was presented and recommended to the Council at its Special Meeting held on 8 April 2024.

At the same time, another factor that has to now come into consideration, is the impact that an 8% increase in Rate Revenue will have on the Average Rate (both Residential and Commercial).

Whilst this impact is subject to change (as more valuation data is received from the Valuer-General) at the time of preparing this report, an 8% increase in Rate Revenue will result in an increase of 6.91% on the Average Residential Rate and a 6.57% on the Average Commercial Rate.

Whether this increase is acceptable is a matter for the Council to consider and determine.

To assist the Council, the following information is provided:

- the current CPI is running at 4.3%;
- the current Local Government Price Index is 4.8%;
- the Long-Term Financial Plan sets a parameter for increases in Rate Revenue of between 4% to 8%;
- if the Council decreases the Rate Revenue to less than 8% and retain all of the current Projects and Expenditure that are contained in the Draft 2024-2025 Budget, then this will simply increase the Operation Deficit.

However, under this scenario, the Average Rate will not decrease.

To achieve a decrease in the Average Rate, both the Rate Revenue and Expenditure will need to be decreased.

- to retain a modest Operating Surplus (or Deficit) and reduce the increase in the Average Rate to CPI (or similar), then Rate Revenue will need to be decreased (to below 8%) and expenditure will need to be decreased.

If Elected Members have any questions or require clarification in relation to specific budget items, and/or any issues raised in this report, please contact the Chief Financial Officer, Natalia Axenova, prior to the meeting.

RECOMMENDATION

That subject to further consideration of the Draft 2024-2025 Budget by the Council following the receipt and consideration of any public submissions in respect to the 2024-2025 Annual Business Plan:

- (a) That a Rate Revenue increase, of _____%, be endorsed '*in principle*', subject to further consideration of the Budget by the Council following receipt and consideration of any submissions in respect of to the Annual Business Plan.
- (b) That an average residential rate increase of _____% be endorsed '*in principle*'.
- (c) That an average commercial rate increase of _____% be endorsed '*in principle*'.
- (d) That a rate cap on residential properties of two (2) times the rate revenue increase of 8% be adopted '*in principle*' for the 2024-2025 Financial Year and be applied to all eligible assessments without the requirement for an application to be made and approved by the Council for the rebate as per the Council resolution made at its meeting held on 10 October 2005.
- (e) That the Council endorses '*in principle*' Loan Borrowings for the 2024-2025 Financial Year up to a maximum of \$42 million in addition to the existing borrowings and Cash Advance Facilities for the purposes of funding Capital Expenditure.

- (f) That the Draft 2024-2025 Annual Business Plan, as contained within Attachment B, be approved for release for public consultation subject to incorporation of any amendments which may be determined by the Council.

- (g) That the Chief Executive Officer be authorised to make editorial changes to the Draft 2024-2025 Annual Business Plan, as contained within Attachment B, prior to it being released for public consultation.

Attachments – Item 11.4

Attachment A

2024-2025 Draft Annual Business Plan and Budget

City of Norwood Payneham & St Peters
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City of
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Statement of Comprehensive Income for the year ended 30 June 2025

	Actual 2020-2021	Actual 2021-2022	Actual 2022-2023	3rd budget review 2023-2024	Proposed 2024-2025
	\$'000	\$'000	\$'000	\$'000	\$'000
Income					
Rates	36,288	37,938	39,974	43,421	46,978
Statutory charges	1,751	2,003	2,039	2,100	2,181
User charges	3,506	3,561	3,668	3,837	4,007
Grants, Subsidies and Contributions - operating	2,921	3,433	3,540	2,655	2,677
Grants, Subsidies and Contributions - capital			553	444	444
Investment income	19	24	171	120	78
Other income	771	848	852	803	496
Net loss joint ventures & associates	217	122	50	-	-
Total Income	45,473	47,930	50,846	53,380	56,861
Expenses					
Employee costs	14,448	14,126	14,531	17,347	19,599
Materials, contracts & other expenses	19,165	19,832	21,983	21,757	21,678
Depreciation, amortisation & impairment	9,968	10,766	11,562	12,462	13,079
Finance costs	454	346	458	456	2,386
Net loss Joint Ventures & Associates	327	214	357	263	263
Total Expenses	44,363	45,284	48,892	52,284	57,005
Operating Surplus (Deficit)	1,110	2,645	1,954	1,096	(144)
Net gain (loss) on disposal or revaluation of assets	(1,145)	(2,371)	(1,502)	25	36
Amounts specifically for new or upgraded assets	3,303	2,341	640	6,626	5,924
Physical resources received free of charge	-	-	-	-	-
Non Operating Items - Joint Venture and Associates	-	-	-	-	-
Net Surplus (Deficit) transferred to Equity Statement	3,268	2,615	1,092	7,747	5,816
Other Comprehensive Income					
Changes in revaluation Surplus- infrastructure, property, plant & equipment	12,046	34,462	49,031	7,244	5,508
Share of Other comprehensive Income - joint ventures and associates	5	(5)	(12)	-	-
Total Other Comprehensive Income	12,051	34,457	49,019	7,244	5,508
Total comprehensive Income	15,320	37,072	50,112	14,991	11,324

Pursuant to S123 (10)(b) of the Local Government Act 1999 and Clause 7 of the Local Government (Financial Management) Regulations 2011, as detailed in the Statement of Comprehensive Income, the projected Operating Income of \$56.861m is sufficient to meet the projected Operating Expenditure (\$57.005m) for the 2024-2025 Financial Year.

2024-2025 Financial Statements
Draft



City of
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Statement of Financial Position as at 30 June 2025

	Actual 2020-2021	Actual 2021-2022	Actual 2022-2023	3rd budget review 2023-2024	Proposed 2024-2025
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Current Assets					
Cash and cash equivalents	7,071	11,393	4,317	150	500
Trade & other receivables	3,699	2,675	2,193	2,425	2,488
Total Current Assets	10,770	14,068	6,511	2,575	2,988
Non-current Assets					
Financial Assets	104	113	104	121	131
Equity accounted investments in Council businesses	2,207	1,931	1,949	1,949	1,686
Infrastructure, Property, Plant & Equipment	507,904	543,710	594,771	640,807	692,845
Other Non-current Assets	2,509	4,324	5,707	5,706	5,706
Total Non-current Assets	512,725	550,078	602,531	648,583	700,368
Total Assets	523,495	564,146	609,041	651,158	703,355
Liabilities					
Current Liabilities					
Trade & Other Payables	8,006	13,031	8,819	10,418	10,758
Borrowings	972	1,021	1,097	1,034	1,081
Short-term Provisions	3,326	3,004	3,872	3,200	3,200
Other Current Liabilities	-	-	-	-	-
Liabilities relating to Non-current Assets held for Sale	-	-	-	-	-
Total Current Liabilities	12,304	17,056	13,789	14,652	15,039
Non-current Liabilities					
Long-term Borrowings	9,392	8,527	7,522	33,113	73,599
Long-term Provisions	1,328	1,280	288	960	960
Liability - Equity accounted Council Businesses	1,164	904	952	952	952
Total Non-current Liabilities	11,884	10,712	8,763	35,026	75,512
Total Liabilities	24,188	27,767	22,551	49,678	90,550
Net Assets	499,306	536,379	586,490	601,481	612,805
Equity					
Accumulated Surplus	60,099	62,709	63,789	71,536	77,352
Asset Revaluation Reserve	439,208	473,670	522,701	529,945	535,453
Total Equity	499,306	536,379	586,490	601,481	612,805



Statement of Changes in Equity for the year ended 30 June 2025

	Actual 2020-2021 \$'000	Actual 2021-2022 \$'000	Actual 2022-2023 \$'000	3rd budget review 2023-2024 \$'000	Proposed 2024-2025 \$'000
Accumulated Surplus					
Balance at end of previous reporting period	56,825	60,099	62,709	63,789	71,536
Net Surplus/ (Deficit) for year	3,268	2,615	1,092	7,747	5,816
Other comprehensive Income	-	-	-	-	-
Share of other Comprehensive Income- joint venture and associates	5	(5)	(12)	-	-
Balance at end of period	60,099	62,709	63,789	71,536	77,352
Asset Revaluation Reserve					
Balance at end of previous reporting period	427,162	439,208	473,670	522,701	529,945
Gain on revaluation of infrastructure, property, plant & equipment	12,046	34,462	49,031	7,243	5,508
Balance at end of period	439,207	473,670	522,701	529,945	535,453
Total Equity at end of reporting period	499,306	536,379	586,490	601,481	612,805

Statement of Cash Flow for the year ended 30 June 2025

	Actual 2020-2021 \$'000	Actual 2021-2022 \$'000	Actual 2022-2023 \$'000	3rd budget review 2023-2024 \$'000	Proposed 2024-2025 \$'000
Cash Flow from Operating Activities					
<u>Receipts</u>					
Rates - general & other	36,672	37,859	39,979	42,120	47,190
Fees & other charges	1,613	2,010	2,039	2,187	2,176
User Charges	3,113	4,592	3,668	3,990	3,997
Investment receipts	19	24	171	132	79
Grants utilised for operating purposes	2,756	3,440	3,540	2,877	2,676
Other Income	998	913	1,120	864	547
<u>Payments</u>					
Employee Costs	(14,547)	(15,627)	(15,075)	(17,294)	(19,512)
Contractual services & materials	(18,074)	(17,515)	(25,105)	(18,896)	(21,695)
Finance payments	(447)	(156)	(448)	(473)	(2,396)
Net Cash provided by (or used in) Operating Activities	12,102	15,540	9,888	15,507	13,063
Cash flow from Investing Activities					
<u>Receipts</u>					
Amounts specifically for new or upgraded assets	2,626	5,785	753	6,382	5,924
Grants utilised for capital purposes	-	-	-	444	444
Sale of replaced assets	47	50	0	25	36
Repayments of loans by community groups	11	6	-	-	-
Capital Distributions from associated entities	-	-	-	-	-
<u>Payments</u>					
Expenditure on renewal/replacement of assets	(9,652)	(8,937)	(11,193)	(23,224)	(20,240)
Expenditure on new/upgraded assets	(5,508)	(6,941)	(5,168)	(28,029)	(39,368)
Capital contributed to associated entities	(81)	(170)	(289)	(800)	-
Net Cash provided by (or used in) Investing Activities	(12,556)	(10,208)	(15,897)	(45,202)	(53,204)
Cash Flow from Financing Activities					
<u>Receipts</u>					
Proceeds from Borrowings	-	-	-	26,517	41,525
<u>Payments</u>					
Repayments of Borrowings	(1,653)	(1,010)	(1,067)	(989)	(1,034)
Net Cash provided by (or used in) Financing Activities	(1,653)	(1,010)	(1,067)	25,528	40,491
Net Increase (Decrease) in cash held	(2,107)	4,322	(7,076)	(4,167)	350
Cash & cash equivalents at beginning of period	9,177	7,071	11,393	4,317	150
Cash & cash equivalents at end of period	7,071	11,393	4,317	150	500

2024-2025 Financial Statements
Draft



City of
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Uniform Presentation of Finances for year ended 30 June 2025

	Actual 2020-2021 \$'000	Actual 2021-2022 \$'000	Actual 2022-2023 \$'000	3rd budget review 2023-2024 \$'000	Proposed 2024-2025 \$'000
Income	45,473	47,930	50,846	53,380	56,861
less Expenses	(44,363)	(45,284)	(48,892)	(52,284)	(57,005)
Operating Surplus (Deficit)	1,110	2,645	1,954	1,096	(144)
less Net Outlays on Existing Assets					
Capital Expenditure on renewal and replacement of Existing Assets	3,652	8,937	11,193	23,224	20,240
Depreciation, Amortisation and Impairment	(9,968)	(10,766)	(11,562)	(12,462)	(13,079)
Proceeds from Sale of Replaced Assets	(21)	(48)	(0)	(25)	(36)
	(6,338)	(1,876)	(369)	10,738	7,125
less Net Outlays on New and Upgraded Assets					
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	11,507	7,216	5,168	28,029	39,368
Amounts received specifically for New and Upgraded Assets	(2,810)	(2,341)	(753)	(6,336)	(5,924)
Asset Received Free of Charge	(26)	(2)	-	-	-
	8,672	4,873	4,414	21,694	33,444
Net Lending / (Borrowing) for Financial Year	(1,224)	(351)	(2,091)	(31,336)	(40,713)

Financial Indicators

	Actual 2020-2021	Actual 2021-2022	Actual 2022-2023	3rd budget review 2023-2024	Proposed 2024-2025	Proposed 2024-2025
Required by Local Government (Financial Management) Regulations 1999 Section 5B(d)						\$
Operating Surplus Ratio						
Operating Surplus/(Deficit)	2.4%	5.5%	3.8%	2.1%	-0.3%	(144,047)
Total Operating Revenue						56,860,956
<i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i>						
Net Financial Liabilities Ratio						
Net Financial Liabilities	29.3%	28.3%	29.5%	86.3%	152.1%	87,442,002
Total Operating Revenue						56,860,956
<i>This ratio expresses the extent of Operating Revenue required to meet all monies owed by the Council Net financial liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses).</i>						
Asset Renewal Funding Ratio						
Expenditure on renewals	124.5%	80.4%	77.1%	145.1%	168.6%	20,240,262
Asset Management Plan Rolling three-year average	137.0%	98.8%	89.2%	104.1%	128.5%	12,004,179
<i>This ratio measure the extent existing assets are being renewed compared to the Infrastructure & Asset Management Plan Net asset renewals is defined as capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.</i>						
Interest Cover Ratio						
Net Interest Expense	1.0%	0.7%	0.6%	0.6%	4.1%	2,308,427
Total Operating Revenue excl Interest income						56,782,991
<i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i>						

Attachment B

2024-2025 Draft Annual Business Plan and Budget

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City of
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Payneham
& St Peters



Annual Business Plan

2024–2025



City of
Norwood
Payneham
& St Peters

Our Vision

A City which values its heritage, cultural diversity, sense of place and natural environment.

A progressive City which is prosperous, with a strong community spirit.



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Norwood Food and Wine Festival

Mayor's Message

The City of Norwood Payneham & St Peters' 2024–2025 Annual Business Plan and Budget, is a crucial component of the Council's ongoing commitment to financial sustainability.



The 2024–2025 Annual Business Plan and Budget sets out the revenue and how we propose to allocate our budget and resources to deliver key major projects, infrastructure upgrades, programs and services.

As in previous years, the Council's focus and challenge is to balance the need to generate sufficient revenue to meet the ever increasing demand for services and improvements to infrastructure, as well as the repayment of loan borrowings, which are used to fund capital works, against a reasonable rate increase for ratepayers.

The Council also acknowledges the current economic challenges of inflation and interest rates, both of which are contributing to cost-of-living pressures on households and individuals. This scenario underscores the need to provide value for money in the infrastructure, services and programs which the Council delivers for our community.

However, just like our community, the Council will continue to face challenges of escalating costs. The Council's Long Term Financial Plan (LTFP) sets out a ten-year horizon for the Council in terms of the revenue it will need to continue to operating in a sustainable way without compromising the standard of service delivery. Importantly, the LTFP is reviewed each year to make the necessary adjustments in response to changing conditions.

Careful consideration of these factors has resulted in the Council proposing a x% residential (average) rate increase or an extra \$xx compared to last year. This proposed increase compared favourably with average rate increases proposed in other Council's in the Eastern Region: Burnside (9.8%), Campbelltown (4.9%) Prospect (x%), Unley (3.75% plus growth) and Walkerville (x%)

The Council welcomes State and Federal Government grants, which will be used as part of multi-million investments in projects, which will have ongoing economic benefits, including creating local jobs, in our City and community.

Over the coming 12 months, the Council will implement a Capital Works Program

These projects include the completion of the Trinity Valley Drainage Upgrade, the upgrade of various playgrounds, and the reconstruction of the Joslin Reserve tennis courts.

While the Council is focused on 2024–2025, it is worth looking at some of the highlights achieved this current financial year. These include:

- Stages 2 3 of the \$20m Trinity Valley stormwater drainage program
- The start of construction of the redevelopment of the \$60m Payneham Memorial Swimming Centre
- The construction of \$3.4m Burchell Reserve, St Peters, which will be completed in June 2024.
- Completion of the \$1.5m new club facilities at Cruikshank Reserve, Maylands
- The \$3m upgrade and widening of the pedestrian and cycling path along Linear Park

All of these projects will provide benefits to our community and help improve their quality of life.

To find out more about the 2024–2025 General Rate and how rates are determined please see Your Rates Explained on page 18.

I encourage you to read the 2024–2025 Annual Business Plan and Budget and provide feedback to your community.

Robert Bria
Mayor

Executive Summary

The City of Norwood Payneham & St Peters' Annual Business Plan is a key document in the Council's overall Planning Framework. It sets out the Council's proposed projects, services and programs for the 2024–2025 financial year.



The Annual Business Plan supports the Council's long term strategic directions which are outlined in the Council's strategic management plan: *CityPlan 2030: Shaping Our Future*, as well as the Long-term Financial Plan and Whole-of-Life and Asset Management Plans.

The vision for the City continues to be underpinned by the four outcomes of Social Equity, Cultural Vitality, Economic Prosperity and Environmental Sustainability.

In line with *CityPlan 2030: Shaping Our Future*, and in developing this Annual Business Plan, the Council continues to work towards these outcomes, through the deliver of the programs, services and projects.

The accompanying Budget details the Council's revenue and how it proposes to fund the programs and initiatives which it intends to provide to the community during the 2024–2025 financial year.

The City of Norwood Payneham & St Peters' Annual Business Plan and Budget must strictly adhere to State Government legislation and regulations.

At its meeting held on 8 April and the following amendments, the Council unanimously agreed that,

subject to further consideration of the 2024–2025 Budget by the Council, following the receipt and consideration of any public submissions in respect to the 2024–2025 Annual Business Plan that:

- a Rate Revenue increase, of 8%, be endorsed in principle" from \$42,939 million in 2023–2024 to \$46,375 million in 2024–2025;
- an average residential rate increase of 6.93%% be endorsed "in principle";
- an average commercial rate increase of 6.53%% be endorsed "in principle"; and
- a rate cap on residential properties of two times the rate revenue increase of 8% be adopted "in principle" for the 2024–2025 Financial Year and be applied to all eligible assessments without the requirement for an application to be made (as per the Council resolution made at its meeting held on 10 October 2005).

In addition, pursuant to the *Local Government Act 1999* and the Local Government (Financial Management) Regulations 2011, as detailed in the Statement of Comprehensive Income, the projected Operating Income is sufficient to meet the projected Operating Expenditure for the 2024–2025 financial year.

Consultation on the 2024–2025 Annual Business Plan & Budget



The Council is currently seeking comments on its Draft Annual Business Plan and Budget and we want to hear your views on the major projects, programs and services that the Council plans to undertake in 2024–2025.

Your comments can be provided by completing the on-line form on the Council's website: www.npsp.sa.gov.au or in writing to:

Annual Business Plan Consultation
City of Norwood Payneham & St Peters
PO Box 204, Kent Town SA 5071
or via email: ABPConsultation@npsp.sa.gov.au

Written consultation must be received by no later than 5.00pm on Friday XXX June 2024.

You are also invited to attend a public meeting to discuss your comments with Elected Members on Wednesday, 27 May 2024 at 7.00pm in the Mayor's Parlour at the Norwood Town Hall, 175 The Parade, Norwood.

The Draft 2024–2025 Annual Business Plan and Budget is available for viewing at www.npsp.sa.gov.au or you can view a hardcopy at:

- Norwood Town Hall,
175 The Parade, Norwood
- Norwood Library
110 The Parade, Norwood
- Payneham Library
2 Turner Street, Felixstow
- St Peters Library
101 Payneham Road, St Peters

For further information, please contact the Council's Manager, Communications & Community Relations Simonne Whitlock on 8366 4528 or swhitlock@npsp.sa.gov.au.

Strategic Direction

The Council's strategic direction is guided by four outcomes or Pillars which contribute to the realisation of the Council's Vision and are based on the four Pillars of the Quadruple Bottom Line (QBL) framework. The four outcomes are Social Equity, Cultural Vitality, Economic Prosperity and Environmental Sustainability.

We exist to improve the Well-being of our citizens and our community, through:

Social Equity

Cultural Vitality

Economic Prosperity

Environmental Sustainability



For our City, adding the fourth Pillar of culture to the traditional Triple Bottom Line (TBL) of environmental, social and economic sustainability highlights the importance of protecting and enhancing our City's unique character and sense of place.

The objectives set out in *CityPlan 2030: Shaping Our Future*, which outline the priorities for what needs to happen to achieve the four outcomes, reflect the community's aspirations, the policy commitments of the Council and the likely trends and issues which our City will face over the course of *CityPlan 2030*.

CityPlan 2030 plays a pivotal role in guiding the City of Norwood Payneham & St Peters towards the community's vision for the future. Achieving the strategies contained in *CityPlan 2030* requires transparent and accountable governance structures and processes which are both flexible and responsive to the future opportunities and challenges that will present themselves.

It will also require a positive can-do attitude and approach to ensure that we realise the future which we want for ourselves and the next generation, rather than just 'letting things happen'.

Strategic Planning Framework

In working towards our vision, all of the programs, projects and services which the Council delivers are structured into four key outcome areas, referred to as the 'Four Pillars' of Community Well-being.





Objectives and Key Initiatives



St Peters Street

In preparing the 2024–2025 Annual Business Plan and Budget, the Council has considered the strategic directions set out in *CityPlan 2030: Shaping Our Future* and has determined to undertake initiatives which respond to the Council’s vision and contribute to the overall well-being of our City and its community.

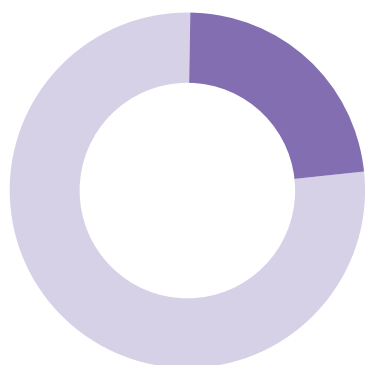
The services, programs and initiatives which the Council proposes to undertake during 2024–2025, must meet the objectives of at least one of the four key outcome areas of *CityPlan 2030*: Social Equity, Cultural Vitality, Economic Prosperity and Environmental Sustainability. In some cases, projects and initiatives may contribute towards more than one of the four key outcomes. Projects and initiatives have been listed against the outcome with which it has the strongest alignment.

Other priorities which have influenced the preparation of the 2024–2025 Annual Business Plan and Budget include:

- an increase in operating expenditure taking into account the Local Government Price Index and Consumer Price Index as well as the cost of building and/or renovating facilities and infrastructure;
- ensuring the maintenance and renewal program for existing infrastructure assets, including roads, footpaths, Council owned properties and parks and reserves, are consistent with the Whole-of-Life Infrastructure and Asset Management Plans;
- consideration of financial commitments to major projects which span more than one financial year; and
- sensible and prudent financial management to ensure ongoing financial sustainability for our City.

City Snapshot

The City of Norwood Payneham & St Peters enjoys a reputation as one of Adelaide's most desirable places to live, work and visit.



30.2%

of people in the City of Norwood Payneham & St Peters were born overseas, compared with 26.3% in Greater Adelaide.

341km
of footpaths

363km
of kerbing



171km of roads

20,000+ street trees

local businesses

7,800*

Our business community values the City's unique and diverse business mix with strong connections and ability to work together.



2 Swimming Centres[^]



1 Child Care Centre & Pre-School

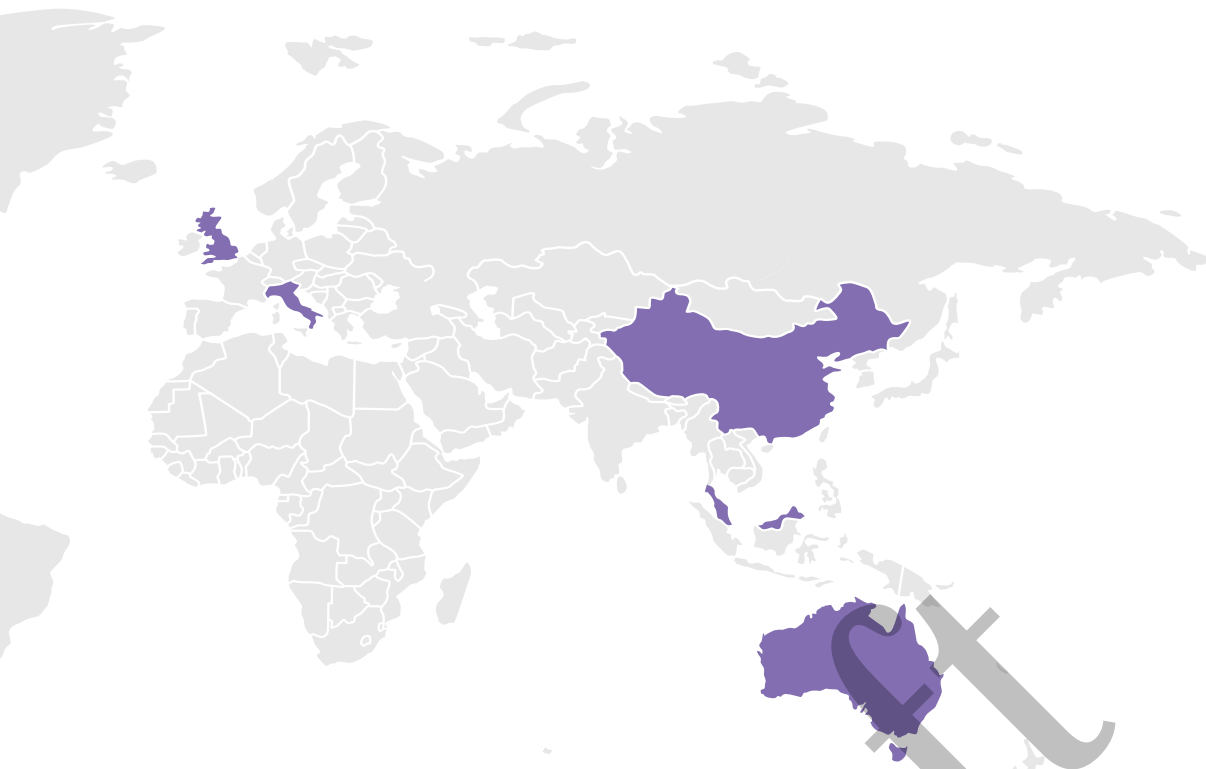


3 Libraries

Source: Australian Bureau of Statistics 2019 Estimated Resident Population

* Approximate figure

[^] See Major Projects page 12



Top 5 origins of birth in the City

65.5%
Australia

4.2%
China

4.0%
England

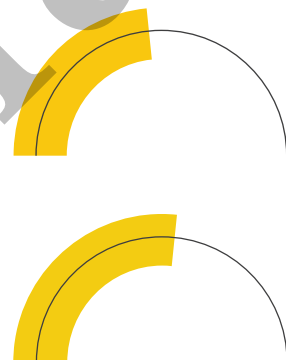
43.5%
Italy

1.1%
Malaysia

residents

37,487#

The median age of people is 41 years. Children aged 0–14 years make up 17% of the population and people aged over 65 years make up 20.1%.



48% male

52% female



29 playgrounds



72 parks and reserves



180 hectares of open space

Budget Overview

2024–2025

Our financial goal is to deliver on the strategic outcomes which are set out in *CityPlan 2030: Shaping our Future* by managing financial resources in a sustainable and equitable manner.

The 2024–2025 Budget has been developed within the Council’s planning framework and sets the strategic direction over the medium and long term, converting these into annual actions and outputs.

The development of the Budget has been undertaken in consultation and review by the Council’s Elected Members, Council staff and in consultation with the community.

As South Australia, together with the rest of the nation continues to deal with cost of living pressures and inflation, the focus has been on developing the 2024–2025 Annual Business Plan and Budget, which ensures that the Council maintains the standards for its existing range of services which are aimed at supporting the delivery of the Strategic Objectives outlined in the Council’s Strategic Management Plan *CityPlan 2030: Shaping Our Future*, and that those services receive the appropriate funding.

The Council is supporting both the State’s and the local economic recovery and improving the quality of the City’s infrastructure and improving the quality of the City’s infrastructure by continuing its commitment to a number of largescale infrastructure projects, which commenced in 2023–2024, with the aim to be delivered this financial year.

The 2024–2025 Budget remains focused on the future and aims to ensure that the Council’s emerging and continuing priorities are appropriately resourced and to this end, the Budget is built upon the strategic outcomes set out in the Councils’ Asset Management Plans and Long-Term Financial Plan.

The key driver is to ensure that the Budget priorities not only contribute to the Council’s broader strategic objectives, but also to the Council’s long term financial objective of managing its financial resources in a sustainable manner. The focus continues to be on initiatives which have been identified to support the delivery of the strategic objectives outlined in *CityPlan 2030: Shaping Our Future* and to ensure that our services are delivered in the most efficient and effective manner, thereby satisfying community needs and expectations.

The 2024–2025 Budget builds on the principle of financial sustainability. This is demonstrated by adherence, over the term of the Long Term Financial Plan, to the overarching principles that require the Council to:

- achieve long term revenue, expenditure and cash flow neutrality while keeping rates growth within the average for the sector; and
- ensure the Council’s long term Capital Works Program is fully funded to achieve asset renewal requirements asset renewal requirements.

In respect to a number of significant factors have influenced the preparation of the 2024–2025 Budget, namely:

- impact of the Consumer Price Index (CPI) and the Local Government Price Index increases;
- maintenance and renewal program for existing infrastructure assets, including roads, footpaths, kerbing Council owned properties and open spaces (parks and reserves);
- Enterprise Bargaining Agreements, which provide for employee wage and salary increases of 3% from November 2024 for SA Municipal Offices Award and 3.5% for Local Government Employees; and
- commitment to major projects which span more than one year.

Table 2 provides a comparison of the financial targets included in the Council’s Long Term Financial Plan and how they are met by the 2024–2025 Budget.

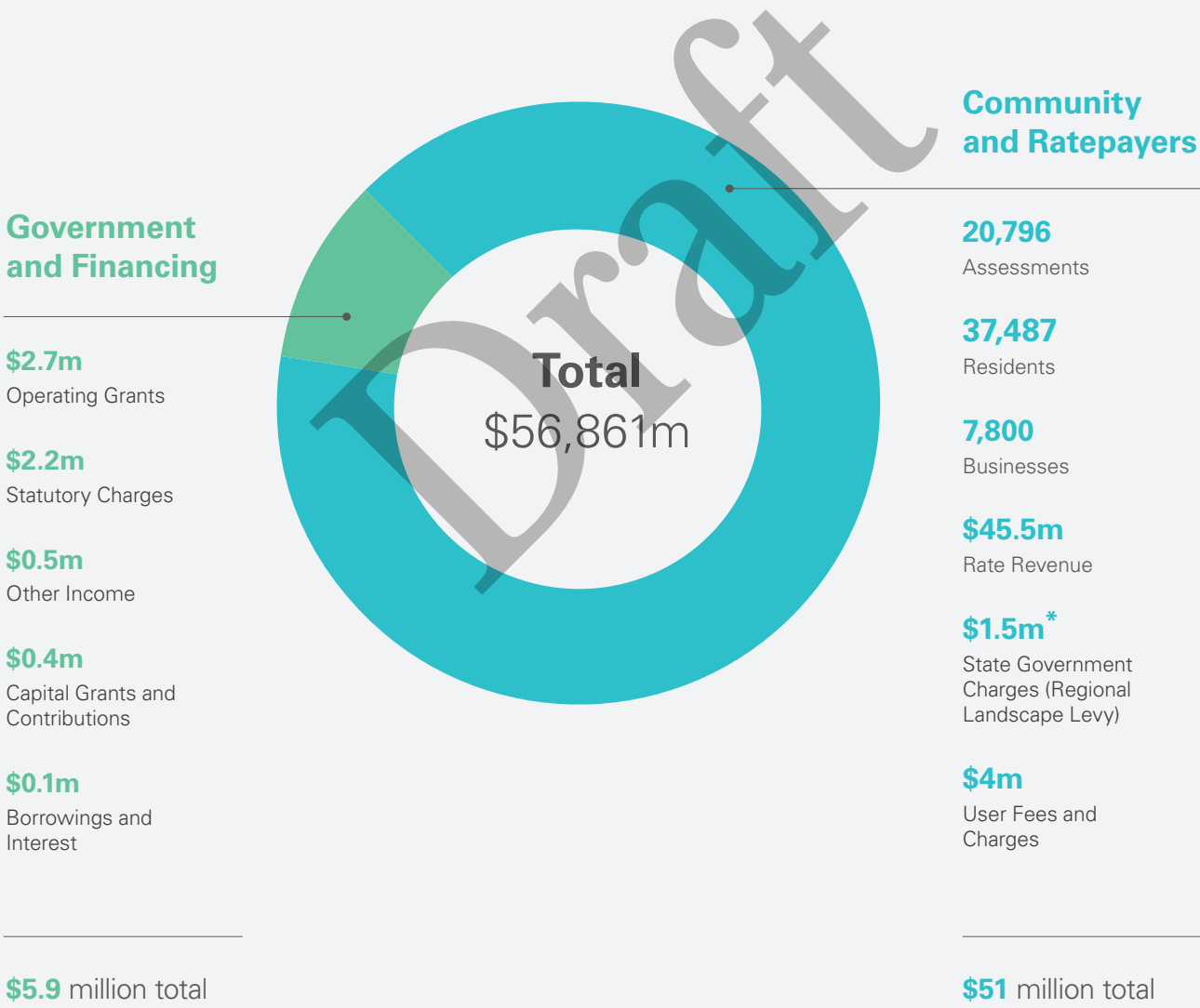
Table 2

Outcome	Indicator	LTFP Target
A balanced budget	Operating Surplus	\$0
	Operating Ratio	0–10%
Rate stability	Annual Rate revenue increases	Between 4%–8%
Infrastructure and Asset Management	Asset Sustainability Ratio	Between 90%–110% on a rolling three year average
Debt Management	Net Financial Liabilities	less than 100%
	Debt Servicing Ratio	less than 15%

Budget Overview

2024–2025

Operating Income



*In 2024–2025, the Council will collect \$1.5 million for the payment of the Regional Landscape Levy. The Council is acting as a revenue collector and as such does not retain this revenue, but simply forwards it through to the Green Adelaide Board.

The Budget shapes the projects, services and events held each year. The revenue from the community, Government and financing allows the Council to deliver services, programs and events and will enable the delivery of special projects.

Operating Expenditure

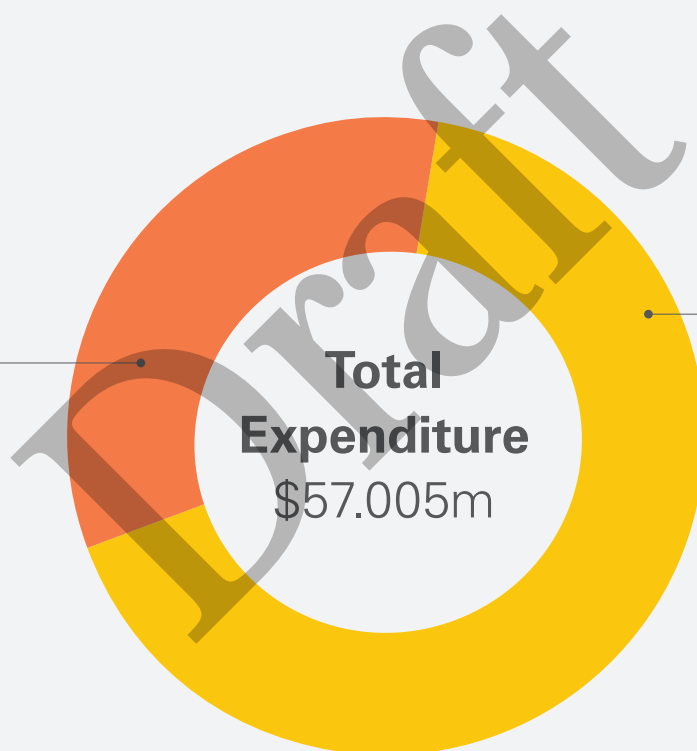
Employee Expenses

176.1

Full-time Equivalent staff made up of:

- 125 Full-time staff
- 35 Part-time staff
- 71 Casual staff

\$19.6 million total



Materials, Services and Investment

\$21.7m

Materials and Services

\$13.01m

Capital Expenditure

\$1.5m

State Government Charges (Regional Landscape Levy)

\$2.4m

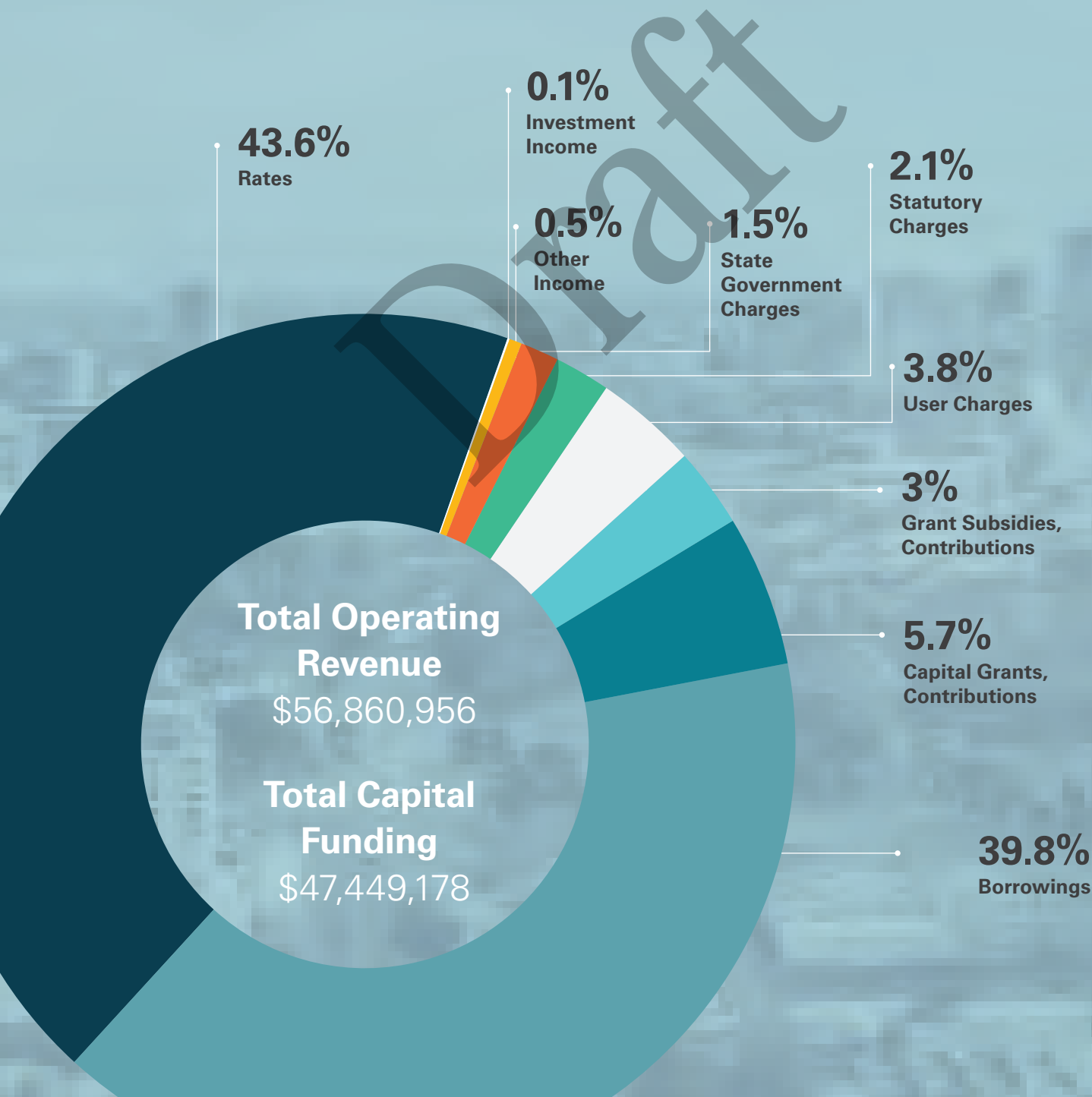
Repayments and Interest

\$37.4 million total

Revenue & Expenditure

The 2024–2025 Annual Business Plan and Budget focuses on ensuring that the Council can maintain and improve its existing service standards while appropriately funding new projects and initiatives in a sustainable way.

How Council services are funded

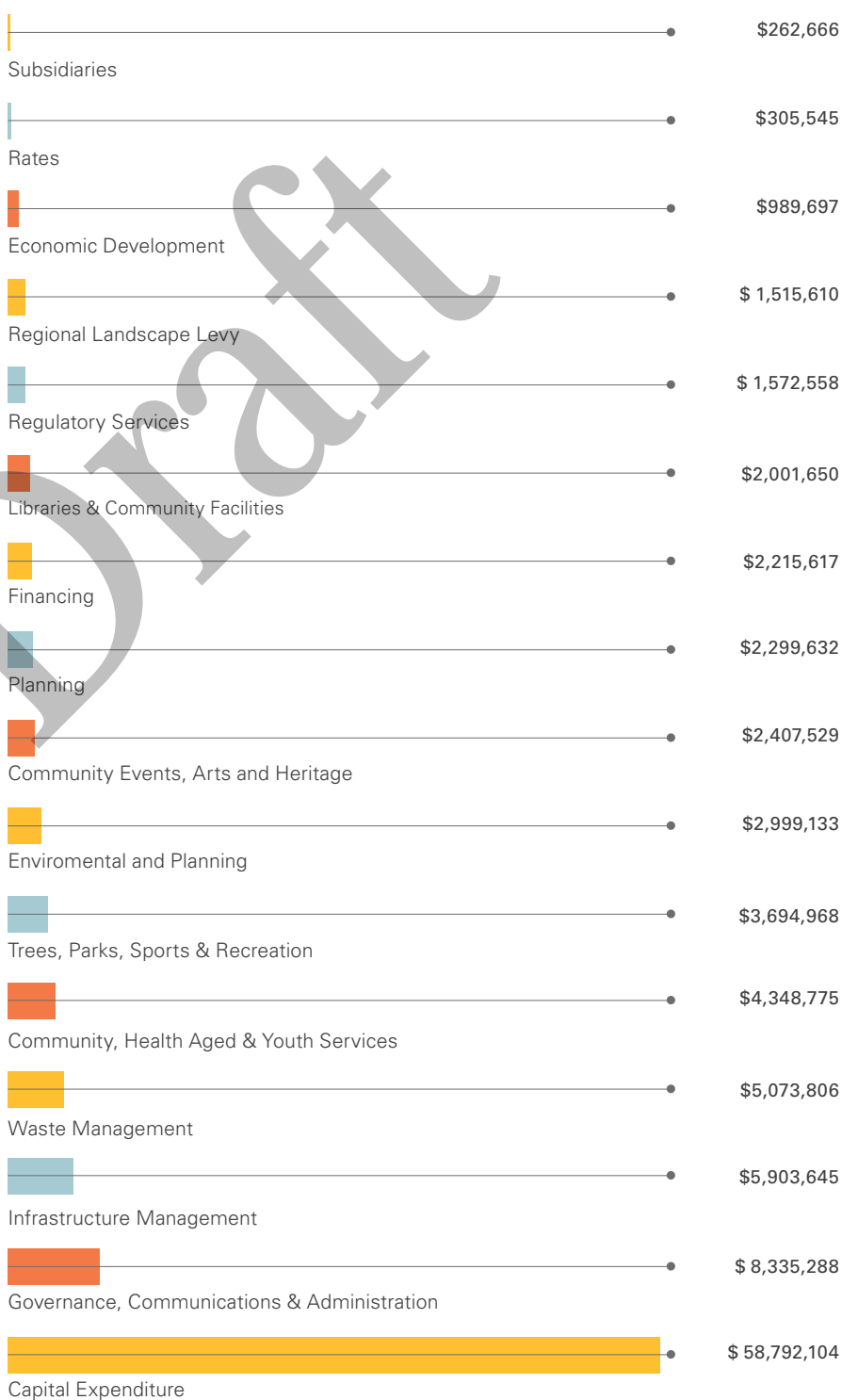


How the funds are spent

Total Expenditure \$102,718,221

Total Operating Expenditure \$43,926,116

Total Capital Expenditure \$58,792,104



Your Rates Explained

Council rates are a form of property taxation and are the main source of income for the City of Norwood Payneham & St Peters. They fund essential services such as the management of infrastructure, public health and safety, as well as major capital projects, the provision of community programs, events and festivals.

The City of Norwood Payneham & St Peters is committed to financial sustainability and continuing to provide excellent services for our community. We also understand that cost of living pressures are being felt across the community.

South Australia is experiencing unprecedented levels of cost pressures and inflation and the Council is not immune from these price increases, in particular electricity and the ever-increasing construction costs to create, maintain or replace Council assets.

Over the 12 months to the March 2023 quarter, the Adelaide Consumer Price Index (CPI) rose by 7.1%, the highest reading since the introduction of the Services Tax in the early 2000s.

To keep cost of living pressures to a minimum for our citizens, the Council is proposing a rate increase of 4.0% for residential properties, which is less than CPI.

In preparing the Annual Plan and Budget, one of the key objectives of the Council is to ensure that rate revenue is collected at a responsible level, reflective of the services provided by the City's infrastructure, services and programs, and to ensure that rates are applied across the community as fairly and equitably as possible.

The State Government has recently made amendments to the *Local Government Act 1999*, which are intended to create consistency across all councils in South Australia when it comes to informing ratepayers about annual changes to their rates.

For the 2024–2025 financial year, a total of \$42.9 million will be collected through General rates, an increase of 8.5% or \$3.4 million compared to 2023–2024.

The General Rate revenue is collected from property owners by applying a rate-in-the-dollar to the capital value of individual properties.

While the average rate increase is based on the Adelaide CPI, the actual rates payable vary according to individual property valuations, the rateable area of the property and whether there have been any development or improvements to the property.

The Council also receives revenue with funding from other sources, including fees and charges, State and Federal grants, investment incomes and loan borrowings.

Method Used to Value Land

The Valuer-General is South Australia's independent statutory authority responsible for valuations for all properties in South Australia in accordance with the *Valuation of Land Act 1971*. All properties are required to be valued every five (5) years, however to ensure equitable property-based rates and taxes, a General Valuation is undertaken annually.

The Council has continued to use the Capital Value as the basis for valuing land within the City of Norwood Payneham & St Peters. This method of valuing land provides the fairest method of distributing the rate revenue across all ratepayers as:

- property value is a good indicator of wealth and Capital Value, which closely approximates the market value of a property, therefore providing the best indicator of overall property value; and
- the equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth.

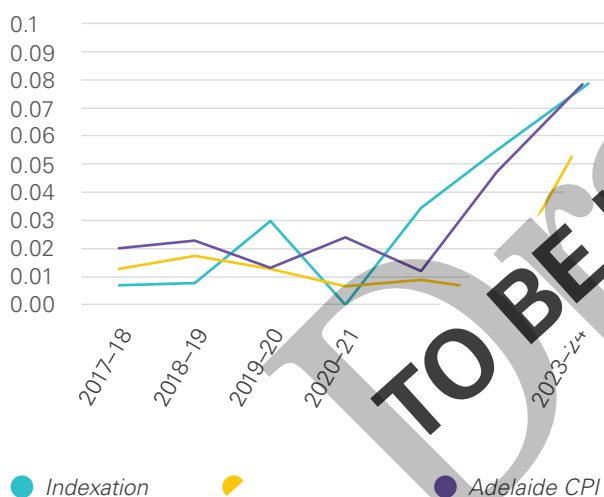
Through the Office of the Valuer-General, any property owner or occupier who does not agree with their valuation may lodge an objection to have their property valuation reviewed. An objection must be lodged within 60 days of receiving the first Rate Notice for the financial year.

$$\frac{\text{Rate Revenue}}{\div \text{Number of Properties}} = \text{Average Rate}$$

$$\frac{\text{Capital Value}}{\div \text{Number of Properties}} = \text{Average Residential Property}$$

Graph 1

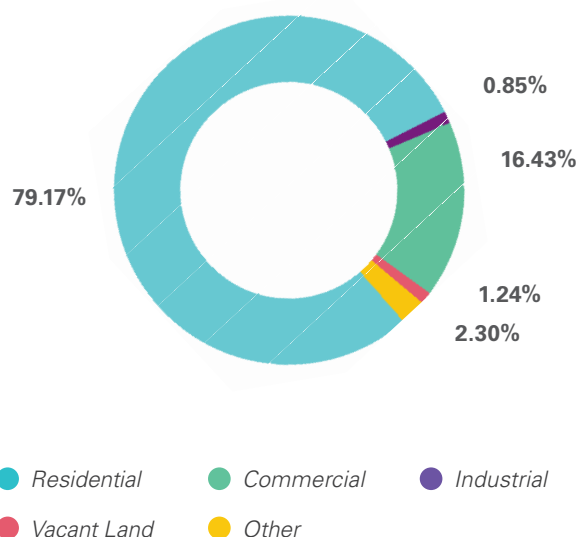
Rate Revenue Increase



The City of Norwood Payneham & St Peters applies differential rates on residential properties whereby non-residential properties are charged an additional rate-in-the-dollar which is applied to residential properties. Based on the information provided by the Valuer General to date, the rates will be distributed across the different land uses as detailed in Graph 2 below:

Graph 2

Rate Revenue by Land Use



General Rates

The *Local Government Act 1999*, allows Councils to apply differential rates based on the use of the land, the locality of the land or the use and locality of the land. The City of Norwood Payneham & St Peters applies differential rates on the basis of land use.

Definitions of land use are prescribed by regulation and are categorised as follows for rating purposes:

- Residential
- Commercial – Shops
- Commercial – Office
- Commercial – Other
- Industrial – Light
- Industrial – Other
- Primary Production
- Vacant Land; and
- Other

Minimum Rate

Pursuant to the *Local Government Act 1999*, a Council may impose a minimum amount which is payable by way of rates. Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer. Where a Council imposes a minimum rate it must not apply to more than 35% of properties in the Council area.

For the 2024–2025 financial year, the Council has set a minimum rate of \$1,228. The minimum rate will be applied to 6,761 (32.66%) rateable properties.

In determining the minimum rate, the Council is ensuring that all rateable properties make a base level contribution to the cost of:

- administering the Council’s activities;
- the provision of the physical infrastructure that supports each property and is available for use by all ratepayers; and
- services provided that are available for use by ratepayers (e.g. Libraries, parks and recreation).

Separate Rate for The Parade Precinct

In June 2021, the Council approved a continuation of the Separate Rate for The Parade Precinct for a further three years. The Separate Rate is based upon achieving a total of \$215,000 each year for the 2022–2023, 2023–2024 and 2024–2025 financial years for the 10 tenancies located within The Parade Precinct.

Prior to resolving to extend the Separate Rate for a further three years, the Council undertook consultation and engagement with the business and property owners within The Parade Precinct.

The Separate Rate model for The Parade has been designed to ensure that The Parade remains viable in an increasingly competitive market, whilst minimising additional cost to the property owners and ratepayers.

The Separate Rate collected in 2023–2024 will continue to be used for the purpose of maintaining and enhancing The Parade as Adelaide’s Premier Entertainment Precinct.

Some of the initiatives planned for the 2024–2025 financial year include the Separate Rate including the 2024–2025 Summer Season event, Hello SA segments (tv and radio), and advertising in key publications such as SA Life and SA Living.

The Separate Rate will again be reviewed by the Council in 2025–2026. Further consultation will be undertaken with business and property owners within The Parade Precinct.

Proposed Rate Increases for 2024–2025

To fund the activities proposed within the 2024–2025 Annual Business Plan and to ensure that the Council continues to provide the level of services required and expected by the community, the Council estimates that it will require an additional \$3.4 million or 8.5% in general rate income compared to 2023–2024.

Based on the final valuations which have been received from the Valuer-General, this will result in a 5.21% decrease in the ‘rate-in-the-dollar’.

For the 2024–2025 financial year, the average rate per property by land use is shown in *Table 1*.

While the average residential rate increase of 4.0% is below Adelaide CPI, the actual rates payable by a rate payer will vary according to individual property valuations, the land use, and whether there has been any new development or capital improvement on the land.

The average residential property will be required to pay \$1,891 and the average commercial property will be required to pay \$3,164.

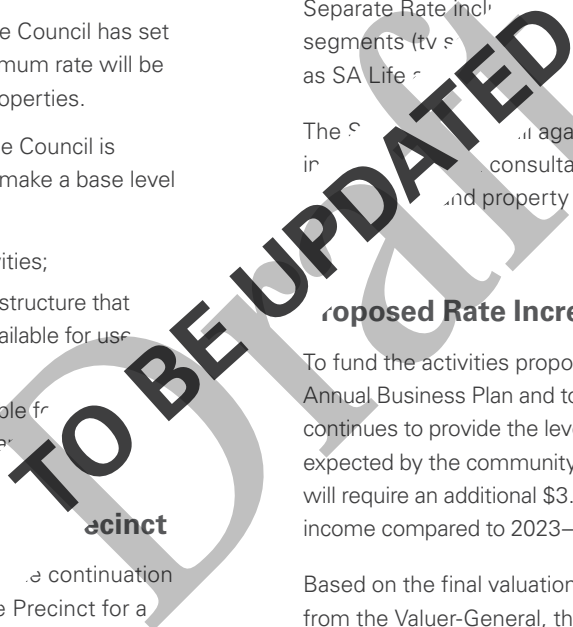


Table 1

**Average rate per property by land use
2024–2025 financial year**

Land Use	Average Rate \$	Increase (Decrease) \$	% Change on 2023–2024
Residential	1,891	85	4%
Commercial	3,164	612	24%
Industrial	2,636	489	22%
Vacant Land	1,942	969	99%
Other	4,135	582	16%
Primary Production	2,111	440	26%
All properties	2,045	163	8%

State Government Regional Landscape Levy

Pursuant to the *Landscape Services Act 2019*, the Council is required to contribute one-half of the State Government, funded by the Green Adelaide Board.

The Council contributes through a Separate Rate that is levied on the Landscape Levy and is applied within its area of the Green Adelaide Board.

In 2024–2025, the Council will be required to collect \$1.5 million from property owners as part of the Regional Landscape Levy. The Council is acting as a revenue collector and as such does not retain this revenue, but simply forwards it through to the Green Adelaide Board.

Rate Capping

Rate Capping is provided in the form of a Rebate Remission of Rates that are above an approved amount. As part of the 2024–2025 Budget, the Council has determined that rate increases will be capped (subject to meeting certain conditions) at the maximum revenue increase as set in the Annual Budget. The maximum increase in Council Rates for residential properties for the 2024–2025 financial year will be capped at 17%.

Remission and Rebate of Rates

Section 100 of the *Local Government Act 1999*, provides for the Council to grant Rebates to Senior Card Holders to apply to a portion of their Council Rates on a long term basis. The Rebated amount is subject to a monthly interest charge, with the accrued debt being payable on the disposal or sale of the property.

Financial Hardship

If a ratepayer is experiencing financial difficulties and foresees challenges in paying council rates, it is recommended that they initially reach out to the Council's Rates & Revenue Officer for advice.

The Council has established a dedicated Financial Hardship Policy, and for more information, please refer to the policy document. All inquiries are strictly confidential.

Statement on Expected Rate Revenue

A copy of the Expected Rate Revenue can be found in Appendix 4.

Rate Policy and Rate Rebate Policy

A copy of the Council's Rate Policy and Rate Rebate Policy can be found in Appendix 5 and 6.

How the Council spends your rates and charges

For every \$100 paid in rates, the breakdown in Council expenditure is as follows:



Governance, Communications & Administration

- Corporate governance
- Financial management
- Information management
- Customer services
- Organisational development
- Volunteer services
- Internal and external communications
- Media liaison
- Marketing
- Administration management



Waste & Recycling Services

- Kerbside collection of
 - Household waste
 - Recyclables
 - Green organics
- Hard waste collection and disposal
- Public litter bins
- Illegal dumping
- E-waste collection and disposal



Infrastructure Management

- Asset management
- Civil infrastructure management
- Streetscape maintenance
- Public lighting
- Stormwater drainage network
- Traffic management



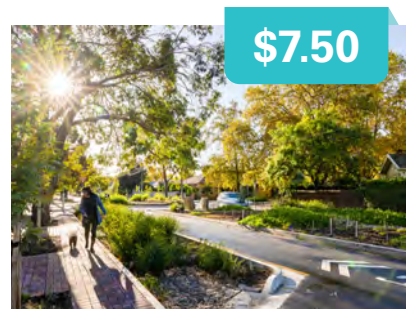
Community, Health, Aged & Youth Services

- Community support and development
- Community programs
- Youth services
- St Peters Child Care Centre & Preschool



Parks, Sport & Recreation

- Reserve and open space maintenance
- Sports and recreational facilities
- Swimming centres



Environmental Sustainability

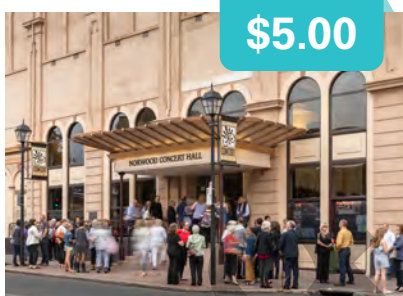
- Street sweeping
- Tree management
- Creek maintenance
- Street trees



\$6.00

Community Events, Arts and Heritage

- Community events
- Community arts
- Cultural heritage
- Public Art



\$5.00

Libraries & Community Facilities

- Library services
- Lifelong Learning Programs
- Children's programs
- Facility hire (casual and long term)
- Norwood Concert Hall



\$3.90

Regulatory Services

- Environmental health services
- On-street parking management
- Animal management
- Abandoned vehicles
- Pest management
- Building inspections



\$5.80

Planning

- Urban planning
- Health inspections
- Development assessments



\$2.50

Economic Development

- Management of business precincts
- Strategic projects
- Economic development



\$0.70

Subsidiaries

- Era Water (water irrigation)
- Highbury Landfill (landfill)
- East Waste (waste management)
- Eastern Health Authority (health inspections)

Major Projects



Payneham Memorial Swimming Centre Concept

Payneham Memorial Swimming Centre Redevelopment

The transformation of the Payneham Memorial Swimming Centre into the pinnacle of aquatic leisure centres has already begun with on-site work well underway at the site at 194 OG Road, Felixstow.

In early 2023, the Council awarded the construction contract to South Australian-based Badge Constructions, creating 100 Full Time Equivalent jobs in the construction phase.

The project - which is estimated to cost \$60 million - is the biggest investment in the City's infrastructure.

The Centre's funding includes a \$5.6 million grant from the State Government's Local Government Infrastructure Partnership Program.

The Centre's design has been shaped by extensive community and stakeholder consultation and the Payneham Memorial Swimming Centre redevelopment will include:

- a 10 lane, 50 metre outdoor pool;
- an 8 lane, 25 metre indoor pool;
- an 11 x 20 metre indoor learner's pool;
- a 14 metre tall tower with two waterslides;
- a zero-depth waterplay area;
- multiple male, female and unisex all-access changerooms with showers, toilets and lockers;
- multipurpose meeting rooms; and
- shade shelters and picnic seating.

Each pool will have an all-access entry via a ramp or lift, and aquatic wheelchairs will be available for public use.

The Payneham Memorial Swimming Centre redevelopment is expected to be completed by 2026.

Funding for the Payneham Memorial Swimming Centre redevelopment is proposed to be spread over two financial years as shown below:

- 2024–2025: \$35 million
- 2025–2026: \$11 million



The Parade Masterplan, including George Street Upgrade

The Parade Masterplan forms part of the long-term strategic framework for the planning, redevelopment and activation of South Australia's Premier Mainstreet, The Parade.

The Masterplan focuses on protecting the identity and appeal of The Parade and how this significant economic, social and cultural asset can enhance the experience of people who choose to live, work and socialise in and around the precinct.

When the Masterplan was endorsed in 2019, the Council allocated \$800,000 for the implementation of the George Street Upgrade. This funding has been carried forward whilst detailed design has been undertaken.

In 2024–2025 the Council also allocated \$1.56 million for the George Street Upgrade.

Pedestrian safety and movement is the key objective of The Masterplan. Proposed changes include:

- wider footpaths;
- removal of on-street car parking between Edward and George Street;
- additional street trees and landscaping;
- new pedestrian crossings and;
- new street furniture, public art and lighting.

The implementation of The Parade Masterplan is currently proposed to be staged over a number of years commencing in 2025, with the upgrade to the section of George Street between The Parade and Webbe Street also planned to commence in the financial year.



Trinity Valley Stormwater Project

The Trinity Valley Stormwater Project involves the installation of a new stormwater drainage network in the suburbs of St Morris, Trinity Gardens, Maylands and Stepney - known collectively as the Trinity Valley.

The works are designed to:

- increase capacity of stormwater infrastructure;
- alleviate future flooding where possible;
- increase protection of residences and businesses from future one in-100-year stormwater events;
- utilise Council reserves to act as detention areas; and
- address upstream flooding to reduce pressure on the downstream system.

The Trinity Valley Stormwater Project will be delivered over a number of financial years, with the final stage commencing in August 2024 and concluding in January 2025.

In 2022, the City of Norwood Payneham & St Peters was successful in receiving \$9.9 million from the Federal Government's Preparing Australia Program, which targets local projects across the nation, with a focus on improving resilience against natural disasters. This money was set aside for the Trinity Valley Stormwater Project and has been matched by the Council.

The Trinity Valley Stormwater Project also includes an upgrade to St Morris Reserve with a new playground, basketball court, barbeques and other amenities.

The funding schedule for Trinity Valley Stormwater Project is outlined below:

- 2021–2022: \$3,000,000
- 2024–2025: \$5,890,908
- 2024–2025: \$1,022,266



Outcome 1 Social Equity

An inclusive, connected, accessible and friendly community.

2023–2024 Achievements

Payneham Memorial Swimming Centre

Awarded the construction contract of the Centre to Badge Constructions and on-site work began in early in 2024.

Biennial Community Survey

The Council undertook its Community Survey in 2023 with results from 400 citizens and 200 business operators.

Access & Inclusion Strategy

Undertook a second round of consultation for the Access & inclusion Strategy and sought more diverse feedback from a wider sector of the community.

Dunstan Adventure Playground

The much-loved and iconic playground was officially opened in February 2024 following a \$1.45 million redevelopment.

Annual Business Plan Objectives

- Continue to deliver services which are relevant, community focussed and cost effective.
- Continue to maintain and renew the City's assets in line with the Council's whole-of-life framework for infrastructure.
- Deliver programs and activities which engage our young people in the City's future.
- Provide a variety of events and programs which engage all citizens regardless of age and ability.
- Ensure fair and equitable rates for all ratepayers.

Proposed key initiatives for 2024–2025

- Deliver the annual Capital Works Program in accordance with the respective infrastructure and asset management plans, including civil infrastructure (roads, footpaths and kerbing), buildings and open space assets.
- Continue construction work of the Payneham Memorial Swimming Centre.
- Officially open Burchell Reserve following its \$4.3 million redevelopment.
- Analysis and review of the results of the 2023 Community Survey.



Function	Income	Expense	(Surplus)/Net Cost
Community, Health Aged & Youth Services	(4,071,951)	4,348,775	276,824
Infrastructure Management	(1,004,393)	5,903,645	4,899,252
Regulatory Services	(1,478,800)	1,572,558	93,758
Subsidiaries		262,666	262,666

Community, Health, Aged & Youth Services

Services Provided

- St Peters Child Care Centre & Preschool
- Home and Community Care
- Domestic care
- Home modifications
- Personal care
- Transport
- Health and fitness programs
- Social inclusion programs
- Youth programs
- Immunisations
- Environmental health inspections
- Volunteer services
- Community Visitors Scheme

Projects and Service Initiatives

- Review of the Access and Inclusion Strategy
- Canvas Youth Art and Events Project is a youth art program which provides young people with the opportunity to work alongside industry professionals in visual art, photography and film.
- Youth Development - a program of events which include:
 - sports week;
 - community cooking;
 - skills development; and
 - Wheel Park.
- Come and Try - Body Balance

Community Services

Community Services which are offered by the Council include the Community Visitors Scheme that provides Volunteers to visit socially or culturally isolated residents living in Federal Government subsidised aged care homes. Community Visitors are Council Volunteers who visit on a one-to-one basis.

Other programs provided include:

- health and fitness programs; and
- a range of social support activities designed to improve social connectedness and quality of life.

Home and Community Care Services

The Council's Home and Community Care (HACC) services is funded by the Federal and State Government to provide community care services for our City's frail aged and younger residents with a disability and their carers.

The services are designed to prevent social isolation, and provides individuals with assistance to maintain their independence and remain in their own homes for as long as possible. The range of services, which are available to help the frail and aged, people with a disability and their carers, who live within the community, include:

- home maintenance and safety and security assistance;
- personal care and cleaning; and
- transport services.

Youth Development

The Council is committed to providing opportunities for young people aged 12–25 years to be visible, valued and involved in shaping the current and future direction of the community. Services and programs delivered include Youth FM, Young Achievers Program and Eastern Region Youth Projects.

Volunteer Services

Volunteers play a vital role in ensuring that the Council can deliver a range of important services to our community. Volunteer Services is responsible for the development and promotion of volunteering opportunities across the Council's range of services and activities, includes the recruitment, recognition, training and retention of Council Volunteers.

St Peters Child Care Centre & Preschool

The Council owns and operates the St Peters Child Care Centre & Preschool. The Centre is licensed to provide child care and preschool services for 105 children between the ages of six weeks and five years of age. The St Peters Child Care Centre & Preschool provides a preschool program under the Government's Universal Access Program.

Environmental Health Services

These services are provided on behalf of the Council by the Eastern Health Authority (EHA) which is a regional subsidiary established under Section 43 of the *Local Government Act 1999*. Through EHA the Council aims to enhance public health by managing the registration of all premises as required under the *South Australian Public Health Act 2011* and the Council's immunisation program.

Infrastructure Management

Services Provided

- **Asset management**, which includes project management services for the annual Capital Works Program, which includes;
 - road reseals;
 - footpaths;
 - kerbing and watertable; and
 - stormwater drainage network system.
- **Civil infrastructure maintenance** which includes programmed and responsive maintenance of the Council's civil infrastructure assets
- **Road and traffic management**
- **Street lighting**
- **Streetscape maintenance**

Projects and Service Initiatives

- **Civil Infrastructure Annual Capital Works Program**
- **Trinity Valley Storm Drainage Upgrade** which involves works to reduce the risk of flooding in the suburbs of St Morris, Maylands, Stepney and Trinity Gardens. The work will be delivered over the next three financial years commencing in 2024–2025.
- **Replacement of small plant and equipment used in maintenance activities**
- **Street lighting renewals and upgrades**
- **Continuation of the staged implementation of 40km per hour speed limit throughout the City**

Further details are provided in Appendix 1.

Infrastructure Maintenance

Infrastructure Maintenance involves both the programmed and responsive maintenance of the Council's civil infrastructure assets, so that these are maintained to the required standard.

Also included in this program is the management of the City-wide Street Cleansing and The Parade Footpath Sweeping Program.

Services undertaken by Civil Infrastructure Maintenance also includes:

- Footpath, Kerb & Watertable
- Road & Traffic Management
- Stormwater Network
- Streetscape Maintenance
- Street Lighting

Asset Management

The Council's Asset Management unit is responsible for the maintenance, construction, renewal and disposal of Council's facilities and assets, including the preparation and implementation of the annual Capital Works Program. This unit is also responsible for the expenditure of external infrastructure grants such as the Federal Governments Roads to Recovery Program and project specific grants.

Specific areas which are mandated by the Asset Management unit include:

- **Capital projects** - This includes the provision of capital works construction and contract management associated with Council assets, in particular, the delivery of road, kerb, footpath, water table and stormwater drainage capital works renewal projects. The unit manages external contracts associated with building maintenance services for Council buildings including cleaning, plumbing, carpentry, electrical, air conditioning, painting, general maintenance and renewal.
- **Open space planning and delivery** - This includes the development and implementation of open space policies and strategies; development of public open space asset; undertake project management for capital works relating to open space improvements; provides internal technical advice and provide assistance to local community groups.
- **Assets and special projects** - This involves maintenance of the Council's Whole-of-Life Asset Management Plans and prepares scope of works associated with major capital works projects.

Regulatory Services

Regulatory Services

Responsible for administration of the Council's by-laws, policies and other legislation which the Council is charged with administering. Specific areas covered by Regulatory Services include:

- **Animal Management** – With more than 3,000 dogs residing in our City, it is important that provisions surrounding their care and control are in place. Regulatory Services staff administer the provisions of the *Dog & Cat Management Act 1995* which includes annual dog registration, managing barking and noise complaints and ensuring dogs are not found wandering at large where they pose a significant threat to their own safety, as well as to that of other members of our community who may not be familiar with the best way to handle a distressed or wandering dog.
- **On-street Parking Management** – The Council is responsible for ensuring that the parking provisions (Part 12) of the Australian Road Rules as well as the *Private Parking Areas Act 1986*, are observed by motorists. In addition this area leads the management of resident parking permits in line with the Council's Resident Parking Permit Policy.

Regulatory Services is also responsible for the management of abandoned vehicles and the investigation and enforcement of alleged breaches of Council's local laws including issues associated with kerbside trading, amenity and litter control and flammable growth.

Regional Subsidiaries

Regional collaboration is a key area of focus for the Council and it continually seeks and explores opportunities to work with other councils to establish networks, while it strives to fulfil its role as a responsible leader and provide best value.

Eastern Health Authority

The Eastern Health Authority (EHA) provides public and environmental health services on behalf of its Constituent Councils - the City of Norwood Payneham & St Peters, City of Burnside, Campbelltown City Council, the City of Prospect and the Town of Walkerville.

A wide range of environmental health functions and services are performed to maintain appropriate public health standards and to prevent and control disease, including:

- regularly inspecting food premises
- investigating disease outbreaks in conjunction with SA Health;
- investigating incidents of environmental health concern
- provision of immunisation via public clinics
- ensuring appropriate water quality standards are maintained in public swimming pools and spas and;
- providing advice and information to the general public.

East Waste

The Eastern Waste Management Authority (East Waste) is a Regional Subsidiary established under Section 43 of the Local Government Act 1999 providing at-cost kerbside waste collection services to its Constituent Councils.

The membership base (owners) of East Waste comprise of the Town of Walkerville, the City of Burnside, the City of Norwood Payneham & St Peters, the Campbelltown City Council, the City of Mitcham, City of Prospect, City of Unley and the Adelaide Hills Council. East Waste provides the following services:

- waste management and recycling;
- co-ordinating waste education programs on behalf of its Constituent Councils;
- working with the Local Government Association of South Australia to expand the delivery of waste education and messaging via the My Local Services App across all South Australian Councils.

ERA Water

ERA Water is a Regional Subsidiary established under Section 43 of the Local Government Act 1999. ERA Water is responsible for construction and operation of a stormwater and reuse scheme on behalf of its Constituent Councils; the Cities of Burnside and Norwood Payneham & St Peters and the Town of Walkerville.

- ERA Water is responsible for implementing the Waterproofing Eastern Adelaide Project.
- The project is to reduce reserve irrigation and green our suburbs and enhance the quality of water that is discharged to our gulf.
- Importantly, through the constructions of wetlands and bio-filters at locations such as Felixstow Reserve the project has also centralised the City's environmental sustainability as well as reducing reliance on mains waste for irrigation purposes.

Highbury Landfill Authority

The Highbury Landfill Authority is responsible for the post-closure management of the Highbury Landfill previously used by the Councils through East Waste as their waste landfill. Significant ongoing activities undertaken by the HLA, include the monitoring and harvesting of landfill gases and the monitoring of groundwater contamination and leachates from the landfill.

The HLA has completed the construction of a synthetic clay capping for the landfill, which allows for more efficient monitoring and harvesting of landfill gases and reduces the risk of groundwater contamination to allow for further site remediation and revegetation.



Outcome 2 Cultural Vitality

A culturally rich and diverse city, with a strong identity, history and sense of place.

2023–2024 Achievements

The Gallery

Opened a dedicated space for artists to exhibit their work at St Peters Hall, called The Gallery and held multiple exhibitions there.

Hosted Popular Events

Art on Parade
Movie in the Park
Twilight Carols
St Peters Fair
Concerts in the Park series
Tour Down Under Stage 2

Events for Youth

The Council's Co-ordinator Youth Programs delivered a range of youth events and activities to a suit a diverse audience of age and abilities in our City.

Gather Round & Norwood Food & Wine Festival

For the second year, the Council worked with the AFL and the State Government and hosted Gather Round at Norwood Oval.

Annual Business Plan Objectives

- Promote our cultural diversity through the use of public art and events that complement the City's cultural heritage and enhance its sense of place.
- Provide opportunities for the community to contribute to the social and creative life of the City through events, activities, arts and cultural initiatives.
- Provide a variety of events and programs which engage all citizens, regardless of age, ability, gender or cultural background.

Proposed key initiatives for 2024–2025

- Host Gather Round and Norwood Food & Wine Festival.
- Deliver a number of programs and activities which are focussed on achieving the objectives set out in the Council's Youth Strategy.
- Host the Concerts in the Park series.
- Explore heritage protection opportunities through the Council's Built Heritage Strategy.
- Develop a Public Art Masterplan.
- Curate an annual exhibition program and artist led activations at the St Peters Gallery.
- Digitise the Council's heritage collection to improve community access (year 1).

40%

Parks, Sport & Recreation

23%

Community Events, Arts and Heritage

20%

Planning

17%

Libraries & Community Facilities

Function	Income	Expense	(Surplus)/Net Cost
Community Events, Arts and Heritage	\$476,400	\$2,407,529	\$1,931,129
Libraries & Community Facilities	\$571,575	\$2,001,650	\$1,430,075
Planning	\$576,550	\$2,299,632	\$1,723,082
Parks Sport & Recreation	\$278,716	\$3,694,968	\$3,416,252

Community Events, Arts & Heritage

Services Provided

- **Community Events** - are hosted by the Council across a diverse range of areas including festivals, concerts, performances and activities.
- **Community Arts** - initiatives are delivered in accordance with the Council's Public Art Policy.
- **Cultural Heritage** - activities and services which recognise the heritage of the City.

Projects and Service Initiatives

- **Heritage Protection Opportunities**
- **Community Arts**
 - Art on Parade;
 - public art throughout the City; and
 - SALA Festival.
- **Cultural Heritage**
 - Cultural Heritage Centre;
 - SA History Festival; and
 - Cultural heritage signs, walks and trails.

Further details are provided in Appendix 1.

Community Events

A number of events are held by the Council which cater to the wide demographic of our community and include:

- The Norwood Christmas Pageant;
- Twilight Carols and Christmas Market;
- St Peters Fair;
- Concerts in the Park;
- Australia Day Celebrations;
- Citizenship Ceremonies; and
- Tour Down Under.

Community Arts

As a culturally rich and socially diverse community, the City of Norwood Payneham & St Peters has a long tradition of valuing creativity and artistic expression. This area supports the Council's Public and Community Arts Programs which are informed by the Council's Public Art Policy.

Cultural Heritage

The Council's Cultural Heritage Program assists the community to understand, celebrate and benefit from the City's rich and distinctive history through the provision of a number of specialist historical services and activities.

Libraries & Community Facilities

Services Provided

- **Libraries** – Library services are provided by the Council across three locations and include;
 - free use of computers and access to internet;
 - training programs;
 - home library service;
 - infant and children programs; and
 - book groups.
- **Norwood Concert Hall** is a versatile event space that is available for hire for musical theatre productions, functions and events.
- **Community Facilities** – are provided by the Council and are available to hire, from rooms to entire buildings, on a casual basis or under a long-term lease.

Projects and Service Initiatives

- **Council Building Works Program**
- **Acquisition of Library resources** such as books, DVDs and other items.

Further details are provided in Appendix 1.

Libraries

The Council operates three Libraries at Norwood, St Peters and Payneham. The services provided include free access to educational and recreational resources including books, magazines, DVDs and CDs, online databases, public internet access, programs and events, local history services and inter-library loans.

Community Facilities

The Council has a number of buildings and facilities available for casual hire or long-term lease. The cost of the managing these facilities is set out below.

Norwood Concert Hall

The Norwood Concert Hall caters for events of all sizes, including Adelaide Festival productions, international acts, product launches, school concerts, cabaret acts, balls and weddings.

Planning

Services Provided

- City planning (including development assessment and planning policy)
- Urban planning
- Health inspections

Projects and Service Initiatives

- XXXX

Further details are provided in Appendix 1.

City Planning

Responsible for the development of strategic policy and planning across the City, this area issues planning approvals, controls the use and development of land, land divisions, liquor licenses, administers heritage controls and advice, and sustainable urban design advice.

Building Control

This area issues building permits and administers and enforces the building code and legal requirements concerning building safety.

Environmental Management

Delivery of projects which are aimed at achieving a sustainable environment for the City. This incorporates the support of a range of programs and events which are designed to engage the community on issues such as climate change and includes strategic planning in the areas of water, greenhouse emissions and climate change adaptation

Environmental Management also includes the management of First, Second, Third and Fourth Creeks and environmental pests such as European wasps and noxious weeds.

Parks, Sport & Recreation

Services Provided

- **Sporting and recreational facilities** include recreational and sporting facilities such as sporting fields and tennis courts
- **Swimming Centres** include the Norwood Swimming Centre and the Payneham Memorial Swimming Centre

Projects and Service Initiatives

- Recreation and Open Space Works Program
- Commencing redevelopment of Payneham Memorial Swimming Centre
- Undertaking the Burchell Reserve Upgrade
- Completion of the redevelopment of Dunstan Adventure Playground
- Completion of the Cruickshank Reserve Upgrade

Further details are provided in Appendix 1.

Sporting and Recreational Facilities

The Council provides a wide variety of recreational, sporting and leisure facilities such as sporting fields and tennis/netball courts, which are available for either casual hire or seasonal hire or leased to home sporting clubs within the City.

This also includes administration of the hire of the Council's sporting facilities, as well as managing the ongoing maintenance of the infrastructure which is provided at these facilities.

Swimming Centres

The Council owns and operates two Swimming Centres, the Norwood Swimming Centre and Payneham Memorial Swimming Centre. The cost of operating these facilities are set out below.

The Payneham Memorial Swimming Centre is currently being redeveloped.



Outcome 3 Economic Prosperity

A dynamic and thriving centre for business and services.

2023–2024 Achievements

Raising the Bar

Held the highly regarded Raising the Bar event with a range of guest speakers and presenters in various venues, which provided a boost to the local economy.

Eastside Business Awards

Hosted the seventh Eastside Business Award and introduced the inaugural Legends Award for businesses which have won the same category three times.

Business Initiatives and Competitions

Supported local businesses through a range of initiatives and competitions such as Shop to Win and a Day of Fashion.

Food Secrets and Eastside Wine & Ale Trail Tours

Hosted Food Secrets together with Eastside Wine & Ale Trail Bus Tours around our City.

Business Networking

Hosted networking events to improve engagement amongst the business community and connectivity between Council staff and business operators.

Annual Business Plan Objectives

- Support the development of a prosperous local economy.
- Continue to engage, network and explore opportunities to grow local businesses.

Proposed key initiatives for 2024–2025

- Implement the eighth annual Eastside Business Awards to recognise the best small businesses, including retailers, restaurants, cafes, bars, venues, cultural experiences and entertainment venues in the City.
- Host Raising the Bar Adelaide in various venues, creating an environment of academia, learning and fun in laid back casual settings throughout the City.
- End of Year Business Networking event.
- Continue to implement initiatives from the Economic Development Strategy.

100%

Economic Development



Function	Income	Expense	(Surplus)/Net Cost
Economic Development	\$233,250	\$924,697	\$691,447
Precinct Management	\$225,000	\$225,000	\$-



STUDIO
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KARL
DRY CLEANING

HEMS & ALTERATIONS
SHIRTS & TROUSERS
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Economic Development

Services Provided

- Marketing The Parade and other business precincts throughout the City
- Ongoing promotion of the Eastside Wine & Ale Trail
- Environmental management
- Business networking events

Projects and Service Initiatives

- **Eastside Business Awards** is an annual awards program that recognises the best small businesses, restaurants, cafes bars, venues and boutiques within the City.
- **Raising the Bar** activates venues within the City as they are transformed into relaxed and fun learning environments with the aim of making education part of popular culture.

Further details are provided in Appendix 1.

Economic Development

Provision of services programs, events and initiatives which facilitate economic development throughout the City.

Precinct Management

Services Provided

- Marketing The Parade and other business precincts throughout the City.
- Invest in NPSP website directory
- Social media and EDMs

Projects and Service Initiatives

- Business Advisory Service
- Shop the Parade & Win and other competitions
- Business networking events

Precinct Management

XXXXX



Outcome 4 Environmental Sustainability

A leader in environmental sustainability.

Electric Charging Vehicles

Installed 6 electric vehicle charging stations across the City.

Smart City Plan

Continued implementation of the Smart City Plan.

St Peters Streetscape Upgrade Project

Completed St Peters Streetscape Upgrade Project to improve connection with the River Torrens and upgrade existing infrastructure.

Corporate Emissions Strategy

Continued implementation of the Corporate Emissions Reduction Strategy.

Tree Strategy

Continued implementation of the Tree Strategy 2022–2027.

Annual Business Plan Objectives

- Ensure any urban development that is undertaken enhances the environmental, social, cultural character and unique 'sense of place' of the City.
- Maximise use of the City's open space by providing a range of active and passive open space recreation opportunities.
- Promote recycling and environmentally sustainable practices throughout the City.

Proposed key initiatives for 2024–2025

- Continued support of Resilient East which aims to strengthen the resilience of the Council and its community in respect to the impacts of climate change.
- Continuation of the Urban Greening Program.
- Education program to encourage the community to adopt a tree.
- Installation of Smart Parking meters on Webbe Street Norwood.

63%

Waste Management

37%

Enviromental
Sustainability



Function	Income	Expense	(Surplus)/Net Cost
Enviromental Sustainability	\$5,603	\$2,999,133	\$2,993,530
Waste Management	\$40,000	\$5,113,057	\$5,073,057

JAZZ *in the* PARK

SAT 11 FEBRUARY
4PM - 8PM



FIND OUT MORE
www.npsp.sa.gov.au



City of
Norwood
Payneham
& St Peters



JOLT

Waste Management

This service includes management of external contracts responsible for kerbside recyclables, illegally dumped rubbish, hard and green waste collection, and rubbish bin collection on streets and at parks.

Street Trees

Approximately 23,000 street trees are located throughout the City with several thousand more trees located on reserves, parks and gardens. The costs associated with the management of the Council's street trees, which includes inspection, condition assessment and ongoing maintenance such as watering, pruning, planting and removal.

Environment Sustainability

Services Provided

- Environmental management
- Reserve maintenance includes parks, gardens and reserves
- Street trees include the management of the City's 23,000 street trees

Projects and Service Initiatives

- Urban Greening Program
- Street tree planting
- Dog & Cat Management Plan education campaign
- Sustainable Garden Awards

Environmental Management

Delivery of projects which are aimed at achieving a sustainable environment for the City. This incorporates the support of a range of programs and events which are designed to engage the community on issues such as climate change and includes strategic planning in the areas of water, greenhouse emissions and climate change adaptation

Environmental Management also includes the management of First, Second, Third and Fourth Creeks and environmental pests such as European wasps and noxious weeds.

Reserve Maintenance

The Council has more than 180 hectares of reserves, parks gardens

Corporate Management

In addition to the Outcomes, the City of Norwood Payneham & St Peters also has costs associated with the corporate management and administration of operating the Council

Governance, Communications & Administration

Services Provided

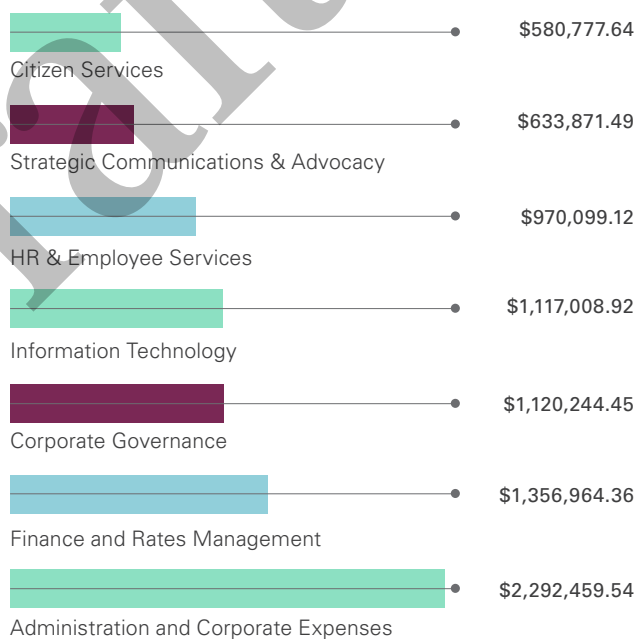
- Financial management and services
- Customer service
- Human resources and employee services
- Communications and public relations
- Information management
- Rates administration
- Governance
- Elected Members
- Risk management

Projects and Service Initiatives

- Local Government Representation Review
- Upgrades to the Council's Business Systems
- Website upgrades and refresh
- Review of *CityPlan 2030: Shaping Our Future*

Further details are provided in Appendix 1.

Corporate Management Expenses



Governance

Corporate Governance ensures that the Council's decision-making processes and legislative compliance seeks to minimise risk to enable the Council to meet community needs and legislative requirements.

This area provides administrative support and assistance to the Mayor and Elected Members and handles enquiries and complaints from the public. Corporate Governance also includes the Chief Executive's Office which provides executive leadership through the coordination of policy development, communication of strategic directions and performance monitoring.



Strategic Communications & Advocacy

The Communications Unit manages the Council's internal and external communications including public relations, social media and preparation of publications.

Council Administration

Financial Management

Financial Management includes the provision of strategic financial management advice, budgeting and financial performance monitoring, preparation of annual financial statements and treasury management. Financial management also includes the Council's annual business planning, provision of project management support and advice and undertakes long-term financial planning and reporting.

Financial Services incorporates financial activities, including;

- accounts payable and accounts receivable services;
- monitoring the application of financial internal controls;
- payroll services;
- administration of the Council's insurance program;
- administration the Council's leased vehicle fleet; and
- asset reporting.

Rates

Rates staff maintain the Council's property rating database, facilitates the collection of rates and charges from residents and ratepayers and provides property information to the citizens.

Citizen Services

Citizen Services is the primary interface between the Council, the community and the delivery of services. Citizen Service staff provide information to the City's citizens via direct telephone, service desk and online and provide over the counter payment options for the payment of rates and other fees and charges for Council services and administers the Council's electronic payment options.

Information Management and Services

This area provides support to deliver on organisational priorities and improved service delivery to the community through information and communication technology. Information management incorporates the maintenance of the Council's corporate records.

Human Resources, Organisational Development and Work Health & Safety

These functions are managed through the Chief Executives Office and support the Council's management and staff by providing advice in the areas of human resources, organisational development, performance and work health and safety .



Long-term Financial Plan

Overview

Financial sustainability is a key objective of the Council. A sound financial base is essential to the delivery of the strategic directions which are contained in the Council’s strategic management plan; *CityPlan 2030: Shaping Our Future*, and the delivery of programs and services set out in the Annual Business Plan.

The Council's Long-term Financial Plan supports the Council to achieve financial sustainability, particularly in the face of the significant challenge of the community's expectations to deliver more with minimal increases in rate revenue. The Long-term Financial Plan sets out the Council's financial strategies and commitment over the long-term to ensure that as a Council, we can on behalf of the community meet this challenge. The Plan is driven by the need to deliver enhanced and improved services to ratepayers and residents, by the most efficient and effective means possible.

The Council’s long-term financial sustainability is dependent on ensuring that, on average over time, the Council’s income can cover the cost of its operational expenses and generate sufficient cash flows to meet loan servicing requirements.

The Council’s Operating Result, as shown in *Graph 2*, demonstrates how the Council has been able to achieve financial sustainability with sustained operating surpluses.

The Long-term Financial Plan provides a high level framework to guide the preparation of the Annual Business Plan and Budget, so that the Council understands the impact of decisions that are made today, have on the future.

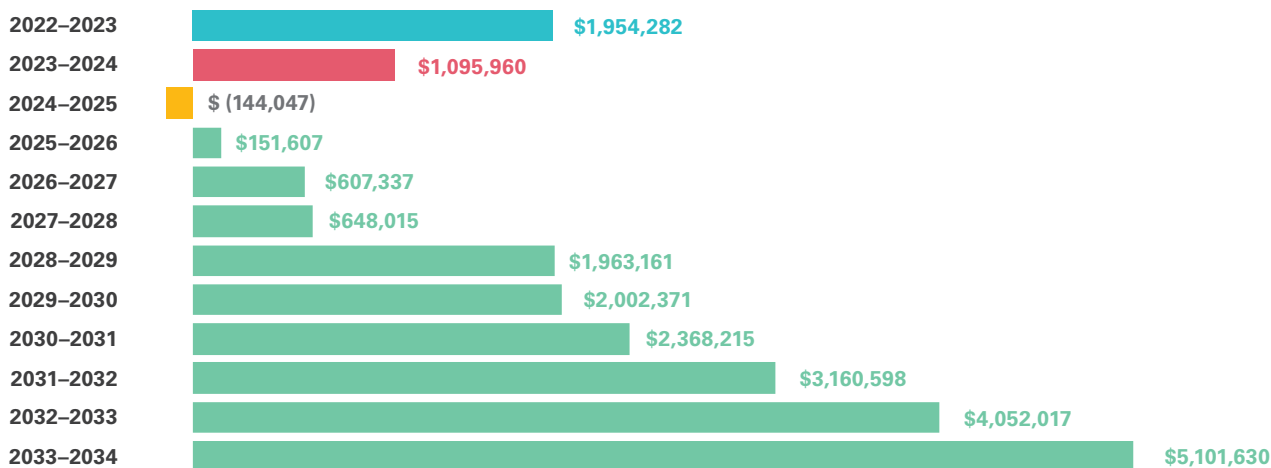
The Council undertakes an annual review of the Long-term Financial Plan and updates the financial estimates that are set out in the Plan, based on the decisions that are made as part of the Annual Business Plan and Budget to ensure it is continuing to deliver on the outcomes set out in the Long-term Financial Plan.

A copy of the Council's Long-term Financial Plan is available at www.npsp.sa.gov.au

Graph 2

Operating Surplus 2021–2031

Actual Budgeted Proposed Forecast



*Prior to the final contributions to the joint ventures and associates.

Appendix 1

2024–2025

Operational Projects & Initiatives

Capital Projects

Draft

Operational Projects & Initiatives

Project Name	Project Description	Approved Projects	Grant Funding	Rates Funding	Borrowing Funding
CityPlan 2023 Outcome: Social Equity					
St Peters Billabong Engineering Review	The banks of the St Peters Billabong are experiencing various degrees of erosion. The assessment includes quantitative (intrusive) geotechnical assessments, such as on-site soil sampling and testing. Subsequently, using the data obtained from these assessments, options study can be undertaken to identify viable and economical solutions.	\$100,000		\$100,000	
Electronic Permits (E.g. Outdoor Dining)	The project involves developing a digital process to enable requests for Residential Parking Permits, Outdoor Dining and Outdoor Trading Permits to be submitted in digital format by citizens rather than using manual forms and for digital permits to be issued. This will increase the convenience for citizens and improve on the quality and accuracy of information provided for permit renewal requests.	\$20,000		\$20,000	
Regulatory Service - Additional Admin Staff 0.6 Fte	Increase in of administrative support to enable the Regulatory Services staff to reply to citizen enquiries, parking reviews, and other enforcement matters in a timely manner as well as, to "follow up" on dog registrations that have not been completed, generating additional revenue and assisting citizens to avoid enforcement actions through penalties for non-compliance with registration.	\$47,336		\$47,336	
Building Assets Review / Strategy	The purpose of this project is to develop a strategy for buildings and facilities that are owned and operated in the Council. The analysis of current facility utilisation and predictions of future needs, together with condition audit data of the Council's buildings assets, the Whole-of-Life program and the Council's Asset Management Plans will be used to inform the strategic review and in the development of the final Building Assets Strategy.	\$20,000		\$20,000	
CityPlan 2023 Outcome: Cultural Vitality					
Gather Round	To meet the costs of events and activities associated with the 2025 Gather Round should Norwood Oval be selected as a venue to host matches as part of the 2025 Gather Round.	\$200,000		\$200,000	
Tour Down Under	The Tour Down Under, a nationally and internationally recognised cycling event that attracts media attention from all over the world, therefore providing an excellent platform for the Council to market the City as a tourism destination and showcase the Norwood Parade Precinct to an international audience. The project is to host a stage of the 2025 Tour Down Under.	\$60,000		\$60,000	

Project Name	Project Description	Approved Projects	Grant Funding	Rates Funding	Borrowing Funding
CityPlan 2023 Outcome: Cultural Vitality					
Art & Culture Plan	Following the Council's endorsement of the Council's Arts & Culture Plan 2024–2027, the funds will be used to implement Year 1 initiatives. The Public Art Masterplan provides a strategic framework for future public artworks in the City. This includes guiding location selection for public art procurements, including potential locations for the iconic quadrennial artworks; site specific installation and integration within streetscape designs; First Nations led public art opportunities; interactive and digital installations, art trails and functional artworks.	\$68,874		\$68,874	
Music Month in the Libraries	Good Music Month is a new annual, State-wide, open access live music festival held each November, to elevate the profile of live music in South Australia by providing a platform for artists, venues and industry professionals to showcase their talents to local and interstate audiences. The festival encompasses a diverse range of original live music experiences, ranging from intimate blues bands in local pubs to grand scale ticketed music festivals, opera, and orchestral concerts.	\$3,800		\$3,800	
Culturally Diverse Early Literacy Project	The project is aimed at providing bi-lingual early literacy sessions that have diverse content through employing the provider 'Chinese School of Music and Arts' to conduct sessions at the library service. These sessions will include bi-lingual stories, songs and crafts, that will build community knowledge of a range of cultures and languages.	\$3,300		\$3,300	
Firstival Festival	Firstival is a festival of new experiences, introduced by the Public Libraries SA in 2023. The aim of the festival is to increase customer engagement with libraries, and drive visitation and membership among non-library goers. The project will deliver a program of workshops, events and activities for all ages across the Council's three library branches, premised upon the Firstival Festival theme of "For all who seek new experiences".	\$4,000		\$4,000	
CityPlan 2023 Outcome: Economic Prosperity					
Eastside Business Awards	These Awards recognise the best small businesses – retailers, restaurants, cafes, venues, professional services and food and beverage manufacturers within the City of Norwood Payneham & St Peters as voted by customers.	\$40,000		\$40,000	
Raising the Bar Adelaide	The annual event provides the opportunity to showcase the hotels within the City, raise the awareness of the City's night time offering, whilst creating a one-of-a-kind, knowledge driven event.	\$25,000		\$25,000	

Project Name	Project Description	Approved Projects	Grant Funding	Rates Funding	Borrowing Funding
CityPlan 2023 Outcome: Environmental Sustainability					
Urban Greening Program	To encourage the community to plant trees on their property to increase, enhance and add value to the City green cover including canopy and increases biodiversity and habitat.	\$10,000		\$10,000	
Development of Tree Inventory Contractor	Cost of inputting data into the Council tree management software. The data will be collated into the Forestreet database (software program) which will then be integrated into the Asset Management System.	\$20,000		\$20,000	
Heavy Vehicle Study	Engagement of a Traffic Engineering Consultant to prepare the 'Glynde Heavy Vehicle Traffic Study'. The outcome of the study would be a report that includes : Traffic data analysis, traffic volume, speed and percentage of each classification of heavy vehicle; consultation with all businesses in regards to their needs and requirements.	\$25,000		\$25,000	
Verge Upgrade	To financially assist residents with the cost of removing dolomite or quartz gravel and growing greenery in verges. This Fund will help assist in meeting the <i>CityPlan 2030: Shaping Our Future</i> greening objectives, beautify our city and bring cooling to high surface temperatures hotspots.	\$20,000		\$20,000	
Corporate Management: Operations					
IT Contract Staff	To employ staff on a fix-term contract to assist to Information Services Unit.	\$40,000		\$40,000	
Authority App	Purchase and installation of Authority ACTUS App. Authority ACTUS is a suite of Mobile Applications that allows tasks to be viewed, opening new tasks, and completing tasks from the Council Customer Relations Management (CRM) System, Applications and Registers Modules in Authority. It is designed for mobile use on tablets and mobile phones, allowing field workers to update and complete tasks real live time from any location.	\$43,862		\$43,862	
IT Strategy	The project involves preparation of the organisation's Information Services (IT) Strategy. A number of the organisation's technology systems and software have been in place for some time and are not meeting the needs of the organisation and the community. A strategy is required to ensure that that Council has a roadmap upon which to base future investment decisions.	\$180,000		\$180,000	
		Total	\$931,172	\$931,172	

Capital Projects

Project Name	Project Description	Approved Projects	Grant Funding	Rates Funding	Borrowing Funding
CityPlan 2023 Outcome: Social Equity					
Renewal Program Including Trinity Valley Stormwater Drainage Projects	Delivery of the 2024–2025 Capital Works Program for the replacement and upgrade of selected civil, drainage, recreation & open space, and building assets, in accordance with the Council's Asset Management Plans.	\$20,294,262	\$3,684,000	\$9,405,084	\$7,205,178
Truck	Replacement of plant in the delivery of maintenance services associated with Council's assets.	\$130,000		\$130,000	
Payneham Memorial Swimming Centre (Year 2)	Redevelopment of the Payneham Memorial Swimming Centre.	\$35,000,000	\$2,240,000		\$32,760,000
Salary Capitalisation	Wages and salaries incurred by the Council's employees who involve in the delivery of the projects involving physical assets.	\$1,101,342		\$1,101,342	
Traffic Management Marden & Royston Park - Detailed Design	Preparation of detailed design of the Stage 1 Traffic Management Devices, which are to be installed in Marden (excluding Battams Road), which was endorsed by the Council at its meeting held on 3 April 2023.	\$30,000		\$30,000	
Traffic Management Marden & Royston Park - Construction Stage	Preparation of detailed design and subsequent construction of slow points and traffic islands in River Street, Broad Street, Beasley Street, Addison Road and Pollock Avenue. Some of these works will be undertaken in conjunction with the Capital Works Program to ensure efficiencies, such as the Beasley Street road renewal.	\$250,000		\$250,000	
Traffic Management In Payneham South, Firle & Trinity Gardens - Detail Design	Progress some of the high priority traffic management devices that were identified in the Glynde, Payneham, Firle, Trinity Gardens and St Morris Traffic Study and endorsed by the Council at its meeting held on 3 April, 2023. This funding submission does not include detail design or construction for ALL of the high priority traffic management devices that were identified in the Traffic Study, but only within the suburbs of Payneham South, Firle, Trinity Gardens and St Morris.	\$70,000		\$70,000	

Project Name	Project Description	Approved Projects	Grant Funding	Rates Funding	Borrowing Funding	
CityPlan 2023 Outcome: Social Equity						
Richmond St, Hackney & Eighth Ave, St Peters - Detailed Design	To address safety concerns regarding high traffic volumes and speed on Richmond Road, Hackney. To progress this is it proposed to undertake an assessment of options including; Detailed Design of road safety improvements for Richmond Street and Eighth Avenue in 2024–2025 so that construction works could be integrated with the Capital Works Program in 2025–2026.	\$50,000		\$50,000		
40km Speed Limit Hackney to Marden	Implementation of a 40km/h speed limit in residential streets of Hackney to Marden precinct was endorsed by the Council at its meeting held on 4 December 2023. Funding is now requested to manufacture and install the 40km/h signage.	\$70,000		\$70,000		
Staff Bike Parking Webb St	Construct a safe and secure bicycle storage facility for Council staff who work at the Norwood Town Hall.	\$30,000		\$30,000		
Langman Grove Speed Cushions	The construction of road cushions along Langman Grove, Felixstow, to improve road safety by predominantly reducing traffic speed, while also reducing traffic volumes by discouraging non-local through traffic.	\$150,000		\$150,000		
George Street Upgrade - Additional Funding	As part of the 2020–2021 Annual Business Plan, the Council endorsed the allocation of \$800,000 to redevelop the section of George Street between The Parade and Webbe Street. Given the escalation of building costs and delays, the current budget allocation is insufficient to deliver the George Street Upgrade.	\$1,560,000			\$1,560,000	
CityPlan 2023 Outcome: Cultural Vitality						
Quadrennial Public Artwork	Concept design for the future installation of a significant public artwork within the City as part of the Council's Fifth Quadrennial Public Artwork.	\$9,000		\$9,000		
Corporate Management: Operations						
Upgrade Of IT Equipment	Purchase of new audio visual equipment for the Don Pyatt Hall and the upgrade of the Audio Visual equipment at the St Peters Gallery.	\$47,500		\$47,500		
		Total	\$58,792,104	\$5,924,000	\$11,342,926	\$41,525,178

2024–2025 Civil Whole-of-Life Infrastructure Renewal Program

Street	From	To	Re-seal	Kerb & Water Table	Footpath
College Park					
Baliol Street	North Terrace	Rugby Street	✓	✓	-
Goss Court	Harrow Road	End	✓	✓	-
Evandale					
Alexander Street	Janet Street	End	✓	✓	-
Belinda Street	Janet Street	Bakewell Road	✓	✓	-
Felistow					
Ashleigh Avenue	Redden Avenue	Fisher Street	✓	✓	✓
Forsyth Grove	OG Road	End	✓	-	-
Fraser Avenue	Reid Avenue	Shirley Avenue	✓	-	-
Thrower Avenue	Reid Avenue	Briar Road	✓	✓	-
Glynde					
Henry Street	Avenue Road	Barnes Road	-	-	✓
Joslin					
Lambert Road	Payneham Road	First Avenue	✓	✓	-
Lambert Road	Tenth Avenue	End	✓	✓	-
Kensington					
Hughes Avenue	End	Bridge Street	✓	✓	-
Regent Place	The Parade	End	✓	✓	-
Kent Town					
Grenfell Street	The Parade West	Fullarton Road	✓	✓	-
Marden					
Beasley Street	Battams Road	Caleb Street	✓	✓	✓
Duke Street	Payneham Road	End	✓	✓	-
Peter Court	Marden Road	End	✓	✓	-
Norwood					
Austral Place	Harris Street	End	✓	-	-
Boskenna Avenue	North Street	Charles Street	-	-	✓
Charles Street	Kensington Road	William Street	✓	✓	-
Edward Street	Beulah Road	Magill Road	✓	✓	-
Fisher Street	Fullarton Road	Charlotte Place	✓	✓	-
Harris Street	Edward Street	George Street	✓	✓	-
Prosser Avenue	George Street	Queen Street	✓	✓	-
Sheldon Street	Sydenham Road	Osmond Terrace	✓	✓	-
Wadham Lane	Fullarton Road	Clarke Street	✓	-	-

Street	From	To	Re-seal	Kerb & Water Table	Footpath
Payneham					
Arthur Street	Henry Street	Payneham Road	-	-	✓
Charles Street	Arthur Street	End	✓	✓	-
John Street	Arthur Street	Ashbrook Avenue	✓	✓	-
Rosella Street	Portrush Road	George Street	-	-	✓
Payneham South					
Second Avenue	Ashbrook Avenue	Pam Street	✓	✓	-
Royston Park					
Fifth Avenue	Lambert Road	Battams Road	-	-	✓
Sixth Avenue	Lambert Road	Battams Road	-	-	✓
St Morris					
Breaker Street	Fifth Avenue	Seventh Avenue	-	-	✓
Seventh Avenue	Gage Street	Green Street	✓	✓	
St Peters					
Eighth Lane	Stephen Terrace	Winchester Street	✓	✓	-
First Avenue	St Peters Street	Stephen Terrace	✓	✓	-
Seventh Lane	Stephen Terrace	End	✓	✓	-
Sixth Lane	Winchester Street	End	✓	✓	-
Third Lane	St Peters Street	Stephen Terrace	✓	✓	-
Trinity Gardens					
Amherst Avenue	Albermarle Avenue	Aberdare Avenue	✓	✓	
Ashbrook Avenue	Albermarle Avenue	Aberdare Avenue	-	-	✓
Avonmore Avenue	Albermarle Avenue	Aberdare Avenue	-	-	✓

2024–2025 Stormwater Drainage Whole-of-Life Infrastructure Renewal Program

Location	Nature of Works
Trinity Valley	Stormwater Capacity upgrade
Payneham	Third Creek design

Appendix 2

Measures of Success

Draft

The measure of the Council's success is driven by the achievement of the objectives contained in *CityPlan 2030*.

A series of performance indicators have been developed to monitor the Council's progress against these objectives and are reported on in our Annual Report. In addition to the *CityPlan 2030* indicators, the Council also measures its achievements through the following non-financial and financial Indicators;

Non-Financial Indicators

Program Delivery

To ensure that the Council delivers the Strategic Objectives set out in the *CityPlan 2030*, various projects and initiatives are required to be delivered. During 2023–2024, the Council approved 40 key initiatives and projects. The Council's performance against the 2023–2024 programs is detailed on the following page.

For 2024–2025, the Council has proposed 19 key initiatives and projects. Progress on these projects will be reported in the 2024–2025 Annual Report and 2024–2025 Annual Business Plan.

Financial Indicators

When evaluating activities undertaken during any given financial year, the Council considers a number of factors, one being the future financial sustainability of the Council.

A series of financial indicators have been developed by Local Government to assist in determining whether a Council is financially sustainable or moving to a position of financial sustainability.

Financial indicators which are used by the Council to measure performance and financial sustainability are:

Operating Surplus/(Deficit) Ratio

The Council's long-term sustainability is dependent upon ensuring that, on average over time, the operating expenses are less than the associated revenues.

As the major source of income for the Council is rates revenue, the Operating Surplus ratio measures operating surplus/ (deficit) as a percentage of total operating revenue. This indicator represents the percentage by which the major controllable income source varies from the day-to-day operating expenditure.

In 2024–2025, the forecast operating deficit of \$144,047 resulting in an Operating Deficit ratio of -0.3%.

Net Financial Liabilities Ratio

A Council's indebtedness must be managed to ensure its liabilities and associated costs are met without impinging on the financial sustainability of the Council.

Net Financial Liabilities ratio measures the extent of what is owed by the Council less any liquid assets (i.e. cash or receivables) of the Council, are met by its operating revenue.

Where the ratio is increasing, it indicates a greater amount of the Council's operating revenues is required to service its financial obligations. For 2024–2025, it is anticipated the net Financial Liabilities ratio of the Council will be 152.1%.

Debt Servicing Ratio

Debt servicing ratio measures the extent Council's commitment to interest expense and loan repayments is met by general rate revenue. For 2024–2025, it is anticipated that 4.1% of the Council's General Rate revenue will be committed to service the interest and principal repayments on its borrowings.

Asset Renewal Funding Ratio

Asset Renewal Funding Ratio measures whether the Council is renewing or replacing existing physical assets (roads, footpaths, buildings etc.) at the same rate the stock of assets is wearing out. The ratio is calculated by measuring capital expenditure on renewal or replacement of assets, relative to the planned expenditure outlined in the Council's Asset Management Plans.

In 2024–2025, the Council has planned to spend \$20 million on asset renewal compared to the Asset Management Plan spend of \$12 million.

The Council can accelerate or reduce asset expenditure over time to compensate for prior events, or invest in assets by spending more now so that it costs less in the future to maintain. On a three (3) year rolling average, the Asset Renewal Funding Ratio is 128.5%.

Financial Ratios

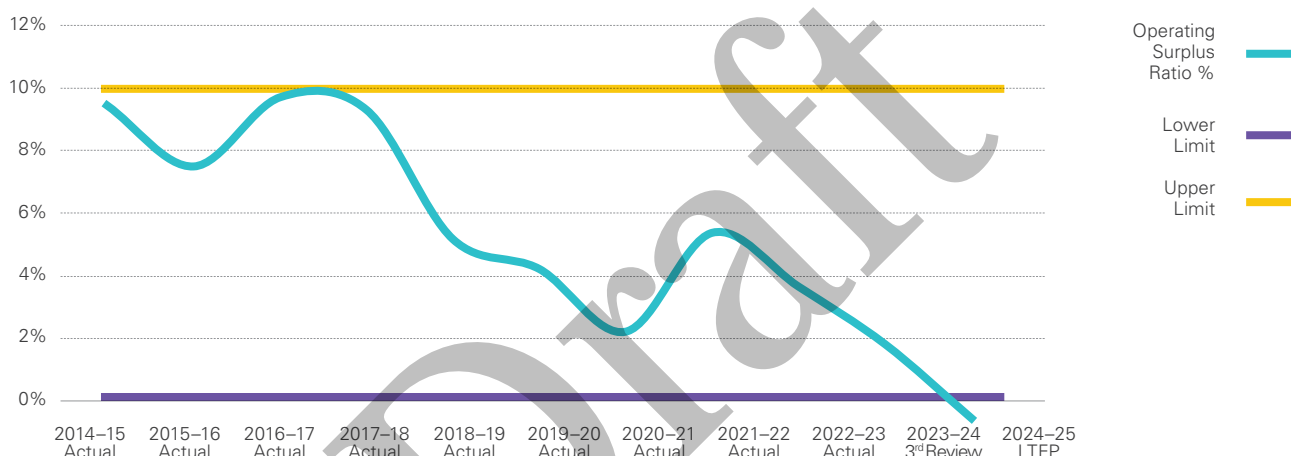
To ensure that it delivers on its financial goals, the Council has committed to achieving a number of financial outcomes.

The Council's performance against these outcomes over the last two terms of Council is detailed below.

Outcome 1: A balanced budget

The Council's services and programs, including depreciation of infrastructure and assets, are fully funded and the costs are shared equitably between current and future ratepayers.

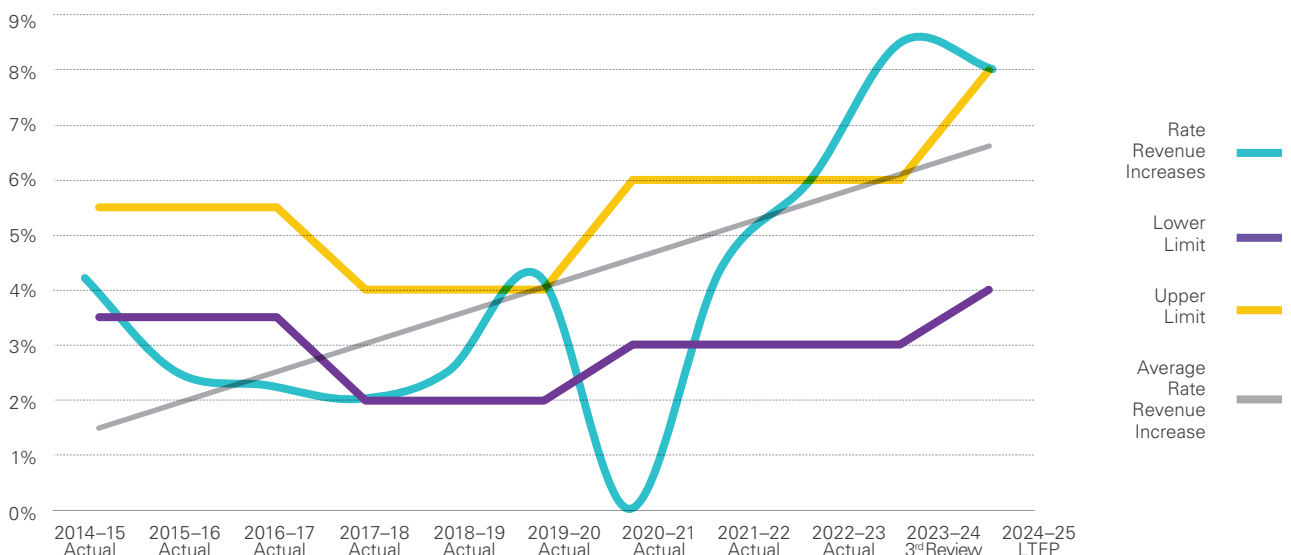
Operating Surplus Ratio %



Outcome 2: Rate Stability

Annual rate collections are fair and equitable for residents and ratepayers with the aim to keep rate revenue increases stable over the medium term.

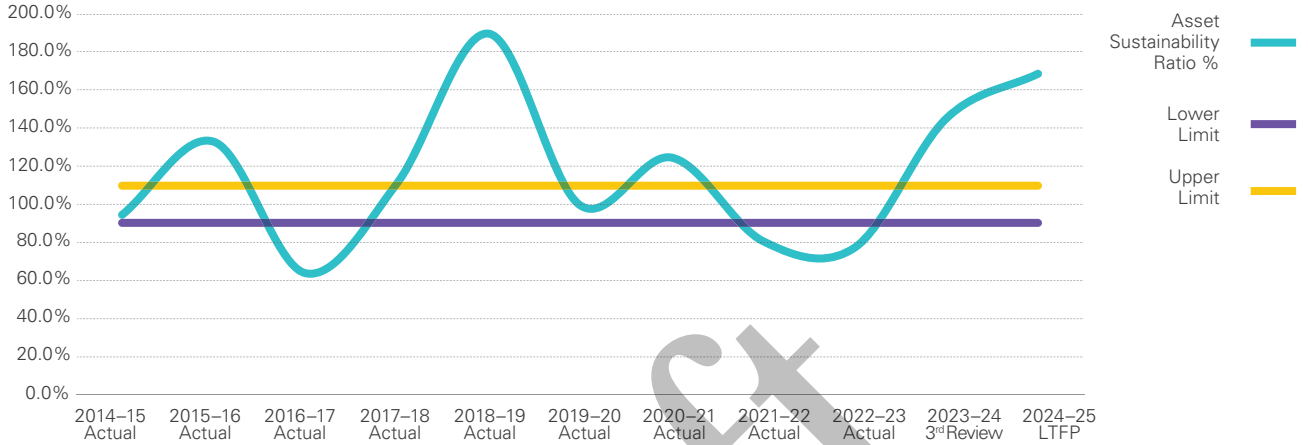
Rate Revenue Increase



Outcome 3: Infrastructure and Asset Management

Maintain infrastructure and assets in line with the Council’s Whole-of-Life Infrastructure Framework to achieve the outcomes and objectives, as set out in *CityPlan 2030*.

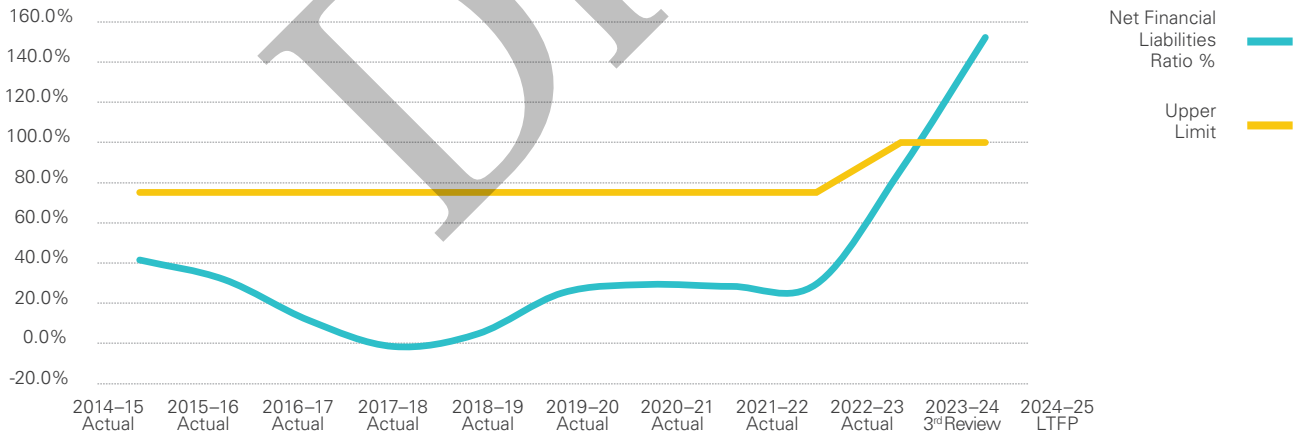
Asset Sustainability Ratio %



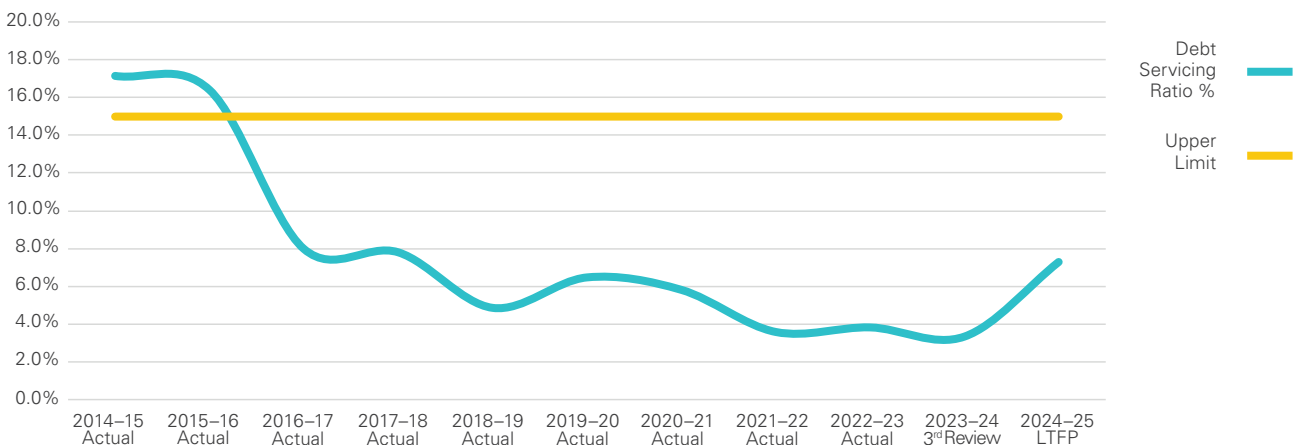
Outcome 4: Debt Management

Prudent use of debt to invest in new long term assets, to ensure intergenerational equity between current and future users.

Net Financial Liabilities Ratio %



Debt Servicing Ratio %



Appendix 3

Financial Statements

Draft

Statement of Comprehensive Income for the year ended 30 June 2025	Actual 2020–2021	Actual 2021–2022	Actual 2022–2023	3rd Budget Review	Proposed 2024–2025
	\$'000	\$'000	\$'000	\$'000	\$'000
Income					
Rates	36,288	37,938	39,974	43,421	46,978
Statutory charges	1,751	2,003	2,039	2,100	2,181
User charges	3,506	3,561	3,668	3,837	4,007
Grants, subsidies and contributions	2,921	3,433	3,540	2,655	2,677
Grants, subsidies and contributions			553	444	444
Investment income	19	24	171	120	78
Other income	771	848	852	803	496
Net loss joint ventures and associates	217	122	50	-	-
Total Income	45,473	47,930	50,846	53,380	56,861
Expenses					
Employee costs	14,448	14,126	14,531	17,347	19,599
Materials, contracts & other expenses	19,165	19,832	21,983	21,757	21,678
Depreciation, amortisation & impairment	9,968	10,766	11,562	12,462	13,079
Finance costs	454	346	458	456	2,386
Net loss Joint Ventures & Associates	327	214	357	263	263
Total Expenses	44,363	45,284	48,892	52,284	57,005
Operating Surplus (Deficit)	1,110	2,645	1,954	1,096	(144)
Net gain (loss) on disposal or revaluation of assets	(1,145)	(2,371)	(1,502)	25	36
Amounts specifically for new or upgraded assets	3,303	2,341	640	6,626	5,924
Physical resources received free of charge	-	-	-	-	-
Non Operating Items - Joint Venture and Associates	-	-	-	-	-
Net Surplus (Deficit) transferred to Equity Statement	3,268	2,615	1,092	7,747	5,816
Other Comprehensive Income					
Changes in revaluation surplus - infrastructure, property, plant and equipment	12,046	34,462	49,031	7,244	5,508
Share of other comprehensive income - joint ventures and associates	5	(5)	(12)	-	-
Total Other Comprehensive Income	12,051	34,457	49,019	7,244	5,508
Total Comprehensive Income	15,320	37,072	50,112	14,991	11,324

Pursuant to Section 123 (10)(b) of the *Local Government Act 1999* and Clause 7 of the Local Government (Financial Management) Regulations 2011, as detailed in the Statement of Comprehensive Income, the projected Operating Income of \$56.861m is sufficient to meet the projected Operating Expenditure (\$57.005m) for the 2024–2025 Financial Year.

Statement of Financial Position for the year ended 30 June 2025	Actual 2020–2021	Actual 2021–2022	Actual 2022–2023	3rd Budget Review	Proposed 2024–2025
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Current Assets					
Cash and cash equivalents	7,071	11,393	4,317	150	500
Trade and other receivables	3,699	2,675	2,193	2,425	2,488
Total Current Assets	10,770	14,068	6,511	2,575	2,988
Non-current Assets					
Financial assets	104	113	104	121	131
Equity accounted investments in Council businesses	2,207	1,931	1,949	1,949	1,686
Infrastructure, property, plant and equipment	507,904	543,710	594,771	640,807	692,845
Other non-current assets	2,509	4,324	5,707	5,706	5,706
Total Non-current Assets	512,725	550,078	602,531	648,583	700,368
Total Assets	523,495	564,146	609,041	651,158	703,355
Liabilities					
Current Liabilities					
Trade and other payables	8,006	13,031	8,819	10,418	10,758
Borrowings	972	1,021	1,097	1,034	1,081
Short-term provisions	3,326	3,004	3,872	3,200	3,200
Total Current Liabilities	12,304	17,056	13,789	14,652	15,039
Non-current Liabilities					
Long-term borrowings	9,392	8,527	7,522	33,113	73,599
Long-term provisions	1,328	1,280	288	960	960
Liability – equity accounted Council businesses	1,164	904	952	952	952
Total Non-current Liabilities	11,884	10,712	8,763	35,026	75,512
Total Liabilities	24,188	27,767	22,551	49,678	90,550
Net Assets	499,306	536,379	586,490	601,481	612,805
Equity					
Accumulated Surplus	60,099	62,709	63,789	71,536	77,352
Asset Revaluation Reserve	439,208	473,670	522,701	529,945	535,453
Total Equity	499,306	536,379	586,490	601,481	612,805

Statement of Cash Flows for the year ended 30 June 2025	Actual 2020–2021	Actual 2021–2022	Actual 2022–2023	3rd Budget Review	Proposed 2024–2025
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Receipts					
Rates - general and other	36,672	37,859	39,979	42,120	47,190
Fees and other charges	1,613	2,010	2,039	2,187	2,176
User charges	3,113	4,592	3,668	3,990	3,997
Investment receipts	19	24	171	132	79
Grants utilised for operating purposes	2,756	3,440	3,540	2,877	2,676
Other income	998	913	1,120	864	547
Payments					
Employee costs	(14,547)	(15,627)	(15,075)	(17,294)	(19,512)
Contractual services and materials	(18,074)	(17,515)	(25,105)	(18,896)	(21,695)
Finance payments	(447)	(156)	(448)	(473)	(2,396)
Net Cash provided by (or used in) Operating Activities	12,102	15,540	9,888	15,507	13,063
Cash Flows from Investing Activities					
Receipts					
Amounts specifically for new or upgraded assets	2,626	5,785	753	6,382	5,924
Grants utilised for capital purposes				444	444
Sale of replaced assets	47	50	0	25	36
Repayments of loans by community groups	11	6	-	-	-
Capital Distributions from associated entities	-	-	-	-	-
Payments					
Expenditure on renewal/replacement of assets	(9,652)	(8,937)	(11,193)	(23,224)	(20,240)
Expenditure on new/upgraded assets	(5,508)	(6,941)	(5,168)	(28,029)	(39,368)
Capital contributed to associated entities	(81)	(170)	(289)	(800)	-
Net Cash provided by (or used in) Investing Activities	(12,556)	(10,208)	(15,897)	(45,202)	(53,204)
Cash Flow from Financing Activities					
Receipts					
Proceeds from Borrowings	-	-	-	26,517	41,525
Payments					
Repayments of Borrowings	(1,653)	(1,010)	(1,067)	(989)	(1,034)
Net Cash provided by (or used in) Financing Activities	(1,653)	(1,010)	(1,067)	25,528	40,491
Net Increase (Decrease) in cash held	(2,107)	4,322	(7,076)	(4,167)	350
Cash and cash equivalents at beginning of period	9,177	7,071	11,393	4,317	150
Cash and cash equivalents at end of period	7,071	11,393	4,317	150	500

Statement of Changes in Equity for the year ended 30 June 2025	Actual 2020–2021	Actual 2021–2022	Actual 2022–2023	3rd Budget Review	Proposed 2024–2025
	\$'000	\$'000	\$'000	\$'000	\$'000
Accumulated Surplus					
Balance at end of previous reporting period	56,825	60,099	62,709	63,789	71,536
Net Surplus/(Deficit) for year	3,268	2,615	1,092	7,747	5,816
Other comprehensive Income	-	-	-	-	-
Share of other Comprehensive Income- joint venture and associates	5	(5)	(12)	-	-
Balance at end of period	60,099	62,709	63,789	71,536	77,352
Asset Revaluation Reserve					
Balance at end of previous reporting period	427,162	439,208	473,670	522,701	529,945
Gain on revaluation of infrastructure, property, plant and equipment	12,046	34,462	49,031	7,243	5,508
Balance at end of period	439,207	473,670	522,701	529,945	535,453
Total Equity at end of reporting period	499,306	536,379	586,490	601,481	612,805
Uniform Presentation of Finances for the year ended 30 June 2025					
	Actual 2020–2021"	Actual 2021–2022"	Actual 2022–2023"	3rd Budget Review	Proposed 2024–2025
	\$'000	\$'000	\$'000	\$'000	\$'000
Income	45,473	47,930	50,846	53,380	56,861
<i>less</i> Expenses	(44,363)	(45,284)	(48,892)	(52,284)	(57,005)
Operating Surplus(Deficit)	1,110	2,645	1,954	1,096	(144)
less Net Outlays on Existing Assets					
Capital expenditure on renewal and replacement of existing assets	9,652	8,937	11,193	23,224	20,240
Depreciation, amortisation and impairment	(9,968)	(10,766)	(11,562)	(12,462)	(13,079)
Proceeds from sale of replaced assets	(47)	(50)	(0)	(25)	(36)
	(363)	(1,878)	(369)	10,738	7,125
less Net Outlays on New and Upgraded Assets					
Capital expenditure on new & upgraded assets	5,508	6,941	5,168	28,029	39,368
Amounts received specifically for new & upgraded Assets	(2,626)	(5,785)	(753)	(6,336)	(5,924)
Assets received free of charge	-	-	-	-	-
	2,882	1,156	4,414	21,694	33,444
Net Lending/(Borrowing) for Financial Year	(1,408)	3,368	(2,091)	(31,336)	(40,713)

Financial Indicators for the year ended 30 June 2025	Actual	Actual	Actual	3rd budget	Proposed	Proposed
	2020–2021	2021–2022	2022–2023	review 2024	2024–2025	2024–2025
	\$'000	Indicator	Indicator	Indicator	Indicator	Indicator

Operating Surplus / (Deficit) Ratio						
Operating Surplus/(Deficit)	2.4%	5.5%	3.8%	2.1%	-0.3%	(144,047)
Total Operating Revenue						56,860,956

This ratio expresses the Operating Surplus as a percentage of total Operating Revenue.

Net Financial Liabilities Ratio						
Net Financial Liabilities	26.7%	26.5%	29.5%	86.3%	152.1%	87,442,002
Total Operating Revenue						56,860,956

This ratio expresses the extent of Operating Revenue required to meet all monies which are owed by the Council. Net financial liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses).

Asset Renewal Funding Ratio						
Net Asset Renewals	79.1%	65.1%	77.1%	145.1%	168.6%	20,240,262
Infrastructure & Asset Management Plan required expenditure						12,004,179

This ratio measures the extent which existing assets are being renewed compared to the Infrastructure & Asset Management Plan. Net asset renewals is defined as capital expenditure on the renewal and replacement of existing assets and excludes new capital expenditure on the acquisition of additional assets.

Rolling three-year average	116.3%	78.8%	73.6%	98.0%	128.5%	
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Debt to Total Income Ratio						
Debt Servicing	1.0%	0.7%	0.6%	0.6%	4.1%	2,308,427
Rate Revenue less NRM Levy						56,782,991

The Debt to Rate Revenue Ratio measures the extent of rate revenue covers the loan repayments (interest and principal)

Appendix 4

Rate Revenue

Draft

Statement on Rate Revenue

	2023–2024 (as adopted)	2024–2025 (as adopted)	Change	Comment
	\$	\$	%	
Rates Revenue				
General Rates Revenue				
General Rates (existing properties)	39,410,627	42,717,098	(a) 42.717	For the 2024–2025 financial year Council will collect an additional million in general rate discretionary rebates as determined by the Council.
General Rates (new properties)	163,893		(b)	
General Rates (GROSS)	39,574,520	42,538,354	(c) 8.5	
Less Mandatory Rebates	(984,059)	(1,040,715)	(d)	
General Rates (NET)	38,590,461	41,897,638	(e) 8.6	
Other Rates (inc. service charges)				
Regional Landscape Levy	1,383,353	1,523,277		Regional Landscape Levy is a State tax, it is not retained by the Council.
Separate and Special Rates	215,000	215,000		The Council has determined to raise a Separate Rate, for the purposes of promoting and enhancing the business viability within The Parade Precinct. The rate revenue raised will only be used for this purpose.
	40,188,811			
Less Discretionary Rebates		(3,573)	(h)	
Expected Total Rates Revenue		43,517,343	(i) 12.1	Excluding the Regional Landscape Levy and minus Mandatory & Discretionary Rebates.

Growth in number of rateable properties				
Number of rateable properties	20,183	20,430	(j) 1.02	
	<i>Actual</i>	<i>Actual</i>		

'Growth' in the number of rateable properties is due to the regulations as where new properties have been created which has added rateable properties to the Council's rateable property base. Growth can also increase the need and expenditure related to infrastructure, services and programs for these properties and residents.

Average General Rates per rateable property after mandatory rebates

Average per rateable property	1,882	2,045	(j) 8.6	The annual change in the rates payable by an individual ratepayer, will vary according to the change in the individual property value, the land use and whether there has been development or improvements to the property.
	<i>Actual</i>	<i>Actual</i>		

Councils use property valuations to calculate each rateable property's contribution to the required rate revenue total. Councils do not automatically receive more money because property values increase but this may alter how rates are apportioned (or divided) across each ratepayer (ie. some people may pay more or less rates, this is dependent on the change in value of their property relative to the overall valuation changes across the council area). The total General Rates paid by all rateable properties will equal the amount adopted in the budget.

Statement on Rate Revenue

	Total Expected Revenue			No. of Rateable Properties		Average Per Rateable Property		
	2022–2023	2023–2024	% Change	2023–2024	2023–2024	2022–2023	2023–2024	\$ Change
Land Use (General Rates - Net)								
Residential	31,597,213	33,605,844	6.4	17,435	17,708	1,801	1,891	
Commercial	5,875,704	7,016,847	19.4	2,230	2,218	2,551	3,112	561
Industry	326,725	366,434	12.2	145	139	2,147	2,636	489
Primary Production	1,670	2,210	26.4	1	1	1	2,210	(//) 440
Vacant Land	463,076	530,096	14.5	282	273	1,642	1,942	(//) 969
Other	326,073	376,304	15.4	90	90	3,633	4,135	(//) 582
Total Land Use	38,590,461	41,862,964	8.6	20,183	20,127	1,882	2,045	(//) 163

The *Local Government Act 1999* allows the Council to apply a differential rating system based on Land Use where by non-residential properties are rated at a cent-in-the-dollar which is 20% higher than residential properties.

	No. of properties with the minimum amount apply	Total rateable properties	Rate		
			2023–2024	2024–2025	\$ Change
Minimum Rate		32.6	1,132	1,228	(m) 96

The *Local Government Act 1999* allows for Council's to apply a minimum amount which is payable by way of rates. By applying a minimum amount, the Council is ensuring that all rateable properties, irrespective of their valuation make a contribution towards the costs of administering Council's activities and services that are available to all rate payers (eg libraries, reserves) and the provision of physical infrastructure that supports each property that is rate payers.

Adopted valuation method

The Council has the option of adopting one of three valuation methodologies to assess the properties in its area for rating purposes:

- Capital Value** - the value of the land and all improvements on the land;
- Site Value** - the value of the land and any improvements which predominantly affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements (Note: Site Value will cease to be an option from 1 Sept 2023); or
- Annual Value** - a valuation of the rental potential of the property.

The Council uses Capital Value as the basis for valuing land within the Council area, as it is considered that this method provides the fairest way for distributing the rates across all ratepayers.

Notes

(d) Councils are required under the *Local Government Act 1999* to provide a rebate to qualifying properties under a number of categories:

- Health Services - 100%
- Community Services - 75%
- Religious purposes - 100%
- Public Cemeteries - 100%
- Royal Zoological Society of SA - 100%
- Educational purposes - 75%

The rates which are foregone via Mandatory Rebates are redistributed across the ratepayer base (ie. all other ratepayers are subsidising the rates contribution for those properties which receive the rebate).

(e) Presented as required by the Local Government (Financial Management) Regulations 2011 Reg 6(1)(ea)
Please note: The percentage figure in (e) relates to the change in the total amount of General Rates revenue to be collected from all rateable properties, not from individual rateable properties (ie. individual rates will not necessarily change by this figure).

(f) Councils are required under the *Landscape Australia Act 2019* to collect the levy on rateable properties on behalf of the State Government. The levy helps to fund the operations of landscape boards who have responsibility for the management of the State's natural resources.

(h) A council **may** grant rebates or service charges in a number of categories. The rates which are foregone via rebates are redistributed across the ratepayer base (ie. all other ratepayers are subsidising the rates contribution for those properties which receive the rebate).

(i) General Rates Revenue excludes other charges such as penalties for late payment and legal and other costs not recovered.

(j) 'Growth' as defined in the *Local Government (Financial Management) Regulations 2011* reg 6(2)

(l) Average per rateable property after mandatory rebates calculated as General Rates for category, including any fixed charge or minimum rate (if applicable) but excluding any separate rates, *divided* by the number of rateable properties within that category in the relevant financial year.

(m) Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer.

Appendix 5

Rating Policy

Draft



City of
Norwood
Payneham
& St Peters

NAME OF POLICY: Rating Policy

POLICY MANUAL: Governance

BACKGROUND

Section 123 of the *Local Government Act 1999* (The Act) requires Councils, as part of the Annual Business Plan, to have a rating policy which must be prepared and adopted each financial year in conjunction with the declaration of rates. The Council's power to raise rates and the framework within which the Council must operate is outlined in Chapter 10 of the Act.

Scope

The purpose of the Policy is to outline the Council's approach to determining and collecting rates from the community. In determining the Policy, the Council is committed to the principles that apply to the imposition of taxes on the community.

Equity: Ratepayers with the same property value should pay the same level of tax.

Benefit: Ratepayers should receive some benefit from the tax paid, but not necessarily to the extent of tax paid. Rates are not a fee-for-service.

Simplicity: The tax must be understandable and easy to collect.

Consistent: Taxes should be internally consistent, based on transparent and predictable rules.

Economic Efficiency: The tax imposed should not distort economic behaviour. For example, a tax which is designed to change behaviour, and that behaviour changes, then the tax is considered efficient.

These principles may be in conflict with each other, therefore the Council must strike a balance between the:

- application of the principles of taxation;
- policy objective of levying rates;
- need to raise revenue; and
- the effect of the tax on the community.

The Council has considered each principle when determining its Rating Policy.

POLICY

Strategic Focus

The Council must balance its service levels, the needs and expectations of the community and the levying of rates to ensure it is adequately resourced to fulfil its roles and responsibilities. In determining rates for the financial year, the Council gives primary consideration to strategic directions, budget considerations, the current economic climate and the likely impacts on the community.

The resources required to successfully achieve this outcome are documented in the Annual Business Plan and Annual Budget. The Annual Budget directly supports and reflects the delivery of the Council's Strategic Plan, *City Plan 2030*.

The Council's major source of revenue is Rates Revenue, derived as a tax on land within the Council area. Rate levels are determined after consideration of expenditure priorities in relation to the Council's Strategic Plan *City Plan 2030*, the Long-Term Financial Plan, Asset Management Plans, the Annual Business Plan, ongoing service delivery requirements and community needs.

The Council recognises the importance of supporting and encouraging a diverse and healthy commercial sector and this is reflected in its strategic plans. As a result, specific business development initiatives are being introduced to support and attempt to broaden the City's economic base. Strategic and Business Planning for various precincts are an example of the work being progressed in this area.

Rating Structure

All land within a Council area is rateable, except for land specifically exempted under Section 147(2) of the Act. This includes:

- unalienated Crown land;
- land used or held by the Crown or an instrumentality of the Crown for a public purpose (including an educational purpose), except any such land—
 - that is held or occupied by the Crown or instrumentality under a lease or licence; or
 - that constitutes domestic premises;
- land (not including domestic or residential premises) occupied by a university established by statute;
- land that is exempt from rates or taxes by virtue of the *Recreation Grounds Rates and Taxes Exemption Act 1981*;
- land occupied or held by the Council, except any such land held from a Council under a lease or licence;
- land occupied by a subsidiary where the land is situated in the area of the Council that established the subsidiary or a constituent Council (as the case may be);
- land occupied or held by an emergency services organisation under the *Fire and Emergency Services Act 2005*;
- land that is exempt from Council rates under or by virtue of another Act.

Method Used to Value Land

Pursuant to Section 151 of the Act, the Council may adopt one of three valuation methodologies to value the properties. The valuation methodologies are:

- Capital Value – The value of the land and all of the improvements on the land.
- Site Value – The value of the land and any improvements which permanently affect the amenity of use of land such as drainage works, but excluding the value of buildings and other improvements.
- Annual Value – The valuation of the rental potential of the property.

The Council adopts Capital Value as the basis for valuing land within the Council area.

The Council considers the Capital Value method of valuing land, is the fairest method of distributing the rate burden across all ratepayers, on the following basis:

- property value is a good indicator of wealth. Capital Value, which closely approximates the market value of a property, provides the best indicator of overall property value;
- the equity principle of taxation requires taxpayers of similar wealth pay similar taxes, so taxpayers of greater wealth pay more tax than taxpayers of lesser wealth.

Adoption of Valuations

The Council adopts the Capital Valuations as assessed by Land Services SA, effective at 1 July as the Capital Value of each property.

If a ratepayer is dissatisfied with the valuation made by Land Services SA, the ratepayer may object to Land Services SA in writing, within sixty (60) days of receiving the first notice of the valuation, explaining the basis for the objection provided the ratepayer has not:

- (a) previously received a notice of this valuation under the Act, in which case the objection period is sixty (60) days from the receipt of the first notice; or
- (b) previously had an objection to the valuation considered by Land Services SA.

Note: The sixty (60) day objection period may be extended by the Valuer-General where it can be shown there is reasonable cause. Contact details to lodge an objection are included on the Rates Notice sent by the Council.

The Council has no role in the assessment of objections. It is important to note that the lodgement of an objection does not alter the due date for the payment of rates. Rates must be paid in accordance with the Rate Notice unless otherwise notified by the Council.

Differential General Rates

Pursuant to Section 153 of the Act, the Council can impose a general rate on all rateable land/or a differential rate based on location of land and/or the use to which the land is put. In applying the equity and benefit principles, the Council will apply a differential rate based on the use of the land.

Definitions of land use are prescribed by regulation and are categorised as follows for rating purposes:

- Residential;
- Commercial – Shop;
- Commercial – Office;
- Commercial – Other;
- Industrial – Light;
- Industrial – Other;
- Primary Production;
- Vacant Land; and,
- Other

If a ratepayer believes a particular property has been incorrectly classified as to its land use, then an objection may be made to the Council within sixty (60) days of being notified of the land use classification. It is important to note that the lodgement of an objection does not alter the due date for the payment of rates. Rates must be paid in accordance with the Rate Notice unless otherwise notified by the Council.

For the 2023-2024 financial year, the Council has determined that the following differential rates will be applied to all of its rateable assessments:

Land Use	Differential Rate Cents-in-the-Dollar	% of Rate Revenue
Residential	0.18285	79.17%
Commercial	0.21942	16.43%
Industrial	0.21942	0.85%
Primary Production	0.21942	0.01%
Vacant Land	0.21942	1.24%
Other	0.21942	2.3%

Minimum Rate

A Council may impose a minimum rate to properties within the Council area in accordance with Section 158 of the Act.

The minimum rate is imposed so that all rateable properties make a base level contribution to the costs of:

- administering the Council's activities;
- the provision of the physical infrastructure that supports each property and is available for use by all ratepayers;
- services provided that are available for use by all ratepayers e.g. Library and Parks and Gardens.

Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer.

The minimum rate will increase at the same percentage increase in general rate revenue. Pursuant to Section 158(2) (d), the minimum rate will not be applied to more than 35% of properties in the Council area.

For 2023-2024, the minimum rate is set at \$1,228. The minimum rate has been applied to 6,761 assessments or 32.66% of all rateable properties within the Council area.

The Parade Separate Rate

For the purposes of promotion, enhancing business viability and profitability of the businesses and traders along The Parade, pursuant to Section 154 of the Act, the Council has previously declared The Parade Separate Rate. The revenue raised from The Parade Separate Rate may only be used for the purpose of promotion and enhancing business viability for those businesses located within The Parade Precinct.

The Council declared a differential separate rate of 0.04378 cents-in-the-dollar will be levied against all properties which fall within The Parade Precinct with a land use classified as Category (b) – Commercial Shop or Category (c) – Commercial Office or Category (d) – Commercial Other or Category (e) - Industrial Light.

Pursuant to Section 166(1)(a) of the Act, the Council will grant a discretionary rebate of 50% of The Parade Separate Rate to all properties that fall within the geographical boundary described above and which have a land use of Category (c) – Commercial Office and Category (d) – Commercial Other land use classified as Professional Services.

Regional Landscape Levy

The Regional Landscape Levy is a State Government tax which the Council is required to collect under the *Landscape South Australia Act 2019*, in order to make a specified contribution to the funding of the operations of the Green Adelaide Board. Revenue collected from this levy is not retained by the Council and the Council does not determine how the revenue raised is allocated by the State Government.

The Council's contribution to the Green Adelaide Board is collected from property owners through a separate rate, the Regional Landscape Levy, based on Capital Value. The rate is fixed and calculated to raise the equivalent amount as Council's share to be contributed to the Green Adelaide Board, taking into account any rebates/remissions under Section 159-166 of the Act.

The Regional Landscape Levy is separate to the General Rates levied by the Council.

For the 2023-2024 Financial year, the Council will collect \$1.5million for the payment of the State Government Regional Landscape Levy. The Regional Landscape Levy has been set at 0.00743 cents-in-the-dollar against all rateable properties.

Private Laneways Separate Rate

Within the City of Norwood Payneham & St Peters, there are a number of Private Laneways which provide pedestrian and vehicular access to residential properties and businesses, and access routes to adjoining roads and destinations.

The Council recognises the difficulties that face residents and businesses that rely upon Private Laneways for access to their properties, and acknowledges that the Council is often the only authority which has the capacity to provide a solution. As such, the Council has determined to progressively assume responsibility for selected Private Laneways within the City, through implementation of the statutory process set out in Section 210 of the *Local Government Act 1999* (the Act), to convert Private Laneways to Public Roads, whereby its ownership will vest in the Council.

For the purposes of recovering the cost of converting a Private Laneway to a Public Road, the Council may declare a Separate Rate over the relevant part of the Council area amounting to a rates liability against each Adjoining Allotment to the laneway.

Pursuant to Section 154 of the Local Government Act, the Council has not declared a Separate Rate for this purpose in 2023-2024.

Payment of Rates

Council rates will be due in four (4) instalments - 8 September 2023, 8 December 2023, 8 March 2024 and 7 June 2024. The total outstanding balance of rates may be paid in full at any time.

The Council provides various methods to enable the payment of rates. Payment methods are detailed on the Rates Notice. In addition, regular pre-payments of Council Rates are allowed of \$30 or more at any time and can be made at any Council office, via BPay, via Australia Post BillPay or by the Council website.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard arrangements should contact the Council's Rates & Revenue Officer on 8366 4554 to discuss alternative payment arrangements. Such enquiries are treated confidentially by the Council.

Late Payment of Rates

The Council has determined that penalties for late payments will be imposed in accordance with the provisions of Section 181(8) of the Act and relevant Council procedures.

Late payment fines are levied in accordance with the provisions of Section 181(8) of the Act.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard instalments and due dates can contact the Council to discuss alternative payment arrangements. Fines and interest are still levied in accordance with the Act while there is an arrears balance.

The Council will consider applications for remissions of fines in certain extenuating circumstances. A request for waiver of fines should be made in writing, setting out detailed reasons why a fine remission has been requested, or may be submitted on the Application for Remission of Rates and/or Fines Form.

When the Council receives a payment in respect of overdue rates, the Council will apply the money received as follows:

- First – to satisfy any costs awarded in connection with court proceedings;
- Second – to satisfy any interest costs;
- Third – in payment of any fines imposed;
- Fourth – in payment of rates, in chronological order (starting with the oldest account first).

Recovery of Rates

The Council will issue one (1) Reminder Notice for payment of rates when rates remain unpaid by the due date. Rates, which remain in arrears for a period exceeding 30 days, will be subject to recovery action in accordance with the Council's Credit Policy.

Sale of Land for Non-payment of Rates

Section 184 of the Act provides that a Council may sell any property where the rates have been in arrears for three (3) years or more.

Before a Council sells land in pursuance of this section, it must send a notice to the principal ratepayer at the address appearing in the assessment record stating:

- a) the period for which the rates have been in arrears; and
- b) the amount of the total liability for rates presently outstanding in relation to the land; and
- c) that if that amount is not paid in full within one (1) month of service of the notice (or such longer time as the Council may allow), the Council intends to sell the land for non-payment of rates.

Except in extraordinary circumstances, the Council will enforce the sale of land for arrears of rates.

Remission and Postponement of Rates

Application for remission of rates and charges or postponement of rates will be considered under the discretionary provisions of Sections 181 and 182 of the Act.

Requests must be lodged in writing or may be submitted on the Application for Remission or Postponement of Rates and/or Fines form. All requests must provide evidence of financial hardship. Monthly interest at the prescribed rate will be applied to rates postponed under the Section 182.

Such enquiries are treated confidentially by the Council.

Postponement of Rates for Seniors

Section 182A of the Act sets out the criteria that applies for a senior ratepayer to be eligible for the postponement of payment of rates.

Applications must be lodged in writing and must provide evidence of eligibility plus other evidence as required. Requests must be lodged on the Application Form for Postponement of Rates. Monthly interest at the prescribed rate will be applied to rates postponed under Section 182A.

Where an application for postponement under Section 182A is granted, a presumption of ongoing annual postponement will be assumed. If an entitlement of postponement ceases to exist, the owner of the land must inform the Council in writing of that fact.

Ratepayers requesting postponement of rates will initially be referred to the availability of reverse mortgage loans through financial institutions. Seniors granted postponement of rates are required to pay a minimum of \$500 of rates and charges levied in each financial year in compliance with the Local Government (General) Regulations.

Such enquiries are treated confidentially by the Council.

Rebate of Rates

Rebates of rates will be only granted when the applicant satisfies the requirements for Mandatory Rebates pursuant to Section 159 to Section 165 of the Act.

Applications for discretionary rebates lodged under Section 166 of the Act, will be considered under Council's Rate Rebate Policy.

Rate Capping Rebate

Pursuant to Sections 153(3) and 153(4) of the Act, the Council will grant a rebate of General Rates to the principal ratepayer of a residential assessment where there is a significant increase in the rates payable as a result of a rapid change in the property value, and where that property is their principal place of residence.

For the 2023-2024 financial year, the rebate will be automatically applied where the increase in rates payable from one financial year to the next financial year is greater than 17%.

Where this rebate is not automatically applied, ratepayers who consider they are eligible for the Rate Cap Rebate may lodge an application form, which will be assessed against the eligibility criteria. The application must be lodged by 30 June in the financial year that the rates are declared.

The rebate will not apply where:

- (a) any such increase is due in whole or in part to an increase in valuation of the land because of improvements made to it are worth more than \$30,000, or
- (b) any such increase is due in full or part to the use of the land for rating purposes on the date the Council declared its General Rates for the 2023-2024 financial year being different than the land use on the date the Council declared its General Rates for the 2022-2023 financial year, or
- (c) any such increase is in whole or part because of a change in the zoning of the land; or
- (d) the ownership of the property has changed since 1 January 2022.

Disclaimer

A rate cannot be challenged on the basis of non-compliance with this policy and must be paid in accordance with the required payment provisions.

Where a ratepayer believes that the Council has failed to properly apply this policy, it should raise the matter with the Council. In the first instance contact the Rates and Revenue Officer on 8366 4554 to discuss the matter. If, after this initial contact, a ratepayer is still dissatisfied, they should write to the Chief Executive Officer.

REVIEW PROCESS

The Council will review this Policy within 12 months of the adoption date of the Policy.

INFORMATION

The contact officer for further information at the City of Norwood Payneham & St Peters is the Council's Rates and Revenue Officer, telephone 8366 4554.

ADOPTION OF THE POLICY

The Rating Policy was adopted by Council on 3 July 2006.
The Rating Policy was adopted by Council on 2 July 2007.
The Rating Policy was adopted by Council on 7 July 2008.
The Rating Policy was adopted by Council on 6 July 2009.
The Rating Policy was adopted by Council on 5 July 2010.
The Rating Policy was adopted by Council on 4 July 2011.
The Rating Policy was adopted by Council on 2 July 2012.
The Rating Policy was adopted by Council on 1 July 2013.
The Rating Policy was adopted by Council on 7 July 2014.
The Rating Policy was adopted by Council on 6 July 2015.
The Rating Policy was adopted by Council on 4 July 2016.
The Rating Policy was adopted by Council on 3 July 2017.
The Rating Policy was adopted by Council on 2 July 2018.
The Rating Policy was adopted by Council on 1 July 2019.
This Policy was reviewed by the Audit Committee on 25 May 2020.
The Rating Policy was adopted by Council on 6 July 2020.
This Policy was reviewed by the Audit Committee on 24 May 2021.
The Rating Policy was adopted by Council on 5 July 2021.
This Policy was reviewed by the Audit Committee on 23 May 2022.
The Rating Policy was adopted by Council on 4 July 2022.
The Rating Policy was adopted by the Council on 10 July 2023.

TO BE REVIEWED

May 2024

Appendix 6

Rate Rebate Policy

Draft



City of
Norwood
Pyncheon
& St Peters

NAME OF POLICY: Rate Rebate Policy

POLICY MANUAL: Governance

BACKGROUND

The purpose of this Policy is to assist the Council in determining applications for rate rebates and to provide guidance to the community about the grounds upon which they may be entitled to a rebate of rates in accordance with the requirements of the *Local Government Act 1999* (the Act).

In accordance with the Act, this Policy sets out the type of use of land which the Council must grant a rebate of rates and the quantum of the rebate and those types of land uses where the Council has discretion to grant a rebate of rates.

KEY PRINCIPLES

The Act provides:

- for a mandatory rebate of rates in specified cases and specifies the amount of that rebate
- that where the Council must grant a rebate of rates under the Act, and the amount of that rebate fixed by the Act is at less than 100%, the Council may increase the amount of the rebate; and
- pursuant to Section 166, for the Council to provide, at its discretion, a discretionary rebate of rates in the cases set out in that Section (see Clause 2.0 below).

POLICY

1. Mandatory Rebates

- 1.1. Pursuant to Chapter 10, Division 5 – Rebates of rates, the Council will grant a 100% rebate on the rates payable for the following specified land use:
- a. Land being predominantly used for service delivery or administration by a hospital or health centre incorporated under the South Australia Health Commission Act 1976 (Section 160);
 - b. Land containing a church or other building used for public worship (and any grounds), or land solely used for religious purposes (Section 162);
 - c. Land used for the purpose of a public cemetery (Section 163)
 - d. Land (other than land used as domestic premises owned by, or under the care, control and management of, the Royal Zoological Society of South Australia incorporated (Section 164)
- 1.2. Pursuant to Chapter 10, Division 5 – Rebates of rates, the Council will grant a 75% rebate on the rates payable for the following specified land use:
- a. Land that is predominantly being used for service delivery or administration (or both) by a community services organisation. (Section 161).
 - To be eligible for the Community Services Rebate applied under Section 161, the Community Services Organisations must meet the definition of a "community services organisation" as defined in Section 161 (2), (3), and (4) of the Act.
 - Community Services Organisations must meet all criteria set out in the definition of a Community Services Organisation to be eligible for the rebate.
 - b. Land occupied by a government school under a lease or licence and being used for educational purposes (Section 165 (1)(a)).

- c. Land occupied by a non-government school registered under Education and Early Childhood Services (Registration and Standards) Act 2011 and being used for educational purposes (Section 165 (1) (b).
 - d. Land being used by a University or University College to provide accommodation or other forms of support for students on a not-for-profit basis (Section 165 (2)).
- 1.3. Where the Council is satisfied from its own records or from other sources, that a person or body meets the necessary criteria for a Mandatory Rebate, the Council will automatically apply the eligible rebate.
 - 1.4. Where a person or body is entitled to a rebate of 75%, the Council may, pursuant to Section 166(4) of the Act grant the further rebate of up to 25%. In its determination to grant a further mandatory rebate of up to 100%, the Council will take into account those matters set out in Section 166 of the Act.
 - 1.5. Persons who or bodies which are eligible for a mandatory rebate and seek additional rebate of up to 25%, are required to submit an application to the Council and provide the Council such information as stipulated on the application form and any other information that the Council may reasonably require.
 - 1.6. Persons who or bodies which have not received an automatic rebate and believe the criteria for a mandatory rebate have been met, can submit an Application for Rate Rebate to the Council.
- ## 2. Discretionary Rebates
- 2.1. Upon application, the Council may, pursuant to Section 166 of the Act, grant a Discretionary Rebate of rates. The granting of a rebate and the amount of the rebate will be at the absolute discretion of the Council.
 - 2.2. In assessing an application for a Discretionary Rebate, the Council will consider the criteria set out in Section 166 of the Act.
 - 2.3. Persons who or bodies which seek a discretionary rebate are required to submit an application form to the Council and provide to the Council such information as stipulated on the application form and any other information that the Council may reasonably require to assess the application.
- ## 3. Application for Rebates
- 3.1. The Council will inform the community of the provisions for Rate Rebates under the Local Government Act 1999, by the inclusion of suitable details on the Annual and Quarterly Rates Notice and within the Council's Rating Policy which is available on the Council's website, www.norwood.sa.gov.au
 - 3.2. Persons or bodies who seek a rebate of rates (and/or service charges) must make a written application to the Council in the manner and form determined by the Council and supplying such information as the Council may reasonably require to assess the eligibility for a rebate.
 - 3.3. Application forms are available on the Council's website www.norwood.sa.gov.au or may be obtained from the Council's Principal Office located at 175 The Parade, Norwood.
 - 3.4. In considering applications for rebates, the Council will take into account the matters set out in Chapter 10 Division 5 – Rebates of Rates of the Act.
 - 3.5. The Council may also take into account other matters which are considered relevant by the Council including, but not limited to, the following –
 - the outstanding rates balance at the time of the application;
 - the need for financial assistance through a rebate;
 - the appropriateness of the extent of the rebate (percentage and dollar amount) being sought;
 - the extent of financial assistance, if any, being provided to the applicant and/or in respect of the land by Commonwealth or State agencies;
 - whether, and if so to what extent, the applicant is or will be providing a service within the City of Norwood, Payneham & St Peters;
 - whether the applicant is a public sector body, a not-for-profit body, a commercial body or community service organisation;
 - whether there are any relevant historical considerations that may be relevant for all or any part of the current Council term;

- consideration of the full financial consequences of the rebate for the Council;
- the timeliness the application is received;
- any other matters, and policies of the Council, which the Council considers relevant.

The Council has delegated its power, pursuant to Section 44 of the Act to determine applications and to grant a discretionary rebate of rates to the Chief Executive Officer.

The Council may, for proper cause, determine that an entitlement to a rebate of rates under the Act no longer applies. Where an entitlement to a rebate of rates ceases or no longer applies during the course of a financial year, the Council is entitled to recover rates or rates at the increased level (as the case may be), proportionate to the remaining part of the financial year.

The Council will, in writing, advise an applicant for a rebate of its determination of that application.

<https://www.legislation.sa.gov.au/LZ/GA/LOCAL%20GOVERNMENT%20ACT%201999.aspx>

REVIEW PROCESS

This Policy will be reviewed within 24 months of the adoption date of the Policy, subject to any amendments to the relevant sections of the Local Government Act 1999.

INFORMATION

The contact officer for further information at the City of Norwood Payneham & St Peters is the Council's Rates & Revenue Officer, telephone 8386 4554.

ADOPTION OF THE POLICY

The Rate Rebate Policy was endorsed by the Audit Committee on 26 July 2014.
The Rate Rebate Policy was adopted by the Council on 4 August 2014.
The Rate Rebate Policy was endorsed by the Audit Committee on 26 July 2016.
The Rate Rebate Policy was adopted by the Council on 1 August 2016.
The Rate Rebate Policy was endorsed by the Audit Committee on 23 July 2018.
The Rate Rebate Policy was adopted by the Council on 6 August 2018.
The Rate Rebate Policy was endorsed by the Audit Committee on 27 July 2020.
The Rate Rebate Policy was adopted by the Council on 3 August 2020.
The Rate Rebate Policy was endorsed by the Audit Committee on 25 July 2022.
The Rate Rebate Policy was adopted by the Council on 1 August 2022.

TO BE REVIEWED

July 2024

Draft

Council Facilities

The Council's Principal Office is located at:

Norwood Town Hall
175 The Parade, Norwood

Additional sites of operation include:

Council Works Depot
Davis Road, Glynde

Norwood Library
110 The Parade, Norwood

St Peters Library
101 Payneham Road, St Peters

Cultural Heritage Centre
101 Payneham Road, St Peters

Payneham Library & Community
Facilities Complex (Tirkandi)
2 Turner Street, Felixstow

Payneham Community Centre
374 Payneham Road, Payneham

Norwood Swimming Centre
Phillips Street, Kensington

The Council also operates two unique entities:

St Peters Child Care Centre
42–44 Henry Street, Stepney

Norwood Concert Hall
175 The Parade, Norwood

The 2024–2025 Annual Business Plan can be viewed
online at www.npsp.sa.gov.au



Further information

For more information about the City of Norwood Payneham & St Peter's 2024–2025 Annual Business Plan and Budget, please contact the General Manager, Governance & Civic Affairs on 8366 4555 or email townhall@npsp.sa.gov.au

For further information, visit www.npsp.sa.gov.au

Draft

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au
Socials  /cityofnpsp  @cityofnpsp



City of
Norwood
Payneham
& St Peters

11.5 CONTINUATION OF THE SEPARATE RATE FOR THE NORWOOD PARADE PRECINCT

REPORT AUTHOR: Manger, Strategy
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4509
FILE REFERENCE: qA119911
ATTACHMENTS: A - B

PURPOSE OF REPORT

The purpose of this report is to present to the Council, the results of the consultation with business and property owners regarding the proposed one-year (2024-2025) extension of the Separate Rate for The Norwood Parade Precinct.

BACKGROUND

At its meeting held on Monday 4 March 2024, the Council considered a report on the continuation of the Separate Rate for The Parade Precinct for the 2024-2025 financial year and resolved the following for the purpose of consultation:

1. *That the Council supports the continuation of the Separate Rate for The Parade Precinct for one (1) financial year as recommended by the Norwood Parade Precinct Committee.*
2. *That the revenue raised by the Separate Rate for The Parade Precinct to be set at \$225,000 for the 2024-2025 financial year.*
3. *That consultation with business and commercial property owners located within The Parade Precinct be undertaken on the proposal to extend the application of a Separate Rate for The Parade Precinct into the 2024-2025 financial year, for a period of twenty-one (21) days minimum.*

The proposed continuation of the Separate Rate for one year, will achieve a total revenue of \$225,000 for the 2024-2025 financial year from the business and property owners within The Parade Precinct. A map showing the extent of the Precinct is contained in **Attachment A**.

Subsequent to the Council's decision, the proposal to extend the Separate Rate was released for consultation for a period of twenty-eight (28) days from Thursday, 14 March 2024 until Wednesday, 10 April 2024. Letters, a fact sheet and Sample Effect Table were distributed to all businesses and property owners within The Parade Precinct. Posters and postcards were placed at the Norwood Town Hall. In addition to this, information was published on the Council and The Parade websites and an Electronic Direct Marketing (EDM) advising The Parade traders of the consultation was also distributed.

It should be noted that at its meeting held on 4 March 2024, the Council also considered the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* for the Norwood Parade Precinct Committee, which is based on the proposed revenue that will be raised through the Separate Rate and was also endorsed for the purposes of consultation with The Parade business community. The *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* was released for consultation simultaneously with the proposed continuation of the Separate Rate material. The Council is considering a report on the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* as a separate agenda item at the 6 May 2024 meeting. A decision to endorse the Draft Plan will be based on whether or not the Separate Rate is continued.

The results of the consultation with business and property owners were presented to the Norwood Parade Precinct Committee at its meeting held on Tuesday 30 April 2024. At that meeting, the committee resolved the following:

1. *That the Committee recommends to the Council that it endorses The Norwood Parade Precinct Separate Rate for The Parade Precinct for twelve (12) months commencing on 1 July 2024.*
2. *That the Committee supports the amount of revenue raised by the Separate Rate on The Parade to be set at \$225,000 for the 2024-2025 financial year, having considered all submissions received during the consultation period.*

RELEVANT STRATEGIC DIRECTIONS & POLICIES

The relevant Objectives and Strategies contained in *CityPlan 2030* are outlined below:

Outcome 3: Economic Prosperity

A dynamic and thriving centre for business and services.

- **Objective 3.1 A diverse range of businesses and services.**
 - Strategy 3.1.1 - Support and encourage local small, specialty, independent and family owned businesses.
- **Objective 3.2 Cosmopolitan business precincts contributing to the prosperity of the City.**
 - Strategy 3.2.1 - Retain, enhance and promote the unique character of all our City's business precincts.
 - Strategy 3.2.3 - Promote the City as a tourist destination.
- **Objective 3.5 A local economy supporting and supported by its community.**
 - Strategy 3.5.1 - Support opportunities for people to collaborate and interact in business precincts.
 - Strategy 3.5.2 - Retail accessible local shopping and services.

The relevant Strategies contained in the *2021-2026 Economic Development Strategy* are outlined below:

Dynamic & Diverse City

Outcome: A City with thriving and resilient business sectors that drive employment and deliver growth.

Objective: Support the growth and viability of the City's business sectors based on their competitive strength and strategic priority.

- Strategy CV Recover and Rebuild the local economy following the impacts of the COVID-10 Pandemic
- Strategy 1.1 - Focus on the support and growth of the City's priority sectors
- Strategy 1.3 - Identify emerging trends and support opportunities for economic growth
- Strategy 1.4 - Promote opportunity and collaboration across the sectors
- Strategy 1.5 - Identify and promote local competitive advantage

Destination City

Outcome: A destination with dynamic, cultural, vibrant and attractive precincts.

Objective: Increase the number of people who live, work and visit the City and enhance the community well-being of existing residents, workers and visitors.

- Strategy CV Recover and Rebuild the local economy following the impacts of the COVID-10 Pandemic
- Strategy 2.1 - Showcase and promote the City's attractions and events to facilitate growth in visitation and spending.
- Strategy 2.2 - Support the City's vibrant mainstreet precincts.
- Strategy 2.3 - Facilitate the activation of key spaces and precincts in the City.
- Strategy 2.4 - Work with local business operators to strengthen the viability of precincts and enhance the customer experience.

Innovative City

Outcome: An innovative City that supports business and attracts investment.

Objective: Attract and maintain competitive businesses with the capacity for resilience and ongoing sustainability, innovation and growth.

- *Strategy CV Recover and Rebuild the local economy following the impacts of the COVID-10 Pandemic*
- *Strategy 3.2 - Recognise businesses and business sectors that make a significant contribution to the City.*
- *Strategy 3.3 - Facilitate communication, education and networking programs to support businesses.*
- *Strategy 3.5 - Encourage sustainable working methods in all aspects of business.*

Business Friendly City

Outcome: A City that understands the needs of business.

Objective: Remove barriers and make it easy for business owners to start, run and grow a business.

- *Strategy CV Recover and Rebuild the local economy following the impacts of the COVID-10 Pandemic*
- *Strategy 4.1 - Ensure that Council processes are business friendly and contribute to a well-functioning City.*

FINANCIAL AND BUDGET IMPLICATIONS

Previously, the revenue raised through the Separate Rate, was based on raising \$205,000 in the base year (2017-2018), which was then increased in the subsequent two (2) years in line with the Consumer Price Index (CPI) annually, resulting in total amount of revenue of \$209,715 collected in 2018-2019 and \$215,000 in 2019-2020. The Separate Rate was waived by the Council for the 2020-2021 financial year, as a result of the COVID-19 Pandemic. As a result, for the 2020-2021 financial year the Council allocated \$215,000 from General Revenue, which was equivalent to the Separate Rate amount raised in the 2019-2020 financial year and the amount that the Council anticipated that it would collect in the 2020-2021 financial year.

Over the last three (3) years, the Council has set the Separate Rate at a fixed annual amount of \$215,000.

To assist the Council, Table 1 below sets out a comparison of the Separate Rate for similar mainstreet precincts within metropolitan Adelaide.

TABLE 1: COMPARISON OF THE SEPARATE RATE COLLECTED FOR SIMILAR MAINSTREET PRECINCTS IN METROPOLITAN ADELAIDE

Year	Mainstreet/Precinct	Separate Rate Revenue
2023-2024	Village Heart, Prospect Road	\$19,500
2023-2024	Goodwood Road, Goodwood	\$57,225
2023-2024	Unley Road, Unley	\$122,294
2023-2024	King William Road, Hyde Park	\$150,350
2023-2024	Fullarton Road	\$16,500
2023-2024	The Parade, Norwood	\$215,000
2023-2024	Jetty Road, Glenelg	\$660,245

The comparison demonstrates that the quantum of rates raised from The Parade Precinct is commensurate within the size of the Precinct and the number of properties and businesses located within the Precinct.

Should the Council resolve to continue the Separate Rate for one year, it is recommended that the Separate Rate be set at \$225,000, which represents an increase of \$10,000.

The proposed Separate Rate model for The Parade has been designed to ensure that The Parade remains viable in an increasingly competitive market, whilst bearing in mind the additional cost to the property owners and businesses, given the cost-of-living pressures and interest rates that are being experienced across the board.

Larger centrally operated shopping centres (i.e. Burnside Village and Westfields) undertake marketing which is paid for by the individual shop tenants through their respective lease arrangements with the main landlord. This is possible because they all have one landlord. The Parade has multiple landlords and therefore, the Council acts as the “central landlord” and undertakes the marketing and promotion for all of the businesses (i.e. tenants) on The Parade.

Reducing the Separate Rate would result in less revenue to implement initiatives and less capacity to market and promote The Parade. In contrast, increasing the Separate Rate would place additional financial onus on property owners and subsequently business owners, in the instances where the additional Separate Rate is passed on. Given that the Norwood Parade Precinct Committee has been able to deliver a significant number of marketing and promotional initiatives with an annual budget of \$215,000 over the last three (3) years, it is considered that the proposed revenue of \$225,000 is sufficient.

The *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* is based on a total budget of \$225,000 which is the amount that the Council will receive from the Separate Rate.

EXTERNAL ECONOMIC IMPLICATIONS

The Separate Rate revenue must be used expressly for the benefit of the area from which it is raised and for the property owners who pay the Separate Rate. The Council, through the activities of the Norwood Parade Precinct Committee, aims to attract high quality businesses and services to locate on The Parade thus contributing to the diversity of businesses and services available.

The collection of the Separate Rate and subsequently the success of the *2024-2025 Norwood Parade Precinct Annual Business Plan*, may be impacted by investment in other centres, the broader economic environment and worldly events. Whilst the *2024-2025 Norwood Parade Precinct Annual Business Plan* does not make specific reference to the flow on effects of external economic factors, it will be considered during the development stage of programs and initiatives, should they present to influence the success of The Parade or more specifically any of the businesses within the Precinct.

It is important to note that the *2024-2025 Norwood Parade Precinct Annual Business Plan* contains strategies to attract residents and visitors to The Parade and are aimed at enhancing the prosperity and sustainability of The Parade by maintaining and enhancing a pleasant environment for residents and visitors. This in turn is likely to attract additional business opportunities to the area with the spinoff effect of increasing local employment opportunities.

SOCIAL ISSUES

Economic and social issues are invariably intertwined. Business and economic development impacts effect both the business sector and the local community and the future development of key business precincts such as The Parade, also impacts on the broader community. The collection of a separate rate that enables a range of incentives to be delivered will not only assist in delivering economic benefits but will also assist in developing social capital and will substantially contribute to the ongoing development of a vibrant local community.

The Norwood Parade Precinct Committee is working to maintain and enhance The Parade as the leading mainstreet in South Australia, providing a single precinct where residents and visitors can access a variety of retail, commercial, hospitality and services including all of the major banks and credit unions as well as a Centrelink Office. The continued success and viability of The Parade moving forward will be critical from a social perspective. Despite the investment in Burnside Village and the customers that it is likely to attract, the community will still want places like The Parade that they are familiar with and emotionally attached to continue to socialise, shop and play within .

CULTURAL ISSUES

Many of the initiatives delivered as part of the Annual Business Plan aim to enhance the unique character of The Parade and its sense of place and reinforces its critical significance.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

The collection of the Separate Rate will occur as part of the distribution of Council Rates Notices, which is undertaken by the Council's administration. The Separate Rate is then allocated in alignment with the *2024-2025 Norwood Parade Precinct Annual Business Plan*, which is implemented by the Council's Economic Development Unit with the involvement from other Council staff and external contractors as required.

RISK MANAGEMENT

Prior to implementing a Separate Rate, the Council must comply with the provisions of the *Local Government Act 1999*, in respect to the consultation requirements regarding a Separate Rate. For this reason it was important that the Council undertook comprehensive consultation with the businesses and property owners within The Parade Precinct, regarding the extension of the Separate Rate, before resolving to extend the application of a Separate Rate.

Consumer confidence and the behaviour of consumers choosing to shop in a "brick and mortar" store as opposed to online, is reassuring. The collection of the Separate Rate will assist in promoting The Parade and will act as a mechanism in assisting to maintain consumer behaviour and ultimately support businesses in the long term.

CONSULTATION

- **Elected Members**

The Council was presented with a report regarding the proposed extension of the Separate Rate at its Meeting held on 4 March 2024. In addition, Mayor Robert Bria and Councillors Sue Whittington, John Callisto, Victoria McFarlane and Josh Robinson form part of the Norwood Parade Precinct Committee and have been consulted as part of this Committee.

- **Business Community**

The proposal to extend the Separate Rate was released for consultation on Thursday, 14 March 2024, with comments sought in writing by no later than 5.00pm, Wednesday 10 April 2024.

A consultation package including letters, a fact sheet and Sample Effect Table were distributed to all businesses and property owners within The Parade Precinct. Posters and postcards were placed at the Norwood Town Hall. In addition to this, information was published on the Council and The Parade websites and an Electronic Direct Marketing (EDM) advising The Parade traders of the consultation was also distributed.

Copies of the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* were also made available at the Norwood Town Hall.

In addition to the specific consultation that was undertaken regarding the proposed continuation of the Separate Rate, The Parade businesses and commercial property owners are consulted annually on the development of the Norwood Parade Precinct Annual Business Plan. The *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* was released for consultation at the same time as the Separate Rate proposal, to demonstrate what the Council was proposing to do with the revenue, which it aims to collect through the Separate Rate.

In total, seven (7) submissions were received during the consultation period regarding the Separate Rate. No submissions were received directly relating to the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan*. A copy of all submissions received are contained in **Attachment B**.

- **Staff**

A range of staff were consulted in preparing the consultation material for the continuation of the Separate Rate and the Annual Business Plan.

- **Other Agencies**

Not Applicable.

DISCUSSION

The seven (7) submissions which have been received during the consultation period, related directly to the Separate Rate. Six (6) of the submissions were opposed to the Separate Rate and one (1) was in support of the Separate Rate. The predominant focus of the submissions is on the concept of charging the Separate Rate and the value that is received from paying the Separate Rate. Some of the issues raised in the submissions are set out below:

- businesses receive no benefit from the promotion and marketing of The Parade;
- rates are already high enough and with cost-of-living this additional cost cannot be sustained;
- the Separate Rate should not be based on the value of the property;
- individual business owners are best placed to decide how their money is spent; and
- should not have to pay a Separate Rate and the promotion and marketing of The Parade and the businesses should be done via a budget generated from standard Council rates.

A full copy of the submissions is contained in **Attachment B**.

Pursuant to Section 154 of the *Local Government Act 1999*, the revenue collected by the Council as part of the Separate Rate, is required to be used specifically for the benefit of the area from which it is raised (in this case The Parade) and for the property owners who pay the Separate Rate. As the Council is aware, the allocation of the revenue from the Separate Rate is specifically for the marketing and promotion of The Parade. The revenue generated from the Separate Rate is not collected for the purposes of providing or maintaining any form of infrastructure, including car parking.

The predominant focus of the submissions is based on the notion of not charging the Separate Rate at all and the value received from contributing to it. It is disappointing that some businesses and property owners feel that they receive little direct benefit from the collection of the Separate Rate and cannot see the overall benefit that all businesses obtain from the holistic marketing approach that is implemented for The Parade as a precinct.

In considering whether to extend the Separate Rate, the Council must consider why both it and the Norwood Parade Precinct Committee, supported the proposal of a Separate Rate for The Parade when it was first proposed. A summary of these reasons is set out below:

- The Parade is constantly facing competition from master planned, off-street shopping centres such as the Westfields (Marion and Tea Tree Plaza), Burnside Village, Unley Shopping Centre and Mitcham Shopping Centre, as well as Rundle Mall. These centres and Rundle Mall enjoy co-ordinated management, which includes a compulsory marketing levy along with maintenance of centre infrastructure and management of retail mix. While the charm and unique character of mainstreets, like The Parade, act as a significant drawcard, they simply cannot continue to compete in this increasingly competitive retail environment without a more coordinated marketing approach.
- The unique charm, character and '*sense of place*' has been recognised for a long time by Adelaide's other major mainstreet precincts including Unley Road, King William Road, Prospect Road, Jetty Road Glenelg and Rundle Mall, which are considered to be The Parade's principle competitors and are themselves undertaking major marketing, promotion and development programmes in order to stay competitive in metropolitan Adelaide's retail environment.

- Historically, the Council has supported The Parade through funding over a number of years, however it is clear that The Parade must contribute to its own marketing, promotion and development, in order to stay competitive today and into the future, particularly in light of the fact that the Council has an obligation to consider how it can also support other significant business precincts in the City such as Magill Road, Payneham Road and the suburbs of Kent Town, Glynde and Stepney, which have high concentrations of key priority sectors identified in the *2021-2026 Economic Development Strategy*.

The Parade cannot continue to compete as one of Adelaide's premier mainstreets based simply on a Council contribution and without a coordinated and integrated approach to marketing and promotion. Investment in marketing and promotion will be even more critical in the lead-up to the opening of the redevelopment of Burnside Village, when The Parade will be faced with its greatest competition.

OPTIONS

There are a number of options available to the Council, including recommending that the Separate Rate be no longer collected.

The Council can choose to **endorse and proceed with charging the Separate Rate as it was presented for community consultation**. This would result in the collection of \$225,000 for the 2024-2025 financial year, and would be used in accordance with the Terms of Reference of the Committee and as outlined in the *2024-2025 Norwood Parade Precinct Annual Business Plan*. This would also result in the Norwood Parade Precinct Committee proceeding as normal. This is the recommended option.

The Council can choose to **reduce the total of the Separate Rate as it was presented for community consultation**, which was stated as being \$225,000 for the 2024-2025 financial year. This would then result in the need to amend the budget allocations outlined in the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan*. It would also reduce the ability to effectively market The Parade over this period. This is not the preferred option.

The Council can choose to **discontinue the Separate Rate entirely**. However, proceeding with this option would result in the termination of the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* and the Norwood Parade Precinct Committee. Eliminating the Separate Rate would be detrimental to the long-term survival and sustainability of The Parade particularly given that nearby centres (which contain both retail and office uses) are undergoing, or have recently undergone, major redevelopments and The Parade's mainstreet peers have all implemented a Separate Rate for many years. This is not the preferred option as the long-term viability and survival of The Parade would be compromised.

Based on the benefit that the Separate Rate delivers a coordinated marketing strategy and on the advice received from the Norwood Parade Precinct Committee, it is recommended that the Council endorse and proceed with charging the Separate Rate for one further year.

CONCLUSION

The Separate Rate model for The Parade has been designed to ensure that it remains viable in Metropolitan Adelaide's increasingly competitive market, particularly given the investment being made in other centres and mainstreets.

The Separate Rate enables the Council to raise sufficient revenue to ensure high impact marketing and promotion programmes for The Parade, whilst minimising the impact on individual ratepayers who will experience the benefits of these programmes through increased patronage. A safeguard has been built in with the one (1) year timeframe, at which time the Separate Rate will once again be evaluated for its effectiveness.

COMMENTS

By extending the Separate Rate for one (1) further year it enables the Council to once again review and evaluate the Separate Rate and the benefits that it delivers. It also provides the Council the opportunity to consult once again with the businesses and property owners and identify areas for improvement. Individual responses will be provided to each property owner who has made a submission.

RECOMMENDATION

1. That the application of the Separate Rate for The Parade Precinct, (as shown on the Norwood Parade Precinct Committee map contained in **Attachment A**), be endorsed for the 2024-2025 financial year..
2. That the Separate Rate for The Parade Precinct, be based upon achieving an annual revenue of \$225,000 for the 2024-2025 financial year.
3. That the Council apply a Discretionary Rebate of 50% of the amount payable by offices and consulting rooms within The Parade Precinct.
4. That at the end of the 2024-2025 financial year period, a full review evaluating the effectiveness of the Separate Rate on The Parade be undertaken and presented to the Council for its consideration.

Attachments – Item 11.5

Attachment A

Continuation of the Separate Rate for the Norwood Parade Precinct

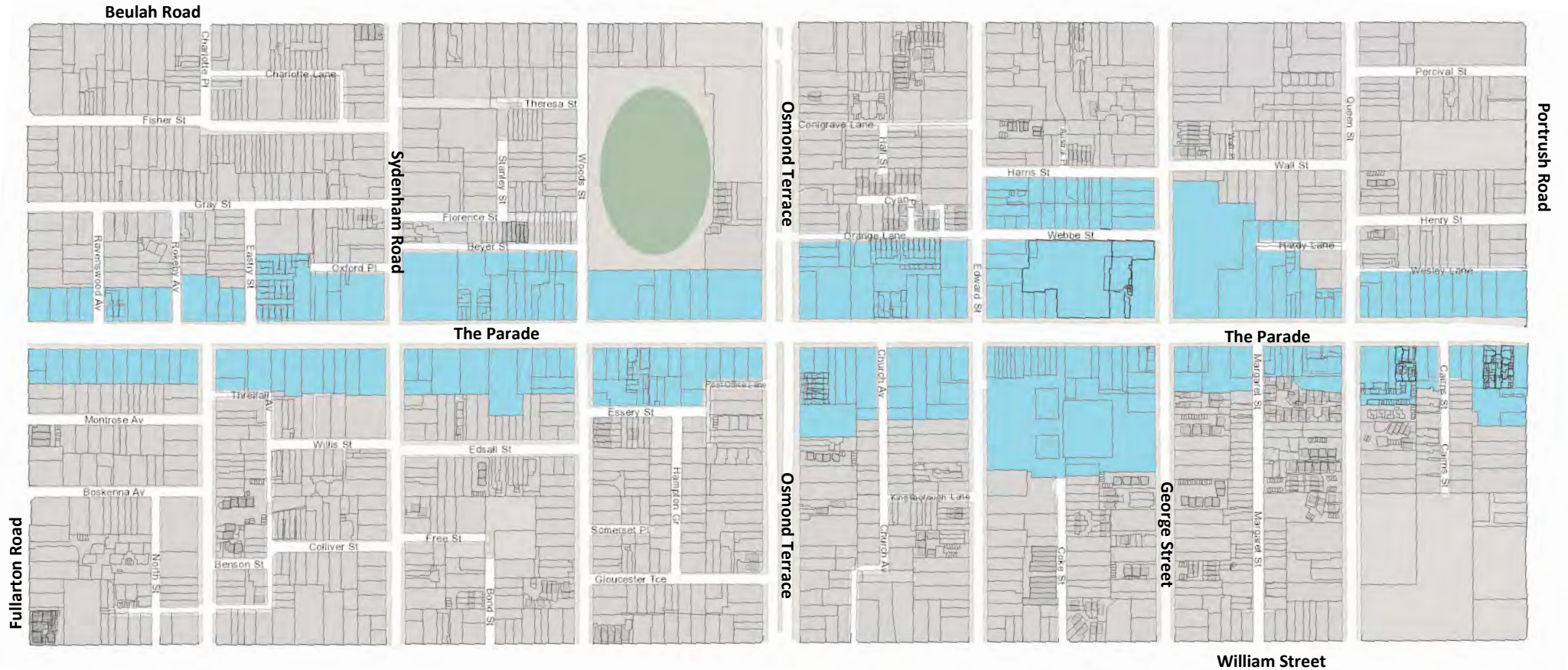
City of Norwood Payneham & St Peters
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City of
**Norwood
Payneham
& St Peters**

NORWOOD PARADE PRECINCT



Commercial properties highlighted in blue form The Parade Precinct and are contributors to The Parade Separate Rate.

Image from *South Australian Property and Planning Atlas*.



City of
Norwood
Payneham
& St Peters

Attachment B

Continuation of the Separate Rate for the Norwood Parade Precinct

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Facsimile 8332 6338
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au



City of
**Norwood
Payneham
& St Peters**

Keke Michalos

From: Sonia Milani [REDACTED]
Sent: Monday, 18 March 2024 8:43 PM
To: Townhall
Subject: Seperate Rate for the parade

Dear councillor

I received your letter today and would like to express my vote against this new proposal.

My reason for this is that our rates are high enough as it is and with the cost of living not sure us business owners can sustain this much more. I would hate for the parade to have empty shops along the strip as is in Rundle street as people just can't sustain this price hike. Business owners will walk away.

Thank you

Sonia Milani

[Sent from Yahoo Mail for iPhone](#)

Keke Michalos

From: Colin Burgin [Art Images Gallery] [REDACTED]
Sent: Tuesday, 19 March 2024 12:27 PM
To: Keke Michalos
Subject: Parade Plan

Hello Keke

I own a property at 32 The Parade, where my business is operating from.

I received a letter re the Parade Separate Rate.

Ive objected to it previously and see little point in doing it again. Im against it for many reasons but in particular my building is not part of the what is the precinct.

When the Norwood Parade is blocked off (except for the pageant) the road remains open west of Osmand Tce. This is surely sufficient proof.

Secondly I believe individual business are best in deciding how their my money is best spent for their business.

This past month we would have brought more than a thousand people to Norwood Parade with our Michael Leunig exhibition which was a Fringe event and partly supported by NPSP.....Thankyou!

We advertise in many publications online and receive no kudos from NPSPC. My point being we promote our business and target our market we believe better than anyone.

However although Im against it Im aware I will have to live with it.

The other issue I need assistance with, could you please point me in the direction of the Master Plan or similar which shows the street scape etc for this end of the Parade planned in the future. At one point there were plans to create lanes and plant islands similar to Frome Road.....

Where can I see a plan and some timing?

Regards,

Colin Burgin



Art Images Gallery 32 The Parade, Norwood SA 5067 p 08 8363 0806
e info@artimagesgallery.com.au w www.artimagesgallery.com.au

Keke Michalos

From: Aqua <[REDACTED]>
Sent: Sunday, 24 March 2024 2:59 PM
To: Townhall
Subject: Separate Rate Tax

Hello,

As a small business an extra tax on top of rates already paid would not be viable.

It would only add to the many outgoings, therefore reducing profits.

It is completely different for national brand names and chain stores

but for sole traders it is too difficult.

With the growing number of apartments in Norwood, therefore an increase in rates,

the council would already be receiving extra income, without having small business to pay have another tax.

Regards

Patricia Huppatz

Aqua Boutique

Keke Michalos

From: Wright, Monique @ Adelaide [REDACTED]
Sent: Monday, 25 March 2024 11:44 AM
To: Tyson McLean
Subject: RE: Separate Rate Proposal - 166 The Parade

Hi Tyson,

Thanks for your below email.

We will not be agreeing to the proposed new additional rate of \$8,800 for 166 The Parade Pty Ltd.

Kind Regards

Monique Wright
Property Manager
CBRE | Property Management
151 Pirie Street | Adelaide, SA 5000
[REDACTED]

From: Tyson McLean <TMcLean@npsp.sa.gov.au>
Sent: Monday, March 25, 2024 11:26 AM
To: Wright, Monique @ Adelaide [REDACTED]
Subject: RE: Separate Rate Proposal - 166 The Parade

External

Hi Monique,

I hope you had a nice weekend.

The approx. Separate Rate levy on a \$20 million valued property would be \$8,800. I take it this would be the total for all Norwood Mall tenancies which would then be divided amongst the businesses.

Let me know if there is anything else I can assist with.

Regards,

Tyson McLean
ECONOMIC DEVELOPMENT OFFICER

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067
Telephone 08 8366 4512
Email tmclean@npsp.sa.gov.au
Website www.npsp.sa.gov.au

Community Well-being is...

Social Equity

Economic Prosperity

Cultural Vitality

Environmental Sustainability



City of
Norwood
Payneham
& St Peters



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From: Wright, Monique @ Adelaide [REDACTED]
Sent: Friday, March 22, 2024 12:12 PM
To: Townhall <townhall@npsp.sa.gov.au>
Subject: Separate Rate Proposal - 166 The Parade

Good Afternoon,

We have recently received the attached notice regarding the proposal of separate rates for The Parade.

As the capital value on the last rates notice for 166 The Parade was sitting at \$20,000,000 – Could you please advise what the additional separate rate charge would be for a property of this value at your value chart attached finishes at \$10,000,000.

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 (1300 2 PULSE)

Contractors contact the PULSE Helpdesk Mon-Fri: 8.30am to 5pm

General Enquiries email
pulseconnect@cbre.com.au

Urgent Enquiries call 1300 033 987

Keke Michalos

From: karmen.wakelin [REDACTED]
Sent: Wednesday, 27 March 2024 3:58 PM
To: Townhall
Cc: Kylie Roberts
Subject: Separate Rate feedback

To whom it may concern,

I am the Co-owner of endota spa Norwood (2/185 The Parade, Norwood). We have owned and operated this business in this location for the past 7 years.

The cost of running our business (and all businesses) has increased exponentially. We are finding our profit margin continually being eroded by increasing rents, wages and supplier costs to the point where the viability of our business in this location is at risk.

We are located within the Hoyts Cinema Complex. The Capital Value of this asset is very high and as such the Separate Rate that is passed on to us by the Landlord is also very high. We have seen no/limited value in the programs supplied by Norwood Parade Precinct Committee and as such we are vehemently **opposed** to the Separate Rate for the Parade Precinct.

Warm regards,

KARMEN WAKELIN



endota



Keke Michalos

From: Bath Hotel Admin [REDACTED]
Sent: Wednesday, 10 April 2024 2:54 PM
To: Townhall
Subject: Parade Precinct Levy

To Whom it may concern,

We think the Parade Precinct Levy is a superfluous Levy. We believe this for several reasons.

Council rates continually increase and although it is true properties values have significantly risen this does not mean our business turnover has increased at the same rate if at all.

Norwood Council has also link the parade precinct levy to the capital values of properties which seems grossly unfair.

We also believe that although council rates are continually increasing, we have received no additional services or amenities. Even as one of the major shareholders on the Parade we do not even have bins that we can put out for street collection.

I would love to know what services you provide for the rates and taxes we pay?

Since the Parade Precinct Levy was introduced in 2008, infrastructure development on the Parade has been minimal. Secondly, as for promotion and marketing you do not provide any targeted marketing that applies to our business, rather we instigate our own advertising at significant cost to ourselves.

Our opinion is that the Parade Precinct Levy should be abolished, it makes it unattractive for businesses to operate in the Norwood council area.

Kind Regards,

Tony Franzon
DIRECTOR



BATH HOTEL
232 The Parade,
Norwood SA 5067

[REDACTED]

[REDACTED]

Keke Michalos

From: [REDACTED]
Sent: Wednesday, 17 April 2024 2:22 PM
To: Townhall; Keke Michalos
Subject: Separate rate for the Parade

Dear Keke,

Apologies for the late reply but we are happy to have the Separate rate for the Parade continue for all the reasons which have already been discussed.

Best Regards,
Dimitra and Chris Giannakis

Owners fo 15 The Parade Norwood

11.6 DRAFT 2024-2025 NORWOOD PARADE PRECINCT ANNUAL BUSINESS PLAN

REPORT AUTHOR: Manager, Strategy
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4509
FILE REFERENCE: qA119911
ATTACHMENTS: A – B

PURPOSE OF REPORT

The purpose of this report is to present to the Council, the final *Draft of the 2024-2025 Annual Business Plan*, for approval.

BACKGROUND

At its meeting held on 13 February 2024, the Council's *Norwood Parade Precinct Committee* (NPPC) resolved the following:

1. *That the Draft 2024-2025 Norwood Parade Precinct Annual Business Plan be endorsed as being suitable to present to the Council for its endorsement and approval prior to its release for consultation with The Parade Precinct business community for a period of twenty-one (21) days.*
2. *That the Chief Executive Officer be authorised to make any editorial changes to the document prior to the document being released for consultation.*

The *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* and the Committee's resolution were subsequently presented to the Council at its meeting held on Monday 4 March 2024. At that meeting the Council resolved the following:

1. *That the Draft 2024-2025 Norwood Parade Precinct Annual Business Plan be endorsed as being suitable to release for consultation with The Parade Precinct business and property owner community for a period of twenty-one (21) days.*
2. *That the Chief Executive Officer be authorised to make any editorial changes to the document prior to the document being released for consultation.*

The *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* was subsequently released for consultation for a period of twenty-eight (28) days, from Thursday 14 March 2024 until Wednesday 10 April 2024. Letters were distributed to all businesses and property owners within The Parade Precinct. Posters and postcards were placed at the Norwood Town Hall. In addition, information was published on the Council and The Parade websites and an Electronic Direct Marketing (EDM) advising The Parade traders of the consultation was also distributed.

Consultation on the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* was conducted in conjunction with the consultation on the continuation of *The Parade Separate Rate* and comments on both were invited via email and in writing. A total of seven (7) submissions were received in response to the consultation on both items. The primary focus of all of the submissions is the Separate Rate. A copy of all submissions received are contained in **Attachment A**.

The results of the consultation together with the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* were considered and endorsed by the Norwood Parade Precinct Committee at its meeting held on Tuesday 30 April 2024. At that meeting the Committee resolved the following:

1. *That the Draft 2024-2025 Norwood Parade Precinct Committee Annual Business Plan, as contained in Attachment A, be endorsed and recommended to the Council for approval.*

The recommendation to the Council is based on continuing the Separate Rate and collecting \$225,000 in revenue from The Parade Separate Rate in 2024-2025.

A copy of the final *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* is contained in **Attachment B**.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

The relevant Objectives and Strategies contained in *CityPlan 2030* are outlined below:

Outcome 3: Economic Prosperity

A dynamic and thriving centre for business and services.

- **Objective 3.1 A diverse range of businesses and services.**
 - *Strategy 3.1.1 - Support and encourage local small, specialty, independent and family-owned businesses.*
- **Objective 3.2 Cosmopolitan business precincts contributing to the prosperity of the City.**
 - *Strategy 3.2.1 - Retain, enhance and promote the unique character of all our City's business precincts.*
 - *Strategy 3.2.3 - Promote the City as a tourist destination.*
- **Objective 3.5 A local economy supporting and supported by its community.**
 - *Strategy 3.5.1 - Support opportunities for people to collaborate and interact in business precincts.*
 - *Strategy 3.5.2 - Retail accessible local shopping and services.*

The relevant Strategies contained in the *2021-2026 Economic Development Strategy* are outlined below:

Dynamic & Diverse City

Outcome: A City with thriving and resilient business sectors that drive employment and deliver growth.

Objective: Support the growth and viability of the City's business sectors based on their competitive strength and strategic priority.

- *Strategy CV Recover and Rebuild the local economy following the impacts of the COVID-10 Pandemic*
- *Strategy 1.1 - Focus on the support and growth of the City's priority sectors*
- *Strategy 1.3 - Identify emerging trends and support opportunities for economic growth*
- *Strategy 1.4 - Promote opportunity and collaboration across the sectors*
- *Strategy 1.5 - Identify and promote local competitive advantage*

Destination City

Outcome: A destination with dynamic, cultural, vibrant and attractive precincts.

Objective: Increase the number of people who live, work and visit the City and enhance the community well-being of existing residents, workers and visitors.

- *Strategy CV Recover and Rebuild the local economy following the impacts of the COVID-10 Pandemic*
- *Strategy 2.1 - Showcase and promote the City's attractions and events to facilitate growth in visitation and spending.*
- *Strategy 2.2 - Support the City's vibrant mainstreet precincts.*
- *Strategy 2.3 - Facilitate the activation of key spaces and precincts in the City.*
- *Strategy 2.4 - Work with local business operators to strengthen the viability of precincts and enhance the customer experience.*

Innovative City

Outcome: An innovative City that supports business and attracts investment.

Objective: Attract and maintain competitive businesses with the capacity for resilience and ongoing sustainability, innovation and growth.

- *Strategy CV Recover and Rebuild the local economy following the impacts of the COVID-10 Pandemic*
- *Strategy 3.2 - Recognise businesses and business sectors that make a significant contribution to the City.*
- *Strategy 3.3 - Facilitate communication, education and networking programs to support businesses.*
- *Strategy 3.5 - Encourage sustainable working methods in all aspects of business.*

Business Friendly City

Outcome: A City that understands the needs of business.

Objective: Remove barriers and make it easy for business owners to start, run and grow a business.

- *Strategy CV Recover and Rebuild the local economy following the impacts of the COVID-10 Pandemic*
- *Strategy 4.1 - Ensure that Council processes are business friendly and contribute to a well-functioning City.*

FINANCIAL AND BUDGET IMPLICATIONS

The *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* is based on a total budget of \$225,000, which is the total amount that the Council will receive raise through The Separate Rate.

EXTERNAL ECONOMIC IMPLICATIONS

The *Draft 2024-2025 Parade Precinct Annual Business Plan*, includes strategies and initiatives which are intended to improve the economic development of the Norwood Parade Precinct in areas including, but not limited to:

- increasing diversity of businesses and services;
- prosperity and development of The Parade precinct;
- attracting investment and business opportunities to the area;
- increasing local employment opportunities;
- development and support of appropriate industry clusters;
- building community support;
- attracting visitors to The Parade; and
- creating a cohesive brand for The Parade.

Implementation and success of the *2024-2025 Norwood Parade Precinct Annual Business Plan* may be impacted upon by the broader economic environment and international events. Whilst the Annual Business Plan does not make specific reference to any specific events, if they occur, they will be considered during the development stage of programs and initiatives. The Annual Business Plan is a designed specifically as a high-level document, intended to remain flexible and be able to respond to external economic issues as they arise, the budget allocations set out in the document are fluid and funds can be re-allocated at the Committee's discretion.

SOCIAL ISSUES

The future development of key business precincts such as The Parade, Norwood impacts positively on the City. A vibrant local economy contributes significantly to creating a vibrant local community and assists in developing social capital.

CULTURAL ISSUES

Many of the initiatives highlighted as part of the *2024-2025 Norwood Parade Precinct Annual Business Plan* aim to enhance the unique character of The Parade and its sense of place and reinforces its critical significance.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

The *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* is reliant upon the collection of the Separate Rate, and its implementation will be undertaken by the Council's Economic Development Unit, with input and involvement from other Council staff and external contractors as required.

CONSULTATION

- **Elected Members**

Mayor Robert Bria and Councillors Sue Whittington, John Callisto, Victoria McFarlane and Josh Robinson, are Members of the Norwood Parade Precinct Committee and were in support of the Committee endorsing and recommending the *2024-2025 Norwood Parade Precinct Annual Business Plan* to the Council.

- **Business Community**

The *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* was released for consultation on Thursday 14 March, with comments sought in writing by no later than 5.00pm, Wednesday 10 April 2024.

A letter was sent to all businesses and property owners on The Parade advising of the Draft Plan and the consultation process. Posters and postcards were placed at the Norwood Town Hall. In addition to this, information was published on the Council and The Parade websites and an Electronic Direct Marketing (EDM) advising The Parade traders of the consultation was also distributed.

Copies of the Draft Plan were also made available at the Norwood Town Hall.

In total, seven (7) submissions have been received by the Council during the consultation period in relation to both the continuation of the Separate Rate and the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan*. Whilst both documents were consulted on simultaneously, the focus of the comments in the submissions has been on the proposed continuation of the Separate Rate, notwithstanding this all of the submissions have been attached to this report because the two (2) items are related and the implementation of the Annual Business Plan relies on the continuation of the Separate Rate.

- **Staff**

A number of staff from across the organisation were consulted in relation to both the preparation of the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* and in preparing the consultation material for the Separate Rate and the Annual Business Plan.

- **Other Agencies**

Not Applicable

DISCUSSION

The seven (7) submissions which have been received during the consultation period, relate directly to the Separate Rate and to a lesser extent in relation to the draft Annual Business Plan. Six (6) of the submissions were opposed to the Separate Rate and one (1) was in support of the Separate Rate. The predominant focus of the submissions is on the concept of charging the Separate Rate and the value that is received from paying the Separate Rate. Some of the issues raised are set out below:

- businesses receive no benefit from the promotion and marketing of The Parade;
- rates are already high enough and with cost-of-living this additional cost cannot be sustained;
- the Separate Rate should not be based on the value of the property;
- individual business owners are best placed to decide how their money is spent; and
- should not have to pay a Separate Rate and the promotion and marketing of The Parade and the businesses should be done via a budget generated from standard Council rates.

Pursuant to the Terms of Reference set by the Council, the Norwood Parade Precinct Committee is required to prepare an Annual Business Plan prior to each financial year, to guide its programmes and initiatives for the ensuing financial year and to assist in determining the funding requirements for consideration and approval by the Council. A copy of the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* is contained in **Attachment B**. The Annual Business Plan is based on the assumption that the Council will resolve to continue to collect the Separate Rate and it will set the total revenue of the Separate Rate at \$225,000.

A summary of how the Committee proposes to allocate the revenue which is raised through the Separate Rate is set out in Table 1 below.

TABLE 1: NORWOOD PARADE PRECINCT COMMITTEE 2024-2025 ANNUAL BUSINESS PLAN

Strategies	Budget
Events & Placemaking	
<i>Events & Activations</i>	\$35,000
	\$35,000
Marketing & Communication	
<i>Website</i>	\$2,500
<i>Social Media</i>	\$20,000
<i>Advertising</i>	\$47,500
	\$70,000
Identity & Brand	
<i>Signage & Street Decorations</i>	\$45,000
<i>Merchandise</i>	\$5,000
<i>Competitions</i>	\$60,000
	\$110,000
Business Support & Development	
<i>Training & Workshops</i>	\$3,000
<i>Other</i>	\$2,000
	\$5,000
Administration	
<i>Administration</i>	\$5,000
	\$5,000
TOTAL	\$225,000

OPTIONS

The Council can approve the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* contained in **Attachment B**.

Alternatively, the Council can amend or delete strategies and budget allocations.

Depending on the Council's resolution in respect to the Separate Rate, which is being considered as a separate Agenda Item at this meeting, some changes to the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* may be required. Should the Council determine not to charge the Separate Rate, the Council will need to determine whether or not it will continue to proceed with *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan*.

CONCLUSION

An individual response will be provided to each property and business owner who has made a submission.

COMMENTS

Nil.

RECOMMENDATION

That the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan*, as contained in **Attachment B**, be approved.

Attachments – Item 11.6

Attachment A

Draft 2024-2025 Norwood Parade Precinct Annual Business Plan

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Facsimile 8332 6338
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au



City of
Norwood
Payneham
& St Peters

Keke Michalos

From: Sonia Milani [REDACTED]
Sent: Monday, 18 March 2024 8:43 PM
To: Townhall
Subject: Seperate Rate for the parade

Dear councillor

I received your letter today and would like to express my vote against this new proposal.

My reason for this is that our rates are high enough as it is and with the cost of living not sure us business owners can sustain this much more. I would hate for the parade to have empty shops along the strip as is in Rundle street as people just can't sustain this price hike. Business owners will walk away.

Thank you

Sonia Milani

[Sent from Yahoo Mail for iPhone](#)

Keke Michalos

From: Colin Burgin [Art Images Gallery] [REDACTED]
Sent: Tuesday, 19 March 2024 12:27 PM
To: Keke Michalos
Subject: Parade Plan

Hello Keke

I own a property at 32 The Parade, where my business is operating from.

I received a letter re the Parade Separate Rate.

I've objected to it previously and see little point in doing it again. I'm against it for many reasons but in particular my building is not part of the what is the precinct.

When the Norwood Parade is blocked off (except for the pageant) the road remains open west of Osmand Tce. This is surely sufficient proof.

Secondly I believe individual business are best in deciding how their my money is best spent for their business.

This past month we would have brought more than a thousand people to Norwood Parade with our Michael Leunig exhibition which was a Fringe event and partly supported by NPSP.....Thankyou!

We advertise in many publications online and receive no kudos from NPSPC. My point being we promote our business and target our market we believe better than anyone.

However although I'm against it I'm aware I will have to live with it.

The other issue I need assistance with, could you please point me in the direction of the Master Plan or similar which shows the street scape etc for this end of the Parade planned in the future. At one point there were plans to create lanes and plant islands similar to Frome Road.....

Where can I see a plan and some timing?

Regards,

Colin Burgin



Art Images Gallery 32 The Parade, Norwood SA 5067 p 08 8363 0806
e info@artimagesgallery.com.au w www.artimagesgallery.com.au

Keke Michalos

From: Aqua <[REDACTED]>
Sent: Sunday, 24 March 2024 2:59 PM
To: Townhall
Subject: Separate Rate Tax

Hello,

As a small business an extra tax on top of rates already paid would not be viable.

It would only add to the many outgoings, therefore reducing profits.

It is completely different for national brand names and chain stores

but for sole traders it is too difficult.

With the growing number of apartments in Norwood, therefore an increase in rates,

the council would already be receiving extra income, without having small business to pay have another tax.

Regards

Patricia Huppatz

Aqua Boutique

Keke Michalos

From: Wright, Monique @ Adelaide [REDACTED]
Sent: Monday, 25 March 2024 11:44 AM
To: Tyson McLean
Subject: RE: Separate Rate Proposal - 166 The Parade

Hi Tyson,

Thanks for your below email.

We will not be agreeing to the proposed new additional rate of \$8,800 for 166 The Parade Pty Ltd.

Kind Regards

Monique Wright
Property Manager
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 [REDACTED]

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To: Townhall
Cc: Kylie Roberts
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endota



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Tony Franzon
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BATH HOTEL
232 The Parade,
Norwood SA 5067

[REDACTED]

[REDACTED]

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To: Townhall; Keke Michalos
Subject: Separate rate for the Parade

Dear Keke,

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Best Regards,
Dimitra and Chris Giannakis

Owners fo 15 The Parade Norwood



Attachment B

Draft 2024-2025 Norwood Parade Precinct Annual Business Plan

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Facsimile 8332 6338
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au

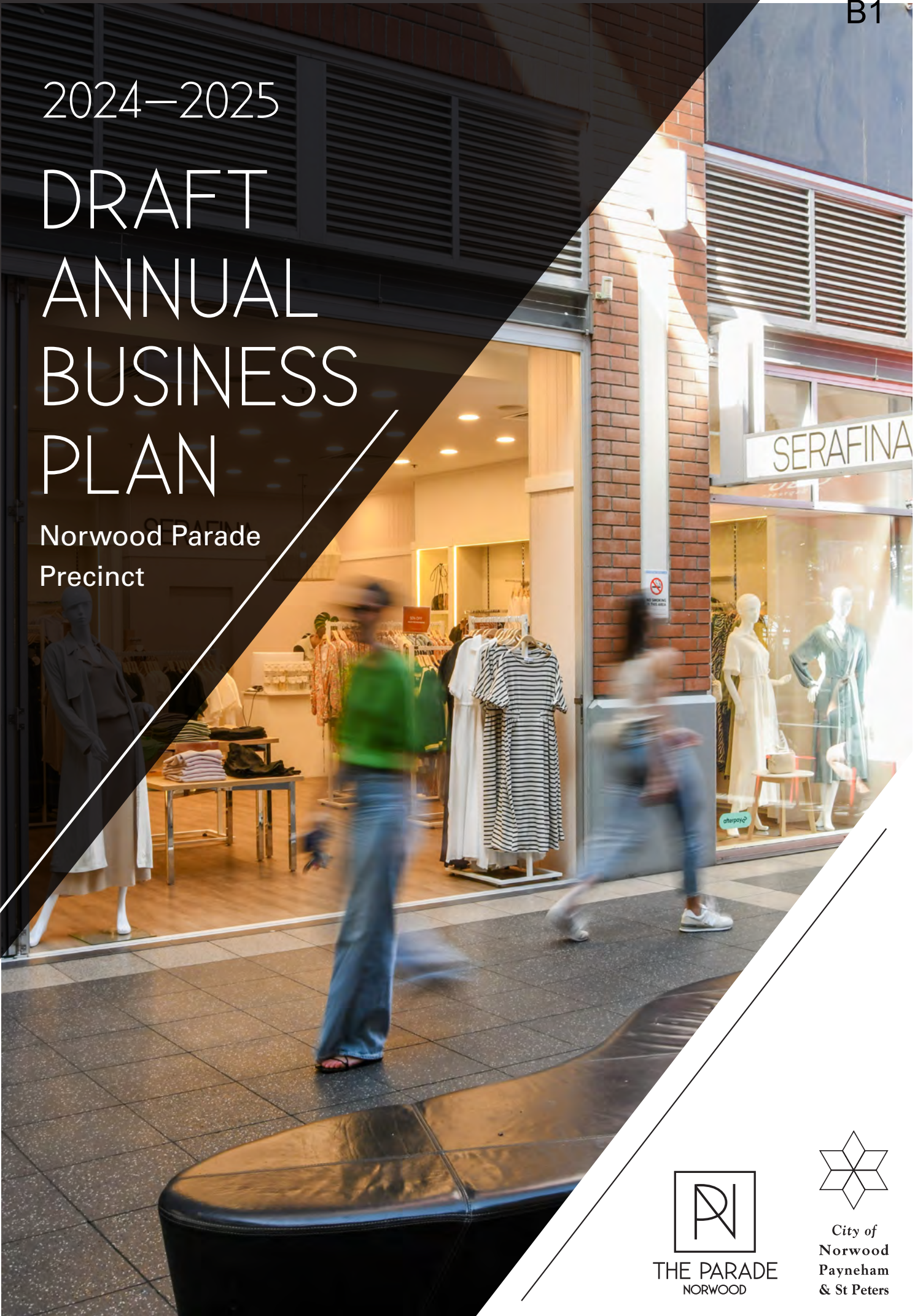


City of
Norwood
Payneham
& St Peters

2024–2025

DRAFT ANNUAL BUSINESS PLAN

Norwood Parade
Precinct



THE PARADE
NORWOOD



City of
Norwood
Payneham
& St Peters



VISION /

TO MAINTAIN THE STATUS OF ADELAIDE'S PREMIER MAINSTREET AS A VIBRANT DESTINATION WHERE RESIDENTS AND VISITORS CAN EXPERIENCE AND ENJOY A PLACE TO DINE, SHOP, PLAY AND DO BUSINESS.

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A Successful
Precinct

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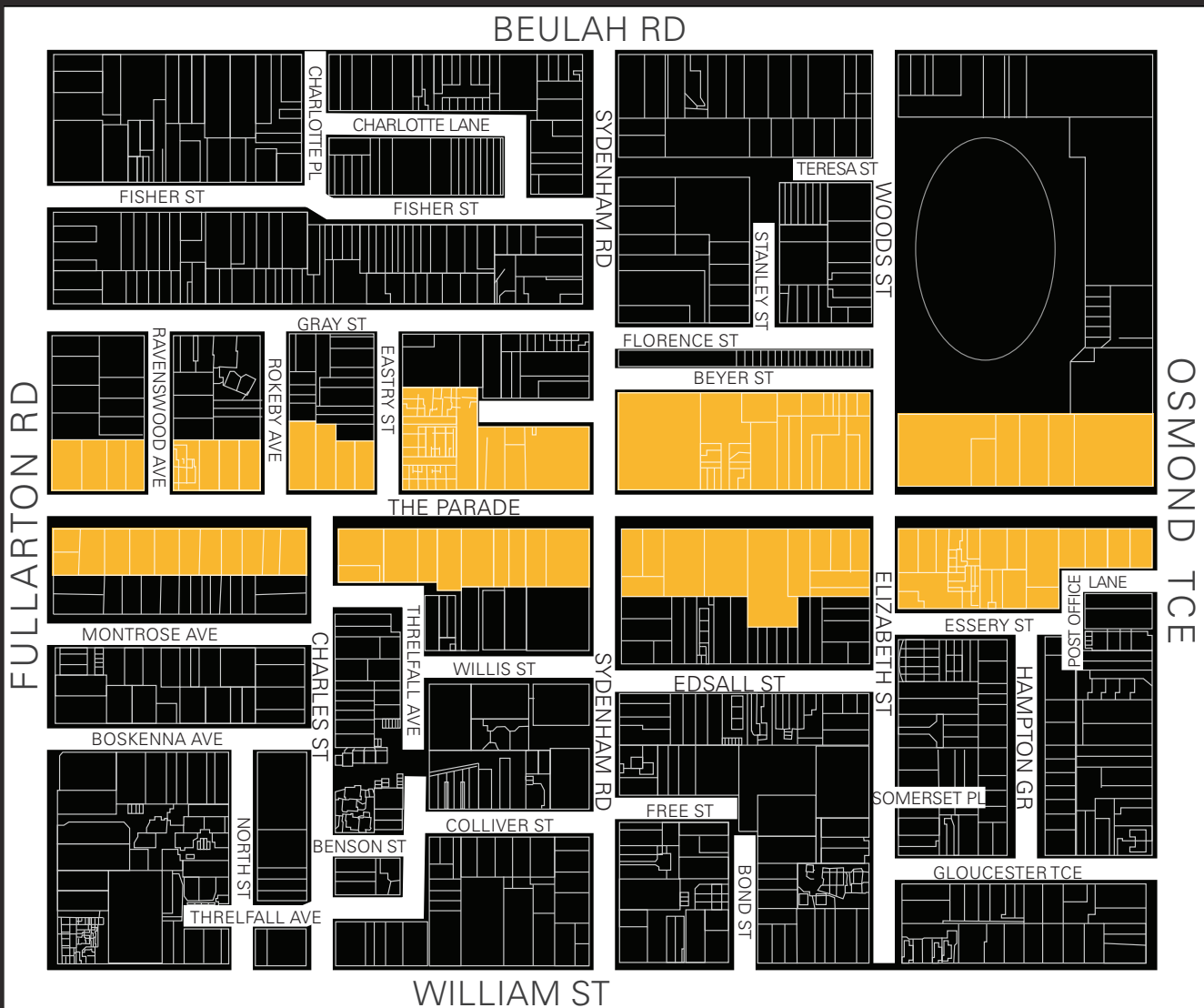
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Monitoring
& Reporting

OVERVIEW

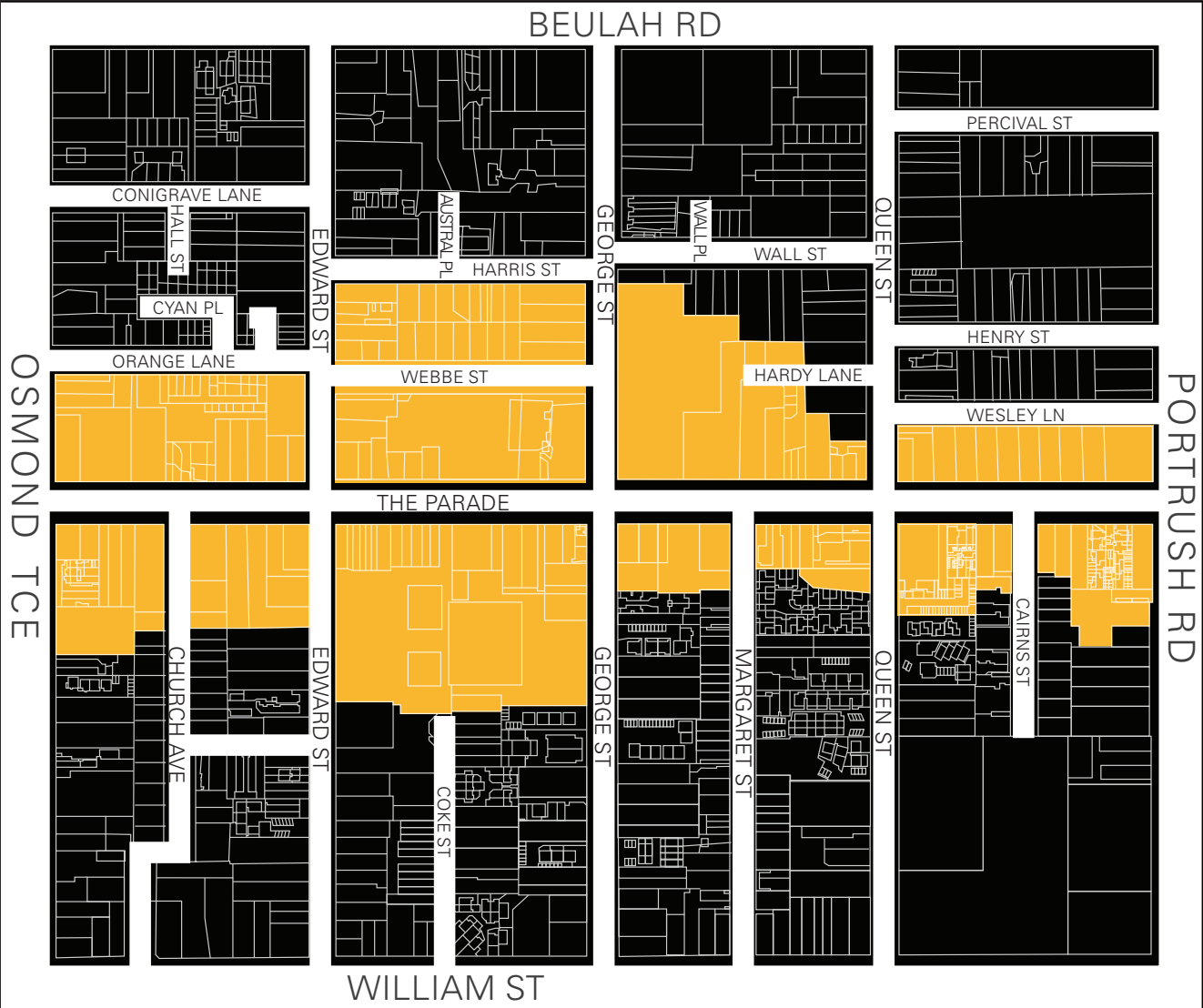
The City of Norwood Payneham & St Peters established the Norwood Parade Precinct Committee pursuant to Section 41 of the *Local Government Act 1999*. The Norwood Parade Precinct Committee is governed by Terms of Reference, which were adopted by the Council on 5 December 2022.

The Norwood Parade Precinct Committee consists of the Mayor, four Elected Members and eight Independent Members who represent the interests of commercial landlords and business owners trading within the Norwood Parade Precinct.



The Norwood Parade Precinct Committee is responsible for delivering exciting initiatives to develop and promote The Parade, Norwood as a vibrant retail, cultural and leisure destination for businesses, residents and visitors.

One of the roles of the Committee is to develop and recommend to the Council an Annual Business Plan and Budget for The Parade Precinct, while overseeing its implementation once approved by the Council.





PURPOSE

The Norwood Parade Precinct Committee works to support, educate and facilitate a healthy, vibrant business community with an emphasis on placemaking for the enhancement of The Parade. At the heart of it, the Committee is tasked with helping to drive the economic prosperity of The Parade, Norwood.

The 2024–2025 Annual Business Plan outlines a series of objectives and strategies that will achieve The Parade’s overall vision.

OBJECTIVES

The objectives of the 2024–2025 Annual Business Plan are to:

- Courageously promote the Precinct and its businesses
- Increase visitation and encourage expenditure
- Increase business engagement and collaboration
- Provide strategic direction on the future growth and development of the Precinct

A SUCCESSFUL PRECINCT

THERE ARE A NUMBER OF
ELEMENTS THAT WORK
TOGETHER TO CREATE
A SUCCESSFUL PRECINCT.



THE SIX KEY ELEMENTS THAT UNDERPIN THE PARADE'S SUCCESS ARE:



Diversity

A diverse mix of businesses including retail, services, dining and office spaces, with a healthy combination of day-time and night-time trade.



Local Economy

A strong connection to the local area, offering residents and visitor quality and convenience.



Identity

A unique character, history and value that is expressed in creative ways including marketing and events.



Drawcards

A number of drawcards that regularly bring in a large number of people, including sporting facilities, a supermarket, movie complex, restaurants and flagship retail stores.



Placemaking

Built infrastructure and landscaping that makes the place more attractive, inviting and encourage visitors to stay and play.



Accessibility

Footpaths, public transport linkages, car parking and clear signage that enables people to easily access the precinct.

BUDGET

The total budget for the 2024–2025 Parade Precinct Annual Business Plan is \$225,000 which is the amount the Council will collect through the Separate Rate.

The Separate Rate is charged to commercial property owners on The Parade, Norwood. The revenue collected is used for the purpose of marketing and promotion and enhancing business viability within The Parade Precinct.



BUDGET ALLOCATION

STRATEGY 01 - EVENTS & PLACEMAKING	\$35,000
<hr/>	
STRATEGY 02 - MARKETING & COMMUNICATIONS	\$70,000
<hr/>	
Website	\$2,500
Social Media	\$20,000
Advertising	\$47,500
<hr/>	
STRATEGY 03 - IDENTITY & BRAND	\$110,000
<hr/>	
Signage & Street Decorations	\$45,000
Merchandise	\$5,000
Competitions	\$60,000
<hr/>	
STRATEGY 04 - BUSINESS SUPPORT & DEVELOPMENT	\$5,000
<hr/>	
Training & Workshops	\$3,000
Other	\$2,000
<hr/>	
STRATEGY 05 - ADMINISTRATION	\$5,000
<hr/>	
TOTAL	\$225,000
<hr/>	

STRATEGIES

Strategy 01 Events & Placemaking	11
Strategy 02 Marketing & Communications	12
Strategy 03 Identity & Brand	13
Strategy 04 Business Support & Development	14
Strategy 05 Administration	15

STRATEGY 01

EVENTS & PLACEMAKING



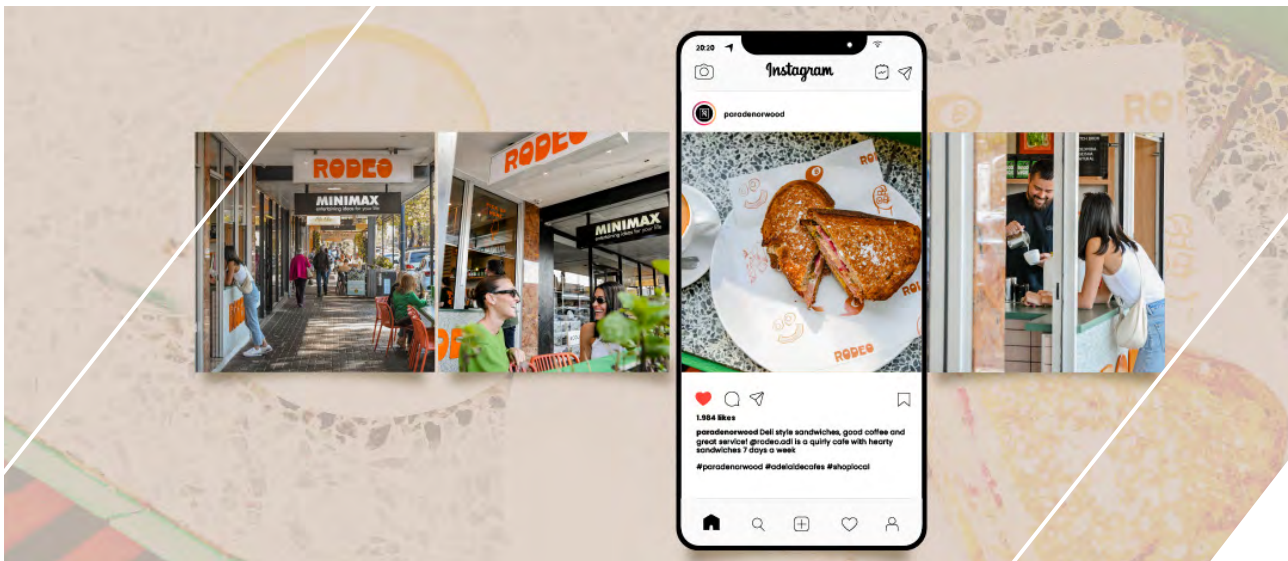
DEVELOP, DELIVER AND
SUPPORT MEANINGFUL
EXPERIENCES THAT CREATE
REMARKABLE MEMORIES
ON THE PARADE.

1.1 Support the Council's major events that are held on The Parade including but not limited to: Tour Down Under, Norwood Christmas Pageant, Art on Parade and A Day of Fashion.

1.2 Support events and activations underpinned by collaboration between the Council, businesses and the local community.

STRATEGY 02

MARKETING & COMMUNICATIONS



BACKED BY RESEARCH AND ANALYTICS, IMPLEMENT A RANGE OF MARKETING CAMPAIGNS AND COMMUNICATION STRATEGIES THAT PROMOTE THE STRENGTHS OF THE PARADE TO TARGET MARKETS.

2.1 Website

Continuously improve The Parade website and its functionality to maintain relevancy and engagement.

2.2 Social Media

Develop and deliver a social media strategy to maximise effectiveness of current channels, increase engagement with existing followers and attract new audiences.

2.3 Advertising

Develop and deliver advertising campaigns to promote The Parade across a wide variety of mediums to increase visitation and spending from Adelaide, Intra and interstate.

STRATEGY 03

IDENTITY & BRAND



ENSURE THE PARADE,
NORWOOD REMAINS
ADELAIDE'S PREMIER
MAINSTREET THROUGH
DELIVERING INITIATIVES
THAT CREATE CONNECTIONS,
IMPROVE LOYALTY, AND
DRIVE BRAND AWARENESS
AND VISITATION.

3.1 Signage & Street Decorations

Install signage and street decorations to promote specific campaigns and events that are held within the Precinct.

3.2 Merchandise

Purchase environmentally friendly Parade branded merchandise and distribute to businesses and to community event attendees.

3.3 Competitions

Develop and deliver competitions for The Parade that engage businesses and encourage additional expenditure within The Parade Precinct.

STRATEGY 04

BUSINESS SUPPORT & DEVELOPMENT



CREATE A CONDUCIVE
BUSINESS ENVIRONMENT
WHERE PEOPLE ARE ABLE
TO FLOURISH THROUGH
EDUCATION, TRAINING
AND NETWORKING.

4.1 Training & Workshops

Host business training and workshops, to educate the business community on a range of topics such as marketing, finance, business planning, wellbeing and leadership in business.

4.2 Other

Provide additional support to businesses within the Precinct as necessary.

STRATEGY 05

ADMINISTRATION



ENSURE THE ONGOING
AND EFFECTIVE
ADMINISTRATION OF
THE COMMITTEE.

5.1 Catering for Committee Meetings.

5.2 Develop, promote and consult on Committee documentation including, but not limited to Committee Membership and the Norwood Parade Precinct Annual Business Plan.

MONITORING & REPORTING

The Norwood Parade Precinct Annual Business Plan will be monitored and evaluated by the Council.

Progress reports on the implementation of this Plan, will be presented to the Norwood Parade Precinct Committee at each meeting.

Methods of measurement may include:

- Website and social media reports
- Visitation and attendance numbers at events
- Business participation in events and initiatives
- Analysis data from competition entries
- Level of spending within the Precinct
- Occupancy rates
- Written and verbal feedback received from businesses and the community



Visit Us

City of Norwood Payneham & St Peters
Economic Development & Strategy
175 The Parade, Norwood
theparadenorwood.com



Contact Us

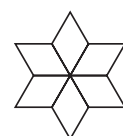
Tyson McLean
Economic Development Officer
tmclean@npsp.sa.gov.au
08 8366 4512

Get Social With Us

#ParadeNorwood
@ParadeNorwood
/TheParadeNorwood

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au
Socials  /cityofnpsp  @cityofnpsp



City of
Norwood
Payneham
& St Peters

11.7 EASTERN HEALTH AUTHORITY DRAFT 2024-2025 ANNUAL BUSINESS PLAN AND BUDGET

REPORT AUTHOR: Chief Financial Officer
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4585
FILE REFERENCE: qA88432
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to present to the Council, the Eastern Health Authority (EHA) Draft 2024-2025 Annual Business Plan and Budget for endorsement.

BACKGROUND

The Eastern Health Authority (EHA) is a Regional Subsidiary established pursuant to Section 43 of the *Local Government Act 1999*, for the purpose of providing environmental health services to the Constituent Councils. The other Constituent Councils are the Cities of Burnside, Campbelltown and Prospect and the Town of Walkerville.

Pursuant to Clause 8 of the Eastern Health Authority Charter (the Charter), EHA must prepare an Annual Business Plan which informs and supports the Authority's Annual Budget.

Upon completion of the draft Annual Business Plan and Budget, pursuant to Clause 8.1 (c) of the Charter, EHA must provide the draft Annual Plan to Constituent Councils for the purposes of obtaining consent from the Constituent Councils.

The Annual Business Plan and Budget can only be adopted by the EHA Board, with absolute majority approval of the Constituent Councils.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

Not Applicable.

FINANCIAL AND BUDGET IMPLICATIONS

As a Constituent Council, there are financial implications for the Council's Budget, emanating from the EHA Draft 2024-2025 Annual Business Plan and Budget.

As a receiver of services from EHA, the Council's Budget includes an annual fee of \$641,814 for the provision of the environmental health services which are provided by EHA. In addition, the Council must also account for its share of EHA's operating result.

EXTERNAL ECONOMIC IMPLICATIONS

Nil

SOCIAL ISSUES

Nil

CULTURAL ISSUES

Nil

ENVIRONMENTAL ISSUES

Nil

RESOURCE ISSUES

Nil

RISK MANAGEMENT

Nil

CONSULTATION

- **Elected Members**
Councillors Whittington and Moorhouse are the Council appointed Members to the Eastern Health Authority Board.
- **Community**
Not Applicable.
- **Staff**
General Manager, Governance & Civic Affairs
- **Other Agencies**
Not Applicable.

DISCUSSION

EHA's draft 2024-2025 Annual Business Plan is based on the four (4) focus issues set out in the Regional Public Health and Wellbeing Plan, '*Better Living, Better Health*', which encompass:

- Public and environmental health services;
- Immunisation;
- Food safety; and.
- Governance and organisational development.

The key priorities outlined in the Annual Business Plan for each focus area include:

Public and Environmental Health Services

- Continue to actively collaborate and participate in the newly formed State Interagency Hoarding and Squalor group.
- Develop educational material with key community public health messages to be promoted on EHA's website and Constituent Council social media platforms.
- Continue to provide feedback to SA Health on the review of Public Health Regulations review as required.

Immunisation

- Actively promote EHA's public immunisation clinic program through channels identified in the EHA Marketing Plan.
- Continue to ensure the effective governance and delivery of EHA's public clinic immunisation program in accordance with the National Immunisation Program (NIP) Schedule.
- Deliver School Immunisation Program (SIP) in accordance with the SA Health Service Agreement contract.
- Develop a business case for the provision of immunisation services on behalf of non-Constituent Councils (dependent on available opportunities).
- Collaborate with SA Health for integration and implementation of the new on-line consent for immunisation in preparation of the SIP in 2025.

Food Safety

- Continue to regulate the new legislative food management tools Standard 3.2.2a: Food Safety Supervisor, Food Handler Training and Records management.
- Develop educational material with key community food safety messages to be promoted on EHA's website and Constituent Council social media platforms.
- Develop new educational food safety non-verbal video guides to be access on EHA's website.
- Develop a food safety Q&A for food businesses within EHA's Constituent Council areas.

Governance and Organisational Development

- Implement the elements of the Regional Public Health Plan, *Better Living, Better Health*.
- In consultation with Constituent Councils., continue to review and revise the EHA business planning and reporting framework.
- Work with the Audit Committee and the Board to review and revise the financial indicators in the Long-Term Financial Plan.
- Distribution of targeted quarterly performance reports for Constituent Councils to supplement Board reports.
- Deliver upon a request for a presentation highlighting strengths and benefits of centralised service delivery model for Constituent Council Elected Members.

EHA's main source of income to fund its operations is from contributions from its Constituent Councils. To deliver the 2024-2025 Annual Business Plan, EHA requires contributions of \$2,094,100 (which is a 6.3% increase on the total 2023-2024 contribution) to fund its proposed operational expenditure.

The key assumptions that have been used to prepare EHA's draft 2024-2025 Annual Business Plan include the following:

- 6.9% Adelaide CPI June 2023 Quarter;
- Enterprise Agreement increase of 4%;
- delivery of Immunisation Service Contracts to the City of Unley;
- loss of income associated with the Immunisation Service Contracts to Adelaide Hills Council; and
- no changes to the 2025 School Immunisation Program.

The Council's Draft 2024-2025 Budget includes a funding allocation for the provision of environmental health services of \$641,814, a 2.92% or \$18,214 increase on 2023-2024.

EHA are forecasting a "break even" Operating Result for 2024-2025.

A copy of the Eastern Health Authority's draft Annual Business Plan and Budget is contained in **Attachment A**.

OPTIONS

The Council can choose not to endorse the Environmental Health Authority's Draft 2024-2025 Annual Business Plan and Budget, however, there are no specific issues or activities which present a financial or risk management issue for this Council to take this course of action.

CONCLUSION

EHA's Annual Business Plan is consistent with its previous Annual Business Plans and is in-line with the objectives which are set out in its Charter. Whilst the Authority's Charter does not require the Constituent Councils to endorse the Draft Budget, by virtue of the endorsement of the Annual Business Plan, the Council is also ostensibly endorsing the EHA Draft Budget. The Annual Business Plan, as contained in **Attachment A** does not present any specific issues or activities which would create a financial or risk management issue for this Council.

COMMENTS

Nil.

RECOMMENDATION

That the Eastern Health Authority be advised that pursuant to Clause 8 of the Charter, the Council has considered and hereby approves the Eastern Health Authority Draft 2024-2025 Annual Business Plan & Budget.

Attachments – Item 11.7

Attachment A

Eastern Health Authority Draft 2024-2025 Annual Business Plan and Budget

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Facsimile 8332 6338
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Website www.npsp.sa.gov.au



City of
Norwood
Payneham
& St Peters



101 Payneham Road,
St Peters SA 5069

PO Box 275
Stepney SA 5069

T 8132 3600 / F 8132 3623
eha@eha.sa.gov.au

www.eha.sa.gov.au
ABN 52 535 526 438

Ref: AF23/103

19 March 2024

Mr Mario Barone
Chief Executive Officer
City of Norwood Payneham & St Peters
175 The Parade
NORWOOD SA 5067

Dear Mario

RE: Eastern Health Authority (EHA) Draft Annual Business Plan and Budget for 2024/2025

In accordance with clause 7 of the EHA Charter, the EHA Board of Management has considered and endorsed a draft Eastern Health Authority Annual Business Plan and Budget for 2024/2025 (ABP) (report including ABP provided as attachment 1).

We have developed a series of strategic objectives, drawn from EHA's commitment to good governance under our Charter and our responsibilities under the *Regional Public Health and Wellbeing Plan 2020-2025*, which is prepared for and adopted by our Constituent Councils.

EHA is responsible for the 'Protection for Health' priorities in the Regional Public Health Plan, and this is reflected in our four key focus areas:

1. Public and environmental health services
2. Immunisation
3. Food safety
4. Governance and organisational development

We have prepared a Plan for the next 12 months that aligns to our strategic objectives within each focus area and guides the efficient and effective delivery of our day-to-day operations.

The Plan details the key influences that have been considered during its development as well as detailing the priorities that have been set for 2024-2025.

The forecast for the 2024/2025 financial year is that EHA's operating result will be a break-even result. A total of \$2,094,100 will be raised through contributions from our Constituent Councils.

The component of income required from Constituent Councils to fund EHA operations is determined by a formula contained within the EHA Charter. Aside from a 5% nominal administrative component that is shared equally (1% per council), costs are shared on a proportional basis, dependent upon the numbers of individual public health activities conducted by EHA on behalf of Constituent Councils.

Table 1 details the contribution required from each Constituent Council using the charter formula including a calculation of the change from the previous year. While there is a 6.29% overall increase in contributions, revised activity proportions have the effect of redistributing costs between constituent councils. The requested contribution from Norwood Payneham & St Peters Council for 2024/2025 is \$641,814.

Table 1: Constituent Council proportion and contributions for 2024/2025

2024/2025	Burnside	Campbelltown	NPSP	Prospect	Walkerville	Total
Contribution proportion 2024/2025	28.12%	25.33%	30.65%	11.89%	4.01%	100.00%
Expenditure	\$ 2,952,900					
Less General Receipts - Funding Statement D45	\$ 858,800					
Total Required Operating contributions	\$ 2,094,100					
Constituent Council Contribution proportion	28.12%	25.33%	30.65%	11.89%	4.01%	100.00%
Required Contribution	\$ 588,959	\$ 530,383	\$ 641,814	\$ 248,997	\$ 83,947	\$ 2,094,100
Change In Contribution from previous year (2023/2024)						
Contribution proportion	27.89%	24.66%	31.65%	11.27%	4.52%	100.00%
Actual Contribution	\$ 549,528	\$ 485,881	\$ 623,601	\$ 222,106	\$ 89,107	\$ 1,970,200
Change In Contribution Proportion from previous FY	0.23%	0.67%	-1.00%	0.62%	-0.51%	
Change in Contribution (\$)	\$ 39,433	\$ 44,522	\$ 18,214	\$ 26,891	\$ (5,159)	\$ 123,900
Change in contributions (%)	7.18%	9.16%	2.92%	12.11%	-5.79%	6.29%

In relation to long term contribution trends, Tables 2 & 3 demonstrates that the average annual increase in contributions requested for Constituent Councils collectively over the last 11 financial years has been 2.64% and for Norwood Payneham & St Peters Council has been 2.62%.

Table 2: Global long-term increase in contributions requested from Constituent Councils.

Combined Council Requested Contributions	Net Cost	\$ change previous year	% Change previous year
2013/2014	\$ 1,576,207		
2014/2015	\$ 1,576,605	\$ 398	0.03%
2015/2016	\$ 1,609,308	\$ 32,703	2.07%
2016/2017	\$ 1,641,065	\$ 31,747	1.97%
2017/2018	\$ 1,680,870	\$ 39,815	2.43%
2018/2019	\$ 1,723,023	\$ 42,153	2.51%
2019/2020	\$ 1,757,120	\$ 34,097	1.98%
2020/2021	\$ 1,790,674	\$ 33,554	1.91%
2021/2022	\$ 1,828,263	\$ 37,589	2.10%
2022/2023	\$ 1,828,000	\$ (263)	-0.01%
2023/2024	\$ 1,970,200	\$ 142,200	7.78%
2024/2025	\$ 2,094,100	\$ 123,900	6.29%
Average Annual Increase for 11 year period			2.64%

local councils working together to protect the health of the community

Table 3: Long-term contributions requested from Norwood Payneham & St Peters Council.

NPSP Requested Contributions	Net Cost	\$ change previous year	% Change previous year
2013/2014	\$ 485,199		
2014/2015	\$ 487,613	\$ 2,414	0.50%
2015/2016	\$ 490,646	\$ 3,033	0.62%
2016/2017	\$ 515,322	\$ 24,676	5.03%
2017/2018	\$ 512,062	\$ (3,270)	-0.63%
2018/2019	\$ 523,301	\$ 11,249	2.20%
2019/2020	\$ 559,954	\$ 36,653	7.00%
2020/2021	\$ 586,308	\$ 26,354	4.71%
2021/2022	\$ 571,786	\$ (14,522)	-2.48%
2022/2023	\$ 584,210	\$ 12,424	2.17%
2023/2024	\$ 623,601	\$ 39,391	6.74%
2024/2025	\$ 641,814	\$ 18,214	2.92%
Average Annual Increase for 11 year period			2.62%

If possible, it would be appreciated if feedback in relation to the ABP is received by 31 May 2024 so that it can be considered by the Board of Management prior to its meeting to be held on 26 June 2024 when it adopts the Annual Business Plan and Budget for 2024/2025.

If you need any more information or would like to discuss this further, please contact me on telephone 8132 3611.

Yours sincerely



Michael Livori
Chief Executive Officer

1.0 DRAFT ANNUAL BUSINESS PLAN AND BUDGETED FINANCIAL STATEMENTS FOR 2024/2025

Author: Michael Livori
Ref: AF23/103

Summary

In accordance with the *Local Government Act 1999*, Schedule 2, Part 2 Section 25:

- (1) *a regional subsidiary must have a budget for each financial year*
- (2) *each budget of a regional subsidiary*
 - (a) *must deal with each principal activity of the subsidiary on a separate basis; and*
 - (b) *must be consistent with its business plan; and*
 - (c) *must comply with standards and principles prescribed by the regulations; and*
 - (d) *must be adopted after 31 May for the ensuing financial year, and before a date fixed by the constituent councils; and*
 - (e) *must be provided to the constituent councils in accordance with the regulations.*

The Eastern Health Authority (EHA) Charter clause 8 states:

8.1 Contents of the Business Plan

- a) EHA must each year develop in accordance with this clause a business plan which supports and informs its annual budget.
- b) In addition to the requirements for the Business Plan set out in clause 24(6) of Schedule 2 to the Act, the Business Plan will include:
 - (a) a description of how EHA's functions relate to the delivery of the Regional Public Health Plan and the Business Plan;
 - (b) financial estimates of revenue and expenditure necessary for the delivery of the Regional Public Health Plan;
 - (c) performance targets which EHA is to pursue in respect of the Regional Public Health Plan.
- c) A draft of the Business Plan will be provided to the Constituent Councils on a date to be determined for the endorsement of the majority of those councils.
- d) The Board must provide a copy of the adopted annual Business Plan and budget to the Chief Executive Officers of each Constituent Council within five business days of its adoption.

Report

Development of the 2024/2025 EHA Annual Business Plan (ABP)

- On 6 March 2024, a Budget Workshop was held to provide Board Members with information in relation to the development of the 2024/2025 ABP and Budget.
- As per the agreed budget development process it is now necessary that a draft ABP and budget be formally endorsed by the Board of Management via a circular resolution, prior to being provided to Constituent Councils for consideration.

Content of the Draft Annual Business Plan 2024/2025

The EHA Board is required to adopt an Annual Business Plan and Budget each year to outline our objectives and activities for the financial year, our financial requirements and how we will measure our performance.

We have developed a series of strategic objectives, drawn from EHA's commitment to good governance under our Charter and our responsibilities under the *Regional Public Health and Wellbeing Plan 2020-2025*, which is prepared for and adopted by our Constituent Councils.

EHA is responsible for the 'Protection for Health' priorities in the Regional Public Health Plan, and this is reflected in our four key focus areas:

1. Public and environmental health services
2. Immunisation
3. Food safety
4. Governance and organisational development

We have prepared a Plan for the next 12 months that aligns to our strategic objectives within each focus area and guides the efficient and effective delivery of our day-to-day operations.

The Plan details the key influences that have been taken into account during its development as well as detailing the priorities that have been set for 2024-2025 (see table which follows).

Our 2024-25 Priorities

Focus Area	2024-25 Priorities
1. Public and Environmental Health Services	<ol style="list-style-type: none"> 1. Continue to actively collaborate and participate in the State Interagency Hoarding and Squalor group. 2. Develop educational material with key community public health messages to be promoted on EHA's website and Constituent Council social media platforms. 3. Continue to provide feedback to SA Health on the review of Public Health Regulations review as required.
2. Immunisation	<ol style="list-style-type: none"> 1. Actively promote EHA's public immunisation clinic programs through channels identified in the EHA Marketing Plan. 2. Continue to ensure the effective governance and delivery of EHA's public clinic immunisation program in accordance with the National Immunisation Program (NIP) Schedule. 3. Deliver School Immunisation Program (SIP) in accordance with the SA Health Service Agreement contract. 4. Develop a business case for the provision of immunisation services on behalf of non-Constituent Councils (dependent on available opportunities) 5. Collaborate with SA Health for integration and implementation of the new on-line consent for immunisation in preparation of SIP 2025.
3. Food Safety	<ol style="list-style-type: none"> 1. Continue to regulate the new legislative food management tools Standard 3.2.2a: Food Safety Supervisor; Food Handler Training and Records management. 2. Develop educational material with key community food safety messages to be promoted on EHA's website and Constituent Council social media platforms. 3. Develop new educational food safety non-verbal video guides to be accessed on EHA's website. 4. Develop a food safety Q & A for food businesses within EHA's Constituent Council areas.
4. Governance and Organisational Development	<ol style="list-style-type: none"> 1. Implement the elements of the Regional Public Health Plan, 'Better Living, Better Health. 2. In consultation with Constituent Councils, continue to review and revise the EHA business planning and reporting framework. 3. Work with the Audit Committee and the Board to review and revise the financial indicators in the Long-Term Financial Plan. 4. Distribution of targeted quarterly performance reports for Constituent Councils to supplement Board reports. 5. Deliver upon request a presentation highlighting strengths and benefits of centralized service delivery model for Constituent Council Elected Members.

A summary of our 2024-25 budget is also included within this Plan.

Our performance against this Annual Business Plan will be reported in our Annual Report, which will be provided to Constituent Councils by 30 September 2025.

Budget Overview

The forecast for the 2024/2025 financial year is that EHA's operating result will be a break even result. A total of \$2,094,100 will be raised through contributions from our Constituent Councils. This represents a zero (6.3%) increase in overall collective contributions from the previous year.

Operating Activity	(\$'000s)
Total Income	\$2,952
Less	
Employee costs	\$2,104
Operating Expenditure	\$800
Depreciation	\$48
Net Surplus (Deficit)	(\$0) Break Even

The key assumptions that have been used to prepare the 2024-25 Budget are summarised below.

- Use of contribution formula which will have differing impacts on individual councils.
- CPI of 6.9%, equivalent to Adelaide CPI for period to 30 June 2023.
- Enterprise Agreement increase of 4%.
- Delivery of Immunisation Service Contracts to Unley Council
- No delivery of Immunisation Service Contracts to Adelaide Hills Council – loss of income.
- No Changes to the 2025 School Immunisation Program.

Budgeted Financial Statements can be found on pages 23-26 of the ABP document and consist of a Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows and Statement of Changes in Equity.

Funding the Business Plan and the Budget

The component of income required from Constituent Councils to fund EHA operations is determined by a formula contained within the EHA Charter. Aside for a 5% nominal administrative component that is shared equally (1% per council), costs are shared on a proportional basis, dependent upon the numbers of individual public health activities conducted by EHA on behalf of Constituent Councils.

As detailed previously, there is a 6.3% increase in overall collective contributions requested from Constituent Councils for 2024/2025.

On a longer term perspective, and as seen in Table 1, the average increases in contributions requested for Constituent Councils over the last 11 financial years has been 2.64%.

Table 1: Global increase in contributions requested from Constituent Councils.

Combined Council Requested Contributions	Net Cost	\$ change previous year	% Change previous year
2013/2014	\$ 1,576,207		
2014/2015	\$ 1,576,605	\$ 398	0.03%
2015/2016	\$ 1,609,308	\$ 32,703	2.07%
2016/2017	\$ 1,641,055	\$ 31,747	1.97%
2017/2018	\$ 1,680,870	\$ 39,815	2.43%
2018/2019	\$ 1,723,023	\$ 42,153	2.51%
2019/2020	\$ 1,757,120	\$ 34,097	1.98%
2020/2021	\$ 1,790,674	\$ 33,554	1.91%
2021/2022	\$ 1,828,263	\$ 37,589	2.10%
2022/2023	\$ 1,828,000	\$ (263)	-0.01%
2023/2024	\$ 1,970,200	\$ 142,200	7.78%
2024/2025	\$ 2,094,100	\$ 123,900	6.29%
Average Annual Increase for 11 year period			2.64%

Table 2 details the contribution required from each Constituent Council using the revised formula including the change from the previous year. While there is a 6.29% overall increase in contributions, the revised formula and changes to activity proportion has the effect of redistributing costs between constituent councils.

Table 2: Constituent Council proportion and contributions for 2024/2025

2024/2025	Burnside	Campbelltown	NPSP	Prospect	Walkerville	Total
Contribution proportion 2024/2025	28.12%	25.33%	30.65%	11.89%	4.01%	100.00%
Expenditure	\$ 2,952,900					
Less General Receipts - Funding Statement D45	\$ 858,800					
Total Required Operating contributions	\$ 2,094,100					
Constituent Council Contribution proportion	28.12%	25.33%	30.65%	11.89%	4.01%	100.00%
Required Contribution	\$ 588,959	\$ 530,383	\$ 641,814	\$ 248,997	\$ 83,947	\$ 2,094,100
Change in Contribution from previous year (2023/2024)						
Contribution proportion	27.89%	24.66%	31.65%	11.27%	4.52%	100.00%
Actual Contribution	\$ 549,526	\$ 485,861	\$ 623,601	\$ 222,106	\$ 89,107	\$ 1,970,200
Change in Contribution Proportion from previous FY	0.23%	0.67%	-1.00%	0.62%	-0.51%	
Change in Contribution (\$)	\$ 39,433	\$ 44,522	\$ 18,214	\$ 26,891	\$ (5,159)	\$ 123,900
Change in contributions (%)	7.18%	9.16%	2.92%	12.11%	-5.73%	6.29%

Process from here

- The Draft ABP and Budget will be provided to Constituent Councils requesting endorsement.
- Constituent Council feedback and a final budget will be considered for adoption at the Board of Management meeting to be held on 26 June 2024.
- A copy of the budget will be provided to the Chief Executive Officer of each Constituent Council within 5 days of its adoption.

RECOMMENDATION

That:

1. The Draft Annual Business Plan and Budgeted Financial Statements for 2024/2025 Report is received.
2. The Draft Annual Business Plan and Budgeted Financial Statements for 2024/2025 provided as attachment 1 to this report is endorsed.



EASTERN HEALTH AUTHORITY ANNUAL BUSINESS PLAN AND BUDGET 2024/2025



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Introduction

Keeping the community healthy – About EHA

Eastern Health Authority (EHA) has a proud history of promoting and enforcing public health standards in Adelaide's eastern and inner northern suburbs.

We are a regional subsidiary established under the *Local Government Act 1999* and work across our Constituent Councils to protect the health and wellbeing of around 165,000 residents.

EHA is guided by the collective vision and commitment to public health and safety of our five Constituent Councils:

- City of Burnside
- Campbelltown City Council
- City of Norwood Payneham and St Peters
- City of Prospect
- Town of Walkerville

These councils have come together to prepare a shared Regional Public Health and Wellbeing Plan 2020-2025. EHA's role is covered in the Plan's strategic directions for Protecting Health and includes vital public and environment health services such as immunisation, hygiene and sanitation control, licensing and monitoring of Supported Residential Facilities (SRFs), and inspection and regulation of food premises.

EHA effectively manages the risk profile for public and environmental health and food safety across the region, having centralised services provided through a regional subsidiary model which is well recognised and valued by stakeholders.

With a single focus, and highly specialised and experienced staff, EHA is well-equipped to deal with the increasing diversity and complexity of public and environmental health on behalf of its Constituent Councils.

Key Statistics

Population Served	171,470
Staffing	26 Staff (19 FTE)
Number of Inspections Undertaken	1,271
Number of Immunisations Administered	26,903
Total Budget	\$2,952K
Grant Funding Received	\$249K
User Income Generated	\$400K
Constituent Council Contributions	\$1,094K

Developing our 2024-25 Annual Business Plan

EHA is governed by a Board of Management comprised of two members elected by each of our Constituent Councils. Our Charter is the formal agreement between the Councils about how EHA will operate and meet our obligations under the *Local Government Act 1999*.

The EHA Board is required to adopt an Annual Business Plan and Budget each year to outline our objectives and activities for the financial year, our financial requirements and how we will measure our performance.

We have developed a series of strategic objectives, drawn from EHA's commitment to good governance under our Charter and our responsibilities under the *Regional Public Health and Wellbeing Plan 2020-2025*, which is prepared for and adopted by our Constituent Councils. EHA is responsible for the 'Protection for Health' priorities in the Regional Public Health Plan, and this is reflected in our four key focus areas:

1. Public and environmental health services
2. Immunisation
3. Food safety
4. Governance and organisational development

In consultation with our Constituent Councils, we have prepared an Annual Business Plan for the next 12 months that aligns to our strategic objectives within each focus area and guides the efficient and effective delivery of our day-to-day operations.

As we are committed to continuous improvement, EHA plans to undertake further consultation with Constituent Councils throughout the year to review and refine our strategic objectives and adopt an improved business planning and reporting framework.

A summary of our 2024-25 budget and how we are performing against our Long-Term Financial Plan is also included within this Annual Business Plan.

Our performance against this Annual Business Plan will be reported in our Annual Report, which will be provided to Constituent Councils by 30 September 2024.

Key influences in 2024-25

The environment in which EHA and our Constituent Councils operate in is always changing. In preparing our 2024-25 Annual Business Plan, EHA has considered the key influences that we need to be aware of and respond to throughout the next 12 months. The major external factors that we have taken into consideration in the preparation of our Plan are summarised below.

<p>P POLITICAL</p>	<ul style="list-style-type: none"> • <i>Changes in government / council policies</i> • <i>Revised Charter</i>
<p>E ECONOMIC</p>	<ul style="list-style-type: none"> • <i>Enterprise Agreement Labour Cost Increase</i> • <i>CPI 6.9% for 12 months to June 2023.</i> • <i>Continuation of Immunisation Service Provision Contract with City of Unley</i> • <i>End of Immunisation Service Provision to Adelaide Hills Council</i> • <i>Increase in Focus on Worksite Flu Program</i> • <i>No Changes to School Immunisation program for 2025</i>
<p>S SOCIAL</p>	<ul style="list-style-type: none"> • <i>Community attitudes to vaccines</i> • <i>Community expectations of environmental health</i> • <i>Community attitude towards compliance</i> • <i>Changing customer / community expectations</i> • <i>Heightened media interest in public health and safety issues</i>
<p>T TECHNOLOGICAL</p>	<ul style="list-style-type: none"> • <i>Data collection and analysis</i> • <i>Smart technology</i> • <i>Online services / immunisation bookings / information provision</i> • <i>New ways of communicating</i> • <i>Increased functionality from enhanced Immunisation Database</i>
<p>E ENVIRONMENTAL</p>	<ul style="list-style-type: none"> • <i>Increased risk of emergency events</i> • <i>Environmental Health Impacts of climate change</i> • <i>Disease from pests</i>
<p>L LEGAL</p>	<ul style="list-style-type: none"> • <i>Revised public health regulations</i> • <i>Training and evidence requirements for Food Businesses</i> • <i>Lack of appropriate registration and licensing systems for food safety and public health matters</i> • <i>Review of Supported Residential Facility legislation.</i>

2024-2025 Annual Business Plan Overview

Our 2024-25 Priorities

Focus Area	2024-25 Priorities
1. Public and Environmental Health Services	<ol style="list-style-type: none"> 1. Continue to actively collaborate and participate in the State Interagency Hoarding and Squalor group. 2. Develop educational material with key community public health messages to be promoted on EHA's website and Constituent Council social media platforms. 3. Continue to provide feedback to SA Health on the review of Public Health Regulations review as required.
2. Immunisation	<ol style="list-style-type: none"> 1. Actively promote EHA's public immunisation clinic programs through channels identified in the EHA Marketing Plan. 2. Continue to ensure the effective governance and delivery of EHA's public clinic immunisation program in accordance with the National Immunisation Program (NIP) Schedule. 3. Deliver School Immunisation Program (SIP) in accordance with the SA Health Service Agreement contract. 4. Develop a business case for the provision of immunisation services on behalf of non-Constituent Councils (dependent on available opportunities) 5. Collaborate with SA Health for integration and implementation of the new on-line consent for immunisation in preparation of SIP 2025.
3. Food Safety	<ol style="list-style-type: none"> 1. Continue to regulate the new legislative food management tools Standard 3.2.2a: Food Safety Supervisor; Food Handler Training and Records management. 2. Develop educational material with key community food safety messages to be promoted on EHA's website and Constituent Council social media platforms. 3. Develop new educational food safety non-verbal video guides to be accessed on EHA's website. 4. Develop a food safety Q & A for food businesses within EHA's Constituent Council areas.
4. Governance and Organisational Development	<ol style="list-style-type: none"> 1. Implement the elements of the Regional Public Health Plan, 'Better Living, Better Health.' 2. In consultation with Constituent Councils, continue to review and revise the EHA business planning and reporting framework. 3. Work with the Audit Committee and the Board to review and revise the financial indicators in the Long-Term Financial Plan. 4. Distribution of targeted quarterly performance reports for Constituent Councils to supplement Board reports. 5. Deliver upon request a presentation highlighting strengths and benefits of centralized service delivery model for Constituent Council Elected Members.

Focus Area 1 - Public and Environmental Health Services

Strategic Objectives

- 1.1 Provide services that protect and maintain the health of the community and reduce the incidence of disease, injury or disability.
- 1.2 Increase awareness and understanding of good public and environmental health through community and business education programs.
- 1.3 Promote a safe and home-like environment for residents by ensuring quality of care in supported residential facilities.
- 1.4 Facilitate community safety and resilience through the integration of public and environmental health in emergency management planning.

2024-2025 Priorities

Priority	Why this is important	Strategy
1. Continue to actively collaborate and participate in the newly formed State Interagency Hoarding and Squalor group.	<p>Continue to actively collaborate and participate in the newly formed State Interagency Hoarding and Squalor group (SAHSN).</p> <p>A consultative forum that combines the North, East, West and South Hoarding and squalor groups, aiming address hoarding and squalor across the state through an interagency approach. EHA will continue to facilitate meetings once every year and will continue to support the group and assist in advocating for more effective resolutions, development, review and distribution of hoarding and squalor legislation, guidelines and procedures.</p>	1.1
2. Develop educational material with key community public health messages.	Develop and provide education material with key public health messages to the community. Key 'community public health focus themes' to be promoted throughout the year via EHA's website and through our Constituent Councils various social media platforms. Themes include:	1.1 1.2

	<ul style="list-style-type: none"> - Maintaining your swimming pool within your home (prevent mosquito harbourage, pool water quality and correctly discharge pool water) - Minimising the risk of a Legionella infection at home (maintaining hot water tanks, showers and taps, domestic spa pools and baths, evaporative coolers, therapeutic nebulisers and humidifiers and protecting yourself when gardening). - Maintaining your garden (tips to prevent the attraction and harbourage of vermin). 	
<p>3. Continue to provide feedback to SA Health on the review of Public Health Regulations review as required.</p>	<p>EHA's key responsibility is to administer the Public Health Act and its associated Regulations. Providing feedback to the review of the Regulations enables EHA to address what is working well and areas of change to enable these legislative tools to be effective to ensure residents are provided with a safe and healthy lifestyle.</p>	<p>1.1</p>

Core services

EHA will continue to:

- Implement the elements of the Regional Public Health Plan 'Better Living, Better Health' as they apply to EHA.
- Comply with all relevant legislation and reporting requirements in undertaking assessments and investigating complaints to ensure appropriate standards are met in regulated premises:
 - Public swimming pools and spas
 - Cooling towers and warm water systems
 - Personal care and body art
 - Onsite wastewater management systems
- Respond to or coordinate multi-agency responses to public health enquiries and complaints within the built environment that give rise to public health risk.

- Provide information, advice and resources to households and businesses to assist with the management of public health risks.
- Contribute to and promote interagency management of residents impacted by hoarding and squalor.
- Develop, maintain, and distribute a comprehensive range of health education and promotion material to educate the community and promote good public health and also in particular areas of focus identified by SA Health.
- Assess applications under the Supported Residential Facilities legislation and undertake inspections and investigations to ensure residents receive an appropriate level of care.
- Liaise with Constituent Councils and Eastern Adelaide Zone Emergency Management Committee to ensure integration of emergency management arrangements.
- Provide public and environmental health information to the community and businesses during emergencies to minimise public health consequences of emergency events.

Key performance indicators

We will know that we are on track to achieve our strategic objectives if we meet these Key Performance Indicators.

Strategic Objectives	KPIs
1.1 Provide services that protect and maintain the health of the community and reduce the incidence of disease, injury or disability.	EHA is meeting all public and environmental inspection requirements as per relevant legislation (and / or) adopted service standards. All public health complaints are responded to within EHA's adopted service standards.
1.2 Increase awareness and understanding of good public and environmental health through community and business education programs.	Reduce the number of health inspections that require a follow up inspection to achieve compliance. All Constituent Councils are using EHA public health resources in their own communications. Participation in at least two proactive educational activities annually.
1.3 Promote a safe and home-like environment for residents by	Conduct unannounced audits of all single license / non-dual Support Residential Facilities annually.

<p>ensuring quality of care in supported residential facilities.</p>	<p>All licensing applications are processed within the legislated timeframes.</p>
<p>1.4 Facilitate community safety and resilience through the integration of public and environmental health in emergency management planning.</p>	<p>Attend and participate in all Eastern Adelaide Zone Emergency Management Committee meetings.</p> <p>Conduct or participate in at least one business continuity or emergency management plan exercise annually.</p>

Focus Area 2 - Immunisations

Strategic Objectives

- 2.1 Contribute to the effective control of preventable disease by delivering a high-quality public clinic immunisation service that complies with all relevant legislation and standards.
- 2.2 Increase number of adult and child clients and vaccinations through promotion and provision of accessible clinics, booking systems and appointment times.
- 2.3 Continue to be recognised as a trusted partner and sector leading immunisation provider of choice.
- 2.4 Advocate for appropriate funding to ensure that local government delivery of immunisation services is financially sustainable.

2024-25 Priorities

Priority	Why this is important	Strategy
1. Promotion of EHA's public immunisation clinic program through channels identified in the EHA Marketing Plan – in particular Prospect Immunisation clinic. The clinic has changed from a morning appointment to a later 4pm – 6pm time slot in 2024.	<p>The development and distribution of promotional and information materials to our community increases awareness of our services and the importance of immunisation.</p> <p>EHA's website is an effective platform for communication of this information and other information relating to the various immunisation programs and projects being delivered.</p> <p>Building EHA's Social Media presence through Constituent Council platforms will assist in increasing awareness of immunisation clinics and Flu Worksites.</p> <p>Educate Prospect clients about the new clinic timetable options to utilise EHA's free immunisation services that their council offers.</p>	<p>2.1</p> <p>2.2</p> <p>2.3</p>
2. Continue to ensure the effective governance and delivery of EHA's public clinic immunisation program in accordance with the National	<p>Immunisation is a safe and effective way of protecting people against harmful diseases that can cause serious health problems. Continuous effective management and governance of the immunisation program delivered by our specialist</p>	<p>2.1</p> <p>2.2</p> <p>2.3</p>

<p>Immunisation Program (NIP) Schedule.</p> <p>3. Continued focus on catch up immunisation history assessments.</p>	<p>immunisation nurses and our customer service team, ensures that our community receive a high quality and safe immunisation service. Continued strong focus around completion and uptake of catch-up immunisation history assessments for new arrival families and people with overseas immunisation records. Clients are then up to date with the National Immunisation Program (NIP). Assessments are completed by EHA's Registered Nurses (RNS), and immunisation records added to AIR, increasing administered vaccine numbers at EHA clinics.</p>	
<p>4. Deliver School Immunisation Program (SIP) in accordance with the SA Health Service Agreement contract. Develop and provide in conjunction with SA Health communication tool kits for school and families.</p> <p>5. Development of online bookings system for schools.</p>	<p>An effective ongoing relationship with SA Health and the High Schools located within our area is critical the delivery of a successful program. Key elements include liaising with school coordinators and SA Health regarding the implementation and evaluation of the program, community engagement with schools, submission of consent information and statistics via IRIS and the Australian Immunisation Register (AIR).</p> <p>Efficient school planning to ensure school visits are extended out evenly throughout the year This supports EHA's capacity to deliver workplace flu programs from April – June. Development and distribution to schools and families within our SIP program communications tool kit. These will include social media tiles for distribution to the schools as a form of modern communication with families and parents via social media platforms to educate about the current SIP program.</p> <p>Explore options available for the development of an online booking</p>	2.4

	system, allowing for school dates to be booked online.	
6. Develop a business case for the provision of immunisation services on behalf of non-Constituent Councils (dependent on available opportunities). Continue to provide immunisation services to contract councils.	EHA can diversify its revenue sources by providing additional services where it has capacity and where there will be a net benefit to Constituent Councils. Providing immunisation services to Unley Council residents, in turn gaining additional exposure of EHA services to neighboring councils encouraging residents to utilise EHA services.	2.3

Core services

EHA will continue to:

- Deliver a School Immunisation Program in accordance with the SA Health Service Agreement.
- Ensure effective governance and delivery of a public health clinic immunisation program in accordance with relevant legislation and EHA's adopted service standards.
- Promote and provide a professional and quality Workplace Immunisation Program on a fee for service basis.
- Promote EHA's public immunisation clinic program in accordance with the EHA Marketing Plan
- Provide Constituent Councils with educational and promotional materials relating to immunisation.
- Promote EHA's online booking system for immunisation appointments.
- Participate in discussions with SA Health and the Local Government Association about funding and support for the delivery of local government immunisation services.
- EHA services have not historically been included in the Commonwealth's current roll out of COVID-19 vaccinations. EHA will however continue its regular contact with SA Health to enquire about future involvement in delivery of the COVID-19 vaccine in both our SIP and NIP programs.

Key performance indicators

We will know that we are on track to achieve our strategic objectives if we are meeting these Key Performance Indicators.

<i>Strategic Objectives</i>	<i>KPIs</i>
2.1 Contribute to the effective control of preventable disease by delivering	Clinic performance evaluation completed.

<p>a high-quality public clinic immunisation service that complies with all relevant legislation and standards</p>	<p>Submit all reports within the required timeframes.</p> <p>Annual Cold Chain audit and pharmaceutical refrigerator maintenance.</p>
<p>2.2 Continue to increase number of adult and child clients and vaccinations through promotion and provision of accessible clinics, booking systems and appointment times.</p>	<p>Maintain or increase the number of public immunisation clinics offered by EHA annually.</p> <p>All eligible students are offered vaccinations through the School Immunisation Program and all absent students are invited to EHA public clinics to catch up.</p> <p>75% of bookings are made via the Immunisation Online Booking System.</p> <p>Clinic Timetable reviewed and published by 30 November.</p>
<p>2.3 Continue to be recognised as a trusted partner and sector leading immunisation provider of choice.</p>	<p>Renewal rate for EHA Workplace Immunisation Program is not less than 70%</p> <p>Satisfy all requirements of the SA Health Service Agreement contract.</p>
<p>2.4 Advocate for appropriate funding to ensure that local government delivery of immunisation services is financially sustainable.</p>	<p>No reduction in the level of State Government funding provided to EHA to deliver immunisation services.</p>

Focus Area 3 - Food Safety

Strategic Objectives

- 3.1 Contribute to the effective control of preventable illness by monitoring and enforcing food safety standards and investigating food related complaints on behalf of Constituent Councils.
- 3.2 Be proactive in building positive relationships with food businesses and provide training and resources to encourage and support compliance with food safety standards.
- 3.3 Build community awareness of food safety issues by leading or participating in food safety education projects and partnerships.

2024-25 Priorities

Priority	Why this is important	Strategy
1. Continue to regulate the new legislative food management tools Standard 3.2.2a: food safety supervisor; food handler training and records or evidence.	<p>Continue to regulate the national Food Safety Standard 3.2.2a – Food Safety Management Tools: food safety supervisor; food handler training and records and evidence. The Standard introduces requirements for Australian businesses in food service, catering and retail sectors that handle unpackaged potentially hazardous food that is ready to eat. The tools have been introduced to improve the skills and knowledge of all food handlers and thereby improving the management of controls that are critical to food safety.</p> <p>Continue to distribute key communications to food businesses to assist with compliance of the new standards.</p>	<p>3.1 3.2</p>
2. Develop educational material with key community food safety messages.	Develop food safety education material to promote to the community. Key 'community food safety themes' to be promoted throughout the year via EHA's website and through our Constituent Councils various social media platforms. Themes include:	3.3

	<p>- Food Safety: Parties, buffets and picnics – information to be distributed prior to summer and festive season.</p> <p>- Food safety: Refrigeration temperature and food safety – refrigerator tips to keep food safe and fresh.</p> <p>- Food Safety: Use-by or Best Before? Explaining the difference when reading and interpreting the label of a food product to allow customers to make improved and safe choices when buying and consuming food.</p>	
3. Continue to develop new food safety educational/information videos to be accessed on EHA's website.	<p>Continue to develop new food safety educational videos. A focus is to provide 'non-verbal video guides' to assist prospective and current proprietors of their responsibilities and requirements such as 'starting a home based food business'</p> <p>These video guides are designed to be short, silent with occasional supportive text to provide clarity, to capture a wider audience, including those who are deaf or hard of hearing and where English is a second language. The video to be accessed on EHA's website.</p>	3.1 3.2 3.3
4. Develop a food safety Q & A for food businesses within EHA's Constituent Council areas.	<p>Develop a Q & A session specifically for food businesses within EHA's Constituent Council areas. The session is an opportunity for businesses to attend an informal interactive session to ask key food safety questions to assist with skills and knowledge and improving compliance with the food safety standards.</p>	3.1 3.2

Core services

EHA will continue to:

- Monitor and maintain a register of all food businesses operating within EHA's jurisdiction.
- Conduct routine food business assessments using an appropriate food safety rating tool to ensure compliance with the *Food Act 2001* and Food Safety Standards.
- Undertake enforcement action in relation to breaches of the *Food Act 2001* and Food Safety Standards and follow up actions to ensure compliance is achieved.

- Implement the voluntary SA Health Food Star Rating Scheme.
- Respond to food-related customer complaints in accordance with customer service standards and SA Health guidelines and maintain a register of all food related complaints.
- Respond to food recalls in accordance with SA Health recommendations.
- Engage with applicants and provide advice to Constituent Councils about development applications and the structural fit out of new food businesses.
- Assess risks, conduct safety assessments where required and provide educational materials for temporary food businesses and temporary events.
- Provide reports on food safety assessments investigations and actions to the Board, Constituent Councils and SA Health.
- Provide food safety training for food businesses within EHA's Constituent Council area.
- Collate a biennial food safety newsletter to be distributed to EHA's food businesses.
- Develop and maintain a comprehensive range of health education and promotion material on food safety related issues and in particular areas of focus identified by SA Health.

Key performance indicators

We will know that we are on track to achieve our strategic objectives if we meet these Key Performance Indicators.

Strategic Objectives	KPIs
3.1 Contribute to the effective control of preventable illness by monitoring and enforcing food safety standards and investigating food related complaints on behalf of Constituent Councils.	EHA is meeting all food safety inspection requirements for higher risk food business determined by the SA Food Business Risk Classification Framework and performance of the food business. All food safety complaints are investigated in accordance with EHA service standards and SA Health instructions.
3.2 EHA is proactive in building positive relationships with food businesses and provide training and resources to encourage and support compliance with food safety standards.	Reduce the number of routine food premise inspections requiring a follow up inspection to address non-compliance. The average rating given under the SA Health Food Star Rating Scheme is increasing annually. All new food businesses receive an EHA Welcome Pack following notification.

3.3 Build community awareness of food safety issues by leading or participating in food safety education projects and partnerships.

Provide food safety training to at least 60 participants annually.

All Constituent Councils are using EHA food safety education materials in their communications.

Focus Area 4 - Governance and Organisational Development

Strategic Objectives

- 4.1 Achieve best practice standards of governance in accordance with the EHA Charter and relevant legislation.
- 4.2 Keep Constituent Councils informed of the services and actions performed by EHA on their behalf and the community outcomes being achieved.
- 4.3 Demonstrate leadership within the local government sector as an advocate for public health reforms that benefit the community and councils.
- 4.4 Provide a safe, healthy and rewarding working environment.

2024-25 Priorities

Priority	Why this is important	Strategy
1. Implement the elements of the Regional Public Health Plan, 'Better Living, Better Health' as they apply to EHA.	EHA is currently responsible for ensuring that the elements of the plan relating to Health Protection are implemented on behalf of its Constituent Councils.	4.1
2. In consultation with Constituent Councils, continue to review and revise the EHA business planning and reporting framework.	It is important that we continue to improve the way we plan our services and measure the outcomes we deliver to councils and the community.	4.1 4.2
3. Work with the Audit Committee and the Board to review and revise the financial indicators in the Long-Term Financial Plan.	The EHA Long Term Financial Plan contains financial sustainability measures that are consistent with those used by Councils. As a subsidiary with a clearly defined focus on delivering public health services, we can explore whether these are the most meaningful measures for EHA to use in its new business planning and reporting framework.	4.1
4. Distribution of targeted quarterly performance reports for Constituent Councils to supplement Board reports.	Regular (quarterly) targeted performance reporting on a dash board format, focusing on high-level EHA service provision.	4.2

5. Deliver upon request a presentation highlighting strengths and benefits of centralised service delivery model for Constituent Council Elected Members.	A presentation provided to Constituent Council Elected Members and/or Executive which highlight the benefits of EHA as a centralised service delivery model provider will assist with strategic council engagement and relationships.	4.2
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Core services

EHA will continue to:

- Achieve full compliance with the requirements of the EHA Charter and the Local Government Act 1999.
- Provide administrative assistance to the Public Health Plan Advisory Committee
- Prepare and monitor a Long-Term Financial Plan
- Prepare, monitor, and implement a Corporate Risk Plan
- Make submissions on public health reforms on behalf of Constituent Councils
- Compile and submit all periodic reports on EHAs activities required by legislation (Public Health Act, Food Act, Safe Drinking Water Act etc.)
- Explore the potential for the expansion of service provision to areas outside of current Constituent Councils
- Expand the functionality of Health Manager and Mobile Health to improve inspection, compliant and administrative efficiency, and reporting capabilities.
- Foster team cohesiveness and support effective teamwork.
- Provide systems for a safe working environment with appropriate Work Health and Safety (WHS) practices in place.
- Provide professional development opportunities for staff and encourage membership of relevant professional organisations.

Key performance indicators

We will know that we are on track to achieve our strategic objectives if we meet these Key Performance Indicators.

Strategic Objectives	KPIs
4.1 Achieve best practice standards of governance in accordance with the EHA Charter and relevant legislation.	No instances of non-compliance with the EHA Charter. No instances of non-compliance with the reporting requirements to external bodies required by legislation.

	Ongoing implementation of all risk controls in the EHA Corporate Risk Plan.
4.2 Keep Constituent Councils informed of the services and actions performed by EHA on their behalf and the community outcomes being achieved.	Meet with Constituent Council nominated contacts at least four times per year. Respond to all Constituent Council requests for information within 5 business days. Provide an Annual Report to Constituent Councils by 30 September. All Constituent Councils participate in EHA's Annual Business Plan and Budget setting process.
4.3 Demonstrate leadership within the local government sector as an advocate for public health reforms that benefit the community and councils.	Written submissions on public health reform proposals are endorsed by the Board. Attend meetings of the Environmental Managers Forum.
4.4 Provide a safe, healthy and rewarding working environment.	WHS is an agenda item at all EHA staff meetings. Annual staff training and development budget is not less than 1.75% of total budget. Staff portfolios are reviewed annually as part of a performance development framework.

Budget Overview

The forecast for the 2024/2025 financial year is that EHA's operating result will be a deficit of \$30,000. The deficit is an accounting deficit (depreciation and amortisation treatments for leases) and the contributions requested from Constituent Councils will provide for a balanced operating cash budget.

A total of \$1,944,200 will be raised through contributions from our Constituent Councils

This represents a zero (6.29%) increase in overall collective contributions from the previous year.

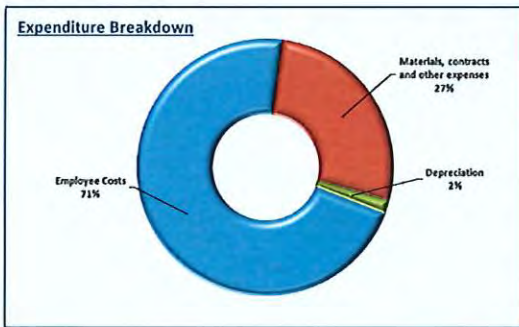
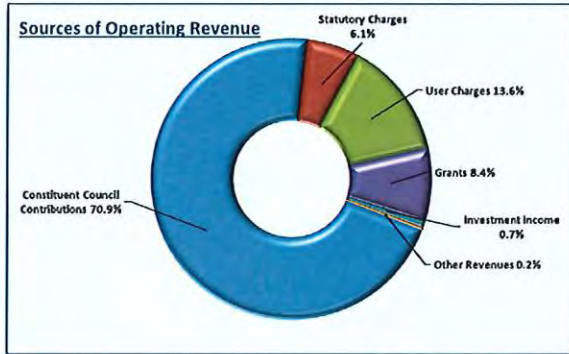
Operating Activity	(\$'000s)
Total Income	\$2,952
Less	
Employee costs	\$2,104
Operating Expenditure	\$800
Depreciation	\$48
Net Surplus (Deficit)	(\$0) Break Even

The key assumptions that have been used to prepare the 2024-25 Budget are summarised below.

- Use of Revised Contribution Formula which will have differing impacts on individual councils.
- CPI of 6.9, equivalent to Adelaide CPI for period to 30 June 2023.
- Enterprise Agreement increase of 4.
- Delivery of Immunisation Service Contracts to Unley Council
- No delivery of Immunisation Service Contracts to Adelaide Hills Council.
- No Changes to the 2025 School Immunisation Program.

Funding the Annual Business Plan

The component of income required from Constituent Councils to fund EHA operations is determined by a formula contained within the EHA Charter. Aside for a 5% nominal administrative component that is shared equally (1% per council), costs are shared on a proportional basis, dependent upon the numbers of individual public health activities conducted by EHA on behalf of Constituent Councils.



2024-25 Budget

EASTERN HEALTH AUTHORITY STATEMENT OF COMPREHENSIVE INCOME		
FOR THE YEAR ENDING 30 June 2025		
ADOPTED BUDGET 2023/2024 (After Second Review)		DRAFT BUDGET 2024/2025
	INCOME	
1,970,200	Council Contributions	2,094,100
183,800	Statutory Charges	180,300
393,000	User Charges	400,500
254,000	Grants, subsidies and contributions	249,000
20,000	Investment Income	22,000
12,000	Other Income	7,000
2,833,000	TOTAL INCOME	2,952,900
	EXPENSES	
2,024,000	Employee Costs	2,104,000
783,000	Materials, contracts and other expenses	800,900
-	Finance Charges	-
26,000	Depreciation	48,000
2,833,000	TOTAL EXPENSES	2,952,900
-	Operating Surplus/(Deficit)	-
	Net gain (loss) on disposal of assets	-
-	Net Surplus/(Deficit)	-
-	Total Comprehensive Income	-

EASTERN HEALTH AUTHORITY STATEMENT OF CASH FLOWS		
FOR THE YEAR ENDING 30 June 2025		
ADOPTED BUDGET 2023/2024 (After Second Review)		DRAFT BUDGET 2024/2025
	<u>CASHFLOWS FROM OPERATING ACTIVITIES</u>	
	Receipts	
1,970,200	Council Contributions	2,094,100
183,800	Fees & other charges	180,300
442,500	User Charges	400,500
10,000	Investment Receipts	22,000
230,000	Grants utilised for operating purposes	249,000
12,000	Other	7,000
	Payments	
(2,044,500)	Employee costs	(2,104,000)
(778,000)	Materials, contracts & other expenses	(800,900)
-	Finance Payments	-
26,000	Net Cash Provided/(Used) by Operating Activities	48,000
	<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>	
-	Loans Received	-
-	Repayment of Borrowings	-
-	Repayment of Finance Lease Liabilities	-
-	Net Cash Provided/(Used) by Financing Activities	-
	<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
-	Receipts	
-	Sale of Replaced Assets	-
-	Payments	
-	Expenditure on renewal / replacements of assets	-
-	Expenditure on new / upgraded assets	-
-	Distributions paid to constituent Councils	-
-	Net Cash Provided/(Used) by Investing Activities	-
26,000	NET INCREASE (DECREASE) IN CASH HELD	48,000
644,769	CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD	670,769
670,769	CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD	718,769

EASTERN HEALTH AUTHORITY STATEMENT OF FINANCIAL POSITION		
FOR THE YEAR ENDING 30 June 2025		
ADOPTED BUDGET 2023/2024 (After Second Review)		DRAFT BUDGET 2024/2025
	<u>CURRENT ASSETS</u>	
670,769	Cash and Cash Equivalents	718,769
271,901	Trade & Other Receivables	271,901
942,670	TOTAL CURRENT ASSETS	990,670
	<u>NON-CURRENT ASSETS</u>	
1,078,793	Infrastructure, property, plant and equipment	1,078,793
1,078,793	TOTAL NON-CURRENT ASSETS	1,078,793
2,021,463	TOTAL ASSETS	2,069,463
	<u>CURRENT LIABILITIES</u>	
121,916	Trade & Other Payables	121,916
285,083	Provisions	285,083
111,865	Borrowings	111,865
518,864	TOTAL CURRENT LIABILITIES	518,864
	<u>NON-CURRENT LIABILITIES</u>	
44,614	Provisions	44,614
881,032	Borrowings	881,032
925,646	TOTAL NON-CURRENT LIABILITIES	925,646
1,444,510	TOTAL LIABILITIES	1,444,510
423,806	NET CURRENT ASSETS/(CURRENT LIABILITIES)	471,806
576,953	NET ASSETS	624,953
	<u>EQUITY</u>	
502,570	Accumulated Surplus/(Deficit)	576,953
502,570	TOTAL EQUITY	576,953

EASTERN HEALTH AUTHORITY STATEMENT OF CHANGES IN EQUITY		
FOR THE YEAR ENDING 30 June 2025		
ADOPTED BUDGET 2023/2024 (After Second Review)		DRAFT BUDGET 2024/2025
	<u>ACCUMULATED SURPLUS</u>	
576,953	Balance at beginning of period	576,953
	Net Surplus/(Deficit)	-
576,953	BALANCE AT END OF PERIOD	576,953
	<u>TOTAL EQUITY</u>	
576,953	Balance at beginning of period	576,953
	Net Surplus/(Deficit)	-
576,953	BALANCE AT END OF PERIOD	576,953

11.8 EAST WASTE DRAFT 2024-2025 ANNUAL BUSINESS PLAN

REPORT AUTHOR: General Manager, Governance & Civic Affairs
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4549
FILE REFERENCE: qA87860
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to present to the Council the East Waste Draft 2024-2025 Annual Business Plan for endorsement.

BACKGROUND

East Waste (the Authority) is a Regional Subsidiary established pursuant to Section 43 of the *Local Government Act 1999*, for the purpose of providing waste management services to Constituent Councils. The City of Norwood Payneham & St Peters, together with the Adelaide Hills Council, the City of Burnside, the City of Campbelltown, the City of Mitcham, the City of Prospect, the City of Unley and the Town of Walkerville, make up the Constituent Councils of East Waste.

Pursuant to Clause 51 of the East Waste Charter (the Charter), East Waste must prepare an Annual Business Plan which informs and supports the Authority's Annual Budget.

Upon completion of the draft Annual Business Plan and Budget, pursuant to Clause 52.3 of the Charter, the Authority must provide the draft Plan to Constituent Councils for the purposes of obtaining approval from the Constituent Council's on or before 31 May.

The Annual Business Plan can only be adopted by the East Waste Board, with absolute majority approval of the Constituent Councils.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

Not Applicable

FINANCIAL AND BUDGET IMPLICATIONS

As a Constituent Council, there are financial implications for the Council's budget, emanating from the East Waste Draft Annual Business Plan (the Plan) and Budget and while Constituent Councils are not required, pursuant to the East Waste Charter, to approve the East Waste Budget, by virtue of the endorsement of the Plan, the Constituent Councils ostensibly endorse the Authority's draft Budget.

The Authority's draft Budget is based on a Common Fleet Costing methodology, with Common Fleet Costs, which predominately relate to collection costs, being charged to Constituent Councils based on the cost to undertake the collection of each Constituent Council's waste streams. The allocation of the Common Fleet Costs is based on the East Waste's GPS System. It should be noted that as per the Authority's Budget Policy, the Common Fleet Cost includes an additional charge to incorporate a return on revenue, which is currently set at 1% of the Common Fleet Costing Charge. The reasons for this are unclear.

In addition, where Constituent Councils utilise East Waste for other services such as Contract Management Services (Disposal and Resource processing) and Waste Bin Maintenance, these services are on-charged to the respective Councils at cost. That is, each Council bears the cost of these additional services that are required.

However East Waste have advised that as a result of a number of financial challenges and pressures, East Waste has been required to make several fiscally difficult decisions in order to deliver an acceptable overall year-on-year increase for Member Councils.

On this basis, East Waste have determined not to apply the 1% Common Fleet Costing charge as part of the 2024-2025 Budget. This will reduce the total Budget by approximately \$170,000, meaning that East Waste will not achieve a budgeted Operating surplus. While this provides a saving to Member Councils in the 2024-2025 financial year in respect to the collection fees, it will result in East Waste commencing the 2025-2026 Budget with a potential deficit. However, East Waste has advised that it is confident that cash reserves can be utilised rather than seeking (recovering) the shortfall from Member Councils.

It is important to note however, that assuming the 1% Common Fleet Charge is applied for the 2025-2026 financial year and all expenses and income remain consistent, Member Councils can expect an overall fee increase greater than CPI as part of the 2025-2026 Budget.

The Council's Draft Waste Management Budget, reflects that \$2,456.804 million (\$2.336 million in 2023-2024) to be charged for the collection of this Council's waste streams, which include Domestic waste, Green Organics, Recyclables, Public Litter Bins, Illegal Dumping and pre-booked Hard Rubbish Collection.

The Council's Draft 2024-2025 Budget has been amended to include the increased charges which have been proposed by East Waste.

There are a number of factors which have influenced East Waste's Draft Plan and Budget, which are highlighted in the Discussion Section of this report.

EXTERNAL ECONOMIC IMPLICATIONS

Nil

SOCIAL ISSUES

Nil

CULTURAL ISSUES

Nil

ENVIRONMENTAL ISSUES

Nil

RESOURCE ISSUES

Nil

RISK MANAGEMENT

Nil

CONSULTATION

- **Elected Members**
Cr Claire Clutterham is a Member of the East Waste Board and Cr Victoria McFarlane is the Deputy Board Member.
- **Community**
Not Applicable.
- **Staff**
Representatives from East Waste have held discussions with the Council's Manager, City Services regarding the collection costs.
- **Other Agencies**
Not Applicable.

DISCUSSION

The *East Waste 2030 Strategic Plan* is based on the following objectives:

- deliver cost-effective and efficient services facilities;
- maximise source separation and recycling;
- provide leading and innovative behaviour change and education;
- help develop a local circular economy; and
- provide leadership.

The 2024-2025 Draft Plan and Budget has been prepared to progress the objectives of the *East Waste 2030 Strategic Plan*.

As stated previously, a number of factors have influenced the draft Plan and Budget, including the following:

- Employee Enterprise Agreement - Waste Collection Operators are currently in the final year of a three-year Enterprise Agreement (EA). The current EA includes annual wage increases (1.75% -2.2%), which over the last 3 years, has resulted in salary increases that are 10.7% lower than CPI over the same period. This has resulted in East Waste not remaining competitive in the broader labour market and has made attraction and retention of Operators difficult. To ensure that East Waste remains competitive a market review has been undertaken and as such an interim wage adjustment has been made which was funded through existing cash reserves;
- maintenance of the East Waste Fleet - East Waste has in excess of 50 waste collection vehicles. Over the past 18 months access to and the cost of spare parts has significantly increased; and
- lease costs for the East Waste Depot - East Waste is in the process of negotiating a new lease for the premises at Ottoway which could result in an increase to the lease fees.

A copy of the Draft 2024-2025 Annual Business Plan & Budget is contained in **Attachment A**.

OPTIONS

The Council can choose not to endorse the draft 2024-2025 Annual Business Plan, however, there are no specific issues or activities which present a financial or risk management issue for this Council to take this course of action.

CONCLUSION

In line with the East Waste Charter, Constituent Councils are not required to endorse the draft Budget however by virtue of the endorsement of the Annual Plan, the Council is also ostensibly endorsing the East Waste Budget.

COMMENTS

Nil

RECOMMENDATION

That the Eastern Waste Management Authority Incorporated be advised that pursuant to Clause 52 of the Charter, the Council has considered and hereby approves the Authority's Draft 2024-2025 Annual Business Plan.

Attachments – Item 11.8

Attachment A

East Waste Draft 2024-2025 Annual Business Plan

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

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Facsimile 8332 6338
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au



City of
Norwood
Payneham
& St Peters

EastWaste



2024/25 Annual Plan

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VISION

The Destination

To be the leading waste logistics company in Australia through the delivery of innovative collection and resource management services.

MISSION

The Vehicle

Delivering leading-edge solutions and services for a cleaner and sustainable future.

Executive Summary

The FY24 year has been a year of evolution for East Waste with three weekly FOGO (Food Organics, Green Organics) trials rolled out across Member Councils. The initial success and momentum more broadly of this approach, is likely to see an extension of existing, and the rollout of further trials being a core focus of East Waste in the FY25 year. Albeit, a supportive legislative approach is required, which at the time of drafting the Annual Plan is under threat due to an announcement on new legislation which will impact on Local Government's ability to drive behaviour change and achieve diversion targets.

A preliminary review of the East Waste 2030 Strategic Plan has identified the need to undertake a comprehensive review of the document to raise the strategic nature and outlook of the document. This process is reflective of the evolving maturity of East Waste as an Organisation over the past decade and the trajectory we are currently on.

Other key focusses of the FY25 Annual Plan include an East Waste led co-mingled recycling, organics and landfill contracts being placed into the market throughout the FY24/25 year. Through these contracts East Waste will deliver aggregated savings to Member Councils wishing to participate and can kick start significant circular economy and higher use material resource benefits. With the benefit of experience and lessons learned from recent joint approaches to the market, East Waste can position for strong contemporary market approach and contract.

Background

East Waste is the trading name of Eastern Waste Management Authority, which was established in 1928. The Authority is a regional subsidiary of the Adelaide Hills Council, City of Burnside, Campbelltown City Council, City of Norwood Payneham & St Peters, City of Mitcham, City of Prospect, City of Unley and Town of Walkerville.

East Waste is governed by a Charter ([the Charter](#)) pursuant to *Section 43* of the *Local Government Act 1999* and administered by a [Board](#), which includes a director appointed by each Council and an Independent Chair.

Clause 51 of the Charter requires the Authority each year to have an Annual Plan which supports and informs the budget. Specifically, it is to include an outline of East Waste's objectives, the activities intended to be pursued, and the measurement tools defined to assess performance. It must also assess and summarise the financial requirements of East Waste and set out the proposals to recover overheads and costs from the Member Councils.

Sitting above the Annual Plan is the *East Waste 2030 Strategic Plan* which sets out a series of bold and ambitious targets (Key Performance Indicators) which we aspire to meet through five Key Objectives and a series of Strategies. The *2030 Strategic Plan* is summarised on the following page.

For full context this Plan should be read in conjunction with East Waste's broader strategic planning framework including the *Strategic Plan 2030*, Long-Term Financial Plan, and Risk Management Planning Framework.

As a regional subsidiary, East Waste recognises that success from this Annual Plan is not possible without the continued support, integration and active working partnership of all our Member Councils and key Strategic Partners. East Waste is committed to developing and continuing partnerships which ultimately drive value back to the communities we serve. The value East Waste offers is unique, in that we are continually working with our Member Councils to drive down costs. East Waste have established a model where we are nimble and respond swiftly to external impacts and Member Council requests, in a far more timely manner than industry counterparts. East Waste takes much of the worry and pressures associated with waste away from the Member Councils, allowing them to focus on other key matters of importance to them and their communities.

East Waste 2030 Strategic Plan Vision, Objectives & Strategies

VISION

To be the leading waste logistics company in Australia through the delivery of innovative collection and resource management services to our Member Councils & their Communities.

OBJECTIVES

1. Deliver cost-effective and efficient services facilities
2. Maximise source separation and recycling
3. Provide leading and innovative behaviour change and education
4. Help develop a local circular economy
5. Provide leadership

STRATEGIES

- | | | | | |
|--|---|--|--|--|
| <ol style="list-style-type: none"> 1.1 Attract additional services and/or new councils where further economies of-scale can be achieved 1.2 Offer a single contract for the management of the residual waste to all member councils 1.3 Partner with other councils and organisations to achieve greater synergies and economies of scale in service delivery 1.4 Investigate and implement collection technologies and innovation 1.5 Provide a consistently high standard of Customer Service | <ol style="list-style-type: none"> 2.1 Provide more service choice and flexibility to residents on kerbside services to support them to increase their recycling levels 2.2 Provide a tailored 3-stream service to Multi-Unit Dwellings (MUDs) to support waste reduction and increased recycling 2.3 Pilot a tailored service delivery model across a business precinct(s) to support waste reduction and increased recycling | <ol style="list-style-type: none"> 3.1 Engage in research and projects delivering evidence-based data which increases behaviour change decision making 3.2 Develop an integrated and tailored long-term community behaviour change and education program 3.3 Identify and trial behaviour change programs aimed at reducing contamination 3.4 Encourage and support councils to introduce an incentive(s) to households to reduce their landfill volumes 3.5 Engage schools in behaviour change & waste education | <ol style="list-style-type: none"> 4.1 Support local reprocessing and procurement of recycled content products 4.2 Encourage and support councils to procure and use recycled content products 4.3 Support councils to implement sharing economy and reuse initiatives 4.4 Investigate options to process and extract the highest value from collected resources | <ol style="list-style-type: none"> 5.1 Implement best practice safety standards 5.2 Advocate on behalf of our Member Councils 5.3 Invest in our people 5.4 Quality and transparent Corporate (Governance & Financial) Activities |
|--|---|--|--|--|

KPIs

We will measure our success in reaching our objectives through the following KPIs...



2024/25 Focus

While the Strategic Plan undergoes a review, East Waste will still maintain a focus and pursue progression towards the Vision and objectives of the 2030 Strategic Plan. Regardless of the future direction settled upon, it is highly likely that the current objectives will, at the very least, underpin our thinking and operational aspirations into the future.

East Waste continues to pursue innovation and be at the forefront of service delivery changes for the betterment of our Councils and the Community. East Waste exists to create financial and efficiency savings, not to generate a profit to return to shareholders. This is an important and fundamental distinction of East Waste compared to the private sector and key benefit of being within the East Waste subsidiary.

The review of the Strategic Plan is likely to result in a new suite of KPIs (Key Performance Indicators), but for now the focus and agreed actions will work towards the existing agreed group of indicators. As a partnership Organisation, East Waste requires the support and engagement with our Member Councils and external Organisations in order to work closer to them.

Objective 1: Deliver cost-effective and efficient services & facilities ensure East Waste remains true to its core function of providing high quality and fiscally efficient services to Member Councils, while at the same time seeking external opportunities which add value to the East Waste model. In addition, ensuring that we continue to have contemporary modes of engagement and facilities to deliver services is paramount.

Objective 2: Maximise Source Separation and Recycling and *Objective 3: Provide leading and innovative behaviour change and education* are centred on improving material efficiency, diversion from landfill and actively working towards the Key Performance Indicators listed within the 2030 Strategic Plan. The actions are also designed to help East Waste as an entity, achieve the State Government 2025 diversions targets (specifically Municipal Solid Waste and Food). Within these targets are specific actions centred around improving food waste efficiency and the preliminary result undertaken through the FY24 weekly Food Organics and Garden Organics (FOGO) trails are very promising and warrant further exploration and expansion.

Objective 4: Help Drive a Local Circular Economy, recognises that East Waste has a role to play in assisting and supporting our Members to be more engaged and active within the local circular economy space.

Objective 5: Provide Leadership, actions assist East Waste to continue to strengthen the integrity of internal systems, processes and framework and invest in our people, in order to reduce risk and improve our already high Governance levels.

The actions are far from a prescriptive list, rather the key projects East Waste intends to undertake over the 2024/25 year and more detail on each is provided below. East Waste provides unique and valuable benefits back to our Member Councils far beyond financial savings which cannot be generated through traditional waste contracts. East Waste exists to create financial and efficiency savings, not to generate a profit to return to shareholders. And East Waste achieves this, whilst maintaining a high-level and high-quality service. This has been clearly

demonstrated through the weekly FOGO collection trails undertaken in the past 6 months, where the logistical approach and focus designed by East Waste, has generated a far greater uptake by the community and generated economic and environmental savings not previously realised in other trials implemented in metropolitan Adelaide. The short payback periods that East Waste have shown we can achieve are predominately driven by East Waste's focus to drive efficiency savings to our Member Councils, not profit to shareholders and to match household waste generation with the most appropriate waste collection regime.

The success of implementation of the East Waste-led FOGO trails, coupled with the preliminary results has generated significant interest and excitement amongst several other Member Councils. Recent announcements by the State Government regarding the potential implementation of legislation which will constrain Local Governments flexibility in this space has resulted in this positive advancement being placed in limbo. The advancement previously planned for in FY25 has now been contracted significantly.

East Waste led co-mingled recycling, organics and landfill contracts will be placed into the market throughout the FY24/25 year. Building on recent experiences in this space, East Waste will deliver an aggregated saving to Member Councils wishing to participate and can kick start significant circular economy and higher use material resource benefits.

It is an exciting time to be a part of East Waste with the operational shifts that are occurring, the collaboration being generated from within and interest from external parties to partner. The review of the Strategic Plan will undoubtedly reflect this through a higher-level, less operational focus than it has historically been. The evolution, maturity and growth of East Waste is set to continue throughout the FY25 financial year.

This Annual Plan is to be effective from 1 July 2024.



Annual Plan 2024/25 Delivery Schedule

NO.	ACTIVITY/PROJECT	OVERVIEW	OBJECTIVE	STRATEGY	MAIN KPI/TARGET	BUDGET
DELIVER COST EFFECTIVE AND EFFICIENT SERVICES AND FACILITIES						
1.	Continue & Expand Core services	East Waste optimisation will come from providing a full suite of services to Member Councils. Where this doesn't occur, East Waste will present detailed business cases for the Council's consideration in a bid to secure these services.	Deliver Cost Effective and efficient services and facilities	1.1	Vision Target	Recurrent
2.	Investigate opportunities outside of existing Member Councils.	When potential opportunities arise, East Waste will investigate service provision to non-member Councils and subsidiaries where the benefit and/or the fostering of partnerships can drive value to Member Councils.	Deliver Cost Effective and efficient services and facilities	1.1	Vision Target	Recurrent
3.	'Landfill' Bin Contract	Member Councils have historically held their own contracts for the disposal/processing of the red/blue bin. As a subsidiary focussed on aggregation, East Waste will investigate, and if feasible, pursue an East Waste-led red/blue bin processing contract.	Deliver Cost Effective and efficient services and facilities	1.2	At least 75% of kerbside material separately collected & recycled	Recurrent
4.	Increase Customer Engagement Opportunities	East Waste has implemented a number of customer service engagement systems in recent years and this work will continue with the consolidation of Customer Service Systems; ultimately creating an improved work management flow.	Deliver Cost Effective and efficient services and facilities	1.5	Vision Target	Recurrent + Service Initiative \$0.075M

MAXIMISE SOURCE SEPARATION & RECYCLING						
5.	Advance trials and rollout of weekly organics collections	Through the success of current trials undertaken by East Waste and more broadly across metropolitan Adelaide, East Waste will pursue the design and implementation of at least one further weekly organics collection trial and a full Council rollout.	Maximise Source separation and recycling	2.1	<ul style="list-style-type: none"> At least 75% of kerbside material separately collected & recycled 100% of food waste separately collected and recycled. 	Recurrent + Service Initiative \$0.025k

• PROVIDE LEADING AND INNOVATIVE BEHAVIOUR CHANGE AND EDUCATION

6.	Delivery of the "Why Waste It?" behaviour change program and associated social media.	Utilising the results of the reviews and biennial kerbside audits undertaken over the past 6 years, refine and deliver the ongoing successful "Why Waste It?" program, with a strong food waste separation focus.	Provide leading and innovative behaviour change and education	3.2	• Vision Target	Recurrent + Service Initiative \$0.195M
----	---	---	---	-----	-----------------	---

HELP DRIVE A LOCAL CIRCULAR ECONOMY

7.	Develop and Procure high value processing contracts.	East Waste on behalf of engaged Member Councils will procure new long-term organic and co-mingled recycling contracts with a focus on ensuring the collected material is processed in a manner which retains and utilises the material at its highest order and so far as possible, locally.	Help Drive a Local Circular Economy	4.4	Vision Target	Recurrent
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PROVIDE LEADERSHIP						
8.	Fleet Replacement	In line with the Long-Term Financial Plan, undertake the replacement of five (5) collection vehicles.	Provide Leadership	5.4	Vision Target	Capital \$2.200M
9.	WHS System Responsibility and Accountability	Continuation of ongoing Risk Management and Work Health & Safety systems and processes to provide a safe and healthy workplace for all employees and those which interact with us.	Provide Leadership	5.1	Implement best practice safety standards	Recurrent
10.	Develop Carbon Accounting	With a strong focus on emissions and carbon reporting, East Waste will undertake a project to identify the extent of its carbon emissions and future projects to target reduction.	Provide Leadership	5.4	Quality, transparent Corporate Activities.	Recurrent + Service Initiative \$0.025M



Budget Management

East Waste operates its waste collection services on a Common Fleet Costing methodology, whereby each respective Member Council is charged directly according to the proportionate time it takes to undertake their respective collection services. This is achieved through the utilisation of a specialised, highly accurate and powerful cloud-based, real-time GPS based system, supported and cross-checked by detailed reporting capabilities. As a result of this, minor variations in the common fleet percentages (and therefore apportioning of Common Fleet costs) occur from year-to-year to account for realised efficiencies, changes in the number of collections undertaken and movement in collection operating costs (e.g. housing inf-fill and developments, Fire Ban days and events).

The Tables on the following page provide a detailed summary of the key business activities undertaken by East Waste on behalf of its Member Councils. Table 1 provides a summary of the operating and capital income and expenditure elements forecasted for waste collection activities for 2024/25. Unsurprisingly the most significant expenditure relates to the logistical requirements of serving the kerbside collections across eight Councils and over 25% of Adelaide's residential population. Fleet replacement, which occurs on a cyclical annual basis, is currently funded via external loan borrowings.

As can be seen from Tables 2 and 3, one of the significant benefits of being an East Waste member is that on top of the highly competitive prices received as a result of aggregated buying power, no administrative, handling or on-costs are charged in relation to resource processing contracts held by East Waste or bin maintenance services. All are charged at-cost.

Labour, fuel costs and fleet maintenance remain the largest operation costs associated with collections (accounting for almost 80% of the common fleet costs). The labour market has been challenging over past 18 months and particularly the last six, requiring East Waste to undertake a market reset in order to attract and retain appropriate staff to carry out our service each day. This has impacted upon higher than CPI year on year increase required for FY25. Fuel has stabilised somewhat over the past 6 months, however the threat of volatility in this market is ever present. Borrowings are based on the most recent Local Government Finance Authority (LGFA) forecasts.

The FY25 increase to Member Councils has been reduced in the FY25 year through a Board decision to not apply the 1% common Fleet Costing Surplus. While this provides relief to Member Council fees, it results in the FY26 budget process commencing in a deficit position (assuming all costs and income remain equal). The net result is an increase marginally higher than CPI, which is unusual for East Waste, however is 1.2% lower than the projected increase forecasted within the East Waste Long Term Financial Plan.

The budget to deliver this Annual Plan, along with all East Waste's Services and legislative requirements is detailed in the following proposed 2024/25 Financial Papers (refer Attachment 1 – 5).

Table 1: 2024/25 Budget Summary - Waste Collection Services

	Income	Expenditure	Net Surplus /Deficit
	\$	\$	\$
Recurrent- Waste Collection	17,586,287	17,577,708	8,579
Recurrent - Corporate Administration	426,421	-	426,421
Service Initiatives	-	435,000	(435,000)
Capital Program	-	2,308,500	(2,308,500)
Total	18,012,708	20,321,208	(2,308,500)

Table 2: 2024/25 Budget Summary - Bin Maintenance Services

	Income	Expenditure	Net Surplus /Deficit
	\$	\$	\$
Recurrent	1,543,605	1,543,605	-
Service Initiatives	-	-	-
Capital Program	-	-	-
Total	1,543,605	1,543,605	-

Table 3: 2024/25 Budget Summary - Waste Processing Services

	Income	Expenditure	Net Surplus /Deficit
	\$	\$	\$
Recurrent	5,827,332	5,827,332	-
Service Initiatives	-	-	-
Capital Program	-	-	-
Total	5,827,332	5,827,332	-

Financial Statements

EAST WASTE

Projected Statement of Comprehensive Income (Budgeted)
for the Financial Year Ending 30 June 2025

FY2023		FY2024	FY2024	FY2025
Audited Actuals		Adopted Budget	BR2	Proposed Budget
\$'000		\$'000	\$'000	\$'000
	Income			
21,188	User Charges	22,747	22,747	23,704
46	Investment income	20	55	48
-	Grants, subsidies and contributions	50	50	-
1,078	Other	1,322	1,372	1,552
22,312	Total	24,139	24,224	25,304
	Expenses			
7,476	Employee Costs	7,675	7,885	8,865
12,184	Materials, contracts & other expenses	13,275	13,514	13,118
2,108	Depreciation, amortisation & impairment	2,657	2,566	2,707
354	Finance costs	384	430	694
22,122	Total	23,991	24,395	25,384
190	Operating Surplus / (Deficit)	148	(171)	(80)
143	Asset disposals & fair value adjustments	18	60	80
333	Net Surplus / (Deficit)	166	(111)	-
-	Other Comprehensive Income	-	-	-
333	Total Comprehensive Income	166	(111)	-

EAST WASTE

Projected Balance Sheet (Budgeted)
for the Financial Year Ending 30 June 2025

FY2023		FY2024	FY2024	FY2025
Audited Actuals		Adopted Budget	BR2	Proposed Budget
\$'000		\$'000	\$'000	\$'000
	Assets			
	Current			
3,953	Cash & Cash Equivalents	3,001	2,100	2,508
746	Trade & Other Receivables	935	746	746
43	Inventory	50	43	43
4,742	Total	3,986	2,889	3,297
	Non-Current			
9,510	Infrastructure, Property, Plant & Equipment	10,490	11,066	13,721
9,510	Total	10,490	11,066	13,721
14,252	Total Assets	14,476	13,955	17,018
	Liabilities			
	Current			
1,266	Trade & Other Payables	1,311	1,216	1,227
2,306	Borrowings	2,200	2,355	2,285
871	Provisions	893	931	991
4,443	Total	4,404	4,502	4,503
	Non-Current			
8,490	Borrowings	8,402	8,185	11,187
136	Provisions	229	196	256
8,626	Total	8,631	8,381	11,443
13,069	Total Liabilities	13,035	12,883	15,946
1,183	Net Assets	1,441	1,072	1,072
	Equity			
1,183	Accumulated Surplus	1,441	1,072	1,072
1,183	Total Equity	1,441	1,072	1,072

EAST WASTE

Projected Statement of Cash Flows (Budgeted)
for the Financial Year Ending 30 June 2025

FY2023		FY2024	FY2024	FY2025
Audited Actuals		Adopted Budget	BR2	Proposed Budget
\$'000		\$'000	\$'000	\$'000
	Cash Flows from Operating Activities			
	Receipts			
22,455	Operating Receipts	24,069	24,119	25,256
46	Investment Receipts	20	55	48
	Payments			
(7,361)	Employee costs	(7,565)	(7,765)	(8,745)
(12,397)	Materials, contracts & other expenses	(13,275)	(13,514)	(13,118)
(304)	Interest Payments	(384)	(433)	(683)
<u>2,439</u>	Net Cash Flows from Operating Activities	<u>2,865</u>	<u>2,462</u>	<u>2,758</u>
	Cash Flows from Investing Activities			
	Receipts			
145	Sale of Replaced Assets	50	92	80
	Payments			
(587)	Expenditure on Renewal/Replaced Assets	(2,115)	(4,111)	(2,249)
(2,484)	Expenditure of New/Upgraded Assets	(40)	(40)	(60)
<u>(2,926)</u>	Net Cash Flows from Investing Activities	<u>(2,105)</u>	<u>(4,059)</u>	<u>(2,229)</u>
	Cash Flow from Financing Activities			
	Receipts			
4,525	Proceeds from Borrowings	2,115	2,115	2,114
	Payments			
(271)	Repayment of Lease Liabilities	(285)	(285)	(170)
(1,815)	Repayment of Borrowings	(1,944)	(2,086)	(2,065)
<u>2,439</u>	Net Cash Flow from Financing Activities	<u>(114)</u>	<u>(256)</u>	<u>(122)</u>
1,952	Net Increase (Decrease) in cash held	646	(1,853)	408
<u>2,001</u>	Cash & cash equivalents at beginning of period	<u>2,355</u>	<u>3,953</u>	<u>2,100</u>
<u>3,953</u>	Cash & cash equivalents at end of period	<u>3,001</u>	<u>2,100</u>	<u>2,508</u>

EAST WASTE

Projected Statement of Changes in Equity (Budgeted)
for the Financial Year Ending 30 June 2025

FY2023	FY2024	FY2024	FY2025
Audited Actuals	Adopted Budget	BR2	Proposed Budget
\$'000	\$'000	\$'000	\$'000
850			
Balance at Start of Period - 1 July	1,275	1,183	1,072
333			
Net Surplus / (Deficit) for Year	166	(111)	-
-			
Contributed Equity	-	-	-
-			
Distribution to Councils	-	-	-
<u>1,183</u>	<u>1,441</u>	<u>1,072</u>	<u>1,072</u>
Balance at End of Period - 30 June			

EAST WASTE

Projected Uniform Presentation of Finances (Budgeted)
for the Financial Year Ending 30 June 2025

FY2023		FY2024	FY2024	FY2025
Audited Actuals		Adopted Budget	BR2	Proposed Budget
\$'000		\$'000	\$'000	\$'000
	Income			
21,188	<i>User Charges</i>	22,747	22,747	23,704
46	<i>Investment income</i>	20	55	48
-	<i>Grants, subsidies and contributions</i>	50	50	-
1,078	<i>Other</i>	1,322	1,372	1,552
22,312		24,139	24,224	25,304
	Expenses			
7,476	<i>Employee Costs</i>	7,675	7,885	8,865
12,184	<i>Materials, contracts & other expenses</i>	13,275	13,514	13,118
2,108	<i>Depreciation, amortisation & impairment</i>	2,657	2,566	2,707
354	<i>Finance costs</i>	384	430	694
22,122		23,991	24,395	25,384
190	Operating Surplus / (Deficit)	148	(171)	(80)
	Net Outlays on Existing Assets			
(587)	<i>Capital Expenditure on Renewal and Replacement of Existing Assets</i>	(2,115)	(4,111)	(2,249)
2,108	<i>Depreciation, Amortisation and Impairment</i>	2,657	2,566	2,707
145	<i>Proceeds from Sale of Replaced Assets</i>	50	92	80
1,666		592	(1,453)	538
	Net Outlays on New and Upgraded Assets			
(2,484)	<i>Capital Expenditure on New and Upgraded Assets</i>	(40)	(40)	(60)
-	<i>Amounts Specifically for New and Upgraded Assets</i>	-	-	-
-	<i>Proceeds from Sale of Surplus Assets</i>	-	-	-
(2,484)		(40)	(40)	(60)
(628)	Annual Net Impact to Financing Activities (Surplus/(Deficit))	700	(1,664)	398

11.9 Highbury Landfill Authority Draft 2024-2025 Budget

REPORT AUTHOR: General Manager, Governance & Civic Affairs
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4549
FILE REFERENCE: fA22034
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to present to the Council, the Highbury Landfill Authority Draft 2024-2025 Budget for endorsement.

BACKGROUND

The Highbury Landfill Authority (the Authority) is a Regional Subsidiary established pursuant to Section 43 of the *Local Government Act 1999*, for the purpose of facilitating the closure and post closure management of the former Highbury Landfill site. The City of Norwood Payneham & St Peters, together with the City of Burnside and the Town of Walkerville, make up the Constituent Councils of the Authority.

The Highbury Landfill was previously used by East Waste. At the time when the Highbury Landfill Authority was being operated by East Waste, the Constituent Councils were the City of Norwood Payneham & St Peters, City of Burnside and the Town of Walkerville.

As such, these Councils have continued ownership of the landfill and established the Highbury Landfill Authority to manage the closure on behalf of the Constituent Councils.

Pursuant to Clause 4.5 of the Authority's Charter (the Charter), the Authority must prepare an Annual Budget.

Pursuant to Schedule 2 Clause 25 (3) of the *Local Government Act 1999*, a Subsidiary, may with the approval of the Constituent Councils, amend its adopted budget at any time prior to the completion of the financial year.

The Draft Budget must be adopted by the Authority's Board by 30 June of each year.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

Not Applicable.

FINANCIAL AND BUDGET IMPLICATIONS

The financial implications for this Council associated with the Draft 2024-2025 Budget relate to the cash which is required to fund the required post-closure works and management of the former landfill and the recognition of the Authority's Operating Result within the Council's Statement of Comprehensive Income.

Based on the Authority's projected expenditure for 2024-2025, this Council's contribution will be \$108,964, which includes monitoring and site maintenance costs.

Upon approval by the Council and adoption by the Authority's Board, the Council's Draft 2024-2025 Budget will be updated accordingly.

EXTERNAL ECONOMIC IMPLICATIONS

Not Applicable.

SOCIAL ISSUES

Not Applicable.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

Not Applicable.

RISK MANAGEMENT

As an owner, the Council is responsible to meet the liabilities of the Authority, should the Authority not be in a position to meet those liabilities. The extent of the Council's exposure is however limited to its ownership share, which is currently 40.4%.

The Authority is fourteen (14) years into the post-closure period which is managed in accordance with the approved Risk Management Plan which has been formulated as part of a Closure Plan that has been approved by the Environment Protection Agency (EPA).

CONSULTATION

- **Elected Members**
Cr Piggott is this Council's appointee on the Highbury Landfill Authority Board.
- **Community**
Not Applicable.
- **Staff**
Not Applicable.
- **Other Agencies**
Not Applicable.

DISCUSSION

The Authority is required to oversee the management of the landfill until a 'steady state of conditions' in respect to the gas emissions is achieved and maintained.

The Authority's 2024-2025 Draft Budget includes expenditure items associated with the post-closure requirements which include:

- monthly monitoring of landfill gas and annual monitoring of ground water across the landfill site;
- site maintenance, which includes ongoing maintenance for fire control, fencing and access track maintenance; and
- administration costs such as insurance, utilities, Council rates (the Landfill is located in the City of Tea Tree Gully) and costs associated with the general administration of the Authority.

The Authority is required to oversee the management of the landfill until a steady state of conditions in respect to the gas emissions is maintained, which could be more than 25 years. In accordance with the Risk Management Plan, the methane flare on the landfill has been modified to operate at much lower concentrations of methane gas and lower flow rates.

As set out above, this Council's contribution is \$108,964, an increase of \$28,250 on the 2023-2024 contribution.

In terms of the increased contribution, a number of unplanned upgrades were required to be undertaken in 2023-2024 including the following:

- upgrades to the existing gas system at a cost of \$15,000; and
- an upgrade of the existing landfill gas monitoring network due to the closure of the 3G network across Australia, at a cost of \$30,000.

In addition, the Constituent Council contributions have not increased for the last three (3) years.

The Constituent Councils' contributions therefore, have been adjusted in the Draft 2024-2025 Budget to accommodate this unplanned expenditure.

A copy of the Draft 2024-2025 Budget is contained in **Attachment A**.

OPTIONS

The Council can choose to endorse or not to endorse the Authority's Draft 2024-2025 Budget. There are no specific issues or activities which present a financial or risk management issue for this Council, and as such it is recommended that the Council endorse the Authority's Draft 2024-2025 Budget.

CONCLUSION

Nil

COMMENTS

Nil

RECOMMENDATION

That the Highbury Landfill Authority be advised that pursuant to Clause 4.5 of the Charter, the Council has considered and hereby approves the Authority's Draft 2024-2025 Budget.

Attachments – Item 11.9

Attachment A

Highbury Landfill Authority Draft 2024-2025 Budget

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Facsimile 8332 6338
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au



City of
Norwood
Payneham
& St Peters

HIGHBURY LANDFILL AUTHORITY

Member Councils: • City of Burnside • City of Norwood, Payneham & St Peters • Corporation of the Town of Walkerville

Memorandum

To: CEOs of HLA Member Councils
Chris Cowley
Mario Barone
Andrew MacDonald

CC: Board and Audit Committee of HLA
Cr Grant Piggott
James Kelly
Corinne Garrett

From: Trevor Hockley, Manager

Date: 12th April 2024

RE: Draft Budget 2024/ 2025

The Board of the Highbury Landfill Authority (HLA) has reviewed the draft Budget 2024/2025 and agreed to refer it to Member Councils for their approval pursuant to Clause 4.5.2 of the HLA Charter.

Member Councils are required to approve the draft Budget prior to the Board formally adopting the Budget by the 30th of June 2024. The draft Budget is attached at Appendix 1 and for your information I provide a brief outline of the expenditure included in the budget and annual plan.

The Highbury Landfill

The Highbury landfill is in its 14th year of a 25-year post closure period and continues to be managed in accordance with the approved risk management plan formulated as part of an approved closure plan by the SA EPA. As planned the methane flare on the landfill has been modified to operate at much lower concentrations of methane gas and lower flow rates. The board approved the purchase last year and the budget allowed for a capital spend of approximately \$100,000. The modified flare required upgrades to the existing gas system which cost a further \$15,000. The Authority also needed to upgrade its existing landfill gas monitoring network due to the closure of the 3G network across Australia. This work has now been completed at a cost \$30,000. Member Council's contributions have been adjusted in the 24/25 budget to accommodate this unplanned expenditure.

Normal site maintenance such as fire control, grass cutting, noxious weed spraying, maintenance of the security system and access tracks, fences etc is also included in the budget.

HIGHBURY LANDFILL AUTHORITY

Member Councils: • City of Burnside • City of Norwood, Payneham & St Peters • Corporation of the Town of Walkerville

Provision

The 25 year forward projections that make up the calculation for the provision in the Balance Sheet for HLA is provided with the draft Budget. The provision for the 24/25 financial year has been calculated with the same assumptions for future interest rates and inflation as the provision calculation spreadsheet used for the 22/23 Financial Statements. These financial assumptions will be reviewed at the end of this financial year and interest rates and inflation projections may change, which can have a material impact on the NPV calculation.

The audit committee of HLA has recommended that the assumptions around managing the landfill for the remainder of the 25-year period contained in the provision spreadsheet should be independently reviewed every three years and this work will be undertaken in the preparation of the 23/24 financial statements for the Highbury Landfill Authority.

Member Councils currently fund that provision each year in their equity proportions. The Authority has not increased its Member Council contributions for the past 3 years. Based on the projected expenditure for 24/25 and the over run in the 23/24 capital budget the HLA contributions are as follows:

Burnside:	\$136,096
Norwood, Payneham & St Peters	\$108,964
Walkerville	\$24,940

To allow the Authority to manage its cash flow Member Councils will be invoiced in the 1st quarter of the coming financial year 50% of their contributions and thereafter quarterly for the balance of contributions.

Additional Expenditure allowed for in the Budget

Environmental Monitoring

HLA continues to monitor landfill gas over the site using the upgraded monitoring network and also by its Landfill Gas Collection System Contractor -DBD Environmental Pty Ltd trading as Ennovo.

Management and Administration

The existing management and administration model is maintained. Costs such as insurance, Council rates, SA Water, Power etc. are also budgeted.

Should you require any further information then do not hesitate to contact the undersigned. I look forward to your Council approving the draft budget in time for the Board to adopt it before the 30th June 2024 as required by the charter.

Regards,

Trevor Hockley
Manager

UNIFORM PRESENTATION OF FINANCE JULY - MARCH 2024

	July - March 2024	Projected June 2024	Budget 2024	Variance	Comments	Budget 2025
OPERATING ACTIVITIES:	\$	\$	\$	\$		
Operating Income	-	20,050	20,050	-		20,050
less Operating Expenses	181,496	84,169	84,968	799		57,399
Operating Surplus / (Deficit)	- 181,496	104,219	105,018	799		- 37,349
CAPITAL ACTIVITIES:						
Net Outlay on Existing Assets						
Capital Expenditure on renewal & replacement of Existing Assets						
less Depreciation, Amortisation & Impairment	18,914	36,813	25,218	11,595		71,598
less Proceeds from Sale of Replaced Assets						
Net Outlay on Existing Assets	18,914	36,813	25,218	11,595		71,598
Net Outlay on New & Upgraded Assets						
Capital Expenditure on New & Upgraded Assets	36,201	145,000	120,000	25,000		-
less Amounts received specifically for New & Upgraded Assets	-	-	-	-		-
less Proceeds from Sale of Surplus Assets	-	-	-	-		-
Net Outlay on New & Upgraded Assets	36,201	145,000	120,000	-		-
Net Lending / (Borrowing)	- 236,611	77,594	40,200	37,393		- 108,947

INCOME STATEMENT BUDGET REVIEW JULY - MARCH 2024

	July - March 2024	Projected June 2024	Budget 2024	Variance	Comments	Budget 2025
	\$	\$	\$	\$		\$
INCOME						
Sundry Income	-	20,000	20,000	-		20,000
LGFA Bonus Received	-	-	-	-		-
Interest Received	-	50	50	-		50
Total Revenues	-	20,050	20,050	-		20,050
EXPENSES						
Depreciation	18,914	36,813	25,218	11,595	Depreciation includes depr for new additions from April onwards	71,598
Administration Expenses	59,984	75,000	75,000	-		90,000
Accounting & Audit	45	4,000	-	4,000		4,000
Admin Other	2,570	2,600	2,500	100		3,500
Bank Guarantee Fee	-	200	200	-		-
Landfill Gas Monitoring	55,503	75,000	75,000	-		45,000
Groundwater Monitoring	-	25,000	25,000	-		-
Electricity for Flare	3,333	15,000	15,000	-		15,000
Rates/Council/Water/ESL	1,915	3,500	3,500	-		3,500
Insurance	10,383	10,383	10,000	383		12,000
Interest	1,967	3,669	3,669	-		2,586
Legal Fees	240	1,800	1,800	-		1,800
Maintenance	25,442	35,000	20,000	15,000		40,000
Employment Expenses_Board fees	1,200	1,600	-	1,600		1,600
Movement in Provision	-	373,733	341,854	(31,879)	Movements to the provision are recorded at year-end only. The movement as at 31.12.2023 accounts for expenditure to date with no provision adjustment made.	233,185
Total Expenses	181,496	(84,169)	(84,968)	799		57,399
NET SURPLUS/(DEFICIT)	(181,496)	104,219	105,018	(799)		(37,349)

FY 2024 provision was calculated using a "projected closing FY2023 provision" as the opening figure and adjusted for budgeted expenditure using the RBA rates available at the time.

The projected FY2024 provision is calculated with RBA rates remaining unchanged as at 30.06.2023.

STATEMENT OF CHANGES IN EQUITY BUDGET REVIEW JULY - MARCH 2024

	July - March 2024	Projected June 2024	Variance	Comments	Budget 2024	Budget 2025
	\$	\$	\$			
ACCUMULATED SURPLUS						
Balance at beginning of the year	(2,379,307)	(2,379,307)	-	Opening & Projected balance as per Financial Statements FY23. Budget 2024 is based on the <u>projected closing</u> balance 2023.	(2,284,786)	(2,075,088)
Change in financial position resulting from operations	(181,496)	104,219	(285,715)		105,018	(37,349)
Funds from Member Councils	100,893	200,000	(99,108)		200,000	270,000
TOTAL EQUITY	(2,459,910)	(2,075,088)	(384,822)		(1,979,768)	(1,842,437)

BALANCE SHEET BUDGET REVIEW JULY - MARCH 2024

	July - March 2024	Projected June 2024	Budget 2024	Variance	Comments	Budget 2025
	\$	\$		\$		
ASSETS						
Current Assets						
Cash and Cash Equivalents	59,274	(87,090)	3,176	(83,914)		11,834
Trade and Other Receivables	59,840	10,000	5,000	5,000		5,000
Total Current Assets	119,114	(77,090)	1,824	- 78,914		6,834
Non-Current Assets						
Monitoring Stations & Flare	201,615	182,537	151,096	31,441		110,939
Total Non-Current Assets	201,615	182,537	151,096	31,441		110,939
Total Assets	320,729	105,447	152,920	(47,473)		104,105
LIABILITIES						
Current Liabilities						
Trade and other payables	157,712	25,000	15,000	10,000		15,000
LGFA Loan	14,431	29,679	29,679	-		30,802
Provision for Closure Costs	345,202	213,537	213,537	-	Provision as at 31.12.2023 is kept inline with financial statement 30.06.23 as no adjustment is made until year end.	199,934
Total Current Liabilities	517,345	268,216	258,216	10,000		245,736
Non-Current Liabilities						
LGFA Loan	76,317	46,638	46,638	-		15,836
Provision for Closure Costs	2,146,621	1,865,681	1,827,835	37,846		1,684,970
Total Non-Current Liabilities	2,222,938	1,912,319	1,874,473	37,846		1,700,806
Total Liabilities	2,740,282	2,180,535	2,132,689	47,846		1,946,542
NET ASSETS						
	(2,419,553)	(2,075,088)	(1,979,769)	(95,319)		(1,842,437)
EQUITY						
Accumulated surplus	(2,419,553)	(2,075,088)	(1,979,768)	(95,319)		(1,842,437)
Total Equity	(2,419,553)	(2,075,088)	(1,979,768)	(95,319)		(1,842,437)

STATEMENT OF CASH FLOWS BUDGET REVIEW JULY - MARCH 2024

	July - March 2024	Projected June 2024	Budget 2024	Variance	Comments	Budget 2025
	\$	\$	\$	\$		\$
CASH FLOWS FROM OPERATING ACTIVITIES						
<u>Receipts</u>						
Bank Interest & Sundry	22,391	23,000	20,050	2,950	Bank Interest & Suez ATO reimbursements	20,050
Other Revenue	14,744	22,046	15,000	7,046		15,000
<u>Payments</u>						
Finance payments	(16,133)	(32,265)	(29,679)			(32,265)
Net Cash provided by (or used in) Operating Activities	21,002	12,781	5,371	7,410		2,785
CASH FLOWS FROM INVESTING ACTIVITIES						
Flare & 4g Upgrade	(36,201)	(145,000)	(120,000)	(25,000)		-
Payments from Provision	(166,770)	(295,221)	(221,586)	(73,635)		(197,529)
Net Cash paid for Investing Activities	(202,972)	(440,221)	(341,586)	(98,635)		(197,529)
CASH FLOWS FROM FINANCING ACTIVITIES						
LGFA Loan		-				
Funds paid by Member Councils	100,893	200,000	200,000	-		270,000
Net Cash provided by (or used in) Financing Activities	100,893	200,000	200,000	-		270,000
Net Increase (Decrease) in cash held	(81,077)	(227,440)	(136,215)	(91,226)		75,256
Cash and cash equivalents at beginning of period	140,351	140,351	133,039	7,312	The opening balance for the Budget 2024 was based on the Projected closing balance FY2023.	(87,090)
Cash and cash equivalents at end of period	59,274	(87,090)	(3,176)	(83,914)		(11,834)
Total Cash and cash equivalents at end of period	59,274	(87,090)	(3,176)	(83,914)		(11,834)

11.10 ERA WATER 2023-2024 MID-YEAR BUDGET REVIEW

REPORT AUTHOR: General Manager, Governance & Civic Affairs
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4549
FILE REFERENCE: qA87866
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to present to the Council, the ERA Water 2023-2024 Mid-Year Budget Review for endorsement.

BACKGROUND

ERA Water is a Regional Subsidiary which has been established pursuant to Section 43 of the *Local Government Act 1999*, for the primary purpose of implementing the Waterproofing Eastern Adelaide Project (the Scheme), which involves the establishment of wetland bio-filters, aquifer recharge and recovery, pipeline installations and water storage facilities. ERA Water manage the Scheme on behalf of the Constituent Councils and provide recycled stormwater for the irrigation of parks and reserves to Constituent Councils. The City of Norwood Payneham & St Peters, together with the City of Burnside and the Town of Walkerville make up the Constituent Councils of ERA Water.

Pursuant to Clause 5.1.1 of the ERA Water Charter (the Charter), prior to 31 March of each year, ERA Water must prepare and submit the ERA Water Draft Budget to the Constituent Councils for approval.

The Draft Budget can only be adopted by the ERA Water Board, following unanimous approval of the Constituent Councils.

Upon completion of the Draft Budget, pursuant to Clause 6.1 of the Charter, ERA Water must prepare and provide the draft Annual Business Plan to Constituent Councils. The Annual Business Plan can only be adopted by the ERA Water Board, once absolute majority is provided by the Constituent Councils.

To this end, the ERA Water Board adopted the ERA Water 2023-2024 Budget on 23 June 2023.

In accordance with Clause 5.1.6 of the Charter, ERA Water must reconsider its annual Budget in accordance with the Act at least (3) times at intervals of not less than three (3) months between 30 September and 31 May (inclusive) in the relevant Financial Year and may with the unanimous approval of the Constituent Councils amend its annual Budget for a Financial Year at any time before the year ends.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

Not Applicable.

FINANCIAL AND BUDGET IMPLICATIONS

As part of the ERA Water 2023-2024 Budget, an Operating Deficit of \$822,791.00 was projected and adopted for the 2023-2024 financial year.

As a result of the Mid-Year Budget Review (Budget Review 2), ERA Water is now forecasting an Operating Deficit of \$828,791.00, compared to the adopted Operating Deficit (an unfavourable variance of \$6,000).

EXTERNAL ECONOMIC IMPLICATIONS

Not Applicable.

SOCIAL ISSUES

Not Applicable.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

Not Applicable.

RISK MANAGEMENT

Not Applicable.

CONSULTATION

- **Elected Members**
Cr Grant Piggott is a Member of the ERA Water Board.
- **Community**
Not Applicable.
- **Staff**
Nil
- **Other Agencies**
Not Applicable.

DISCUSSION

The ERA Water 2023-2024 Mid-Year Budget Review Financial Statements, set out the revised Budget forecast compared to the adopted 2023-2024 Budget.

The proposed amendments to the ERA Water 2023-2024 Budget are set out in Table 1.

TABLE 1: PROPOSED AMENDMENTS TO THE ERA WATER 2023-2024 BUDGET

	Increase/ (Decrease)
External Water Sales Income: A reduction in budgeted income from Marryatville and Norwood International High Schools (originally expected to commence February 2024) due to the delay in connecting those systems to the ERA network.	(\$40,000)
External Water Sales Income: Anticipated additional income of approximately \$10,000 across the three (3) external irrigation sites (Gaza Oval located in the City of Port Adelaide Enfield, Pembroke and Daly Oval located in the City of Campbelltown).	\$10,000
Internal Water Sales Income: Anticipated additional income above the 'take or pay' amounts across the three (3) Constituent Councils and above the income budgeted from the City of Burnside, based on projected water use for the remainder of the irrigation season.	\$47,000
Other Income: Additional unbudgeted income in the form of an LGFA Special Distribution of \$23,849 received in the second quarter of 2023-2024 and interest income of \$183.05.	\$24,000
Audit and Accounting Expenditure: Additional funds required for external bookkeeping and related services as approved by the Board.	\$12,000
Electricity Expenditure: An increase to the budget due to an increase in electricity usage given the extended harvesting and injection season and potentially drier and longer than anticipated irrigation season.	\$10,000
Telecommunications & Scada Expenditure: An increase to the budget to accommodate a number of sites that will need to be converted from 3G to at least 4G by 30 June 2024, in addition to an estimated telecommunications costs over the existing budget.	\$35,000
Maintenance & Operations Expenditure: The planned biofilter, UV system and other additional maintenance, is expected to be able to be accommodated with a slightly reduced budget.	(\$10,000)

A copy of the ERA Water 2023-2024 Mid-Year Budget Review Financial Statements are contained in **Attachment A**.

OPTIONS

The Council can choose to endorse or not endorse the ERA Water 2023-2024 Mid-Year Budget Review. There are no specific issues or activities which present a financial or risk management issue for this Council which warrant the Council choosing not to endorse the ERA Water 2023-2024 Mid-Year Budget Review.

CONCLUSION

Not Applicable.

COMMENTS

Nil.

RECOMMENDATION

The Council advises ERA Water that pursuant to Clause 5.1.1 of the ERA Water Charter, the Council has considered and hereby approves the ERA Water 2023-2024 Mid-Year Budget Review, as contained in **Attachment A**.

Attachments – Item 11.10

Attachment A

ERA Water 2023-2024 Mid-Year Budget Review

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

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City of
Norwood
Payneham
& St Peters

**ERA WATER
BUDGET REVIEW 2**
STATEMENT OF COMPREHENSIVE INCOME

2023/2024 FULL YEAR ADOPTED BUDGET \$	INCOME	2023/2024 29/2/2024 ACTUAL \$	2023/2024 BUDGET REVIEW 1 \$	2023/2024 BUDGET REVIEW 2 \$
	User Charges			
570,791	- Water Sales ERA Councils	505,901	570,791	617,791
169,887	- Water Sales Other Customers	85,210	169,887	139,887
250,000	Water Security Charge	250,000	250,000	250,000
75,942	Grants Subsidies & Contributions	-	75,942	75,942
10,000	Investment Income	24,032	10,000	34,000
<hr/>		<hr/>	<hr/>	<hr/>
1,076,620	TOTAL REVENUES	865,144	1,076,620	1,117,620
	EXPENSES			
104,975	Employee Costs	70,300	104,975	104,975
612,500	Materials, Contracts and Other Expenses	411,160	612,500	659,500
622,915	Finance Costs	290,836	622,915	622,915
559,021	Depreciation, amortisation & impairment	313,451	559,021	559,021
<hr/>		<hr/>	<hr/>	<hr/>
1,899,411	Total Expenses	1,085,747	1,899,411	1,946,411
	OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS			
(822,791)		(220,603)	(822,791)	(828,791)
-	Net gain (loss) on disposal or revaluation of assets	-	-	-
-	Amounts specifically for new or upgraded assets	-	-	-
-	Physical resources received free of charge	-	-	-
<hr/>		<hr/>	<hr/>	<hr/>
(822,791)	TOTAL COMPREHENSIVE INCOME	(220,603)	(822,791)	(828,791)
<hr/>		<hr/>	<hr/>	<hr/>
359,145	Operating Surplus/Deficit (Excluding Depreciation & Interest)	383,683	359,145	353,145
(263,770)	Operating Surplus/Deficit (Excluding Depreciation)	92,848	(263,770)	(269,770)

**ERA WATER
BUDGET REVIEW 2**
CASH FLOW STATEMENT

2023/2024 FULL YEAR ADOPTED BUDGET \$		2023/2024 29/2/2024 ACTUAL \$	2023/2024 BUDGET REVIEW 1 \$	2023/2024 BUDGET REVIEW 2 \$
Inflows (Outflows)		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
	CASHFLOWS FROM OPERATING ACTIVITIES			
	RECEIPTS			
570,791	Water Sales ERA Councils	505,901	570,791	617,791
169,887	Water Sales Other Customers	85,210	169,887	139,887
-	Other Receipts	-	-	-
250,000	Water Security Charges	250,000	250,000	250,000
75,942	Water Supply Charges	-	75,942	75,942
10,000	Investment Receipts	24,032	10,000	34,000
	PAYMENTS			
(104,975)	Employee Costs	(70,300)	(104,976)	(104,976)
(129,000)	Fixed Operating Costs	(113,887)	(129,000)	(173,550)
(483,500)	Operational Costs	(209,054)	(483,500)	(485,950)
(622,915)	Finance Payments	(290,836)	(622,915)	(622,915)
(263,770)	Net Cash provided by (or used in) Operating Activities	181,067	(263,771)	(269,771)
	CASH FLOWS FROM INVESTING ACTIVITIES			
	RECEIPTS			
-	Grants specifically for new or upgraded assets	-	-	-
0	Sale of Assets	0	0	0
	PAYMENTS			
-	Capital Expenditure on renewal/replacement of assets	-	-	-
(169,416)	Capital Expenditure on new/upgraded assets	(131,451)	(169,416)	(169,416)
(169,416)	Net Cash provided by (or used in) Investing Activities	(131,451)	(169,416)	(169,416)
	CASH FLOWS FROM FINANCING ACTIVITIES			
	RECEIPTS			
1,800,000	Capital Contributions	1,800,000	1,800,000	1,800,000
-	Proceeds from Borrowings	-	-	-
	PAYMENTS			
(1,364,000)	Repayment of Borrowings	(1,821,427)	(1,364,000)	(1,364,000)
436,000	NET CASH USED IN FINANCING ACTIVITIES	(21,427)	436,000	436,000
2,814	NET INCREASE (DECREASE) IN CASH HELD	28,189	2,813	(3,187)
150,916	CASH AT BEGINNING OF YEAR	2,341	4,284	4,284
153,730	CASH AT END OF YEAR	30,529	7,097	1,097

**ERA WATER
BUDGET REVIEW 2**
BALANCE SHEET

2023/2024 FULL YEAR ADOPTED BUDGET		2023/2024 29/2/2024 ACTUAL	2023/2024 BUDGET REVIEW 1	2023/2024 BUDGET REVIEW 2
	ASSETS			
	CURRENT ASSETS	\$	\$	\$
\$	Cash and cash equivalents	30,529	7,097	1,097
153,730	Trade & other receivables	62,066	82,525	82,525
67,876	Other Financial Assets	6,000	1,661	1,661
-	TOTAL CURRENT ASSETS	<u>98,594</u>	<u>91,283</u>	<u>85,283</u>
<u>221,606</u>				
	NON-CURRENT ASSETS			
24,755,485	Infrastructure, Property, Plant & Equipment	19,392,594	24,431,016	24,431,016
<u>24,755,485</u>	TOTAL NON-CURRENT ASSETS	<u>19,392,594</u>	<u>24,431,016</u>	<u>24,431,016</u>
<u>24,977,091</u>	TOTAL ASSETS	<u>19,491,189</u>	<u>24,522,299</u>	<u>24,516,299</u>
	LIABILITIES			
	CURRENT LIABILITIES			
173,918	Trade & Other Payables	163,444	205,190	205,190
-	Borrowings	-	-	-
577	Short-term Provisions	2,501	2,501	2,501
<u>174,495</u>	TOTAL CURRENT LIABILITIES	<u>165,945</u>	<u>207,691</u>	<u>207,691</u>
	NON-CURRENT LIABILITIES			
13,906,502	Long-term Borrowings	12,894,654	13,352,081	13,352,081
-	Long-term Provisions	-	-	-
<u>13,906,502</u>	TOTAL NON-CURRENT LIABILITIES	<u>12,894,654</u>	<u>13,352,081</u>	<u>13,352,081</u>
<u>14,080,997</u>	TOTAL LIABILITIES	<u>13,060,600</u>	<u>13,559,772</u>	<u>13,559,772</u>
<u>10,896,094</u>	NET ASSETS	<u>6,430,589</u>	<u>10,962,527</u>	<u>10,956,527</u>
	EQUITY			
3,361,967	Accumulated Surplus	4,030,589	3,428,401	3,422,401
5,134,127	Asset Revaluation	-	5,134,127	5,134,127
2,400,000	Capital Contributions	2,400,000	2,400,000	2,400,000
<u>10,896,094</u>	TOTAL EQUITY	<u>6,430,589</u>	<u>10,962,528</u>	<u>10,956,528</u>

**ERA WATER
BUDGET REVIEW 2**
STATEMENT OF CHANGES IN EQUITY

2023/2024 FULL YEAR ADOPTED BUDGET \$		2023/2024 29/2/2024 ACTUAL \$	2023/2024 BUDGET REVIEW 1 \$	2023/2024 BUDGET REVIEW 2 \$
	ACCUMULATED SURPLUS			
4,184,758	Balance at end of previous reporting period	4,251,192	4,251,192	4,251,192
-822,791	Net Result for Year	-220,603	-822,791	-828,791
0	Transfer From Reserves	0	0	0
0	Transfer To Reserves	0	0	0
3,361,967	BALANCE AT END OF PERIOD	4,030,589	3,428,401	3,422,401
	ASSET REVALUATION RESERVE			
-	Balance at end of previous reporting period	-	-	-
5,134,127.00	Gain on revaluation of infrastructure, property, plant & equipment	0.00	5,134,127.00	5,134,127.00
0.00	Transfer to Accumulated Surplus on sale of infrastructure, property, plant & equipment	0.00	0.00	0.00
5,134,127	BALANCE AT END OF PERIOD	-	5,134,127	5,134,127
	CAPITAL CONTRIBUTIONS			
600,000	Balance at end of previous reporting period	600,000	600,000	600,000
1,800,000	Transfer to reserve from accumulated surplus	1,800,000	1,800,000	1,800,000
0	Transfer from reserve to accumulated surplus	0	0	0
2,400,000	BALANCE AT END OF PERIOD	2,400,000	2,400,000	2,400,000
10,896,094	TOTAL EQUITY AT END OF REPORTING PERIOD	6,430,589	10,962,528	10,956,528

**ERA WATER
BUDGET REVIEW 2**
UNIFORM PRESENTATION OF FINANCES

2023/2024 FULL YEAR ADOPTED BUDGET		2023/2024 29/2/2024 ACTUAL	2023/2024 BUDGET REVIEW 1	2023/2024 BUDGET REVIEW 2
\$		\$	\$	\$
1,076,620	Operating Revenues	865,144	1,076,620	1,117,620
(1,899,411)	less Operating Expenses	(1,085,747)	(1,899,411)	(1,946,411)
(822,791)	Operating Surplus / (Deficit) before Capital Amounts	(220,603)	(822,791)	(828,791)
	Less Net Outlays in Existing Assets			
	Capital Expenditure on renewal and replacement of Existing Assets	-	-	-
169,416	less Depreciation, Amortisation and Impairment	(313,451)	(559,021)	(559,021)
(559,021)	less Proceeds from Sale of Replaced Assets	-	-	-
-		-	-	-
(389,605)		(313,451)	(559,021)	(559,021)
	Less Net Outlays on New and Upgraded Assets			
-	Capital Expenditure on New and Upgraded Assets	131,451	169,416	169,416
-	less Amounts received specifically for New and Upgraded Assets	-	-	-
-	less Proceeds from Sale of Surplus Assets	-	-	-
-		131,451	169,416	169,416
(433,186)	Net Lending / (Borrowing) for Financial Year	(38,603)	(433,186)	(439,186)

11.11 LONG-TERM POWER PROCUREMENT

REPORT AUTHOR: Chief Executive Officer
GENERAL MANAGER: Not Applicable
CONTACT NUMBER: 83664539
FILE REFERENCE:
ATTACHMENTS: Nil

PURPOSE OF REPORT

The purpose of this report is to advise the Council of the outcome of an assessment that has been undertaken of the options regarding the long-term procurement of power and to seek the Council's approval to participate in a joint procurement exercise with the Cities of Burnside, Campbelltown, Prospect, Tea Tree Gully, Unley and the Town of Walkerville.

BACKGROUND

In 2023, Councils across South Australia re-negotiated new electricity contracts.

At the time of re-negotiating these contracts, electricity costs were extremely high and this resulted in councils paying higher prices. This result was unfortunately unavoidable.

During this process, a number of Councils were interested in purchasing renewable electricity, however due to the high cost of electricity, most councils decided to defer the purchase of renewables.

As a result of what occurred in 2023, the Eastern Region Alliance Councils (ie. Burnside, Campbelltown, Unley, Prospect, Walkerville and this Council) in partnership with the City of Tea Tree Gully, decided to explore alternative options for the procurement of electricity.

The primary objective of this process was to determine whether there are cost-effective options available for the procurement of electricity at a lower price as well as renewable power, while at the same time mitigating price volatility.

In pursuing this objective, the participating Councils were aware of the approach by the City of Adelaide in successfully procuring renewable energy and in doing so, securing 100% renewable energy. It is understood that the City of Adelaide has achieved significant savings as a result, as well as substantially decreasing its greenhouse gas emissions.

In July 2023 (through the ERA Councils Chief Executive Officers), the ERA Councils joined with the City of Tea Tree Gully and engaged Presync (Consultants) to explore options for the procurement of long-term electricity from renewable sources.

Presync is a sustainability consulting firm that specialises in strategic work and project facilitation, particularly in retail grid renewable supply agreements. Presync has facilitated approximately 50 Retail Power Purchase Agreements (PPAs), including for the Cairns Regional Council (Queensland) and over 30 Councils in New South Wales.

As part of the process, Presync has worked with the participating Councils to conduct a detailed analysis of electricity consumption and through this analysis, has forecast future usage. The forecasting process has included an analysis and discussion on electricity consumption and this data has been used to predict future consumption based on:

- new buildings or replacement sites;
- LED upgrades (particularly for street and other outdoor lighting (noting that Norwood Payneham & St Peters has already updated its street lights to LED));
- solar power installations;
- energy efficiency projects;
- electrification; and
- Electric Vehicle charging.

The combined 'load' profile of the participating Councils reveals that a significant proportion of consumption is occurring during night-time hours.

FINANCIAL AND BUDGET IMPLICATIONS

Participation in this joint procurement process will include costs associated with the provision of legal and technical advice.

Presync have advised that based on previous PPA procurement processes, the cost of progressing this initiative is between \$7,000 to \$13,000 per Council. Should the Council endorse participation in the joint procurement process, these costs will be covered from within existing budgets.

Based on the pricing information that has been provided by Presync as part of its investigations, any costs associated with the procurement process will be accounted for through savings within the first year of the contract, with substantial savings anticipated when compared to existing contracts.

In this respect, based upon the pricing information provided by Presync, ongoing costs will be approximately 50% of the current electricity costs (excluding network, market and environment charges, as these will remain constant irrespective of what contract is entered into).

In terms of savings, it has been identified that for Councils such as Burnside, Unley and Norwood Payneham & St Peters, this would be in the order of \$150,000 to \$200,000 per annum, subject of course to market offerings that are received through the procurement process.

If a long-term PPA is established for the group of participating Councils, part of the procurement process will include potential purchase of Renewable Energy Certificates. However, participating Councils will however not be required to purchase these Certificates. This decision will be made by each Council as part of the procurement process.

EXTERNAL ECONOMIC IMPLICATIONS

Not Applicable.

SOCIAL ISSUES

Not Applicable.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

Purchasing renewable electricity through a Retail PPA, has the potential to substantially reduce the Council's greenhouse gas emissions.

RESOURCE ISSUES

This procurement process will be managed through existing staff resources.

RISK MANAGEMENT

As each Council within the group has its own procurement process, an agreed procurement framework will be set out in the Memorandum of Understanding, to ensure that the process is robust, transparent and importantly, legally compliant.

As it is difficult to predict the outcome of the procurement process, the outcomes may not be favourable to all the Councils. As such, the memorandum of Understanding will contain 'opt-out' options and thresholds.

CONSULTATION

- **Elected Members**
The ERA Mayors have received a presentation on this issue.
- **Community**
Not Applicable.
- **Staff**
Chief Executive Officer
- **Other Agencies**
Not Applicable.

DISCUSSION

Electricity prices in South Australia have increased 160% since 2003 and 31% in the last two (2) years, as shown in Figure 1 below.

Figure 1

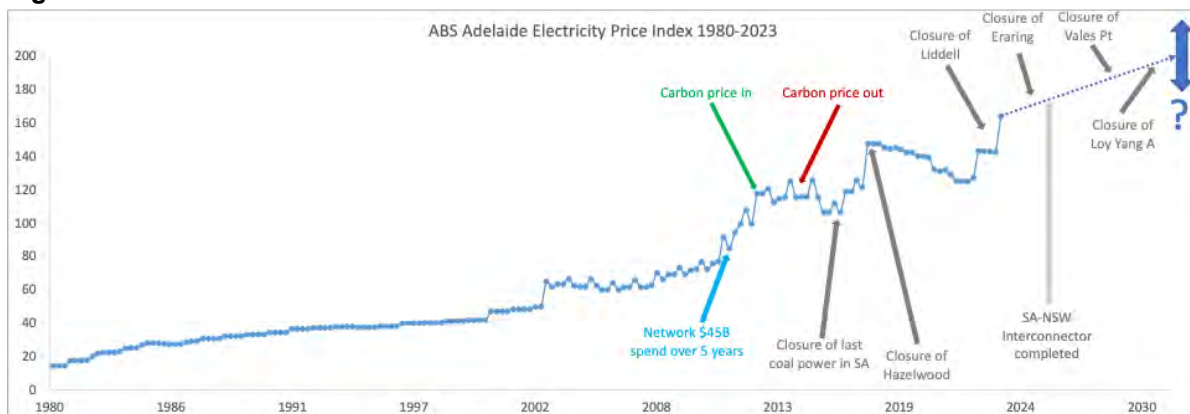


Figure 1 – Adelaide's electricity price history (source: ABS 6401.0 Consumer Price Index, Australia TABLE 9. CPI: Group, Sub-group and Expenditure Class, Index Numbers by Capital City)

South Australia has a high penetration of renewable generation, which typically leads to lower electricity prices when these sources are generating 'strongly'.

Conversely, during periods of reduced renewable output, reliance on gas generation, coupled with the importation of power from Victoria (largely generated from brown coal), tends to increase/elevate prices. This trend was particularly noticeable in 2022, due to the impacts of the war in Ukraine which exacerbated the underlying gas, oil and coal prices and as a consequence, this increased the costs of gas and coal powered power stations.

Such fluctuations underscore the vulnerability of an electricity system that is reliant on fossil fuels which are in turn, subject to international events and market instability.

South Australia has and will continue to face additional exposure to the closure of coal fired power stations in other States. The sudden closure in 2017 of the Hazelwood brown coal power station in Victoria, resulted in significant price increases, which continued for some two to three years until new renewable power generation gradually replaced the lost capacity and in turn drove prices down.

However, ongoing risks for the South Australian electricity market include recent market announcements of earlier than planned closure of ageing coal fired power stations, most notably Origin's energy plant in New South Wales – the largest plant in Australia.

These closures are largely driven by the inability of these power stations to compete with renewables, together with the unreliability of ageing coal powered stations. The removal of such substantial portions of supply in a delicately balanced market, has to date, tended to exert upward pressure on prices.

The electricity system has previously maintained predictable stable prices up until 2010. However, the market is currently undergoing a 'once-in-a-lifetime' fundamental transformation from one that has been predominantly based/reliant on coal and gas, to one that is progressively being dominated by renewables.

It is predicted that once this transition to a highly renewable system is complete, the market will/should resume to a more predictable, stable and low-price environment and more akin to what South Australia is currently experiencing during periods of high renewable generation.

Based upon advice that has been received from Presync, this transition is expected to take at least a decade, with the potential for challenges and volatility in prices being anticipated over the transition period.

The impact of unprecedented power prices and the fact that in 2022, Councils were forced to re-consider how electricity is procured.

Based upon advice from that has been received from Presync, the conventional practice of purchasing electricity at 1 to 3 year intervals will/could leave Councils exposed to cost volatility. As a result, other options need to be considered.

In this context, as recently as 2010, renewable power generation in Australia was considered expensive when compared to relatively cheaper coal and gas options. However, this situation has since changed rapidly, with the cost of renewable generation becoming cheaper due to economies of scale.

Presync has advised that by 2018, wind and solar power became cheaper than any other source of generation and this trend has been highlighted by recent increases in coal and gas prices.

As such, based upon advice that has been received from Presync, engaging in long-term contracts for electricity supply sourced from renewables has cost advantages. To this end, renewables are not subject to input cost volatility, particularly from fuel prices.

Again, based on advice, renewables offer greater certainty over future electricity prices and enable more accurate long-term financial forecasting and planning. To this end, Councils may be able to avoid the risk of volatility in the procurement of electricity and aligning their energy consumption with the lowest cost generation source, namely, new renewables projects.

The transition of Councils procuring renewables from the 'grid', only became possible since around 2017.

The City of Adelaide forged the way in this respect, with a long-term renewable PPA which commenced in 2020.

In this respect, the City of Adelaide's electricity cost is set by the fixed price of generation from the Clements Gap wind farm in the mid-north of South Australia and through two new solar farms on the Eyre Peninsula (Streaky Bay) and the South-East in Coonalpyn.

These solar and wind farms provide inexpensive renewable electricity as well as providing Renewable Energy Certificates throughout the term of the contract.

In this respect, in addition to providing inexpensive renewable electricity, solar and wind farms also yield Renewable Energy Certificates (REC's). The REC's provide assurance that the electricity that is consumed by the Council, is monitored by the generator of renewable electricity.

To be able to make a claim of using renewable electricity and reducing electricity greenhouse gas emissions, Councils need to purchase REC's for their consumption.

To this end, Retail PPA's enable purchasers to decide how many Certificates they wish to purchase.

A Renewable Retail PPA is based on purchasing electricity from renewable electricity projects within the same State (and ideally from new projects) over a period of time, which assists in making those new projects financially viable. In turn, this arrangement provides support to new generators of electricity and contributes to transitioning the electricity market towards 100% renewables.

As part of the Retail PPA, a retailer facilitates the connection between electricity customers and renewable projects. This arrangement enables the procurement of a mix of wind and solar energy that best aligns with how the respective Council(s) consume electricity (ie. a mix of day-time and night-time consumption).

To achieve these outcomes, Retail PPA's typically require commitment to a term of 7 to 12 years and are available in various commercial models, ranging from fully firm pricing fixed for up to 10 years, to those incorporating an element of wholesale price exposure.

In order to progress, consideration of whether these arrangements would be beneficial for the ERA Councils to pursue, in 2023, Presync was commissioned to undertake an analysis of electricity consumption and forecast future usage for the ERA Councils and the City of Tea Tree Gully.

The forecasting including a detailed analysis of the history of electricity consumption and the predicted future consumption, such as:

- new and/or re-developed facilities;
- LED upgrades (particularly for street lighting);
- solar installations;
- energy efficient projects;
- electrification; and
- EV charging.

The load profile of the ERA Councils and the City of Tea Tree Gully is shown on Figure 2 below:

Figure 2

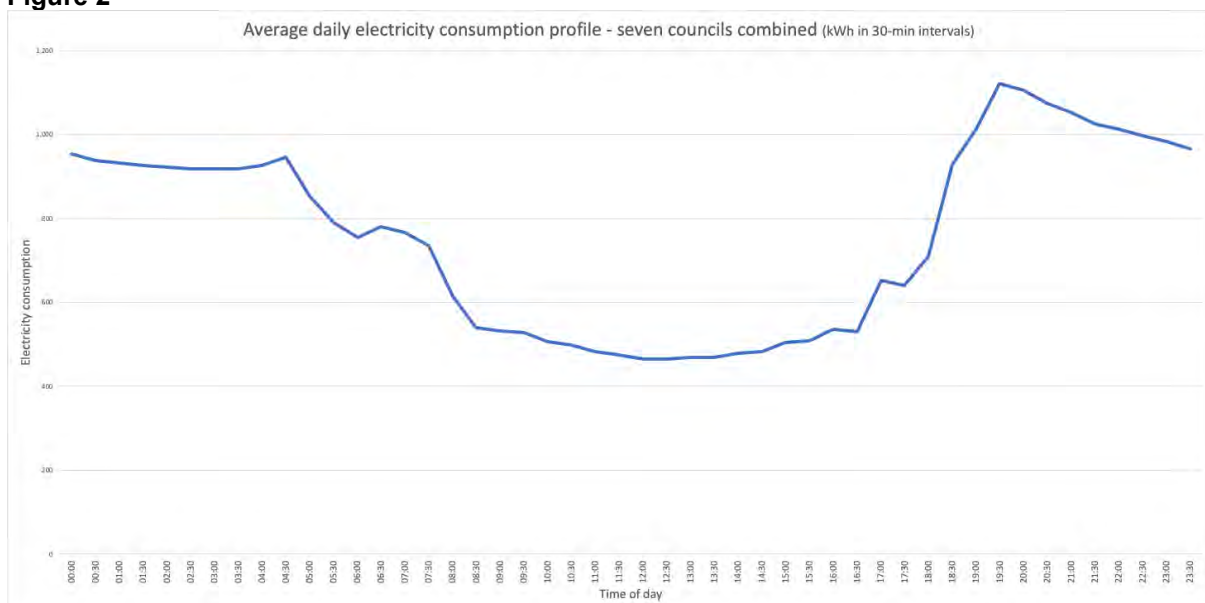


Figure 2 – Average 24-hour load profile of the seven councils, aggregated.

Based upon the analysis of the data, a significant proportion of the consumption by the ERA Councils and the City of Tea Tree Gully, occurs during night-time hours. This 'nocturnal' load can be attributed to street lighting, in addition to the lack of solar generation. This in turn, underscores the necessity for grid renewable generation sources beyond just solar to ensure a better real-time match with consumption patterns.

To progress the investigation further, in late October 2023, Presync approached PPA suppliers to gauge their interest in supplying electricity to the ERA Councils and the City of Tea Tree Gully. In doing so, Presync sought indicative pricing for long-term Retail PPA's commencing from July 2025, based upon an aggregate load of the ERA Councils and the City of Tea Tree Gully.

Several Suppliers expressed an interest, including one supplier who was prepared to offer indicative pricing.

In this respect, this supplier is experienced in delivering Retail PPA's for Councils and they have offered the following PPA commercial structure:

- a 9.5-year wind and solar PPA (July 2025-December 2034), with the wind/solar mix optimised to best match the real-time consumption of the group of Councils;
- the proposal identified the specific wind and solar farms in South Australia that would be linked to the PPA;
- a flat price for renewable electricity over the whole term of the PPA with wholesale market firming. Thus, while most of the electricity needed by the Council will be provided by the solar and wind farms, some electricity from other sources would still be used through the grid. This arrangement helps keep the price down. Presync analysed the generation profiles of the nominated projects and optimised the mix of wind and solar to achieve a real-time match of at least 70% between the generation sources and consumption; and
- a flat price for REC's over the whole term of the PPA, with Councils able to purchase certificates to match up to 100% of their electricity consumption (ie. Councils could be up to 100% renewable).

Presync has undertaken modelling of the proposed Retail PPA over 10 financial year (ie. From 2026 to 2035).

The Model compares the costs for retail electricity, together with renewable electricity. The Model excludes regulated network charges, as these will remain constant across the different retail approaches (ie. these fees are mandatory on all retail electricity contracts).

The results of the modelling undertaken by Presync illustrate the price volatility associated with conventional electricity procurement.

To this end, current prices are 3 to 4 times higher than historic pricing levels. However, Presync has advised that if Councils had entered the market in late 2023, the Councils could have secured prices that are much lower than existing contracts that have been entered into. Figure 3 below depicts the results of the price comparison that has been provided by Presync.

Presync has advised that the indicative Retail PPA pricing that it has obtained, demonstrates clear cost advantages over the current ASX Electricity Futures prices in 2026 and 2027, thereby offering stability beyond those years until the middle of the next decade.

In short, the modelling indicates that the ERA Councils and the City of Tea Tree Gully could achieve 100% renewable energy coverage with a long-term Retail PPA for much less than the current expenditure on conventional electricity.

The modelling and analysis that has been undertaken by Presync is based on the combined data that has been provided by the ERA Councils and the City of Tea Tree Gully. Based upon the analysis that has been undertaken, Presync has advised that the ERA Councils and the City of Tea Tree Gully is a suitable aggregate size for a Retail PPA. Refer to Figure 3 below.

Figure 3

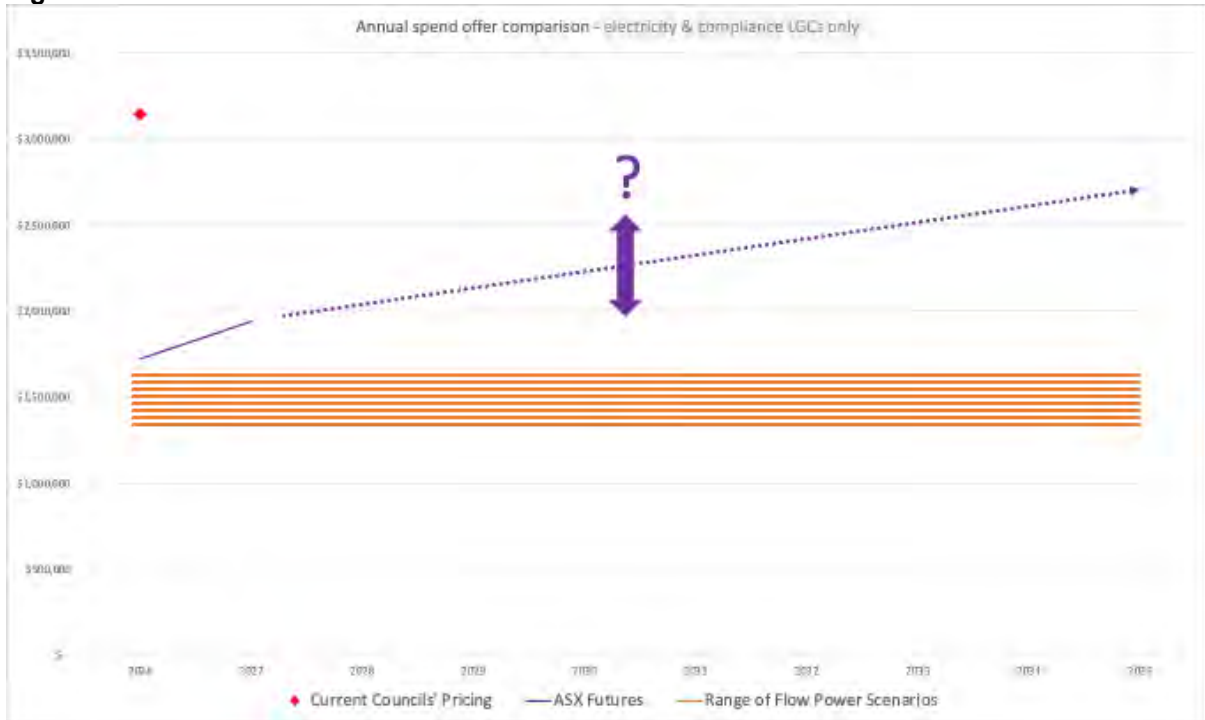


Figure 3 – Annual cost of the retail electricity options

However, if some of the ERA Councils and/or the City of Tea Tree Gully decide not to participate in the procurement process, a re-assessment of the situation may be required.

Next Steps

The work that has been undertaken by Presync demonstrates that procurement of a Retail PPA is feasible and should provide significant cost savings as well as environmental benefits.

To progress the matter further, the next step involves the Councils agreeing to establish a Memorandum of Understanding. In doing so, it should be noted that entering into a Memorandum of Understanding is not a commitment to joining a Retail PPA, rather the Memorandum of Understanding will guide how the Councils will work together to conduct a procurement process.

At the conclusion of the procurement process (which will include an assessment of how the Retail PPA affects each of the participating Councils), each Council will then determine whether it wishes to join the Retail PPA.

To enable a Retail PPA to be prepared, it will be necessary to initiate the procurement process by June 2024. This timeline will allow a Retail PPAS to commence in July 2025, aligning with the participating Councils' need for a new retail electricity agreement.

Should Council wish to pursue this initiative and participate in the group procurement process, it is important to delegate authority to the Chief Executive Officer to sign contractual agreements on the Council's behalf. The delegation is important as the retail electricity market is volatile and contract offers typically have fast turn-around requirements (eg. all parties may have only a few days to commit). This delegation will enable a quick turn-around on final approvals.

OPTIONS

The Council has the option of agreeing to participate in the joint procurement process, as detailed in this report, or it can choose not to participate.

Given the potential financial benefits of purchasing a Retail PPA, as well as the environmental benefits through reducing the Council's greenhouse gas emissions, it is recommended that the Council participate in the joint procurement process as detailed in this report.

CONCLUSION

The research that has been undertaken by Presync, illustrates that procuring a Retail PPA is feasible and could provide significant cost and potentially associated environmental benefits for the ERA Councils.

To progress this matter further, the first decision for each Council is to make a commitment to join the process. This commitment would then be progressed through a Memorandum of Understanding (MOU) between the ERA Councils and the City of Tea Tree Gully, to procure a Retail PPA with the option to purchase renewable energy certificates.

In developing the Memorandum of Understanding, the participating Councils will need to agree to conditions, including an understanding at which point they agree to be a signatory to the Retail PPA (in short, through the MOU, the Councils commit to be part of a 'buying group', but with a threshold value per KWh to ensure that each Council is achieving 'best value').

COMMENTS

Nil.

RECOMMENDATION

1. That participation in establishing a purchasing group of Councils to conduct a joint procurement process for long-term renewable electricity Retail Power Purchasing Agreement (PPA), be endorsed.
2. That the preparation of a Memorandum of Understanding between the participating Councils, which includes documentation of the process, the governance arrangement, cost-sharing arrangement and opt-out thresholds, be endorsed.
3. That the Chief Executive Officer be and is hereby delegated the authority to sign the Memorandum of Understanding referred to in Part 2 above.
4. That the Mayor and Chief Executive Officer be authorised to sign and seal a contractual agreement for a Retail Power Purchasing Agreement (PPA) with the preferred supplier, following the group procurement process.

**Section 3 – Governance & General
Reports**

11.12 NOMINATION TO EXTERNAL BODIES – STORMWATER MANAGEMENT AUTHORITY AND LOCAL GOVERNMENT TRANSPORT ADVISORY PANEL

REPORT AUTHOR: Governance Officer
GENERAL MANAGER: General Manager, Governance & Civic Affairs
CONTACT NUMBER: 8366 4533
FILE REFERENCE: qA90077
ATTACHMENTS: A - B

PURPOSE OF REPORT

The purpose of the report is to advise the Council of the call for nominations by the Local Government Association of South Australia (LGA), for appointments to the following bodies:

1. Stormwater Management Authority (SMA); and
2. Local Government Transport Advisory Panel (LGTAP).

Details relating to these appointments are set out below.

Stormwater Management Authority

The SMA is a Committee established under Schedule 1A of the [Local Government Act 1999](#).

The SMA implements the *Agreement on Stormwater Management* between the State of South Australia and the LGA. Its role is to facilitate and co-ordinate stormwater management planning by Local Government and to ensure relevant public authorities co-operate in respect to facilitating this outcome.

The Minister for Environment and Water has written to the LGA requesting nominations for the appointment of two (2) positions to the Stormwater Management Authority (SMA) for a three (3) year term, until August 2027.

Previous members nominated by the LGA are eligible for reappointment.

The LGA is currently represented by:

- Mr Walter Iasiello - former Port Adelaide Enfield Council (Deputy Presiding Member)
- Ms Heather Barclay - Rural City of Murray Bridge
- Mayor Michael Lange OAM - Barossa Council
- Mr Simon Sherriff - Light Regional Council

The Members whose terms are expiring are Mr Michael Lange OAM and Mr Simon Sherriff. Both are eligible to re-nominate.

A person nominated for appointment to the SMA must have appropriate qualifications or experience in public administration, water resources, stormwater management, mitigation of flood hazards, environmental management or infrastructure development.

Appointments to the SMA are for a period not exceeding three (3) years.

Sitting fees, allowances and expenses approved by the Governor are applicable.

A copy of the Selection Criteria and Nomination form is contained within **Attachment A**.

All nominees must provide an up-to-date Resume, together with the Nomination Form which are required to be forwarded to the LGA **by 28 May 2024**.

Local Government Transport Advisory Panel

The LGTAP oversees the governance and operations of the Special Local Roads Program (SLRP). The program commenced in 1985 and provides funding to significant and strategic local roads throughout South Australia.

The objectives of the LGTAP are:

- to provide strategic oversight of grant rounds, assessing applications for SLRP funding and providing recommendations to the Board regarding strategic local road projects suitable for funding in accordance with SLRP policy. The LGTAP is also responsible for overseeing the management and reporting of active projects funded from the SLRP; and
- to provide advice and recommendation to the LGA Board who in turn provides advice and recommendations to the SA Local Government Grants Commission in accordance with the SLRP policies.

The LGA is requesting nominations for the appointment of two (2) Local Government representatives to join the LGTAP for a four (4) year term, through to 31 July 2028. Previous members nominated by the LGA are eligible for reappointment.

The LGA is currently represented by:

- Mayor Leon Stephens - Port Pirie Regional Council (LGTAP Chair and LGA Board representative)
- Mr Richard Dodson - Light Regional Council
- Ms Bridget Mather - Coorong District Council
- Mr Peter Tsokas - City of Unley
- Mr Chris Dunn - City of Port Adelaide Enfield
- Ms Sarah Wozniak - Local Government Association of SA (Delegate of the LGA)

The Members whose terms are expiring are Mr Peter Tsokas and Mr Richard Dodson. Both are eligible to re-nominate.

A person nominated for appointment to the LGTAP must have appropriate qualifications and/or knowledge in infrastructure, planning and delivery, grant management, project management, financial management and governance. The person nominated must be a current employee of a South Australian council.

There is no remuneration for LGTAP members.

A copy of the Selection Criteria and Nomination form is contained within **Attachment B**.

All nominees must provide an up-to-date Resume, together with the Nomination Form which are required to be forwarded to the LGA **by 13 May 2024**.

RELEVANT POLICIES & STRATEGIC DIRECTIONS

Not Applicable.

RECOMMENDATION 1 - STORMWATER MANAGEMENT AUTHORITY

1. The Council notes the report and declines the invitation to submit a nomination to the Local Government Association for the Stormwater Management Authority.

or

2. The Council nominates _____ to the Local Government Association for the Stormwater Management Authority.

RECOMMENDATION 2 – LOCAL GOVERNMENT TRANSPORT ADVISORY PANEL

1. The Council notes the report and declines the invitation to submit a nomination to the Local Government Association for the Local Government Transport Advisory Panel.

or

2. The Council nominates _____ to the Local Government Association for the Local Government Transport Advisory Panel.

Attachments – Item 11.12

Attachment A

Nomination to External Bodies
Stormwater Management Authority



City of
Norwood
Payneham
& St Peters

Stormwater Management Authority (SMA) — Call for Nominations

Governing Statute (if applicable)	The SMA is established under Clause 7, Sch 1A <i>Local Government Act 1999</i>
Purpose/Objective	Implements the Agreement on Stormwater Management between the State of South Australia and the LGA. Leads the development and supports the implementation of multi-objective stormwater management plans that address flood risk, environmental amenity and water security and that maximise the public benefit of stormwater. The Authority operates as a body for the planning, prioritisation and funding of stormwater initiatives, and administers the Stormwater Management Fund which provides funding for stormwater planning and infrastructure projects.
Administrative Details	Generally, 6 meetings per year, held bi-monthly (minimum 4 under ToRs), held at the DEW offices in Waymouth Street. Remuneration \$12,383pa for members. Note: council employees are eligible to nominate, however are <u>not</u> eligible for payment.
Selection Criteria (to be addressed by applicant)	Must have: <ul style="list-style-type: none"> • local government knowledge and experience; • appropriate qualifications or experience in public administration; • water resources; • stormwater management; • mitigation of flood hazards; • environmental management; or • infrastructure development (7(3)); AND • at least 1 of the members appointed on nomination of the LGA, must have appropriate qualifications or experience to represent the interests of regional local government (7(4)).
CLASS A PRIMARY NOMINATION:	<i>In accordance with the LGA Appointments and Nominations to Outside Bodies Policy, selection for appointment or nomination to this Outside Body may include the conduct of interviews and checking of referees by the LGA. By applying, the applicant accepts that the LGA may request an interview and/or the details of referees</i>
Liability and indemnity cover	<i>The LGA requires that persons appointed to Outside Bodies be appropriately insured throughout the period of their appointment and seeks to collect details of the insurances provided by the Outside Body on an annual basis.</i>

For more information contact: LGA Nominations Coordinator at nominationscoordinator@lga.sa.gov.au or 8224 2130

Stormwater Management Authority — Nomination Form

Instructions

This form:

- Must be submitted by a council
- Must be emailed in PDF format to nominationscoordinator@lga.sa.gov.au
- Receipt of nomination will be acknowledged by return email
- CV and response to selection criteria (if applicable) may be emailed separately by the nominee and will be treated confidentially

This nomination form fulfils the requirements of the LGAs Appointments and Nominations to Outside Bodies Policy, [available here](#).

SECTION 1 to be completed by Council, SECTION 2 to be completed by Nominee.

Please refer to the *Call for Nominations* information sheet (PART A) for details of the Outside Body and the selection criteria to be met by the nominee.

SECTION 1: COUNCIL to complete

< Name of Outside Body >	
Council Details	
Name of Council submitting the nomination	
Contact details of council officer submitting this form	Name: <input style="width: 80%;" type="text"/>
	Position: <input style="width: 80%;" type="text"/>
	Email: <input style="width: 80%;" type="text"/>
	Phone: <input style="width: 80%;" type="text"/>
Council meeting date and minute reference	
Nominee Full Name	
elected member <input type="checkbox"/> OR employee of council <input type="checkbox"/> OR employee of local government entity <input type="checkbox"/>	
<i>Note: by submitting this nomination council is recommending the nominee is suitable for the role.</i>	

SECTION 2: NOMINEE to complete

< Name of Outside Body >			
Nominee Details			
* Denotes a Mandatory Field. The information in this form is provided by the LGA to the relevant Minister/State Government Authority for the purposes of actioning an appointment to an outside body. Successful Nominees may be contacted directly by the relevant body using the information provided in this form.			
First Name:*		Gender	
Middle Name:*			
Surname:*			
Home / Personal Postal Address:*			
Phone:		Mobile:	
Personal Email:			
Why are you interested in this role?			
CV	attached <input type="checkbox"/> OR forwarding separately <input type="checkbox"/>		
Response to selection criteria (if applicable) <small>Please refer to the Call for Nominations information sheet for the selection criteria to be addressed.</small>	<i>Nominee to provide response to selection criteria (of no more than 2 pages) for consideration by the LGA Board of Directors.</i> attached <input type="checkbox"/> OR forwarding separately <input type="checkbox"/>		
Do you agree for your details to be retained on the LGA Nominees Database for a period of 12 months in order to be considered for other vacancies on Outside Bodies?			
Yes <input type="checkbox"/> OR No <input type="checkbox"/>			
If Yes, please list any fields of interest or Outside Bodies of interest:			
<ul style="list-style-type: none"> • • • 			
Undertaking:			
<i>The LGA Board resolved in January 2015 to ensure that appointees to external Boards and Committees remain current local government members or officers. If you leave local government for any reason during the term of your appointment, are you prepared to resign your appointment if requested to do so by the LGA?</i>			
Yes <input type="checkbox"/> No <input type="checkbox"/>			
Signature of Nominee: _____			

Attachment B

Nomination to External Bodies
Local Government Transport Advisory Panel



City of
Norwood
Payneham
& St Peters

LGA Local Government Transport Advisory Panel — Call for Nominations

<p>Purpose/Objective</p>	<p>"The LGTAP oversees the governance and operations of the Special Local Roads Program (SLRP), a program that has been in place in South Australia since 1985. Since its inception, it has supported South Australian councils to construct and maintain significant and strategic local roads that otherwise would exceed an individual council's capacity. Its existence is built on the premise that the local government sector as a whole benefits from councils pooling a portion of their road funding.</p> <p>The LGTAP's role is to consider applications for SLRP funding and make recommendations to the LGA Board of Directors, which flow to the South Australian Local Government Grants Commission and relevant State and Federal ministers for approval. A link to the LGTAP's Terms of Reference (ToR) is available here."</p>
<p>Administrative Details</p>	<p>The successful candidate must attend at least 3 meetings per year, generally at a location to be determined by the Chair. In accordance with LGTAP's ToR, there is no remuneration for LGTAP members.</p>
<p>Selection Criteria (to be addressed by applicant)</p>	<p>Eligible nominees should have appropriate qualifications, experience and/or knowledge in:</p> <ul style="list-style-type: none"> • Infrastructure, planning and delivery, and grant management • Sound project management, financial management and governance skills • Local, regional and state transport planning • Evaluation of grant applications, including analysis of information of a technical and financial nature <p>You must be a current employee of a South Australian council.</p>
<p>Liability and indemnity cover</p>	<p><i>The LGA requires that persons appointed to Outside Bodies be appropriately insured throughout the period of their appointment and seeks to collect details of the insurances provided by the Outside Body on an annual basis.</i></p>

For more information contact: LGA Nominations Coordinator at nominationscoordinator@lga.sa.gov.au or 8224 2130

Local Government Transport Advisory Panel — Nomination Form

Instructions

This form:

- May be submitted by a CEO
- Must be emailed in PDF format to nominationscoordinator@lga.sa.gov.au
- Receipt of nomination will be acknowledged by return email
- CV and response to selection criteria (if applicable) may be emailed separately by the nominee and will be treated confidentially

This nomination form fulfils the requirements of the LGAs Appointments to LGA-related Entities Policy, available [here](#) [embed 710986 in word form].

SECTION 1 to be completed by Council, SECTION 2 to be completed by Nominee.

Please refer to the *Call for Nominations* information sheet (PART A) for details and the selection criteria to be met by the nominee.

SECTION 1: COUNCIL to complete

Local Government Transport Advisory Panel		
Council Details		
Name of Council submitting the nomination		
Contact details of council officer submitting this form	Name:	
	Position:	
	Email:	
	Phone:	
CEO endorsement required		
Nominee Full Name		
elected member <input type="checkbox"/> OR employee of council <input type="checkbox"/> OR employee of local government entity <input type="checkbox"/>		
<i>Note: by submitting this nomination council is recommending the nominee is suitable for the role.</i>		

SECTION 2: NOMINEE to complete

Local Government Transport Advisory Panel			
Nominee Details			
* Denotes a Mandatory Field. The information in this form is provided by the LGA to the relevant Minister/State Government Authority for the purposes of actioning an appointment to an outside body. Successful Nominees may be contacted directly by the relevant body using the information provided in this form.			
First Name:*		Gender	
Middle Name:*			
Surname:*			
Home / Personal Postal Address:*			
Phone:		Mobile:	
Personal Email:			
Why are you interested in this role?			
CV	attached <input type="checkbox"/> OR forwarding separately <input type="checkbox"/>		
Response to selection criteria (if applicable) <i>Please refer to the Call for Nominations information sheet for the selection criteria to be addressed.</i>	<i>Nominee to provide response to selection criteria (of no more than 2 pages) for consideration by the LGA Board of Directors.</i> attached <input type="checkbox"/> OR forwarding separately <input type="checkbox"/>		
Do you agree for your details to be retained on the LGA Nominees Database for a period of 12 months in order to be considered for other vacancies on Outside Bodies?			
Yes <input type="checkbox"/> OR No <input type="checkbox"/>			
If Yes, please list any fields of interest or Outside Bodies of interest:			
<ul style="list-style-type: none"> • • • 			
Undertaking:			
<i>The LGA Board resolved in January 2015 to ensure that appointees to external Boards and Committees remain current local government members or officers. If you leave local government for any reason during the term of your appointment, are you prepared to resign your appointment if requested to do so by the LGA?</i>			
Yes <input type="checkbox"/> No <input type="checkbox"/>			
Signature of Nominee: _____			

11.13 ERA WATER – REQUEST TO CONNECT THE GUMS RESERVE, CAMPBELLTOWN CITY COUNCIL

REPORT AUTHOR: General Manager, Governance & Civic Affairs
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4549
FILE REFERENCE: qA87866
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to present to the Council, a request which has been received from ERA Water for ERA Water to connect the Gums Reserve to the ERA Water Network for approval.

BACKGROUND

ERA Water is a Regional Subsidiary which has been established pursuant to Section 43 of the *Local Government Act 1999*, for the primary purpose of implementing the Waterproofing Eastern Adelaide Project (the Scheme), which involves the establishment of wetland bio-filters, aquifer recharge and recovery, pipeline installations and water storage facilities. ERA Water manage the Scheme on behalf of the Constituent Councils and provide recycled stormwater for the irrigation of parks and reserves to Constituent Councils. The City of Norwood Payneham & St Peters, together with the City of Burnside and the Town of Walkerville make up the Constituent Councils of ERA Water.

ERA Water has written to the Council seeking the Council's approval to connect the Gums Reserve, which is located in the Campbelltown City Council, to the ERA Water Network.

Clause 2.2.2 of the ERA Water Charter (the Charter), sets out that ERA Water must seek approval of the Constituent Councils if it intends to "*act outside the area of the Constituent Councils*".

A copy of the letter dated 2 April 2024 from Mr Andrew Aitken, General Manager ERA Water is contained within **Attachment A**.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

Not Applicable.

FINANCIAL AND BUDGET IMPLICATIONS

The ERA Water draft 2024-2025 Budget includes the connection to the Gums Reserve at an estimated cost of \$45,000. Income from the connection is expected to be received from January 2025.

EXTERNAL ECONOMIC IMPLICATIONS

Not Applicable.

SOCIAL ISSUES

Not Applicable.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

Not Applicable.

RISK MANAGEMENT

Not Applicable.

CONSULTATION

- **Elected Members**
Cr Grant Piggott is a member of the ERA Water Board.
- **Community**
Not Applicable.
- **Staff**
Nil
- **Other Agencies**
Not Applicable.

DISCUSSION

In March 2024, the ERA Water Board resolved to seek approval from the three (3) Constituent Councils to connect the Gums Reserve to the ERA Water Network. To facilitate this work, the ERA Water Draft 2024-2025 Budget contains an allocation of \$45,000 for the connection works.

However, as set out previously, in order to progress this work, ERA Water requires the approval of the Constituent Councils.

One of the key objectives of ERA Water is to “*develop, implement, oversee and manage practical solutions to provide water supply diversity within and outside the Region*”.¹

Notwithstanding the above, the ERA Water Charter sets out that ERA Water must obtain approval from the Constituent Councils prior to entering into arrangements with other agencies and organisations outside the ERA Water region.

This provision within the Charter is understandable as the Constituent Councils should be made aware of the implications (if any and particularly financial), of such arrangements for each Council, prior to those arrangements being finalised.

As set out in the letter from ERA Water (Attachment A), the ERA Water Board is considering seeking an exemption from this Clause within the ERA Water Charter (Clause 2.2.2), for these type of situations in the future.

This request is quite reasonable on the basis that ERA Water are required to “*recapitalise ERA Water to provide scope to increase sales to build financial sustainability*”.²

At the same time, as the shareholders, the Constituent Councils need to have assurance that any such arrangements (ie new connections to Third Party entities), will not have a financial impact on the Constituent Councils.

Whilst obtaining approval from the Constituent Councils can be somewhat arduous and lengthy at times, it is a necessary step in the process. Notwithstanding this, it is understandable that a less arduous and lengthy process is being sought.

¹ ERA Water Strategic Plan 2022-2025

² ERA Water Strategic Plan 2022-2025

As such to progress this request further, it is recommended that the Council advises ERA Water that it will give consideration to the request, subject to the preparation of a robust decision making framework.

In respect to the current request, the Campbelltown City Council is an existing customer of ERA Water and is now looking to extend the agreement with ERA Water to include the Gums Reserve.

There are no implications for the Constituent Councils in terms of water supply and on the basis of the costs and associated income it is anticipated that the payback period for the installation of the new Network infrastructure will be within two (2) years.

OPTIONS

The Council can choose not to support the request from ERA Water to connect the Gums Reserve to the ERA Water Network, however, there are no specific issues or activities which present a financial or risk management issue for the Council to take this course of action and therefore it is recommended that the Council approves the request.

CONCLUSION

A recent update in terms of the key outcomes of ERA Water over the last few months has highlighted an increase in increase in water sales from approximately 255.7ML in 2023-24 to 302ML in 2024-2025, largely due to external customer sales, which ERA Water is reliant upon to ensure ongoing financial sustainability.

COMMENTS

Nil

RECOMMENDATION

1. The Council advises ERA Water that pursuant to Clause 2.2.2 of the ERA Water Charter, the Council has considered and hereby approves the connection of the Gums Reserve located in the Campbelltown City Council to the ERA Water Network.
2. The Council advises the ERA Water Board that the Council will give consideration to supporting a formal request from the ERA Water Board to seek an exemption from Clause 2.2.2 of the ERA Water Charter, subject to the preparation of a suitable decision making framework for these matters.

Attachments – Item 11.13

Attachment A

ERA Water Request to Connect the Gums Reserve Campbelltown City Council

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Facsimile 8332 6338
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au



City of
**Norwood
Payneham
& St Peters**

2 April 2024

Mr Mario Barone PSM
Chief Executive Officer
City of Norwood Payneham St Peters,
175 The Parade,
Norwood SA, 5067

Via email: mbarone@npsp.sa.gov.au

Dear Mr Barone

Re: Request to Connect Gums Reserve in Campbelltown City Council

At its meeting on 28 March 2024, the ERA Water Board resolved to seek approval from each Constituent Council to connect the Gums Reserve in Campbelltown City Council to ERAW water, as it is located outside the ERA Water (Constituent Council) Region.

According to the ERA Water Charter, one of the objects and purposes of ERA Water is 'to supply water to the Constituent Councils and other persons for irrigation purposes within and outside the Region except that priority shall be given to the supply of water for irrigation within the Region.' More specifically, Clause 2.2.2 of the Charter states:

- *to, notwithstanding any other Clause or provision in this Charter, only act outside the area of the Constituent Councils with the prior approval of the Constituent Councils whose approval is granted on the basis that the Constituent Councils consider it necessary or expedient to the performance of the Constituent Councils' or the Subsidiary's functions.*

The Draft 2024-25 ERA Water Budget, sent to you late last week, proposes the connection of Gums Reserve, at an estimated cost of \$45,000, with income from this connection expected to occur from January 2025. To this end, with an assumed demand of 10ML per annum, the payback period is expected to be within two (2) years.

The Board has also indicated that it is considering seeking an exemption from Clause 2.2.2 for these types of connections in future and would appreciate feedback from the Constituent Councils in this regard. Please feel free to provide me with any feedback from your Council regarding the concept of an exemption and I will raise this with the Board for its consideration.

I respectfully request that this proposal from the ERA Water Board, seeking approval for the proposed connection of the Gums Reserve, be put to your Council for its consideration at the earliest opportunity.

Please contact me should you wish to clarify or discuss any of the above.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'A. Aitken', is centered on a light gray rectangular background.

Andrew Aitken
General Manager ERA Water

Ph. 0414 363 140

12. ADOPTION OF COMMITTEE MINUTES

REPORT AUTHOR: General Manager, Governance & Civic Affairs
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4549
FILE REFERENCE: Not Applicable
ATTACHMENTS: A - B

PURPOSE OF REPORT

The purpose of the report is to present to the Council the Minutes of the following Committee Meetings for the Council's consideration and adoption of the recommendations contained within the Minutes:

- Audit & Risk Committee – (30 April 2024)
(A copy of the Minutes of the Audit & Risk Committee meeting is contained within **Attachment A**)
- Norwood Parade Precinct Committee – (22 April 2024)
(A copy of the Minutes of the Norwood Parade Precinct Committee meeting is contained within **Attachment B**)

ADOPTION OF COMMITTEE MINUTES

- **Audit & Risk Committee**

That the Minutes of the meeting of the Audit & Risk Committee held on 22 April 2024, be received and that the resolutions set out therein as recommendations to the Council are adopted as decisions of the Council.

- **Norwood Parade Precinct Committee**

That the Minutes of the meeting of the Norwood Parade Precinct Committee held on 30 April 2024, be received and that the resolutions set out therein as recommendations to the Council are adopted as decisions of the Council.

Attachment A

Adoption of Committee Minutes

Audit & Risk Committee

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Facsimile 8332 6338
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au



City of
**Norwood
Payneham
& St Peters**

Audit & Risk Committee Minutes

22 April 2024

Our Vision

*A City which values its heritage, cultural diversity,
sense of place and natural environment.*

*A progressive City which is prosperous, sustainable
and socially cohesive, with a strong community spirit.*

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

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City of
Norwood
Payneham
& St Peters

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VENUE Mayors Parlour, Norwood Town Hall

HOUR 7.00pm

PRESENT

Committee Members Mayor Robert Bria (Presiding Member)
Cr Grant Piggott
Cr Claire Clutterham
Ms Sandra Di Blasio (Independent Member)
Ms Stefanie Eldridge (Independent Member)

Staff Mario Barone (Chief Executive Officer)
Lisa Mara (General Manager, Governance & Civic Affairs)
Natalia Axenova (Chief Financial Officer)
Marina Fischetti (Executive Assistant, Governance & Civic Affairs)

APOLOGIES Nil

ABSENT Nil

TERMS OF REFERENCE:

The functions of the Audit & Risk Committee include:

- (a) reviewing Annual Financial Statements to ensure that the Statements present fairly the state of affairs of the Council; and
- (b) proposing, and providing information relevant to, a review of the Council's strategic management plans or annual business plan; and
- (c) monitoring the responsiveness of the Council to recommendations for improvement based on previous audits and risk assessments, including those raised by the Council's External Auditor; and
- (d) proposing, and reviewing, the exercise of powers under Section 130A of the Local Government Act 1999; and
- (e) liaising with the Council's External Auditor in accordance with any requirements prescribed by the regulations; and
- (f) reviewing the adequacy of the accounting, internal controls, reporting and other financial management systems and practices of the Council on a regular basis; and
- (g) providing oversight of planning and scoping of the Internal Audit work plan; and
- (h) reviewing and commenting on reports provided by the person primarily responsible for the Internal Audit function at least on a quarterly basis; and
- (i) reviewing and evaluating the effectiveness of policies, systems and procedures established and maintained for the identification, assessment, monitoring, management and review of strategic, financial and operational risks on a regular basis; and
- (j) reviewing any report obtained by the Council pursuant to Section 48(1) of the Local Government Act 1999; and
- (k) performing any other function determined by the Council or prescribed by the regulations.

1. CONFIRMATION OF MINUTES OF THE AUDIT & RISK COMMITTEE MEETING HELD ON 7 MARCH 2024

Ms Sandra Di Blasio moved that the Minutes of the Audit & Risk Committee meeting held on 7 March 2024 be taken as read and confirmed. Seconded by Cr Grant Piggott and carried unanimously.

2. PRESIDING MEMBER'S COMMUNICATION

As Presiding Member of the Audit & Risk Committee, whose role tonight is to provide advice to the Council in respect to the draft 2024-2025 Budget, it is my view that the Council should be committed to a maximum Rate Revenue increase of 8%, as set out in the draft 2024-2034 Long Term Financial Plan.

I therefore, strongly recommend that the Committee gives consideration to how this can be achieved as part of the Draft 2024-2025 Budget.

As Committee Members may recall, the draft 2024-2034 Long Term Financial Plan has incorporated the cost of the Payneham Memorial Swimming Centre redevelopment, together with a number of other key projects and has projected the revenue which the Council should seek to achieve to funds these projects.

It is important therefore, that the Committee and indeed the Council, give serious regard to achieving these targets and in doing so, manage its expenditure.

3. **QUESTIONS WITHOUT NOTICE**
Nil
4. **QUESTIONS WITH NOTICE**
Nil
5. **WRITTEN NOTICES OF MOTION**
Nil
6. **STAFF REPORTS**

6.1 DRAFT 2024-2025 BUDGET

REPORT AUTHOR: General Manager, Governance & Civic Affairs
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4549
FILE REFERENCE:
ATTACHMENTS: A – C

PURPOSE OF REPORT

The purpose of the report is to present the Draft 2024-2025 Budget to the Audit & Risk Committee to enable the Committee to provide comment and recommendations to the Council, prior to the Council's "in principle" endorsement of the Draft 2024-2025 Annual Business Plan, the Draft 2024-2025 Budget and the Draft Rating Policy, prior to placing these documents on public consultation.

BACKGROUND

Section 123(8) of the *Local Government Act 1999*, requires the Council to adopt an Annual Business Plan and a Budget for the ensuing financial year after 31 May and except in a case involving extraordinary administrative difficulty, before 15 August.

The Draft Budget comprises the Recurrent Budget, which incorporates the revenue and expenditure which is required to provide the "Business as Usual" services. The second component incorporates the Capital and Operating Project Budget. The Operating Projects Budget encompasses services, programs and activities that are outside the "Business as Usual" services and are considered discretionary in nature, (the Council is under no obligation to provide the services, activities or programs or if required to undertake the activity – For example a Representation Review is irregular in nature). Operating Projects generally include one off activities or programs, an expansion of an existing service or program or proposals to introduce a new service or program. Operating Projects are funded from Rate Revenue or a fee for service charge.

The Capital Works Budget encompasses projects which renew, upgrade or create new infrastructure assets. Examples of some projects are the Civil Infrastructure Whole-of-Life Program (referred to as renewals), Playground/Reserve Redevelopment (referred to as upgrades). Renewal Capital Projects are funded through Rate Revenue, via the depreciation charge, with new or upgrade works funded through borrowings or cash reserves.

At its meeting held on 8 April 2024, the Council considered the Draft 2024-2025 Budget. Following consideration of the Draft 2024-2025 Budget the Council resolved the following:

1. *That the proposed Operating and Capital Projects as set out in Attachments A and B, and as amended, be endorsed "in principle".*
2. *That the Draft 2024-2025 Budget, set out in the Financial Statements contained in Attachment E, which incorporates the proposed Operating and Capital Projects, as approved by the Council and including those Projects as set out above and contained in Attachments A and B, be endorsed "in principle".*
3. *The Council notes that a report on the adoption of the Draft 2024-2025 Annual Business Plan and Budget, which includes the 2024-2025 Rating Strategy, will be prepared for the Council's consideration.*

The Draft 2024-2025 Annual Business Plan, will be considered at the Council Meeting scheduled for 6 May 2024.

The Draft 2024-2025 Annual Business Plan and Budget will be released for public consultation for a period of twenty-one (21) days as required by the *Local Government Act 1999*.

RELEVANT POLICIES & STRATEGIC DIRECTIONS

The Council's long term strategic direction is outlined in its Strategic Management Plan *City Plan 2030: Shaping our Future*. The Draft 2024-2025 Annual Business Plan and supporting Draft 2024-2025 Budget, set out the proposed services and programs and explains how the Council intends to finance its continuing and new activities which are proposed to be undertaken during the year.

The Council's Long Term Financial Plan (LTFP), is a key document in the Council's Planning Framework. It is the primary financial management tool which links the Council's Strategic Plan, *City Plan 2030: Shaping our Future*, Whole-of-Life Assets Management Plans and the Annual Business Plan and Budget.

Financial sustainability underpins the Council's Financial Goals and Outcomes, which are set out in the Long-Term Financial Plan. In general terms, financial sustainability is ensuring that the Council has the financial resources to meet the long-term service and infrastructure needs of the community, without any severe increases in rate revenue or cuts in service provision and standards.

From an operational perspective, financial sustainability is being able to manage the balance between keeping rate revenues increases to a reasonable level, maintaining existing service standards and financing new services and major capital investments.

The Draft 2024-2025 Budget has been developed on the basis of ensuring that it will assist in delivering on the Council's Long Term Strategic direction and financial objectives set out in the LTFP.

FINANCIAL AND BUDGET IMPLICATIONS

For the 2024-2025 Financial Year, the LTFP estimates an Operating Surplus of \$170,953, based on a Rate Revenue increase of 8%.

To ensure that the Council can deliver on its financial objectives, as set out in the Council's Long Term Financial Plan, the Draft Recurrent Budget has been prepared with reference to the Budget Parameters which were adopted by the Council at its meeting held on 22 January 2024.

The Draft 2024-2025 Budget, as presented to the Council at its meeting held on 8 April 2024, was based on the 8% Rate Revenue increase as set out in the Long-Term Financial Plan, which in turn will deliver an estimated Operating surplus of \$170,953.

At its meeting held on 8 April 2024, the Council resolved "*in principle*" to incorporate a number of projects within the Draft 2024-2025 Budget. Details of these projects and the impact on the Draft 2024-2025 Budget are set out in the Discussion section of this report.

At the time of writing this report, the rate increase for the average residential ratepayer is not available (noting that the Rate Revenue increase does not necessarily translate to the same percentage increase in the average rate).

EXTERNAL ECONOMIC IMPLICATIONS

The South Australian economy has continued to perform solidly across a number of economic indicators, as the State ranked highest in four of the key economic indicators compared to other Australian States and Territories (i.e. in relative Economic Growth, Unemployment, Construction work (the total real value of residential, commercial and engineering work completed) and Dwellings (housing statistics driven in part by population growth). However, the pace of growth appears to be moderating.

Following growth of 5.1% in 2021-2022, Gross State Product (GSP) declined in 2022-2023, growing only by 3.8%. This data is not available on a quarterly basis. Therefore, the State Final Demand (SFD) is another key component of economic growth the Council can consider, which reflects the consumption on goods and services (including imports) and capital investment. The nominal SFD seasonally adjusted for the December 2023 quarter only increased by 1.6% year-on-year. Growth in both GSP and SFD is expected to remain low in 2023-2024 and 2024-2025 as inflation comes down and real incomes start to rise. Consumption growth is expected to come back to pre-pandemic levels over the next couple of years.

The outlook for inflation has been revised downwards, as it is expected to eventually decline to the 2%–3% target range in 2025 and to reach the midpoint in 2026. Goods price inflation has declined but services price inflation remains high, supported by continued excess demand in the economy and strong domestic cost pressures, both for labour and non-labour inputs. The Adelaide Consumer Price Index (CPI) is forecast to grow by 0.7% towards the later stages of 2023-2024 quarters, reflecting the rising prices for automotive fuel, rents, new dwelling purchases by owner-occupiers, electricity, restaurant meals and property rates and charges. However, this is forecasted to fall back within the Reserve Bank of Australia's target range from 2024-2025.

SOCIAL ISSUES

No Applicable.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

Not Applicable.

RISK MANAGEMENT

The Draft 2024-2025 Budget will also be impacted upon by the decisions made by the Federal Government and State Government in their respective budgets. No information regarding these budgets is available at the time of preparation of this report.

As a result, the Draft 2024-2025 Budget presented in this report, has been developed on the following assumptions:

- that the Financial Assistance Grants, comprising of the General Assistance Grant and the Road Funding Grant, will be provided based on the current funding arrangements of four (4) quarterly instalments. The value of these payments has not been indexed;
- State Government Charges, which are set by Legislation, are yet to be indexed; and
- no new fees and charges will be introduced with the exception of the fees associated with the Visitor Parking Permit Booklets and copies of the Council Assessment Record.

Any adjustments to the Draft Budget arising from the State and Federal Budgets will be incorporated into the Council's 2024-2025 Budget when this information becomes available.

Notwithstanding this, the preparation of the Draft 2024-2025 Annual Business Plan and Budget has been prepared to ensure the Council meets its legislative responsibility in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

CONSULTATION

- **Elected Members**
Elected Members have considered the Draft 2024-2025 Recurrent Budget, Capital Works Program and Operating Projects at an Information Briefing held on 12 March 2024 and at the Special Council Meeting held on 8 April 2024.
- **Community**
Citizens will be provided the opportunity to have input into the Draft 2024-2025 Budget through public consultation on the Draft Annual Business Plan, which is scheduled to be undertaken from 27 May 2024.
- **Staff**
The preparation of the Draft 2024-2025 Budget has been completed with the involvement of the Chief Executive Officer, General Managers and staff responsible for management of the Budget.

- **Other Agencies**
Not Applicable.

DISCUSSION

The Draft 2024-2025 Budget is based on the continuation of existing services and priorities, as determined by the Council, being appropriately resourced and that the Council can maintain the service standards for its existing services to support the delivery of the Strategic Objectives outlined in *CityPlan 2030: Shaping our Future* and that those services receive appropriate funding.

The key objective therefore, is to develop a Budget that not only contributes to the Council's broader strategic objectives of achieving *Community Well-being*, but also ensures that the Council is managing its financial resources in a sustainable, prudent and equitable manner and to ensure that future financial impacts can either be avoided or managed in a measured way, so that the funding requirements are balanced with ensuring that the community does not face unreasonable increases in their annual rates contribution.

Budget Parameters/Assumptions

In developing the Draft 2024-2025 Budget, the following principles and assumptions have been applied:

- the Recurrent Budget be prepared based on the provision of existing services, programs and activities;
- the cost escalation for Material, Contracts and Other Expenses has been set at a 3.5% Inflation; and
- Wages and Salaries increases are based on the Council's Enterprise Agreements.

Budget Overview

As stated previously, the Draft 2024-2025 Budget presented to the Council at its meeting held on 8 April 2024, was based on the draft LTFP with a recommended Rate Revenue increase of 8% delivering an Operating Surplus of \$170,953.

A copy of the report which was presented to the Council at its meeting held on 8 April 2024, is contained within **Attachment A** (noting that only the report is provided).

The draft 2024-2025 Budget as presented to the Council at its meeting held on 8 April 2024, included the Recurrent Budget and Programs, which incorporates the revenues and expenditure required to provide the "*Business as Usual*" services and delivered a surplus of \$3.003 million, which will be used to fund the delivery of the proposed Operating Projects and fund additional interest costs to cover the additional finance costs associated with borrowings required to fund the delivery of the proposed Capital Works Program.

The total Operating Expenditure is \$53.86 million, with \$41.22 million (73%) being influenced by the decisions that have been made as part of the budget process while the remaining \$15.47 million (27%) of expenditure relates to the depreciation of existing and new assets, as well as finance costs.

It should be noted that while the cost to finalise any carry forward Operating Projects from 2023-2024 financial year are not included in the Draft 2024-2025 Operating Surplus, the funding to undertake these projects will be sourced from cash reserves.

At this stage, only the Draft Budgets of the Regional Subsidiaries (with the exception of the Eastern Health Authority Draft 2024-2025 Budget), have been incorporated into the Council's Draft Operating result for 2024-2025 as the Council is yet to receive the finalised budgets of the Regional Subsidiaries. The Council is required to report the Council's share of the Regional Subsidiaries operating results and while this will have an impact on the Council's reported Operating Result, this is a non-cash transaction that does not have an impact on the Council's cash position.

Following consideration of the Draft 2024-2025 Budget, the Council resolved to amend the Draft 2024-2025 Budget as presented and as recommended at the 8 April 2024 Council Meeting.

The implications of the Council's decision are set out below.

Draft 2024-2025 Budget as at 8 April 2024

At its meeting held on 8 April 2024, the Council endorsed "*in principle*" the inclusion of an additional \$340,000 for Operating Projects. In addition, the Council did not support the inclusion of one (1) project and reduced the funding for one (1) project as part of the Draft 2024-2025 Budget.

The total net cost as a result of the Council's decision is \$315,000.

Details of the additional projects which the Council supported as part of the Draft 2024-2025 Budget are set out in Table 1.

TABLE 1: ADDITIONAL OPERATING PROJECTS TO BE INCLUDED AS PART OF THE DRAFT 2024-2025 BUDGET

Project	Description	Funding Allocation
2025 AFL Gather Round	To host events and activities associated with the 2025 Gather Round, should Norwood Oval be selected as a venue to host matches as part of the 2025 Gather Round.	\$200,000
Building Assets Review/Strategy	The purpose of this project is to develop a strategy for the Council's buildings and facilities. Strategy will include an analysis of current facility utilisation and predictions of future needs, together with a condition audit data of the Council's buildings assets, the Whole of Life program and the Council's Asset Management Plans.	\$ 20,000
Implementation of the IT Strategy	This funding is to commence the implementation of the IT Strategy following the completion of the review.	\$100,000
Verge Upgrade Program	To financially assist residents wanting to upgrade the verge with the cost of removing dolomite or quartz gravel and growing greenery in its place.	\$ 20,000
TOTAL		\$340,000

The Council did however, resolve **not to** allocate funds for the Payneham Memorial Swimming Centre Communications project of \$10,000 and reduced the funding for the *Raising the Bar* program from \$40,000 to \$25,000.

As stated above, the decisions made by the Council at its meeting held on 8 April 2024 represents an increase of **\$315,000** compared to the Draft Budget presented and recommended to the Council.

A total of Funding Submissions received for Operating Projects totalled \$1,480,652.

The Council's Executive Leadership Team recommended for approval proposed Operating Projects of \$616,172, which were included into the Draft 2024-2025 Budget. The remaining projects to the value of \$864,480 were not recommended for approval due to various reasons which includes, alignment to the Council's current priorities and strategies of the Council and the impact of these proposed projects on the Recurrent Budget beyond 2024-2025, LTFP and Cashflow forecast. The intention being to potentially delay and re-submit some of the proposed projects at a later year to align with LTFP timeline, if required.

The Operating Projects for 2024-2025 which were presented to the Council for approval at its meeting held on 8 April 2024 and subsequently endorsed "*in principle*" by the Council are detailed in Table 2.

TABLE 2: OPERATING PROJECTS 2024-2025

Operating Projects	\$
St Peters Billabong Engineering Review	100,000
Development of an IT Strategy	80,000
Implementation of Year 1 of the Art & Culture Plan	68,874
Participation in 2025 Tour Down Under	60,000
Additional Administrative staff for Regulatory Services	47,336
Purchase and installation of CIVICA Authority ACTUS Mobile App	43,862
Information Systems Project Support Staff (fixed-term contract)	40,000
Eastside Business Awards	40,000
Raising the Bar Adelaide	40,000
Payneham Memorial Swimming Centre Communications	10,000
Glynde Heavy Vehicle Traffic Study	25,000
Implementation of Electronic Permits	20,000
Development of Tree Strategy Contractor	20,000
Urban Greening Program (Tree vouchers)	10,000
Firstval Festival (Library Services)	4,000
Music Month in the Libraries (Library Services)	3,800
Culturally Diverse Early Literacy Project (Library Services)	3,300
Total Operating Projects Expenditure	616,172

The Operating Projects that were recommended for approval are contained in **Attachment B**, Table 1 and the proposed Operating Projects not recommended for approval are contained in **Attachment B**, Table 2.

The Draft 2024-2025 Budget presented to the Council at its meeting held on 8 April 2024, which included the Operating Projects set out in Table 2 above, was based on an 8% Rate Revenue increase, in accordance with the draft LTFP, with an Operating Surplus of \$170,953.

The inclusion of the additional \$315,000 in Operating Projects, based on a Rate Revenue Increase of 8%, in accordance with the draft LTFP, results in an **Operating Deficit of \$144,047**.

Based on the decision made by the Council at its meeting held on 8 April 2024, the Financial Statements have been updated to include the additional \$315,000. A copy of the updated Financial Statements is contained within **Attachment C**.

As set out in the updated Financial Statements, in order to achieve a modest Operating Surplus (ie \$70,000), the Council would now be required to increase Rate Revenue by 8.5%.

It is important to note that a 0.25% increase in Rate Revenue will result in approximately an additional \$105,000 in revenue and the average rates year-on-year will increase by approximately 0.20%.

Budgeted Capital Projects

The Draft 2024-2025 Budget, as presented, incorporates Capital Projects to the value of \$52.868 million (which is the net of Grant funding and total expenditure required). It also includes staff costs of \$1.101 million which are to be capitalised (i.e. staff involved in the delivery of the projects involving physical assets).

The proposed Capital Projects for 2024-2025, have been broken down into a number of categories as set out Table 3 below.

TABLE 3: CAPITAL PROJECT CATEGORIES

Capital Expenditure Project	\$
Whole-of-Life Capital Works Program	
* Road Resealing	4,176,766
* Footpath Reconstruction	951,400
* Kerb Reconstruction	1,551,917
* Stormwater Drainage Program (including Trinity Valley Stormwater Upgrade Project)	11,771,866
* Other Infrastructure Asset Renewal	1,972,313
Payneham Memorial Swimming Centre – Year 2	35,000,000
George Street Upgrade (including additional funding)	1,560,000
Quadrennial Art Project	9,000
Traffic Management (various)	620,000
Minor projects (IT Equipment upgrade and Bike Parking at Webbe Street facility)	77,500
Capitalisation of Salaries (existing staff)	1,101,342
Total Capital Projects Expenditure	58,792,104
Grant Funding	5,924,000
Net Cost	52,868,104

Borrowings

Capital expenditure of \$58.792 million is proposed to be funded as shown in Table 4.

TABLE 4: CAPITAL PROJECTS FUNDING

Use of depreciation recovered through Rate Revenue	\$11,342,926
Grant Funding	\$5,924,000
Borrowings	\$41,525,178
TOTAL	\$58,792,104

In determining the timing and the level of borrowings that are required to fund the proposed Capital Program, consideration has been given to the cash flow requirements and to intergenerational equity between current and future users (that is, an asset is funded from loan borrowings which is paid off over the life of the asset rather than raising rate revenue from current rate payers to pay for the asset).

The Council has an option in respect to its borrowing arrangements using financial instruments such as Cash Advance Debenture (CAD) or Traditional Loan (Loan) provided by the Local Government Financing Authority (LGFA). It is important that borrowing decisions are made strategically, considering factors such as cost, risk, and suitability to the Council's financial objectives and for its ongoing financial sustainability.

OPTIONS

The purpose of this report is to provide the opportunity for the Committee to provide comment on the Draft 2024-2025 Budget, prior to the Council endorsing the Draft 2024-2025 Annual Business Plan, the Draft 2024-2025 Budget and the Draft Rating Policy for the purpose of undertaking public consultation.

In this regard, the Committee has the following options in respect to the consideration of this matter;

- advise the Council that the Draft 2024-2025 Budget, set out in the Financial Statements contained in **Attachment C**, which incorporates the proposed Operating and Capital Projects contained in **Attachment B** and as endorsed “*in principle*” by the Council at its meeting held on 8 April 2024 is recommended for endorsement “*in principle*” by the Council; or
- recommend to the Council, amendments to the Draft 2024-2025 Budget as endorsed “*in principle*” by the Council at its meeting held on 8 April 2024, as set out in the Financial Statements contained in **Attachment C**, by:
 - reducing Operating and Capital Projects; and/or
 - increasing or decreasing non-rate revenue; or
 - increasing or decreasing the proposed Rate Revenue increase; or
 - increasing or decreasing recurrent expenditure.

At its meeting held on 7 March 2024, the Committee considered the updated draft 2024-2034 Long-Term Financial Plan which sets out the Rate Revenue increases over the life of the Plan as follows:

Rate Revenue

LONG TERM FINANCIAL PLAN – RATE REVENUE INCREASES

2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	2033-2034
8.0%	8.0%	7.0%	6.5%	6.0%	4.0%	4.0%	4.0%	4.0%	4.0%

At its meeting held on 2 April 2024, the Council adopted the draft *2024 to 2034 Long-Term Financial Plan*.

As set out above, in accordance with the draft *2024 to 2034 Long-Term Financial Plan*, it is recommended that the Committee recommends to the Council that the Council adopts a Rate Revenue increase of 8% as part of the 2024-2025 Budget and that the 2024-2025 Budget should achieve a modest Operating Surplus. As set out above, this can be achieved through a range of options.

CONCLUSION

The Draft 2024-2025 Budget is based on the Council continuing to deliver its existing services, programs and activities at the existing endorsed standard.

To ensure that a responsible budget is set by the Council, a series of Budget Parameters have previously been adopted by the Council to guide staff in preparing the respective budget estimates and submissions. As detailed in this report, the Draft 2024-2025 Recurrent Budget has been prepared with reference to these guidelines and where the parameters have not been achieved, the reasons for the departure have been provided.

Financial sustainability underpins the Council’s Financial Goals and Outcomes, which are set out in the Draft Long-Term Financial Plan. In general terms, financial sustainability is about ensuring that the Council has the financial resources to meet the long-term service and infrastructure needs of the community, without any sharp increases in rate revenue or cuts in service provision and standards.

From an operational perspective, financial sustainability is being able to manage the conflict between keeping rate revenues increases to a reasonable level, maintaining existing service standards and spending on new services and major capital investments that are required to ensure that the objective of Community well-being is achieved.

As previously advised, decisions regarding the Draft 2024-2025, need to take into account the impact on the Council's ability to continue to meet its operational and financial outcomes in the future.

COMMENTS

If Elected Members have any questions in relation to specific budget items or proposed allocations, please contact the Chief Financial Officer on 8366 4548, prior to the meeting as these discussions may assist in resolving any enquiry.

RECOMMENDATION

That the report be received and noted.

Short Term Suspension of Proceedings

At 7.06pm, with the approval of two-thirds of the Committee Members present, the Presiding Member suspended the meeting proceedings pursuant to Regulation 20(1) of the *Local Government (Procedures at Meetings) Regulations 2013* for 45 minutes, to enable informal discussion regarding the Draft 2024-2025 Budget.

Further Suspension of Proceedings

At 7.51pm, with the approval of two-thirds of the Committee Members present, the Presiding Member suspended the meeting proceedings pursuant to Regulation 20(1) of the *Local Government (Procedures at Meetings) Regulations 2013* for a further 10 minutes, to enable further informal discussion regarding the Draft 2024-2025 Budget.

Resumption of Proceedings

The meeting resumed at 8.05pm.

Cr Clutterham moved:

1. *That the report be received and noted.*
2. *That the Audit & Risk Committee recommends to the Council, that the Council should seek to achieve:*
 - *a Rate Revenue increase of no more than 8.0% as part of the Draft 2024-2025 Budget; and*
 - *an Operating Surplus of at least \$171,000, by re-considering the funding of all Operating Projects, with a particular focus on those projects that will incur recurrent funding.*

Seconded by Ms Sandra Di Blasio and carried.

Division

Cr Piggott called for a division and the decision was set aside.

Those in favour:

Cr Clutterham, Ms Stefanie Eldridge, Ms Sandra Di Blasio and Mayor Bria.

Those against:

Cr Piggott.

The Presiding Member declared the motion carried.

7. CONFIDENTIAL REPORTS
Nil

8. OTHER BUSINESS
Nil

9. NEXT MEETING
Monday 20 May 2024

10. CLOSURE

There being no further business the Presiding Member declared the meeting closed at 8.28pm.

Mayor Robert Bria
PRESIDING MEMBER

Minutes Confirmed on _____
(date)

Attachment B

Adoption of Committee Minutes Norwood Parade Precinct Committee

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Facsimile 8332 6338
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au



City of
**Norwood
Payneham
& St Peters**

Norwood Parade Precinct Committee Minutes

30 April 2024

Our Vision

*A City which values its heritage, cultural diversity,
sense of place and natural environment.*

*A progressive City which is prosperous, sustainable
and socially cohesive, with a strong community spirit.*

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

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City of
Norwood
Payneham
& St Peters

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VENUE Mayors Parlour, Norwood Town Hall

HOUR 6.30pm

PRESENT

Committee Members Mayor Robert Bria (Presiding Member)
Cr Sue Whittington
Cr John Callisto
Cr Josh Robinson
Cr Victoria McFarlane
Ms Hannah Waterson
Mr Joshua Baldwin
Mr Mario Boscaini
Mr Rik Fisher
Mr Tom McClure

Staff Mario Barone (Chief Executive Officer)
Keke Michalos (Manager, Strategy)
Claire Betchley (Co-ordinator, Events & Marketing)

APOLOGIES Nil

ABSENT Mr Michael Zito

TERMS OF REFERENCE:

The Norwood Parade Precinct Committee is established to fulfil the following functions:

- *To develop and have oversight of the Annual Business Plan and Budget based on the Separate Rate for The Parade Precinct.*
- *The Budget developed by the Norwood Parade Precinct Committee must be considered in conjunction with the Annual Business Plan and the amount recommended to the Council for approval by the Council, is required to meet the objectives set out in the Annual Business Plan.*
- *To have oversight of the implementation of the Annual Business Plan as approved by the Council.*
- *Through the initiatives as set out in the Annual Business Plan ensure the development and promotion of The Parade as a vibrant shopping, leisure and cultural destination for businesses, residents and visitors.*
- *To initiate and encourage communication between businesses within the Precinct.*

1. CONFIRMATION OF MINUTES OF THE NORWOOD PARADE PRECINCT COMMITTEE MEETING HELD ON 13 FEBRUARY 2024

Cr Callisto moved that the Minutes of the Norwood Parade Precinct Committee meeting held on 13 February 2024 be taken as read and confirmed. Seconded by Mr Mario Boscaini and carried unanimously.

2. PRESIDING MEMBER'S COMMUNICATION

Nil

3. NORWOOD PARADE PRECINCT NEWS

Committee Members to report on news from the Precinct.

4. STAFF PRESENTATION

The Co-ordinator, Events & Marketing provided a presentation to the Committee on the results of the 2024 AFL Gather Round events that were held in the City of Norwood Payneham & St Peters.

5. STAFF REPORTS

5.1 ENDORSEMENT OF THE CONTINUATION OF THE NORWOOD PARADE PRECINCT SEPARATE RATE

REPORT AUTHOR: Manager Strategy
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4509
FILE REFERENCE: qA119911
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to present to the Norwood Parade Precinct Committee (NPPC), the results of the consultation on the proposed extension of *The Norwood Parade Precinct Separate Rate* for one year (2024-2025).

BACKGROUND

At its meeting held on 13 February 2024, the Committee resolved the following:

1. *That the Committee advises and recommends to the Council that it supports the continuation of the Separate Rate for The Parade for one (1) financial year.*
2. *That the Committee supports the amount of revenue raised by the Separate Rate on The Parade to be set at \$225,000 for the 2024-2025 financial year.*

The proposed extension of the Norwood Parade Precinct Separate Rate together with the Committee's recommendation, was subsequently presented to and endorsed by the Council at its meeting held on Tuesday 2 April 2024. At that meeting, the Council considered and endorsed *The Norwood Parade Precinct Separate Rate* being applied for the 2024-2025 financial year, for the purposes of consultation with The Parade business community. At that meeting, the Council also considered the Draft *Annual Business Plan for The Norwood Parade Precinct*, which is based on the proposed revenue that will be collected from the Separate Rate, should it be endorsed.

The current proposal is to apply the Separate Rate for one (1) year and that it be based on achieving a total revenue of \$225,000, during the 2024-2025 financial year.

An information package regarding the Norwood Parade Precinct Separate Rate was subsequently released for consultation for a period of twenty-one (21) days, from Thursday 14 March 2024 until Wednesday 10 April 2024. Letters, a Fact Sheet and Sample Effect Table, were distributed to all businesses and property owners within The Parade Precinct. Posters and postcards were placed at the Norwood Town Hall Citizen Services Centre. In addition to this, information was published on the Council and The Parade websites and an Electronic Direct Marketing (EDM) advising The Parade traders of the consultation was also distributed.

Consultation on the Norwood Parade Precinct Separate Rate was conducted in conjunction with consultation on the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* and comments were invited via email and in writing. In total seven (7) submissions have been received in respect to the consultation on the extension of the Separate Rate. A copy of the submissions received are contained in **Attachment A**.

FINANCIAL AND BUDGET IMPLICATIONS

Should the Committee resolve to recommend to the Council to extend the Separate Rate for a further year, it is recommended that the total revenue collected through the Separate Rate be set at \$225,000, which is an increase of \$10,000 from the amount collected each financial year, over the previous three (3) years.

The proposed Separate Rate model for The Parade has been designed to ensure that the funds are used to ensure that The Parade remains viable in an increasingly competitive market, whilst bearing in mind the additional cost to the property owners and businesses. Larger centrally operated shopping centres (i.e. Burnside Village and Westfields) undertake marketing which is paid for by the individual shop tenants through the respective lease arrangements and this is possible because they all have a single landlord. The Parade has multiple landlords and therefore the Council acts as the landlord and undertakes the marketing and promotion for all of the businesses (i.e. tenants) on The Parade.

Reducing the Separate Rate would result in less revenue to implement initiatives and less capacity to market The Parade. In contrast, increasing The Separate Rate would place additional financial onus on property owners and subsequently business owners, in the instances where the additional Separate Rate is passed on. Given that the NPPC has been able to deliver a significant number of marketing and promotional initiatives with an annual budget of \$215,000 over the last three (3) years, it is considered that the proposed revenue of \$225,000 is sufficient.

The *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* is based on a total budget of \$225,000 which is the amount that the Council will receive from *The Norwood Parade Precinct Separate Rate*.

RESOURCE ISSUES

The collection of *The Norwood Parade Precinct Separate Rate* will occur as part of the distribution of Council Rates Notices, which is undertaken by the Council's administration. The Separate Rate is then allocated in alignment with the *2024-2025 Norwood Parade Precinct Annual Business Plan*, which is implemented by the Council's Economic Development Unit with the involvement from other Council staff and external contractors as required.

CONSULTATION

The proposal to extend the *Norwood Parade Precinct Separate Rate* was released for consultation on Thursday 14 March, with comments sought in writing by no later than 5.00pm, Wednesday 10 April 2024.

A consultation package including letters, a Fact Sheet and Sample Effect Table were distributed to all businesses and property owners within The Parade Precinct. Posters and postcards were placed at the Norwood Town Hall Citizen Services Centre. In addition to this, information was published on the Council and The Parade websites and an Electronic Direct Marketing (EDM) advising The Parade traders of the consultation was also distributed.

Copies of the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* were also made available at the Norwood Town Hall Citizen Services Centre.

In total, seven (7) submissions were received during the consultation period in relation to the extension of *The Separate Rate* and the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan*.

DISCUSSION

Despite releasing the proposed extension to the Separate Rate and the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* for consultation at the same time, the seven (7) submissions that have been received during the consultation period related specifically to the Separate Rate. Six (6) of the submissions were opposed to the Separate Rate and one (1) was in support of the Separate Rate. The predominant focus of the submissions is on the concept of charging the Separate Rate and the value that is received from paying the Separate Rate. Some of the issues raised are set out below:

- businesses receive no benefit from the promotion and marketing of The Parade;
- rates are already high enough and with cost of living this additional cost cannot be sustained;
- the Separate Rate should not be based on the value of the property;
- individual business owners are best placed to decide how their money is spent; and
- should not have to pay a Separate Rate and the promotion and marketing of The Parade and the businesses should be done via a budget generated from standard Council rates.

A full copy of the submissions is contained in **Attachment A**.

As the Committee is aware, the allocation of the revenue from the Separate Rate on The Parade Precinct, is specifically for the marketing and promotion of The Parade. The revenue generated from the Separate Rate is not collected for the purposes of providing or maintaining any form of infrastructure, including car parking.

Clearly some businesses and property owners feel that they receive little direct benefit from the Separate Rate and that they cannot see the overall benefit that all businesses obtain from the holistic marketing approach that is implemented.

Pursuant to the Terms of Reference set by the Council, The Norwood Parade Precinct Committee is required to prepare an Annual Business Plan prior to each financial year, to guide its programmes and initiatives for the ensuing financial year and to assist in determining the funding requirements for consideration and approval by the Council. The Parade businesses and commercial property owners are consulted annually on the development of the Annual Business Plan. In order to help the businesses and property owners understand how the Separate Rate is allocated, the draft *2024-2025 Norwood Parade Precinct Annual Business Plan* was released at the same time as the Separate Rate proposal, to demonstrate what the Council was proposing to do with the revenue, which it proposes to collect through the Separate Rate.

For the purposes of comparison, the Separate Rate's that are applied to other main streets in metropolitan Adelaide are outlined in Table 1 below.

TABLE 1: COMPARISON OF THE SEPARATE RATE COLLECTED FOR SIMILAR MAINSTREET PRECINCTS IN METROPOLITAN ADELAIDE

Year	Mainstreet/Precinct	Separate Rate Revenue
2023-2024	Village Heart, Prospect Road	\$19,500
2023-2024	Goodwood Road, Goodwood	\$57,225
2023-2024	Unley Road, Unley	\$122,294
2023-2024	King William Road, Hyde Park	\$150,350
2023-2024	Fullarton Road	\$16,500
2023-2024	The Parade, Norwood	\$215,000
2023-2024	Jetty Road, Glenelg	\$660,245

OPTIONS

There are a number of options available to the Committee, including recommending to the Council that a Separate Rate is no longer raised.

The Norwood Parade Precinct Committee can choose to recommend to the Council to **endorse and proceed with charging *The Norwood Parade Precinct Separate Rate* as it was presented for community consultation**. This would result in the collection of \$225,000 for the 2024-2025 financial year and would be used in accordance with the Terms of Reference of the Committee and as outlined in the *2024-2025 Norwood Parade Precinct Annual Business Plan*. This would also result in the Committee proceeding as normal. This is the recommended option.

The Norwood Parade Precinct Committee can choose to recommend to the Council to **reduce the total of *The Norwood Parade Precinct Separate Rate* as it was presented for community consultation**, which was stated as being \$225,000 for the 2024-2025 financial year. This would then result in the need to amend the budget allocations outlined in the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan*. This is not the preferred option.

The Norwood Parade Precinct Committee can choose to recommend to the Council that ***The Norwood Parade Precinct Separate Rate* be discontinued entirely**. However, proceeding with this option would result in the termination of the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* and the Norwood Parade Precinct Committee. This is not the preferred option as the long-term viability and survival of The Parade would be compromised.

CONCLUSION

The Separate Rate model for The Parade has been designed to ensure that The Parade remains viable in Metropolitan Adelaide's increasing competitive market.

COMMENTS

By extending the Separate Rate for only one (1) year, it enables the Council to once again review and evaluate the Separate Rate and the benefits that it delivers in twelve (12) months time. It also provides the Council with the opportunity to consult once again with the businesses and property owners and identify areas for improvement.

RECOMMENDATION

1. That the Committee recommends to the Council that it endorses *The Norwood Parade Precinct Separate Rate* for The Parade Precinct for twelve (12) months commencing on 1 July 2024.
 2. That the Committee supports the amount of revenue raised by the Separate Rate on The Parade to be set at \$225,000 for the 2024-2025 financial year, having considered all submissions received during the consultation period.
-

Cr Whittington moved:

1. *That the Committee recommends to the Council that it endorses The Norwood Parade Precinct Separate Rate for The Parade Precinct for twelve (12) months commencing on 1 July 2024.*
2. *That the Committee supports the amount of revenue raised by the Separate Rate on The Parade to be set at \$225,000 for the 2024-2025 financial year, having considered all submissions received during the consultation period.*

Seconded by Cr McFarlane and carried unanimously.

5.2 ENDORSEMENT OF THE DRAFT 2024-2025 NORWOOD PARADE PRECINCT ANNUAL BUSINESS PLAN

REPORT AUTHOR: Manager Strategy
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4509
FILE REFERENCE: qA119911
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to present to the Norwood Parade Precinct Committee (NPPC), the final *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan*, for final review and endorsement prior to the Council's consideration and approval at its meeting to be held on 6 May 2024.

BACKGROUND

At its meeting held on 13 February 2024, the Committee resolved the following:

1. *That the Draft 2024-2025 Norwood Parade Precinct Annual Business Plan be endorsed as being suitable to present to the Council for its endorsement and approval prior to its release for consultation with The Parade Precinct business community for a period of twenty-one (21) days.*
2. *That the Chief Executive Officer be authorised to make any editorial changes to the document prior to the document being released for consultation.*

The *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* was presented to the Council at its meeting held on 4 March 2024 and was endorsed and subsequently released for consultation for a period of twenty-eight (28) days.

The draft Plan is based on collecting \$225,000 in revenue through The Parade Separate Rate, which is applied by the Council. This is an increase from \$215,000, which has been collected over the last three (3) financial years to deliver the Annual Business Plan. This amount is subject to The Parade Separate Rate also being endorsed as recommended, which is the subject of another report within this agenda.

The *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* was released for consultation with The Parade Precinct business community from Thursday 14 March 2024 until Wednesday 10 April 2024 and comments were invited via email and in writing. The Council did not receive any submissions in relation to the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan*, however it did receive seven (7) submissions in relation to the extension of the Separate Rate. Of the seven (7) submissions received, one (1) submission was in favour and six (6) submissions were against the extension of the Separate Rate.

A copy of the final *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* is contained in **Attachment A**.

FINANCIAL AND BUDGET IMPLICATIONS

The *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* is based on a total budget of \$225,000 which is the total amount that the Council will receive from The Separate Rate, should its extension be endorsed.

RESOURCE ISSUES

The *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* is reliant upon the collection of The Parade Separate Rate, and its implementation will be undertaken by the Council's Economic Development Unit with input and involvement from other Council staff, external contractors and the Norwood Parade Precinct Committee.

CONSULTATION

The *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan* was released for consultation on Thursday 14 March 2024, with comments sought in writing by no later than 5.00pm, Wednesday 10 April 2024.

A letter was sent to all business and property owners within The Parade Precinct advising them of the Draft Plan and the consultation process. A poster was placed in The Parade lightbox in front of Nordburger. In addition to this, information was published on the Council and The Parade websites and an Electronic Direct Marketing (EDM) advising The Parade traders of the consultation was also distributed to all businesses. Copies of the Draft Plan were also made available at the Norwood Town Hall.

In response, the Council did not receive any submissions directly related to the *Draft 2024-2025 Annual Business Plan*.

DISCUSSION

Given that the Council did not receive any submissions in relation to the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan*, it is recommended that no changes be made to the draft Annual Business Plan and on the allocation of funds.

Pursuant to the Committee's Terms of Reference, which have been set by the Council, The Norwood Parade Precinct Committee is required to prepare an Annual Business Plan prior to each financial year, to guide its programmes and initiatives for the ensuing financial year and to assist in determining the funding requirements for consideration and approval by the Council.

A summary of how the Committee proposes to allocate the revenue received from The Separate Rate is outlined in **Table 1** below.

TABLE 1: NORWOOD PARADE PRECINCT COMMITTEE 2024-2025 ANNUAL BUSINESS PLAN

Strategy	Budget
Events & Placemaking	\$35,000
Marketing & Communications	\$70,000
Identity & Brand	\$110,000
Business Support & Development	\$5,000
Administration	\$5,000
TOTAL	\$225,000

OPTIONS

The Committee can endorse the draft Annual Business Plan contained in **Attachment A** and recommend to the Council that it be adopted. Alternatively, the Committee can amend or delete strategies and budget allocations and recommend the amended version to the Council for its approval.

CONCLUSION

Assuming that the Separate Rate for the 2024-2025 financial year is supported and set at \$225,000, then the Draft 2024-2025 Norwood Parade Precinct Annual Business Plan should be endorsed unchanged.

COMMENTS

Nil.

RECOMMENDATION

That the *Draft 2024-2025 Norwood Parade Precinct Annual Business Plan*, as contained in **Attachment A**, be endorsed and recommended to the Council for approval.

Cr McFarlane moved:

That the Draft 2024-2025 Norwood Parade Precinct Annual Business Plan, as contained in Attachment A, be endorsed and recommended to the Council for approval.

Seconded by Cr Robinson and carried unanimously.

6. OTHER BUSINESS

Cr Robinson left the meeting at 7.42pm.
Cr Robinson returned to the meeting at 7.44pm.

6.1 George Street Upgrade Project

Mr Mario Boscaini moved:

That the Norwood Parade Precinct Committee, which comprises of Elected Members, Property Owners and Traders within The Parade precinct, strongly recommends to the Council that the additional funding required to deliver the George Street Upgrade Project, as presented to the Council as part of the Draft 2024-2025 Budget, be allocated by the Council to enable the Project to be delivered as a matter of urgency.

Seconded by Mr Joshua Baldwin and carried unanimously.

7. NEXT MEETING

Tuesday 23 July 2024

8. CLOSURE

There being no further business, the Presiding Member declared the meeting closed at 8.01pm.

Mayor Robert Bria
PRESIDING MEMBER

Minutes Confirmed on _____
(date)

13. OTHER BUSINESS
(Of an urgent nature only)

14. CONFIDENTIAL REPORTS

14.1 COUNCIL RELATED MATTER

RECOMMENDATION 1

That pursuant to Section 90(2) and (3) of the *Local Government Act 1999*, the Council orders that the public, with the exception of the Council staff present, be excluded from the meeting on the basis that the Council will receive, discuss and consider:

- (b) information the disclosure of which -
 - (i) 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;
 - (ii) would, on balance, be contrary to the public interest;

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the consideration of the information confidential.

RECOMMENDATION 2

Under Section 91(7) and (9) of the *Local Government Act 1999* the Council orders that the report, minutes and discussion to be kept confidential until such time that the Council has commenced the process under the *Roads (Opening and Closing) Act 1991*.

14.2 COUNCIL RELATED MATTER

RECOMMENDATION 1

That pursuant to Section 90(2) and (3) of the *Local Government Act 1999*, the Council orders that the public, with the exception of the Council staff present, be excluded from the meeting on the basis that the Council will receive, discuss and consider:

- (b) information the disclosure of which -
 - (iii) 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;
 - (iv) would, on balance, be contrary to the public interest;

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the consideration of the information confidential.

RECOMMENDATION 2

Under Section 91(7) and (9) of the *Local Government Act 1999* the Council orders that the report, discussion and minutes be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed.

14.3 STAFF RELATED MATTER

RECOMMENDATION 1

That pursuant to Section 90(2) and (3) of the *Local Government Act 1999*, the Council orders that the public, with the exception of the Council staff present, be excluded from the meeting on the basis that the Council will receive, discuss and consider

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

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

RECOMMENDATION 2

Under Section 91(7) and (9) of the *Local Government Act 1999*, the Council orders that the report, discussion and minutes be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed.

15. CLOSURE