ANNUAL BUSINESS PLAN AND BUDGET 2021/22

City of Charles Sturt

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A Guide to Reading and Using This Plan

1. Preamble

The introductory section of the 2021/22 Annual Business Plan and Budget sets out the statutory context for this document and the process followed in its preparation.

2. Introduction to the City of Charles Sturt

This section provides a summary of the key characteristics of the City.

3. Strategic Context

This section provides a diagrammatical representation of how Council's various plans fit together to produce priorities and actions and identifies the key strategic issues facing the City.

4. Strategic Priorities for Charles Sturt in 2021/22

This section of the Business Plan sets out an easy reference list of the Community Plan objectives which provide the framework for Council's short and medium term focus. Council initiatives to be implemented in 2021/22 are determined in direct response to achievement of each of the objectives over the life of the Corporate Plan.

5. Financial Strategy – Long Term Financial Plan

This section provides an overview of the Long Term Financial Plan endorsed by Council for the period 2021/22 until 2030/31. It explains the strategy and key indicators used to evaluate Council's financial position and performance in ensuring it is financially sustainable.

6. What Services will we deliver to the Community in 2021/22?

In planning its activities for the coming year, and specifically for the purposes of financial planning, Council splits its activities into two categories – 'operational' and 'project'.

Those activities considered to be 'core' business of Council and which more or less continue to be provided each year, are dealt with as part of Council's operational budget. The extent of these services is summarised in this section, with a comprehensive listing included as Attachment B.

Those activities which support the current strategic focus of Council and/or which may be short term or one-off initiatives are considered annual operating projects and are listed in **Section 7.1 Annual Operating Projects.**

Expenditure proposed on renewal/replacement and new/upgraded assets is discussed in **Section 7.2 Capital Projects.**

7. Annual Operating and Capital projects

This section lists the annual operating projects and new/upgrade capital projects endorsed as part of the 2021/22 budget. Renewal capital projects derived from Council's adopted asset management plans are included in **Appendix F.**

8. How Does Council Propose to Fund its Programs?

This section identifies the anticipated revenue sources for 2021/22 excluding rates.

9. Annual Budget 2021/22

The parameters for the budget 2021/22, including forecasts for income, expenditure and rates, were developed using the framework of the tabled Long Term Financial Plan (LTFP).

This section provides commentary on significant influences and principles which impacted the development of the annual budget. **Sections 10, 11, and 12** provide an analysis of key financial parameters of the annual budget such as the Operating budget, the Cash Position and Financial Position with commentary on significant influences and reasons for variances between the endorsed budget for 2021/22 and 2020/21.

10. Analysis of Operating Budget

This section provides an analysis of the expected operating revenues and expenses of the Council for the 2021/22 year in comparison to the adopted budget for 2020/21.

11. Analysis of Cash Position

This section analyses the expected cash flows for 2021/22 compared to the adopted budget 2020/21.

12. Analysis of Budgeted Balance Sheet Position

This section provides an analysis of the movements between assets, liabilities and equity of the Council over successive budget years.

13. What does it mean for Rates?

The rates structure and policies are discussed including an overview of rate relief measures.

14. Borrowing Strategy

This section discusses Council's borrowing strategy over the planning period and the status of the current loan portfolio.

15. Infrastructure Strategy

This section discusses the progress to date on the asset management strategy and issues facing Council in relation to the community's infrastructure.

16. Measuring Achievement of the 2021/22 Annual Business Plan

This section discusses how Council measures and monitors its performance on a regular basis to ensure delivery of Community and Corporate Plan outcomes.

17. Attachments

This section provides additional information to support the content of the Annual Business Plan and Budget and includes:

- Commentary and detail of the Long Term Financial Plan
- Summary of Core Operational Services
- Budgeted Financial Statements
- Rating Policy for 2021/22
- Organisational Chart and Divisional Functions
- Capital Projects for renewal of council's existing assets for 2021/22.

1. Preamble

Under section 123 of the Local Government Act 1999 each Council must have a budget for each financial year. This budget must be considered in conjunction with the Council's Annual Business Plan (and be consistent with that plan) and must be adopted before 31 August for the financial year.

Council therefore prepares, as part of its budget development process, an Annual Business Plan. The Business Plan must:

- include a summary of the Council's long-term objectives (as set out in its strategic management plans)
- include an outline of —
  - (i) the Council's objectives for the financial year;
  - (ii) the activities that the Council intends to undertake to achieve those objectives; and
  - (iii) the measures (financial and non-financial) that the Council intends to use to assess the performance of the Council against its objectives over the financial year
- assess the financial requirements of the Council for the financial year and, taking those requirements into account, set out a summary of its proposed operating expenditure, capital expenditure and sources of revenue
- set out the rates structure and policies for the financial year
- assess the impact of the rates structure and policies on the community based on modelling that has been undertaken or obtained by the Council, and
- take into account the Council's long-term financial plan and relevant issues relating to the management and development of infrastructure and major assets by the Council.

Before a Council adopts its Annual Business Plan it must prepare a draft Annual Business Plan and undertake a public consultation process that, as a minimum, meets the requirements of section 123 (4) of the Local Government Act 1999. During the public consultation period copies of the Council's Draft Annual Business Plan and any other associated documents must be made available for inspection and purchase by the public at the principal office of the Council.

Once adopted by the Council, copies of the Annual Business Plan and Budget must be available for inspection or purchase at the principal office of the Council. Copies of a summary of the Annual Business Plan must be included with the first rates notice sent to ratepayers and available at the Council offices.

This document presents the finalised Annual Business Plan and Budget for the City of Charles Sturt for 2021/22 following a period of public consultation and receipt of submissions from the community on the Draft Annual Business Plan. This document has been developed in the context of Council's strategic planning framework including the Community and Corporate Plan. This Annual Business Plan and Budget 2021/22 was adopted by the Council of the City of Charles Sturt at its meeting on Monday, 28 June 2021.

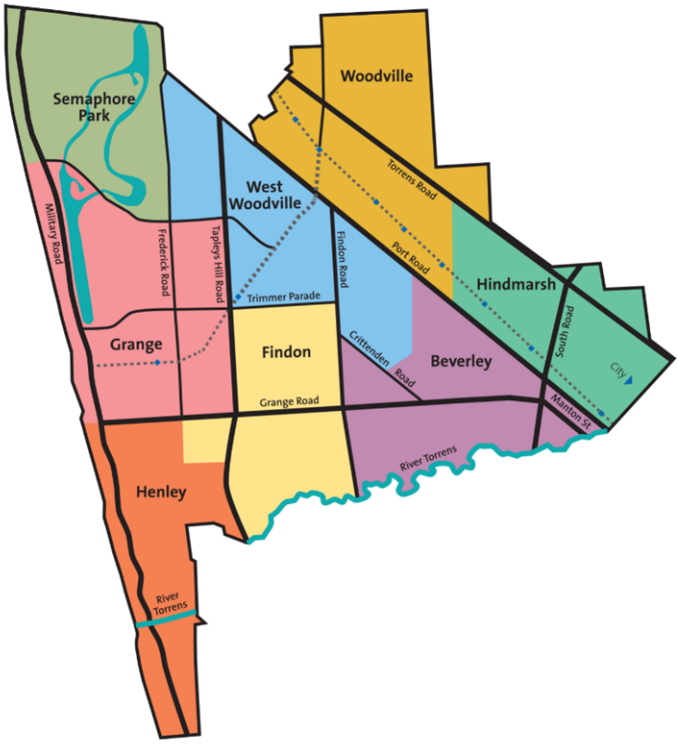
2. Introduction to the City of Charles Sturt

The City of Charles Sturt is one of South Australia's largest metropolitan council areas. The city spans approximately 5,500 hectares, has a population of around 115,000 and 56,000 rateable properties. Charles Sturt Council has developed a reputation for being as diverse as it is large, with the city providing a wide range of opportunities for housing, business, sporting and leisure.

People choose to live in the City because it is close to the beach, the City (of Adelaide), the port, the airport and regional shopping facilities. The City of Charles Sturt has long been considered the sporting and entertainment hub of Adelaide with national basketball, soccer, three privately owned golf courses, an international rowing course, the River Torrens Linear Park, the Coast and numerous highly regarded local sporting venues. The City is also well catered for in terms of schools, medical services, local sporting and community facilities including libraries and community centres.

The population of Charles Sturt is older than that of metropolitan Adelaide with a higher proportion of people aged 65 and over and a lower proportion aged 14 years and under (compared to metropolitan Adelaide). While most of the occupied dwellings within the City are occupied by families, the City has a high proportion of single person households compared to metropolitan Adelaide. The City is culturally diverse with people from in excess of 100 cultures living within the City.

The City is undergoing change led primarily by the development of improved transport infrastructure and the objectives of the 30 Year Plan for Greater Adelaide which forecasts an increase in population, primarily along the City's transport corridors.



3. Strategic Context

The Annual Business Plan and Budget 2021/22 for the City of Charles Sturt has been developed within an overall planning framework which sets the strategic directions for the Council over the medium and long term and converts these into annual actions and outputs.

A 10 year Long Term Financial Plan summarises the financial impacts of Council's strategic directions and provides an indication of the sustainability of these plans. By evaluating our financial strategies over a planning horizon of 10 years we can determine how decisions we make now and for the 2021/22 budget will impact on future budgets and ensure the impact of rates is spread equitably across generations of ratepayers so that planned service standards over the long term and infrastructure levels can be met without unplanned and disruptive increases in rates or cuts to services.

Our Community Plan 2020-2027 – *Charles Sturt – A Leading, liveable City,* is the lead document in council's strategic planning framework. Five pillars have been developed through extensive community consultation and reflect the community's aspirations, setting down the broad direction and emphasis that Council will pursue over the next 7 years.

Our Organisational Plan 2021-2025 is the next step in the delivery of that plan and details the actions and measures that will deliver, over the next 4 years, the first stage of our Community Plan. Progress and achievements from this Annual Business Plan will be reported each year through the Annual report.

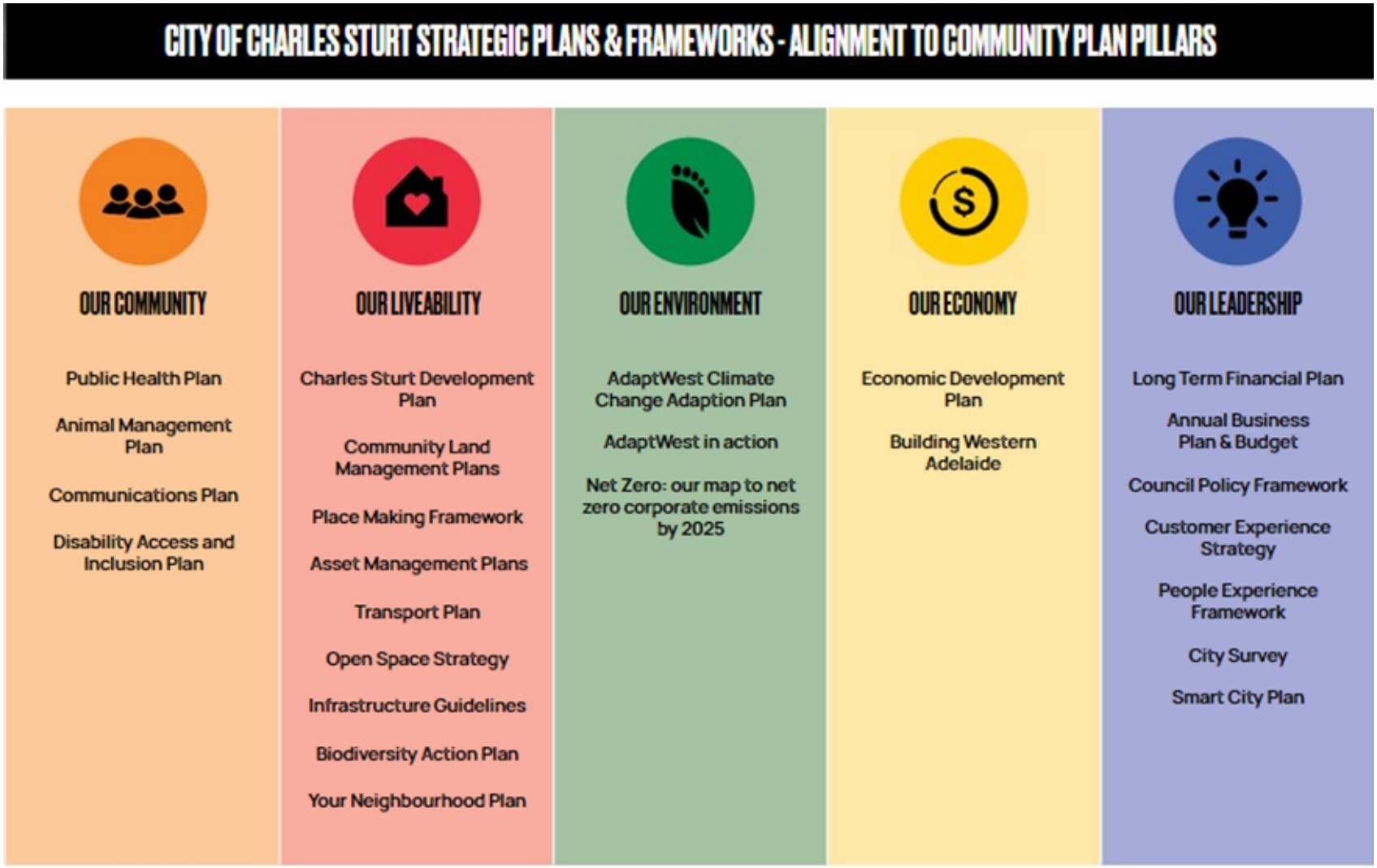
As required by the Local Government Act 1999, Our Community Plan had been developed recognising our regional alliances and State Strategic Plans.

State Strategic Targets have been cross-referenced to the applicable strategies within the City of Charles Sturt Community Plan. It is important to note that the strategies within our Community Plan will not in themselves achieve the targets of the State Strategic Plan but will contribute to their achievement.

As per the Local Government Act 1999 Council's strategic planning documents must be reviewed within 2 years of a council's election and subsequently the current documents are as a result of a review in 2020.

Our Community plan and other relevant documents are all available from council's website: www.charlessturt.sa.gov.au

The following diagram depicts Council's strategic planning framework for the five pillars areas:


CITY OF CHARLES STURT STRATEGIC PLANS & FRAMEWORKS - ALIGNMENT TO COMMUNITY PLAN PILLARS
OUR COMMUNITY
Public Health Plan
Animal Management Plan
Communications Plan
Disability Access and Inclusion Plan
OUR LIVEABILITY
Charles Sturt Development Plan
Community Land Management Plans
Place Making Framework
Asset Management Plans
Transport Plan
Open Space Strategy
Infrastructure Guidelines
Biodiversity Action Plan
Your Neighbourhood Plan
OUR ENVIRONMENT
AdaptWest Climate Change Adaption Plan
AdaptWest in action
Net Zero: our map to net zero corporate emissions by 2025
OUR ECONOMY
Economic Development Plan
Building Western Adelaide
OUR LEADERSHIP
Long Term Financial Plan
Annual Business Plan & Budget
Council Policy Framework
Customer Experience Strategy
People Experience Framework
City Survey
Smart City Plan

This diagram depicts how Charles Sturt plans align with the state strategic directions



3.1 A Vision for Charles Sturt

The ultimate role and responsibility of Council in all of its endeavours is to provide for and respond to the needs of its community. Our Community Plan documents the vision for our City.
Five pillars shape who we are and guide how we work together as an organisation and community. Our Community Plan identifies the outcomes and aspirations for each of our pillars and how we will track and measure their success. Our plan creates opportunities for the City of Charles Sturt to grow, to connect, and to enhance the western region and greater Adelaide.

3.2 Key Strategic Issues for Charles Sturt

There are a number of challenges and opportunities facing the City today and into the future. These initiatives and pressures include:

- Infrastructure demands
    - ongoing maintenance of existing infrastructure is required to ensure continued benefit to the community
    - provision of new infrastructure to facilitate growth in services to meet increased demand
- 30 Year Plan for Greater Adelaide – pursue amendments to the Planning Code to enable sustainable population growth and associated infrastructure requirements
- Introduction of the new Planning and Design Code which will provide the framework for development throughout the City
- Reducing the cost of waste and increasing the usage of recyclables including the operation of a Materials Recovery facility
- Balancing the expectations of keeping rates low against increasing service delivery and infrastructure responsibilities and unavoidable cost increases
- Long term financial pressures with the need to ensure that Council can continue to meet its financial obligations without leaving a financial impost for future generations
- Addressing our Climate Change emergency declaration and delivering Net Zero carbon emissions
- Implementation of the Economic Stimulus Strategy to encourage economic development and the need for employment-generating business growth
- Encourage growth of Digital Economy through smart cities and e-commerce initiatives
- Encouraging and supporting greater participation and active engagement by the community in facilitating outcomes

For these reasons and more it is vital that we understand the future our community aspires to and that we work together to create opportunities for the City of Charles Sturt to grow, connect and to enhance the western region and greater Adelaide in a sustainable way.

4. Strategic Priorities for Charles Sturt in 2021/22

Our Community Plan is based upon five pillars that represent our City:

Our Community *– A strong and connected community*
Our Liveability *– A liveable city of great places*
Our Environment *– An environmentally responsible and sustainable city*
Our Economy *– An economically thriving city*
Our Leadership *– A leading and progressive Local Government organisation*

Attached to each of these are a range of outcomes and key strategies from which actions and key performance indicators (KPI's) are attributed. A range of key projects as detailed in the section on Annual Operating and Capital projects for the 2021/22 financial year align with the strategies. The detail of these key actions and KPI's which we will use to measure our success can also be found in the Charles Sturt Organisational Plan 2021-2025 document.

Objectives and Strategies

1. OUR COMMUNITY – A Strong and Connected Community

Our Community Plan Outcomes	Our Organisational Plan Actions
In our City no one gets left behind; everyone has access to enough resources, services, programs, information and social infrastructure to fully participate in their community.	1. Develop mutually beneficial partnerships with key stakeholders that effectively respond to local needs and motivates and strengthens our community. 2. Creatively grow access to services in communities with limited or low access to existing services, facilities and programs 3. Reconfigure existing facilities to broaden their appeal, maximise resources, enhance/extend service offerings and remove barriers to participation. 4. Provide technology infrastructure and programs to support digital inclusion.
Charles Sturt is made up of strong and vibrant communities; we celebrate our identity, heritage and cultural diversity. People feel a sense of belonging, inclusion and social connectedness.	1. Connect with traditional owners to identify, promote, respect and protect Kaurna heritage and culture. 2. Create a more inclusive and accessible City that celebrates, partners and advocates for people of diverse culture and abilities

Our Community Plan Outcomes	Our Organisational Plan Actions
	3. Increase volunteer participation by promoting, creating and expanding volunteering opportunities
People embrace healthy living, physical activity and ageing well.	1. Support citizens to age well in place and participate in community life. 2. Provide opportunities for formal and informal recreation, fitness and leisure experiences. 3. Develop activities with a key focus on healthy eating, healthy living and ageing well.
Charles Sturt is a place where people feel safe in their homes, neighbourhoods and public places; they are resilient and manage shocks and stresses to build a stronger community	1. Support community safety and positive public health outcomes through prevention, education, encouragement and enforcement activities. 2. Develop and support programs and activities that build individual, family and community resilience.
People learn throughout their lives; they have the skills and abilities to achieve great outcomes for themselves, their families and the opportunity to become leaders in their communities.	1. Create opportunities for the community to engage in a lifelong love of reading, learning and creative experiences. 2. Upskill sporting and community groups to build sustainability 3. Create a local leadership development program to grow and support local community leaders and young changemakers by 2022.

2. OUR LIVEABILITY – A Liveable City of Great places

Our Community Plan Outcomes	Our Organisational Plan Actions
A well-designed urban environment that is adaptive to a diverse and growing City.	1. Support diversity of new and renewal developments which complement and enhance the character and liveability of our city through master planning, policy and development assessment. 2. Implement Your Neighbourhood Plan framework
City assets and infrastructure are developed and enhanced on a strategic and equitable basis and coordinated with industry and government bodies.	1. Implement asset improvements and maintenance via Asset Management Plans to ensure they are fit for purpose and meet changing community needs. 2. Manage maintenance service levels and asset lifecycles to optimise asset life and achieve service efficiency in line with community needs and diverse urban densities. 3. Develop and enhance assets in line with key Council strategies
Support diverse events and experiences that bring people together and contribute to the history, culture and vitality of our neighbourhoods.	1. Engage the community in the delivery of events in community and public spaces. 2. Develop destinations that cultivate art, culture, place making while recognising heritage principles 3. Develop and implement a program to promote street and place activation.
Drive an integrated, responsive transport system and well-maintained network of roads and paths that facilitate safe, efficient and sustainable connections.	1. Continue to implement improvements to our transport network to improve road safety. 2. Invest in inclusive upgrades to the whole transport network to promote a balanced distribution of residents driving, walking, cycling and using public transport. 3. Continue to support and advocate for shared transport options such as ride shares, car share, shared bike and scooter schemes 4. Continue to support and advocate the uptake of electric vehicle ownership and usage
Enhance the diversity of	1. Create public and open spaces in conjunction with

Our Community Plan Outcomes	Our Organisational Plan Actions
open spaces to create innovative, accessible and flexible community spaces.	our community that are engaging, inclusive, safe and connected, and meet diverse and changing community needs. 2. Maximise the use of Council open space and sporting facilities. 3. Facilitate provision of and access to recreation facilities by collaborating with schools and clubs and adjoining councils

3. OUR ENVIRONMENT – An Environmentally Responsible and Sustainable City

Our Community Plan Outcomes	Our Organisational Plan Actions
Greenhouse gas emissions significantly reduce, and we adapt to our changing climate	1. Implement our climate change mitigation and adaptation strategies including AdaptWest and Net Zero. 2. Effectively manage and operate recycled water systems to provide alternative water sources for parks reserves and other open space environments
Our city is greener to reduce heat island effects and enhance our biodiversity	1. Protect and enhance our urban tree canopy 2. Implement our Biodiversity Action Plan and identify opportunities in capital projects to enhance and protect biodiversity across Council reserves and land 3. Develop, manage and maintain green infrastructure, prioritising areas challenged by the urban heat island effect wherever practicable
Charles Sturt is recognised as a leading partner and educator in pursuing a sustainable future with our community	1. Facilitate opportunities and educate, promote and implement environmentally sustainable business practices to minimise our adverse impact on the environment and to provide learning to the community 2. Incorporate sustainable infrastructure into our community spaces and buildings
Reduce waste production	1. Take back control of the community's recyclables

Our Community Plan Outcomes	Our Organisational Plan Actions
across our city, and grow the circular economy	through construction and operation of our MRF jointly with the City of Port Adelaide Enfield. 2. Reduce waste to landfill across our City through education and improvements to the kerbside 3 bin service. 3. Educate and facilitate sound corporate practices to increase the use of recycled-content materials in Council operations.
We advocate for the protection of our coastal areas and enhancing biodiversity along our coast	1. Develop and implement strategies and partnerships in response to coastal risks and influence government led initiatives. 2. Improve and increase biodiversity along our coast

4. OUR ECONOMY – An Economically Thriving City

Our Community Plan Outcomes	Our Organisational Plan Actions
The Western Region economy is promoted through leadership and collaboration across all stakeholders and our community	1. Develop a regional promotion plan in collaboration with regional alliances to promote the western region economy. 2. Develop strategic and industry alliances to progress economic growth and resource sharing 3. Engage with business and key markets to encourage and support market development initiatives.
Local businesses and entrepreneurial activities flourish through the support, engagement and relationships that are developed and maintained.	1. Support opportunities to 'buy local' in Charles Sturt through our procurement practices. 2. Increase local supply chain development through business support and promotions. 3. Support our community and economy through the COVID-19 period while remaining financially sustainable. 4. Build capabilities to support entrepreneurialism, social enterprise, and grassroots business start-ups.

Our Community Plan Outcomes	Our Organisational Plan Actions
	5. Provide a supporting environment and streamlined approach to assist business with establishment, expansion and business advice.
Businesses and industry sectors continue to grow and diversify	1. Promote, facilitate and attract businesses to employment lands and commercial precincts to support growth. 2. Educate and support local business to adapt to an increasingly changing environment
Our businesses and community have the skills for success to realise job opportunities	1. Build capability and skills for our community by facilitating connections and support programs and raising awareness of training and development programs (both internal and external). 2. Attract and support events and experiences that link to local jobs.

5. OUR LEADERSHIP – A leading and progressive Local Government organisation

Our Community Plan Outcomes	How will we achieve this?
Our values, leadership and collaborative approach are bold and courageous and enables us to deliver value for our Community and create a leading liveable City.	1. Implement and embed our organisational values by taking a values-based approach to our decision making. 2. Analyse, identify and develop or change ways of delivering services to improve efficiencies, reduce red tape and ensure value for money. 3. Leverage strategic opportunities to work with other councils and external organisations to continue to innovate and achieve benefits for our community. 4. Modernise our IT applications to ensure optimised service delivery. 5. Ensure the services we are providing are meeting our community's expectations.
We provide excellence in customer experience by ensuring our customers are at the heart of everything we do.	1. Develop and embed the Customer Experience Strategy. 2. Our workplaces and the way we work ensures our commitment to customer experience excellence.

Our Community Plan Outcomes	How will we achieve this?
We care about our people ensuring we support, develop and motivate our workforce to meet Community needs with capability and confidence.	1. Develop and embed flexible ways of working for our workforce. 2. Continue to maintain and enhance our safety systems to provide our employees with safe and healthy work experience. 3. Ensure our people have the right skills, knowledge and capabilities to deliver quality outcomes for our community now and into the future. 4. Our people have role clarity, receive regular feedback and have the capability to undertake their roles safely and effectively
The management of our City is progressive, responsive and sustainable to ensure a united and unique place for future generations	1. Review and continually update the Long-Term Financial Plan to ensure ongoing financial sustainability to meet future community expectations and legislative requirements. 2. Develop a central register and strategically pursue grant and co-funding opportunities.
5. Open and accountable governance	1. Actively and effectively communicate Council decisions. 2. Actively engage our community on Council services, programs and infrastructure. 3. Our policies reflect the current legislation, are fit for purpose and enable decision making. 4. Our strategic plans reflect our communities' aspirations while meeting the current legislation 5. Our Community are updated on the progress and delivery of Council's projects for their community 6. Implement systems and frameworks to continuously improve management and performance 7. All Portfolios have considered their Corporate risks, and these are integrated into the Corporate Risk Register. 8. Local Government Act 1999 reforms are

Our Community Plan Outcomes	How will we achieve this?
	implemented efficiently and effectively.

5. Financial Strategy – Long Term Financial Plan

Council uses financial modelling tools to examine the potential impact of its decisions over the long term in determining what the community can afford for a level of rates, debt and services. Council's long-term financial performance and position is considered to be financially sustainable where planned long-term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services.

The Long Term Financial Plan (LTFP) modelling provides a high level budget framework to guide us when preparing the budget detail and ensure we understand the impact of decisions made today on our future so we can be financially sustainable over the long term.

Our current 10 year Long Term Financial Plan is prepared using a number of tabled assumptions which reflect an assessment of the economic climate and predictions on variables which will impact on Council operations. The process is iterative and assumptions are reviewed every 12 months using updated information and predictions on performance.

Given that Long Term Financial Plans are derived from a "best guess" estimate of future performance it should be appreciated that actual results are likely to vary from the information contained in the Long Term Financial Plan, and at times these variations could be material. The accuracy of predictions over the longer term decreases over time and major difficulties exist in the ability of Council to accurately predict the capital expenditure requirements for Council's extensive infrastructure and new capital.

Council Members were asked to review a scenario using a standard number of base assumptions to forecast future financial performance over the next 10 years. Following an analysis of key financial indicators and review of the impact on long term financial sustainability this scenario was adopted on 9 March 2021.

The scenario adopted identifies the high level parameters for total rates, borrowings, level of capital expenditure, annual operating projects and recurrent budget forecasts for development of the annual budget for 2021/22. As the actual inputs are refined over the budget process a comparison to the LTFP high level parameters adopted will determine any changes required to those high level parameters and a review of the impact on future financial forecasts.

Asset Management Plans (AMP) have been produced and reviewed regularly as required for asset renewal/replacement of each major asset category and which have been presented to Council for endorsement. These are used as the basis for predicting Council's ongoing commitment to infrastructure spending on asset renewal and replacement of its existing asset infrastructure based on assessments of useful life and condition. In 2021/22 the forecast renewal program is $24.592m in 2021/22, increasing to $30.074m in 2030/31.

Council's ongoing commitment to infrastructure, as reinforced in its Budget Principles, requires that an amount equal to that identified in relevant Asset Management Plans will be applied when possible to the rehabilitation and/or renewal of existing infrastructure with the balance of any funds applied to new/upgrade capital works.

Council staff have also been gathering financial forecast information on new/upgrade capital projects derived from existing strategic managements plans such the Open Space Strategy, Council resolutions supporting new projects and major project initiatives.

The projects included in the LTFP for new/upgrade capital were presented to Council at a workshop on 1 March 2021.

In 2021/22 Council's contribution to the level of new/upgrade works is $21.706m and then $5.530m in 2022/23, $9.485m in 2023/24 and finally $13.785m in 2030/31. The increase in upgrade capital works in 2021/22 is due to significant projects for the Main Street/Military Road upgrade and Woodville Road streetscape projects after which the capital new/upgrade program is forecast to return to a more "business as usual" program.

The modelling assumes that Council will continue to use debt where relevant as a mechanism for funding of its new/upgrade capital program to avoid unacceptable rates increases over the short term and as a way of achieving inter-generational equity.

Debt levels will be within the constraints dictated by Council's Borrowing Policy such that Council's total indebtedness or net financial liabilities ratio is less than 100%.

Although renewal capital expenditure is funded by rates, the level of new/upgrade works which is largely funded by loan borrowings over the life of these assets will impact the level of loan borrowings required over the forecast 10-year period. This means to fund these significant projects Council will need to make use of borrowings in spreading the cost across the generation of users but the increase is well within Council's borrowing limits.

Borrowings therefore are expected to peak at $52.095m in 2021/22 as the significant new/upgrade program nears completion and then reduces over the 10 year forecast period to nil in 2030/31.

Current depreciation rates for Council's assets have been applied and depreciation expense is based on adherence to Australian Accounting Standards.

Rateable property growth or new properties from development is based on achieving a continuing trend of 1% and is verified by council's Planning and Development department annually.

CPI forecasts are obtained from Deloitte Access Economics in an effort to obtain expert and independent assessments.

Wages forecasts are based on currently endorsed Enterprise Bargaining agreements and where they are not in place are based on Deloitte Access Economics predictions for wages growth in SA.

Other assumptions regarding items such as utilities costs are based on either known information or from discussions with relevant staff having regard to existing trends in performance.

The scenario modelled is based on maintaining existing council services over the 10 year period. It assumes forecast rates over the 10 years are equivalent to forecast CPI (Access Economics) plus growth. In 2021/22 a total rate rise of 1.14% plus projected property growth of 1.0% (new and developed properties) is assumed followed by increases of 1.91%, 2.35%, 2.19% and 2.19% plus growth of 1% annually.

For this level of projected rates income, annual operating projects or service level increases are forecast are forecast at $3m, escalating by an approximation of CPI to $3.658m per annum over 10 years.

In summary the high level parameters for 2021/22 which were used to ***guide*** the development of the budget are:

- Total rates increase of forecast CPI of 1.14% plus assumed property growth (new properties) of 1.0%
- Total annual operating projects $3.0m
- Total capital (renewal) $24.592m
- Total capital New/Upgrade $21.706m
- New Borrowings $8m using existing CAD facilities
- Operating surplus ratio 0.9%
- Net Financial Liabilities ratio 63.1%
- Asset renewal funding ratio 100%
- Interest cover ratio 1.7%

All assumptions used for the LTFP forecasts are detailed in ***Schedule A*** (located in attachment B) and are prepared on the basis of best estimates as to future events which Council expects are likely to take place.

To determine whether this financial plan achieves financial sustainability of Council operations over the long term a number of key financial indicators have been endorsed by Council. Indicators include the operating sustainability ratio, asset renewal funding ratio and net financial liabilities ratio and performance is monitored against benchmarks established which support the principles Council has been using over a number of years in striving to ensure;

1) operating revenues are sufficient to meet operating expenses such that ratepayers are paying for their consumption of resources in that year (**operating sustainability ratio >0% and <10%** calculated as operating surplus/deficit divided by total operating income)

2) that Council is ensuring it maintains the value of its asset stock by renewing or replacing council's assets such as buildings, footpaths, roads compared with what is

needed to cost effectively maintain service levels in line with its asset management plans. **(asset renewal funding ratio >80%** calculated as capital expenditure on renewal of existing assets divided by renewal expenditure from Asset Management Plans) and;

3) that it is managing the total indebtedness of the Council including borrowings to ensure its liabilities and associated costs can be met comfortably from council's operating revenues without the prospect of disruptive service cuts and/or excessive rate increases **(net financial liabilities ratio <100%** calculated as total liabilities less financial assets divided by total operating income)

4) Council also uses the interest cover ratio as an indicator to ensure the interest costs associated with borrowings for new/upgrade capital works are not a significant impost on council revenues (**interest cover ratio <10%** calculated as net interest expenses divided by total operating income).

Summary table of key high level parameters used as basis for development of Annual Budget.

City of Charles Sturt

10 Year Financial Plan for the Years ending 30 June 2031 - High level Summary

	Audited 2019/20 $'000	Adopted 2020/21 $'000	2021/22 $'000	2022/23 $'000	2023/24 $'000	2024/25 $'000	2025/26 $'000	2026/27 $'000	2027/28 $'000	2028/29 $'000	2029/30 $'000	2030/31 $'000
CPI Increase - Deloitte Access Economics (DAE)			1.14%	1.91%	2.35%	2.19%	2.19%	2.19%	2.44%	2.43%	2.17%	2.18%
Rates Growth			1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Total Rates Income Increase			**2.14%**	**2.91%**	**3.35%**	**3.19%**	**3.19%**	**3.19%**	**3.44%**	**3.43%**	**3.17%**	**3.18%**
Profit and Loss Statement												
Rates	109,730	110,289	114,344	117,603	121,542	125,420	129,421	133,549	138,143	142,881	147,411	152,098
Employee Costs	44,170	44,879	44,950	46,016	47,139	48,167	49,454	50,822	52,250	53,779	55,365	57,061
Depreciation	30,118	33,593	34,270	35,373	36,853	38,209	39,749	41,528	43,115	44,881	46,299	47,895
Operating Surplus	**3,238**	**(175)**	**1,233**	**701**	**1,491**	**1,244**	**1,243**	**502**	**924**	**965**	**1,112**	**1,327**
Balance Sheet												
Infrastructure PP&E	1,277,343	1,300,600	1,320,338	1,331,030	1,336,149	1,342,476	1,360,326	1,364,050	1,373,390	1,375,146	1,379,115	1,389,953
Borrowings	50,800	45,473	52,095	49,731	45,167	37,778	34,934	26,283	16,076	7,422	2,113	-

KPI Ratios		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Operating Surplus	Traffic Light											
	Actual Ratio	-0.1%	0.9%	0.5%	1.1%	0.9%	0.8%	0.3%	0.6%	0.6%	0.7%	0.8%
Net Financial	Traffic Light											
	Actual Ratio	55.5%	63.1%	60.0%	55.1%	48.9%	45.9%	39.5%	32.2%	26.4%	23.0%	21.6%
Asset Renewal	Traffic Light											
	Actual Ratio	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest Cover Ratio	Traffic Light											
	Actual Ratio	1.4%	1.7%	1.7%	1.5%	1.6%	1.4%	1.2%	0.8%	0.6%	0.4%	0.2%

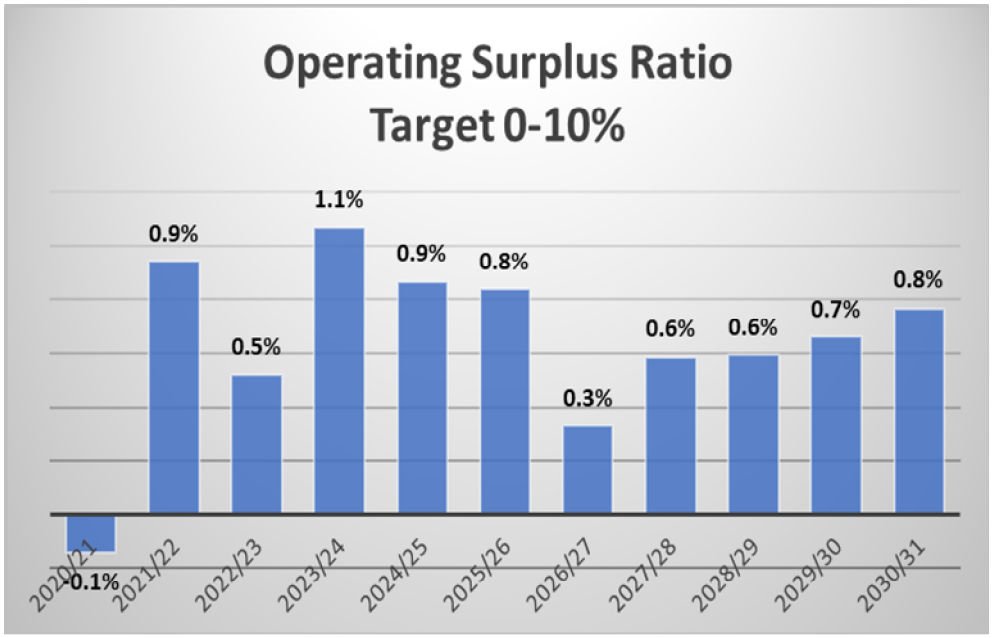
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Annual Operating Projects	2,306	3,000	3,057	3,129	3,198	3,268	3,339	3,421	3,504	3,580	3,658
Capital Program $0,000											
Capital Renewal	24,850	24,592	28,766	24,865	26,042	29,431	27,742	28,161	28,317	28,541	30,074
Capital New	7,820	21,706	5,530	9,485	9,085	9,485	6,585	6,585	9,835	14,522	13,785
Capital	**32,670**	**46,298**	**34,296**	**34,350**	**35,127**	**38,916**	**34,327**	**34,746**	**38,152**	**43,062**	**43,859**

Ideally a council should raise enough revenue from rates to cover all of its operating expenses. This means that a council should aim for at least a 'break even' operating position where total income equals total expenses and ratepayers in that year are paying for all the resources consumed by the City.

Operating deficits are not sustainable or equitable in the long term as they result in services consumed by current ratepayers being paid for by future ratepayers. A fair and equitable tax system is one in which taxes paid by each generation is in proportion to the benefits that generation receives.

Local government costs for services such as waste, road materials, wages and stormwater increase greater than movements in the CPI. The rate revenue increases endorsed sustain a break even operating position over the forecast period such that operating revenues are sufficient to cover operating expenses while delivering an increased capital works program that accommodates both asset management plan requirements and anticipated new and upgraded infrastructure that delivers the community plan outcomes.

The Operating surplus ratio expresses the level of operating surplus/deficit as a percentage of Operating Income with a negative ratio highlighting the additional revenue percentage required to ensure current ratepayers are paying for their current consumption of resources. This ratio is positive over the forecast period for the adopted LTFP and within benchmarks set by Council, reinforcing Council's ability to maintain its sustainable operating surplus position. (Note that for 2020/21 Council forecast a one off operating deficit as a result of strategies to fund COVID19 financial hardship and economic stimulus measures)



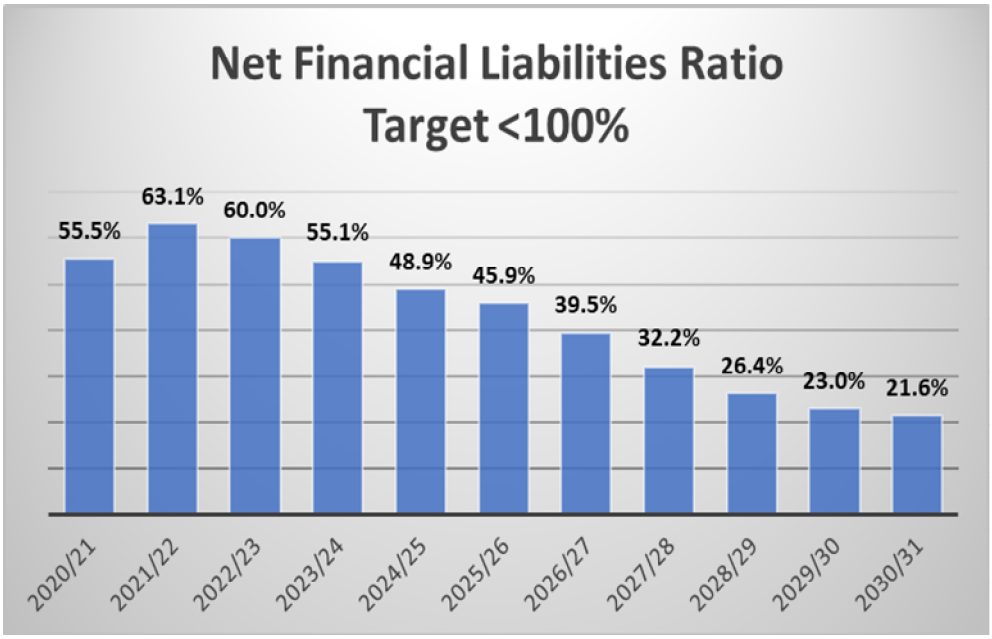
A council must also ensure its total debt does not exceed its ability to service this level of debt.

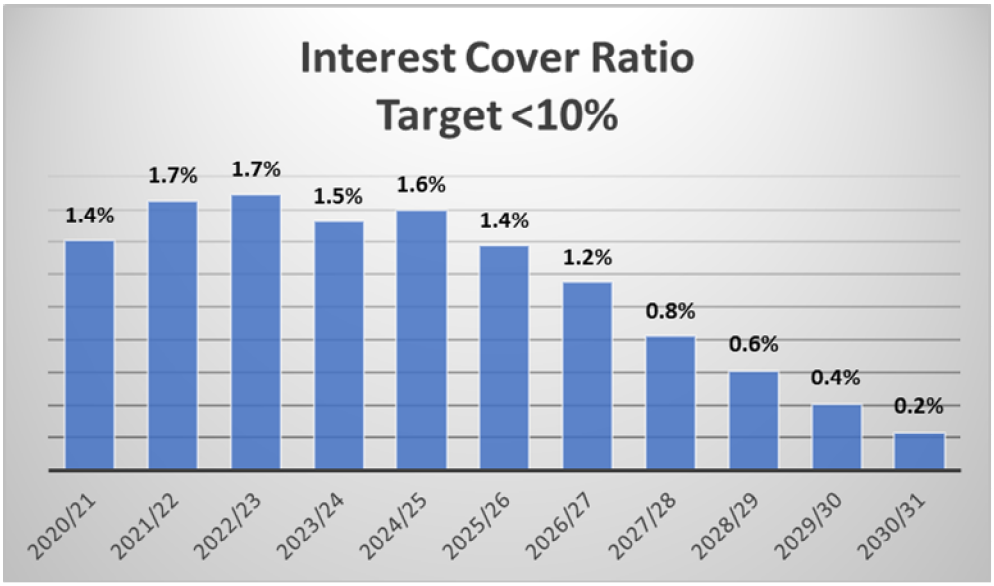
Net financial liabilities measure Council's total indebtedness and includes not only its loans but its obligations for leave entitlements and provisions.

The Local Government endorsed ratios for a council's indebtedness is for net financial liabilities as a percentage of operating revenue with acceptable limits between 0% and 100% and for an interest cover ratio with interest costs as a percentage of operating revenues within an acceptable benchmark of less than 10%.

The preferred scenario delivers a net financial liabilities ratio with a peak at 63.1% and an interest cover ratio less than 1.7% over the 10-year forecast period, all well within acceptable benchmarks.

It should be noted that ideally renewal/replacement of existing infrastructure should be financed by current rate payers with any infrastructure backlog financed by an increase in debt to be repaid as quickly as possible by current ratepayers. New/upgrade capital expenditure should be financed by a long term increase in the volume of debt with the current generation of ratepayers meeting interest repayments on that debt.

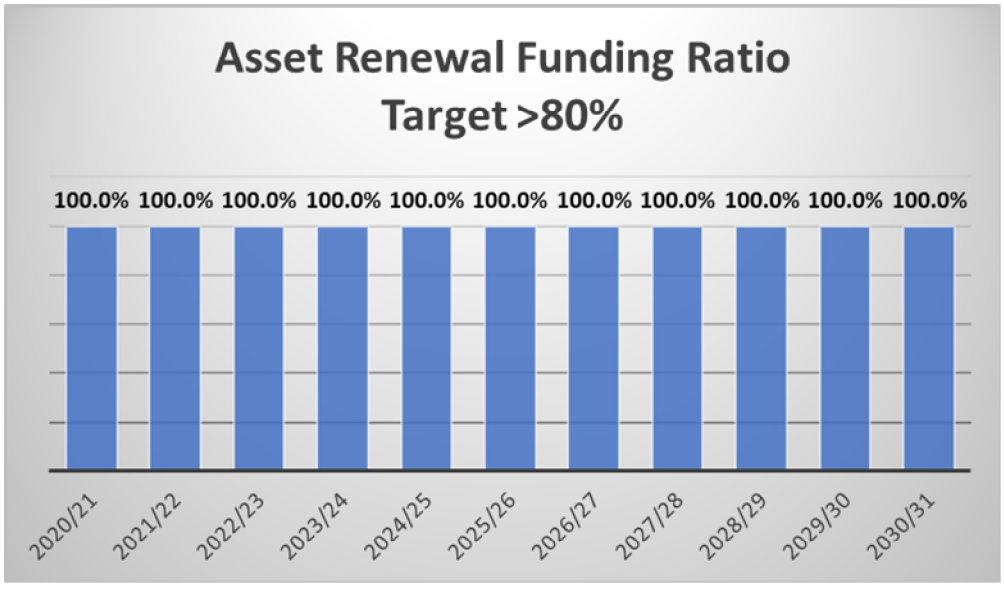




Charles Sturt is the caretaker for more than $1.0 billion of community assets and is responsible for maintaining the value of these assets.

Asset Management Plans have now been produced for all major asset classes and these have been used to more accurately predict Council's ongoing commitment to infrastructure spending on renewal of Council's existing assets based on assessment of condition and the useful life of those assets.

The asset renewal funding ratio indicates whether a council is renewing or replacing existing infrastructure assets compared with what is needed to cost effectively maintain service levels as prescribed by its adopted Asset Management Plans. The scenario endorsed by Council shows a ratio which assumes the renewal of infrastructure equates to that identified in its adopted Asset Management Plans.



Overall the strategy endorsed by Council positions itself over the forecast period to be able to meet its obligations for current service levels plus future infrastructure commitments without excessive rate increases or cuts to services. An operating surplus ratio of greater than nil is achieved across the planning period with a break even position continuing to be sustainable for council operations. Councils' infrastructure works are met that address asset management plans and strategic management plans within acceptable benchmarks for council's key financial targets including borrowings which are used to guide its decision making.

A full copy of the Long Term Financial Plan 2021-2031 is included as **Attachment A**

Please note year 1 (2021/2022) of this adopted LTFP provided the basis for development of the annual budget and high level parameters. The final budget 2021/2022 was adopted following consultation feedback and finalisation of actual inputs for the recurrent budget and level of capital and annual operating projects, having regard to the high level parameters. The next LTFP iteration will be updated with the actual budget adopted for 2021/2022.

6. What Services Will We Deliver to our Community in 2021/22?

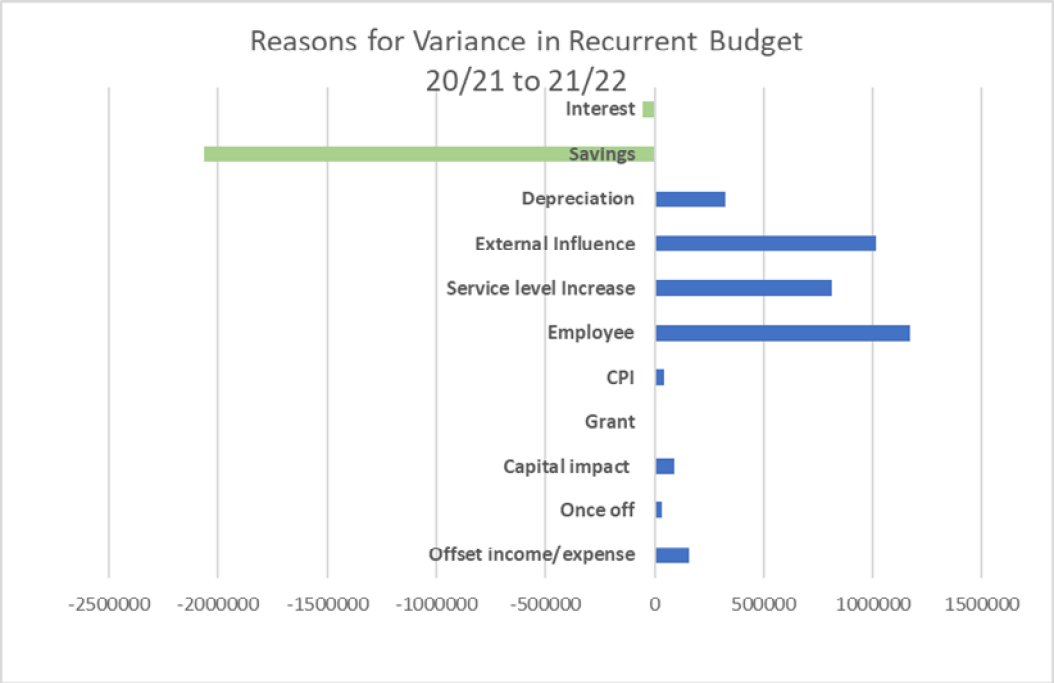
All councils have basic responsibilities under the Local Government Act 1999 and other relevant legislation. These include:

- Management of basic infrastructure include roads, footpaths, parks, public open space, street lighting and stormwater drainage
- Street cleaning and rubbish collection
- Development planning and control including safety assessment
- Various environmental health services
- Maintaining the voters roll and supporting the elected Council, and
- Setting rates, preparing an annual budget and determining longer term strategic management plans for the area.

In response to community needs we also provide further services including:

- Libraries
- Community centres
- Community programs
- On street parking management
- Dog and cat management, and
- Verge mowing.

Budget managers developed their recurrent budget requirements following a zero based approach and having regard to previous years trends, noting that effectively reductions in budgets (savings) of approx. $2m were used to offset the cost of external influences and service level increases to ensure the rates increase remains in line with forecast CPI or below.

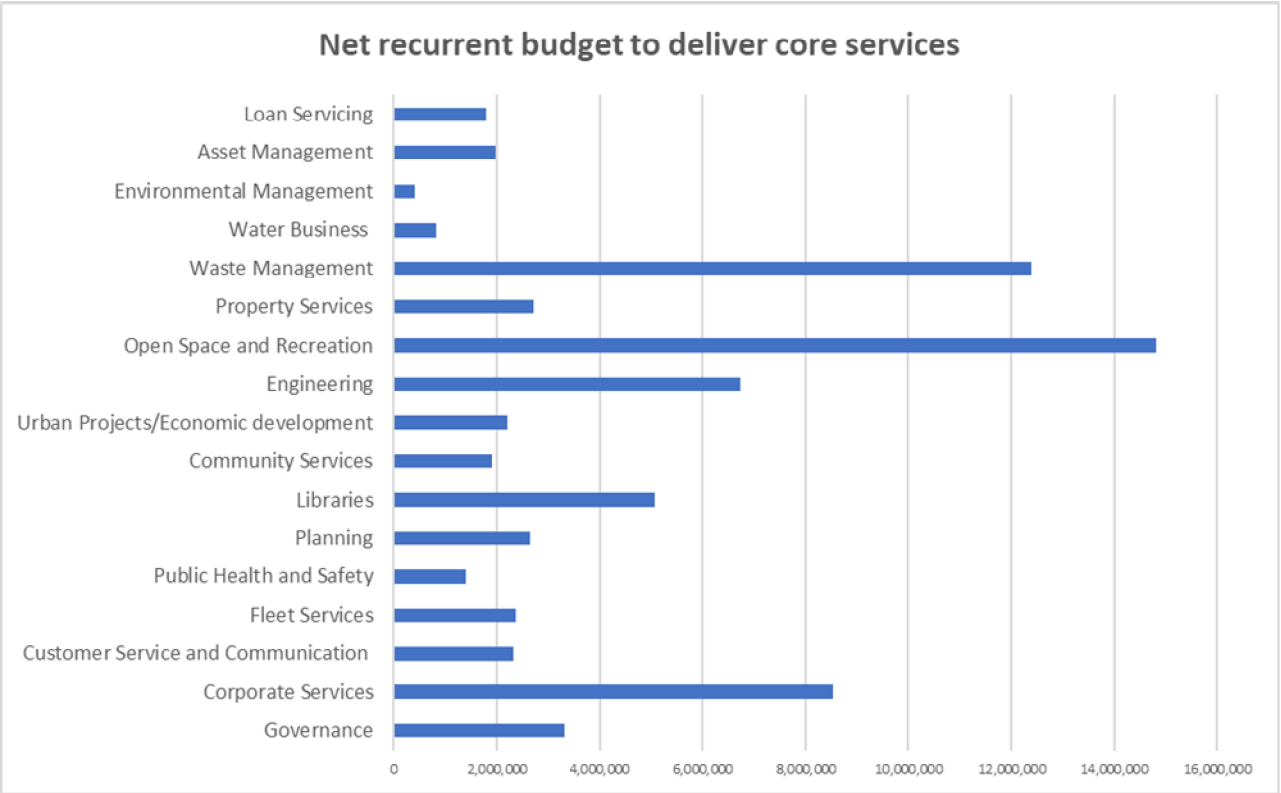


The actual recurrent operating budget surplus in 2021/22 to deliver core services including "rates income levied" of $114.489m offset by rate relief and rebates of $5.086m and including depreciation (non cash) of $33.920 is **$4.070m.**

A comprehensive listing of our core operational services (recurrent budget) provided to the community as at June 2021 is included as **Attachment B.** Details of Council's organisational structure and the various functions and business activities undertaken by each Division to provide services are included in **Attachment E**.

Recurrent Core Business Function		Operating Income $	Operating expense $	Net $
Governance		-103,800	3,415,183	3,311,383
Corporate Services		-6,380,171	14,913,876	8,533,705
Customer Service and Communication		0	2,329,905	2,329,905
Fleet Services		-15,000	2,376,299	2,361,299
Public Health and Safety		-3,023,140	4,424,376	1,401,236
Planning		-1,580,000	4,237,367	2,657,367
Libraries		-925,500	5,990,909	5,065,409
Community Services		-1,944,300	3,857,142	1,912,842
Urban Projects/Economic development		-253,300	2,468,447	2,215,147
Engineering		-2,571,182	9,298,651	6,727,469
Open Space and Recreation		-143,000	14,948,563	14,805,563
Property Services		-1,423,357	4,134,663	2,711,307
Waste Management		-1,056,000	13,458,968	12,402,968
Water Business		-229,000	1,044,592	815,592
Environmental Management		0	397,630	397,630
Asset Management		0	1,968,591	1,968,591
Loan Servicing			1,796,000	1,796,000
Total excluding depreciation and rates		-19,647,750	91,061,162	71,413,412
Depreciation			33,919,643	33,919,643
Total including depreciation			124,980,805	105,333,055
Rates levied		-114,489,363		-114,489,363
less Rate relief,rebates and remissions		5,086,175		5,086,175
Net rates		-109,403,188		-109,403,188
Total		-129,050,938	124,980,805	-4,070,133

***Corporate Services includes support services such as Information Systems, Organisational Development, rates management, finance, records management, customer service and insurance.**


Net recurrent budget to deliver core services
Loan Servicing
Asset Management
Environmental Management
Water Business
Waste Management
Property Services
Open Space and Recreation
Engineering
Urban Projects/Economic development
Community Services
Libraries
Planning
Public Health and Safety
Fleet Services
Customer Service and Communication
Corporate Services
Governance
0
2,000,000
4,000,000
6,000,000
8,000,000
10,000,000
12,000,000
14,000,000
16,000,000

7. Annual Operating and Capital Projects

In addition to Councils "core" activities for its recurrent budget monies are put aside for annual operating projects and capital projects.

7.1 Annual Operating Projects

Annual Operating projects support the current strategic focus of Council and / or which may be short term or one off initiatives.

All annual operating projects were the subject of community consultation and review by Council Members before the final project list was determined.

In 2021/22 it is proposed to fund **$3,115,089** in annual operating projects comprising $180,000 in income and $3,295,089 in expenditure.

The individual projects making up the Annual Operating projects program are listed in the table below.

Name	Budget Bid Description	Budget Bid Income $ 2021/22	Budget Bid Expenses $ 2021/22	Net Budget Bid $ 2021/22
West Lakes Catchment SMP 2021-22 **Bid ID PBB-00001240**	Completing final stages of the West Lakes SMP, including community consultation, which commenced in 2019/20.	$15,000	$45,000	$30,000
Grange Recreation Reserve - Consultation & Concept Master Plan **Bid ID PBB-00001247**	Consultation and concept plan for the replacement of two club room buildings at Grange Recreation Reserve, which are reaching the end of their useful life. Clubrooms currently incorporate three existing tenants; Grange Cricket, South Australian Amateur Soccer League and Grange Hockey.	$0	$30,000	$30,000

Asset Analyst - Operation (maintain current staffing levels) **Bid ID PBB-00001248**	The budget bid is to maintain existing staff levels in Asset Management Planning as the business unit experiences both increased workload from numerous project initiatives including: •CiA transition for project for EAM for 298,000 asset records & 9000 maintenance schedules •one council asset data transition for some 298,000 asset records •SAM predictive modelling •increased analytics for asset lifecycle management and operational efficiency •Increase requests for asset information and mapping services There will be substantial additional workload associated with requirements for change management and service level review within the Asset Management Planning Team with the proposed transition to a new service delivery model and the AMP team taking on responsibility for maintenance planning, scheduling, analytics and review of KPI's and dashboards in addition to current responsibilities.	$0	$110,000	$110,000
New Multi-Skilled Staff (x 2) - Parks **Bid ID PBB-00001252**	New Multi-Skilled Staff (x 2) - for Parks maintenance of contributed assets within T2T, WEST Development and Ovingham Level Crossing Upgrade	$0	$155,100	$155,100
Fauna Boxes Port Road Drainage Project Zone **Bid ID PBB-00001270**	100 Fauna boxes will be installed in the Port Road Drainage Project Zone from in the FY 20/21 (PBB-00001208) This bid is for the maintenance and monitoring of these boxes.	$0	$17,100	$17,100
Discretionary Ward Allowance for Council Members **Bid ID PBB-00001272**	To provide Council with discretionary funds to assist eligible, not for profit individuals, groups and organisations within the City of Charles Sturt seeking financial support for programs, projects, events and activities within their community.	$0	$276,000	$276,000
Live and Local Grant Program **Bid ID PBB-00001275**	Continuation of the economic support and stimulus package to run Live and Local programs to support local musicians, art industry and businesses through live events and	$0	$80,000	$80,000

	venues across the City of Charles Sturt.			
Street Tree Prioritiser and Tree Canopy Target Planner **Bid ID PBB-00001277**	Undertake tree planting and tree canopy modelling and analysis using proprietary third party tools Street Tree Prioritiser and Tree Planting Predictor tools: Street Tree Prioritiser - helps determine where the optimal locations along streets are for tree planting, primarily based on urban heat island data. Tree Planting Predictor - generates estimates of the number of trees (of different sizes) required to reach canopy cover targets by specific dates, and the budget required to do so.	$0	$86,000	$86,000
Low income cat desexing subsidy program **Bid ID PBB-00001280**	Creation of a subsidy fund to support desexing of cats to low income earners via the National Desexing Network who would administer the program. The Dog and Cat Management Act 1995 requires all cats born after 1 July 2018 who are older then 6 months to be desexed. This can create financial pressures for cat owners in our community. The proposed methodology is a co-contribution scheme whereby Council would subsidise 50% of costs of cat desexing up to $50/cat, with the remainder being paid by the cat owner. The NDN would coordinate the program and residents apply directly to NDN for vouchers.	$0	$20,000	$20,000
Business Support Program **Bid ID PBB-00001282**	Round 2 of Business Support Grants - Economic Stimulus Program grants to support business to reposition and grow with a digital focus. Entrepreneur Program - scholarships to participate in the Business SA Encore & SAYES programs. Maximum grant of $2K per business to engage expert business consultants to provide business planning, website	$0	$140,000	$140,000

	design and social media and marketing advice. This program was highly subscribed in 2020/21 and anticipated to continue through 2021/22 with reduction in Jobkeeper grants.			
Heritage Conservation Grants Program **Bid ID PBB-00001296**	The Heritage Conservation Grants Program applies to property owners of local heritage places and contributory items as identified in Council's Development Plan and to owners of regulated and significant trees in the City of Charles Sturt. The Program provides financial assistance for conservation and restoration works to local heritage places and contributory items as well as to regulated and significant trees which require maintenance pruning. The Program has a recurrent budget of $45,000 from last financial year. The additional operation budget of $25,000 will provide additional funds to the Grant Program to meet the increasing demand in the Program.	$0	$25,000	$25,000
Heritage Recognition Markers **Bid ID PBB-00001303**	Installation of Heritage Recognition Markers for the City's Heritage listed Places. The Heritage Recognition Markers project commenced in 2014/15. To date, the project has resulted in 59 markers, on key heritage properties in Woodville, Hindmarsh, Henley, Grange, Kilkenny, Bowden and Brompton. A further 6 markers have been committed for additional Heritage Places for 2020/21. The markers have been well received by property owners and the community as a valuable and effective means of educating and informing the public on significant sites.	$0	$15,000	$15,000
Creative Cities Arts and Cultural Grants Program **Bid ID PBB-00001305**	The Creative Cities Program is a funding stream of the City of Charles Sturt's COVID-19 Economic Support and Stimulus package to refocus council initiatives to best support our most impacted economic sectors, including our local arts and culture sector, as well as community led neighbourhood projects to improve local streets and public spaces.	$0	$80,000	$80,000

Residential Streetscape Character Code Amendment **Bid ID PBB-00001306**	To commence a Residential Streetscape Character Code Amendment process in accordance with Council's previous decision and Minister's endorsement. The project seeks to investigate the introduction of planning policies to ensure future infill development within identified residential areas are designed to maintain the established streetscape character of local streets adjacent the Port Rd corridor. The investigation areas are included within the suburbs of Albert Park, Beverley, Brompton, Cheltenham, Croydon, Flinders Park, Pennington, West Croydon, Kilkenny, Woodville, Woodville Park, Woodville South, Woodville West and Semaphore Park.	$0	$25,000	$25,000
Feasibility Study for Future Improvements at Woodlake Reserve, West Lakes **Bid ID PBB-00001309**	Feasibility study for future improvements at Woodlake Reserve, West Lakes, to seek feedback from the community on their preferred improvements, and develop concept design to guide future budget bids.	$0	$20,000	$20,000
#shoplocal Grants Program **Bid ID PBB-00001314**	This grant sets out to support the future of retail through creative business led approaches, collective main street approaches and visitor attraction experiences. This is a continuation of the #shoplocal grant in 2020/21 with a broadened scope following feedback from businesses regarding support to set up footpath activations such as outdoor dining, greening and artworks. Businesses will be supported in the following areas: **1. Customer experience initiatives** Grants of up to $2,000 to businesses. Examples include online and in person events, workshops and discount initiatives. **2. Footpath trading activation** Up to $8,000 per business on a 50% matched fund basis would be supported for façade improvement projects. Elements could include: outdoor dining/ street furniture/	$0	$55,000	$55,000

	street trading/ product display/ freestanding umbrellas/ pot plants/ planter boxes/ bicycle racks/ window displays/ façade paint or mural/ bollards/ creative lighting/ greening & other creative installations & attractors.			
Woodville Town Hall - Live & Local and Major Events **Bid ID PBB-00001318**	Attract and host two major events in line with Woodville Town Hall Business Plan Goals and Objective, for example a comedy show and a cabaret event with high profile local artists. Continuing on the momentum built through Foyer Fridays and its extended concert series, we will have 6 Friday night live music events aimed at creating a regular space for locals to connect and enjoy the arts, and support live and original music.	$35,000	$103,000	$68,000
Collaborative Business Intelligence Data & Analytics Program **Bid ID PBB-00001319**	CCS is collaborating with COM and PAE on a joint D&A program to uplift capabilities and capacities for shared insights to drive performance improvements. This program commenced in 2020 with the recruitment of a Chief Data Officer to lead the program for the three councils. The program is a 3 year program initially. This bid is for year 2 of year 3 of the program.	$0	$109,000	$109,000
Street Tree & Damaged Infrastructure Register **Bid ID PBB-00001322**	Create a register where tree species, maintenance records and costs are available at a street level which also includes details of tree related damage to Council infrastructure and the costs to repair.	$0	$80,000	$80,000
Advanced Technology Pilot **Bid ID PBB-00001323**	This project proposes a pilot program of advanced technology to assist in city maintenance and service targeting. This may include leveraging technology such as satellite/drone imagery and AI/machine learning cameras on field vehicles to detect weeds, potholes, footpath damage and other issues and hazards. This may benefit from engagement with other Councils that have run similar pilots, such as the Moreton Bay Regional Council, or other Councils internationally including the City of	$0	$48,000	$48,000

	Markham in Canada and Blackpool Council in England.			
Workforce Replenishment Program - IT Traineeship **Bid ID PBB-00001324**	As a large public organisation, we have the resources and capabilities to provide young people in our diverse community with workplace skills to obtain meaningful future employment, whilst helping to address the technical skills shortage in South Australia. This bid is for a three-year Information Technology (IT) trainee program, combining a Certificate in IT, industry-recognised Microsoft certifications and paid work experience for the trainee.	$0	$50,000	$50,000
Workforce Replenishment Program - Administrative Trainee **Bid ID PBB-00001329**	In 2020-21 we created the Workforce Replenishment Program with a focus on administrative trainees. We are, therefore, seeking budget for 2021-22 to enable both trainees to complete their final six months of the traineeship which includes the completion of Certificate III in Business Administration. As a large public organisation we have the resources and capabilities to provide opportunities for young local people in our communicate to gain work skills that should place them in a good position to gain meaningful future employment.	$0	$50,000	$50,000
Collaborative CiA Migration for Financials, Enterprise Budgeting, Purchasing and Stores **Bid ID PBB-00001330**	To progressively migrate from TechnologyOne Ci to Ci Anywhere in accordance with business readiness and priorities, technical and integration dependencies, and maturity of the vendor's Ci Anywhere roadmap. Ci is being depreciated by the Vendor and CiA will be a full featured replacement. This project in 2021-22 will migrate Ci To CiA for the following modules: - Financials - Enterprise Budgeting - Purchasing and Stores The following project in 2022-2023 will migrate Ci to CiA for the Property & Rating modules per the CiA Migration Strategy & Roadmap 2019-2023.	$0	$273,000	$273,000

Events and Festivals Sponsorship 2021/22 **Bid ID PBB-00001340**	Festivals and events provide opportunities for social gatherings within our community to celebrate significant creative, cultural, food and sporting events. Includes ongoing funding for Christmas in the Square, Pink and Blue Swim and West Lakes Carols, in accordance with Council endorsed sponsorship agreements totalling $40K. Events can be a very effective mechanism for promoting our brand and assets such as reserves, the coast and community and sporting facilities. Events can also be an affective tool to build our visitor economy. Events encourage community participation and engagement, civic pride and ownership and can build social cohesion. This program will provide funding to events that can demonstrate key economic, social, cultural and environmental benefits to the city.	$0	$90,000	$90,000
Collaborative IT Foundations (Network Trust) **Bid ID PBB-00001346**	City of Charles Sturt is collaborating with the Cities of Port Adelaide Enfield and Marion to establish the IT foundations for collaboration and communication, enabling teams across the councils to work together effectively and efficiently. A deliverable of the 2020/21 cross-council collaboration and productivity tools project (17228) was a technical roadmap to develop an IT trust relationship for the three councils to support collaboration activities and securely provide staff with approved access, the ability to login to their network from any council location.	$0	$27,200	$27,200

Communications Advisor **Bid ID PBB-00001348**	The quality and level of communications required to connect with our 120,000 community members and our 500 employees has increased significantly over the last 18 months. From January 2020 until December 2020, the City of Charles Sturt published over 2,000 major external communications via our social media platforms, Kaleidoscope magazine, eNewsletters, videos and more, an increase of 500 on the previous 12 months. Within that same period, the City of Charles Sturt published over 170 (>2 per week) major internal communications via What'sApp, email, Intranet, Staff Forum and videos, an increase of over 100 communications on the previous 12 months. Research demonstrates that effective communication can increase community and employee engagement and workplace productivity, and drives continuous improvement of business performance. One of the biggest challenges in 2021, where local government information competes with consumer information, other government information, media information as well as community generated content, is for the City of Charles Sturt to continue to find genuine and meaningful ways to effectively speak to the community, and our employees.	$0	$102,362	$102,362
Henley Main Street Marketing and Activation Program **Bid ID PBB-00001349**	This program is to fund the Main Street marketing and activation initiatives led by local traders at Henley Beach and facilitated through the Henley Beach Business Association. These initiatives include: Ongoing maintenance and hosting fees of the Henley website Coordination fee to create content for social media sites Coordination of SALA Round the Square Other similar marketing and activation activities that promote	$0	$11,800	$11,800

	Henley that may arise seasonally or connected to state wide or local events.			
AdaptWest in Action 21/22 - Regional Climate Change Adaptation for Western Adelaide **Bid ID PBB-00001350**	To continue AdaptWest in Action - the regional climate change adaptation program that runs jointly between the 3 councils in Adelaide's west (Cities of Charles Sturt, Port Adelaide Enfield and West Torrens). In 2019, all three councils approved the AdaptWest in Action Plan for 2019-2022 - this budget bid provides for the implementation of that plan. This bid covers year 4 of the program, with a review in year 4 or 5 of the program anticipated. The budget covers total expenditure across all 3 councils, and income from the Cities of West Torrens and Port Adelaide Enfield for their share of costs.	$130,000	$195,000	$65,000
Master Plan for Josiah Mitton Reserve and Brompton Green **Bid ID PBB-00001352**	Development of a detailed master plan to support the future upgrade of Josiah Mitton Reserve and Brompton Green Reserve, to maximise the use of these reserves.	$0	$40,000	$40,000
Temporary 0.9 FTE increase - Waste and Sustainability Team **Bid ID PBB-00001354**	Council has declared a climate emergency and endorsed a program of commitments to reduce its greenhouse gas emissions to Net Zero by 2025. A short-term FTE increase of 0.9 FTE for the Waste and Sustainability Team was put in place for 2020/21 to implement this work. This budget bid extends that existing increase until 30 June 2024.	$0	$112,967	$112,967
Whole Street Planting 2022 **Bid ID PBB-00001355**	As part of the Whole Street Planting Program, a number of residential streets will be planted with semi advanced trees. A whole street approach provides a number of benefits to the residents of the street, Council and the community at large, including a consistent uniform planting which in time creates an 'avenue effect' of trees of a similar size, shape and appearance. The selection of streets is primarily based on the absence of trees in the street, the overall condition of the existing trees being in decline, whether the	$0	$200,000	$200,000

	existing species are appropriate for the location and alignment with strategic documents (i.e Open Space Strategy, iTree Canopy Assessment, Urban Heat Island and Climate Change Plans). An integration approach with Engineering construction projects (i.e. road reconstruction and footpath programs) may also provide opportunity for street selection.			
Planet Ark and Trees for the Future 2021/22 **Bid ID PBB-00001356**	Planet Ark: To accommodate community and local schools' requests to participate in the National Tree Planting Day by planting juvenile trees and shrubs on Council reserves. In addition, to provide donations of plants to schools who wish to participate in this event with a preference to plant trees on school grounds. Trees for the Future To plant primarily native tree species on our reserves for future generations and to 'green' the City.	$0	$40,000	$40,000
Records Management MS Teams Collaboration Tool **Bid ID PBB-00001357**	Microsoft Office 365 was implemented a couple of years ago, and after a short pilot Microsoft Teams was rolled out organisation-wide at the start of COVID-19. MS Teams has effectively superseded some elements of the corporate intranet and has been well adopted across CCS when collaborating on documents. Once a document becomes more than a collaboration document it must be captured as a record in Council's Record Management System, Content Manager. The implementation of a new 'Teams2Content Manager' app will provide staff with an easy and seamless way to capture and search records in Content Manager from within MS Teams.	$0	$33,560	$33,560
Collaborative Customer Relationship Management / Customer Experience Solution	The Customer Experience (CX) Strategies of PAE and CCS identify the CX vision to prioritise our customers first, live our values, follow our decision-making processes and to develop our CX capabilities. To support the outcomes of the CCS	$0	$460,000	$460,000

Bid ID PBB-00001362	& PAE CX Strategies, this initiative will ensure we have a contemporary customer relationship management system to strengthen Council's focus on customer service and customer experience, including a single view of the customer.			
Rosetta Street West Croydon - 40km/h Speed Limit Review **Bid ID PBB-00001364**	This budget bid proposes to undertake community consultation and implementation into reviewing the current speed limit for the road environment along Rosetta Street at West Croydon.	$0	$15,000	$15,000
Email Communications Consolidation Project **Bid ID PBB-00001370**	Consolidation of the City of Charles Sturt's existing email marketing accounts into one platform. Currently, the City of Charles Sturt sends multiple promotional/communications based emails and email newsletters per month to multiple different and varied databases, without any ability to track overall success, changes to details, content and more. We also have multiple email marketing accounts across Council that we are paying individual monthly fees for. Create a central avenue for consolidated, tagged and segmented email databases and a streamlined process for frequently updating databases from each source into the single email marketing platform, or a strategic integration.	$0	$30,000	$30,000

Freshwater Lake - Viability Study & Review **Bid ID PBB-00001371**	Freshwater Lake was constructed the 1970's as a key water feature of the West Lakes Delfin Island Development. It was built to standards of that era and requires a high level of ongoing intervention to mitigate continuing community complaint and issues with poor water quality that arise by nature of its design and structure. A review of the AMP for this identifies that desludging in FY 21/22 is scheduled which is conservatively estimated to cost more than $600,000, and would provide a limited (up to 5 years) but not permanent improvement to water quality which has triggered consideration of long-term cumulative costs of lake management. A viability study is considered prudent to consider whether it is fiscally and environmentally responsible to continue to manage the lake 'as is' by identifying the total cumulative financial and environmental cost to manage this asset in its current form and what other options could be considered such as re-engineering the lake form, or eliminating the water body entirely and returning this as terrestrial passive open space.	$0	$30,000	$30,000
Adelaide Free Bikes **Bid ID PBB-00001372**	Adelaide Free Bikes has been operating in CCS since 2012. Bike SA manage program delivery across four locations in Charles Sturt, including Discovery Park Semaphore (a non-CCS site) as well as Hindmarsh, West Lakes and Henley Beach Libraries, The program encourages an active healthy lifestyle and provides both visitors and residents with the opportunity to access FREE bike hire to enjoy an explore the City and surrounds. NOTE: the 2020/21 free bikes program was interrupted by COVID-19, which meant the program was unable to commence (with new hygiene protocols in place) until August 2020. Bike SA provided supporting training to library staff.	$0	$15,000	$15,000
	Total	**$180,000**	**$3,295,089**	**$3,115,089**

7.2 Capital Projects

The City of Charles Sturt is responsible for a vast portfolio of assets with a carrying value in excess of a billion dollars. It is therefore critical for long term sustainability of assets that Council engages in practises that optimise the assets useful lives for the benefit of the community.

The City of Charles Sturt, like other government infrastructure asset owners, is faced with an increasing demand to provide services in an environment of ageing infrastructure, increased liability and reduced funding. In response to this an Asset Management Policy and Strategy has been adopted by Council.

The purpose of the Asset Management Policy is to set a broad framework for undertaking asset management in a structured and co-ordinated manner.
The broad goals identified are as follows:

- to ensure the right assets are provided to meet community needs
- to provide sustainable infrastructure through leadership and vision
- to be financially responsible by providing appropriate resources for the delivery of services
- to continually improve our knowledge of Council assets and their lifecycles
- to manage our assets in a manner that is fair for present and future users in terms of benefits and costs.

To ensure the value of our assets are maintained our long term strategy provides for us to fund a capital renewal expenditure program based on Council endorsed Asset Management Plans for each asset. The Asset Management Plans determine future funding requirements based on life and condition assessments of council's existing asset stock and which will be continually refined and updated with the best available information.

For new and upgraded infrastructure capital projects are derived from existing strategic managements plans such the Open Space Strategy, Council resolutions supporting new projects, major project initiatives such as the Woodville Street and Military and Main street upgrades plus direct requests from the community. New/Upgraded capital projects are those which increase Council's current asset stock or significantly enhance an existing asset to provide a higher level of service or extend the life beyond that which it had originally.

In 2021/22 it is proposed to fund a council contribution of **$42,441,052** in a total capital program comprising $4,689,217 in income and $47,130,269 in total expenditure.

All capital projects were the subject of community consultation and review by Council Members before the final project list was determined.

The capital program adopted comprises $22,600,483 net in renewal capital projects with $958,586 in income and $23,559,069 in expenditure based on adopted asset management plans and which are detailed in **Attachment F** and $19,840,569 net in new/upgraded capital projects with $3,730,631 in income and $23,571,200 in expenditure which are listed below.

Name	Budget Bid Description	Budget Bid Income $ 2021/22	Budget Bid Expenses $ 2021/22	Net Budget Bid $ 2021/22	Nature of Works
New Paths Program 2021/22 **Bid ID PBB-00001217**	Design and construction of new paths on streets and reserves for the 2021/2022 financial year in response to community requests that have been assessed by staff as providing strategic benefit to the community. Project also includes design for 2022/2023 path projects if funding permits.	$0	$500,000	$500,000	New
Street Light Upgrade Program 2021/22 - SAPN Infill and Improvement Program **Bid ID PBB-00001218**	Council recently undertook an audit of streets to identify where street lighting did not meet Australian Standard or community expectation. This project was included in the LED street light forward works program and LTFP as part of the endorsement of the DRAFT Public Lighting AMP. The project will continue the work being delivered in 20/21 to ensure street lighting complies with AS/NZS 1158 road lighting standards where reasonably possible.	$0	$500,000	$500,000	Upgrade
Bartley Terrace Streetscape Project - Stage 2 Construction - Greenfield Crs to Anglers Ct **Bid ID PBB-00001220**	Streetscape upgrade, road safety improvements and road reconstruction of Bartley Terrace between Greenfield Crescent and Anglers Court in Semaphore Park (Stage 2) .	$0	$920,000	$920,000	New

Sporting Club Changeroom Upgrades - Matheson Reserve Clubrooms **Bid ID PBB-00001221**	Undertake upgrade works to existing change room facilities to ensure unisex change rooms are available to the sporting club users and that the council, as the building owner provides equality to male and female participants.	$300,000	$600,000	$300,000	Upgrade
Sporting Club Changeroom Upgrades - Pennington Oval Clubrooms **Bid ID PBB-00001224**	Undertake upgrade to existing change room facilities to ensure unisex change rooms are made available to all sporting club users and that the Council as building owners provides equality to male and female Participants.	$0	$300,000	$300,000	Upgrade
Parfitt Square Automated Public Toilet Installation **Bid ID PBB-00001225**	Install new Public toilet at Parfitt Square the work includes design for an appropriate Public toilet including sewer design, water supply and civil works for the toilet.	$0	$190,000	$190,000	New
Stage 2 - DDA access facility within the Woodville tennis and Bowling Club **Bid ID PBB-00001226**	Stage 2 - Design and construct a disability access facility within the Woodville Tennis and Bowling club to comply with the national construction code (NCC). In 2020/2021 change rooms upgrades were completed in this building and it is a requirement under the building code to install a compliance assess facility.	$0	$120,000	$120,000	Upgrade
Carnegie Reserve Clubrooms DDA Access Facility **Bid ID PBB-00001228**	Stage 2 - Design and construct a disability access facility within the Carnegie reserve clubroom to comply with the national construction code (NCC). In 2020/2021 the commercial kitchen was upgraded in this building and it is a requirement	$0	$120,000	$120,000	Upgrade

	under the building code to install a compliance assess facility.				
Net Zero implementation - energy efficiency improvements at high energy use sites **Bid ID PBB-00001233**	An energy efficiency improvement program over two years at five of council's high electricity consuming sites - Beverley Centre/Depot, Cheltenham Community Centre, Bower Cottages Community Centre, 19 on Green (Brompton) Community Centre, Freshwater Lake (West Lakes). Works in the first year to include renewal of the lighting and heaters within the Beverly Centre Store - Fleet Workshop, and Bower Cottages. Average pay-back period across the project is assessed as 6.5 years.	$0	$88,200	$88,200	Upgrade
New Public Lighting Program 2021/22 **Bid ID PBB-00001235**	Design and installation of new LED public lighting on the following car parks, paths and reserves as identified or as requested by the Community. Projects are listed in order of priority. - Grange Lakes Stage 4B Shared Use Path Upgrade Lighting ($57,500) - Atkin Street Path construction ($57,500 - St Clair Wetlands (Northern Loop) (127,500) - Point Malcolm Carpark Entrance Lighting (14,500) - Albert Greenshields Reserve Lighting (52,500)	$0	$310,000	$310,000	New

Woodville Road Streetscape Upgrade **Bid ID PBB-00001238**	Woodville Road Streetscape upgrade between Port Road and Outer Harbor Rail corridor consistent with approved concept plan, activation of the precinct with - New kerbing and paths - Planted central median with trees - Irrigated verges with new trees - Dedicated right turn lanes - Art work - New streetscape and path lighting	$0	$4,000,000	$4,000,000	Upgrade
Stormwater Minor Upgrade - flood mitigation **Bid ID PBB-00001239**	To investigate (hydraulic modelling), develop options and design infrastructure to mitigate localised flooding issues Vicinity of Cudmore Tce, Henley Beach South and vicinity of 262 Military Road Henley Beach. Construction (upgrade) only if works are very minor or will be subject to future bid.	$0	$100,000	$100,000	Upgrade
Woodville District Cricket Club - Practice Nets Upgrade **Bid ID PBB-00001241**	WDCC are seeking to upgrade their current cricket practice net facilities at Woodville Oval for the benefit of the clubs growing participant base and the local community, This will include replacing the nets and retaining and widening the four existing turf practice pitches by removing an existing concrete slab and re-turfing the area. NOTE: this project is for a part-financial contribution only.	$0	$20,000	$20,000	Upgrade
Henley South Tennis Club -	Contribute towards significant club upgrades including tennis court	$0	$125,000	$125,000	Upgrade

Facility Upgrades **Bid ID PBB-00001242**	resurfacing, new LED lighting, fencing and associated landscape elements.				
Stormwater - Strategic Upgrade Investigation and Design **Bid ID PBB-00001243**	Stormwater - Strategic Upgrade Investigation and Design following completion of West Lakes Catchment SMP	$0	$120,000	$120,000	Upgrade
Hindmarsh Precinct Streetscape Upgrade **Bid ID PBB-00001245**	This project includes the upgrade of Council infrastructure in the Hindmarsh Precinct in preparation for the FIFA Women's world cup and scheduled Hindmarsh Stadium upgrade. The budget bid includes; - Holden Street Road reconstruction and streetscape upgrade (from Manton Street to Adam Street. - Milner Street and Mary Street Streetscape Improvements - Construction of a raised intersection at the intersection of Orsmond Street and Crawford Lane - Construction of an upgraded footpath in the Port Road median from Chief Street to East Street - Streetscape upgrades of West Street and East Street	$1,750,000	$3,500,000	$1,750,000	Upgrade
New Traffic Controls - Cudmore Terrace Wombat Pedestrian Crossing	Construction of a "Wombat" (Raised) pedestrian crossing on Cudmore Terrace, south of Harrison Street.	$0	$110,000	$110,000	New

Bid ID PBB-00001249					
New Truck & Equipment - Parks **Bid ID PBB-00001250**	New Truck & Equipment for New Multi-Skilled Staff (x 2) - required for T2T, WEST Development and Ovingham Level Crossing Upgrade contributed assets handover.	$0	$149,000	$149,000	New
Military Road and Main Street Upgrade - Construction **Bid ID PBB-00001251**	Construction of the Military Road (North Street to South Street) and Main Street (Military Road to East Terrace) Upgrade. Conversion of Main Street (Seaview Road to Military Road) to a pedestrian plaza (subject to income) - retaining driveway access and some car parking. Undergrounding of powerlines.	$1,680,631	$8,780,000	$7,099,369	Upgrade
WSUD - Tracey Avenue Catchment Raingardens 2021/2022 **Bid ID PBB-00001257**	Construction of raingardens on Thistle Avenue, designed in 2019/20, as part of the Water Sensitive Urban Design water quality improvement strategy in the Tracey Avenue Catchment area.	$0	$100,000	$100,000	New
Sustainable Transport Infrastructure 2021/22 - Bicycle Links Through Road Closures **Bid ID PBB-00001258**	Bicycle link and path through a road closure at Coglin Street and Third Street. Consultation of a bicycle link through road closure at Seaview Road and Terminus Street.	$0	$30,000	$30,000	New

West Lakes Lake Edge Path Wayfinding Project - Stage 1 **Bid ID PBB-00001259**	Installation of wayfinding signs along the Lake Edge Path at West Lakes. Stage 1 involves design and installation of signs along the southern Lake Edge walking loop (between West Lakes Boulevard and Trimmer Parade).	$0	$30,000	$30,000	New
West Lakes Lake Edge Master Plan - Path Upgrades **Bid ID PBB-00001260**	1. Construction of upgraded 2.0m-wide path in Annie Watt Circuit between Annie Watt Reserve and Rowing Club Reserve, West Lakes (approx 100 lineal metres). 2. Design and consultation for upgraded 2.5m-wide Lake Edge path between Tiranna Reserve and West Lakes Boulevard, West Lakes (approx 900 lineal metres). 3. Construction of upgraded 2.5m-wide Lake Edge path between Tiranna Reserve and Maramba Reserve, West Lakes (approx 300 lineal metres). 4. Design and consultation for upgraded 2.5m-wide Lake Edge path between Aquatic Reserve and Mariners Reserve, West Lakes (approx 1km).	$0	$265,000	$265,000	Upgrade
Pedestrian Safety Improvements - Hendon Primary School Emu Crossing **Bid ID PBB-00001264**	Construction of an Emu (children's) crossing in Risely Avenue, Hendon to service Hendon Primary school.	$0	$25,000	$25,000	New

Sustainable Transport Infrastructure - Grange Greenway - Stage 1 of Frederick Road to Grange Railway Station **Bid ID PBB-00001265**	Design and construction of stage 1 of the Grange Greenway connection between Frederick Road and the Grange Railway Line.	$0	$60,000	$60,000	New
Pedestrian Safety Improvements - Cedar Avenue, Croydon **Bid ID PBB-00001266**	Construction of an Emu (children's) crossing to be installed in Cedar Avenue, Croydon to service the Australian Islamic College.	$0	$15,000	$15,000	New
Fairford Terrace, West Lakes Shore / Semaphore Park - Traffic Safety Improvements **Bid ID PBB-00001268**	Design and construction of traffic safety improvements for the section of Fairford Terrace between Recreation Parade and Bower Road to be delivered in conjunction with planned road rehabilitation works.	$0	$50,000	$50,000	New
Breakout Creek Stage 3 Redevelopment - funding contribution **Bid ID PBB-00001269**	The Breakout Creek Stage 3 Redevelopment project is jointly funded by the project partners, the City of Charles Sturt, the City of West Torrens, the Australian Government and the project lead, Green Adelaide. This bid forms Council funding contribution to the project of total value $12 million.	$0	$1,000,000	$1,000,000	New
DDA improvements - Club West Lakes **Bid ID PBB-**	DDA improvements - improve disability access from car park to club west lakes building by widening existing decking	$0	$28,000	$28,000	Upgrade

00001271	and incorporating a ramp.				
WSUD - Infrastructure associated with other Capital Projects **Bid ID PBB-00001273**	Construction of Water Sensitive Urban Design (WSUD) infrastructure in conjunction with other Capital Projects.	$0	$100,000	$100,000	New
Grange Lakes Corridor Shared Use Path- Stage 4B - Construction **Bid ID PBB-00001274**	Construction of Stage 4B of the Grange Lakes Corridor Shared Use Path- Jetty Street to Napier Drive.	$0	$350,000	$350,000	Upgrade
Public Toilet Facility along Grange Lake Corridor Shared Use Path **Bid ID PBB-00001281**	Public consultation and design will be undertaken for a new public toilet facility in the Grange Lakes Corridor. It is intended construction will occur in the following 22/23 financial year.	$0	$20,000	$20,000	New
Jubilee Storage & Servery Refurbishment **Bid ID PBB-00001284**	Refurbishment of the Jubilee storage / servery building, primarily utilised by the Adelaide Jaguars Women's FC and North West junior soccer association (NWJSA) with Peninsula Pirates CC, Port Adelaide softball also utilising this storage space. The general scope of works to the existing servery include: Gyprock cladding to the walls and ceiling within the existing servery. Prepare existing concrete flooring and install new non slip vinyl. Upgrade lighting and Power.	$0	$120,000	$120,000	Upgrade

	New appliances. Renew Stainless steel benches and shelving where necessary Internal painting				
Community Planting - Railway Corridors **Bid ID PBB-00001294**	Community Planting to be undertaken along the Rail Corridor - Day Tce - Sackville St Kilkenny to Thomas St Croydon Sections of Day Tce have been included as part of the Whole Street Planting programme in the past and significant Community Landscaping and ongoing maintenance has been carried out by Rosetta Street Greening, Westside BUG, and individual residents. Council has been approached by groups of residents to extend these community planting works along the full length of Day Terrace. This budget bid is to ensure continuity and consistency in both the planting and maintenance of this railway corridor whilst creating a biodiversity corridor in a section of space otherwise poorly maintained.	$0	$40,000	$40,000	Upgrade

Open Space Community Projects **Bid ID PBB-00001295**	Deliver four community initiated projects that result in the creation of new assets: Beach St Community Biodiversity project: Gray Reserve, West Beach Permaculture Garden Cooke St (Wanda St Allotment) Findon - Community Gardening Project: Woodville Greening Group - Woodville Park Open Space - Harvey Street Road Closure	$0	$25,000	$25,000	Upgrade
DDA access toilet Albert Greenshields Reserve Hall **Bid ID PBB-00001298**	Conversion of existing toilet to an accessible toilet including relocation of entry/ egress to bring into compliance with current building code. Works will involve relocation of hot water system, enclosing of thoroughfare under main roof, New entryways and refurbishment of existing toilet. The asset is utilised by a commercial tenant to provide support services and social programmes to ESL and aged clientele with varying mobility issues. Current toilet opens directly off kitchen so opportunity presents to address outdated and therefore non-compliant access arrangements.	$0	$80,000	$80,000	Upgrade
Community Connections - Reconfiguration of The Brocas and Bower Cottages Community Centres	This project includes the design of 2 projects for Community Connections at The Brocas and Bower Cottages. It is proposed to upgrade the rear sheds at The Brocas to a multi use space for community use. At Bower Cottages the	$0	$15,000	$15,000	Upgrade

Bid ID PBB-00001299	building will be reviewed and design improvements considered to ensure all areas are functional, fit for purpose to ensure the most efficient use of space				
Public shower at Heysen Reserve **Bid ID PBB-00001307**	Installation of a new public shower at Heysen Reserve, West Lakes Shore, for recreational users of the lake.	$0	$30,000	$30,000	New
New basketball half-court at Corcoran Reserve, West Lakes **Bid ID PBB-00001308**	New basketball half-court at Corcoran Reserve, West Lakes, including a concrete/asphalt base, basketball backboard and ring, and fencing.	$0	$30,000	$30,000	New
Allenby Gardens Reserve - Separation fencing for Playspace **Bid ID PBB-00001310**	An additional fence to separate the playground from the main oval and will provide safe play for children using the play space from dogs that use the main oval.	$0	$15,000	$15,000	New
Development of new Reserve at 1 Hurtle Street, Croydon (Hurtle Street Reserve) **Bid ID PBB-00001311**	Development of new Reserve at 1 Hurtle Street, Croydon (Hurtle Street Reserve).	$0	$90,000	$90,000	New
Fencing to prevent illegal fishing at Inlet Reserve, West Lakes **Bid ID PBB-00001312**	Removal of existing fencing and installation of new fencing to provide a physical barrier to minimise illegal fishing at Inlet Reserve, at the southern-most end of West Lakes.	$0	$30,000	$30,000	Upgrade

Semaphore Tourist Railway- Concrete rectification **Bid ID PBB-00001313**	Railway sleepers in 30m of the Fort Glanville section of track have completely rotted away and the rails are increasingly compromised. Based on advice from engineers and officers of the National Railway Museum Inc., it is proposed to embed the section of rail in concrete to permanently negate (perishable) sleeper requirements.	$0	$66,000	$66,000	Upgrade
Athol Park Community Garden **Bid ID PBB-00001321**	Provide the basic infrastructure for the establishment of a Community Garden on Fawk Reserve, Athol Park.	$0	$50,000	$50,000	New
Landscaping - Shared Use Path - Atkin Street, Henley Beach **Bid ID PBB-00001325**	A shared use path is to be constructed in Atkin St, Henley Beach following the road reconstruction project, between the entry to Henley Memorial Oval and Cudmore Tce. These works will necessitate the removal and replacement of existing plantings and fencing adjacent the Henley and Grange Arts Society and along the perimeter of the reserve and will require that the path meanders between the existing trees. The budget amount allowed for by Engineering does not allow for replacement landscaping works.	$0	$30,000	$30,000	Upgrade
New Park Furniture and Shelter at Krista Reserve, Kidman Park	Installation of new park furniture and a shelter at Krista Reserve, Kidman Park.	$0	$35,000	$35,000	New

Bid ID PBB-00001337					
New Park Furniture and Shelter at Glenwood Reserve, Kidman Park **Bid ID PBB-00001338**	Installation of new park furniture and a shelter at Glenwood Reserve, Kidman Park.	$0	$30,000	$30,000	New
New Park Furniture and Shelter at Angley Reserve, Findon **Bid ID PBB-00001339**	Installation of new park furniture and a shelter at Angley Reserve, Findon.	$0	$30,000	$30,000	New
Traffic Safety Improvements - Intersection of Sansom Road and Bower Road, Semaphore Park **Bid ID PBB-00001345**	Consultation, detailed design and construction of an entrance statement (raised median island and pavement marking) at the intersection of Sansom Road and Bower Road, Semaphore Park.	$0	$45,000	$45,000	New
William Atkin Reserve various upgrades **Bid ID PBB-00001347**	Various upgrades at William Atkin Reserve, Henley Beach South, including a minor irrigation extension, new seat and new drinking fountain.	$0	$20,000	$20,000	Upgrade
Additional Shade installation at Henley Square **Bid ID PBB-00001351**	Installation of additional shade Henley Square for community use, There will be ongoing requirement for operational staff to erect the shade and remove the shade daily to ensure safety and security of	$0	$150,000	$150,000	New

	both the community and council infrastructure. These seasonal logistics are to be determined.				
Mirani Court, Semaphore Park Coastal DDA Viewing Platform - Consultation and Design **Bid ID PBB-00001363**	Detailed design and consultation for construction in 2022/23 of a viewing platform for people with disability and mobility issues to rest and view the coast. The budget bid involves the consultation and detailed design for a viewing platform at Mirani Court, Semaphore Park	$0	$15,000	$15,000	New
	Total	**$3,730,631**	**$23,571,200**	**$19,840,569**	

Summary of the total capital program:

	Income	Expenditure	Net
Renewal of existing assets	0	20,992,849	20,992,849
Sale of replaced assets	958,586	2,566,220	1,607,634
New/Upgrade assets	3,730,631	23,571,200	19,840,569
TOTAL	**4,689,217**	**47,130,269**	**42,441,052**

8. How Does Council Propose to Fund its Programs?

Rates provide the main source of income for Council to fund its operations and infrastructure requirements. Other sources of revenue include:

Statutory Charges

Statutory Charges relate mainly to fees and fines levied in accordance with legislation and include development application fees, animal registrations, health act registrations and parking fines.

User Charges

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include charges for the use of Council facilities, library charges for photocopying, Section 7 searches and fees for the operation of Council's Waste Management Facility at Toogood Avenue, Beverley.

Grants

Grants include monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers and contributions from other parties towards property development costs.

Investment Income

Investment income includes interest on investments.

Reimbursements

This includes income from recouping specific costs of Council activities and private works.

Other Income

Other income relates to a range of unclassified items that do not fit within the main income categories.

Amounts specifically for new and upgraded assets

These amounts include grants from State, Federal and community sources for the specific purpose of funding new or upgraded assets.

Borrowings

In addition to these other sources of operating revenue, borrowings are also used to finance council's capital works and infrastructure programs especially for significant major new or upgrade projects.
Loan borrowings are considered an important source of financing for asset acquisition and renewal. Ideally infrastructure backlog should be financed in the short term by an increase

in debt to be repaid as soon as possible by current ratepayers. New capital expenditure should be financed by a long term increase in the volume of debt with the current generation only meeting interest payments on that debt.

Infrastructure renewal/replacement should be financed by rates with ratepayers in any year paying for the resources they consume.

Council uses cash advance debenture (CAD) facilities as per its adopted Borrowings Policy and effective treasury management strategy to fund temporary cash requirements due to delays in the timing of cash inflows.

Summary

Overall for 2021/22 net rates income is $112,835,888 (rates levied of $114,489,363 less rebates, remissions of $5,086,175 plus rates fines, interest, legal costs of $361,700 and Adelaide Regional Landscape levy of $3,071,000). Other recurrent operating income sources is $16,215,050 which primarily includes Statutory fees charges; $4,382,700, User charges; $3,561,157, Operating grants; $7,722,722, Investment income $70,000 and Other revenues of $478,471.

Revenues associated with the total capital works program include $4,689,217 which comprises $3,730,631 for Amounts for New/Upgraded assets and $958,586 is forecast from the Sale of Plant and Replaced Vehicles.

Revenues associated with annual operating initiatives include $180,000 comprising $15,000 in Operating grants, $130,000 in Reimbursements and $35,000 in User charges.

Any borrowings required will be a temporary use of cash advance debenture facilities for which any draw downs are expected to be repaid over the year.

Total Funding sources	**"000"**
Rates	$112,836
Statutory charges	$4,383
User Charges	$3,596
Operating Grants	$7,738
Investment Income	$70
Other revenues	$608
Amounts for new/upgraded assets	$3,731
Sale of replaced assets	$959
Total	**$133,921**

9. Corporate Budget 2021/22

9.1 Budget Context

Under section 123 of the Local Government Act 1999 each Council must have a budget for each financial year. Pursuant to section 123 (10)(b) of the Act, each budget must include a budgeted statement of comprehensive income, balance sheet, statement of changes in equity, statement of cash flows and uniform presentation of finances (summary of operating and capital investment activities).

This section examines the budget 2021/22 with the previously endorsed budget for 2020/21 for the following statements.

- Operating Budget (Statement of Comprehensive Income) - *Refer Section 10*
- Budgeted Cash Position (Cash Flow Statement) – *refer Section 11*
- Budgeted Financial Position (Balance Sheet) – *Refer Section 12*

(Note: Although the analysis makes comparisons with the original endorsed budget for 2020/21 a revised forecast balance sheet and budget for 2020/21 has been used and reflected in Council approved budget reviews over the year and in the updated LTFP to analyse performance. The impact of potential revaluations is not included in any forecasts).

9.2 Significant Influences

9.2.1 External Influences

In preparing the 2021/22 budget a number of external influences have been taken into account because they are likely to impact significantly on the cost of services delivered by Council in the budget period. These include:

- The Consumer Price Index (CPI) All Groups Adelaide increase on goods and services of 1.2% for the 12 months ending 31 March 2021
- Forecast CPI using predictive information from Access Economics for the year ended June 2022 of 1.14%
- Local Government Price Index for 2021/22 of 1.3%
- The Coronarvirus (COVID19) pandemic and impact on business activity
- The impact of the economy on interest rates for the current loan portfolio and on interest earned on average cash balances

- Revaluation Initiaive by Valuer General and movements in capital valuations for 2021/22 on amounts levied by each ratepayer and in particular the significant reductions in capital valuations for shopping centre complexes
- Rising costs of waste disposal and zero waste levy
- Changes to Planning and Development with centralisation to Planning SA and single source of planning policy including introduction of new Planning Act
- Increase in Animal Welfare hold fees from $150 to $270
- Increase in super guarantee from 9.5% to 10%

9.2.2 Internal Influences

As well as the external influences there were also a number of internal influences arising from the 2020/21 year which have had a significant impact on the setting of the recurrent budget for 2021/22. These include:

- The impact on salary and wage costs of potential Enterprise Bargaining Agreements (EBAs) for staff covered by the ASU and AWU
- Impact of paid maternity/paternity leave
- Council's decision to ensure maintenance of an operating break even position and ongoing financial sustainabilty
- Council's commitment to water business unit and water reuse strategies
- Increased IS services and Cloud migration
- Resourcing to generate greater usage of the Woodville Town Hall
- Additional staff and expenditure approved through adopted annual operating projects 2020/21 which impact recurrent budget 2021/22.
- Ongoing rollout and transfer to LED lighting for public lighting
- Impact of operational efficiences
- Collaboration projects with Marion and Port Adelaide Enfield councils
- Endorsment of climate emergency and Net zero initiative
- Public litter contract being bought inhouse

Council has adopted a number of *Budget Principle*s which underpin the approach to the budget development process - refer **Attachment A**, Schedule C.

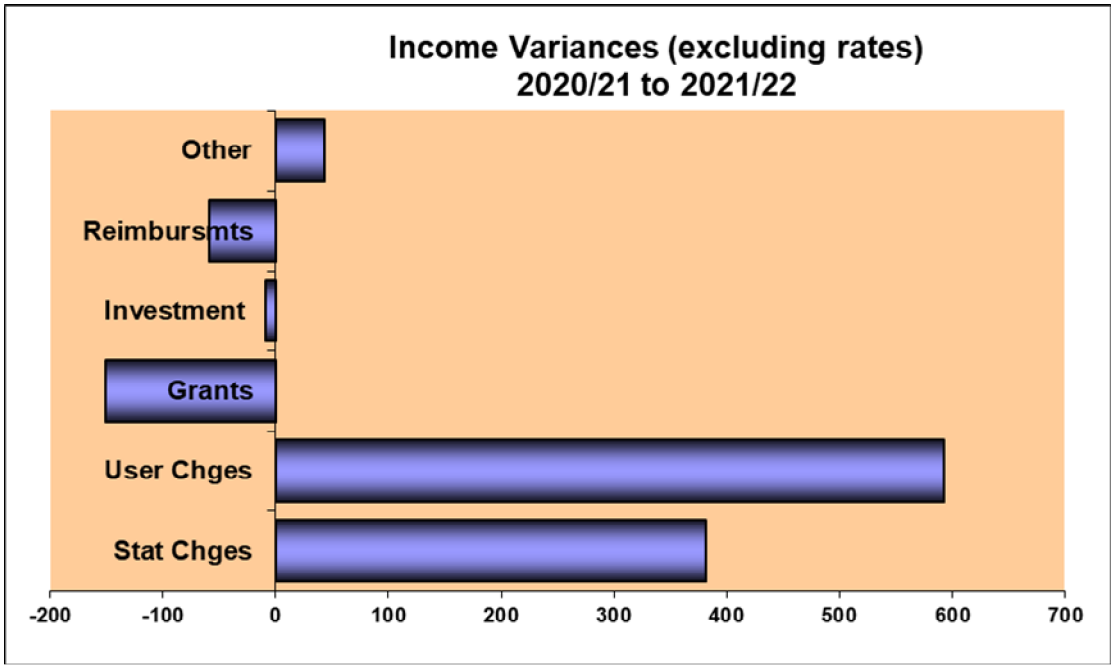
Budget guidelines were also distributed to all Council officers with budget responsibilities. These guidelines set out the principles upon which the officers were to prepare the budgets. These principles include:

- existing fees and charges to be increased in line with the revised fees and charges in Council's Fees & Charges Register. Fees and charges set by regulation to be increased in line with forecast CPI
- grants to be based on confirmed funding levels only
- service levels to be maintained at 2020/21 levels with the aim of using innovation and efficiency to further reduce costs (unless separate approval granted by Council)
- all new staffing proposals to be justified through a business case and an annual operating project bid approved thorugh the budget process
- new initiatives or projects which are not cost neutral to be justified through a business case and included as an operating project
- All items of expenditure and income requested to be justified in complete detail by each budget manager starting from a zero-base rather than using the previous year budget as a starting point
- real savings in expenditure and increases in revenue identified in 2020/21 to be preserved, and
- operating revenues and expenses arising from completed 2020/21 capital projects and annual operating projects are to be included.

10. Operating Budget Analysis

10.1 Operating Revenue

	Budget 2020/21 $'000	Budget 2021/22 $'000	Variance (decrease) $'000
Rates	**110,289**	**112,836**	**2,547**
Statutory Changes	**4,001**	**4,383**	**382**
User Charges	**2,968**	**3,596**	**628**
Grants	**7,889**	**7,738**	**(151)**
Investment Income	**79**	**70**	**(9)**
Reimbursements	**587**	**528**	**(59)**
Other Income	**72**	**80**	**8**
Total Operating Revenue	**125,885**	**129,231**	**3,346**



10.1.1 Rates ($2.547m increase)

It is expected that the total rate income levied will increase by an overall 0.5% average increase plus new property growth of 1.8% or $2.558m over 2020/21.

The Regional Landscape levy which replaced the Natural Resources Management (NRM) levy collected by councils on behalf of the newly established Green Adelaide Board will increase by 1% or $45k over the budgeted estimates from 2020/21. This is based on advice received from the Board on amounts to be levied for 2021/22.

Council rebates based on the mandatory and discretionary rate rebates legislated for community land are expected to decrease by $1.736m with the removal of $1.5m for COVID specific hardship rebate unique to 2020/21. However the cost of specific Charles Sturt rebates is expected to increase by $1.8m as a result of the distribution of capital valuations received by the Valuer General for 2021/2022 and their Revaluation Initiative (Refer CS 6 April 2021 , item 4.14).

This comprehensive review of capital valuations across the City as well as the imapct of COVID19 and in particular the significant reduction in capital valuations for shopping centres has significantly distorted the relative contribution required from other ratepayers. This has required specifc rebates particularly for the commercial and industrial sector to be funded in addition to the current suite of rebates for 12.5% capping and residential construction on vacant land.

Section 13. *What Does This Mean for Rates?* Includes a more detailed analysis of the rates and charges to be levied for 2021/22.

10.1.2 Statutory Charges ($382k increase)

Statutory charges relate mainly to fees and fines levied in accordance with legislation and include development application fees, animal registrations, Health Act registrations and parking fines. Increases in statutory fees are made in accordance with legislative requirements.

Overall, statutory fees are forecast to increase by 10% on 2020/21 largely as a result of additional income expected of $290k from planning development fees under the new PDI Act and $89k in permits and food inspections fees that were waived in 2020/21 only as a result of Councils economic stimulus package and income relief to support business as per CL report 11/5/2020 item 6.40.

10.1.3 User Charges ($628k increase)

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include charges for the use of Council's facilities, library charges for photocopying, Section 7 searches and fees for the operation of Council's Waste Management facility at Toogood Avenue, Beverley.

User Charges are projected to increase by 21% on 2020/21 budget estimates and are based on the fees and charges endorsed by Council in the Fees and Charges Register which can be inspected at the Council offices or on Council's website.

The increase is largely due to an increase of $153k with the resumption of charges for facilities hire income for sporting clubs and commercial businesses with the waiving of rents and licence fees as a result of COVID19 in 2020/21 and $61k with an increase in income expected for Woodville Town hall operations as per endorsed business case CL 23/3/2020 item 4.07.

Based on the improved performance of the Waste Transfer Station and current activity income is forecast to increase by $340k on 2020/21 budget estimates.

10.1.4 Grants ($151k decrease)

Grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers.

Grants include all monies received from State and Federal Government sources for the purposes of funding the delivery of Council's services to ratepayers and include contributions from other parties towards property development costs.

Overall the level of grants is expected to decrease by 2% with CPI increases forecast for the Financial Assistance Grant (FAG), R2R, Community home support and Public library funding offset by reduction in a one off grants for annual operating project 2020/21 for Adapt West and West lakes stormwater plans.

The following table summarises the significant movements in budgeted grant funding between 2020/21 and 2021/22.

	Budget 2020/21 $'000	**Budget 2021/22** $'000	**Variance (decrease)** $'000
State Grants			
Financial Assistance Grants (FAG)	2,514.0	2,519.5	5.5
Immunisation	105.5	104.34	(1.16)
Urban Local Road (ULR)	1,303.0	1,316.0	13.0
Median Maintenance	68.4	69.0	0.6
PLAIN Library	858.10	864.8	6.7
Pest Control	5.0	3.0	(2.0)
Revegetation maintenance	5.0	5.0	5.0
West Lakes Stormwater mgt plan (AOP)	85.0	15.0	(70.0)
SUB TOTAL	**4,944.0**	**4,896.64**	**(47.36)**
Commonwealth Grants			
Community Visitor Scheme	53.2	53.2	0.0
Immunisation	13.2	13.2	0.0
Roads to Recovery	1,215.2	1,215.2	0.0
HACC	1,533.4	1,559.5	26.1
SUB TOTAL	**2815.0**	**2841.10**	**26.1**
Local Government grants	130.0	0.0	**(130.0)**
Total	**7889.0**	**7,737.74**	**(151.26)**

10.1.5 Investment Income ($9k decrease)

Investment income includes interest on investments and rates in arrears. Interest on investments is forecast to decrease by $9.5k or 12% based on expectations of forecast cash balances similar to 2020/21 where bank accounts are swept daily to pay off loan balances to ensure borrowings are kept to a minimum.

10.1.6 Reimbursements ($59k decrease)

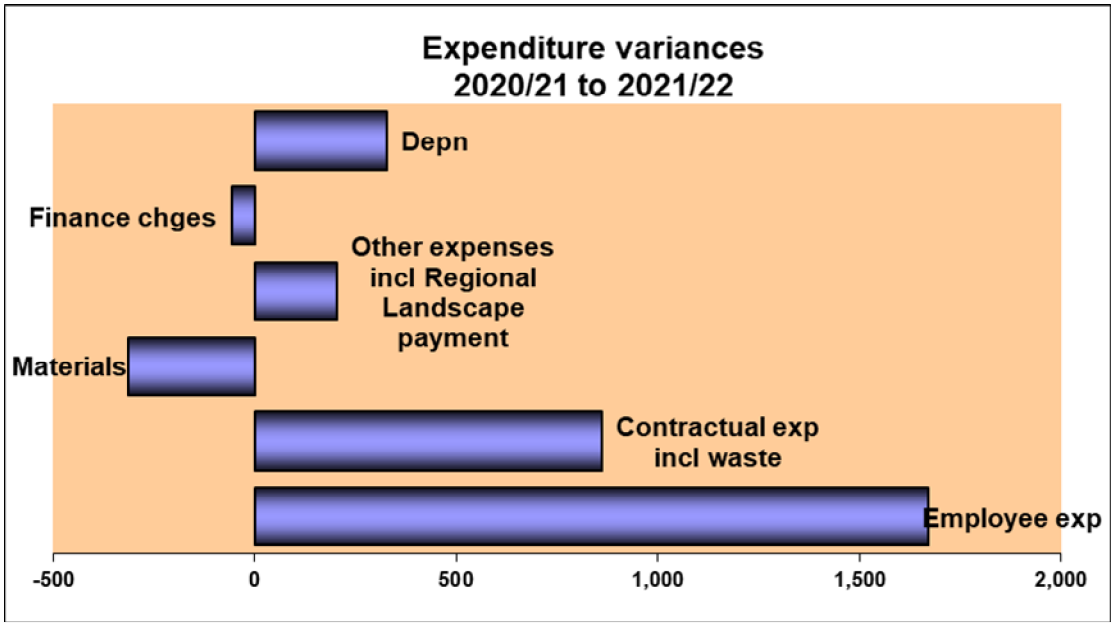
This includes income from recouping specific costs incurred for Council activities and private works. Reimbursement income is expected to decrease by 10% largely due to the cessation of the waste rebate on expiry of the contract for $290k offset by increase in AWL reimbursements for holding fees of $4k, Woodville Town hall venue hire costs of $8.8k, $83k for collaboration costs reimbursements for an ICT coordinator and beach patrol services and $130k for annual operating project income for 2021/22.

10.1.7 Other revenues ($8k increase)

Other Income relates to a range of unclassified items that do not fit within the main income categories. Other income is forecast to increase by $7.8k or 11% with an increase of $12.9k in the sale of steel and other recycled materials form the Waste Transfer Station offset by a $5k reduction in bus shelter advertising

10.2 Operating Expenditure

	Budget 2020/21 $'000	Budget 2021/22 $'000	Variance (decrease) $'000
Employee Expenses	**44,879**	**46,550**	**1,671**
Materials, Contracts, Other	**45,735**	**46,010**	**275**
Finance Charges	**1,853**	**1,796**	**(57)**
Depreciation	**33,593**	**33,920**	**327**
Total Operating Expenses	**126,060**	**128,276**	**2,216**



10.2.1 Employee Expenses ($1,671 increase)

Employee expenses include all labour related expenditure such as wages & salaries and on-costs such as allowances, leave entitlements, employee superannuation, rostered days off etc.

Salaries and wages costs are forecast to increase by 2% due to the adopted EB wages increase, increments and allowance for items such as parental leave, long service leave. This is based on the current base FTE establishment, including grant funded positions and allowance for additional positions adopted as part of the budget 2020/21 from annual operating projects and council's resolution to bring the public litter service inhouse.

Increases in Superannuation and workers compensation have been impacted by the increase in the super guarantee from 9.5% to 10% and for workers compensation following an unbudgeted increase in 2020/21 as a result of a 13.65% increase in premiums.

To deliver annual operating projects adopted in 2021/22 contributes an additonal one off increase of $504k in employee expenses for 2021/22 over 2020/21.

10.2.2 Materials, Contracts and Other Expenses ($275k increase)

This category of expenditure includes expenditure on Materials, Contractual sevices and Other expenditure classifications.

"Materials" includes items such as electricity, water, fuel, library books and printing and stationary costs.
"Contracts" relates mainly to the provision of Council services by external providers and include items such as agency costs, waste collection, contractors, rents, leases and repairs and maintenance.
"Other Expenses" relate to a range of unclassified items including contributions to community groups, advertising, insurances, motor vehicle registrations, payment of the Regional Landscape levy and other miscellaneous expenditure.

Materials, Contractors and Other expenses are expected to increase by $275k or 0.6%.

Contractual service costs are forecast to increase by 1% compared to the 2020/21 Budget.

The major increases in expenditure are due to increases in agency costs of $90k for the Waste transfer station to respond to increased activity (noting offset by increased income), $87k in increased scope for cleaning of premises and toilets under the existing contracts, $72k to increase the number of annual verge cuts from 4 to 5 per annum, $42k for dog management with the increase in AWL fees from $158 to $270 (partly offset by additional income of $19k) and $39k for costs associated with the Woodville Town Hall business Plan as per CL 23/3/2020 item 4.07.

Other increases include Waste transfer station costs of $69k for waste disposal and hook lift charges (offset increased income) , $40k for net zero initiatives, $122 k in IT licences impacted by implementation of new initiatives such as facilities hire, events booking and recruitment projects and $60k for the ongoing free supply of green caddy bags.

The hard waste contract will increase by $126k and the costs of domestic dumping by $361k which includes the increase in zero waste levy but these are offset by reductions in the domestic waste contract of $119k with the new contract based on improved route optimisation and waste collection contract by $246k on 2020/21 budget estimates.

Other reductions include the public litter contract which will cease as at saving of $585k but will be offset by bringing the service inhouse.

Material costs are forecast to decrease by 2% overall, with cost increases for water of $91k and materials for increased service levels for living green, verges alive and heritage grants as a result of annual operating projects 2020/21 of $40k offset by reductions in fuel of $100k, electricity of $29k and printing and stationary costs with less paper of $62k.

Other Expenses are forecast to decrease by 0.3% compared to 2020/21 budget estimates.
Material increases include $50k for kaleidoscope on recycled paper, the payment of the Regional Landscape levy of $45k, communication costs with the increase in the number of devices of $21k and $52k in insurances based on advise from LGRS. Offset against these increases is a reduction for advertising and payment of state levies with changes to the PDI Act of $120k and reduction in the COVID impact on St Clair Rec centre operations of $74k and council's contribution to any losses sustained.

Total annual operating projects adopted for 2021/22 as compared to 2020/21 also contributes an increase of $174k in expenditure across Material, Contractual and Other expense categories.

10.2.3 Finance Charges ($57k decrease)

Finance charges relate to interest charged by financial institutions on borrowed funds. Borrowing costs have been based Council's expected loan portfolio including Council's capital new/upgrade program for 2021/22.

10.2.4 Depreciation ($327k increase)

Depreciation recognises the usage of Council's property, plant and equipment including infrastructure assets such as roads and drains, over the life of the assets. Estimates are based on capitalisation forecasts for Council's capital works program having regard to current depreciation forecasts for 2020/21, including the impact of the stormwater revaluation 1 July 2020.

11. Analysis of Cash Position

This section of the report provides an analysis of the expected cash flows for the 2021/22 year. The analysis is based on 3 main categories of cash flow. In summary these are:

- ***Operating Activities*** – these activities refer to the cash generated or used in the normal service delivery functions of Council.
- ***Investing Activities*** – these activities refer to cash generated or used to enhance or create infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property, equipment etc.
- ***Financing Activities*** – these activities refer to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities also include repayment of borrowings.

11.1 Budgeted Cashflow Statement

	Budget 2020/21 $'000	**Budget 2021/22** $'000	**Variance (Outflow)** $'000
Operating Activities			
Receipts	125,885	131,810	5,925
Payments	92,467	96,382	3,915
Net cash inflow (outflow)	**33,418**	**35,428**	**2,010**
Financing Activities			
Receipts	500	5,595	5,095
Payments	1,445	1,887	442
Net cash inflow (outflow)	**(945)**	**3,708**	**4,653**
Investing Activities			
Receipts	3,008	4,690	1,682
Payments	35,677	47,130	11,453
Net cash inflow (outflow)	**(32,669)**	**(42,440)**	**(9,771)**
Net Increase (decrease) in cash held	**(196)**	**(3,304)**	**(3,108)**
Cash at beginning of year	4,000	3,804	(196)
Cash at end of year	**3,804**	**500**	**(3,304)**

11.1.1 Operating Activities ($2,010k increase)

The increase in net cash inflows from operating activities is $2.01m This is largely due to an increase in forecast income following the impact of COVID19 on the budget from 2020/21 and increase in rate relief measures

and reductions in fees for council services as a mechanism to reduce financial hardship in the community.

11.1.2 Financing Activities ($4,653k increase)

Financing activities includes the principal component of loan repayments for the year and new loans required. The levels of financing required in 2021/22 has increased as a result of an increase in major capital works projects in 2021/22.

11.1.3 Investing Activities ($9,771k increase)

Investment in capital projects for the City has increased by approximately $11.453m consistent with the long term financial plan projections for capital expenditure and an increased capital works program with major initiatives such as Military and Main street and Woodville Road streetscape projects. This is offset by an increase in associated external funding of $1.682m.

11.1.4 Cash at End of the Year ($3,304k decrease)

Overall, cash at year end is forecast to decrease by $3.304m on 2020/21 forecast budget, reflective of the pattern in Council cash position at year end to be kept minimal. Surplus cash is used to mitigate outstanding borrowings, having regard to payments expected as at 30 June for creditors and payroll for which working capital required.

12. Analysis of Budgeted Financial Position

This section of the budget report provides an analysis of the anticipated movements in assets, liabilities and equity between the adopted budget 2020/21 and forecast budget for 2021/22.

12.1 Budgeted Statement of Financial Position

	Budget 2020/21 $'000	**Budget 2021/21** $'000	**Variance** $'000
Assets	13,213	5,564	(7,649)
Non-current assets	1,313,555	1,338,796	25,241
Total assets	**1,326,768**	**1,344,360**	**17,592**
Liabilities	34,917	37,056	2,139
Non-current liabilities	52,589	47,949	(4,640)
Total Liabilities	**87,506**	**85,005**	**(2,501)**
Net assets	**1,239,262**	**1,259,355**	**20,093**
Equity			
Accumulated surplus	498,566	506,116	7,550
Reserves	740,696	753,239	12,543
Total Equity	**1,239,262**	**1,259,355**	**20,093**

12.1.1 Current Assets ($7,649k decrease)

The decrease in current assets on budget estimates for 2021/22 is mainly due to the decrease in cash position at year and in outstanding debtors including rates which was expected as a result of COVID19 in 2020/21.

12.1.2 Non-current assets ($25,241k increase)

The increase in non current assets is the net result of the forecast capital works program and revaluations.

12.1.3 Current Liabilities ($2,139k increase)

Current liabilities, that is the obligations Council must pay within the next year, is forecast to increase on the 2020/21 forecasts largely due to an expected increase in payables, leave provisions and borrowings.

12.1.4 Non-Current Liabilities ($4,640k decrease)

Non current liabilities, that is the obligations Council must pay beyond the next year, is forecast to decrease by $4.6m. The decrease largely reflects a reduction in forecast loans following an improved result for 2020/21 on intial expectations and our forecast Aged Care liabilty.

12.1.5 Equity ($20,093k increase)

The increase in equity is the result of the capitalisation of assets expenditure, revaluations across successive years plus forecast net surplus results.

13. What Does This Mean for Rates?

Rates are Council's main source of income to deliver the services and maintain the infrastructure required by our community.

In the community there is always pressure to provide more services but it is important that this is balanced against the community's ability to pay today and into the future.

Rates are a form of property taxation and property values play an important part in determining how much each individual ratepayer contributes. As it is a system of taxation the rates paid may not directly relate to the services used by each ratepayer. Generally it is assumed the higher the value of the property relative to others in the community the higher the rates paid.

Local Government rates are based on:

- The value of the property
- A rate (in the dollar).

Under the Local Government Act 1999 councils may use one of three valuation methodologies:

- ***Capital value*** - value of land and all improvements
- ***Site value*** - value of land and any improvements which permanently affect the amenity of use of the land, such as drainage works but excluding value of buildings and other improvements, or
- ***Annual value*** - valuation of the rental potential of the property.

The City of Charles Sturt, as with most other metropolitan councils, uses ***Capital value***. This is because it is a well understood concept and most of us can relate fairly easily to the market value of our property.

In applying the principles of any taxation it is important that the 5 principles of taxation (equity, benefit, ability to pay, efficiency, simplicity) are balanced against the policy objectives of taxation, that is the need to raise revenue and the effects of the tax on the community.

Rates are a property tax that attempts to balance the 5 principles of taxation and which meets the essence of an ad valorem tax system. Property values provide an independent indication of the relative wealth of a ratepayer. The system of rate rebates, remissions and postponement is designed to enable issues of hardship and temporary incapacity to pay to be specifically targeted for special treatment amongst identified classes of ratepayer.
In determining how rates are applied and in determining the rate in the dollar Council's also have a number of options:

- ***Single rate*** – This is where the same rate in the dollar is applied to the value of properties from using a single rate in the dollar regardless of what the land is being used for.

- ***Differential general rate*** – This is where a council may charge a different rate in the dollar depending on whether the land is used for residential, commercial, primary production or other purposes.

- ***A minimum amount*** – This provides a mechanism by which lower valued properties pay not less than a flat (minimum) amount determined by Council. No more than 35% of properties can be on the minimum.

- ***Tiered rates*** – This is where Council can adopt a tiered rating scale where rates can be altered for properties within specified valuation ranges.

- ***A fixed charge*** – Under this system some revenue will be raised by applying a fixed charge (a flat amount) to all ratepayers to ensure everyone contributes a base equal amount. The remaining revenue is then collected from ratepayers based on the value of each ratepayers property.

At Charles Sturt we use a ***differential rating system*** with a ***minimum*** amount.

All our valuation information on land use and property values for use in determining how much each ratepayer is levied is purchased from the Valuer General. A ratepayer may object to the valuation by the Valuer General in writing setting out the reasons for the objection within 60 days of receiving the notice of the valuation.

Although property valuations are used as an independent indicator of ability to pay rates, where property valuation increases across the city are inconsistent the effect of growth in one ratepayer's property compared to others may lead that ratepayer to believe they are paying more than their fair share compared to others in the community. This can also be an issue where ratepayers are on fixed incomes and there is significant growth in the valuation of their property.

This is where rate rebates or remissions can be used. By targeting this rate relief, we endeavour to address potential inequities.

13.1 Rate Increase for 2021/22

To meet the requirements of Council's community plan, Long Term Financial Plan and Annual Business Plan and Budget for 2021/22, Council needs to levy rate income of $114,489,363 (which equates to an overall average increase on existing ratepyers of 0.5% plus new property growth of 1.8%)

For 2021/22 $5.086m has been allocated towards rate relief options including rebates, remissions and appeals for City of Charles Sturt ratepayers which equates to approximately 4.4% of the total rates levied.

There are a number of issues that have been considered in developing Council's rating strategy for 2021/22:

- The latest reports from the Valuer General have indicated property valuations for residential have increased by an average of 3.47%, industrial by 14.26%, commercial 0.78% and vacant 15.08%

- As provided by the Valuer General, property growth (additional properties) is around 1.8% as against our LTFP prediction of 1.0% and reflects the continued property development throughout the City.

- The increase in CPI (All Groups Adelaide) for the twelve months to 31 March 2021 is 1.2% and for all capital cities 1.1%. This is against a forecast CPI for 2021/22 of 1.14% by Access Economics

- The increase in the Local Government Price Index (LGPI) for 2021/22 is foerecast at 1.3% . The LGPI is a useful reference regarding the inflationary effect of goods and services consumed by local government and is a better reflection of the changing cost of inputs used by councils to deliver services than CPI.

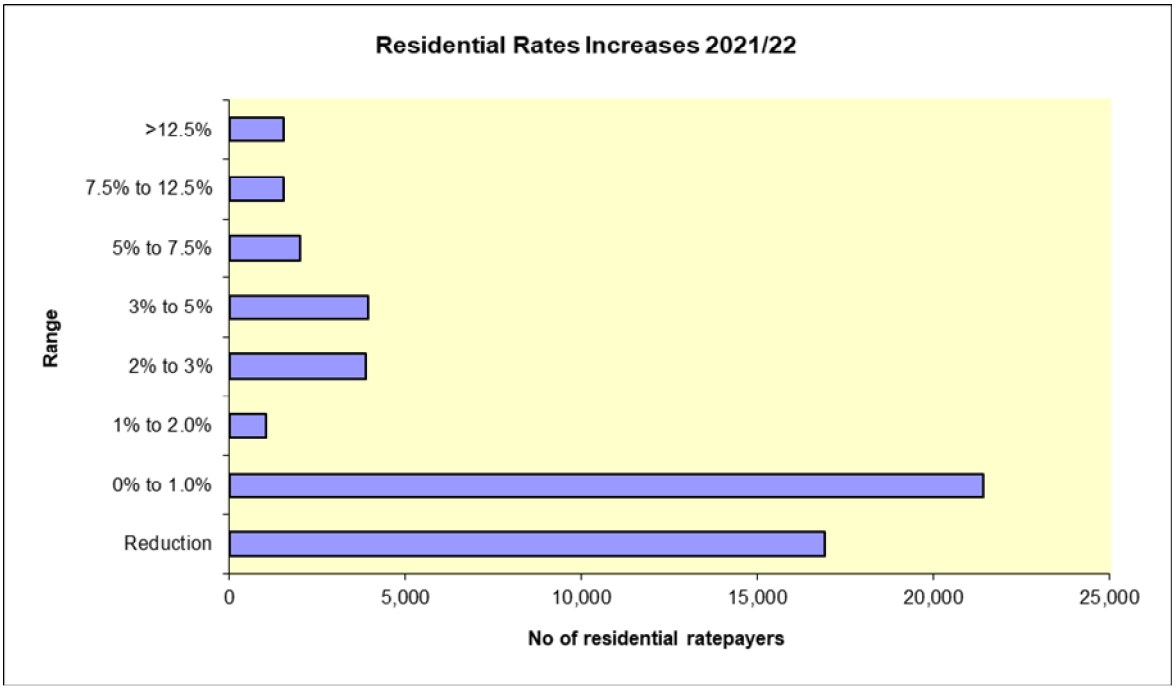
- The impact of the Revaluation Initiaive and COVID19 pandemic on movements in capital valuations provided by the Valuer General which are used to determein the relative contribution of each ratepayer to total rates levied and in particular the significant reduction in capital valuations of large shopping complexes such as Arndale and West lakes.

In 2021/22 Council has adopted a a strategy that will see Council continue to be financially sustainable over the next 10 years but that will deliver a modest operating surplus with an overall average rates increase of less than CPI. Mindful of expectations of low rate increases expected by the community, Council's strategy is to still maintain equity for average rates increases across all land use codes whilst still maintaining the minimum rate to ensure approximately 35% of ratepayers fall within the legislative threshold.

To maintain the number of ratepayers at the legislative minimum of 35% the minimum will be increase from $1,095 to $1,105 (0.91% increase).

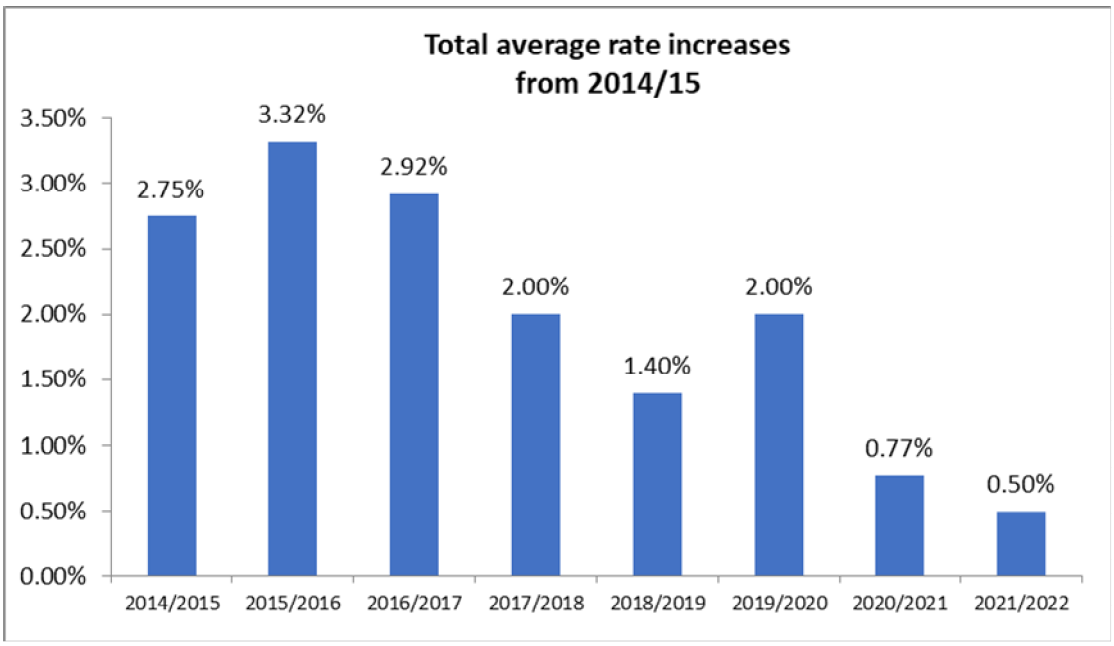
With final valuations received the overall average increase across the City os 0.5% with the residential and vacant land increase 0.7% and for commercial and industrials sectors 0.5%.

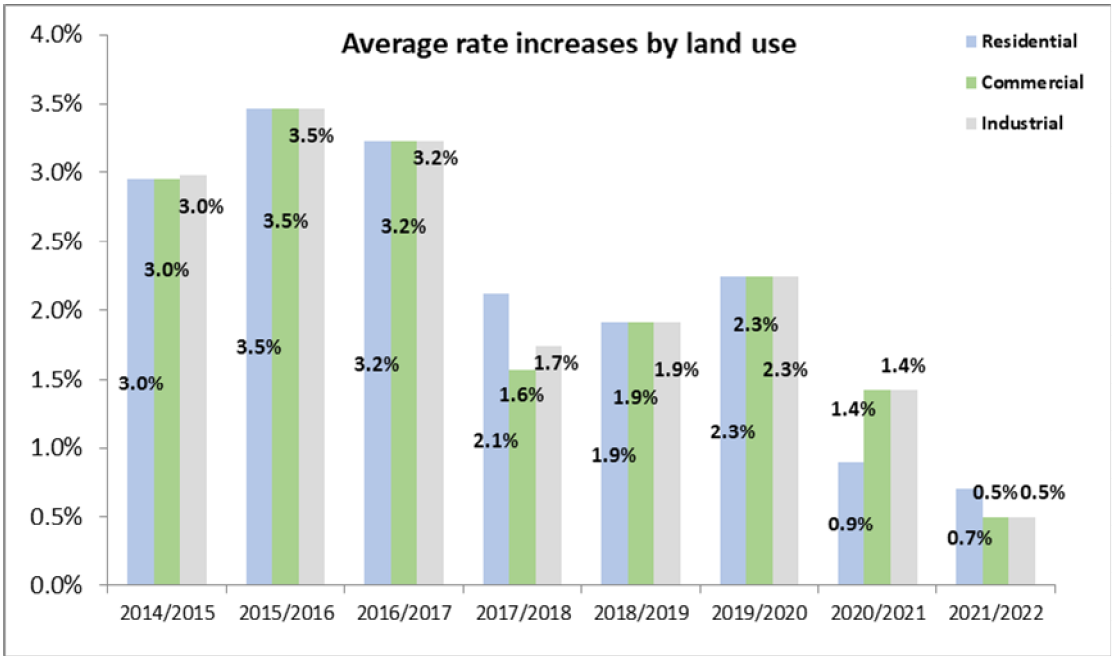
For a "typical" residential ratepayer (with a median property valued at $534,119) they will be paying approximately $1,389 p.a. or $3.80 per day to invest in the services and infrastructure benefits laid down in the annual budget. This translates to an increase of approx 0.29 cents per week or $14.82 per annum.



The above distribution of rates increases across the City shows 75% of residential ratepayers will have a rates incresase of less than 2.0% with 32% of residential ratepayers having a reduction in rates on 2020/21.

Overall the total average rates increase across the City for existing ratepayers is 0.5%, well below current CPI forecasts.





With final valuations received from the Valuer General final modelling was undertaken. A summary of this model is show in Section 13.2.

From the rates modelling and an examination of the potential impact across the City on the distribution of residential rates, it is still considered necessary to provide tailored rebates and remissions to address any potential inequities. The revaluation initiative by the Valuer General in particular has had a significant impact on the relative contribution from some parts of the Commercial and Industrial sectors due the downward revaluation of shopping centre complexes and Council is receptive to these concerns.

The following rate relief options provided to Charles Sturt ratepayers are outlined below.

- **Rate capping**

  Limits the amount paid in rates in 2021/22 to a 12.5% increase on rates paid (excluding Regional Landscape levy and pensioner concessions) in 2021/22 for residential land use across the community. This capping would not apply where:

  - the increase is due to an increase in valuation as a result of improvements greater than $20,000
  - the increase is a result of a change in land use or
  - ownership of the property has changed since July 2020

  Rate capping will be automated and where Council records indicate a ratepayer is eligible for the 12.5% capping rebate the relevant amount will be automatically deducted from the rates levied.

- **Hardship**

  Any ratepayer who can demonstrate specific hardship can contact Council and a tailored payment plan can be arranged. Arrangements are strictly confidential.

- **Residential Construction**

  The vacant land rate in the dollar is usually three times higher than the residential rate in the dollar. For the purposes of securing the proper development of the area a rebate will be given to ratepayers who are assessed as vacant land as at 30 June 2021 but who will build their new family home on that land and can demonstrate that they will live in that home for at least 1 year.

  If footings are poured prior to 31 December 2021 a full rebate will be given. If the footings are poured after 31 December 2021 a 50% rebate will be given. This rebate will effectively mean those ratepayers applicable will have their rates reassessed using the residential rate in the dollar as opposed to the vacant land rate.

  This rebate is only applicable to those who intend to live in Charles Sturt as owner/occupiers and who are not building properties for investment purposes. It is the intention of this rebate to only apply to one dwelling and to the ratepayer who will reside in Charles Sturt and consequently where multiple dwellings are proposed on Land (with or without division of the land occurring) the rate rebate will apply to only one of the dwellings, on a pro-rata basis. If the principal ratepayer is a body corporate the rebate will only be applied if one of the directors or office holders will reside in the dwelling.

  Residential construction rebates will be by application where eligible ratepayers will have until the 30 June 2022 to apply.

- **Postponement of Rates - Seniors**

  In accordance with the new provisions of the Local Government Act 1999, persons who hold a current Seniors Card will be eligible to postpone any amount in excess of $500 ($125 per quarter) less any concession entitlement. Interest will accrue on postponed balances in accordance with Section 182A(12) of the Act at the Cash Advance Debenture rate with a premium of 1%.
  Postponement will be by application.

- **Rate Rebate – Commercial and Industrial**

  Provides a rebate to commercial and industrial land use ratepayers for 2021/22 where the increase in rates paid for 2021/22 is 5% greater than the 2020/21 rates paid (excluding Regional Landscape levy).

  The amount of the rebate is equal to 50% of the first instalment.

  The rebate will not apply where:
  - the increase is a result of a change in land use or
  - ownership of the property has changed since July 2020

  The rate rebate will be automated and where Council records indicate a ratepayer is eligible for the rebate the relevant amount will be automatically deducted from the rates levied.

13.2 Rating Structure

Council has established the following rating structure for 2021/22:

Rate Type	2020/21 Cents in $	2020/21 Ave Rate	2021/22 Cents in $	2021/22 Ave Rate	2021/22 Ave % Increase	No of Rateable Props	No on Min Rate	Rate Income
Res'l - Charles Sturt	0.257272454	1,430.80	0.251333205	1440.98	0.71%	55,432	20,261	79,876,328
Comm'l - Charles Sturt	0.8278720620	7,634.41	0.8257940730	7,672.96	0.5%	3,230	261	24,783,645
Industrial - Charles Sturt	1.1125520240	10,511.47	0.9786911610	10,563.90	0.5%	480	7	5,070,674
Primary Prod'n - Charles Sturt	0.6273817034	2,486.00	0.5126956430	2,503.40	0.7%	5	1	12,517
Vacant Land - Charles Sturt	0.924203242	3,548.28	0.810320568	3,573.03	0.7%	895	42	3,197,862
Other - Charles Sturt	0.4072823630	6,487.61	0.3829083540	6,533.07	0.7%	237	18	1,548,337
Overall Average	**N/A**	**1,890.32**		**1,899.32**	**0.5%**	**60,279**	**20,589**	**114,489,363**

	2020/21	2021/22	% Change
Minimum Rate - Charles Sturt	$1,095.00	$1,105.00	0.91%
% on Minimum	34.88%	34.16%	

13.3 Rating Policy

The rate structure and rebates offered by Council are incorporated into Council's rating policy. This document sets the policy for setting and collecting rates from its community and has been prepared in accordance with relevant sections of the Local Government Act 1999 - refer **Attachment D**.

13.4 GIS Mapping of Rate Modelling

Council uses a range of modelling tools in developing its rating strategy. The outcomes of this modelling is then presented in a series of maps, which clearly show the issues that need to be considered in the rating strategy and the outcomes of applying the various options.

Maps are produced for Council Members to view at the Budget workshops which reflect the key issues and outcomes of the 2021/22 rating strategy adopted by the Council. The maps reflect the distribution of rates across the City and the impacts on various sectors of the community. This analysis enables the Council Members to evaluate the potential impact of the rates distribution across the City before finalising a strategy.

14. Borrowing Strategy

14.1 Strategy Development

In developing the Long Term Financial Plan borrowings were defined as an important funding source for asset acquisition and renewal.

The use of debt as a means of funding asset renewal and rehabilitation is a useful mechanism for allocating the costs of such asset renewal and rehabilitation over a time frame that reflects when residents will benefit from the assets.

Ideally infrastructure backlog should be financed in the short term by an increase in debt to be repaid as quickly as possible by current ratepayers through higher than normal operating surpluses.

New capital expenditure (ie on asset extension, expansion or enhancement) should be financed by a long term increase in the volume of debt, with the current generation of ratepayers only meeting interest payments on that debt.

Council regards debt as an appropriate tool to achieve the provision of services to its community as outlined in its LTFP.

Debt will be considered:

- in the context of the strategic objectives of Council
- in the context of long term financial forecasts and objectives
- as funding for long term infrastructure asset creation
- as a means of spreading the cost of infrastructure over the ratepayers who use it, and
- as a mechanism to fund temporary cash shortfalls.

Although debt will be used as an appropriate mechanism to fund asset infrastructure works, the use of debt will be considered within the guidelines of total debt (net financial liabilities) less than 100% of Council's operating revenue.

Council's management of debt will focus on the net debt situation (borrowings less investments) and consequently sound cash management practises will dictate that Council will not borrow at higher interest rates when significant funds are invested at lower interest rates. Therefore although Council approves the use of loans through its budget process to meet expenditure requirements its cash requirements will be viewed holistically before decisions are made on the most appropriate and cost effective borrowing mechanism or source of funding at the time.

14.2 Current Year Borrowings

For the 2021/22 year, Council has decided to continue with its borrowing program and increase council's net debt position to fund any shortfall for new/upgraded capital expenditure from council's revenues, if required.

In the Long Term Financial Plan which has been used as the framework for developing the 2020/21 budget, debt is regarded as an appropriate mechanism for funding asset new and upgrade works within the constraints of a net financial liabilities ratio less than 100% of Council's operating revenue.

Council has in place a number of Cash Advance Debenture facilities which allow Council to have access to funds when required and which they can repay in part or in full at any time as Council's cash position allows. No charges are incurred on these Cash Advance facilities if the funds are not drawn. Consequently Council is prudently using the facility to fund cash requirements whilst awaiting cash injections from rates income. As at June 2021 Council has access to $94.5m in CAD facilities which can be drawn and repaid as required.

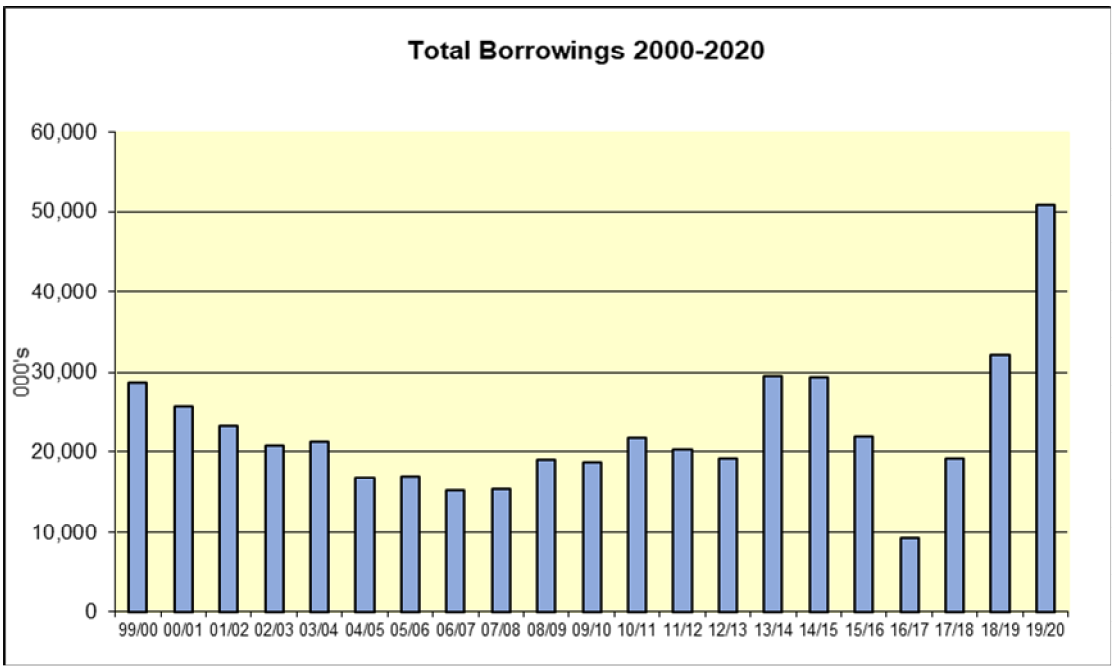
As the differential between the cash advance debenture rate and the fixed term interest rate has been marginal, it has been considered cost effective to use the flexibility of the short term cash advances to supplement temporary cash shortfalls as opposed to locking in long term debt and associated repayments when Council has been able to avail itself of unbudgeted cash injections.

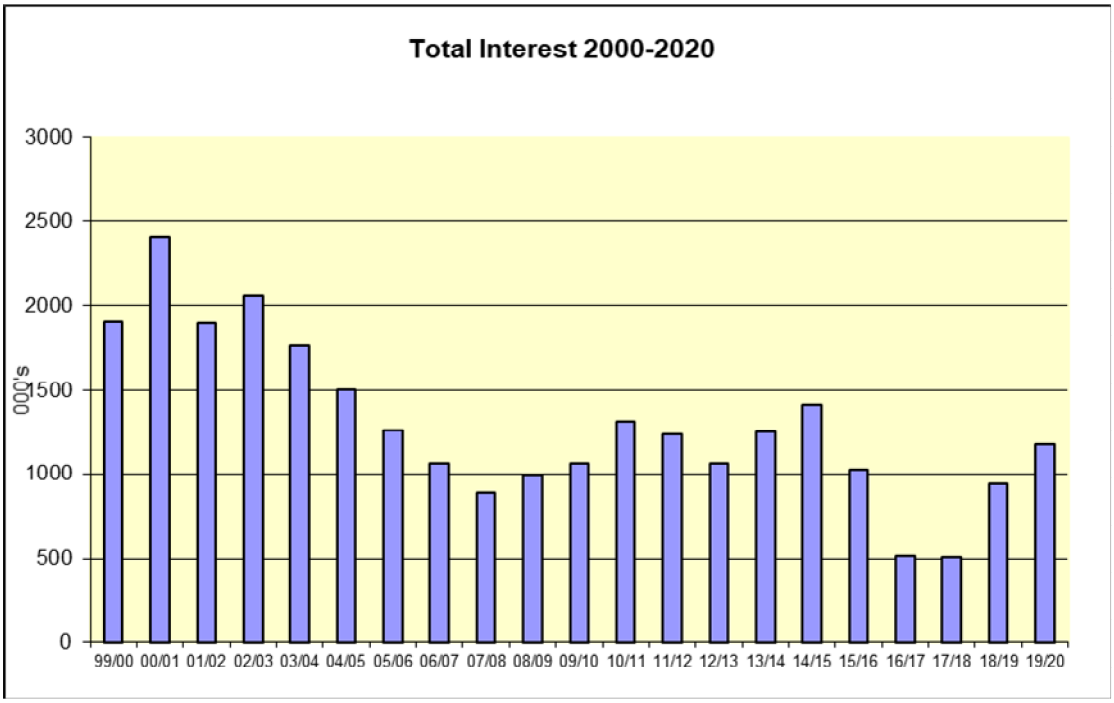
In pursuing this strategy over the last 10 years borrowings identified in the budget process have **only** been utilised if there has been inadequate cash to fund any requirements. Generally the cash advance facilities have been effective in meeting any short term cash requirements, repayable when surplus funds have been received. This has enabled council to reduce its budgeted interest costs over the years and resulted in an actual borrowings position far better than expectations.

To minimise the requirement for loans Council also uses income from unbudgeted asset sales to be used to offset budgeted loans, giving Council greater future capacity to consider borrowings as opposed to rates as a viable source of income to fund these expenditure demands.

Each year Council reviews unbudgeted income generated from asset sales and recommends the proceeds be applied to reduce borrowings.

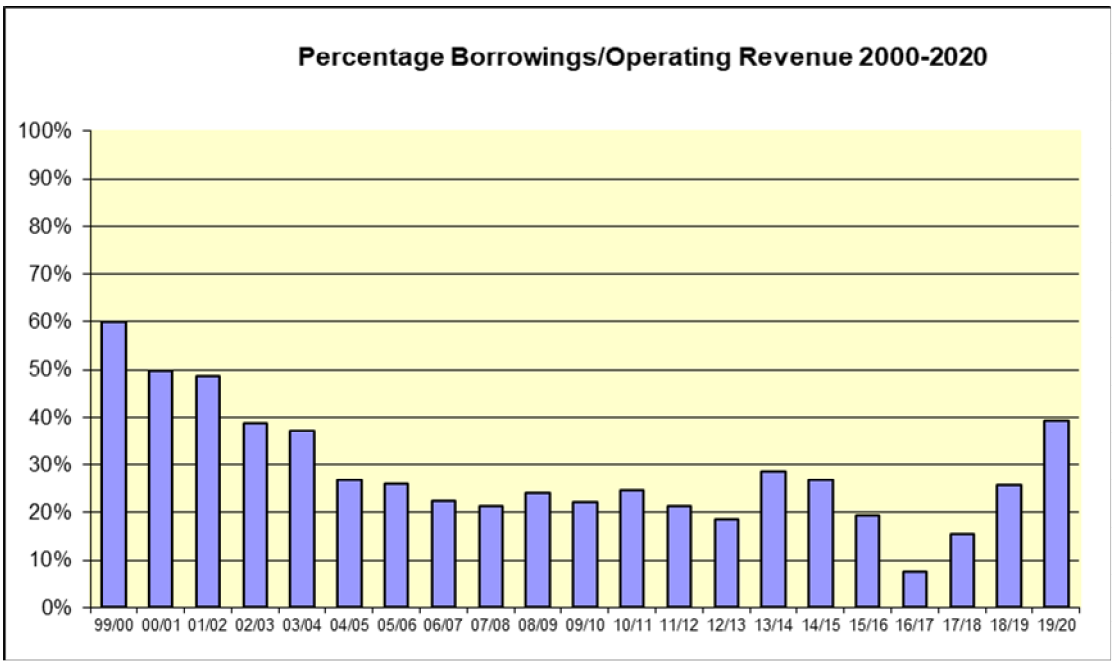
As at June 2020 the total loans outstanding was $50.8m (June 2019 $32.19m). This increase reflected the impact of the significant capital works program over the last 3 years for projects such as St Clair Recreation centre and Port Road Drainage works.





For year ending June 2020 total interest on borrowings was $1.179m (June 2019 $943k).

Borrowings as a percentage of Councils operating revenue is graphed below, demonstrating the effectiveness of the treasury strategy and use of borrowings over time. As at June 2020 the percentage of Council's borrowings to operating revenue was 39% (June 2019 26%).



As at June 2021 borrowings are forecast at $45.118m and therefore Council is expected to use only 48% of its available facilities.

As at June 2022 the revised forecast for total borrowings, having regard to the budget adopted is $49.183m which is in line with LTFP projections (LTFP was $52.09m).

Council, however uses a Net Financial Liabilities ratio as a measure of Council's ability to meets all of its liabilities which include borrowings as well as other liabilities including provisions for employee entitlements from its operating revenue. The forecast budgeted ratio for the 2021/22 is 61.6% and demonstrates Council can comfortably meet all of its existing liabilities from its operating revenue. (ie if Council had to pay out all its liabilities including all its staff from its total revenue it could comfortably and then would also be able to return 38.4% of its revenue back to its residents as a dividend). Council has set a constraint on its borrowings threshold for funding asset new and upgrade works within the constraints of a net financial liabilities ratio of less than 100% of Council's operating revenue.

Over the forecast 10 year period Council's net financial liabilities ratio is well within the industry benchmark of 100%.

An interest cover ratio which measures the extent to which interest costs associated with borrowings can be met from its operating revenue is forecast at 1.3%, also well within the industry benchmark of 10%.

The borrowings and net financial ratios budgeted projections for 2021/22 are aligned with the high level parameters of the adopted LTFP (per Section 5).

15. Infrastructure Strategy

15.1 Strategy

The Asset Management Strategy is guided by the City of Charles Sturt Community & Organisational plans. It guides the approach taken in the construction and delivery and ongoing management / operations of the [Infrastructure] Asset Management Plans of Council.

Our Vision:

CHARLES STURT – A LEADING, LIVEABLE CITY

Our Objective:

'City assets and infrastructure are developed and enhanced on a strategic and equitable basis and coordinated with industry and government bodies'

In the coming period we will focus our activities in the following areas;

- Our asset renewal is in line with Asset Management Plans and community needs
- Implement asset improvements and maintenance via Asset Management Plans to ensure they are fit for pupose and meet changing demand
- Manage maintenance service levels and asset lifecycles to optimise design life and achieve service efficiency in line with community needs and diverse urban densities
- Make informed decisions that realise informed planning
- Make sound financial decisions

All Asset Management Plans are endorsed by Council and published for major asset classes and are subject to annual review cycles.

The infrastructure assets that Charles Sturt maintains on behalf of the Community totals in excess of $1.9bn in replacement value. Due to the nature of services provided, the asset class mix is quite diverse. These can be broadly grouped as;

Transport (roads including kerb & gutter, carparks, paths, lighting, traffic controls, bus stops, bridges)
Water Infrastructure (recycled water supply & stormwater management)
Council Owned Buildings
Open Space & Recreation (reserves & other green spaces, playgrounds, furniture, fences & walls, sports accessories and irrigation).

Depending on asset management complexity, the asset classes in these groups are included in an associated Asset Management Plan for major infrastructure assets.

These plans are compiled by allocated Asset Managers and Asset Officers who work together to capture asset information and use it to inform and plan Asset Renewal/Upgrade/Disposal through the Long Term Financial Planning process of Council.

The controls framework that was put in place to ensure an ongoing regular review cycle for Asset Management Plans has once again triggered reviews and revisions where appropriate with these documents being informed by scheduled condition audits and asset works.

Key Asset Management Planning achievements between July 2020 to June 2021 include:

Asset Management Strategy, Plans and Governance

- The Asset Management Services Management Team comprise multi-disciplanary representatives across Council who meet on a regular basis to ensure a coordinated approach to asset management planning.
- Completed the major review cycle of all Infrastructure Asset Management Plans for major asset classes triggered by the 2018 Council Elections.
- Conducted condition audits and revaluations on a rolling scheduler carried out to ensure requirements under Australian Accounting Standards are met into the future.

Asset Systems and Processes

- Continued implementation and refinement of the Strategic Asset Management module.
- Continued the use and development of the Ci Anywhere module for Asset Lifecycle Management
- Continued to use the budget bid process to automatically generate work orders for capital works projects which capture activities and all associated costs against the project and assets in question.
- Promoted the use of geospatial systems for integrated planning and placemaking by leveraging asset information.
- Continued the asset data transition & migration to the One Council data structure.

A key focus for Asset Management in 2021/22 will be to:

- Continue to refine Integrated Asset Planning activities across all Divisions of Charles Sturt
- Commence the review of maintenance service levels and asset lifecycles to optimise design life and achieve service efficiency in line with community expectations.
- Countinue to collaborate with other Councils & organisations to knowkedge share & ensure best practice.

- Create better access to relevant asset data through the EAM system and geospatial tools available
- Continue the implementation and refinement of Strategic Asset Management modelling for all major asset classes.
- Continue the development of Ci Anywhere module for Asset Lifecycle Management.
- Continue the asset data transition & migration to the One Council data structure
- Increase the use of GIS tools to aid and benefit asset management planning and asset analysis
- Maintain a high confidence level in data accuracy across major infrastructure asset class assets
- Continue the internal review cycle of the Asset Management Plans for major asset classes per our review framework.

15.2 Roads

Road assets include the road seal, road pavement, Kerb and gutter assets and traffic control devices.

Road assets and their associated strategy from 2019 were included in the Transport Assets Asset Management Plan endorsed by Council in September 2020.

The program of works is also coordinated with other works (eg storm water drains, footpaths, traffic control devices and tree planting) where possible and cost effective to do so in order to improve the overall service delivery and amenity outcomes in those streets.

The past 12 months have seen a detailed condition audit of road kerb and gutter assets. The combined data will be loaded into the Strategic Asset Management solution to provide extensive analysis with the outcomes and updated service strategy included in a future revision of the Transport Asset Management Plan.

15.3 Paths

The detailed analysis of path condition data in 2019/20 was used to develop and implement updated maintenance and intervention strategies to avoid full path replacement keeping the cost of path management within sustainable levels. This was included in the Transport Assets Asset Management Plan endorsed by Council in September 2020.

This program of works is also coordinated with other works where possible (e.g. access ramp & bus stop renewal, traffic controls, roadworks, tree planting) and where this is cost effective to do so in order to improve the overall service delivery and amenity outcomes in those streets.

15.4 Water (including Stormwater and Recycled water)

A major revision has recently been completed of the Water Infrastructure Asset Management Plan which combines council owned Stormwater Instructure Assets with the Recycled Water Infrastructure assets constructed as part of Water Proofing the West such as pump stations, wetland basins, water bores, recycled water mains, valves, tanks and water meters.

Each year a number of projects are identified to be undertaken jointly with proposed road programs to provide a greater integration of works and a more effective and efficient expenditure of available funds.

In response to local stormwater inundation low to moderate cost treatments have been identified to address some of the localised flooding issues for inclusion in future works.

The Stormwater Management Plan for West Lakes (the lake) catchment is well underway, and will form the basis for our next stormwater upgrade program.

Council's stormwater renewal program will continue to address risks associated with pre 1975 box culverts while also managing other risks throughout the stormwater network.

Treatment and harvesting of stormwater continues from the Water Proofing the West with Council reserves connected to the system and irrigated using recycled stormwater where available.

Additionally, Council will be aiming to implement smaller scale Water Sensitive Urban Design treatments throughout the City to improve the quality of stormwater being discharged into the River Torrens and the coast. Currently Council is working on the Tracey Avenue Raingardens project and WSUD treatments in coordination with other capital works.

15.5 Bridges

Charles Sturt currently has 68 bridges. Bridges have a long service life if maintained correctly. In the 2017 Bridge Asset Management Plan Charles Sturt established a planned bridge maintenance program to ensure maintenance work is completed to bridges on a cyclic basis.
A condition audit and valuation of bridge assets was undertaken in 2017/18 which has informed a revision of bridge asset data and renewal strategy for the asset class.

Bridge assets and their associated maintenance and renewal strategy have been included in the Transport Assets Asset Management Plan endorsed by Council in September 2020

15.6 Public Lighting

A major revision of Public Lighting Stratgegies has been undertaken to produce the first endorsed Public lighting Asset Management plan (AMP). The AMP was endorsed in draft format by Council in November 2020.
A 4-week consultation period with the community on the draft plan is scheduled for June/July 2021 to understand community expectations for the proposed service level of Public Lighting Assets. At the conclusion of consultation the AMP will be reported to Council for endorsement of the final version

The AMP proposes a continuation in investment in the LED technology for Council owned lights (except in special circumstances, such as sports field lighting and projects with existing lighting in good condition) and completing the Street light LED replacement program with SAPN for stage 3 of local roads, vehicle category roads and roads with shared lighting with DIT.

The AMP also proposes to continue investing and completing the Street light Infill upgrade program to ensure lighting compliance on local streets.

15.7 Land and Buildings

The property portfolio consists of a diverse range of properties including administration buildings, community centres, sporting clubs, aged care accommodation, halls and commercial buildings.

In 2020/21 works commenced on the West Lakes Hub project, the Woodville Hockey Club Upgrade, changeroom upgrades at Flinders Park, DDA upgrades at Don Klaebe Reserve Clubrooms and emergency repairs to roof trusses at Henley Library.

A number of minor capital works were also completed on various Council buildings including a kitchen and toilet upgrade at Sexton Cottage, council chamber lighting upgrade, renewal of switchboards on various buildings and installation of roller doors at Henley depot.

In 2021/22, besides minor capital works across numerous sites, Council will continue work on the West Lakes Hub, changeroom upgrades at Matheson Reserve & Pennington Oval, DDA upgrades at various sites, the Woodville Hockey Club Upgrade and redevelopment of Aquatic Reserve clubrooms.

In 2022/23 another condition audit will commence on Council Buildings with a focus on refining maintenance and intervention strategies for building assets informing the future capital renewal and upgrade programmes for these assets.

15.8 Open Space and Recreation

The Open Space and Recreation Infrastructure Asset Management Plan underwent major revision in 2018/19 with a new plan adopted in June 2019. This plan informs the delivery of renewal works to open space assets through an integrated approach wherever possible.

The open space capital works and annual operating program is based on a combination of actions arising from the Open Space Strategy and Open Space and Recreation Infrastructure Asset Management Plan. Many parks have numerous assets including playgrounds, irrigation systems, seating, barbecues, shade structures, lighting, footpaths, toilets and community courts with each of the asset types having different estimated useful lives.

In 2020/21 major works undertaken included completion of an upgrade of Birkdale Reserve and construction of new dog parks at Woodville West & Semaphore Park.

Other projects included playground renewals at Sparrow, Pennington & Almond Reserves, upgrade of the Port Road median and AMP Fencing, Sport Accessories & Furniture renewal works.

In 2020/21 Council commenced an extensive audit of Open Space assets which will be completed in 2021/22 and will help improve data quality and inform the strategy and delivery for future works and services.

16. Measuring Achievement of the 2021/22 Business Plan

Measuring performance is an important factor in ensuring Council is delivering on the community's aspirations as expressed in Charles Sturt's Community and Corporate Plan.
For each key objective in the Corporate Plan, Council has identified a number of key indicators to measure and track our success.

This range of indicators, in addition to progress against our annual operating and capital project outcomes are monitored via regular reports presented to Council and through our Annual report.

Below are our current indicators used to measure our performance.

1. OUR COMMUNITY – A Strong and Connected Community

Outcome - In our City no one gets left behind; everyone has access to enough resources, services, programs, information and social infrastructure to fully participate in their community.

We will know we have succeeded by...

- Create up to five new partnerships per annum that tangibly support outcome delivery.
- Deliver five 'pop up' service points per annum in areas with low participation.
- Annual 10% increase in the number of people accessing services and programs.
- Annual increase in the number of people participating in our outreach services.
- Annual increase in the number of people who utilise our facilities (e.g. libraries, community centres and halls).
- Satisfaction of community facilities maintains or exceeds 85% annually
- Digital inclusion within our City continues to increase.
- Annual increase in the number of people participating in digital literacy and learning activities.
- At least a 10% per annum increase in utilisation of available technology.

Outcome - Charles Sturt is made up of strong and vibrant communities; we celebrate our identity, heritage and cultural diversity. People feel a sense of belonging, inclusion and social connectedness.

We will know we have succeeded by...

- In partnership and collaboration with the City of Port Adelaide Enfield, identify, support and implement at least four projects and events annually across the two cities that recognise and celebrate Kaurna led community building.
- A Disability Access and Inclusion Plan (DAIP) is developed and endorsed by June 2021.
- An annual increase in the percentage of our community who feel a sense of community and belonging.
- Increase of 5% per annum in number of active volunteers.

Outcome - People embrace healthy living, physical activity and ageing well.

We will know we have succeeded by...

- The number of residents over 65 years participating in Ageing Well programs is increasing annually.
- The membership of clubs utilising CCS sporting facilities is increasing annually.
- The number of participants attending activities promoting healthy eating, healthy living and ageing well is increasing.

Outcome - Charles Sturt is a place where people feel safe in their homes, neighbourhoods and public places; they are resilient and manage shocks and stresses to build a stronger community

We will know we have succeeded by...

- By 2025 at least 75% of our citizens feel safe in their homes, neighbourhoods and public places with an annual increase. (community survey)
- The City of Charles Sturt childhood immunisation coverage rates are equal to or greater than the South Australian State average.
- Responsible dog ownership is reflected by 95% dogs being registered and microchipped by 2025
- Community safety is ensured by inspecting 100% of swimming pools and their safety barriers at time of construction.
- Building compliance is achieved by inspecting at least 66% of dwellings during construction annually.
- Building compliance is achieved by inspecting 90% of class 2-9 buildings during construction annually

- More than 65% of routine food premise inspections do not require a follow-up inspection to address non-compliance
- Measure and grow our community resilience
- An annual increase in number of programs offered with a focus on building resilience with an 75% participant positive-impact rate

Outcome - People learn throughout their lives; they have the skills and abilities to achieve great outcomes for themselves, their families and the opportunity to become leaders in their communities.

We will know we have succeeded by...

- At least a 10% annual increase in combined library loans (physical and online).
- At least a 10% annual increase in library and community centre program participation.
- The number of participants in sporting and community clubs is maintained or increasing
- An annual increase of sports clubs participating in Council's professional development program.
  Annual increase in number of participants in the community leadership development program.
- Annual increase in number of participants in the Young Changemakers Program.

2. OUR LIVEABILITY – A Liveable City of Great Places.

Outcome - A well-designed urban environment that is adaptive to a diverse and growing City.

We will know we have succeeded by…

- An annual increase in population growth. (indirect)
- The number of new dwellings approved annually will deliver housing choice in the City (indirect)
- Increased community satisfaction of amenity within the neighbourhood plan catchment areas.

Outcome – City assets and infrastructure are developed and enhanced on a strategic and equitable basis and coordinated with industry and government bodies

We will know we have succeeded by…

- Our Asset Management plans are fully funded and aligned to changing community expectations.
- Develop operational service level standards for key public Infrastructure assets by 2025
- 90% of assets are maintained at the desired service level standards
- 85% project completion for Capital and Annual Operating projects annually Note: (excluding issues outside on Councils control).
- 70% of our community is satisfied with our assets

Outcome - Support diverse events and experiences that bring people together and contribute to the history, culture and vitality of our neighbourhoods.

We will know we have succeeded by…

- Increase in the number of collaborative partners involved in delivering events
- Number of outdoor dining seats is increasing across our city annually
- At least 90% of our community agree that our city is a great place to live (Community survey).
- The heritage grant program is 100% allocated each year
- The Woodville Town Hall has a 10% annual increase in activation (total attendance numbers).
- Number of street and place activation events increases annually

Outcome - Drive an integrated, responsive transport system and well-maintained network of roads and paths that facilitate safe, efficient and sustainable connections.

We will know we have succeeded by…

- Develop a Road Safety strategy by June 2022 in response to the State Government Road Safety Strategy to be released in 2021.
- At least 80% of our community feels safe using our local streets (community survey)
- The number of road crashes on Council managed roads is reducing annually
- An annual increase in our community utilising active transport (walking, riding and cycling) and public transport.
- An annual increase of community satisfaction in major transport assets (roads and paths) (community survey)

- Number of trips made by shared transport solutions increases annually
- The number of public electric vehicle charging stations installed within CCS increases by 15% annually for the next 4 years with an annual increase in usage.

Outcome - Enhance the diversity of open spaces to create innovative, accessible and flexible community spaces.

We will know we have succeeded by…

- Our public spaces receive at least 90% satisfaction by 2025 by surveyed residents (community survey)
- An annual increase of programmed tree pruning is completed within service level standards
- An annual increase of programmed reserve mowing completed within service level standards is increasing annually
- 90% of residents will live within 300m of useable open space by 2025.
- Our School Holiday Sports program is increasing in participation numbers annually
- Access to additional recreation facilities and open space increases annually due to successful Joint Use Agreements.

3. OUR ENVIRONMENT – An Environmentally Responsible and Sustainable City

Outcome - Greenhouse gas emissions significantly reduce, and we adapt to our changing climate

We will know our we have succeeded by…

- Net zero corporate emissions achieved by 2025 and annual targets achieved.
- Develop a Water Strategy to guide future decision making by June 2023
- Increase of our open space use of recycled water by 2025

Outcome - Our city is greener to reduce heat island effects and enhance our biodiversity

We will know our we have succeeded by…

- Our tree canopy cover (city, public and private land) increases annually and is greater than 16% by 2025
- The number of understorey plants planted in open space and biodiversity sites increases annually.
- Our Biodiversity score is improved at the next measure in 2022 and 2025

- Our Whole Street Planting program is completed annually
- Water Sensitive Urban Design (WSUD) principles are considered in all capital projects.
- A verge renewal framework to guide greening our capital works programs infrastructure is completed by June 2022.
- Boucatt Reserve is reinvented by 2022 and is cooler in temperature.

Outcome - Charles Sturt is recognised as a leading partner and educator in pursuing a sustainable future with our community

We will know our we have succeeded by…

- 85% of our community are aware of Councils environmental efforts (community survey – currently 59%)
- An increase percentage of our community surveyed has awareness of and is taking action to reduce impacts of climate change. (new community survey question as per AdaptWest survey).
- All capital works and renewal programs adhere to Councils ecologically sustainable design guidelines and responds to long term risks of climate change.

Outcome - Reduce waste production across our city, and grow the circular economy

We will know our we have succeeded by…

- Our Material Recovery Facility (MRF) is constructed and operational by June 2022
- Diversion of household recyclable and compostable waste from landfill through Council's 3 bin system improves annually.
- Increase in the annual tonnes of material received for recycling at the Beverley Recycling and Waste Centre by 2025
- Tonnes of waste to landfill (kerbside 3 bin service) is reducing per household
- Increase in percentage of food waste diverted from landfill with a target of 60% by 2025
- We will track and increase our purchase of recycled content materials (by weight) to 50% of the contents of kerbside recycling bins by 2025.

Outcome - We advocate for the protection of our coastal areas and enhancing biodiversity along our coast

We will know our we have succeeded by…

- Partnerships are in place and staff representation at coastal reference groups to ensure the protection of our coast
- 80% satisfaction with our management and support of environmental efforts (community survey)
- The number of indigenous and native plants planted along the coastal reserve increases annually.

4. OUR ECONOMY – An Economically Thriving City

Outcome - The Western Region economy is promoted through leadership and collaboration across all stakeholders and our community

We will know we have succeeded by…

- The western region Councils deliver a regional promotion plan by December 2022.
- 30% of our Charles Sturt businesses are WBL members by 2025.
- At least four joint economic development projects or events delivered annually between two or more Councils.
- 80% satisfaction from Western Region businesses participating in business development events.
- At least one targeted industry specific communication and event for key sectors in Western Adelaide annually.
- Positive feedback from businesses from at least four sectors who have developed market opportunities as a direct result of Council initiatives annually.

Outcome - Local businesses and entrepreneurial activities flourish through the support, engagement and relationships that are developed and maintained.

We will know we have succeeded by…

- Annual increase of 2.5% of local spend by Council
- All tenders are promoted through the Charles Sturt LinkedIn site.
- Annual increase in Gross Regional Product (CCS) overall, with focus on targeted sectors of advanced manufacturing, defence, health, tourism and construction. (indirect KPI)
- Annual increase in B2B engagement fostered by CCS.
- Deliver Councils Economic Stimulus and Support package through to 30 June 2022.

- Net increase in the annual number of business start-ups. (indirect)
- Annual increase in number of business in CCS. (indirect)
- Increased promotion and utilisation of Council co-working space (civic, community and private) annually.
- Continue to support entrepreneur Scholarships annually
- Support at least two social enterprises through CCS procurement practices by 2025.
- 80% of surveyed Charles Sturt businesses that have received assistance and advice are satisfied with Council support by 2025 with % increase annually.

Outcome - Businesses and industry sectors continue to grow and diversify

We will know we have succeeded by…

- An annual increase in employment in the key focus sectors in CCS; advanced manufacturing, defence, health, tourism and construction. (indirect)
- Growth in annual development application value by sector (residential, commercial / industrial).
- CCS businesses who have engaged with council are 5% more positive regarding the business outlook than other businesses.
- The number of businesses participating in digital solutions programs, adaptation and change programs in increasing annually.

Objective - Our businesses and community have the skills for success to realise job opportunities

We will know we have succeeded by…

- 80% satisfaction with CCS events by 2025.
- 80% of attendees at CCS Events achieve job placements or acceptance to further skill development program after attending a CCS programs.
- Councils supports at least one project per annum that upskills Charles Sturt residents.
- The number of events that council hosts or supports that provide a direct link to local employment and skills supply.
- Major events are located in our City that draws visitors to the region and delivers CCS branding to the wider community
- Growth in annual employment numbers. (indirect)
- Percentage of our community that have qualifications continues to grow(indirect)

5. OUR LEADERSHIP – A Leading and Progressive Local Government Organisation

Outcome - Our values, leadership and collaborative approach are bold and courageous and enables us to deliver value for our Community and create a leading liveable City.

We will know we have succeeded by…

- Organisational values are developed and communicated to all employees by February 2021.
- Values based decision making is applied and visible across the organisation at all levels by June 2021 (measured by our pulse survey).
- Our values are understood, lived and embedded in our People Experience by June 2021.
- At least 2 service reviews undertaken each year with recommendations implemented.
- At least 4 internal audits undertaken each year with recommendations implemented.
- 50% or procurements are undertaken with other Councils or local government bodies by 2025 with an average of 10 tenders annually.
- At least 10 tenders a year negotiate value add (cost savings, additional scope)
- Increase our strategic networks by having 30% leadership staff representation on industry networking organisations or boards by 2025
- Every year our cross-council collaboration projects are identified, reviewed, prioritised and action plans implemented.
- 50% cloud base software applications by 2025 with at an average of two migrations or implementations each financial year.
- Over 75% of our Residents are satisfied with Council's overall performance annually (community survey)
- Over 80% of our residents are satisfied with the services and/or programs that we provide
- Over 75% of our residents recognise our refreshed brand and link it to services we provide by 2025.

Objective - We provide excellence in customer experience by ensuring our customers are at the heart of everything we do.

We will know we have succeeded by…

- The Customer Experience Strategy is developed and communicated by 30 June 2021.
- Customer Experience strategy initiatives are embedded in core IT applications and business processes by December 2025.

- 80% of Customer Requests are resolved within their allocated time frames.
- Our Net Promoter Score is >8 by 2025

Outcome - We care about our people ensuring we support, develop and motivate our workforce to meet Community needs with capability and confidence.

We will know we have succeeded by…

- Flexible ways of working are embedded by June 2021
- Monthly pulse surveys are undertaken to ensure opportunities and challenges are identified and team discussions occur within a month.
- Recommendations are considered and where relevant actioned within six months.
- 75% of our Portfolios are demonstrating the benchmark level of constructive culture measured bi-annually.
- The Annual KPI WHS Action Plan is developed by October each year and a 100% compliance is achieved.
- Monthly pulse surveys incorporate questions in relation to employee safety and wellbeing to enable the organisation to continue to evolve its systems and employee support offerings by March 2021.
- Reduction in Lost Time Frequency Rate
- An annual development and capability plan is developed and implemented each to enable our workforce to perform work safely and effectively.
- A Workforce Strategy is developed by June 2022 to implement workforce planning and talent management processes to identify and respond to current and future requirements and capabilities, ensuring skills and knowledge are acquired and transferred within the organisation.
- Each portfolio has a portfolio plan which enables line of sight to Our Community Plan and our Vision within 12 months of the adoption of Our Community Plan.
- Employee development plans are reviewed and updated at least annually.
- Feedback on our People Experience is sought at least quarterly from our workforce and improvement actions identified and implemented via our pulse survey.

Objective - The management of our City is progressive, responsive and sustainable to ensure a united and unique place for future generations

We will know we have succeeded by…

- Our Long-Term Financial Plan positions council for anticipated community expectations.
- Our end of year actual financial sustainability ratios are within adopted target benchmarks
    - Operating surplus ratio is >=0% and <10%.
    - Net financial liabilities ratio is <100%.
    - Asset renewal funding ratio is >80%.
- Over 60% of residents believe Charles Sturt Council Rates deliver value for money annually. (community survey)
- A central register for grant and co-funding opportunities has been developed by 2022.
- Annual increase in number of applications for grants and co-funding.

Objective - Open and accountable governance

We will know we have succeeded by…

- Less than 3% of Council and Committee items considered in confidence.
- Each year over 50% of our residents feel as though they have a say on important issues in their area. (source Community Survey results)
- A 20% net increase in the number of community members signed up to *Your Say Charles Sturt* each year. (source Your Say Charles Sturt metrics)
- A 10% net increase in the number of unique online visitors to *Your Say Charles Sturt* each year. (source Your Say Charles Sturt metrics)
- Our policies are accessible to the public and reviewed bi-annually.
- Our strategic documents align to Our Community Plan, are accessible to the public and reviewed within legislative timeframes and our policy framework.
- Provide quarterly reports to Council and Community on overall project progress and major projects.
- 85% project completion for Capital and Annual Operating projects annually Note: (excluding issues outside on Councils control).
- A Cross-Council Data and Analytics program is implemented and embedded by June 2024.
- Once established, the Cross-Council Data and Analytics program identifies at least six opportunities for service improvements annually
- Development of Project Management Framework completed by December 2021.
- Complete a review of the end of month reporting process and implement recommendations by December 2021.

- All Portfolio/Business Unit participate in an annual review of their Corporate Risks and endorsed by Executive and presented to the Audit Committee.
- All Local Government reforms are implemented within the legislative timeframes

17. Attachments

17.1 Overview to Attachments

The following attachments include voluntary and statutory disclosures of information which provide support for the analysis contained in Sections 1 to 16 of this report.

The information has not been included in the main body of the budget report in the interests of clarity and conciseness. Whilst the budget report needs to focus on the important elements of the budget, the detail upon which the annual budget is based should also be provided in the interests of open and transparent local government.

The contents of the attachments are summarised below.

Attachment	Nature of Information
Attachment A	Commentary and detail of Long Term Financial Plan Includes: - Schedule A – Assumptions for LTFP - Schedule B – Forecast Financial Statements over planning period - Schedule C – Budget Principles
Attachment B	Core Operational Services
Attachment C	Budgeted Financial Statements for 2021/22 - Statement of Comprehensive Income - Cash flow Statement - Balance Sheet - Statement of Changes in Equity - Summary of operating and capital investment activities - Key Financial Indicators This section sets out the budgeted financial statements for 2021/22 as prescribed in the Local Government (Financial Management) Regulations 2011. This information is the basis of the disclosures and analysis of the annual budget in this report.
Attachment D	Rating Policy
Attachment E	Organisational Chart and Divisional Functions.
Attachment F	Capital Projects for renewal of council's existing assets for 2021/22.

Attachment A - Commentary and detail of the Long Term Financial Plan

Executive Summary

This document details the City of Charles Sturt's current financial position and outlook to 2030/31 as at January 2021 and was developed to guide the development of the annual budget.

The key issues arising from these Long Term Financial Plan estimates are:

- A strong alignment with Council's Community and Corporate Plan.
- Achievement of an ongoing sustainable operating surplus position.
- An ongoing commitment to asset rehabilitation and replacement to ensure the proper management of the community's infrastructure assets.
- A commitment to the long term sustainability of Council operations by ensuring all key financial indicator benchmarks are met for key ratios such as operating surplus, net financial liabilities and asset sustainability ratio.
- The use of debt as a means of funding new asset and upgrade works. Debt levels will be within the constraints of ensuring Council's net financial liabilities (Council's total indebtedness, which includes all of Council's obligations including provisions for employee entitlements and creditors) is less than 100% of Council's total operating revenue and/or council's net interest expense is less than 10% of council's total operating revenue.
- The Long Term Financial Plan estimates are predicated on achieving ongoing operational efficiencies.

The Long Term Financial Plan forecasts have been prepared using anticipated CPI movements over the outlook period based on forecasts provided by Deloitte Access Economics as at January 2021.

LTFP

The Long Term Financial Plan estimates are presented as a series of reports comprising the following:

- Estimated Statement of Comprehensive Income
- Estimated Balance Sheet
- Estimated Cashflow Statement
- Estimated Statement of Changes in Equity
- Summary Statement including financing transactions

These are detailed in **Schedule B**

A number of assumptions have been made in constructing the LTFP estimates and these are detailed in **Schedule A.**

Financial Indicators

A series of Key Financial Indicators tabled by the LGA for the local government industry have been identified and included in the suite of reports. These indicators are:

- Operating surplus/deficit
  - This is an indication of whether Council's operations are generating an operating surplus or deficit. An operating surplus indicates the extent to which operating revenue is sufficient to meet all of Council's operating expenses and therefore not transferring a burden that will need to be met by future ratepayers. For the planning period council continues to forecast a small operating surplus position.

- Operating surplus ratio
  - This ratio expresses the operating surplus/deficit as a percentage of operating Income and where the ratio is negative indicates the percentage in operating income required to achieve a break even operating result. Ideally Council should be aiming to achieve an operating surplus ratio >0 % and <10% and over the forecast period council has continued to budget for this outcome.

- Net financial liabilities ratio
  - This ratio indicates the extent to which the net financial liabilities of Council or its total indebtedness can be met by Council's total operating revenue. Net financial liabilities measure a council's indebtedness. It is a broader measure than net debt as it includes all of a council's obligations including provisions for employee entitlements and creditors. Net financial liabilities equals total liabilities less financial assets where financial assets include cash, investments, loans to community groups, receivables and prepayments. The target for the ratio should be greater than zero but less than 100%.

- Interest cover ratio
  - This ratio indicates the extent to which Council's commitment to interest expenses can be met by total operating revenues. A ratio of less than 10% is considered a reasonable limit to ensure net interest costs can be met comfortably by operating revenues.

- Asset Renewal funding ratio
  - This ratio indicates whether Council's capital expenditure on renewal/replacement of existing assets is what is needed to cost effectively maintain services levels as prescribed in Council's adopted Asset Management Plans (AMP). Council strives for a ratio >80%, noting it budgets for 100%

Commentary

Long Term Financial Plan

The Statement of Comprehensive Income forecasts small operating surpluses over the forecast period (operating surplus ratio is 0% and <10%) as Council ensures it remains financially sustainable.

Over the next 5 years total net rate increases (based on the assumptions detailed in **Schedule A**) and excluding growth estimates for new developments are projected to be commensurate with forecast CPI (as provided by Deloitte Access Economics) from 2021/22 at rate increases projected of 1.14%, 1.91%, 2.35%, 2.19%, and 2.19% until 2025/26.

Although the Local Government basket of goods and increasing cost pressures with imposed legislation, government levies, utilities, governance and infrastructure material costs has put pressure on Council's budget, through long term planning Council has been able to position itself to be able to meet these pressures coupled with effective cost control and quarantining of operational efficiencies.

The Balance Sheet forecasts an increase in total assets from $1.344b in 2021/22 to $1.406b in 2030/31. Over the planning period total liabilities are expected to decrease from $88.257m in 2021/22 to $44.386m in 2030/31 as the impact of borrowings reduces with the increasing ability of rates levied available to fund capital expenditure over and above depreciation without increasing Council's level of net financial liabilities or total debt.

Loan borrowings are forecast at $52.095m in 2021/22 after an expected peak in new/upgraded capital works following 4 years of a significant capital program and then decrease to nil in 2030/31.

Council's total equity or net assets is forecast to increase from $1.256b in 2021/22 to $1.362b in 2030/31.

Key Performance Indicators

The Key Financial Indicators support a positive forward outlook and adherence over the longer term to Council's Budget Principles and financial sustainability of Council operations.

Council continues to sustain its break even operating position without imposing an additional rate burden on future ratepayers.

The Operating Surplus ratio is positive over the planning period demonstrating that Council has the ability to reduce it net financial liabilities with an increasing percentage of total rates available to fund capital expenditure over and above depreciation expenses.

The Net Financial Liabilities ratio decreases from 63.1% in 2021/22 to 21.6% in 2030/2031, well within the 100% ceiling. (This ratio effectively means if the Council had to pay out all of its liabilities in 2021/22 including all of its staff entitlements, borrowings etc it would only use 63.1% of its total income and 36.9% of its total income would then be available to be repaid to its ratepayers).

Of its total net financial liabilities, net borrowings as a percentage of income decreases from 39.8% in 2021/22 to nil% in 2030/31.

The interest cover ratio is also well within the accepted benchmark of 10% rising to a maximum ratio of 1.7% in 2021/22.

In line with Council's ongoing commitment to capital expenditure, spending on renewal/replacement of existing assets is targeted at > 80% of what is forecast in the adopted asset management plans, as is evidenced by the asset renewal sustainability ratio. Ideally council should be spending 100% of what is prescribed in the asset management plans but realistically following consultation and taking account of projects which for a variety of reasons remain incomplete at each year end, 80% is more reflective of actual performance.

It should be noted that forecasts for capital are based on currently available information and recognise that staff planning is more accurate over the first 4 year planning period with the level of capital expenditure most difficult to predict especially for new/upgrade components. These estimates will continually be revisited based on competing priorities, however the forward plan demonstrates Council has an ability to meet any capital new/upgrade opportunities presented.

The Indicators enable an assessment of Council's long term financial performance and position and are used to guide its decision making based on the assumptions contained in the modelling. The LTFP allow council to position itself using the benchmarks for sustainability indicators as a guide to ensure that anticipated services and infrastructure projects can be met without significant rates increases or disruptive cuts to services.

Long Term Financial Plan 2021-2031

Schedule A – Assumptions

General Assumption Drivers

The Long Term Financial Plan is prospective information. Actual results are likely to vary from the information presented and the variations are likely to be material. The delineation of the Long Term Financial Strategy is financial forecast information; consequently, the information presented is prepared on the basis of best estimate assumptions as to future events which Council expects are likely to take place. These estimates arise from information known as at 31 January 2021.

Rates income to Council is a product of price and quantity. The number of rateable properties has consistently risen by an average of 1.0% in the recent past. These growth forecasts are verified by council's Planning and Development department annually.

Salary and Wage forecasts for the next 10 years are based on an Enterprise Bargaining Agreement (EBA) where it exists, and a Wages Price Increase (WPI) based on Deloitte Access Economics SA average weekly earnings growth projections where it doesn't.

Cost price Index (CPI) Forecasts are the South Australian CPI projections. These indices are purchased from Deloitte Access Economics, experts in the field, providing a sound scale of increments that this LTFP model is based on.

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
CPI	1.14%	1.91%	2.35%	2.19%	2.19%	2.19%	2.44%	2.43%	2.17%	2.18%
Rates Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Rates Revenue	2.14%	2.91%	3.35%	3.19%	3.19%	3.19%	3.44%	3.43%	3.17%	3.18%
Water	2.14%	4.91%	5.35%	5.19%	5.19%	5.19%	5.44%	5.43%	5.17%	5.18%
Maintenance	2.14%	4.91%	5.35%	5.19%	5.19%	5.19%	5.44%	5.43%	5.17%	5.18%
Waste	2.14%	5.41%	5.85%	5.69%	5.69%	5.69%	5.94%	5.93%	5.67%	5.68%
Insurance	1.64%	2.41%	2.85%	2.69%	2.69%	2.69%	2.94%	2.93%	2.67%	2.68%

Where knowledge exists of a change in price or quantity of a revenue or expense that Council incurs in the provision of services to the community, that change is factored into the LTFP. Examples of these are:

- Superannuation increases from 9.5% to 12.0% in 0.5% increments over a 5 year period commencing 2021/22.
- A temporary increase in Recyclables gate fee of $50 per tonne over a 6 month window, covering the time between a recyclables contract tending and The Joint Venture Material Recovery Facility being commissioned to receive CCS recyclables.
- Depreciation has an extra allowance of $677k on 2020/21 for revaluations, assets that were previously additions, and assets received from other parties, such as Torrens to Torrens T2T, Port Road drainage, and Bowden development.

Interest is calculated on loans outstanding. Council has one $10m loan at fixed interest rate of 3.85% and the remainder of funding is achieved via an "overdraft" arrangement, Cash advance Debentures (CAD) at a competitive variable interest rate. Council's variable funding

rate is the reserve Bank of Australia (RBA) cash rate plus a modest margin. Council is financed through the Local Government Finance Authority (LGFA).

Annual Operating projects of $3.0m are planned for 2021/22, increasing by forecast CPI each year of the plan. Last year's projects (2020/21) undertaken by council has been factored into the budget with $328k of recurrent expenditure.

Depreciation increases as brand new infrastructure is completed and also as the remainder is revalued to contemporary replacement cost. Depreciation is a non-cash-flow item that represents an allocation of historical costs over the useful lives of the assets. Depreciation isn't a proxy for future asset replacement costs, but rather asset management plans indicate future funding requirements.

Council's Budget Principles don't support the reliance on gains made from asset sales to fund core services.

Operating cash surpluses are used to fund Capital Expenditure on Renewal & Replacement and then New & Upgraded Assets. The balance of available surplus funds will be used to pay down debt or offset the use of new debt.

Capital expenditure for asset renewal is determined by Council's adopted Asset Management Plan (AMP). They are reviewed annually and presented to Council for review and endorsement. The planned amounts for Capital renewal have been indexed in the LTFP, leading to an Asset Funding Sustainability Ratio returning a reading of greater than 100% in 2020/21.

New and Upgrade forecasts are based on current Strategic Management Plans and Council in principle adopted projects. These projects will be presented to Council at the workshop 1 March 2021.

Capital Program $0,000	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Capital Renewal	24,592	28,766	24,865	26,042	29,431	27,742	28,161	28,317	28,541	30,074
Capital New	21,706	5,530	9,485	9,085	9,485	6,585	6,585	11,535	16,259	13,785
Capital	46,298	34,296	34,350	35,127	38,916	34,327	34,746	39,852	44,799	43,859

Loans outstanding are due to the level of new/upgrade capital expenditure. Recent large projects include the Port Road Flood Mitigation program, the St Clair recreation centre, West Beach Rockwall, and SAPN lighting rollout. Borrowings increase in 2019/20 as these projects were paid for. Additionally, in 2021/22 The Woodville Road rejuvenation and West Lakes Hub projects will increase borrowings to $52.1m, after which the LTFP shows a reducing borrowings profile with the lower forecast capital expenditure on new infrastructure. As with previous years' experience on project delivery a consistent amount of works in progress is assumed (20%) and reflected in level of borrowings forecast.

Key Outcomes

Importantly the current LTFP demonstrates that the Council is financially sustainable over the 10 year term of the LTFP, whilst achieving the objectives outlined in the Strategic Plan.

This includes:

- Implementation and funding of the appropriate level of maintenance and renewal of
- the portfolio of infrastructure assets
- Meeting the ongoing expectations of service delivery to our community
- Managing the impact of cost shifting from other levels of government
- The appropriate use of debt as a means of funding asset upgrade and renewal
- Ensuring the financial sustainability of Council's operations.

Financial sustainability has been demonstrated through adherence to the agreed target ranges in all of the following three key ratios:

- Operating Surplus Ratio, target range 0% to 10%
- Net Financial Liabilities Ratio, target range 0% to 100%
- Asset sustainability Ratio, target range 80% to 110%

KPI Ratios		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Operating Surplus	Traffic Light											
	Actual Ratio	-0.1%	0.9%	0.5%	1.1%	0.9%	0.8%	0.3%	0.6%	0.6%	0.7%	0.8%
Net Financial	Traffic Light											
	Actual Ratio	55.5%	63.1%	60.0%	55.1%	48.9%	45.9%	39.5%	32.2%	26.4%	23.0%	21.6%
Asset Renewal	Traffic Light											
	Actual Ratio	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest Cover Ratio	Traffic Light											
	Actual Ratio	1.4%	1.7%	1.7%	1.5%	1.6%	1.4%	1.2%	0.8%	0.6%	0.4%	0.2%

Significant Assumption Risks:

Interest Rate Risk

Interest rate sensitivity over borrowings of $50m is measured by the revenue required to compensate a 1.0% increase in interest rates. In 2021/22 such an increase to interest rates would necessitate a 0.5% increase to Rate Revenue.

Wage Growth Index Forecast Risk

With employee costs comprising approximately 35% of total operating expenditure a 1% error in anticipated wage growth can result in a $0.5m misstatement in the 2021/22 operating result and up to a $0.6m misstatement in the 2030/31 year.

Schedule B

City of Charles Sturt 10 Year Financial Plan for the Years ending 30 June 2031 INCOME STATEMENT - CITY OF CHARLES STURT	Actuals	Current Year	Projected Years									
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Income												
Rates	109,730	110,289	114,344	117,603	121,542	125,420	129,421	133,549	138,143	142,881	147,411	152,098
Statutory Charges	3,973	4,001	4,650	5,066	5,502	5,601	5,724	5,849	5,992	6,137	6,271	6,407
User Charges	3,552	2,968	3,590	3,658	3,744	3,826	3,910	3,995	4,093	4,192	4,283	4,377
Grants, Subsidies and Contributions	8,436	7,889	7,683	7,830	8,014	7,946	8,120	8,298	8,501	8,707	8,896	9,090
Investment Income	62	80	65	66	68	69	71	72	74	76	77	79
Reimbursements	3,088	587	632	644	660	674	689	704	721	739	755	771
Other Income	122	72	79	80	82	84	86	88	90	92	94	96
Net gain - equity accounted Council businesses	-	-	-	-	-	-	-	-	-	-	-	-
Total Income	**128,963**	**125,885**	**131,043**	**134,947**	**139,612**	**143,620**	**148,020**	**152,556**	**157,614**	**162,825**	**167,787**	**172,919**
Expenses												
Employee Costs	44,170	44,879	44,950	46,016	47,139	48,167	49,454	50,822	52,250	53,779	55,365	57,061
Materials, Contracts & Other Expenses	50,127	45,735	48,359	50,512	51,932	53,637	55,467	57,874	59,952	62,126	64,247	66,145
Depreciation, Amortisation & Impairment	30,118	33,593	34,270	35,373	36,853	38,209	39,749	41,528	43,115	44,881	46,299	47,895
Finance Costs	1,179	1,853	2,232	2,346	2,199	2,363	2,107	1,830	1,373	1,074	764	490
Net loss - Equity Accounted Council Businesses	131	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	**125,725**	**126,060**	**129,810**	**134,247**	**138,122**	**142,376**	**146,777**	**152,054**	**156,690**	**161,860**	**166,675**	**171,592**
Operating Surplus / (Deficit)	**3,238**	**(175)**	**1,233**	**701**	**1,491**	**1,244**	**1,243**	**502**	**924**	**965**	**1,112**	**1,327**
Asset Disposal & Fair Value Adjustments	(7,631)	-	-	-	-	-	-	-	-	-	-	-
Amounts Received Specifically for New or Upgraded Assets	5,447	2,081	100	100	100	100	100	100	100	100	100	100
Physical Resources Received Free of Charge	11,431	200	200	200	200	200	200	200	200	200	200	200
Operating Result from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
Net Surplus / (Deficit)	**12,485**	**2,106**	**1,533**	**1,001**	**1,791**	**1,544**	**1,543**	**802**	**1,224**	**1,265**	**1,412**	**1,627**
Other Comprehensive Income												
Amounts which will not be reclassified subsequently to operating result												
Changes in Revaluation Surplus - I,PP&E	56,297	7,231	5,315	7,369	9,158	9,519	16,107	9,348	14,160	8,967	7,987	11,492
Total Other Comprehensive Income	**56,297**	**7,231**	**5,315**	**7,369**	**9,158**	**9,519**	**16,107**	**9,348**	**14,160**	**8,967**	**7,987**	**11,492**
Total Comprehensive Income	**68,782**	**9,337**	**6,848**	**8,370**	**10,949**	**11,063**	**17,650**	**10,151**	**15,384**	**10,231**	**9,399**	**13,119**

City of Charles Sturt
10 Year Financial Plan for the Years ending 30 June 2031
BALANCE SHEET - CITY OF CHARLES STURT

	Actuals	Current Year	Projected Years									
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
ASSETS												
Current Assets												
Cash & Cash Equivalents	3,512	3,804	500	500	500	500	500	500	500	500	500	519
Trade & Other Receivables	6,496	6,904	4,896	5,057	5,234	5,375	5,537	5,710	5,896	6,087	6,270	6,455
Inventories	160	119	126	131	135	140	144	151	156	162	167	172
Total Current Assets	10,168	10,827	5,522	5,688	5,869	6,015	6,181	6,360	6,551	6,749	6,937	7,145
Non-Current Assets												
Infrastructure, Property, Plant & Equipment	1,277,343	1,300,600	1,320,338	1,331,030	1,336,149	1,342,476	1,360,326	1,364,050	1,373,390	1,375,146	1,379,115	1,389,953
Other Non-Current Assets	36,075	18,399	18,400	14,312	16,102	14,051	11,675	10,298	6,949	7,630	8,612	9,607
Total Non-Current Assets	1,313,418	1,318,999	1,338,738	1,345,342	1,352,251	1,356,527	1,372,001	1,374,349	1,380,339	1,382,777	1,387,728	1,399,560
TOTAL ASSETS	**1,323,586**	**1,329,826**	**1,344,259**	**1,351,030**	**1,358,120**	**1,362,542**	**1,378,182**	**1,380,709**	**1,386,891**	**1,389,525**	**1,394,664**	**1,406,705**
LIABILITIES												
Current Liabilities												
Cash Advance Debenture	41,673	37,694	45,703	44,766	41,671	35,794	33,899	25,602	15,749	7,422	2,113	-
Trade & Other Payables	16,208	18,438	19,294	19,917	20,416	20,965	21,555	22,273	22,946	23,646	24,323	24,962
Borrowings	3,159	354	354	354	354	354	354	354	327	-	-	-
Provisions	8,965	9,208	9,299	9,420	9,595	9,764	9,973	10,236	10,519	10,822	11,139	11,475
Total Current Liabilities	70,005	65,694	74,651	74,457	72,036	66,877	65,781	58,465	49,541	41,891	37,575	36,437
Non-Current Liabilities												
Cash Advance Debenture	-											
Trade & Other Payables	5,836	5,836	5,836	5,836	5,836	5,836	5,836	5,836	5,836	5,836	5,836	5,836
Borrowings	5,968	7,424	6,038	4,611	3,143	1,631	681	327	-	-	-	-
Provisions	1,843	1,600	1,616	1,637	1,668	1,698	1,734	1,780	1,830	1,883	1,938	1,997
Liability - Equity Accounted Council Businesses	116	116	116	116	116	116	116	116	116	116	116	116
Total Non-Current Liabilities	13,763	14,977	13,606	12,201	10,763	9,280	8,367	8,059	7,782	7,835	7,890	7,949
TOTAL LIABILITIES	**83,768**	**80,671**	**88,257**	**86,658**	**82,799**	**76,157**	**74,148**	**66,524**	**57,322**	**49,725**	**45,465**	**44,386**
Net Assets	**1,239,818**	**1,249,155**	**1,256,003**	**1,264,373**	**1,275,322**	**1,286,384**	**1,304,034**	**1,314,185**	**1,329,569**	**1,339,800**	**1,349,199**	**1,362,319**
EQUITY												
Accumulated Surplus	499,125	501,231	502,763	503,764	505,555	507,099	508,642	509,444	510,668	511,932	513,344	514,972
Asset Revaluation Reserves	740,693	747,924	753,239	760,609	769,767	779,285	795,392	804,741	818,901	827,868	835,855	847,347
Total Equity	**1,239,818**	**1,249,155**	**1,256,003**	**1,264,373**	**1,275,322**	**1,286,384**	**1,304,034**	**1,314,185**	**1,329,569**	**1,339,800**	**1,349,199**	**1,362,319**

City of Charles Sturt 10 Year Financial Plan for the Years ending 30 June 2031 CASH FLOW STATEMENT - CITY OF CHARLES STURT	Actuals	Current Year	Projected Years									
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cash Flows from Operating Activities												
Receipts:												
Rates Receipts	-	107,887	116,385	117,509	121,429	125,308	129,305	133,430	138,011	142,745	147,280	151,963
Statutory Charges	-	4,469	4,606	5,038	5,473	5,594	5,715	5,841	5,982	6,128	6,262	6,398
User Charges	-	3,428	3,547	3,653	3,738	3,820	3,904	3,990	4,086	4,186	4,277	4,370
Grants, Subsidies and Contributions (operating purpose)	-	8,576	7,805	7,822	8,004	7,950	8,111	8,288	8,489	8,696	8,886	9,079
Investment Receipts	62	85	65	66	67	69	70	72	74	76	77	79
Reimbursements	-	1,045	631	644	659	674	688	703	721	738	754	771
Other	128,880	46	570	199	231	226	231	236	259	264	252	258
Payments:												
Payments to Employees	-	(43,884)	(44,839)	(45,826)	(46,883)	(47,923)	(49,152)	(50,453)	(51,854)	(53,355)	(54,923)	(56,590)
Payments for Materials, Contracts & Other Expenses	(95,774)	(44,518)	(50,267)	(50,199)	(51,705)	(50,939)	(55,106)	(57,399)	(59,542)	(61,697)	(63,829)	(65,770)
Finance Payments	(1,179)	(1,853)	(2,232)	(2,346)	(2,199)	(2,363)	(2,107)	(1,830)	(1,373)	(1,074)	(764)	(490)
Net Cash provided (or used in) Operating Activities	31,989	35,282	36,272	36,559	38,814	42,416	41,660	42,878	44,852	46,705	48,272	50,067
Cash Flows from Investing Activities												
Receipts:												
Amounts Received Specifically for New/Upgraded Assets	5,447	2,081	100	100	100	100	100	100	100	100	100	100
Sale of Replaced Assets	753	927	-	-	-	-	-	-	-	-	-	-
Distributions Received from Equity Accounted Council Businesses	254	-	-	-	-	-	-	-	-	-	-	-
Payments:												
Expenditure on Renewal/Replacement of Assets	(26,872)	(24,850)	(24,592)	(28,766)	(24,865)	(26,042)	(29,431)	(27,742)	(28,161)	(28,317)	(28,541)	(30,074)
Expenditure on New/Upgraded Assets	(31,135)	(7,820)	(21,706)	(5,530)	(9,485)	(9,085)	(9,485)	(6,585)	(6,585)	(9,835)	(14,522)	(17,961)
Capital Contributed to Equity Accounted Council Businesses	(131)	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Investing Activities	(51,684)	(29,662)	(46,198)	(34,196)	(34,250)	(35,027)	(38,816)	(34,227)	(34,646)	(38,052)	(42,962)	(47,935)
Cash Flows from Financing Activities												
Receipts:												
Proceeds from CAD	-	-	8,009	-	-	-	-	-	-	-	-	-
Proceeds from Borrowings	21,771	-	-	-	-	-	-	-	-	-	-	-
Proceeds from Bonds & Deposits	200	-	-	-	-	-	-	-	-	-	-	-
Payments:												
Repayments of CAD	-	(3,979)	-	(937)	(3,096)	(5,877)	(1,894)	(8,297)	(9,853)	(8,327)	(5,309)	(2,113)
Repayments of Borrowings	(3,159)	(995)	(1,033)	(1,073)	(1,115)	(1,158)	(596)	-	-	-	-	-
Repayment of Lease Liabilities	-	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(354)	(327)	-	-
Repayment of Aged Care Facility Deposits	(221)	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow provided (used in) Financing Activities	18,591	(5,327)	6,622	(2,363)	(4,564)	(7,389)	(2,844)	(8,651)	(10,207)	(8,654)	(5,309)	(2,113)
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,104)	292	(3,304)	-	-	-	-	-	-	-	-	19
plus: Cash & Cash Equivalents - beginning of year	4,616	3,512	3,804	500	500	500	500	500	500	500	500	500
Cash & Cash Equivalents - end of the year	**3,512**	**3,804**	**500**	**500**	**500**	**500**	**500**	**500**	**500**	**500**	**500**	**519**
Cash & Cash Equivalents - end of the year	3,512	3,804	500	500	500	500	500	500	500	500	500	519
Investments - end of the year	-	-	-	-	-	-	-	-	-	-	-	-
Cash, Cash Equivalents & Investments - end of the year	**3,512**	**3,804**	**500**	**500**	**500**	**500**	**500**	**500**	**500**	**500**	**500**	**519**

City of Charles Sturt 10 Year Financial Plan for the Years ending 30 June 2031 EQUITY STATEMENT - CITY OF CHARLES STURT	Actuals	Current Year	Projected Years									
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Opening Balance	1,171,036	1,239,818	1,249,155	1,256,003	1,264,373	1,275,322	1,286,384	1,304,034	1,314,185	1,329,569	1,339,800	1,349,199
Net Surplus / (Deficit) for Year	12,485	2,106	1,533	1,001	1,791	1,544	1,543	802	1,224	1,265	1,412	1,627
Other Comprehensive Income												
- Gain (Loss) on Revaluation of I,PP&E	56,297	7,231	5,315	7,369	9,158	9,519	16,107	9,348	14,160	8,967	7,987	11,492
- Other Movements	-	-	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income	56,297	7,231	5,315	7,369	9,158	9,519	16,107	9,348	14,160	8,967	7,987	11,492
Total Comprehensive Income	68,782	9,337	6,848	8,370	10,949	11,063	17,650	10,151	15,384	10,231	9,399	13,119
Transfers between Equity	-	-	-	-	-	-	-	-	-	-	-	-
Equity - Balance at end of the reporting period	**1,239,818**	**1,249,155**	**1,256,003**	**1,264,373**	**1,275,322**	**1,286,384**	**1,304,034**	**1,314,185**	**1,329,569**	**1,339,800**	**1,349,199**	**1,362,319**

City of Charles Sturt 10 Year Financial Plan for the Years ending 30 June 2031 UNIFORM PRESENTATION OF FINANCES - CITY OF CHARLES STURT	Actuals	Current Year	Projected Years									
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Operating Activities												
Income	128,963	125,885	131,043	134,947	139,612	143,620	148,020	152,556	157,614	162,825	167,787	172,919
less Expenses	(125,725)	(126,060)	(129,810)	(134,247)	(138,122)	(142,376)	(146,777)	(152,054)	(156,690)	(161,860)	(166,675)	(171,592)
Operating Surplus / (Deficit)	**3,238**	**(175)**	**1,233**	**701**	**1,491**	**1,244**	**1,243**	**502**	**924**	**965**	**1,112**	**1,327**
Capital Activities												
***less* (Net Outlays) on Existing Assets**												
Capital Expenditure on Renewal and Replacement of Existing Assets	(26,872)	(24,850)	(24,592)	(28,766)	(24,865)	(26,042)	(29,431)	(27,742)	(28,161)	(28,317)	(28,541)	(30,074)
add back Depreciation, Amortisation and Impairment	30,118	33,593	34,270	35,373	36,853	38,209	39,749	41,528	43,115	44,881	46,299	47,895
add back Proceeds from Sale of Replaced Assets	753	927	-	-	-	-	-	-	-	-	-	-
(Net Outlays) on Existing Assets	**3,999**	**9,670**	**9,678**	**6,608**	**11,988**	**12,166**	**10,318**	**13,786**	**14,954**	**16,564**	**17,758**	**17,821**
***less* (Net Outlays) on New and Upgraded Assets**												
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(31,135)	(7,820)	(21,706)	(5,530)	(9,485)	(9,085)	(9,485)	(6,585)	(6,585)	(9,835)	(14,522)	(17,961)
add back Amounts Received Specifically for New and Upgraded Assets	5,447	2,081	100	100	100	100	100	100	100	100	100	100
add back Proceeds from Sale of Surplus Assets (including Investment Property & and Real Estate Developments)	-	-	-	-	-	-	-	-	-	-	-	-
(Net Outlays) on New and Upgraded Assets	**(25,688)**	**(5,740)**	**(21,606)**	**(5,430)**	**(9,385)**	**(8,985)**	**(9,385)**	**(6,485)**	**(6,485)**	**(9,735)**	**(14,422)**	**(17,861)**
Net Lending / (Borrowing) for Financial Year	**(18,451)**	**3,756**	**(10,696)**	**1,878**	**4,094**	**4,425**	**2,175**	**7,803**	**9,393**	**7,794**	**4,448**	**1,288**

NOTE : *this adopted LTFP provided the basis for development of the annual budget and high level parameters, noting that the final budget for 2021/22 was adopted following consultation feedback and finalisation of actual inputs for recurrent budget and level of capital and annual operating projects and which will be updated in the next LTFP iteration.*

Schedule C – Budget Principle

Honest and Accountable

We will be honest and accountable in all aspects of the budget process, meeting the community's expectations of transparency and openness with a reporting framework that supports and enhances this.

Strategic Approach

We will maintain a strategic approach to the delivery of all council services and capital works programmes. All expenditure decisions will align with the City of Charles Sturt theme areas and objectives:

1. ***OUR COMMUNITY – A Strong and Connected Community***
2. ***OUR LIVEABILITY –A Liveable City of Great Places.***
3. ***OUR ENVIRONMENT – An Environmentally Responsible and Sustainable City.***
4. ***OUR ECONOMY – An Economically Thriving City***
5. ***OUR LEADERSHIP – A Leading and Progressive Local Government Organisation***

Forward Financial Planning

A 10 year long term financial plan will reinforce the delivery and achievement of Council's long term strategic objectives in a sustainable manner. All programmes will be regularly reviewed to ensure they fit within the Council's financial framework and key performance targets for financial sustainabilty.

Realistic Budgeting

All budget figures will be realistic, based on the best available information and utilise a zero based budgeting approach.

Meet Long Term Liabilities

Each budget will be fully funded and reconciled on an accrual and cash basis. Councils total indebtedness will be considered within the constraints of a net financial liablities ratio of less than 100%. Adequate provisions will be made to meet Council's long term liabilities. Council will seek to ensure a sustainable operating surplus.

Affordable Rates

Rates will be set at an affordable level having regard to the City's strategic directions and its social and economic objectives balanced against the community's ability to pay. Sustainable rate increases are defined as total rate revenue increases without an annual increase in total rate revenue after growth for 3 or more consecutive years which is double the annual increase in CPI assuming a **no** policy change in council direction.

Avoid Cost Shifting

We will resist pressure to accept cost shifting from other levels of government.

New Initiatives

All new initiatives will be evaluated in terms of meeting Council's strategic directions and incorporate a cost benefit analysis which includes whole of life costing.

Asset Sales and Debt

The operational budget will be structured such that there is no reliance on asset sales to fund core services. Debt will be regarded as a tool to be used in a strategic perspective to achieve the provision of services to the community. Debt will be considered:

- In the context of the strategic objectives of Council
- In the context of long term financial forecasts and objectives
- As funding for long term infrastructure asset creation
- As a means of spreading the cost of infrastructure over the ratepayers who use it
- As a mechanism to fund temporary cash shortfalls.

A ratio of total debt (net financial liabilities) less than 100% of Council's operating revenue is considered an acceptable benchmark.

Financial Control

We commit to ensuring that financial and other resources under our control will be used only for approved purposes and within Council's strategic framework and that all risks to Council's finances are properly managed.

Attachment B - City of Charles Sturt Core Operational Services

Below is a comprehensive listing of our core operational services as at June 2021.

Core Business	Key Outputs
Community Services	
• Community Development	– Work with disadvantaged communities and other partners to provide support and to facilitate the coordination of services. – Assist community groups to seek out grant funding.
• Youth Services	– Provide support staff in The Brocas a community space for young people. – Implement Council's Youth Policy and Action Plan.
• Crime Prevention	– Implement the Crime Prevention Through Environmental Design principles.
• Graffiti	– Remove 15,600 square metres of graffiti from private property and bus shelters within 5 working days.
• Community Centres	– Provide support staff in Community Centres at Findon, Cheltenham, Henley & Grange, Bower Cottages, 19 On Green and West Lakes; with 95,000 participants supported by 15,799 volunteer hours. – Implement and deliver on actions in the Community Plan 2021/22
• Community Care – Transport	– Assist 700 clients with transport. Provide 9,500 return trips to local shopping centres and social programs.
• Community Care – Volunteers	– Coordinate the efforts of approximately 550 volunteers supporting various community service programs and donating around 46,000 hours per year.

Core Business	Key Outputs
• Community Care – Aged & Disability Services	– Implement Council's 'Ageing in Charles Sturt' action plan. – Assist approximately 500 residents with 8,000 hours of domestic assistance. – Provide 250 residents with 30,000 hours of social support and activities.
• Home Maintenance & Security	– Provide 3,500 hours of home maintenance and security to approximately 1,700 clients.
Contracted Services	
• Cleaning Council Property	– Manage the contract for the cleaning of Council property, Halls etc.
• Graffiti	– Manage the contract for the removal of Graffiti from Council owned property.
• Herbicide & Pesticide Spraying	– Manage the contract for spraying of weeds by Contractors.
• Kerb and Gutter replacement	– Assist Engineering & Construction to manage the contract for kerb and gutter replacement work in conjunction with the Road Reseal Backlog program.
• Litter Bins	– Manage the contract for emptying the Street/Reserves/Foreshore litter bins, including bins on jetties
• Playground Maintenance	– Manage the contract for maintenance of Council playgrounds.
• Road Reseal Program	– Assist Engineering & Construction to manage the contract for road reseal works.
• Segmental Paved Footpaths	– Assist Engineering & Construction to manage the contract for the installation of segmental paved footpaths.
• Verge Mowing	– Manage the contract for verge mowing which provides for mowing of verges on local roads up to 5 times per year and those on main roads up to 8 times per year.
• Waste Management	– Manage the contract for waste management which provides for a weekly domestic waste collection, fortnightly recycling, fortnightly green waste service and an at call hard waste collection.

Core Business	Key Outputs
Admin/Governance	
• Research & Analysis	– Provide coordinated research and business analysis support to all business units. – Provides leadership/management of demographics information, provides research and analysis for major projects and customer service management.
• Information Services	– Establish, maintain and support all of Council's IT and administrative systems.
• Financial Services	– Manage Council's requirements for financial reporting, processing and internal controls. – Manage administration of rates assessment book and collection of rates income. – Deliver property certification for land transfers and sales. – Manage Council's loan portfolio. – Maintain base property and street numbering information.
• Governance & Risk	– Provide risk management advice and services in relation to Council's operations, goods and services. – Ensure Council operates in line with good governance practices, legislative requirements and Council procedures. – Provide procurement services, including tender preparation and evaluation. – Provide support to Council Members. – Maintain electoral roll information. – Manages the Work Health and Safety of our employees. – Manages Workers Compensation claims and employee rehabilitation programs.

Core Business ***Admin/Governance*** *(cont.)*	Key Outputs
• Human Resource Management	– Supports and guides People and culture issues that meet both the human resource needs of the organisation and the satisfaction and development needs of staff. – Ensure staff are paid accurately and on time. – Manage employment records and documentation. – Manage and ensures compliance with the industrial instruments relating to employment conditions. – Manages non work related injuries and fit for work process for employees.
• Asset Management	– Development of strategic asset management plans for all assets including identification of demand for services and the lifestyle costs for each asset.
• Fleet management	Manage Council's fleet requirements
• Waste & Environment Sustainability Programs	– Coordinate Council's environmental response by developing and implementing our environmental plan 'Living Green to 2020'. – Implement the AdaptWest Climate Change Adaptation Program in partnership with the Cities of Port Adelaide Enfield and West Torrens, to identify and manage risks and opportunities presented by a changing climate. – Coordinate programs to reduce environmental impacts from Council operations. – Provide strategic direction/advice to Council Members on best practice waste and recycling services and environment sustainability issues and programs. – Coordinate programs to engage with the community for positive environmental outcomes to deliver net zero objectives.

Core Business	Key Outputs
• Waste & Environment Sustainability Programs **continued**	– Advocate and build partnerships with State and Federal Governments to secure funding and identify other opportunities. – Provide opportunities to build capacity and understanding of current environmental issues and programs for staff and Elected Members to inform decision making.
Customer Relations	
• Corporate Promotions	– Continue to develop the relationship between Council and our community. – Communicate and promote Council's programs, events and activities.
• Corporate Promotions	– Manage Council's communication activities including media liaison. – Provide Council newsletters and 'Kaleidoscope' – Manage community events. – Assist business units with undertaking effective community consultation. – Management of Council's website and digital mediums.
• Information management	– Provide records management services for all administrative processes

Core Business	Key Outputs
Engineering	
• Road Maintenance	– Manage and maintain 604kms of sealed local roads and associated infrastructure, including kerb and gutter. – Deliver projects in line with the approved Road Reseal/Reconstruction programs.
• Footpath Maintenance	– Manage and maintain 1,012kms of concrete, paved and asphalt footpaths. – Deliver projects in line with the approved New Footpath and Footpath Reconstruction programs.
• Drainage Maintenance	– Manage and maintain 431kms of stormwater drainage as well as 14,936 stormwater pits. Deliver projects in line with the approved Stormwater Management program. – Deliver projects in line with the approved Box Culvert Replacement program. – Deliver projects in line with the approved Pump Station Upgrade program. – Continue with the development of the Urban Stormwater Master Plan across the remainder of the City.
• Foreshore Maintenance	– Manage and maintain 11.5kms of foreshore.
• Street Sweeping	– Main roads swept weekly, residential roads every 6 weeks, with additional autumn and coastal sweepings done weekly.
• Traffic Management	– Effectively respond to the community regarding the management of traffic and transport across the City. – Deliver projects in line with the approved Traffic Management program.
• Public Lighting	– Effectively respond to the community regarding the provision of public lighting along Council managed roads, reserves and walkways.
• Recycled water	– Maintain and operate councils recycled water system and wetlands.
• Recycling and Waste Centre	– Receives and recycles waste from both internal and external customers.

Core Business	Key Outputs
Library Services	
• Library Service	– Deliver a range of library products and services including access to print and audio visual collections and resources, community language collections, community information, internet and wireless service access, literacy programs, lifelong learning programs and recreational programs. – Service a membership of near 50,000 people, over 500,000 visits and 1 million loans annually. – Provide 5 branch libraries across the City plus a mobile library and home service. – Provide services and programs to Culturally and Linguistically Diverse Communities. – Deliver a selection of Council Customer Services, including a rate payment service.
Open Space, Recreation & Property	
• Arboriculture	– Undertake tree assessments and inspections as required under Council Policy and The Local Government Act.
• Open Space Planning	– Natural Resource Management. – Environmental Management. – Development of social connections through open space community initiatives.
• Sporting Club Support	– Maximise the use of Council's 70 sporting facilities and 49 clubrooms. – Provide support to around 65 sporting clubs operating on community land in the City.
• Urban design Projects	– Design and deliver endorsed open space landscape and public place projects.
• Property Management	– Manage over 300 Council properties including commercial, community and residential properties. Manage the acquisition and disposal process of properties. Management and maintain Council's Community Land Management Plan register. Manages the upgrades of Council owned buildings.
• Property Maintenance	– Maintain and repair Council property including bus shelters, public toilets, playgrounds and administration, recreation and sporting facilities.

Core Business	Key Outputs
Planning & Development	
• Development Assessment	– Provide pre-lodgement advice and process Development Applications for approximately 3500 projects per year.
• Development Control	– Inspect approximately 40% of approvals per year to ensure compliance with the Building Code of Australia and conditions of approval.
• Development Compliance	– Respond to complaints and identify illegal activity related to land use and planning conditions.
Emergency & After Hours Response	
• Rapid Response	– Attend to over 5,000 customer requests per year to make the roads and footpaths safe for residents, undertake minor pruning of street trees and collect dumped litter and waste.
• After Hours Callout	– Attends customer requests afterhours between the hours of 4.00pm and 7.00 am 7 days a week.
Public Health & Safety	
• Customer Contact	– Process approximately 34,000 transaction per year and provide general information to the community on both Council and community issues. – Manage Council's call centre operations fielding approximately 128,000 calls per year within an average of 21 seconds. – Monitor customer perceptions and satisfaction levels. – Process 9,000 customer requests for service.
• Community Safety	– Respond to approximately 8,000 complaints regarding parking, dogs, Local Government Act, Metropolitan Fire Services Act and general by-law issues. – Respond to approximately 800 complaints in relation to trees overhanging footpaths, overgrown grass and illegal backyard burning. – Attend to 2,000 reports of rubbish dumped on Council land.

Core Business (cont.)	Key Outputs
• Community Safety	– Respond to approximately 650 abandoned vehicle complaints and make arrangements for approximately 50 vehicles to be towed away. – Respond to 450 requests for installation of parking controls and attend to 1700 requests regarding illegally parked vehicles in addition to proactive parking patrols of peak demand areas. – Undertake School Safety Program to address safety related parking offences around 44 schools within the City. – Implement Council's by-laws and administer various legislation through education, encouragement and enforcement. – Respond to approximately 700 Local Nuisance Requests.
• Animal Management	– Ensure compliance with the Dog & Cat Management Act, by handling complaints regarding barking dogs, wandering at large, dog attacks and other dog related complaints. – Maximising dog registration - register 16,000 dogs per year. – Implement the Urban Animal Management Plan. – Impound approximately 400 dogs. – Investigate approximately 170 dog attacks. – Investigate approximately 50 barking dog complaints. – Receive 360 barking dog enquiries. – Respond to approximately 1,000 dogs wandering at large complaints. – Respond to approximately 500 other complaints relating to dogs and approximately 100 complaints regarding cats. – Conduct compliance patrols for dog related issues particularly in high usage areas such as the foreshore and Linear Park.

Core Business	Key Outputs
• Environmental Health	– Undertake inspections of approximately 750 food premises in line with the Australian Food Safety Assessment system. – Inspect and audit approximately 65 High Risk Manufactured Water Systems (Cooling towers and Warm Water Systems). – Inspect facilities and undertake water quality analysis of 23 public swimming pools and spas. – Provide education material (Newsletter) to approximately 800 Food Businesses. – Facilitate 160 self-audits for hairdressing and beauty salons and facilitate self-audits for 60 low risk food businesses (alternating years) – Audit approximately 20 skin penetration premises. – Investigate approximately 350 public health complaints. – Investigate approximately 60 food complaints. – Investigate approximately 150 vermin complaints.
• Immunisation	– Administer approximately 13,400 vaccines to clients attending 140 public clinics, 10 High School clinics, 33 workplace visits. Plus 2700 throat swabs.
• Environmental Management	– Investigate approximately 50 incidents of stormwater pollution. – Assist in the development and implementation of Council's water strategy with a particular focus on water quality and community education initiatives.
Urban Projects	
• Cultural Development	– Deliver cultural projects and promote the value of built heritage. – Support community and cultural groups to preserve and build cultural identity. – Advocate for inclusion and recognition of Kaurna heritage and role of Kaurna Meyunna as the custodians of the City of Charles Sturt.

Core Business	Key Outputs
• Economic Development	– Support the growth of local employment and export opportunities by engaging with major local businesses through the Western Business Leaders group and facilitating programs and initiatives. – Work collaboratively with the Western Region Councils through the Western Alliance to promote and facilitate economic development outcomes and grow local employment.
• Major Projects	– Facilitate Council's response to major projects and identify value adding opportunities to optimise outcomes. – Identify and promote economic development opportunities through major urban development projects.
• Planning Policy	– Formulate planning policy that reflects the needs of the community and the State Planning Strategy and ensure Council's Development Plan is relevant and up to date.
• Community Engagement	– Manage corporate community engagement policy and procedures, tools and initiatives. – Conduct community engagement on key strategic project as determined.
• Place Making	– Provide a focused approach to enhancing the public realm in key locations across the city. – Collaborate with businesses and communities to create social and economic opportunities through advice, marketing community engagement and funding.

Attachment C – Budgeted Financial Statements for 2021/2022

Schedule 1: Statement of Comprehensive Income

	2022 $'000	2021 $'000
Revenue		
Rates	112,836	110,289
Statutory Charges	4,383	4,001
User Charges	3,596	2,968
Grants, Subsidies and Contributions	7,738	7,889
Investment Income	70	79
Reimbursements	528	587
Other revenues	80	72
Total Revenues	129,231	125,885
Expenses		
Employee Costs	46,550	44,879
Materials, Contracts and Other	46,010	45,735
Finance Costs	1,796	1,853
Depreciation, Amortisation and Impairment	33,920	33,593
Total Expenses	128,276	126,060
Operating Surplus/(Deficit)	**955**	**(175)**
Capital Amounts		
Physical resources received free of charge	200	200
Amounts specifically for new or upgraded asset	3,731	2,081
	3,931	2,281
Net Surplus/(Deficit)	**4,886**	**2,106**
Other Comprehensive income	**0**	**0**
Total Comprehensive Income	**4,886**	**2,106**

Schedule 2: Cashflow Statement

	2022 $ Inflows(outflows) $'000	2021 $ Inflows(outflows) $'000
Cash Flows from Operating Activities		
Operating Receipts	131,740	125,806
Investment receipts	70	79
Operating Payments to suppliers and employees	(94,586)	(90,614)
Finance payments	(1,796)	(1,853)
Net Cash Flows provided by (used in) Operating Activities	**35,428**	**33,418**
Cash Flows from Financing Activities		
Receipts		
Proceeds from Borrowings	5,095	0
Proceeds from Aged care Facility deposits	500	500
Payments		
Repayments of Borrowings	(1,387)	(945)
Repayment of Aged care Facility Deposits	(500)	(500)
Net Cash provided for (used in) Financing Activities	**3,708**	**(945)**
Cash Flows from Investing Activities		
Receipts		
Sale of replaced assets	959	927
Grants specifically for new of upgraded assets	3,731	2,081
	4,690	3,008
Payments		
Expenditure on renewal/replacement of assets	(23,559)	(27,776)
Expenditure on new/upgraded assets	(23,571)	(7,901)
	(47,130)	(35,677)
Net Cash used in Investment Activities	**(42,440)**	**(32,669)**
Net Increase (Decrease) in Cash Held	**(3,304)**	**(196)**
Cash and cash equivalents at Beginning of Reporting Period	3,804	4,000
Cash and cash equivalents at End of Reporting Period	**500**	**3,804**

Schedule 3: Balance Sheet

	2022 $'000	2021 $'000
ASSETS		
Current Assets		
Cash and Cash equivalents	500	3,804
Trade and Other receivables	4,944	9,306
Inventories	120	103
Total Current Assets	**5,564**	**13,213**
Non-Current Assets		
Equity accounted investments in council business	0	138
Infrastructure, Property, plant and equipment	1,320,270	1,303,133
Other non-current assets	18,526	10,284
Total Non-Current assets	**1,338,796**	**1,313,555**
TOTAL ASSETS	**1,344,360**	**1,326,768**
LIABILITIES		
Current Liabilities		
Trade and Other Payables	18,955	20,989
Borrowings	6,038	4,973
Provisions	9,299	8,955
Total Current Liabilities	**34,292**	**34,917**
Non-Current Liabilities		
Long Term Borrowings	43,145	45,209
Long Term Provisions	1,616	1,323
Trade and Other Payables	5,836	6,057
Equity accounted investments in council business	116	0
Total Non-Current liabilities	**50,713**	**52,589**
TOTAL LIABILITIES	**85,005**	**87,506**
Net Assets	**1,259,355**	**1,239,262**
EQUITY		
Accumulated Surplus	506,116	498,566
Reserves	753,239	740,696
TOTAL EQUITY	**1,259,355**	**1,239,262**

Schedule 4: Statement of Changes in Equity

2022

	Accumulated Surplus $'000	Asset revaluation reserve $'000	Total Equity $'000
Accumulated Surplus			
Balance at end of previous reporting period	**501,230**	**753,239**	**1,254,469**
Net Result for year	**4,886**		**4,886**
Other Comprehensive income		**0**	**0**
Balance at end of period	**506,116**	**753,239**	**1,259,355**

2021

	Accumulated Surplus $'000	Asset revaluation reserve $'000	Total Equity $'000
Accumulated Surplus			
Balance at end of previous reporting period	**496,460**	740,696	1,237,156
Net Result for year	**2,106**		2,106
Other Comprehensive income		0	0
	498,566	**740,696**	**1,239,262**

Schedule 5: Summary of Operating and Capital Investment Activities

		2022 $	2021 $
	Operating Revenue	129,231	125,885
	***Less* Operating Expenses**	(128,276)	(126,060)
	Operating Surplus/(Deficit) before Capital Amounts	955	(175)
Less	**Net Outlays on Existing Assets**		
	Capital expenditure on renewal and replacement of existing assets	23,559	27,776
	Less Depreciation, Amortisation and Impairment	(33,920)	(33,593)
	Less proceeds from sale of Replaced Assets	(959)	(927)
		(11,320)	(6,744)
Less	**Net Outlays on new and Upgraded Asses**		
	Capital expenditure on New and Upgraded assets	23,571	7,901
	Less amounts received specifically for New and Upgraded assets	(3,731)	(2,081)
	Less proceeds from Sale of Surplus Assets	0	0
		19,840	5,820
Equals	**Net Lending / (Borrowing) for Financial year**	**(7,565)**	**749**

Schedule 6: Statement of Financial Indicators

Key Financial Indicators

	2022	2021
Operating surplus/deficit - $'000	955	(175)
Operating surplus ratio	0.7%	(0.1%)
Net Financial Liabilities - $'000	79,561	74,396
Net Financial Liabilities ratio	61.6%	59.1%
Interest cover ratio	1.3%	1.4%
Asset sustainability ratio (AMP)	95.8%	107.3%

Attachment D - Rating Policy

Rating Policy

Reference Number:	4.24
Type:	Council
Category:	Finance Policy
Relevant Community Plan Outcome:	• Adaptive and sustainable management of the City's finances • Practise transparent and accountable governance
Responsible Officer(s):	Manager Financial Services
First Issued/Approved:	June 2001
Minutes Reference:	Cl 28/6/2021 Item 6.59
Last Reviewed:	June 2021
Next Review Due:	June 2022
Applicable Legislation:	Local Government Act 1999 Local Government (Financial Management) Regulations 2011
Related Policies:	Nil
Related Procedures:	Nil

1. Purpose

This document sets out the policy of the City of Charles Sturt for setting and collecting rates from its community. The policy covers:

- the method used to value land
- adoption of valuations
- business impact statement
- Council's revenue raising powers
- differential general rates
- minimum rate
- Regional Landscape levy (the Council's collection role)
- pensioner concessions
- unemployed persons concessions
- self-funded retirees concession
- payment of rates
- rebate of rates
- rate capping
- remission of rates
- postponement of rates
- late payment of rates
- sale of land for non-payment of rates
- changes to assessment record
- disclaimer

2. Scope

Strategic Focus

In setting its rates for the 2021/22 financial year Council has considered the following:

- its Community Plan 2020-2027 Charles Sturt – A Leading, Liveable City*;*
- its Long Term Financial Plan Estimates 2021-2031;
- its Budget Principles;
- the current economic climate;
- the specific issues faced by our community;
- the Annual Business Plan and Budget for the 2021/2022 financial year;
- the impact of rates on the community;
- the impact of rates on businesses;
- the relationship between Council objectives and rating strategy;
- Council's debt strategy;
- required funding for future asset replacement;
- the impact of differential changes in property valuations across the City;
- as may be relevant, issues of consistency and comparability across Council areas in the imposition of rates on sectors of the community such as business; and
- issues of equity arising from circumstances where ratepayers provide or maintain infrastructure that might otherwise be provided or maintained by Council and whether discretionary rebates will be granted.

Copies of Council's Community Plan and Annual Business Plan and Budget are available for inspection at the Charles Sturt Civic Centre, 72 Woodville Road, Woodville or on our website at www.charlessturt.sa.gov.au

3. Policy Statement

COMMUNICATION OF THE POLICY

Section 123 of the Local Government Act 1999 requires a Council to prepare an Annual Business Plan and Budget. As per Section 123 (2) (d) the annual plan must set out the rates structure and polices for the financial year. A summary of the Annual Business Plan must be included with the first rates notice.

METHOD USED TO VALUE LAND

Councils may adopt one of three valuation methodologies to value the properties in their areas. They are:

- *Capital Value* – the value of the land and all the improvements on the land.
- *Site Value* – the value of the land and any improvements which permanently affect the amenity of use of the land, such as drainage works, but **excluding** the value of buildings and other improvements.
- Annual Value – a valuation of the rental potential of the property.

The City of Charles Sturt has decided to continue to use Capital Value as the basis for valuing land within the Council area. The Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers because property value is considered a reasonable indicator of income and capital value, which closely approximates the market value of a property and provides the best indicator of overall property value.

ADOPTION OF VALUATIONS

A Council may employ or engage a valuer to value the land in the area or it may use the valuations provided by the Valuer-General, or it may use a combination of both subject to certain restrictions. The Valuer-General is a statutory officer appointed by the Governor.

The City of Charles Sturt has adopted the most recent valuations made by the Valuer-General. If a ratepayer is dissatisfied with the valuation made by the Valuer-General then the ratepayer may object to the Valuer-General in writing, within 60 days of receiving the notice of the valuation, explaining the basis for the objection, provided they have not:

(a) previously received a notice of this valuation under the Local Government Act, in which case the objection period is 60 days from the receipt of the first notice; or

(b) previously had an objection to the valuation considered by the Valuer-General.

It is to be noted, however that regardless of the 60 day limitation period before lodging an objection to the valuation the Valuer-General may, for good reason, determine to accept an objection lodged outside this time period.

OBJECTION TO VALUATION

A person may object to a valuation of the Valuer-General by notice in writing, setting out the reasons for the objections, and the Valuer-General must consider the objection. If the person then remains dissatisfied with the valuation the person has a right to a review. Applications must be made within 21 days of receipt of the notice of the decision (in relation to the objection) from the Valuer-General. A payment of the prescribed fee for the review to be undertaken together with the review application must be lodged in the State Valuation Office, who will then refer the matter to an independent Valuer. If the person remains dissatisfied with the valuation then they have a right of appeal to the Land and Valuation Court (Section 24, 25A, 25B & 25C of the Valuation of Land Act 1971).

The address of the State Valuation Office is 101 Grenfell Street, Adelaide SA 5000 (GPO Box 1354, Adelaide SA 5001) and the telephone number is 1300 653 346 (general enquiries) 1300 653 345 (objections enquiries).

Note: Council has no role in the process of considering an objection to a valuation.

It is also important to note that the lodgement of an objection does not change the due date for the payment of rates.

NOTIONAL VALUES

Certain properties may be eligible for a notional value, where the property is the principal place of residence of a ratepayer, under the Valuation of Land Act 1971. This relates to some primary production land or where there is State heritage recognition.

Any owner that believes that they are entitled to a 'notional value' must apply in writing to the State Valuation Office.

BUSINESS IMPACT STATEMENT

The Council has considered the impact of rates on businesses in the Council area, including primary production. In considering the impact, Council assessed the following matters:

- those elements of the Council's strategic management plans relating to business development;
- the current and forecast economic climate as identified in Council's environmental scan;
- operating and capital projects for the coming year that will principally benefit industry and business development within the City;
- movement in the Consumer Price Index (CPI) and other relevant indices such as the Local Government Price Index (LGPI) ;
- valuation changes in commercial and industrial properties across the City as compared with valuation changes in residential properties across the City;
- Coronavirus (COVID19) pandemic and impact on business profitability

COUNCIL'S REVENUE RAISING POWERS

All land within a Council area, except for land specifically exempt (eg Crown land, Council occupied land and other land prescribed in the Local Government Act – refer Section 147 of the Act), is rateable. The Local Government Act provides for a Council to raise revenue for the broad purposes of the Council through a general rate, which applies to all rateable properties, or through differential general rates, which apply to classes of properties. In addition, Council can raise separate rates, for specific areas of the Council or service rates or charges for specific services. The Council also raises revenue through fees and charges, which are set giving consideration to the cost of the service provided and any equity issues. The list of applicable fees and charges is available at the Charles Sturt Civic Centre, 72 Woodville Road, Woodville or on our website at www.charlessturt.sa.gov.au. A Goods and Services Tax at a rate determined under the Goods and Services Tax Act 1999 will be charged on those fees not given exemption under the Act.

DIFFERENTIAL GENERAL RATES

At its meeting on 28 June 2021 Council decided to raise rate revenue of $114,489,363 in a total operating revenue budget of $129,230,938. The Council has set the following differential general rates.

(a) 0.251333205 cents in the dollar on rateable land of category (a) residential;
(b) 0.8257940730 cents in the dollar on rateable land of categories (b) Commercial – shop; (c) Commercial - Office and (d); Commercial – other use;
(c) 0.9786911610 cents in the dollar on rateable land of rateable land of categories (e) Industry – Light and (f); Industry – other;
(d) 0.5126956430 cents in the dollar on rateable land of category (g) Primary Production;
(e) 0.810320568 cents in the dollar on rateable land of category (h) Vacant Land;
(f) 0.3829083540 cents in the dollar on rateable land of category (i) Other.
.

Land use is a factor to levy differential rates. If a ratepayer believes that a particular property has been wrongly classified by the Council as to its land use, then the ratepayer may object to that land use (to the Council) within 60 days of being notified. The objection must set out the basis for the objection and details of the land use that, in the opinion of the ratepayer, should be attributed to that property. The Council may then decide the objection as it sees fit and notify the ratepayer. A ratepayer also has the right to appeal against the Council's decision to the Land and Valuation Court.

Objections to Council's land use decision may be lodged with the City of Charles Sturt, 72 Woodville Road, Woodville. A ratepayer may discuss the matter with one of Council's Customer Contact Officers on phone number 8408 1111 in the first instance. The Council will provide, on request, a copy of Section 156 of the Local Government Act 1999 which sets out the rights and obligations of ratepayers in respect of objections to a land use.

Note: Lodgement of an objection does not change the due date for the payment of rates.

MINIMUM RATE

A Council may impose a minimum amount payable by way of rates, provided that it has not imposed a fixed charge. 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.

The Council has decided to impose a minimum rate of $1,105. The reason for imposing a minimum rate is to ensure that all residents contribute towards the provision of basic services at a reasonable level.

REGIONAL LANDSCAPE LEVY

The City of Charles Sturt is within the area covered by the Green Adelaide Board and is required under the Landscape South Australia Act 2019 to fund the operations of the Board. It does so by imposing a separate rate against rateable properties within its area of 0.00932000 cents in the dollar, based on the Capital Value of rateable land within the City.

The City of Charles Sturt is operating as a revenue collector for the Green Adelaide Board in this regard. Revenue from this levy is not retained by the Council, nor does the Council determine how the revenue is spent.

PENSIONER CONCESSIONS

If you are an eligible pensioner you may be entitled to a cost of living concession. This concession is paid directly into the individual's bank account and can be used towards either electricity, gas, water bills or council rates.

Application forms are available by contacting the Concession Hotline on 1800 307 758 or at www.sa.gov.au/concessions.

Applications are administered by the State Government. Payment of rates must not be withheld pending assessment of an application by the State Government as penalties apply to unpaid rates.

CONCESSIONS FOR SELF-FUNDED RETIREES

The State Government has determined that self-funded retirees meeting certain conditions may also be entitled to cost of living concession. This concession is paid directly into the individual's bank account and can be used towards either electricity, gas, water bills or council rates.

Application forms are available by contacting the Concession Hotline on 1800 307 758 or at www.sa.gov.au/concessions.

Payment of rates must not be withheld pending assessment of an application by the State Government as penalties apply to unpaid rates.

PAYMENT OF RATES

As required by Section 181 (1) of the Local Government Act 1999, ratepayers may pay their rates in four approximately equal instalments, payable in the months of September, December, March and June of the financial year for which the rates are declared.

In cases where the initial account requiring payment of rates is not sent at least 30 days prior to this date, or an amended account is required to be sent, the Chief Executive has the authority to fix the date by which rates must be paid for these assessments.

The Chief Executive also has the authority to enter into agreements with principal ratepayers relating to the payment of rates in any case where he considers it necessary or desirable to do so.

Rates may be paid by cheque, money order, cash, EFTPOS or credit card (except Diners Card and American Express):
Personally at the following Council Service Centres:

- Charles Sturt Civic Centre, 72 Woodville Road, Woodville
- 378 Seaview Road (cnr North Street), Henley Beach*
- West Lakes Library, cnr Brebner Drive and West Lakes Boulevard, West Lakes*
- Hindmarsh Library, 149 Port Road, Hindmarsh*
- Findon Library, Cnr Grange and Findon Roads

or at

- any **Australia Post** outlet

* **Note**: For security reasons cash payments are only accepted at the Charles Sturt Civic Centre and Australia Post outlets.
By telephone using:

- B-pay and Bpay view through your participating bank
- National Australia Bank phone 1300 609 653

By mail:
- Addressed to City of Charles Sturt, PO Box 1 Woodville SA 5011

By internet:
- Through Council's website at www.charlessturt.sa.gov.au
- or Australia Post at www.postbillpay.com.au

By Direct Debit:
- Quarterly.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment arrangements is invited to contact Council's Rate Enquiries on 8408 1111 to discuss alternative payment arrangements. Such enquiries are treated confidentially by the Council.
Note: Late payment fines and interest may still apply.

LATE PAYMENT OF RATES / DEBT RECOVERY

The Local Government Act provides that Councils impose a penalty of 2% on any payment for rates, whether instalment or otherwise, that is received late. A payment that continues to be late is then charged an interest rate, set each year according to a formula in the Act, for each month it continues to be late. Interest charged on late payments is charged on both the amount of the rate arrears and any interest that has previously been imposed. The purpose of this penalty is to act as a genuine deterrent to ratepayers who might otherwise fail to pay their rates on time, to allow Councils to

recover the administrative cost of following up unpaid rates and to cover any interest cost the Council may incur because it has not received the rates on time.

The prescribed interest rate for the 2021/22 financial year has not yet been declared. When the interest rate is declared the Council will publish the rate on its public website.

The City of Charles Sturt imposes late payment penalties strictly in accordance with the Local Government Act. The ability to remit penalties in whole or part is a power vested in Council. At the City of Charles Sturt each case will be considered on its merit based on the information provided.

DEBT RECOVERY

The Council will apply prudent debt collection practices in the recovery of outstanding rates in compliance with the Local Government Act 1999 and following an ongoing assessment of arrears and systematic approach to debt recovery.

Rates which are not paid by the due date as specified on the council rates notice will be subject to the following recovery procedure

1. fines and interest as provided by the Act will be added;
2. an overdue notice will be forwarded within 7 days of the imposition of a late payment penalty;
3. the debt will be placed in the hands of a debt collector if payment or arrangement for payment is not made within 7 days. A notice of intention to issue a claim will be forwarded by the debt collector; and
4. court proceedings will be instigated if the payment is still overdue after 21 days.

All fees and court costs are recoverable from the ratepayer.

When Council receives a payment in respect of overdue rates the Council applies the money received as follows:

- firstly – to satisfy any costs awarded in connection with court proceedings;
- secondly – to satisfy any interest costs;
- thirdly – in payment of any fines imposed; and
- fourthly – in payment of rates, in date order of their imposition (starting with the oldest account first).

REBATE OF RATES

Under the Act

The Local Government Act requires Council to rebate the rates payable on some land. Specific provisions are made for land used for health services, community services, religious purposes, public cemeteries, the Royal Zoological Society and educational institutions. These rebates vary from 25% to 100% and will be applied upon application and or verification of existing status.

Discretionary

Discretionary rebates of up to 100% may be applied by the Council under Section 166 of the Act. However as per Councils rate rebate policy it is recognised that Council has a requirement to balance the benefits of supporting community organisations, with the impact that such rebates have on our overall rating income. To promote the transparency of this process, Council has adopted a Rates Rebate Policy. A copy of this policy is available at the Charles Sturt Civic Centre or on Council's website at www.charlessturt.sa.gov.au
These rebates will be applied upon application.

Residential Construction

Under Section 166 (1) (a) of the Act, and for the purpose of securing the proper development of the area, a rebate of general rates for the 2021/22 financial year will be granted in respect of an Assessment classed as vacant land in the Council's Assessment Book where the land is in a Residential Zone or a Residential Historic (Conservation) Zone in the Development Plan, or any replacement zone created by the authorisation of a Plan Amendment Report applicable to the Council's area:

(a) if the Principal Ratepayer of the Assessment applies to the Council for the rebate prior to 30 June 2022; and
(b) a dwelling has been substantially commenced on the property by 30 June 2022, and
(c) the Council is satisfied that the intention of the Principal Ratepayer is to reside in that dwelling upon completion for at least 1 year.

The amount of the rebate is determined based on the timing of the pouring of the footings. If the footings are poured prior to 31 December 2021 a full rebate will be given but if the footings are poured after 31 December 2021 a 50% rebate will be given with the rebate being the difference in monetary terms between the rates that would have been paid in respect of the Assessment if it had been used at the date of declaration of the rates for residential purposes and the actual amount paid after deducting any other rebate granted within the rating period.

It is the intention of this rebate to only apply to one dwelling and to the ratepayer who will reside in Charles Sturt and consequently where multiple dwellings are proposed on Land (with or without division of the land occurring) the rate rebate will apply to only one of the dwellings, on a pro-rata basis. For example, if four dwellings are being constructed on the Land, provided the above criteria is met, the owner will

be entitled to 25% of the applicable rebate (being the rebate determined according to when the footings are poured).

If the principal ratepayer is a body corporate the rebate will only be applied if one of the directors or office holders will reside in the dwelling for at least 1 year.

Rate Capping

To provide relief against what would otherwise amount to a substantial change in rates payable by a ratepayer due to rapid changes in valuation, a rebate of general rates for the 2021/22 financial year will be granted to the Principal Ratepayer of an Assessment under Section 166 (1) (l) of the Act, either by the Council of its own initiative where the Council is in possession of sufficient information to determine the entitlement to the rebate or otherwise on application to the Council, where the amount of any increase in rates in respect of that Assessment in monetary terms between the amount of general rates payable for the 2020/21 financial year (after any rebate was applied) and the amount of general rates imposed for the 2021/22 financial year, is greater than 12.5%. The amount of the rebate will be the difference between the amount of general rates in monetary terms imposed for the 2021/22 financial year and the amount of general rates in monetary terms payable for the 2020/21 financial year (after any rebate was applied but prior to deducting any concessions) plus 12.5% of that amount.

The rebate will not apply where:

(a) any such increase is due in whole or part to an increase in valuation of the land in the Assessment because of improvements made to it worth more than $20,000, or

(b) any such increase is applicable to the use of land being the categories of commercial, industrial, primary production, vacant land and other.

(c) any such increase is due in full or part to the use of the land being different for rating purposes on the date the Council declared its general rates for the 2021/22 financial year than on the date the Council declared its general rates for the 2020/21 financial year, or

(d) the ownership of the rateable property has changed since 1 July 2020

Postponement of Rates for Seniors

Under Section 182 A of the Act a postponement of rates may be granted to persons meeting the requirements of Section 182A (1). A 'senior' for these purposes is a person who holds a current State Seniors Card issued by the State Government or who has the qualifications to hold such and has applied for the card but is yet to be a issued with it. A postponement is available to a 'senior' (or the spouse of a senior) in respect of all rates payable on the principal place of residence that is owned only by the senior or the senior and his/her spouse. A postponement for these purposes must be applied for (to the Council) and where the above criteria are met will result in all rates over $500 being postponed. The postponed amount will incur interest. For further information about this scheme go to www.localgovt.sa.gov.au/seniors.

Rate Relief – Commercial and Industrial

To provide relief against what would otherwise amount to a substantial change in rates payable by a ratepayer due to rapid changes in valuation, a rebate of general rates for the 2021/22 financial year will be granted to the Principal Ratepayer of an Assessment under Section 166 (1) (l) of the Act, either by the Council of its own initiative where the Council is in possession of sufficient information to determine the entitlement to the rebate or otherwise on application to the Council, where the amount of any increase in rates in respect of that Assessment in monetary terms between the amount of general rates payable for the 2020/21 financial year (after any rebate was applied) and the amount of general rates imposed for the 2021/22 financial year, is greater than 5%. The amount of the rebate will be calculated as 50% of the first quarterly instalment for the 2021/22 year and applied to the total rates payable for the financial year.

The rebate will not apply where:

(a) any such increase is applicable to the use of land being the categories of residential, primary production, vacant land and other.

(b) any such increase is due in full or part to the use of the land being different for rating purposes on the date the Council declared its general rates for the 2021/22 financial year than on the date the Council declared its general rates for the 2020/21 financial year, or

(d) the ownership of the rateable property has changed since 1 July 2020.

Applications

All applications for rebates, remissions or postponements must be in writing, addressed to the Chief Executive, City of Charles Sturt, 72 Woodville Road, Woodville SA 5011 and include sufficient details to identify the relevant property and support the application.

Application forms are available from council's website at www.charlessturt.sa.gov.au.

Further information on rebates is available from a Customer Contact Officer at the Council Offices, 72 Woodville Road, Woodville or on telephone 08 8408 1111 .

SALE OF LAND FOR NON-PAYMENT OF RATES

The Local Government Act provides that a Council may sell any property where the rates have been in arrears for three years or more. The Council is required to provide the principal ratepayer and the owner (if not the same person) with details of the outstanding amounts and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month. The City of Charles Sturt enforces the sale of land for non-payment of rates after 3 years or more in accordance with the provisions of the Act.

Land which is exempted for non-payment of rates as per Section 185 of the Local Government Act 1999 Charles Sturt enforces its application as part of its policy.

CHANGES TO ASSESSMENT RECORDS

All changes to postal address or name of a ratepayer/owner and changes of ownership of a property must be notified promptly to Council in writing; letter, or email.

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 a Customer Contact Officer at the Council Offices or on telephone 8408 1111 to discuss the matter. If, after this initial contact, a ratepayer is still dissatisfied they should write to the Chief Executive, City of Charles Sturt, 72 Woodville Road, Woodville SA 5011 (email: council@charlessturt.sa.gov.au) explaining the nature of their concern.

APPENDIX A

Summary of legal position relating to the setting and collection of rates

Local Government Act 1999

A Council may impose general rates, separate rates, service rates and service charges on land in its area (Section 146). Generally, all land within a Council area is rateable unless it is specifically exempt by section 147 of the Act. Such exemptions include crown land, land used for public educational purposes and Council occupied land. A Council must adopt an annual business plan each year which amongst other things sets out the Council's objectives for the year and the broad rates structure and policy framework within which the Council rates its area. A summary of the Annual Business Plan must accompany the first rates notice.

A rate is to be based on the value of the land multiplied by a 'rate in the dollar' set each year by the Council. The basis of valuation is to be capital value, site value or annual value (Section 151). Land must be valued by either the Valuer-General or a valuer engaged or employed by the Council (Section 167). Objections may be lodged against a valuation made by a valuer engaged or employed by the Council (Section 169) or by the Valuer-General (Valuation of Land Act). Differential general rates can be declared for land according to the location or the specific use (eg residential) of the land.

As part of the general rate a fixed charge may apply which means that the same amount is payable irrespective of the value, use or location of the property. The fixed charge may only be imposed against the whole of an allotment and only one fixed charge may be imposed against two or more pieces of contiguous land owned by the same owner and occupied by the same occupier or a single farm enterprise (Sections 148 & 152).

A Council may fix a minimum amount payable by way of rates or it may alter the amount to be paid by properties within a specific range of values, but may not do so if it has imposed a fixed charge. The minimum rate may only be imposed against the whole of an allotment (which can include land under a separate lease or license) and only one minimum rate is payable by two or more pieces of contiguous land owned by the same owner and occupied by the same occupier. The minimum rate must not be applied to supported accommodation or independent living units within the same group or complex of units. The minimum rate and altered rates must not apply to more than 35% of the properties in a Council area (Section 158).

A Council may declare either a general rate or differential general rates based on the use of the land, the locality of the land, the locality and the use of the land or (where particular circumstances apply) some other basis determined by the Council (Sections 153 & 156). A Council may declare a separate rate (or differential separate rates) on rateable land where a specific project is being undertaken to benefit the land or the occupiers of the land, which can be only a portion of the land in a Council area (Section 154). A Council may impose service rates and/or charges against land for any prescribed service it provides or makes available to the land.

A service charge is also payable in relation to non-rateable land. Prescribed services are the treatment or provision of water, the collection, treatment or disposal (including by recycling) of waste and television transmission (or retransmission) services (Section 155).

Rates are a charge against the land (Section 177). The owner of the land (unless the Council is advised otherwise) is the principal ratepayer and rates may be recovered as a debt against the principal ratepayer. In certain cases the occupier of the land may be classed as the principal ratepayer.

All ratepayers may pay rates in four quarterly instalments and a Council may grant discounts or incentives to encourage early or prompt payment of rates (Section 181). A Council may also make arrangements with ratepayers for other instalment provisions to apply (Section 181). If an instalment of rates is not paid by the due date then the Act provides for a Council to impose a fine of 2% on the unpaid instalment and, if the instalment continues to be unpaid, to charge a prescribed interest rate (set each year by a formula in the Act) on the unpaid instalment (including interest previously charged), on a monthly basis. The Council may remit such penalties in whole or in part (Section 181). Where rates become unpaid for a period of more than three years a Council may sell the land to recover the unpaid rates (Section 184).

A Council may remit or postpone the payment of rates, on the application of the ratepayer, if the payment of the rates would impose hardship on the ratepayer (Section 182).

A Council must rebate the payment of rates for land used for various purposes – health services, community services, religious purposes, public cemeteries, the Royal Zoological Society, educational institutions – as provided in Sections 159 to 165 of the Act. A Council may also provide discretionary rebates on the payment of rates (up to 100% of the rate for a period of up to ten years) on land used for a range of purposes, including for the securing the proper development of the land, for the preservation of buildings or places of historic interest, for the provision of facilities or services for children or young persons and for the provision of accommodation for the aged or disabled (Section 166).

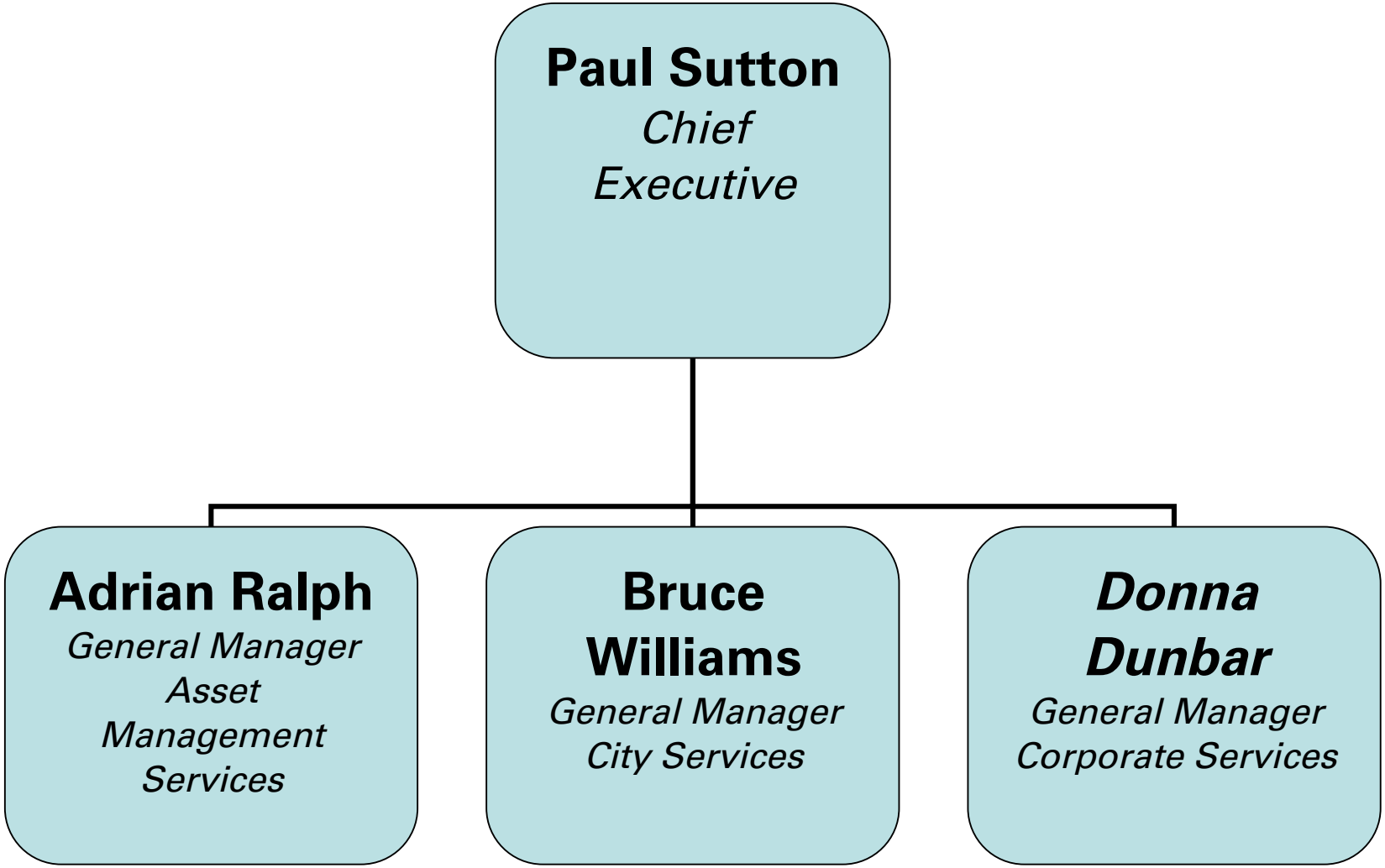
A Council must also postpone all rates over $500, on application by a 'senior' who satisfies the various criteria set out at Section 182A of the Act.

Note: A copy of the Local Government Act 1999 is available for inspection at the Charles Sturt Civic Centre, 72 Woodville Road, Woodville or on the SA State Government website at www.legislation.sa.gov.au

Attachment E – Council Organisational Chart and Divisional Functions

[Attachment E consists of 3 pages.]

Council Organisational Chart



Council Divisional Functions

Chief Executive	Asset Management Services	City Services	Corporate Services
• Chief Executive's Office • Mayor's office	• Engineering & Construction - Road Maintenance and Construction - Urban Design - Weed Control - Footpaths - Stormwater and Water infrastructure - Waste Management - Street lighting - Traffic Management • Open Space and Recreation - Coastal - Arboriculture (Trees) - Parks and Gardens - Open Space Planning - Horticultural Maintenance - Recreational Management • Fleet management • Property Management, Maintenance & RRT - Property Maintenance - Property Management - Rapid Response Team • Environmental management - Coordination of 'Towards One Planet Living: Greening the Western Suburbs' strategies • Asset management - Asset management planning	• Libraries • Customer Contact - Facility bookings - Customer Service • Community Services - Community Care - Community Development - Youth Services - Crime Prevention - Community Centres - Graffiti removal - Volunteers • Public Health & Safety - Environmental Health - Animal Management - Parking - Permits - Licences - Immunisation • Planning & Development - Development Assessment - Development Control • Urban Planning - Planning Policy - Economic development - Cultural development	• Information Systems - Information Technology - GIS • Financial Services - Rates - Accounting services - Budget Development & Management • Governance & Operational Support - Council Member Support - Security - Procurement - Risk Management - Contract Management - Work Health and Safety • People and Culture - Organisational Culture - Recruitment - Staff Training Needs - Payroll - Industrial Relations • Marketing and Communications - Marketing - Graphic Design - Communications Records Management • Water business unit operations - Sale of recycled water

Attachment F – Capital Projects for renewal of council's existing assets for 2021/22

Name	Budget Bid Description	Budget Bid Income $ 2021/22	Budget Bid Expenses $ 2021/22	Net Budget Bid $ 2021/22
Contribution for the West Beach Surf Life Saving Club Upgrade Bid ID PBB-00001024	Renewal of the West Beach Surf Lifesaving Club building in line with the PLEXUS model for the renewal of surf lifesaving clubs across the state. Council will contribute 33% of the total construction cost with the balance to be provided by the State Government (56%) and the West Beach Surf Life Saving Club (11%) The new clubroom will remain at the existing location. Construction is anticipated to commence in the last quarter of the financial year with works undertaken over two financial years. The LTFP shows the work being done in 20/21.	$0	$1,600,000	$1,600,000
Renewal of fire alarm panel, fire alarms and thermal detectors at Beverley Centre Bid ID PBB-00001209	Beverley Centre - Renewal of fire alarm panel, fire alarms and thermal detectors as they are over 10 years old and needs to be replaced as per regulation.	$0	$40,000	$40,000
Asset Contingency Building Works Bid ID PBB-00001213	this Project is for the contingency funding across all Council building assets for emergency breakdowns, including hotwater services, electrical and gas stoves, whitegoods,	$0	$130,000	$130,000

	switchboards and air conditioners. it also allows for emergency building works, building stormwater services, sewer and minor building works, in five aged care complexes (91 units), 50 sporting clubs, commercial properties civic and admin buildings, community centre and libraries, community halls and toilet facilities			
Office Furniture Renewals Bid ID PBB-00001214	There is a requirement to continually update office furniture in council operated properties, including Community Centres, libraries, the Beverley centre, The Civic Centre and other council occupied Facilities regularly. This is to ensure furniture remains safe and functional.	$0	$45,000	$45,000
DDA Access Ramp Renewal Program 2021/22 Bid ID PBB-00001215	Renewal of access ramps associated with capital works road and path programs and in response to requests from the community for improved ramp access.	$0	$145,000	$145,000
Path Renewal Program 2021/22 Bid ID PBB-00001216	Renewal of paths in line with CCS Transport Asset Management Plan recommendations and endorsed 4 year works program.	$0	$1,516,000	$1,516,000
AMP Council Building Renewals Bid ID PBB-00001222	Council building renewal works based on the condition and the remaining life of the component. As listed in the description within the Property Services - Council Owned Buildings Asset Management Plan 19/129427 and the AMP renewals list 20/318163.	$0	$877,000	$877,000
Smith Reserve Girl Guide Hall - toilet renewal and external access path	Internal toilet renewal works including construction of external DDA access path	$0	$35,000	$35,000

Bid ID PBB-00001230				
AMP Pedlar Reserve Clubrooms- Concept planning for whole of building renewal Bid ID PBB-00001231	Obtain concept and design documentation for whole of building renewal for Pedlar Reserve Clubrooms as per the program of works outlined in the Council Building Asset Management Plan (19/129427)	$0	$70,000	$70,000
Public Lighting Renewal Program 2021/2022 Bid ID PBB-00001234	Renewal of lighting in the following areas with energy efficient LED lighting, including new poles, wiring and fittings: - George Jones Reserve RTLP - Tiranna Way (between Tirranna Reserve boundary and Maramba Reserve entrance)	$0	$200,000	$200,000
Stormwater - Drain Renewal - Port Road West Hindmarsh Drain - Bertie Street to Bourn Avenue Bid ID PBB-00001246	Replace existing drain in poor service and structural condition between Bertie Street and Bourn Ave Hindmarsh	$0	$1,315,000	$1,315,000
Bus Stop Renewals 2021/22 Bid ID PBB-00001254	Renew remaining bus stops, to bring them in line with the requirements of the Disability Discrimination Act (DDA), including adequate clear space, tactile ground surface indicators and access to the bus stop. Bus stops will be renewed in line with the Department for Infrastructure and Transport's standard layout where possible, or to meet DDA	$0	$180,000	$180,000

	requirements as a minimum, which provides a boarding area and access to the stop, as required under the DDA legislation by 31/12/2022. The project includes a review of all bus stops and paths/ramps to the bus stops, and renewal of any additional assets in order to close the program.			
21/22 Concrete and Block Paving Footpath and Kerb and Gutter Defect Program Bid ID PBB-00001255	Renewal of sections of footpaths and kerb and gutter in line with CCS Asset Management Plan recommendations and endorsed 4 year works program	$0	$1,800,000	$1,800,000
Stormwater - Drain Renewal Program 2021/2022 Bid ID PBB-00001285	Renewal of stormwater drains in line with the Draft Water Asset Management Plan recommendations and condition audits which have been scoped for renewal or which provide strategic benefit.	$0	$200,000	$200,000
Stormwater - Pump Stations - Componentry Renewal Program 2021/2022 Bid ID PBB-00001286	Renewal of stormwater pump station components in line with the Draft Water Asset Management Plan recommendations and condition audits that have been scoped for renewal or which provide strategic benefit.	$0	$300,000	$300,000
Carpark Renewal Program of Works 2021/22 Bid ID PBB-00001291	Renewal of Carparks in accordance with the Asset Management Plan renewal and upgrade program which includes Pt Malcolm Carpark Upgarde and Henley & Grange Memorial Oval Carpar renewal. The following assets are included in this plan: All construction types of	$0	$720,000	$720,000

	carpark surface (Asphalt, paving and rubble) Carpark kerb & gutter and wheel stops Access roads Access road kerb & gutter			
Road Rehabilitation Program of Works 2021/22 Bid ID PBB-00001292	Road Rehabilitation – involves the application of the following treatment to extend the useful life of road pavements: • Crack Sealing • Kerb & Gutter Renewal • Rejuvenation treatment • Preservation treatment • Asphalt overlay treatment • Plane and Reinstate treatment The proposed Road Rehabilitation Program of works for 2021/22 include streets in Bowden, Croydon, Flinders Park, Fulham Gardens, Henley Beach, Henley Beach South, Kilkenny, Royal Park, Seaton, West Hindmarsh, West Lakes, West Lakes Shore, Woodville South and Woodville West.	$0	$4,595,000	$4,595,000
Light Fleet Replacement Program Bid ID PBB-00001315	To replace Light Fleet that has reached the optimum replacement point in accordance with the Fleet Asset Management Plan (CL 25/05/2020, Part 2.2.1 Item 4.40) to provide fit for purpose vehicles.	$632,004	$1,153,471	$521,467
AMP Playground Renewals 2021/22 Bid ID PBB-00001326	To renew playgrounds in 2021/22, as outlined in the endorsed Open Space & Recreation Infrastructure Asset Management Plan (AMP), Locations include Pedlar Reserve, Collins Reserve, Smith Reserve,	$0	$1,284,632	$1,284,632

	McMahon Reserve, John Keeley Reserve, Devonshire Reserve and Henley & Grange Memorial Oval.			
AMP Irrigation Renewals 2021/22 Bid ID PBB-00001328	Renewal of irrigation systems and controllers, in line with the endorsed Open Space and Recreation Asset Management Plan (AMP). 19/205581	$0	$463,620	$463,620
AMP Reserve & Street Furniture Renewals 2021/22 Bid ID PBB-00001331	Reserve & street furniture renewals as outlined in the endorsed Open Space & Recreation Infrastructure Asset Management Plan (AMP). 19/205581	$0	$56,719	$56,719
Collaborative Wi-Fi Renewals Bid ID PBB-00001332	Cities of Marion and Charles Sturt have aging Wi-Fi infrastructure that requires updating and replacement with infrastructure that will support staff working flexibly across the organisation. Improved Wi-Fi infrastructure is required to support the increase in demand driven by wireless smart devices including laptops and 2-n-1 devices that require data-intensive, high-speed connections to business applications and services. This project will replace the existing Wi-Fi technology with modern infrastructure and will be a joint project with CoM and CCS.	$0	$134,500	$134,500
AMP Fences, Walls & Bollards Renewals 2021/22 Bid ID PBB-00001333	Renewal of fences, walls & bollards in 2021/22, in accordance with the Open Space & Recreation Infrastructure Asset Management Plan (AMP).	$0	$276,378	$276,378

Road Reconstruction Program of Works 2021/22 Bid ID PBB-00001336	The reconstruction of road pavements and associated kerb and gutters that have reached the end of their useful life and/ or due to poor pavement condition it cannot be rehabilitated. The proposed Road Reconstruction Program of Works for 2021/22 includes the following: • Fiveash Place & Wadham St, Brompton • Drayton Street, Bowden • Curtis Street, Woodville South • Cedar Street, Woodville South • Crittenden Rd, Findon- DIT K&G • Port Rd, Woodville - DIT K&G	$0	$4,450,000	$4,450,000
Replace Audio Visual equipment in various meeting rooms Bid ID PBB-00001342	Refresh audiovisual equipment in Meeting rooms CC1, C3 and 19 on Green as equipment is approaching end of life and requires upgrading to maintain audio visual (AV) in line with the asset replacement program.	$0	$24,000	$24,000
Desktop PC and Laptop Replacement Program Bid ID PBB-00001343	Renew Council owned desktop PC and Laptops in accordance with Information Technology Asset Management Plan to ensure up to date technology is available to staff.	$0	$285,000	$285,000
Collaborative Unified Communications (telephony system) Renewal Bid ID PBB-00001353	Council's telephony system (PABX, desk phones and Contact Centre telephony) has reached end of life and is due for renewal as per the Information Technology Asset Management Plan. The limitations of our current telephony system have been highlighted during COVID-19, which has demonstrated the	$0	$250,000	$250,000

	importance of having suitable tools to support working flexibly, ensure business continuity and deliver a seamless experience for our customers. A cross-council procurement process is being undertaken early in 2021 with the Cities of Marion and Port Adelaide Enfield, to select a suitable Unified Communications service to meet each council's current and future needs and to potentially support further collaboration opportunities.			
Major Heavy Fleet Replacement Program Bid ID PBB-00001358	Major Heavy Plant Replacement Program to replace Council's major plant in accordance with Fleet Services Asset Management Plan 2018-2028. (CL 25/05/20, Part 2.2.1 Item 4.40)	$326,582	$1,412,749	$1,086,167
	Total	**$958,586**	**$23,559,069**	**$22,600,483**