

DRAFT ANNUAL BUSINESS PLAN 2023/24

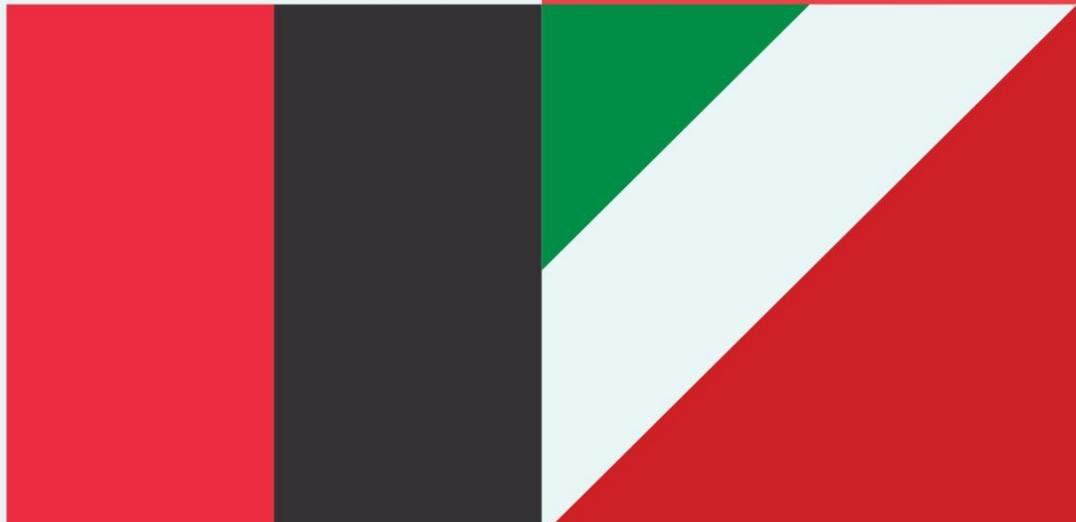
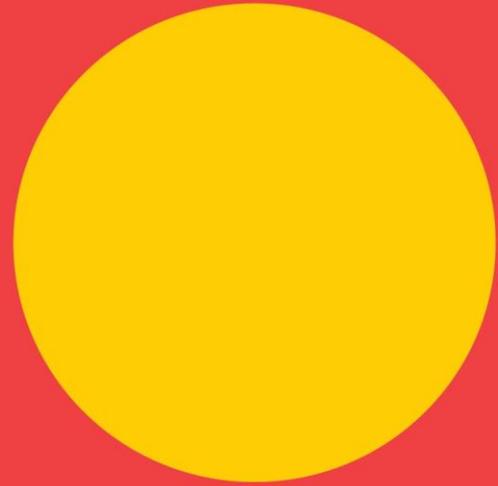
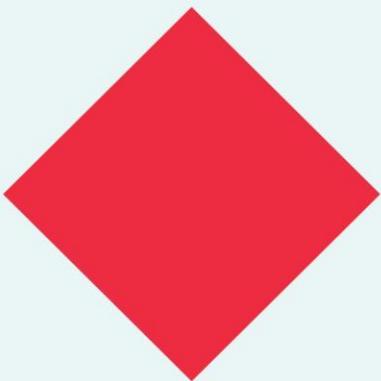


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Preamble

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, as adopted) and must be adopted before 31 August for the financial year.

Each council must therefore also prepare, as part of its budget development process, an Annual Business Plan. Each Council's Annual 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 Draft Annual Business Plan 2023/24 will be adopted by the Council of the City of Charles Sturt at its meeting on Monday 11 April 2023.

Draft Annual Business Plan 2023/24

A Guide to Reading and Using This Plan

Introduction to the City of Charles Sturt

The introductory section of the 2023/24 Annual Business Plan provides a summary of the key characteristics of the City.

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.

Strategic Priorities for 2023/24

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. Examples are provided of Council initiatives to be implemented in 2023/24 in direct response to each of the objectives.

Financial Strategy – Long Term Financial Plan and Proposed Budget Framework 2023/24

This section provides an overview of the Long Term Financial Plan endorsed by Council for the period 2023/24 until 2032/33. It explains the strategy and key indicators used to evaluate its financial position and performance. (Also refer [Attachment B](#)).

From the tabled Long Term Financial Estimates, the high level parameters for the budget 2023/24 are listed including forecasts for income, expenditure and rates.

The Chief Executive Officer provides a statement on the long term financial sustainability of the council as per the Local Government Act 1999.

What Services will we deliver to the Community?

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.

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 funded as part of the project budget. Proposed Annual Operating Projects under review for 2023/24 are listed in the section **Annual Operating Projects**.

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

Both annual operating projects and capital projects listings will be reviewed within the context of the Long Term Financial Plan parameters to determine a final list of projects for endorsement in the 2023/24 Annual Budget.

How Does Council propose to fund its Program?

This section identifies potential revenue sources for 2023/24 excluding rates.

What does it mean for Rates?

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

Measuring achievement of the 2023/24 Business Plan.

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

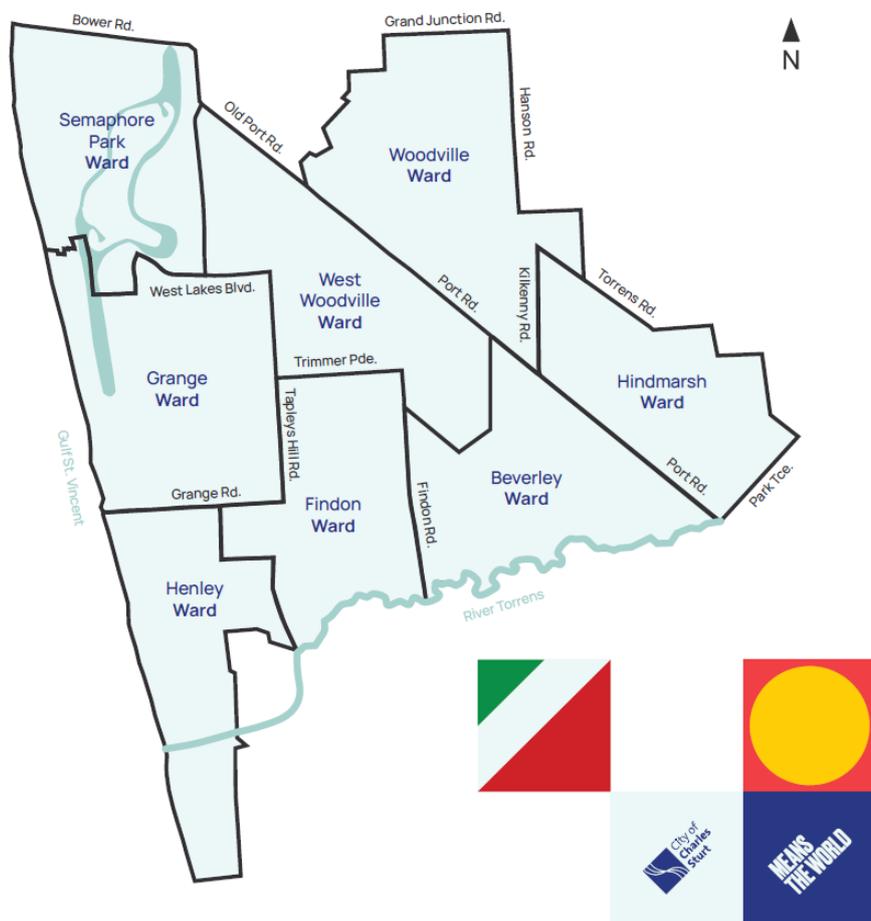
Introduction to the City of Charles Sturt

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, 56,000 rateable properties and 10,000 businesses. 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 and football stadiums, 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, predominantly along the City’s transport corridors.



Strategic Context

This Draft Annual Business Plan 2023/24 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 outcomes.

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 2023/24 budget will impact on future budgets and ensure the impact of rates is spread equitably across generations of ratepayers so that Council is financially sustainable over the long term and planned service standards 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 will be reviewed over the next 2 years.

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.

CITY OF CHARLES STURT STRATEGIC PLANS & FRAMEWORKS - ALIGNMENT TO COMMUNITY PLAN PILLARS



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



A Vision for Charles Sturt – A Leading Liveable City

The ultimate role and responsibility of Council is to provide for and respond to the needs of its community. Our Community Plan is our public commitment to our City that we value our strong and connected community, are dedicated to providing a liveable City of great places, that we passionate about delivering an environmentally sustainable future, that our economic strategies are targeted and that our leadership is bold and progressive.

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.

Strategic Priorities for Charles Sturt in 2023/24

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 2023/24 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
<p>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.</p>	<ol style="list-style-type: none"> 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.
<p>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.</p>	<ol style="list-style-type: none"> 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 3. Increase volunteer participation by promoting, creating and expanding volunteering opportunities

Our Community Plan Outcomes	Our Organisational Plan Actions
People embrace healthy living, physical activity and ageing well.	<ol style="list-style-type: none"> 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	<ol style="list-style-type: none"> 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.	<ol style="list-style-type: none"> 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.	<ol style="list-style-type: none"> 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.	<ol style="list-style-type: none"> 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

Our Community Plan Outcomes	Our Organisational Plan Actions
	<p>diverse urban densities.</p> <p>3. Develop and enhance assets in line with key Council strategies</p>
<p>Support diverse events and experiences that bring people together and contribute to the history, culture and vitality of our neighbourhoods.</p>	<p>1. Engage the community in the delivery of events in community and public spaces.</p> <p>2. Develop destinations that cultivate art, culture, place making while recognising heritage principles</p> <p>3. Develop and implement a program to promote street and place activation.</p>
<p>Drive an integrated, responsive transport system and well-maintained network of roads and paths that facilitate safe, efficient and sustainable connections.</p>	<p>1. Continue to implement improvements to our transport network to improve road safety.</p> <p>2. Invest in inclusive upgrades to the whole transport network to promote a balanced distribution of residents driving, walking, cycling and using public transport.</p> <p>3. Continue to support and advocate for shared transport options such as ride shares, car share, shared bike and scooter schemes</p> <p>4. Continue to support and advocate the uptake of electric vehicle ownership and usage</p>
<p>Enhance the diversity of open spaces to create innovative, accessible and flexible community spaces.</p>	<p>1. Create public and open spaces in conjunction with our community that are engaging, inclusive, safe and connected, and meet diverse and changing community needs.</p> <p>2. Maximise the use of Council open space and sporting facilities.</p> <p>3. Facilitate provision of and access to recreation facilities by collaborating with schools and clubs and adjoining councils</p>

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	<ol style="list-style-type: none"> 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	<ol style="list-style-type: none"> 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	<ol style="list-style-type: none"> 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 across our city, and grow the circular economy	<ol style="list-style-type: none"> 1. Take back control of the community's recyclables 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	<ol style="list-style-type: none"> 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	<ol style="list-style-type: none"> 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.	<ol style="list-style-type: none"> 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. 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	<ol style="list-style-type: none"> 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	<ol style="list-style-type: none"> 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.	<ol style="list-style-type: none"> 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.	<ol style="list-style-type: none"> 1. Develop and embed the Customer Experience Strategy. 2. Our workplaces and the way we work ensures our commitment to customer experience excellence.
We care about our people ensuring we support, develop and motivate our workforce to meet Community needs with capability and confidence.	<ol style="list-style-type: none"> 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	<ol style="list-style-type: none"> 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

Our Community Plan Outcomes	How will we achieve this?
	grant and co-funding opportunities.
5. Open and accountable governance	<ol style="list-style-type: none"> 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 implemented efficiently and effectively.

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 which were reviewed by the Audit committee at its meeting 21 February 2023 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 14 March 2023.

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 2023/24. 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 independent assessments of useful life and condition. In 2023/24 the forecast renewal program is \$32.917m, increasing to \$43.759m in 2024/25.

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.

In 2023/24 Council's contribution to the level of new/upgrade works is forecast at \$12.211m with \$10.995m in 2024/25 and \$11.165m in 2025/26.

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 \$49.5m in 2025/26 as the significant new/upgrade program nears completion and then reduces over the 10 year forecast period to nil in 2032/33. This translates to a net financial liabilities ratio that peaks in 2024/25 of 52.4% against a benchmark of 100% and interest cover ratio of 1.8% against the benchmark of 10%.

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 modelling for any preferred scenario strives to ensure that the current generation of ratepayers is paying for what it consumes and "living within its means" for the level of rates it is prepared to be levied. The operating surplus ratio therefore must have sufficient capacity so that Council can respond to unforeseen impacts on its operating costs without having to resort to a rates "shock" and /or cuts to services. This is especially important at a time when the traditional economic indicators are fluctuating significantly.

This has been evident from the adopted LTFP 2022/23 where the actual costs for 2022/23 have differed markedly from the forecasts contained in the 2022/23 LTFP forecasts. CPI forecasts are obtained from Deloitte Access Economics in an effort to obtain expert and independent assessments. However the ability of even the best experts to forecast

accurately is quite difficult at the moment with such global uncertainty and supply chain impacts.

Deloitte Access Economics forecast a CPI of 2.18% over the 2022/23 budget development process (and was basis for total rates levied in 2022/23) and now their revised forecasts of 2022/23 CPI are 6.7% with the actual December CPI for Adelaide at 8.6% and Local Government Price Index as at September 6.7%. Deloitte Access latest forecasts indicate that for 2023/24 the CPI will reduce back to 3.09% and that is the basis on which the LTFP has been developed.

However, the modelling, based on the assumptions has identified that an additional 5% increase in rates is required in 2023/24 over and above what has previously been adopted by Council in the 2022/23 LTFP of 0.5% (for the Digital Futures project DFP). This equates to a total 8.59% plus 1% growth (new properties) = 9.59% total increase in rates to ensure a sustainable operating surplus. The additional 5% is required to fund unexpected IS costs for cloud migration, Boomi licencing costs, electricity and wages increases greater than forecast in the adopted budget 2022/23 and LTFP.

From 2024/25 to 2025/26 additional imposts above forecast CPI are 0.5% and 0.3% respectively for the DFP project and allows Council to not compromise on its service delivery for other projects due to the DFP implementation.

For this level of projected rates income, annual operating projects or service level increases are forecast at \$2.5m plus 50% of the projected ERP system plus the allowance for LG elections which occur every 4 years , with \$3.214m allowed for in 2024/25.

In summary the high level parameters for 2022/23 which will be used to **guide** the development of the budget are:

- Operating surplus ratio 1.2%
- Net Financial Liabilities ratio 43.4%
- Asset renewal funding ratio 100%
- Interest cover ratio 1.5%
- Operating surplus of \$1.787m
- Proposed rates increase 8.59% **
- New property growth assumed of 1%
- Total annual operating projects \$3.214m
- Total capital (renewal) \$32.918m
- Total capital New/Upgrade \$12.211m
- Using existing CAD facilities for borrowings required

** It should be noted the high level parameters adopted act only as a guide for development of the annual budget based on the LTFP assumptions. The Council is very conscious that although the proposed rates increase is aligned to the December 2022 CPI of 8.6% every effort will be made over the development of the budget 2023/24 to reduce the overall level of rates required having regard to the capital and annual operating budgets and cost of the recurrent budget. The feedback received from our community via the consultation process, will help inform those decisions with Council targeting a rates increase, whilst still maintaining financial sustainability, of approx 7.5% or better without compromising on service delivery but achieved through cost efficiencies.

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).

Scenario Summary table of key high level parameters used as basis for development of Annual Budget for 2023/24.

City of Charles Sturt

10 Year Financial Plan for the Years ending 30 June 2033 - High Level Summary

	Audited 2021/22 \$'000	Adopted 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	2031/32 \$'000	2032/33 \$'000
CPI Increase - Deloitte Access Economics (DAE)		2.18%	3.09%	2.44%	2.48%	2.53%	2.50%	2.37%	2.26%	2.32%	2.41%	2.38%
Extra Impost 2023		0.30%	0.50%	0.50%	0.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Extra Impost 2024			5.00%	0.00%								
Rates Price Increase		2.48%	8.59%	2.94%	2.78%	2.53%	2.50%	2.37%	2.26%	2.32%	2.41%	2.38%
Rates Growth		1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Total General Rates Increase		3.48%	9.59%	3.94%	3.78%	3.53%	3.50%	3.37%	3.26%	3.32%	3.41%	3.38%

Profit and Loss Statement	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Rates	113,569	118,715	129,852	134,909	139,950	144,845	149,872	154,877	159,888	165,143	170,733	176,461
Employee Costs	47,380	50,257	53,940	56,035	58,495	60,348	61,978	63,976	66,011	68,191	70,443	72,805
Depreciation	32,208	34,582	35,949	37,375	38,822	40,521	42,109	43,628	45,204	46,612	48,887	49,393
Operating Surplus	9,719	1,281	1,787	1,276	776	1,153	1,916	2,016	1,687	660	2,273	816

Balance Sheet

Infrastructure PP&E	1,364,476	1,383,353	1,397,514	1,420,761	1,448,296	1,453,449	1,465,858	1,468,467	1,470,859	1,475,853	1,471,133	1,452,377
Borrowings	30,223	27,678	33,905	49,500	49,561	41,726	34,492	25,275	17,796	9,734	-	-
CAWRA Guarantee	22,901	22,901	22,901	22,901	22,901	22,901	22,901	22,901	22,901	22,901	22,901	22,901

KPI Ratios

Operating Surplus Ratio	Traffic Light											
	Actual Ratio	0.9%	1.2%	0.8%	0.5%	0.7%	1.1%	1.2%	0.9%	0.4%	1.2%	0.4%
Net Financial Liabilities Ratio	Traffic Light											
	Actual Ratio	41.1%	43.4%	52.4%	51.0%	44.8%	39.4%	33.2%	28.3%	23.5%	13.8%	3.1%
Asset Renewal Funding Ratio	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	1.0%	1.5%	1.8%	1.7%	1.2%	1.0%	0.6%	0.4%	0.3%	0.1%	0.0%

Capital Program \$0,000	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Renewal	25,622	32,918	43,760	29,047	26,960	27,802	28,358	26,533	28,785	22,478	22,715
New & Upgrade	11,825	12,211	10,995	11,915	7,415	9,505	8,655	13,475	11,105	9,450	7,350
Total Capital	37,447	45,129	54,755	40,962	34,375	37,307	37,013	40,008	39,890	31,928	30,065
Annual Operating Projects AOP \$0,000	2,392	2,500	2,561	2,624	2,691	2,758	2,823	2,887	2,954	3,025	3,097
LG Election (in addn to AOP)	619				650				675		
DFP Project	591	1428	801	919							
DFP Project 50% funded outside AOP)	-296	-714	-401	-460							
Adjusted AOP	3,602	3,214	2,962	3,084	3,341	2,758	2,823	2,887	3,629	3,025	3,097

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 ie >0% and <10%.



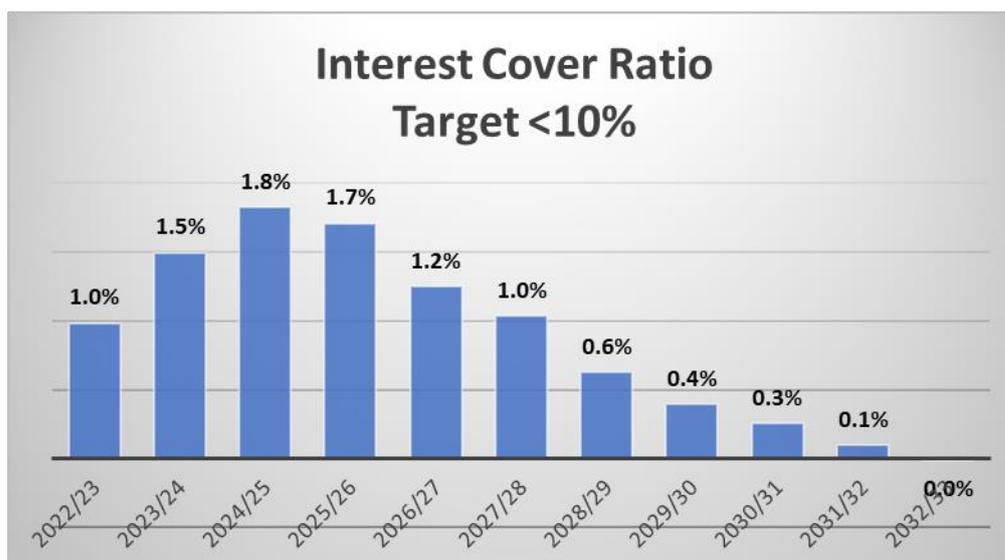
A council must also ensure its total debt does not exceed its ability to service this level of debt.

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 51.5% and an interest cover ratio less than 1.3% over the 10-year forecast period, all well within acceptable benchmarks.

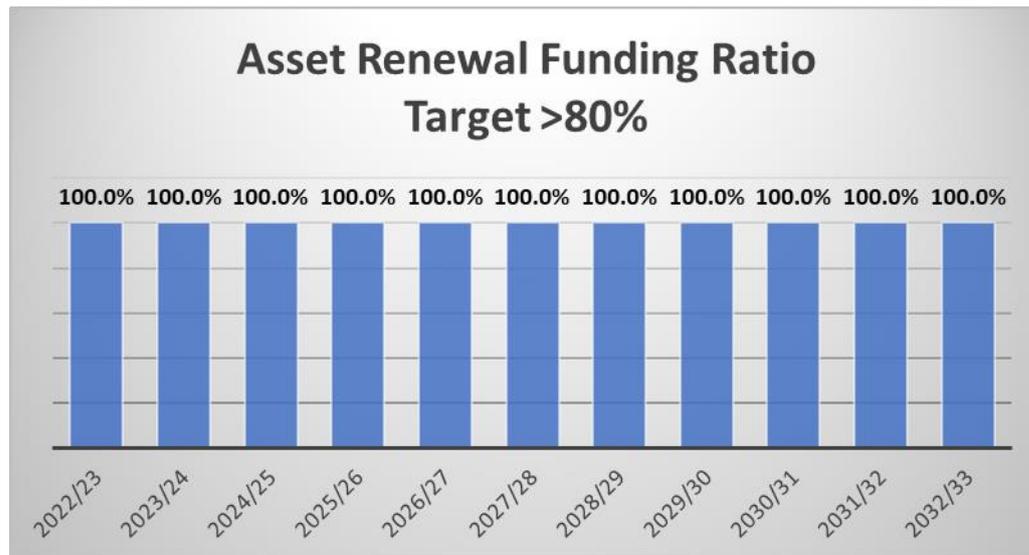
It should be noted that ideally renewal/replacement of existing infrastructure should be financed by current rate payers with any infrastructure backlog financed by an increase in debt to be repaid as quickly as possible by current ratepayers. New/upgrade capital expenditure should be financed by a long 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 nil or greater is achieved across the planning period with a break even position 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 2022 -2032 is included as [Attachment B](#).

CEO Statement on Financial Sustainability

The City of Charles Sturt takes its commitment to our community to deliver our services in a financially sustainable way seriously. We do this by having a sound financial and asset planning framework to guide the management of over \$1.3b of assets. It also ensures we have a clear understanding of our communities expectations of the services we deliver. This includes emerging priorities and aspirations. This is always balanced by sensitivity around rates and making sure that we are efficient in delivery and that each generation makes a fair contribution.



CEO Paul Sutton

Our planning framework is led from our Community Plan (currently undergoing review), which documents the strategy and vision for our City. Its 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 pillar and how we will track and measure success. Our plan creates opportunities for the City of Charles Sturt to grow, to connect, and to enhance the western region and greater Adelaide. Supporting the Community Plan is our Organisation Plan, a range of Asset Mgt Plans, and a suite of other strategies that reflect particular areas of action including our approach to environmental issues and climate change.

Our Long Term Financial Plan (LTFP) translates the cost of these plans to ensure they can be realised. This ensures their viable fulfillment over the longer term and demonstrates not only short but long term financial sustainability. The LTFP has a variety of inputs, forecasts and assumptions of the future economic climate. Given the future nature of these there will always be some variability in these to what actually occurs, hence we do our best and use the most up to date information available. Through this we seek to deliver all we have planned and avoid economic shocks being transferred to our ratepayers.

Council has adopted and is guided by 3 key financial indicators used across our sector. This enables high level comparability among Council's and drives accountability, ensuring we "continue to meet long-term service and infrastructure levels and standards, without substantial increases in rates or cuts to services".

Our current LTFP shows Council to be financially sustainable across all three financial indicators over the 10 year horizon.

Council has established target ranges or parameters for each indicator to guide its decisions. They are:

- The Operating surplus ratio is > 0% and <10% and
- Asset Renewal funding ratio is > 80% and
- Net Financial liability ratio is less than 100% over the forecast period.

Each year the LTFP is updated to remain contemporary. This updates changes in any assumptions and updates to the economic outlook as well as internal factors and adds a new year to the long term horizon. Changes also occur to asset management plans which impact the LTFP as they are refreshed, as well as new strategies and initiatives adopted by Council are also incorporated. This enables Council to position itself to meet future needs while also enabling significant financial capacity to respond to external opportunities such as 'matched grant funding' while continuing to remain financially sustainable.

The volatility of the recent economic climate has had an influence on the rates increases required for 2023/24. Following an update of the LTFP and assumptions an additional 5% over and above last year's LTFP CPI forecast has had to be accommodated. This will fund increased electricity, wages and IS and other contractual costs that have increased greater than forecast in the adopted budget 2022/23 and LTFP.

Deloitte Access Economics are used as an independent source of CPI projections had forecast a CPI of 2.18% over the 2022/23 budget development process (and was basis for total rates levied in 2022/23) given world events they revised the forecast of 2022/23 CPI to 6.7% with the actual December CPI for Adelaide at 8.6%.

Deloitte Access Economics current forecast indicates that for 2023/24 the CPI will reduce to 3.09% and that is the basis on which the LTFP has been developed.

However, we are mindful of the current economic uncertainty and given there is some risk of variability we are again looking for cost efficiencies within our current service delivery to ensure our projected rates increases aligns with the forecasts and as best as possible community expectations.

In the immediate term there are several challenges and opportunities facing the City today and into the future.

- Infrastructure demands with ongoing maintenance and replenishment of existing infrastructure and the provision of new infrastructure to facilitate growth in services to meet community demands and expectations.
- Managing the cost of waste and increasing the use of recyclables as we move toward a circular economy, including the operation of our Materials Recovery Facility.
- Addressing our Climate Change emergency declaration and delivering Net Zero carbon emissions strategy.
- Continuing to support the economy via implementation of our Economic Development Plans across the Western Region to create a prosperous community.
- Digital transformation of business processes through collaboration with the City of Port Adelaide Enfield for modern IT systems with the customer as the core.
- Encouraging and supporting greater participation and active engagement by the community in facilitating outcomes.
- The uncertainty in the current economic climate.

In responding to these challenges, Year 1 of the LTFP lays the foundation for development of the Annual Budget to ensure alignment with the longer term plan, the high level parameters, and responsible rates increases.

The major budget categories are:

- Recurrent Operating Budget
- New Capex works
- Renewal Capex works
- Operating Projects

these are evaluated within the context of the LTFP and each category works within the LTFP forecast. We maintain a strong correlation across the categories and between AMPs in each budget year.

This discipline enhances confidence in the realisation of Council's operations, projects, and ongoing financial sustainability.

As stated at the outset, we take the future our community aspires to and how we manage that seriously. We do this by working 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.

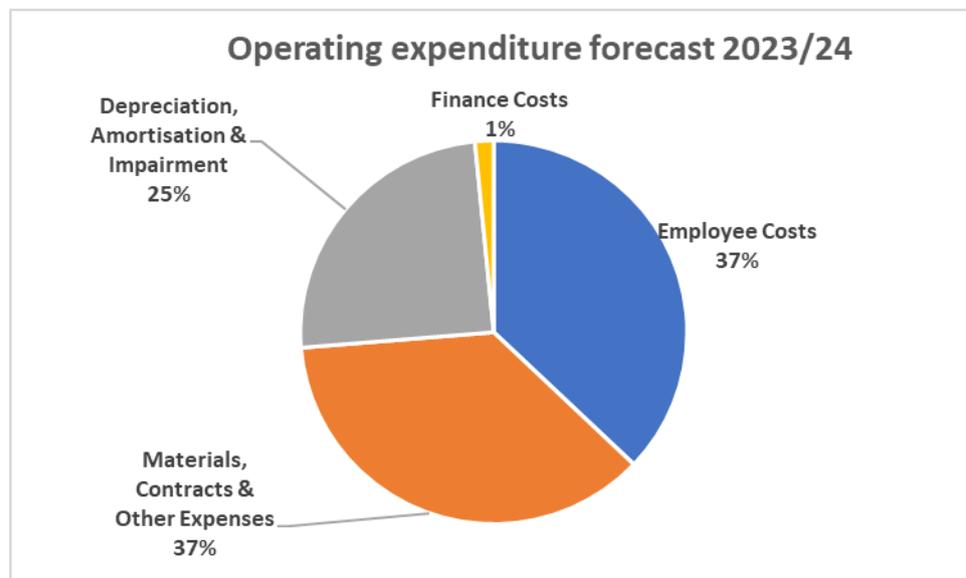


Paul Sutton
Chief Executive Officer

What services we will deliver to our community?

Recurrent Budget

For 2023/24 it is forecast that Council will require approximately \$142.19m (operating expenses plus depreciation) to deliver and maintain existing core services.

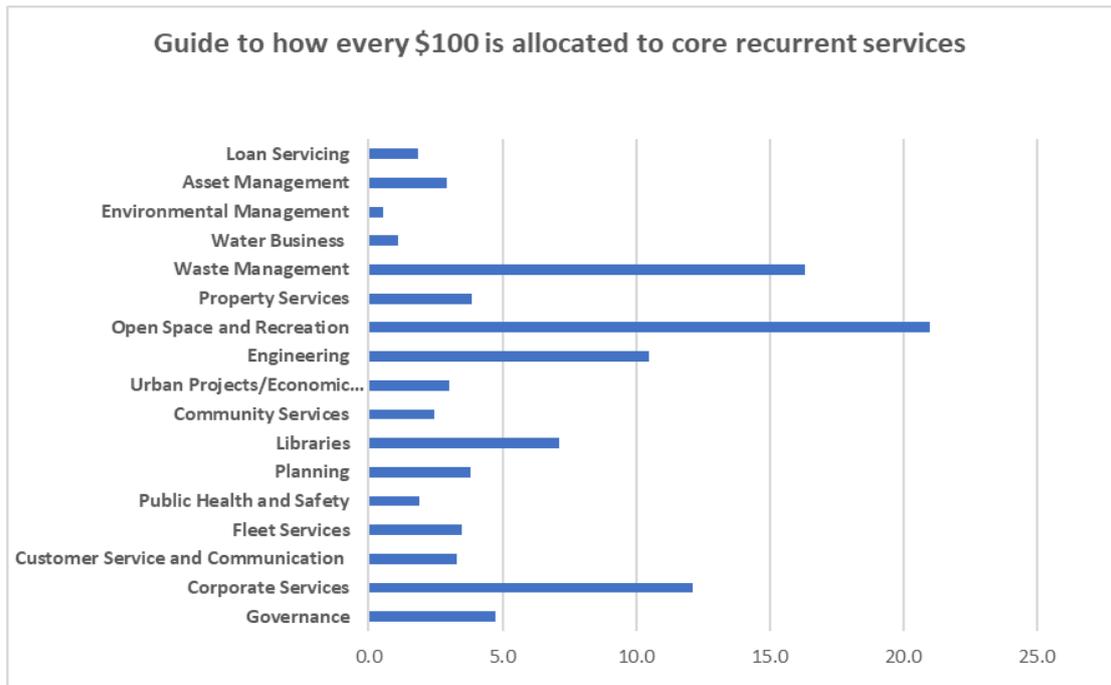


All councils have basic responsibilities under the Local Government Act 1999 and other relevant legislation. These include:

- 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.



Annual Operating Projects

In addition to Council's core activities monies are allocated to achieve a range of Annual Operating Projects. These activities support the current strategic focus of Council and /or which may be short term or one-off initiatives.

In 2023/24 the LTFP suggested for the high level parameters adopted, the funding of approximately **\$3.214m** in Annual Operating Projects. Council Members reviewed the list of potential annual operating projects and following its meeting 11 April 2023 endorsed the following list of annual operating projects for consultation for a total of **net \$3,084,092** comprising \$263,205 in income and \$3,347,297 in expenditure.

Projects currently under consideration include:

Name	Budget Bid Description	Budget Bid Income \$ 2023/24	Budget Bid Expenses \$ 2023/24	Net Budget Bid \$ 2023/24
Discretionary Ward Allowance for Council Members Bid ID PBB-00001664	To provide Council with discretionary funds to assist eligible, not-for-profit individuals, groups and organisations within the community who are seeking financial support for programs, projects and activities.	\$0	\$176,000	\$176,000
Community GHG Emissions Reduction Project Bid ID PBB-00001675	On 14 June 2022 Item 6.44, Council moved to support the development of a Community Green House Gas Emission Reduction Action Plan. The development of the community group has commenced and the Action Plan will be developed in 2023 to promote and to provide community education and learning to support skills and knowledge to take actions that reduces GHG emissions.	\$0	\$15,000	\$15,000
Digital Capabilities Resource - Beverley (Year 2/3) Bid ID PBB-00001683	This budget bid provides continued funding for a fixed-term employee to uplift the digital capabilities of field-based staff and facilitate onsite IT support for staff based at the Beverley site This bid represents year 2 of the 3 year operating bid, which was approved in 2022/23. After 3 years, if the initiative is deemed a success it would be continued through the recurrent budget.	\$0	\$100,000	\$100,000

<p>Tree Canopy Improvement Strategy: Council Land Plantings</p> <p>Bid ID PBB-00001688</p>	<p>To plant 600 trees on Council lands such as open space reserves that will be large or very large at maturity and significantly contribute to our tree canopy target and associated landscape enhancements.</p>	<p>\$0</p>	<p>\$210,000</p>	<p>\$210,000</p>
<p>Weekly FOGO trial - continuation of 22/23 trial</p> <p>Bid ID PBB-00001709</p>	<p>This project is the continuation of the trial that was started in the 2022/23 financial year. The project aims to test the community’s willingness to transition to alternative collection frequencies, to reduce landfill disposal of food and other organic material. It will also test the economic implications of this through reduced landfill costs that should offset any increased collection complexity costs caused by any opt-out households.</p> <p>The trial will include:</p> <ul style="list-style-type: none"> • food and garden organics (FOGO) bins to be collected weekly (instead of fortnightly) • waste (rubbish) bins to be collected fortnightly (instead of weekly) • Residents in the trial area would be given the option to opt-out of the trial, and continue their existing collection frequency (weekly waste, fortnightly organics and recycling) • 360 litre recycling bins also offered to trial households as an incentive to participate and to increase recycling (participating trial households only) • Willingness across different demographic groups will also be assessed to determine potential variance in diversion rates and contamination etc. • Trial will be across 1000 households across 2 distinct locations (one higher socio-economic area and one low socio-economic area). 	<p>\$30,305</p>	<p>\$60,610</p>	<p>\$30,305</p>

<p>Carbon Offset Purchasing 2023/24</p> <p>Bid ID PBB-00001719</p>	<p>Councils Net Zero Strategy commits to achieving net zero corporate greenhouse emissions by the year 2023/24 for scope 1 and 2 emissions (electricity fuel and gas).</p> <p>This bid will enable the purchasing of carbon offsets in alignment with the Net Zero target to compensate for greenhouse gas emissions generated as a result of Council activities, which can not currently be eliminated.</p> <p>This will ensure Council achieves Net Zero by 2023/24.</p>	\$0	\$160,000	\$160,000
<p>Collaborative Irrigation Construction-2 Full Time Employees</p> <p>Bid ID PBB-00001724</p>	<p>Since 2018 our Collaborative Irrigation Construction team have been constructing irrigation systems across Marion, Port Adelaide Enfield and Charles Sturt. The current team of 4 staff is capable of delivering \$1.3M per year in renewal works. 22/23 had a total renewal budget of \$3.1M which resulted in \$2.8M awarded to the external contractor market. The internal Irrigation Construction teams cost to delivery a project on average is \$15.48/sqm, whereas the external contractor rates on average are \$19.67/sqm, so the internal team delivers as significant cost saving. The forecast Irrigation construction program across 3 participating councils for the next 4 years is a total of \$8.9m. With the current structure, the existing team can deliver \$5.2M of this program leaving a surplus of \$3.7M of project value which would require external contractors to deliver. Increasing the teams structure to include two additional FTE will increase the capacity of the team to deliver an additional \$0.5M of projects works per year for which costs incurred will be recovered from PAE/Marion for works undertaken.</p>	\$0	\$0	\$0
<p>AdaptWest in Action 23/24 - Regional Climate Change Adaptation for Western Adelaide</p> <p>Bid ID PBB-00001726</p>	<p>To continue regional implementation of the AdaptWest Climate Change Adaptation Plan (2016) for western Adelaide with the Cities of Charles Sturt, Port Adelaide Enfield and West Torrens.</p>	\$130,000	\$195,000	\$65,000

<p>0.9 FTE - Environmental Management Officer (Climate Emergency Response)</p> <p>Bid ID PBB-00001733</p>	<p>Council declared a climate emergency in 2021 and endorsed a program of commitments to reduce its greenhouse gas emissions to Net Zero by 2025. A short term (3 year) position within the Open Space, Recreation & Property portfolio was endorsed by Council on 25th January 2021 (item 6.01) to extend until June 2024</p>	<p>\$0</p>	<p>\$124,425</p>	<p>\$124,425</p>
<p>Tree Canopy-Workforce Replenishment Program</p> <p>Bid ID PBB-00001735</p>	<p>The project is for a continuation of an existing Field Services apprentice in the Tree Maintenance and Parks areas to assist with delivery of the Tree Canopy project. This project also assists with succession planning, supplementing an ageing workforce and skills shortage. This project is the continuation of an existing apprentice.</p>	<p>\$0</p>	<p>\$50,000</p>	<p>\$50,000</p>
<p>Coordinator Water & Waste Business Services - 1.0 FTE</p> <p>Bid ID PBB-00001744</p>	<p>The City of Charles Sturt has a commitment to the community to increase its use of Non-Potable Water (Alternative/Recycled/Ground) to decrease demand on potable water while still addressing the Urban Heat Island effect and to increase the materials received and recycled at the Beverley Recycling and Waste Centre for recycling.</p> <p>Recent changes in the Adelaide Plains Water Allocation Plan along with the Council Commitment to connect Fresh Water Lakes to the Water Proofing the West Scheme, as well as increasing recycling options & identifying and implementing cost reductions at the Beverley Waste Transfer Station requires full time leadership to continue to meet our commitment to the community.</p>	<p>\$0</p>	<p>\$0</p>	<p>\$0</p>

<p>Collaborative Digital Future Program</p> <p>Bid ID PBB-00001756</p>	<p>Cities of Charles Sturt (CCS) and Port Adelaide Enfield (PAE) have been using a combined footprint of Technology One Enterprise system to support a range of business functions including financials, records management, human resources and payroll, property and rating and asset management for over 16 years.</p> <p>In August 2021, Technology One announced a sunset date of 1 October 2024 for customers to move to their cloud environment with support and functionality progressively reduced. This announcement initiated a wider review of CCS & PAE’s combined Technology One systems and the collaborative Digital Future Program (DFP) was initiated.</p> <p>The DFP is a new digital transformation program for CCS and PAE. This collaborative program between CCS and PAE seeks to modernise our digital platforms to provide efficiencies and community value through innovation and improved customer outcomes by futureproofing our organisations.</p> <p>This initiative will be a multiyear program of works, and in 2023-2024 the initial priorities will be our records system, stabilisation of our core enterprise systems, and the completion of our new Customer Relationship Management (CRM) implementation.</p> <p>The DFP program will provide the opportunity for both councils to standardised and align their business processes enabled through common systems.</p>	<p>\$0</p>	<p>\$1,430,000</p>	<p>\$1,430,000</p>
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<p>Events and Festivals Sponsorship 2023/24</p> <p>Bid ID PBB-00001759</p>	<p>Events can be a very effective mechanism for promoting Council's brand and assets such as reserves, the coast, community and sporting facilities. Events can also be an effective tool to build our visitor economy.</p> <p>Events encourage community participation and engagement, civic pride and ownership and can build social cohesion.</p> <p>This program will provide funding to events that can demonstrate key economic, social, cultural and environmental benefits to the city.</p>	<p>\$0</p>	<p>\$125,000</p>	<p>\$125,000</p>
<p>Business Support Program</p> <p>Bid ID PBB-00001760</p>	<p>To provide a business support program that provides grants to businesses to access free business advice from pre-qualified business advisors who can help them to adapt and innovate in response to changing market conditions.</p> <p>This will assist our small business community who are identified as having low levels of digital literacy and capability restricting their potential to grow, transition online and operate effectively.</p> <p>It will also assist our businesses who have limited education about environmental sustainability and how to take actions in their business.</p> <p>Further to this, the 2023/24 program will include promotion and advice on how business can improve their accessibility for all with the panel of consultants expanded so this advice can be made readily available to businesses who wish to take it up</p>	<p>\$0</p>	<p>\$140,000</p>	<p>\$140,000</p>

<p>Arts and Cultural Grants Program</p> <p>Bid ID PBB-00001761</p>	<p>The Arts and Cultural Program is a grant funding stream built on the strong foundation of the previous program Creative Cities (Both Arts and live music grants focussed).</p> <p>Grants provided through this program to the arts, culture and music sectors are aimed at inspiring and supporting new projects, ideas and energy . These projects collectively extend the creative and cultural landscape for arts and culture practitioners, businesses and residents of the City of Charles Sturt as well as our city’s reputation as progressive, diverse and creative community. In addition, the program will support collaborative creative initiatives that deliver positive cultural, social, health, wellbeing and economic outcomes for communities, visitors and businesses in Charles Sturt.</p>	<p>\$0</p>	<p>\$120,000</p>	<p>\$120,000</p>
<p>Whole Street Planting 2024</p> <p>Bid ID PBB-00001799</p>	<p>As part of the Whole Street Planting Program, a number of residential streets will be planted with approximately 780 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 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.</p>	<p>\$0</p>	<p>\$200,000</p>	<p>\$200,000</p>

<p>Replenishment Program - Graduate Program</p> <p>Bid ID PBB-00001812</p>	<p>This bid is for the development of a graduate program to attract high performing university graduates to CCS and the local government sector. Positions will be allocated through regular and ongoing workforce planning to identify areas of need and to ensure that the graduates are placed in areas with meaningful, relevant work with defined outcomes to be achieved. The model identifies talented graduates to target for permanent recruitment opportunities and supports them through a 2 year structured graduate development program including coaching and mentoring from a dedicated mentor, on the job training where they will be engaged as part of a team working on challenging and interesting projects, offsite training and development days. This program forms part of the Council’s Workforce Planning Strategy.</p>	<p>\$0</p>	<p>\$55,362</p>	<p>\$55,362</p>
<p>Pet Desexing and Microchipping Program</p> <p>Bid ID PBB-00001818</p>	<p>Continuation of the pet desexing and microchipping program for dogs and cats. The program will include low income residents for cat desexing in partnership with the National Desexing Network.</p>	<p>\$0</p>	<p>\$20,000</p>	<p>\$20,000</p>
<p>Replace TCM due to application retirement by vendor</p> <p>Bid ID PBB-00001821</p>	<p>Telstra have announced that they are going to retire the TCM (Telstra Care Manager) application. This software is used by the Aging well team to manage all their client and service data, as well as scheduling, and reporting.</p> <p>Several other councils are in the same position as we are, and we are looking to collaborate with them to share the workload, and ideally reduce some costs, including sourcing relevant external grant funding</p> <p>Should this project proceed, it will ensure that the team has an application that continues to meet their needs, and ideally, provide a minimal amount of added functionality that will allow the team to better support those in our community, ensuring they are able to safely stay at home for longer.</p>	<p>\$102,900</p>	<p>\$102,900</p>	<p>\$0</p>

<p>Cyber Security - Privileged Access Management (PAM)</p> <p>Bid ID PBB-00001822</p>	<p>Privileged Access Management (PAM) is to protect against the threats posed by credential theft and privilege misuse. PAM refers to our cyber security roadmap strategy – comprising people, processes and technology – to control, monitor, secure and audit all human and non-human privileged identities and activities across our city’s enterprise IT environment.</p> <p>In our environment, “privileged access” is a term used to designate special access or abilities above and beyond that of a standard user, and it’s a recommendation of LGRS and highlighted by JLT Public Sector Risk Report as well as impacting on a council’s ability to operate and deliver services, that cyber-attacks can significantly impact upon council reputation and create potential civil liability claims.</p> <p>Implementing PAM to strengthen our cyber security maturity level compliments our recent enhancements to Endpoint Detection and Response (EDR) that aligns with the Australian Cyber Security Centres Essential Eight as one eight of the essential mitigation.</p>	<p>\$0</p>	<p>\$63,000</p>	<p>\$63,000</p>
<p>Beverley Recycling and Waste Centre - Hook Lift Truck - 1.0 FTE</p> <p>Bid ID PBB-00001825</p>	<p>Beverley Recycling and Waste Centre is currently contracting with a third party for hook lift truck services to move bins within the Waste Centre yard and to waste & recycling processing facilities, which is resulting in significant costs and operational challenges. To address these issues, the City Maintenance Team recommends that council purchase a Hook Lift Truck and hire an employee to operate it.</p> <p>This Operating Project is dependent on the purchase of the Hook Lift Truck - PBB00001755</p>	<p>\$0</p>	<p>\$0</p>	<p>\$0</p>
<p>Total</p>		<p>\$263,205</p>	<p>\$3,347,297</p>	<p>\$3,084,092</p>

All annual operating projects submitted as part of budget bid process will be reviewed by Council following community consultation. Projects will be reviewed to ensure alignment with community and organisational plan outcomes and based on priority and ability to deliver within existing resources, having regard to the adopted LTFP parameters over the 2023/24 financial year.

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 practices 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 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. Where Asset Management Plans do not exist for a category of asset, we will fund a level of renewal/replacement expenditure for existing assets based on depreciation estimates.

For New and upgraded infrastructure, 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.

In 2023/24 the Long Term Financial Plan suggests a net total capital program of approximately \$45.128m with approximately \$32.917m allocated to renewal/replacement of existing assets as prescribed in adopted asset management plans. New and upgraded infrastructure is forecast at \$12.211m.

Council Members reviewed the list of potential Capital projects and following its 11 April 2023 endorsed a total net capital program for consultation of **\$44,694,393** comprising **\$31,457,015** for Council's contribution to renewal capital works and **\$13,237,378** for Council's contribution to new/upgrade capital projects.

Renewal Projects are derived from Adopted Asset Management Plans and which forecast replacement of existing assets and infrastructure based on an independent assessment of condition and asset life.

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 extends the life beyond that which it had originally.

New/Upgrade Projects currently under consideration include:

Name	Budget Bid Description	Budget Bid Income \$ 2023/24	Budget Bid Expenses \$ 2023/24	Net Budget Bid \$ 2023/24	Nature of Works
Collins Reserve - Stage 2 Upgrade Bid ID PBB-00001545	Stage 2 upgrade of Collins Reserve, Kidman Park.	\$0	\$150,000	\$150,000	New
Ngutungka Henley Hub Bid ID PBB-00001663	On the 14th June 2022, Council carried the motion to commit \$9.375mil toward the new Ngutungka Henley (Henley Library and Community Centre). Through the 2022/23 Financial year, the detail design has taken place and the procurement process undertaken to determine a suitable contractor with construction scheduled for the 2023/24 Financial Year. This bid is reflective of the multi year funding for the completed project.	\$3,260,000	\$5,522,300	\$2,262,300	Upgrade
Gleneagles Reserve Flood Mitigation and Reserve Upgrade Bid ID PBB-00001665	Increase Stormwater detention volumes in Gleneagles Reserve and undertake associated Reserve	\$0	\$630,000	\$630,000	Upgrade

	Upgrade works.				
<p>New Paths Program 2023/24</p> <p>Bid ID PBB-00001667</p>	<p>Design and construction of new paths on streets and reserves for the 2023/2024 financial year and design of new paths for future financial years that have been assessed by staff as being consistent with current Path Policy and providing strategic benefit to the community.</p>	\$0	\$500,000	\$500,000	New
<p>Street Light Upgrade Program 2023/24 - SAPN Infill and Improvement Program</p> <p>Bid ID PBB-00001668</p>	<p>Council recently undertook an audit of streets to identify where street lighting did not meet Australian Standard requirements.</p> <p>The project will continue to ensure street lighting complies and is upgraded to meet AS/NZS 1158 road lighting standards where reasonably possible by completing the street lighting infill and improvement program (continuation of zone 11 installations) and upgrading street lighting associated with road reconstruction and transport projects.</p>	\$0	\$500,000	\$500,000	Upgrade

<p>Open Space Community Projects</p> <p>Bid ID PBB-00001670</p>	<p>Deliver three community initiated, delivered, and maintained projects of high environmental and community wellbeing value: Wittonga (Reed Place) Kirkaldy Reserve Biodiversity and Habitat project: Friends of Colin Sellars Reserve Biodiversity and Habitat project: Waller Court West Lakes: Residents of Waller Court would like to landscape the Traffic Aid in the centre of their cul de sac.</p>	\$0	\$45,000	\$45,000	Upgrade
<p>Disability Action Plan - Inclusive DDA Auto Doors at the Civic Centre</p> <p>Bid ID PBB-00001671</p>	<p>Parts of the Civic centre are currently inaccessible for those livings with a disability due to heavy glass manual opening doors which only function for able bodied people</p> <p>This project comprises of installing automated sliding doors from the Civic centre internal street into the council offices and CC1 meeting rooms,</p> <p>Internal offices and doors into CC1</p>	\$0	\$74,000	\$74,000	Upgrade
<p>Trimmer Parade Drainage Upgrade Design 2023-24</p> <p>Bid ID PBB-00001673</p>	<p>Detailed investigation and design for stormwater drainage upgrade in Trimmer Parade from Greenview Drive to Findon Road</p>	\$0	\$100,000	\$100,000	Upgrade
<p>Community Rail Corridor Planting</p> <p>Bid ID PBB-00001674</p>	<p>Community Planting to be undertaken along the Rail Corridor to connect the many sites currently developed and maintained by Community. Significant Community Landscaping and ongoing maintenance has been carried out</p>	\$0	\$45,000	\$45,000	Upgrade

	<p>by Woodville Greening, Rosetta Street Greening, Ovingham Greening, Westside Bug, Kilkenny RailCare Group, Tewkesbury Group, Day Tce Group, the Railway Tce Group and individual residents. Council has been approached by groups of residents to extend and infil these community planting works along the rail corridor as community members see others work and the resulting improvements in amenity and the increased sense of Community wellbeing, belonging and Community pride. This budget bid is to ensure continuity and consistency in both the planting and maintenance of this railway corridor whilst creating a biodiversity and habitat corridor in a section of space otherwise tired and poorly maintained.</p>				
<p>Community Gardens - Access and Inclusion Bid ID PBB-00001676</p>	<p>Improving accessibility and inclusion in our Community Gardens changes and increases the membership of our gardens focusing on inclusion and accessibility. By undertaking modifications within our existing community garden facilities we can ensure they are accessible and inclusive.</p>	<p>\$0</p>	<p>\$28,000</p>	<p>\$28,000</p>	<p>Upgrade</p>

<p>Woodville Orion Tennis - Lighting Upgrade</p> <p>Bid ID PBB-00001677</p>	<p>The upgrade of the Woodville Orion Tennis Clubs existing halogen lights to LED sports lighting for courts 4 to 7 at their Woodville Oval tennis complex. Council Funding is 25% of the project, the Club is funding 25%, & 50% OSR&R grant funding.</p> <p>OSR&R Funding outcomes expected to be known in March/April 2023.</p>	\$0	\$12,265	\$12,265	Upgrade
<p>Croydon Cougars - New Sports Lighting</p> <p>Bid ID PBB-00001680</p>	<p>The Croydon Cougars Sports & Social Clubs aspires to install new light towers and LED sports lighting at Trust Reserve. All elements of the lighting upgrade will be project managed by the club (Total budget = \$120K). Councils proposed contribution of \$50K is matched by the clubs \$10K, with the remaining 50% (\$60K) contingent on successful OSR&R funding. NOTE: this bid was identified via the Ancillary Infrastructure funding application process.</p> <p>OSR&R Funding outcomes expected to be known in March/April 2023</p>	\$0	\$50,000	\$50,000	New
<p>Henley & Grange Memorial Oval – Electronic Scoreboard</p> <p>Bid ID PBB-00001682</p>	<p>The Henley Sharks Football & Netball and West Torrens District Cricket Clubs, aspire to install a new Electronic Scoreboard on the eastern side of Henley & Grange Memorial Oval, to replace existing aged scoreboard infrastructure. Licenced clubs will project manage all</p>	\$0	\$65,000	\$65,000	New

	<p>works. Councils proposed \$65K contribution will be matched by the club(s) with the remaining amounts from SACA & sponsorship. Total project = \$146K. NOTE: this bid was identified via the Ancillary Infrastructure funding application process.</p> <p>This bid is reliant on a SACA grant (Aus. Cricket Infrastructure fund) for which success won't be known until May 2023.</p>				
<p>Grange Cricket Club – Nets Upgrade</p> <p>Bid ID PBB-00001684</p>	<p>Grange Cricket Club aspires to upgrade their existing training nets, including new alignment of wickets and a turf block netting system to be installed on the existing northern side of the pitch adjacent the clubrooms at Grange Recreation Reserve. All elements to be project managed by the club (Budget = \$93,500). Councils proposed contribution of \$41,700 is combined with the Clubs \$10K of self funding, with the remaining 45% (\$41,700) contingent on successful OSR&R funding. NOTE: this bid was identified via the Ancillary Infrastructure funding application process.</p> <p>OSR&R Funding outcomes expected to be known in March/April 2023.</p>	<p>\$0</p>	<p>\$41,700</p>	<p>\$41,700</p>	<p>Upgrade</p>

<p>Adelaide Titans – Lighting Upgrade Bid ID PBB-00001686</p>	<p>This proposal relates to Adelaide Titans FC's aspirations to upgrade their existing lighting towers and sports lights to LED lighting at Matheson Reserve. All elements of the lighting upgrade will be project managed by the club (Total budget = \$356K). Councils proposed 50% contribution of \$178K (+GST) is to be matched / contingent on the club successfully obtaining OSR&R funding for the remaining 50% (\$178K+GST) . NOTE: this bid was identified via the Ancillary Infrastructure funding application process.</p> <p>OSR&R Funding outcomes expected to be known in March/April 2023.</p>	<p>\$0</p>	<p>\$178,000</p>	<p>\$178,000</p>	<p>Upgrade</p>
<p>Dragon Boat SA – Storage Bid ID PBB-00001687</p>	<p>Dragon Boat SA (DBSA) have identified the need to install a Mechanical Stacking (MS) storage system and acquire associated storage equipment to assist with the manual handling and safe storage of Dragon Boats housed in the recently upgraded Aquatic Reserve facilities in West Lakes. Councils proposed triangular funding contribution of \$6K is matched by the Association's \$6,915, with the remaining \$6K contingent on successful ORSR funding. Total project = \$18,915. NOTE: this bid was identified via the Ancillary Infrastructure funding application process.</p>	<p>\$0</p>	<p>\$6,000</p>	<p>\$6,000</p>	<p>New</p>

	OSR&R Funding outcomes expected to be known in March/April 2023.				
Grange Lakes Shared Use Path Stage 9 Bid ID PBB-00001690	Construction of Grange Lakes Stage 9 which includes a concrete shared use path and associated works from Atkin Street to Henley Beach Road along Cudmore Terrace.	\$0	\$350,000	\$350,000	Upgrade
Woodville Oval Grandstand Changeroom Upgrade - Financial Contribution Bid ID PBB-00001694	Financial Contribution - Woodville West Torrens Football Club - Upgrade to the Woodville Oval Grandstand Changerooms (Barry Jarrman Stand)	\$0	\$500,000	\$500,000	Upgrade
Road Safety Initiatives - Implementation of 40 km/h Area Speed Limits Bid ID PBB-00001699	Installation of 40 km/h Area and repeater signs on local roads within the following approved areas: Royal Park, Hendon. Albert Park Henley Beach West Beach Semaphore Park Cheltenham	\$0	\$40,000	\$40,000	New
Sustainable Transport Infrastructure - Installation of New Pedestrian Crossing Facilities Bid ID PBB-00001701	Design and construction of new pedestrian crossing facilities in Grange (Jetty Precinct), Henley Beach South (Esplanade), Henley Beach (Atkin and White Street) and Bowden Urban Village. Consultation and detailed design of a school crossing on Audley Street Woodville North in preparation for construction in 2024/25.	\$65,000	\$165,000	\$100,000	New

<p>New Traffic Control Devices - 2023/24</p> <p>Bid ID PBB-00001702</p>	<p>New Traffic Control Program, in line with Long Term Financial Plan. Project includes construction of new traffic controls in various locations, and design of a roundabout modification in Henley Beach (subject to Black Spot Funding).</p>	<p>\$117,000</p>	<p>\$767,000</p>	<p>\$650,000</p>	<p>New</p>
<p>Design and Consultation for New Public Toilet - Fawk Reserve</p> <p>Bid ID PBB-00001704</p>	<p>Design and Consultation for a new public toilet (Exeloo) at Fawk Reserve.</p>	<p>\$0</p>	<p>\$10,000</p>	<p>\$10,000</p>	<p>New</p>
<p>Semaphore SLSC - Changing Places & DDA Amenities - Design</p> <p>Bid ID PBB-00001705</p>	<p>Within the 2022/23 financial year, the need for a changing places facility at Point Malcolm has been identified through both the Semaphore Surf Life Saving Club and members of the public due to the recent inclusion of inclusive beach equipment at the location.</p> <p>In addition it has been identified that current DDA public amenities (part of the SSLSC Building) are non compliant due to size and access requirements, in addition the current public amenities are not sufficient in volume for the large user base at Point Malcolm Reserve.</p> <p>As such, the recommendation for design of a new Changing Places Facility at the Semaphore Surf Life Saving Club which includes provisions for new public compliant DDA Access Amenities and Ambulant Facilities have been proposed</p>	<p>\$0</p>	<p>\$50,000</p>	<p>\$50,000</p>	<p>Upgrade</p>

	for the 2023/24 Financial Year.				
<p>Sam Johnson Automated Public Toilet Construction</p> <p>Bid ID PBB-00001707</p>	<p>Construction of a new Automated Public Toilet at Sam Johnson Reserve.</p> <p>As per budget bid PB - 00001532 put forward by Cr Alexandrides carried out in the 2022/23 financial year, public consultation and design for a new automated public toilet at Sam Johnson Reserve is being undertaken due to the increasing need for public amenities at this location.</p> <p>This Budget Bid is for the construction of the Automated Public Toilet and associated connection and services requirements.</p>	\$0	\$280,000	\$280,000	New
<p>New Public Lighting Program 2023/24</p> <p>Bid ID PBB-00001713</p>	<p>Design and installation of new LED public lighting on the following car parks, paths and reserves as identified or as requested by the Community.</p> <p>Projects are listed in order of priority St Clair Wetlands Stage 3 South of Hill Smith Boulevard Grange Lakes Stage 9 Market Place Bowden Dyer Reserve footpath West Lakes</p>	\$0	\$310,000	\$310,000	New

	Krista Court Laneway Simms Court Laneway Project also includes allowance for planning and design for 24/25 projects.				
Flinders Park Oval - New netball courts, lighting fencing and relocation of cricket nets. Bid ID PBB-00001717	Construction of three netball courts with associated fencing and lighting and the relocation of existing cricket nets, at the Flinders Park Oval.	\$597,277	\$850,000	\$252,723	New
Ngutungka Henley Overflow Carpark Bid ID PBB-00001723	Design and Construction Costs associated with the works needed to complete the construction of a car park at the front of the Henley Depot site which serves as an overflow car park for the new Ngutungka Henley as per council endorsed report on 14th June 2022.	\$0	\$200,000	\$200,000	New
Water Proofing the West - Expansion to reduce potable demand. Bid ID PBB-00001725	Pumps, Pipes, bores, treatment for expansion of the alternative water network to reduce potable water demand. A grant funding application has been submitted for \$2.1M in federal grant funding to support the expansion of the alternative water network. The expansion outcomes will be increased if grant funding is successful. Without grant funding as per bid scope includes :	\$0	\$690,000	\$690,000	New

	<p>MAR Connection Port Road Median (just NW of Old Port Rd) 5.5ML p/a. Q Wells Point Malcom Res. 10.2ML p/a. T1 Well Gleneagles Res. 10.4ML p/a. 2024/2025 System Expansion Design</p>				
<p>Water Proofing the West - Freshwater Lake Integration Bid ID PBB-00001731</p>	<p>Freshwater Lake - Integration with Water Proofing the West. Design and installation of water pump, pipeline, bore upgrade & associated Corcoran Reserve sediment settling ponds as per Council endorsed recommendation.</p> <p>CL 12/12/2022 item 6.118 Motion 3 That Council supports a budget proposal for Financial Year 2023/24 to facilitate the detailed design and associated investigations to implement the required works for Option 2A: Off-line Treatment.</p>	\$0	\$1,053,000	\$1,053,000	New
<p>WSUD - Tracey Avenue Catchment Raingardens 2023/2024 Bid ID PBB-00001738</p>	<p>Design of raingardens as part of the Water Sensitive Urban Design water quality improvement strategy in the Tracey Avenue Catchment area.</p>	\$0	\$30,000	\$30,000	New
<p>WSUD - Infrastructure associated with other Capital Projects 2023/2024 Bid ID PBB-00001743</p>	<p>Construction of Water Sensitive Urban Design (WSUD) infrastructure in conjunction with other capital projects.</p>	\$0	\$100,000	\$100,000	New
<p>Stormwater - New access pits for inspection/maintenance 2023/2024 Bid ID PBB-00001745</p>	<p>Installation of new Junction Boxes to existing stormwater drains on in line with the Water Asset Management Plan</p>	\$0	\$50,000	\$50,000	New

	recommendations to enable access to undertake condition audits and regular maintenance.				
Stormwater Minor Upgrade - Local Area Flood Mitigation 2023/2024 Bid ID PBB-00001746	Investigation, design and construction associated with the Local Area Flood Mitigation program. Subject to AMCMtee report in Feb/March 2023.	\$0	\$100,000	\$100,000	Upgrade
TRDA Catchment SMP – Eastern Parade channel – Construction Stage 1 & 2 - Contribution to PAE Bid ID PBB-00001747	Contribution to Port Adelaide Enfield (PAE) for the construction of Stage 1 & 2 of the Eastern Parade channel upgrade required under the Torrens Road Drainage Authority (TRDA) Stormwater Management Plan (SMP).	\$0	\$850,000	\$850,000	Upgrade
Barker Inlet Catchment SMP – HEP Channel - Grand Junction Road – Design - Contribution to CoP Bid ID PBB-00001749	Contribution to City of Prospect (CoP) for the design of the HEP Channel upgrade at Grand Junction Road required under the Barker Inlet Catchment Stormwater Management Plan (SMP).	\$0	\$33,250	\$33,250	Upgrade
Point Malcom Beach Access Way DDA access upgrade Bid ID PBB-00001751	Construction of an accessible beach access ramp on the existing Point Malcolm boardwalk.	\$0	\$150,000	\$150,000	Upgrade
Beverley Recycling and Waste Centre - Safety Upgrade Bid ID PBB-00001754	This project aims to increase safety, customer experience, amenities and tree canopy at the Beverley Waste and Recycling Centre this includes sealing existing unsealed/undulating concrete treated rubble holding bay area and associated drainage, upgrade of amenities for community and staff	\$0	\$1,143,000	\$1,143,000	Upgrade

	use. Increased tree canopy around the site boundary and direct connection to recycled water.				
Beverley Recycling and Waste Centre - Hook Lift Truck Bid ID PBB-00001755	Beverley Recycling and Waste Centre is currently contracting with a third party for hook lift truck services, which is resulting in significant costs and operational challenges. To address these issues, the City Maintenance Team recommends that council purchase a Hook Lift Truck and hire an employee to operate it. This Capital project compliments - PBB00001825 for the FTE at nil cost being funded by a reduction in contractors budget with works being bought in house	\$0	\$260,000	\$260,000	New
Upgrade of Woodlake Reserve, West Lakes Bid ID PBB-00001767	Upgrade of Woodlake Reserve, West Lakes.	\$0	\$300,000	\$300,000	New
Additional Vehicle for Parking Officer 2023-2024 Bid ID PBB-00001770	As per request from Manager Public Health and Safety to obtain an additional vehicle for Community Safety team.	\$0	\$50,000	\$50,000	New
New shelter and seating at St Clair dog park Bid ID PBB-00001775	New shelter and seating at St Clair dog park.	\$0	\$30,000	\$30,000	New
New shade structures at playgrounds - 2023/24 Bid ID PBB-00001776	New shade structures at playgrounds - 2023/24 program.	\$0	\$75,000	\$75,000	New
Woodville West Community Garden Fencing Bid ID PBB-00001779	The installation of secure, accessible fencing around the Woodville West Community Garden.	\$0	\$41,000	\$41,000	Upgrade

Supplementary fitness equipment at Point Malcolm Reserve Bid ID PBB-00001780	Supplementary fitness equipment at Point Malcolm Reserve.	\$0	\$60,000	\$60,000	New
Greening of William Atkin Reserve, Henley Beach South Bid ID PBB-00001781	New garden beds and planting at William Atkin Reserve, Henley Beach South.	\$0	\$20,000	\$20,000	New
Investigation of a new dog park in Henley Ward Bid ID PBB-00001782	Investigation of a new dog park in Henley Ward, including research, community consultation and concept design.	\$0	\$30,000	\$30,000	New
Improvements at Johns Reserve, Henley Beach Bid ID PBB-00001783	Improvements at Johns Reserve, Henley Beach, including a new drinking fountain, tree planting and natural seating.	\$0	\$30,000	\$30,000	New
New play equipment for older children at Gordon Reserve, Hendon Bid ID PBB-00001784	New play equipment for older children at Gordon Reserve, Hendon.	\$0	\$60,000	\$60,000	New
New dog exercise area at Semapaw Park Bid ID PBB-00001785	New dog exercise area at 'Semapaw Park', located at Semaphore Park Reserve.	\$0	\$51,040	\$51,040	New
Additional play equipment at Bowden Village Reserve Bid ID PBB-00001786	Additional play equipment at Bowden Village Reserve.	\$0	\$30,000	\$30,000	New
Landscape Improvements at Angus Reserve, Renown Park Bid ID PBB-00001787	Landscape Improvements at Angus Reserve, Renown Park.	\$0	\$20,000	\$20,000	New
New playground at Montgomery Reserve, Flinders Park Bid ID PBB-00001789	New playground at Montgomery Reserve, Flinders Park	\$0	\$180,000	\$180,000	New
Corcoran Reserve basketball half-court acoustic surface Bid ID PBB-00001791	Corcoran Reserve basketball half-court acoustic surface	\$0	\$25,000	\$25,000	New
Storage Shed - Woodville Dog Obedience Club Bid ID PBB-00001792	Supply and Install a new Storage Shed located at the Woodville Dog Obedience Club within	\$0	\$6,100	\$6,100	New

	the Woodville Oval Precinct				
West Beach surf club landscaping remediation works Bid ID PBB-00001795	West Beach surf club landscaping remediation works.	\$0	\$140,000	\$140,000	Upgrade
Four CoastSnap stations – Installation and ongoing monitoring Bid ID PBB-00001796	The establishment of four CoastSnap stations at different locations (West Beach, Henley South, Grange and Semaphore Park) to engage with our community through the taking of photos and a citizen science approach, to monitoring changes in the beach profile along our coastline.	\$0	\$17,000	\$17,000	New
Tennyson Dunes Carpark - Landscape Improvement Works Bid ID PBB-00001797	The Tennyson Dunes car park is under the care and control of council requires landscape improvements to enhance the destination, allow for improved biodiversity plantings, protection of endangered species and to formalise access through the planted areas. It is proposed minor works be undertaken to both improve the general amenity and also to improve activation and decrease undesirable behaviour within the car parking area.	\$0	\$44,000	\$44,000	New
Sandpiper Reserve Upgrade Bid ID PBB-00001798	Sandpiper Reserve Upgrade	\$0	\$70,000	\$70,000	New

<p>Outdoor Remote Lockers System RFID for Library</p> <p>Bid ID PBB-00001817</p>	<p>With Henley Library due for closure throughout 2023 and 2024, a secure outdoor self service library can be provisioned for community members within surrounding districts.</p> <p>The self check-in and check-out system allows members of the public with library membership to reserve books (and resources) by dropping off and picking them up via secure lockers in open spaces.</p>	<p>\$0</p>	<p>\$45,000</p>	<p>\$45,000</p>	<p>New</p>
<p>Automatic gates management (Beverley Centre & Horticulture Centre)</p> <p>Bid ID PBB-00001819</p>	<p>The main gates that secure Beverley Centre and Horticulture Centre have legacy analogue and unsupported infrastructure now deemed End of Life (EOL). This is because when the council migrated away from the Mitel phone system that provided copper wired-based input/output (I/O) operations to a modern Internet SIP-based phone system, the analogue system became redundant. The bid submission is to install and configure an automated gate solution that meets council needs, including the ability to open remotely from either location and software to automate entry for trusted vehicles avoiding the overhead administration of maintaining gate commands. This ensures the safety of staff and ensures operational efficiencies</p>	<p>\$0</p>	<p>\$24,000</p>	<p>\$24,000</p>	<p>Upgrade</p>

How does Council propose to fund its program?

Although rates provide the main source of income for Council to fund its operations and infrastructure requirements, other source 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 and rate arrears.

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 for new/upgraded assets

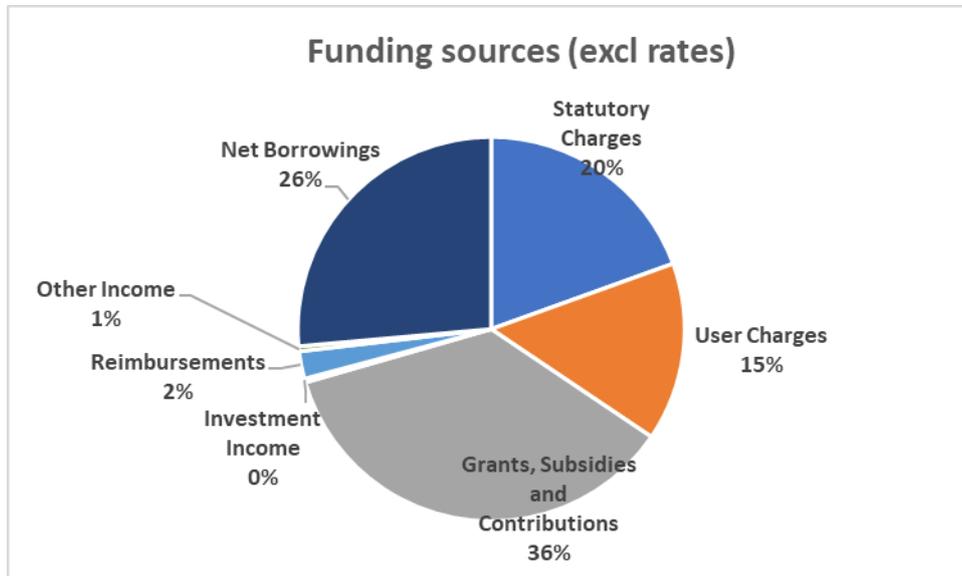
Amounts for new/upgraded assets include grants from State, Federal and community sources for the specific purpose of funding new capital expenditure.

Borrowings

Loan borrowings are considered an important source of funding for asset acquisition and upgrade. 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.

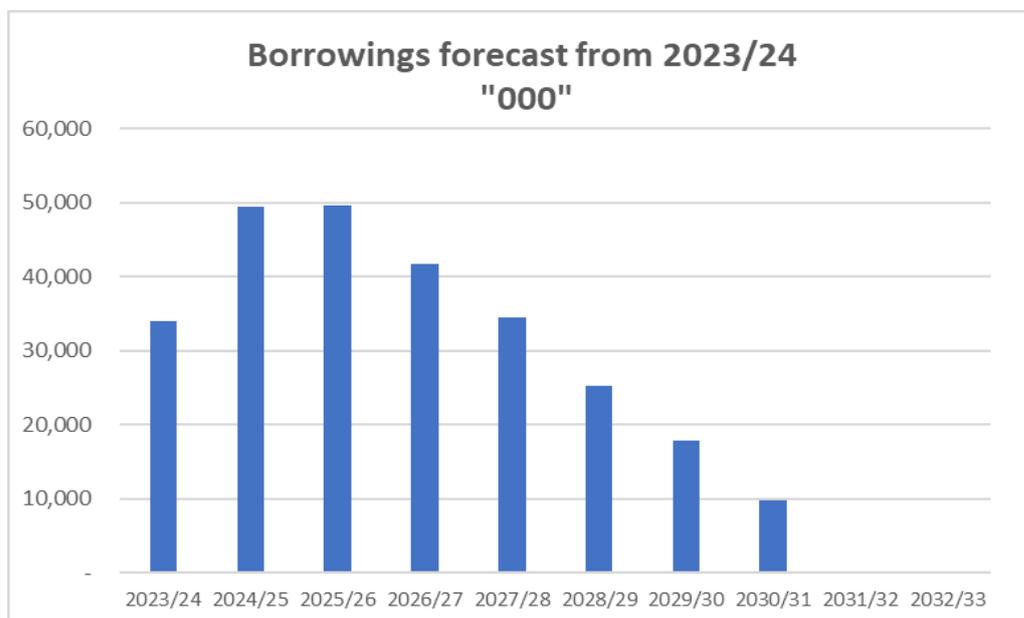
Infrastructure renewal/replacement should be financed by rates with ratepayers in any year paying for the resources they consume.

Under the adopted high level LTFP parameters for 2023/24, Income from Other income sources (excluding net rates) is projected to be \$17.342m with approx. \$4.588m forecast from Statutory charges, \$3.537m User Charges, \$8.496m in Grants , \$74k Investment income, \$647k Other income and reimbursements.



Total loan borrowings as a consequence of new/upgrade works will utilise the existing drawdown of CADs (Cash Advance Debenture interest only) facilities in 2023/24 for net draw down of \$6.228m.

It must be noted however that the level of loans assumes a conservative level of works in progress at year end and assumes the effective use of its cash advance debentures (interest only loans) in line with Council’s Treasury policy where surplus cash is used before considering any borrowings. Total borrowings are forecast at \$33.906m in 2023/24 based on the assumptions and high level parameters in the LTFP with borrowings forecast to peak at \$49.56m in 2025/26.



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:

1. **Capital value** - value of land and all improvements
2. **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
3. **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 need to raise revenue and the effects of the tax on the community.

Rates are a property tax that 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 ratepayer's property.

Charles Sturt uses a **differential rating system** with a **minimum** amount.

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 indicator of ability to pay rates, where property valuation increases across the city are inconsistent the effect of growth in one ratepayers' 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 Council endeavour to address potential inequities.

For 2023/24 the adopted LTFP forecasts we require a total rates increase of 8.59% (plus growth or forecast new properties of 1.0%) for a total of 9.59% on 2022/23 rates levied to fund the high level parameters for the core service levels, projects and capital expenditure projected for 2023/24. This rates increase is based on forecast CPI as provided by Deloitte Access Economics of 3.09% plus 0.5% to fund the DFP project (ERP) system plus 5% to ensure ongoing financial sustainability given cost pressures. The additional 5% is therefore required to fund unexpected IS costs for cloud migration, Boomi licencing costs, electricity and wages increases greater than forecast in the adopted budget 2022/23 and LTFP. The rates increase forecast of 8.59% (excluding growth) aligns with the Adelaide CPI for December 2022 of 8.6%.

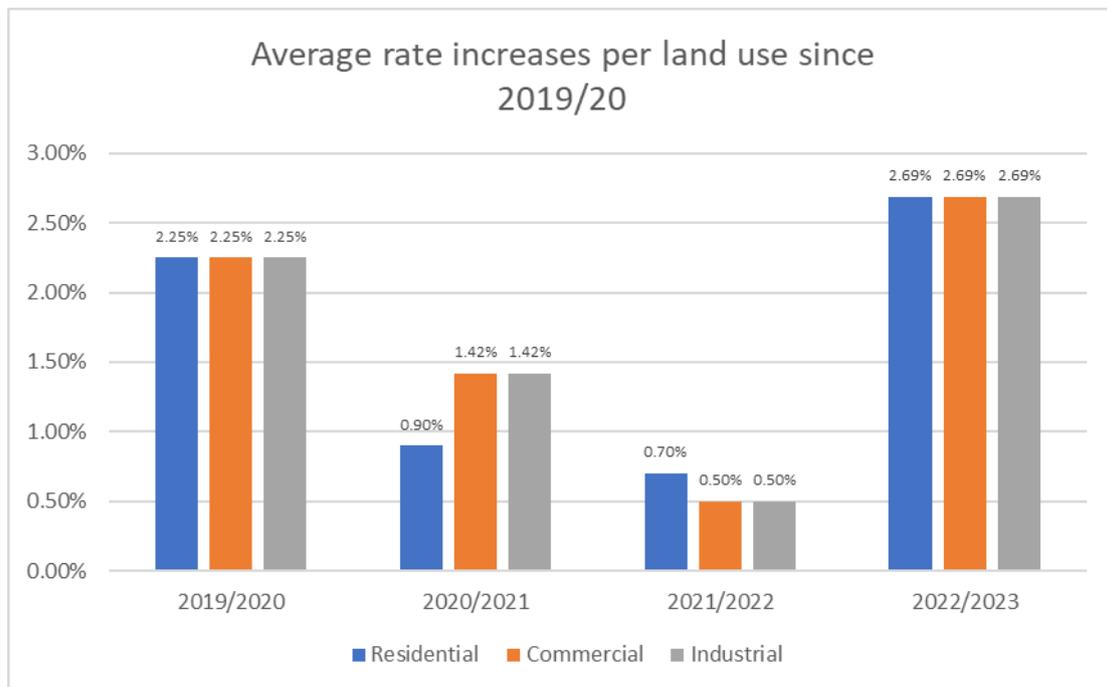
Although we are still to receive final valuations from the Valuer-General, based on modelling in previous years and general trends **we would expect "typical" ratepayers for each land use category to pay between an 8.3% and 8.9% increase on 2022/23 rates.** This would equate to an approximate 8.59% average increase for each land use category provided growth in new properties is approx. 1%. For residential ratepayers this increase would equate to an increase in

rates of approximately \$130.00 to \$140.00 per annum or an additional \$2.50 to \$2.70 per week.

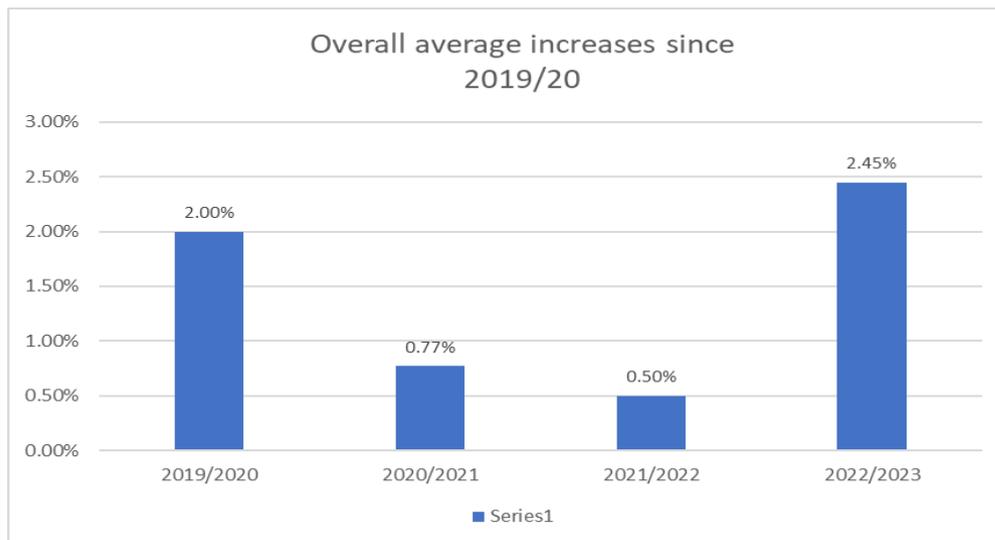
However Council is very conscious that although the proposed rates increase is aligned to the December 2022 CPI if 8.6% every effort will still be made over the development of the budget 2023/24 to reduce the overall level of rates required having regard to the capital and annual operating project budgets and cost of recurrent services. The feedback from the consultation will help inform decisions with Council targeting a rates increase, whilst still maintaining financial sustainability, of approx. 7.5% or better without compromising on service delivery but achieved through cost efficiencies. In addition Council’s management team are currently undertaking a review of expenditure across Council recurrent budget in order to reduce the cost of rates wherever possible, pursuing a savings target of \$1m.

As with previous year’s rating strategies it is proposed to continue to increase the minimum rate to ensure we remain within the legislated maximum of 35% of properties.

Average rate increases since 2018/2019



Since 2019/20 the average residential rate increase has been approximately 1.64% with the industrial 1.72% and commercial land use categories 1.72% as Council seeks to drive efficiencies in service delivery and reduce the impost of rate increases. Council has endeavoured to ensure the relative distribution from all categories has been constant to ensure greater equity across all land uses in relative contributions. It is envisaged that this consistent relative contribution from all land use codes will continue and consequently the average increase from all land use codes will be uniform.



**note in 2019/20 the average rate rise was 1.4% preceeding the late announcement of the State government annual increase in zero waste levy of 40%.*

Proposed Rate Relief

To address any potential inequities in how the rates are levied across the city the following rate relief options are proposed :

Rate Capping

This option will provide relief where a ratepayer is levied an increase in rates greater than 12.5% (after considering other rebates) and ensure no ratepayer will pay any more than 12.5% on the previous year in “rates”. This rebate 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 as a result of a change in land use
- Ownership of the property has changed since July 2022
- The ratepayer is granted any other rebate of rates for 2023/2024 under the Local Government Act 1999 sections 159 to 166.

(Given the overall rate increase for 2023/24 and current economic circumstances there may be a need to cap the dollar amount of the 12.5% capping depending on the cost to fund)

Residential construction

The vacant land rate in the dollar is usually three times higher than the residential rate and it is proposed to maintain that comparative for 2023/24. For the purposes of securing the proper development of the area a rebate however will be given to ratepayers who are assessed as vacant land as at 30 June 2023 but who build their new family home on that land and can demonstrate that they will live in this house for at least 1 year. If the footings are poured prior to 31 December 2023 a full rebate will be given. If the footings are poured after 31 December 2023 a 50% rebate will be granted. This rebate is designed only for principal ratepayers who build on vacant land and then live in that property and is not applicable to investment properties.

Postponement of rates

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 as per Section 182A (12) of the Act (ie with a premium of 1% over the cash advance debenture rate).

Hardship

Any ratepayer experiencing difficulties in meeting rates payments or experiencing financial hardship will be able to access payment plans tailored to meet their particular circumstances. All arrangements will be strictly confidential.

Measuring Achievement of the 2023/24 Annual 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 Organisational Plans. For each key action in Our Organisational 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 $\geq 0\%$ 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

Conclusion

The 2023/24 Annual Business Plan is presented in the context of the Council endorsed strategic directions for the City. The document reflects Council's continuing focus on ensuring that the physical infrastructure of the City is fit for use and maintained in a cost-effective way. Through implementation of this year's Annual Business Plan, we aim to deliver to residents and ratepayers a well-managed, sustainable City environment for current, as well as future generations.

The City of Charles Sturt is looking for your input into its 2023/24 budget development process.

The Long Term Financial Plan models Council's financial performance over the next 10 years. Based on this modelling the high level parameters of the 2023/24 budget are set including the proposed total rates increase.

This public consultation process provides you with the opportunity to have your input into the detail and budget priorities for 2023/24 **before** the final budget and list of capital and operating projects are finalised by Council.

It also enables you to comment on the rates increase proposed and the trade-off between the level of rates required to fund additional services and infrastructure provided, as well as the potential distribution of rates across the City and any rate relief options we should consider or issues we should be aware of when we model our valuation data and determine the distribution of rates for 2023/24.

Every dollar collected of your rates tax gets invested in your local community.

This is your chance to make sure these dollars are spent on delivering the community you want to live in.

We encourage you to take part in this community involvement process and look forward to your input.

Submissions will be accepted by 5.00pm Friday 6 May 2023, by email to: council@charlessturt.sa.gov.au or by mail to:

2023/24 Budget Consultation
City of Charles Sturt
PO Box 1
Woodville SA 5011

We also encourage you also to go to our website www.charlessturt.sa.gov.au where you are able to make online submissions and ask any questions you may have regarding the Draft Annual Business Plan and any projects under review.

All persons who may want to make a submission direct to Council (deputation) are invited to attend the Council meeting at 7.15pm on 24 April 2023 when you will be given the opportunity to address Council members on this Draft Annual Business Plan. You will need to contact Council on 8408 1213 (Jodie Phillips) if you wish to make a deputation.

You are also welcome to attend an informal community drop in event to discuss any aspect of the Draft Annual Business Plan at Councils offices on May 1st from 4.30 pm to 6pm

Attachment A

Long Term Financial Plan

Executive Summary

This document details the City of Charles Sturt's current financial position and outlook to 2032/33 as at January 2023.

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

- A strong alignment with Council's Community and Organisational Plan.
- Achievement of an ongoing 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 renewal funding 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 within a framework of environmental sustainability .

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 2023.

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 Cash Flow Statement
- 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 break even 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 a breakeven operating surplus ratio and over the forecast period council has continued to budget for this outcome. Council has set a range of >0% and <10% to ensure each generation is paying for its consumption equitably without overtaxing any generation.
- 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% (although 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 sustains its relative break even position.

Over the next 5 years total net rate increases (based on the assumptions detailed in [Schedule A](#)) and excluding growth estimates for new developments from 2023/24 are projected to be 8.59%, 2.94%, 2.78%, 2.53% and 2.5% until 2027/28. These forecast increases are based on Access Economics forecasts increases for CPI plus an extra impost from 2023/24 to ensure financial sustainability of 5.5%, 0.5%, 0.5% and 0.3% to allow for Councils anticipated expenditure on its DFP system and in 2023/24 an additional 5% due to fund unexpected IS costs for cloud migration, Boomi licencing costs, electricity and wages increases greater than forecast in the adopted budget 2022/23 and LTFP.

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 \$1.427b in 2023/24 to \$1.500b in 2032/33. Over the planning period total liabilities are expected to decrease from \$68.4m in 2023/24 to \$41.053m in 2032/33 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 \$33.905m in 2023/24 and increase to \$49.561 in 2025/26 after an expected peak in new/upgraded capital works and then decrease to nil in 2032/33.

Council's total equity or net assets is forecast to increase from \$1.358b in 2023/24 to \$1.459b in 2032/33.

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 its 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 increases from 43.4% in 2023/24 to 52.4% in 2024/25 and then reduces to 3.1% in 2032/2033, well within the 100% ceiling. (This ratio effectively means if the Council had to pay out all of its liabilities in 2023/24 including all of its staff entitlements, borrowings etc it would only use 43.4% of its total income and 56.6% of its total income would then be available to be repaid to its ratepayers).

The interest cover ratio is also well within the accepted benchmark of 10% rising to a maximum ratio of 1.8% in 2024/25.

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 2024-2033

Schedule A – Assumptions

General Assumption Drivers

The Long Term Financial Plan is forward looking information. Actual results can vary from the information presented and the variations could be material. Long Term Financial Strategy is financial forecast information; consequently, it 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 February 2023.

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 and are expected to continue into the foreseeable future.

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. The current EBA, still in negotiations, extends for 3 years and has been included based on information from CCS People and Culture Portfolio.

Salaries and Wages are based on the current base establishment of staff plus 3 additional positions that were endorsed by Council 2022/23 as part of the budget process.

Superannuation increases from 9.5% to 12.0% in 0.5% increments over a 5 year period commencing 2021/22 as per Federal Legislation.

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

During 2022/23 there was a large discrepancy between the CPI that was forecast and the actual that has occurred. Last year DAE originally forecast 2022/23 Adelaide CPI at 2.06% then revised with forecast in February 2022 to 2.18%. As 2022/23 progressed the CPI% increased as follows:

Adelaide CPI (source: Australian Bureau of Statistics)

March 2022	4.7%
June 2022	6.4%
September 2022	8.4%
December 2022	8.6%

Council's costs have experienced this escalating CPI growth with some costs exceeding this. However, Rates did not, rate revenue was predicated on the revised DAE forecast of CPI 2.18% + 0.3% extra impost (first part of Digital Future Project) + 1.0% growth = 3.48% Rates revenue total.

A table of all uplift indices used in the LTFP is below for costs which are forecast to increase greater than the CPI forecast from Access Economics of 3.09%.

Unique Indices	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
CPI	2.18%	3.09%	2.44%	2.48%	2.53%	2.50%	2.37%	2.26%	2.32%	2.41%
Wages EB/WPI	6.07%	7.33%	3.88%	4.39%	3.17%	2.70%	3.22%	3.18%	3.30%	3.30%
Water	5.18%	5.09%	5.44%	5.48%	5.53%	5.50%	5.37%	5.26%	5.32%	5.41%
Power	5.18%	5.09%	5.44%	5.48%	5.53%	5.50%	5.37%	5.26%	5.32%	5.41%
Maintenance	5.15%	6.09%	5.44%	5.48%	5.53%	5.50%	5.37%	5.26%	5.32%	5.41%
Waste	6.48%	6.09%	6.44%	6.48%	6.53%	6.50%	6.37%	6.26%	6.32%	6.41%
Insurance	5.18%	6.09%	5.44%	5.48%	5.53%	5.50%	5.37%	5.26%	5.32%	5.41%

Where knowledge exists of a change in price or quantity of either a revenue or expense that Council incurs in the provision of services to the community, that change is factored into the LTFFP.

Examples included are:

- Electricity increase of \$1,074k per year.
- Migration to Technology One Cloud of \$540k
- Boomi licence fee of \$99k

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” arrangements, Cash Advance Debentures (CAD) are at a competitive variable interest rate. Council’s variable funding rate is the reserve Bank of Australia (RBA) cash rate plus a modest margin which has been forecast at 6.35% for 2023/24 and decreasing over time. Council is financed through the Local Government Finance Authority (LGFA).

Annual Operating Projects AOP of \$2.5m are planned for 2023/24, this budgeted allocation is increased by forecast CPI each year of the plan. Last year’s projects (2022/23) undertaken by council has been factored into the budget with \$223k of recurrent expenditure arising from those initiatives. AOP capacity from 2023/24 to 2025/26 will be reduced by the proposed Enterprise Resource Planning ERP project forecast at a remaining cost of \$3.15m spread over four years.

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Annual Operating Projects	2,392	2,500	2,561	2,624	2,691	2,758	2,823	2,887	2,954	3,025	3,097
LG Election (in addn to AOP)	619				650				675		
DFP Project	591	1,428	801	919							
DFP Project 50% funded outside AOP)	-296	-714	-401	-460							
Total AOP	3,602	3,214	2,962	3,084	3,341	2,758	2,823	2,887	3,629	3,025	3,097

Depreciation increases as brand new infrastructure is completed and also as existing infrastructure 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 the endorsed Asset Management Plans indicate future funding requirements.

Council’s Budget Principles and Policy does not 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 is 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’s (AMP’s). They are reviewed annually and presented to Council for review and endorsement.

All AMPs will be reviewed within 2 years of the LG elections as per LG act 1999. These reviews will include a more comprehensive response and updated projections to the delivery of its Net Zero strategy.

New and Upgrade forecasts are based on current Strategic Management Plans and Council in principle adopted projects via a Council resolution.

Capital Program	\$0,00	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Capital Renewal		25,808	32,917	43,759	29,047	26,959	27,802	28,357	26,533	28,785	22,477
Capital New & Upgrade		13,264	12,211	10,995	11,165	7,415	9,505	8,655	13,475	11,105	9,450
Total		39,072	45,128	54,754	40,212	34,374	37,307	37,012	40,008	39,890	31,927

Loans outstanding are due to the level of new/upgrade capital expenditure. Borrowings increase as significant projects are undertaken with a peak of \$49.56m in 2025/26, 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.

Please note any movement due to the impact of CAWRA, Councils waste and recycling subsidiary has been specifically excluded from the forecasts.

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%

Significant Assumption Risks:

Interest Rate Risk

Interest Rate Risk would be significant when Financial Liabilities of approximately \$80 Million such that a 1.4% interest rate rise would require approximately an additional 1% increase in rate revenue.

Wage Growth Index Forecast Risk

With employee costs comprising approximately 37% of total operating expenditure a 1% error in anticipated wage growth can result in a \$0.5m misstatement in the 2023/24 operating result and up to a \$0.6m misstatement in the 2032/33 year.

CPI forecast risk

The 2023/24 Operating Surplus is sensitive to the level CPI rate during the year. A 1.0% increase in CPI, after Rates have been struck, will have a \$0.9m unfavourable impact on the Operating Surplus.

Schedule B

City of Charles Sturt
10 Year Financial Plan for the Years ending 30 June 2033
STATEMENT OF COMPREHENSIVE INCOME



	Actuals		Projected Years									
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income												
Rates	113,569	118,715	129,852	134,909	139,950	144,845	149,872	154,877	159,888	165,143	170,733	176,461
Statutory Charges	4,675	4,450	4,588	4,700	4,816	4,938	5,061	5,181	5,299	5,421	5,552	5,684
User Charges	4,003	3,895	3,537	3,624	3,713	3,807	3,903	3,995	4,085	4,180	4,281	4,383
Grants, Subsidies and Contributions	12,371	9,366	8,496	8,460	8,669	8,888	9,110	9,326	9,537	9,758	9,994	10,232
Investment Income	69	72	74	76	78	80	82	84	86	88	90	92
Reimbursements	3,607	530	546	559	573	588	603	617	631	645	661	677
Other Income	133	98	101	103	106	108	111	114	116	119	122	125
Net gain - equity accounted Council businesses	-	-	-	-	-	-	-	-	-	-	-	-
Total Income	138,427	137,125	147,194	152,431	157,906	163,254	168,741	174,193	179,642	185,355	191,431	197,653
Expenses												
Employee Costs	47,380	50,257	53,940	56,035	58,495	60,348	61,978	63,976	66,011	68,191	70,443	72,805
Materials, Contracts & Other Expenses	48,290	49,391	53,247	54,889	57,039	59,118	60,917	63,407	65,953	69,331	71,557	74,583
Depreciation, Amortisation & Impairment	32,208	34,582	35,949	37,375	38,822	40,521	42,109	43,628	45,204	46,612	46,887	49,393
Finance Costs	623	1,419	2,271	2,856	2,775	2,114	1,821	1,166	786	560	271	57
Net loss - Equity Accounted Council Businesses	207	195	-	-	-	-	-	-	-	-	-	-
Total Expenses	128,708	135,844	145,407	151,155	157,130	162,101	166,826	172,177	177,954	184,694	189,158	196,837
Operating Surplus / (Deficit)	9,719	1,281	1,787	1,276	776	1,153	1,916	2,016	1,687	660	2,273	816
Asset Disposal & Fair Value Adjustments	(4,386)	-	-	-	-	-	-	-	-	-	-	-
Amounts Received Specifically for New or Upgraded Assets	3,853	3,541	100	100	100	100	100	100	100	100	100	100
Physical Resources Received Free of Charge	3,093	200	200	200	200	200	200	200	200	200	200	200
Operating Result from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
Net Surplus / (Deficit)	12,279	5,022	2,087	1,576	1,076	1,453	2,216	2,316	1,987	960	2,573	1,116
Other Comprehensive Income												
Amounts which will not be reclassified subsequently to operating result												
Changes in Revaluation Surplus - I,PP&E	-	7,369	9,158	9,519	16,107	9,348	14,160	8,967	7,987	11,492	8,448	-
Amounts which will be reclassified subsequently to operating result												
Total Other Comprehensive Income	-	7,369	9,158	9,519	16,107	9,348	14,160	8,967	7,987	11,492	8,448	-
Total Comprehensive Income	12,279	12,391	11,245	11,095	17,183	10,802	16,376	11,282	9,975	12,452	11,021	1,116

City of Charles Sturt
10 Year Financial Plan for the Years ending 30 June 2033
STATEMENT OF FINANCIAL POSITION



	Actuals	Current Year	Projected Years									
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS												
Current Assets												
Cash & Cash Equivalents	1,119	500	500	500	500	500	500	500	500	500	8,608	29,439
Trade & Other Receivables	6,339	3,975	4,053	4,184	4,329	4,472	4,615	4,764	4,912	5,074	5,234	5,404
Other Financial Assets	-	-	-	-	-	-	-	-	-	-	-	-
Inventories	229	175	189	195	203	210	216	225	234	246	254	265
Other Current Assets	-	-	-	-	-	-	-	-	-	-	-	-
Non-current assets classified as "Held for Sale"	2,286	2,286	2,286	2,286	2,286	2,286	2,286	2,286	2,286	2,286	2,286	2,286
Total Current Assets	9,973	6,937	7,028	7,165	7,318	7,468	7,618	7,775	7,932	8,106	16,382	37,394
Non-Current Assets												
Financial Assets	-	-	-	-	-	-	-	-	-	-	-	-
Equity Accounted Investments in Council Businesses	1,778	1,583	1,583	1,583	1,583	1,583	1,583	1,583	1,583	1,583	1,583	1,583
Investment Property	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure, Property, Plant & Equipment	1,364,476	1,383,353	1,397,514	1,420,761	1,448,296	1,453,449	1,465,858	1,468,467	1,470,859	1,475,853	1,471,133	1,452,377
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-
Non-current assets classified as "Held for Sale"	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Current Assets	21,235	16,385	20,918	24,812	15,056	13,373	10,558	10,593	11,287	11,423	9,876	9,612
Total Non-Current Assets	1,387,489	1,401,321	1,420,016	1,447,156	1,464,936	1,468,405	1,478,000	1,480,644	1,483,729	1,488,859	1,482,592	1,463,572
TOTAL ASSETS	1,397,462	1,408,257	1,427,044	1,454,321	1,472,254	1,475,873	1,485,617	1,488,419	1,491,662	1,496,965	1,498,975	1,500,966
LIABILITIES												
Current Liabilities												
Cash Advance Debenture	24,163	22,713	30,409	47,515	48,526	41,045	34,165	25,275	17,796	9,734	-	-
Trade & Other Payables	15,369	15,919	17,233	17,821	18,508	19,161	19,764	20,500	21,247	22,160	22,882	23,758
Borrowings	1,719	1,469	1,512	950	354	354	327	-	-	-	-	-
Provisions	10,039	10,242	10,242	10,242	10,242	10,242	10,242	10,242	10,242	10,242	10,242	10,242
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Liabilities relating to Non-Current Assets classified as "Held for Sale"	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	51,290	50,343	59,395	76,528	77,631	70,803	64,498	56,017	49,285	42,136	33,124	34,000
Non-Current Liabilities												
Cash Advance Debenture	-	-	-	-	-	-	-	-	-	-	-	-
Trade & Other Payables	5,199	5,199	5,199	5,199	5,199	5,199	5,199	5,199	5,199	5,199	5,199	5,199
Borrowings	4,341	3,497	1,985	1,035	681	327	-	-	-	-	-	-
Provisions	1,658	1,854	1,854	1,854	1,854	1,854	1,854	1,854	1,854	1,854	1,854	1,854
Liability - Equity Accounted Council Businesses	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Liabilities relating to Non-Current Assets classified as "Held for Sale"	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Current Liabilities	11,198	10,550	9,038	8,088	7,734	7,380	7,053	7,053	7,053	7,053	7,053	7,053
TOTAL LIABILITIES	62,488	60,892	68,433	84,616	85,365	78,183	71,551	63,070	56,338	49,189	40,177	41,053
Net Assets	1,334,974	1,347,365	1,358,611	1,369,706	1,386,889	1,397,691	1,414,067	1,425,349	1,435,324	1,447,776	1,458,798	1,459,913
EQUITY												
Accumulated Surplus	524,947	529,969	532,056	533,632	534,709	536,162	538,378	540,694	542,681	543,642	546,215	547,331
Asset Revaluation Reserves	810,027	817,396	826,555	836,073	852,180	861,529	875,689	884,656	892,643	904,135	912,583	912,583
Available for Sale Financial Assets	-	-	-	-	-	-	-	-	-	-	-	-
Other Reserves	-	-	-	-	-	-	-	-	-	-	-	-
Total Equity	1,334,974	1,347,365	1,358,611	1,369,706	1,386,889	1,397,691	1,414,067	1,425,349	1,435,324	1,447,776	1,458,798	1,459,913



City of Charles Sturt
10 Year Financial Plan for the Years ending 30 June 2033
STATEMENT OF CASH FLOWS

	Actuals	Current Year	Projected Years									
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities												
Receipts:												
Rates Receipts	113,569	119,049	130,147	135,043	140,084	144,974	150,005	155,009	160,021	165,283	170,881	176,613
Statutory Charges	4,675	4,996	4,579	4,692	4,808	4,930	5,053	5,173	5,291	5,413	5,543	5,675
User Charges	4,003	4,356	3,562	3,618	3,707	3,801	3,896	3,989	4,079	4,174	4,274	4,376
Grants, Subsidies and Contributions (operating purpose)	12,371	10,641	8,665	8,461	8,661	8,880	9,102	9,318	9,529	9,749	9,984	10,222
Investment Receipts	69	78	74	76	78	80	82	84	86	88	90	92
Reimbursements	3,607	1,035	545	559	573	587	602	616	630	645	660	676
Other	(2,240)	115	100	103	105	108	111	113	116	119	121	124
Payments:												
Payments to Employees	(46,609)	(49,307)	(53,846)	(55,981)	(58,432)	(60,300)	(61,937)	(63,925)	(65,959)	(68,135)	(70,385)	(72,744)
Payments for Materials, Contracts & Other Expenses	(45,375)	(52,830)	(52,755)	(54,656)	(56,759)	(58,836)	(60,651)	(63,082)	(65,619)	(68,923)	(71,228)	(74,183)
Finance Payments	(623)	(1,419)	(2,271)	(2,856)	(2,775)	(2,114)	(1,821)	(1,166)	(786)	(560)	(271)	(57)
Net Cash provided (or used in) Operating Activities	43,447	36,716	38,800	39,059	40,051	42,109	44,442	46,129	47,387	47,851	49,669	50,795
Cash Flows from Investing Activities												
Receipts:												
Amounts Received Specifically for New/Upgraded Assets	3,853	3,541	100	100	100	100	100	100	100	100	100	100
Sale of Replaced Assets	578	742	-	-	-	-	-	-	-	-	-	-
Sale of Surplus Assets	39	-	-	-	-	-	-	-	-	-	-	-
Distributions Received from Equity Accounted Council Businesses	207	-	-	-	-	-	-	-	-	-	-	-
Payments:												
Expenditure on Renewal/Replacement of Assets	(22,528)	(25,808)	(32,917)	(43,759)	(29,047)	(26,959)	(27,802)	(28,357)	(26,533)	(28,785)	(22,477)	(22,714)
Expenditure on New/Upgraded Assets	(19,316)	(13,264)	(12,211)	(10,995)	(11,165)	(7,415)	(9,505)	(8,655)	(13,475)	(11,105)	(9,450)	(7,350)
Capital Contributed to Equity Accounted Council Businesses	(207)	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Investing Activities	(37,374)	(34,789)	(45,028)	(54,654)	(40,112)	(34,274)	(37,207)	(36,912)	(39,908)	(39,790)	(31,827)	(29,964)
Cash Flows from Financing Activities												
Receipts:												
Proceeds from CAD	-	-	7,696	17,107	1,011	-	-	-	-	-	-	-
Proceeds from Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of Funds from Leases	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from Aged Care Facility Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from Bonds & Deposits	76	-	-	-	-	-	-	-	-	-	-	-
Receipts from Other Financing Activities	-	-	-	-	-	-	-	-	-	-	-	-
Payments:												
Repayments of CAD	-	(1,450)	-	-	-	(7,481)	(6,881)	(8,890)	(7,479)	(8,061)	(9,734)	-
Repayments of Borrowings	(5,786)	(1,073)	(1,115)	(1,158)	(596)	-	-	-	-	-	-	-
Repayment of Principal Portion of Lease Liabilities	(396)	(22)	(354)	(354)	(354)	(354)	(354)	(327)	-	-	-	-
Repayment of Aged Care Facility Deposits	(152)	-	-	-	-	-	-	-	-	-	-	-
Repayment of Bonds & Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Payments of Other Financing Activities	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow provided (used in) Financing Activities	(6,258)	(2,545)	6,228	15,595	61	(7,835)	(7,235)	(9,217)	(7,479)	(8,061)	(9,734)	-
Net Increase/(Decrease) in Cash & Cash Equivalents	(185)	(619)	-	8,108	20,831							
plus: Cash & Cash Equivalents - beginning of year	1,304	1,119	500	8,608								
Cash & Cash Equivalents - end of the year	1,119	500	8,608	29,439								

City of Charles Sturt
10 Year Financial Plan for the Years ending 30 June 2033
STATEMENT OF CHANGES IN EQUITY



	Actuals	Current Year	Projected Years									
	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	2031/32 \$'000	2032/33 \$'000
Opening Balance	1,322,695	1,334,974	1,347,365	1,358,611	1,369,706	1,386,889	1,397,691	1,414,067	1,425,349	1,435,324	1,447,776	1,458,798
Net Surplus / (Deficit) for Year	12,279	5,022	2,087	1,576	1,076	1,453	2,216	2,316	1,987	960	2,573	1,116
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-
- Gain (Loss) on Revaluation of I,PP&E	-	7,369	9,158	9,519	16,107	9,348	14,160	8,967	7,987	11,492	8,448	-
Other Comprehensive Income	-	7,369	9,158	9,519	16,107	9,348	14,160	8,967	7,987	11,492	8,448	-
Total Comprehensive Income	12,279	12,391	11,245	11,095	17,183	10,802	16,376	11,282	9,975	12,452	11,021	1,116
Transfers between Equity	-	-	-	-	-	-	-	-	-	-	-	-
Equity - Balance at end of the reporting period	1,334,974	1,347,365	1,358,611	1,369,706	1,386,889	1,397,691	1,414,067	1,425,349	1,435,324	1,447,776	1,458,798	1,459,913

City of Charles Sturt
10 Year Financial Plan for the Years ending 30 June 2033
UNIFORM PRESENTATION OF FINANCES



	Actuals	Current Year	Projected Years									
	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	2031/32 \$'000	2032/33 \$'000
Operating Activities												
Income	138,427	137,125	147,194	152,431	157,906	163,254	168,741	174,193	179,642	185,355	191,431	197,653
less Expenses	(128,708)	(135,844)	(145,407)	(151,155)	(157,130)	(162,101)	(166,826)	(172,177)	(177,954)	(184,694)	(189,158)	(196,837)
Operating Surplus / (Deficit)	9,719	1,281	1,787	1,276	776	1,153	1,916	2,016	1,687	660	2,273	816
Capital Activities												
less (Net Outlays) on Existing Assets												
Capital Expenditure on Renewal and Replacement of Existing Assets	(22,528)	(25,808)	(32,917)	(43,759)	(29,047)	(26,959)	(27,802)	(28,357)	(26,533)	(28,785)	(22,477)	(22,714)
add back Depreciation, Amortisation and Impairment	32,208	34,582	35,949	37,375	38,822	40,521	42,109	43,628	45,204	46,612	46,887	49,393
add back Proceeds from Sale of Replaced Assets	578	742	-	-	-	-	-	-	-	-	-	-
(Net Outlays) on Existing Assets	10,258	9,516	3,032	(6,384)	9,775	13,562	14,307	15,271	18,671	17,827	24,410	26,679
less (Net Outlays) on New and Upgraded Assets												
Capital Expenditure on New and Upgraded Assets	(19,316)	(13,264)	(12,211)	(10,995)	(11,165)	(7,415)	(9,505)	(8,655)	(13,475)	(11,105)	(9,450)	(7,350)
(including Investment Property & Real Estate Developments)												
add back Amounts Received Specifically for New and Upgraded Assets	3,853	3,541	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)	39	-	-	-	-	-	-	-	-	-	-	-
(Net Outlays) on New and Upgraded Assets	(15,424)	(9,723)	(12,111)	(10,895)	(11,065)	(7,315)	(9,405)	(8,555)	(13,375)	(11,005)	(9,350)	(7,250)
Net Lending / (Borrowing) for Financial Year	4,553	1,074	(7,292)	(16,003)	(514)	7,400	6,818	8,732	6,984	7,483	17,334	20,245

