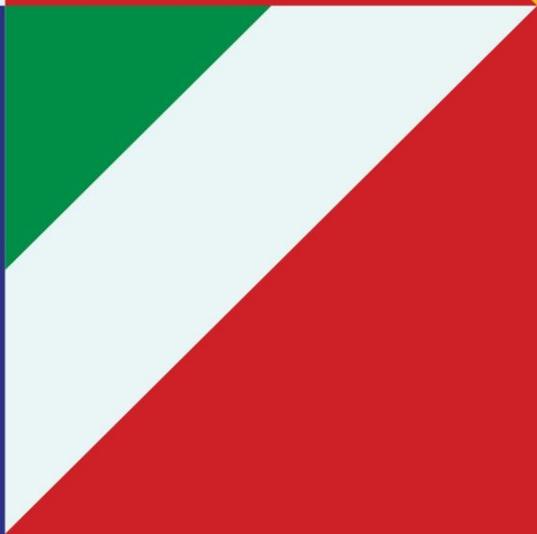
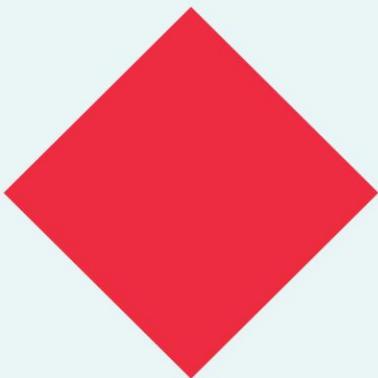


# ANNUAL BUSINESS PLAN AND BUDGET 2023/24



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## 1. 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**

## 2. 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 by a council after 31 May for the ensuing financial year and, except in a case involving extraordinary administrative difficulty, before 15 August for the financial year.

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

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

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

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

This document presents the finalised Annual Business Plan and Budget for the City of Charles Sturt for 2023/24 following a period of public consultation and receipt of submissions from the community on the Draft Annual Business Plan. This document has been developed in the context of Council's strategic planning framework including the Community and Corporate Plan. This Annual Business Plan and Budget 2023/24 was adopted by the Council of the City of Charles Sturt at its meeting on Monday, 26 June 2023.

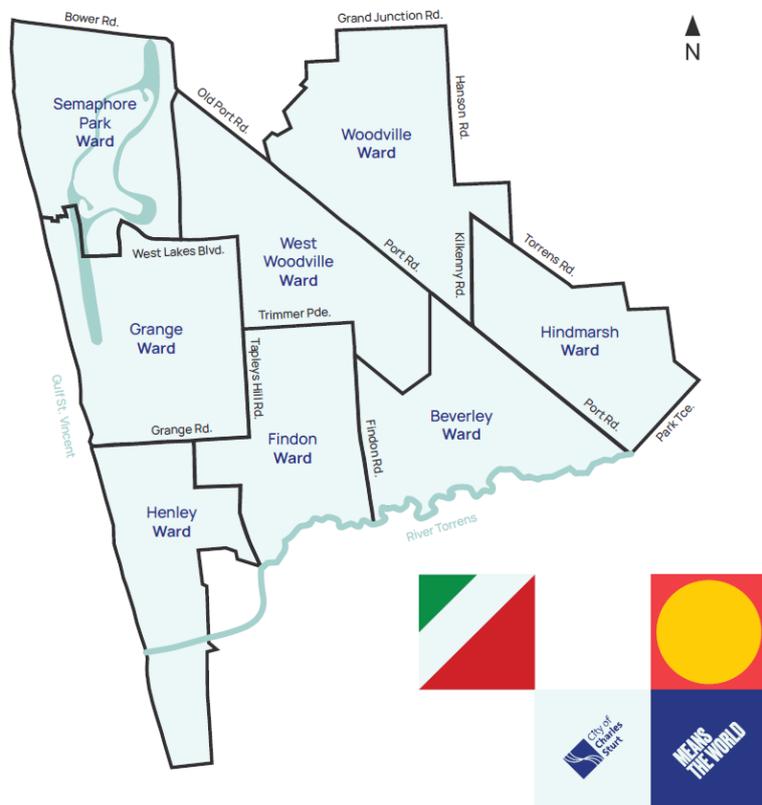
### 3. Introduction to the City of Charles Sturt

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

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

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

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



## 4. Strategic Context

This 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](http://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



The 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

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**

<b>Our Community Plan Outcomes</b>	<b>Our Organisational Plan Actions</b>
<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"> <li>1. Develop mutually beneficial partnerships with key stakeholders that effectively respond to local needs and motivates and strengthens our community.</li> <li>2. Creatively grow access to services in communities with limited or low access to existing services, facilities and programs</li> <li>3. Reconfigure existing facilities to broaden their appeal, maximise resources, enhance/extend service offerings and remove barriers to participation.</li> <li>4. Provide technology infrastructure and programs to support digital inclusion.</li> </ol>
<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"> <li>1. Connect with traditional owners to identify, promote, respect and protect Kurna heritage and culture.</li> <li>2. Create a more inclusive and accessible City that celebrates, partners and advocates for people of diverse culture and abilities</li> <li>3. Increase volunteer participation by promoting, creating and expanding volunteering opportunities</li> </ol>

Our Community Plan Outcomes	Our Organisational Plan Actions
<p>People embrace healthy living, physical activity and ageing well.</p>	<ol style="list-style-type: none"> <li>1. Support citizens to age well in place and participate in community life.</li> <li>2. Provide opportunities for formal and informal recreation, fitness and leisure experiences.</li> <li>3. Develop activities with a key focus on healthy eating, healthy living and ageing well.</li> </ol>
<p>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</p>	<ol style="list-style-type: none"> <li>1. Support community safety and positive public health outcomes through prevention, education, encouragement and enforcement activities.</li> <li>2. Develop and support programs and activities that build individual, family and community resilience.</li> </ol>
<p>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.</p>	<ol style="list-style-type: none"> <li>1. Create opportunities for the community to engage in a lifelong love of reading, learning and creative experiences.</li> <li>2. Upskill sporting and community groups to build sustainability</li> <li>3. Create a local leadership development program to grow and support local community leaders and young changemakers by 2022.</li> </ol>

**2. OUR LIVEABILITY – A Liveable City of Great places**

Our Community Plan Outcomes	Our Organisational Plan Actions
<p>A well-designed urban environment that is adaptive to a diverse and growing City.</p>	<ol style="list-style-type: none"> <li>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.</li> <li>2. Implement Your Neighbourhood Plan framework</li> </ol>
<p>City assets and infrastructure are developed and enhanced on a strategic and equitable basis and coordinated with industry and government bodies.</p>	<ol style="list-style-type: none"> <li>1. Implement asset improvements and maintenance via Asset Management Plans to ensure they are fit for purpose and meet changing community needs.</li> <li>2. Manage maintenance service levels and asset lifecycles to optimise asset life and achieve service efficiency in line with community needs and diverse urban densities.</li> <li>3. Develop and enhance assets in line with key Council strategies</li> </ol>
<p>Support diverse events and experiences that bring people together and contribute to the history, culture and vitality of our neighbourhoods.</p>	<ol style="list-style-type: none"> <li>1. Engage the community in the delivery of events in community and public spaces.</li> <li>2. Develop destinations that cultivate art, culture, place making while recognising heritage principles</li> <li>3. Develop and implement a program to promote street and place activation.</li> </ol>
<p>Drive an integrated, responsive transport system and well-maintained network of roads and paths that facilitate safe, efficient and sustainable connections.</p>	<ol style="list-style-type: none"> <li>1. Continue to implement improvements to our transport network to improve road safety.</li> <li>2. Invest in inclusive upgrades to the whole transport network to promote a balanced distribution of residents driving, walking, cycling and using public transport.</li> <li>3. Continue to support and advocate for shared transport options such as ride shares, car share, shared bike and scooter schemes</li> <li>4. Continue to support and advocate the uptake of electric vehicle ownership and usage</li> </ol>

Our Community Plan Outcomes	Our Organisational Plan Actions
<p>Enhance the diversity of open spaces to create innovative, accessible and flexible community spaces.</p>	<ol style="list-style-type: none"> <li>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.</li> <li>2. Maximise the use of Council open space and sporting facilities.</li> <li>3. Facilitate provision of and access to recreation facilities by collaborating with schools and clubs and adjoining councils</li> </ol>

**3. OUR ENVIRONMENT – An Environmentally Responsible and Sustainable City**

Our Community Plan Outcomes	Our Organisational Plan Actions
<p>Greenhouse gas emissions significantly reduce, and we adapt to our changing climate</p>	<ol style="list-style-type: none"> <li>1. Implement our climate change mitigation and adaptation strategies including AdaptWest and Net Zero.</li> <li>2. Effectively manage and operate recycled water systems to provide alternative water sources for parks reserves and other open space environments</li> </ol>
<p>Our city is greener to reduce heat island effects and enhance our biodiversity</p>	<ol style="list-style-type: none"> <li>1. Protect and enhance our urban tree canopy</li> <li>2. Implement our Biodiversity Action Plan and identify opportunities in capital projects to enhance and protect biodiversity across Council reserves and land</li> <li>3. Develop, manage and maintain green infrastructure, prioritising areas challenged by the urban heat island effect wherever practicable</li> </ol>
<p>Charles Sturt is recognised as a leading partner and educator in pursuing a sustainable future with our community</p>	<ol style="list-style-type: none"> <li>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</li> <li>2. Incorporate sustainable infrastructure into our community spaces and buildings</li> </ol>

Our Community Plan Outcomes	Our Organisational Plan Actions
Reduce waste production across our city, and grow the circular economy	<ol style="list-style-type: none"> <li>1. Take back control of the community’s recyclables through construction and operation of our MRF jointly with the City of Port Adelaide Enfield.</li> <li>2. Reduce waste to landfill across our City through education and improvements to the kerbside 3 bin service.</li> <li>3. Educate and facilitate sound corporate practices to increase the use of recycled-content materials in Council operations.</li> </ol>
We advocate for the protection of our coastal areas and enhancing biodiversity along our coast	<ol style="list-style-type: none"> <li>1. Develop and implement strategies and partnerships in response to coastal risks and influence government led initiatives.</li> <li>2. Improve and increase biodiversity along our coast</li> </ol>

**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"> <li>1. Develop a regional promotion plan in collaboration with regional alliances to promote the western region economy.</li> <li>2. Develop strategic and industry alliances to progress economic growth and resource sharing</li> <li>3. Engage with business and key markets to encourage and support market development initiatives.</li> </ol>
Local businesses and entrepreneurial activities flourish through the support, engagement and relationships that are developed and maintained.	<ol style="list-style-type: none"> <li>1. Support opportunities to ‘buy local’ in Charles Sturt through our procurement practices.</li> <li>2. Increase local supply chain development through business support and promotions.</li> <li>3. Support our community and economy through the COVID-19 period while remaining financially sustainable.</li> <li>4. Build capabilities to support entrepreneurialism, social enterprise, and grassroots business start-ups.</li> </ol>

Our Community Plan Outcomes	Our Organisational Plan Actions
	<ol style="list-style-type: none"> <li>5. Provide a supporting environment and streamlined approach to assist business with establishment, expansion and business advice.</li> </ol>
<p>Businesses and industry sectors continue to grow and diversify</p>	<ol style="list-style-type: none"> <li>1. Promote, facilitate and attract businesses to employment lands and commercial precincts to support growth.</li> <li>2. Educate and support local business to adapt to an increasingly changing environment</li> </ol>
<p>Our businesses and community have the skills for success to realise job opportunities</p>	<ol style="list-style-type: none"> <li>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).</li> <li>2. Attract and support events and experiences that link to local jobs.</li> </ol>

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

Our Community Plan Outcomes	How will we achieve this?
<p>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.</p>	<ol style="list-style-type: none"> <li>1. Implement and embed our organisational values by taking a values-based approach to our decision making.</li> <li>2. Analyse, identify and develop or change ways of delivering services to improve efficiencies, reduce red tape and ensure value for money.</li> <li>3. Leverage strategic opportunities to work with other councils and external organisations to continue to innovate and achieve benefits for our community.</li> <li>4. Modernise our IT applications to ensure optimised service delivery.</li> <li>5. Ensure the services we are providing are meeting our community’s expectations.</li> </ol>
<p>We provide excellence in customer experience by ensuring our customers are at the heart of everything we do.</p>	<ol style="list-style-type: none"> <li>1. Develop and embed the Customer Experience Strategy.</li> <li>2. Our workplaces and the way we work ensures our commitment to customer experience excellence.</li> </ol>

Our Community Plan Outcomes	How will we achieve this?
<p>We care about our people ensuring we support, develop and motivate our workforce to meet Community needs with capability and confidence.</p>	<ol style="list-style-type: none"> <li>1. Develop and embed flexible ways of working for our workforce.</li> <li>2. Continue to maintain and enhance our safety systems to provide our employees with safe and healthy work experience.</li> <li>3. Ensure our people have the right skills, knowledge and capabilities to deliver quality outcomes for our community now and into the future.</li> <li>4. Our people have role clarity, receive regular feedback and have the capability to undertake their roles safely and effectively</li> </ol>
<p>The management of our City is progressive, responsive and sustainable to ensure a united and unique place for future generations</p>	<ol style="list-style-type: none"> <li>1. Review and continually update the Long-Term Financial Plan to ensure ongoing financial sustainability to meet future community expectations and legislative requirements.</li> <li>2. Develop a central register and strategically pursue grant and co-funding opportunities.</li> </ol>
<p>5. Open and accountable governance</p>	<ol style="list-style-type: none"> <li>1. Actively and effectively communicate Council decisions.</li> <li>2. Actively engage our community on Council services, programs and infrastructure.</li> <li>3. Our policies reflect the current legislation, are fit for purpose and enable decision making.</li> <li>4. Our strategic plans reflect our communities' aspirations while meeting the current legislation</li> <li>5. Our Community are updated on the progress and delivery of Council's projects for their community</li> <li>6. Implement systems and frameworks to continuously improve management and performance</li> <li>7. All Portfolios have considered their Corporate risks, and these are integrated into the Corporate Risk Register.</li> <li>8. Local Government Act 1999 reforms are implemented efficiently and effectively.</li> </ol>

## 5. Financial Strategy – Long Term Financial Plan

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

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

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

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

Council Members were asked to review a scenario using a standard number of base assumptions to forecast future financial performance over the next 10 years. Following an analysis of key financial indicators and review of the impact on long term financial sustainability this scenario was adopted on 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 \$11.915m 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.

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 2023/24.

In summary the high level parameters for 2023/24 which were 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

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

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

- 1) operating revenues are sufficient to meet operating expenses such that ratepayers are paying for their consumption of resources in that year (**operating sustainability ratio >0% and <10%** calculated as operating surplus/deficit divided by total operating income)
- 2) that Council is ensuring it maintains the value of its asset stock by renewing or replacing council's assets such as buildings, footpaths, roads compared with what is needed to cost effectively maintain service levels in line with its asset management plans. (**asset renewal funding ratio >80%** calculated as capital expenditure on renewal of existing assets divided by renewal expenditure from Asset Management Plans) and;
- 3) that it is managing the total indebtedness of the Council including borrowings to ensure its liabilities and associated costs can be met comfortably from council's operating revenues without the prospect of disruptive service cuts and/or excessive rate increases (**net financial liabilities ratio <100%** calculated as total liabilities less financial assets divided by total operating income)
- 4) Council also uses the interest cover ratio as an indicator to ensure the interest costs associated with borrowings for new/upgrade capital works are not a significant impost on council revenues (**interest cover ratio <10%** calculated as net interest expenses divided by total operating income).

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

**City of Charles Sturt**

**10 Year Financial Plan for the Years ending 30 June 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	46,887	49,393
<b>Operating Surplus</b>	<b>9,719</b>	<b>1,281</b>	<b>1,787</b>	<b>1,276</b>	<b>776</b>	<b>1,153</b>	<b>1,916</b>	<b>2,016</b>	<b>1,687</b>	<b>660</b>	<b>2,273</b>	<b>816</b>

**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**

<b>Operating Surplus Ratio</b>	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%
<b>Net Financial Liabilities Ratio</b>	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%
<b>Asset Renewal Funding Ratio</b>	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%
<b>Interest Cover Ratio</b>	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
<b>Total Capital</b>	<b>37,447</b>	<b>45,129</b>	<b>54,755</b>	<b>40,962</b>	<b>34,375</b>	<b>37,307</b>	<b>37,013</b>	<b>40,008</b>	<b>39,890</b>	<b>31,928</b>	<b>30,065</b>
<b>Annual Operating Projects AOP \$0,000</b>	<b>2,392</b>	<b>2,500</b>	<b>2,561</b>	<b>2,624</b>	<b>2,691</b>	<b>2,758</b>	<b>2,823</b>	<b>2,887</b>	<b>2,954</b>	<b>3,025</b>	<b>3,097</b>
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							
<b>Adjusted AOP</b>	<b>3,602</b>	<b>3,214</b>	<b>2,962</b>	<b>3,084</b>	<b>3,341</b>	<b>2,758</b>	<b>2,823</b>	<b>2,887</b>	<b>3,629</b>	<b>3,025</b>	<b>3,097</b>

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%.



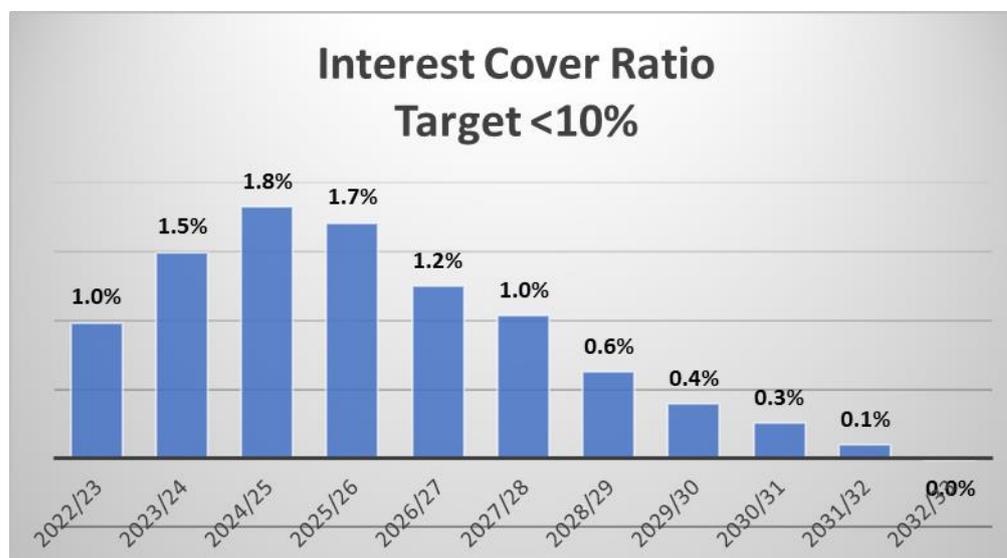
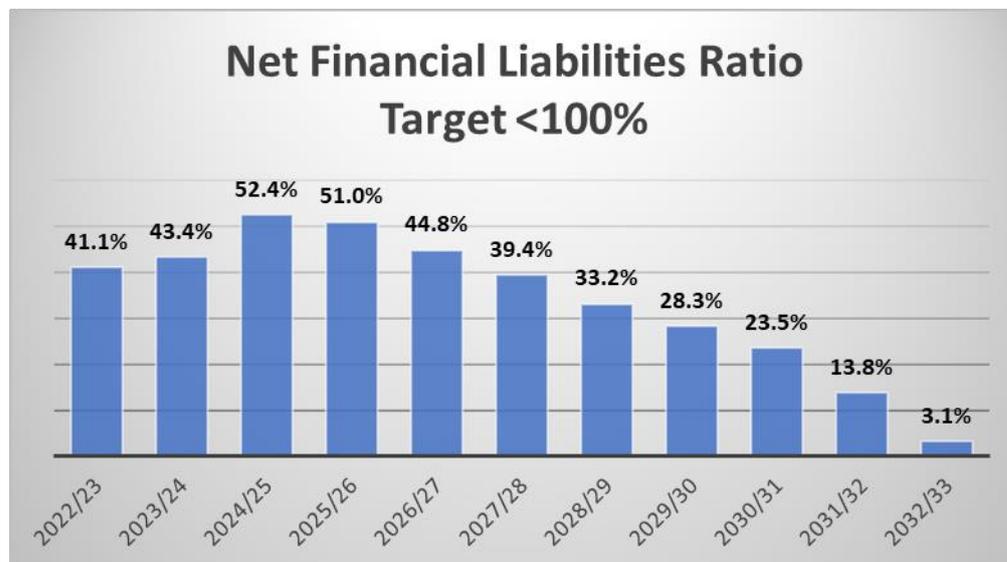
A council must also ensure its total debt does not exceed its ability to service this level of debt.

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 52.4% and an interest cover ratio less than 1.8% over the 10-year forecast period, all well within acceptable benchmarks.

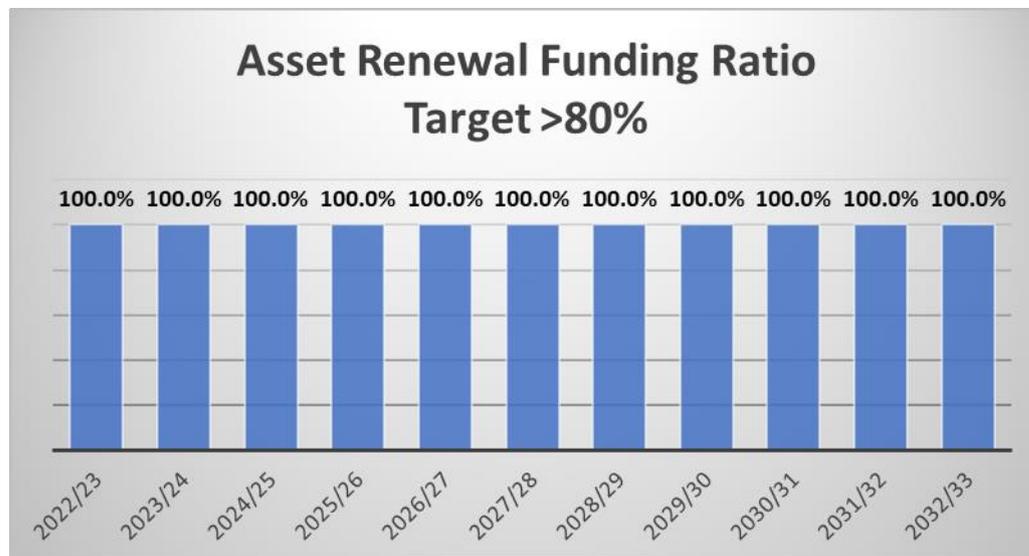
It should be noted that ideally renewal/replacement of existing infrastructure should be financed by current rate payers with any infrastructure backlog financed by an increase in debt to be repaid as quickly as possible by current ratepayers. New/upgrade capital expenditure should be financed by a long 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 2021-2031 is included as [Attachment A](#)

*Please note year 1 (2023/2024) of this adopted LTFP provided the basis for development of the annual budget and high level parameters. The final budget 2023/2024 was adopted following consultation feedback and finalisation of actual inputs for the recurrent budget and level of capital and annual operating projects, having regard to the high level parameters. The final budget demonstrated strong alignment to the high level parameters, noting the rates increase reduced to **7.52% plus 1.05% growth = 8.57%** following achievement of budget efficiencies including a reduction in projects consulted on with the next LTFP iteration to be updated following the actual budget adoption for 2023/2024.*

## **6. Significant Influences on the development of the 2023/24 Budget**

### **6.1 External Influences**

In preparing the 2023/24 budget a number of external influences have been taken into account because they are likely to impact significantly on the cost of services delivered by Council in the budget period. These include:

- The Consumer Price Index (CPI) All Groups Adelaide increase on goods and services of 7.9% for the 12 months ending 31 March 2023
- Forecast CPI using predictive information from Access Economics for the year ended June 2024 of 3.09%
- Local Government Price Index for 2023/24 of 4.3%
- The impact of the economy on interest rates for the current loan portfolio and on interest earned on average cash balances
- Rising costs of waste disposal and zero waste levy
- Increase in super guarantee from 10.5% to 11%
- Increase in costs of fuel impacted by current market conditions
- Increases in cost of electricity impacted by current market conditions
- Increase in cost of insurance and recognition of increase in cyber fraud.
- Rising costs with issues with supply chain and market conditions impacted by war in Ukraine and other external global factors

### **6.2 Internal Influences**

As well as the external influences there were also a number of internal influences arising from the 2022/23 year which have had a significant impact on the setting of the recurrent budget for 2023/24. These include:

- The impact on salary and wage costs of potential Enterprise Bargaining Agreements (EBAs) for staff covered by the ASU and AWU
- Council's decision to ensure maintenance of an operating break even position and ongoing financial sustainability

- Council's commitment to water business unit and water reuse strategies
- Increased IS services and Cloud migration including Digital Future SaaS strategy
- Additional staff and expenditure approved through adopted annual operating projects 2022/23 which impact recurrent budget 2023/24.
- Increase in frequency of spring cuts for verge maintenance
- Impact of operational efficiencies
- Collaboration projects with Marion and Port Adelaide Enfield councils
- Endorsment of climate emergency and Net zero initiative

Council has adopted a number of *Budget Principles* which underpin the approach to the budget development process - refer [Attachment A, Schedule C](#).

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

- existing fees and charges to be increased in line with the revised fees and charges in Council's Fees & Charges Register. Fees and charges set by regulation to be increased in line with forecast CPI
- grants to be based on confirmed funding levels only
- service levels to be maintained at 2022/23 levels with the aim of using innovation and efficiency to further reduce costs (unless separate approval granted by Council)
- all new staffing proposals to be justified through a business case and an annual operating project bid approved through the budget process
- new initiatives or projects which are not cost neutral to be justified through a business case and included as an operating project
- All items of expenditure and income requested to be justified in complete detail by each budget manager starting from a zero-base rather than using the previous year budget as a starting point
- real savings in expenditure and increases in revenue identified in 2022/23 to be preserved, and
- operating revenues and expenses arising from completed 2022/23 capital projects and annual operating projects are to be included.

## 7. Budget snapshot 2023/24

Following community consultation on the Draft Annual Business plan 2023/24 and having regard to the endorsed LTFP which set the high level parameters of the budget, the final adopted budget highlights for 2023/24 is :

❖	Total Recurrent Operating Income excluding rates levied	\$18,092,440
❖	Total Rates levied (7.52% plus growth)	\$128,947,348
❖	Total Recurrent Operating expense (incl Depreciation)	\$142,348,338
❖	Total Annual Operating Projects Income	\$263,205
❖	Total Annual Operating Projects Expenditure	\$3,167,297
❖	Total Annual Operating Projects NET	\$2,904 092
❖	Total Capital Income	\$9,268,891
❖	Total Capital Expenditure	\$53,963,284
❖	Total Capital (NET)	\$44,694,393

Key Financial Ratios 2023/24 which monitor councils financial sustainability

RATIO	%	BENCHMARK
Operating Surplus Ratio	4%	>0% and <10%
Net Financial Liabilites rato	41.9%	<100%
Asset renewal Funding ratio	116.6%	>80%

## 8. What Services Will We Deliver to our Community in 2023/24?

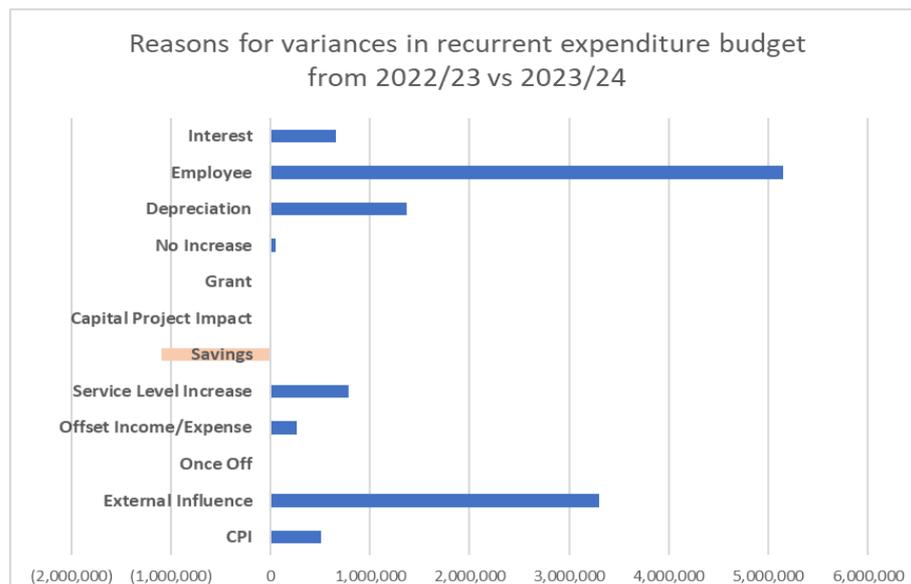
All councils have basic responsibilities under the Local Government Act 1999 and other relevant legislation. These include:

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

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

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

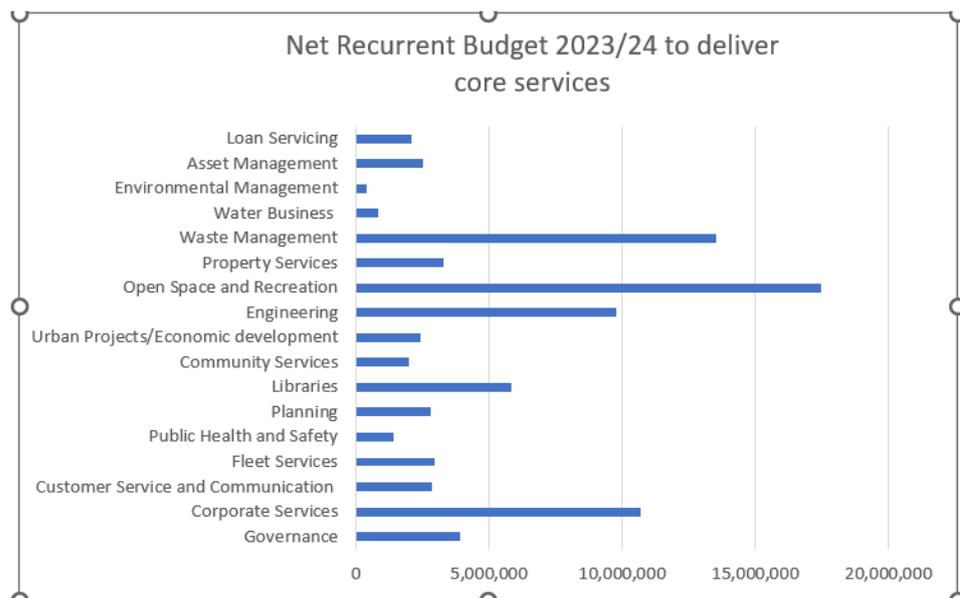
Budget managers developed their recurrent budget requirements following a zero based approach and having regard to previous years trends, noting that effectively reductions in budgets (savings) were used to offset the cost of external influences, wage increases and service level increases to ensure the rates increase remained in line with the high level parameters for the adopted LTFP used to guide development of the annual budget.



In development of the actual recurrent budget net savings of \$903,345 in productivity efficiencies were realised which enabled a reduction in the rates levied in comparison to the LTFP forecast for 2023/24.

Recurrent Core Business Function		Operating Income \$	Operating expense \$	Net \$
Governance		(98,665)	3,988,210	3,889,545
Corporate Services		(7,164,624)	17,862,246	10,697,622
Customer Service and Communication		0	2,841,347	2,841,347
Fleet Services		(25,000)	2,970,957	2,945,957
Public Health and Safety		(3,347,600)	4,742,159	1,394,559
Planning		(1,640,536)	4,469,608	2,829,072
Libraries		(954,200)	6,784,936	5,830,736
Community Services		(2,198,602)	4,210,907	2,012,305
Urban Projects/Economic development		(320,860)	2,734,961	2,414,101
Engineering		(2,632,182)	12,416,133	9,783,951
Open Space and Recreation		(183,000)	17,649,523	17,466,523
Property Services		(1,500,161)	4,776,473	3,276,312
Waste Management		(1,273,000)	14,820,460	13,547,460
Water Business		(296,010)	1,153,352	857,342
Environmental Management		0	399,888	399,888
Asset Management		0	2,497,297	2,497,297
Loan Servicing		0	2,081,000	2,081,000
<b>Total excluding depreciation and rates</b>		<b>(21,634,440)</b>	<b>106,399,457</b>	<b>84,765,017</b>
Depreciation		0	35,948,881	35,948,881
<b>Total including depreciation</b>		<b>(21,634,440)</b>	<b>142,348,338</b>	<b>120,713,898</b>
Rates levied		(128,947,348)	0	(128,947,348)
less Rate relief, rebates and remissions		3,542,000	0	3,542,000
Net rates		(125,405,348)		(125,405,348)
<b>Total</b>		<b>(147,039,788)</b>	<b>142,348,338</b>	<b>(4,691,450)</b>

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



## 9. Annual Operating and Capital Projects

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

### 9.1 Annual Operating Projects

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

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

In 2023/24 it is proposed to fund **\$2,904,092** in annual operating projects comprising \$263,205 in income and \$3,167,297 in expenditure.

This is less than the amount of annual operating projects consulted of net \$3,084,092 due to the removal of PBB 1719 Carbon offsets for \$160,000 and a \$20,000 reduction in PBB 1760 for Business Support following a review of the feedback from the public consultation.

This is also less than the forecast in the LTFP parameters for 2023/24 for a total saving of \$310,000 which resulted in a reduction in the total rates levied for 2023/24 on the LTFP high level parameters.

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

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	\$0	\$15,000	\$15,000

	Action Plan will be developed in 2023.			
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	\$0	\$100,000	\$100,000
Tree Canopy Improvement Strategy: Council Land Plantings  Bid ID PBB-00001688	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.	\$0	\$210,000	\$210,000
Weekly FOGO trial - continuation of 22/23 trial  Bid ID PBB-00001709	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.	\$30,305	\$60,610	\$30,305
Collaborative Irrigation Construction-2 Full Time Employees  Bid ID PBB-00001724	Since 2018 our Collaborative Irrigation Construction team have been constructing irrigation systems across Marion, Port Adelaide Enfield and Charles Sturt. 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.	\$0	\$0	\$0
AdaptWest in Action 23/24 - Regional Climate Change Adaptation for Western Adelaide  Bid ID PBB-00001726	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.	\$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 &amp; 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 &amp; 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 . 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 &amp; 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>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. This initiative will be a multiyear program of works, and in 2023-</p>	<p>\$0</p>	<p>\$1,430,000</p>	<p>\$1,430,000</p>

	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.			
Events and Festivals Sponsorship 2023/24 Bid ID PBB-00001759	This program will provide funding to events that can demonstrate key economic, social, cultural and environmental benefits to the city.	\$0	\$125,000	\$125,000
Business Support Program Bid ID PBB-00001760	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.	\$0	\$120,000	\$120,000
Arts and Cultural Grants Program Bid ID PBB-00001761	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).  Grants provided through this program to the arts, culture and music sectors are aimed at inspiring and supporting new projects, ideas and energy .	\$0	\$120,000	\$120,000
Whole Street Planting 2024 Bid ID PBB-00001799	As part of the Whole Street Planting Program, a number of residential streets will be planted with approximately 780 semi advanced trees.	\$0	\$200,000	\$200,000
Replenishment Program - Graduate Program Bid ID PBB-00001812	This bid is for the development of a graduate program to attract high performing university graduates to CCS and the local government sector. This program forms part of the Council's Workforce Planning Strategy.	\$0	\$55,362	\$55,362
Pet Desexing and Microchipping Program Bid ID PBB-00001818	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.	\$0	\$20,000	\$20,000

<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>	\$102,900	\$102,900	\$0
<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. 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>	\$0	\$63,000	\$63,000
<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 &amp; 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>	\$0	\$0	\$0
<b>Total</b>		<b>\$263,205</b>	<b>\$3,167,297</b>	<b>\$2,904,092</b>

## 9.2 Capital Projects

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

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

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

The broad goals identified are as follows:

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

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

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

In 2023/24 it is proposed to fund a council contribution of **\$44,694,393** in a total capital program comprising \$9,268,891 in income and \$53,963,284 in total expenditure.

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

The capital program adopted comprises **\$31,457,015** net in renewal capital projects with \$5,229,614 in income and \$36,686,629 in expenditure based on adopted asset management plans and which are detailed in [Attachment D](#) and **\$13,237,378** net in new/upgraded capital projects with \$4,039,277 in income and \$17,276,655 in expenditure which are listed below.

Name	Budget Bid Description	Budget Bid Income \$ 2023/24	Budget Bid Expenses \$ 2023/24	Net Budget Bid \$ 2023/24	Nature of Works
<b>Collins Reserve - Stage 2 Upgrade</b> <b>Bid ID PBB-00001545</b>	Stage 2 upgrade of Collins Reserve, Kidman Park.	\$0	\$150,000	\$150,000	New
<b>Ngutungka Henley Hub</b> <b>Bid ID PBB-00001663</b>	On the 14th June 2022, Council carried the motion to commit \$9.375mil toward the new Ngutungka Henley (Henley Library and Community Centre).  This bid is reflective of the previous budget bids for this multi year project.	\$3,260,000	\$5,522,300	\$2,262,300	Upgrade
<b>Gleneagles Reserve Flood Mitigation and Reserve Upgrade</b> <b>Bid ID PBB-00001665</b>	Increase Stormwater detention volumes in Gleneagles Reserve and undertake associated Reserve Upgrade works.	\$0	\$630,000	\$630,000	Upgrade
<b>New Paths Program 2023/24</b> <b>Bid ID PBB-00001667</b>	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.	\$0	\$500,000	\$500,000	New

<b>Street Light Upgrade Program 2023/24 - SAPN Infill and Improvement Program</b>  <b>Bid ID PBB-00001668</b>	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.	\$0	\$500,000	\$500,000	Upgrade
<b>Open Space Community Projects</b>  <b>Bid ID PBB-00001670</b>	Deliver three community initiated, delivered, and maintained projects of high environmental and community wellbeing value:	\$0	\$45,000	\$45,000	Upgrade
<b>Disability Action Plan - Inclusive DDA Auto Doors at the Civic Centre</b>  <b>Bid ID PBB-00001671</b>	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  This project comprises of installing automated sliding doors from the Civic centre internal street into the council offices and CC1 meeting rooms,	\$0	\$74,000	\$74,000	Upgrade
<b>Trimmer Parade Drainage Upgrade Design 2023-24</b>  <b>Bid ID PBB-00001673</b>	Detailed investigation and design for stormwater drainage upgrade in Trimmer Parade from Greenview Drive to Findon Road	\$0	\$100,000	\$100,000	Upgrade

<b>Community Rail Corridor Planting</b>  <b>Bid ID PBB-00001674</b>	Community Planting to be undertaken along the Rail Corridor to connect the many sites currently developed and maintained by Community.	\$0	\$45,000	\$45,000	Upgrade
<b>Community Gardens - Access and Inclusion</b>  <b>Bid ID PBB-00001676</b>	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.	\$0	\$28,000	\$28,000	Upgrade
<b>Woodville Orion Tennis - Lighting Upgrade</b>  <b>Bid ID PBB-00001677</b>	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.	\$0	\$12,265	\$12,265	Upgrade
<b>Croydon Cougars - New Sports Lighting</b>  <b>Bid ID PBB-00001680</b>	The Croydon Cougars Sports & Social Clubs aspires to install new light towers and LED sports lighting at Trust Reserve.	\$0	\$50,000	\$50,000	New
<b>Henley &amp; Grange Memorial Oval – Electronic Scoreboard</b>  <b>Bid ID PBB-00001682</b>	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	\$0	\$65,000	\$65,000	New

	project manage all works.				
<b>Grange Cricket Club – Nets Upgrade</b> <b>Bid ID PBB-00001684</b>	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.	\$0	\$41,700	\$41,700	Upgrade
<b>Adelaide Titans – Lighting Upgrade</b> <b>Bid ID PBB-00001686</b>	This proposal relates to Adelaide Titans FC's aspirations to upgrade their existing lighting towers and sports lights to LED lighting at Matheson Reserve.	\$0	\$178,000	\$178,000	Upgrade
<b>Dragon Boat SA – Storage</b> <b>Bid ID PBB-00001687</b>	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.	\$0	\$6,000	\$6,000	New
<b>Grange Lakes Shared Use Path Stage 9</b> <b>Bid ID PBB-00001690</b>	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

<p><b>Woodville Oval Grandstand Changeroom Upgrade - Financial Contribution</b></p> <p><b>Bid ID PBB-00001694</b></p>	<p>Financial Contribution - Woodville West Torrens Football Club - Upgrade to the Woodville Oval Grandstand Changerooms (Barry Jarrman Stand)</p>	<p>\$0</p>	<p>\$500,000</p>	<p>\$500,000</p>	<p>Upgrade</p>
<p><b>Road Safety Initiatives - Implementation of 40 km/h Area Speed Limits</b></p> <p><b>Bid ID PBB-00001699</b></p>	<p>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</p>	<p>\$0</p>	<p>\$40,000</p>	<p>\$40,000</p>	<p>New</p>
<p><b>Sustainable Transport Infrastructure - Installation of New Pedestrian Crossing Facilities</b></p> <p><b>Bid ID PBB-00001701</b></p>	<p>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.</p> <p>Consultation and detailed design of a school crossing on Audley Street Woodville North in preparation for construction in 2024/25.</p>	<p>\$65,000</p>	<p>\$165,000</p>	<p>\$100,000</p>	<p>New</p>
<p><b>New Traffic Control Devices - 2023/24</b></p> <p><b>Bid ID PBB-00001702</b></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>

<b>Design and Consultation for New Public Toilet - Fawk Reserve</b> <b>Bid ID PBB-00001704</b>	Design and Consultation for a new public toilet (Exeloo) at Fawk Reserve.	\$0	\$10,000	\$10,000	New
<b>Semaphore SLSC - Changing Places &amp; DDA Amenities - Design</b> <b>Bid ID PBB-00001705</b>	This project is 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 for the 2023/24 Financial Year.	\$0	\$50,000	\$50,000	Upgrade
<b>Sam Johnson Automated Public Toilet Construction</b> <b>Bid ID PBB-00001707</b>	Construction of a new Automated Public Toilet at Sam Johnson Reserve and associated connection and services requirements.	\$0	\$280,000	\$280,000	New
<b>New Public Lighting Program 2023/24</b> <b>Bid ID PBB-00001713</b>	Design and installation of new LED public lighting on the following car parks, paths and reserves as identified or as requested by the Community. Projects are listed in order of priority St Clair Wetlands Stage 3 South of Hill Smith Boulevard Grange Lakes Stage 9 Market Place Bowden Dyer Reserve footpath West Lakes Krista Court Laneway Simms Court Laneway	\$0	\$310,000	\$310,000	New
<b>Flinders Park Oval - New netball courts, lighting fencing and relocation of cricket nets.</b>	Construction of three netball courts with associated fencing and lighting and the relocation of existing	\$597,277	\$850,000	\$252,723	New

<b>Bid ID PBB-00001717</b>	cricket nets, at the Flinders Park Oval.				
<b>Ngutungka Henley Overflow Carpark</b> <b>Bid ID PBB-00001723</b>	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
<b>Water Proofing the West - Expansion to reduce potable demand.</b> <b>Bid ID PBB-00001725</b>	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 : 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	\$0	\$690,000	\$690,000	New
<b>Water Proofing the West - Freshwater Lake Integration</b> <b>Bid ID PBB-00001731</b>	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	\$0	\$1,053,000	\$1,053,000	New

	Council endorsed recommendation CL 12/12/2022 item 6.118 . Motion 3				
<b>WSUD - Tracey Avenue Catchment Raingardens 2023/2024</b>  <b>Bid ID PBB-00001738</b>	Design of raingardens as part of the Water Sensitive Urban Design water quality improvement strategy in the Tracey Avenue Catchment area.	\$0	\$30,000	\$30,000	New
<b>WSUD - Infrastructure associated with other Capital Projects 2023/2024</b>  <b>Bid ID PBB-00001743</b>	Construction of Water Sensitive Urban Design (WSUD) infrastructure in conjunction with other capital projects.	\$0	\$100,000	\$100,000	New
<b>Stormwater - New access pits for inspection/maintenance 2023/2024</b>  <b>Bid ID PBB-00001745</b>	Installation of new Junction Boxes to existing stormwater drains on in line with the Water Asset Management Plan recommendations to enable access to undertake condition audits and regular maintenance.	\$0	\$50,000	\$50,000	New
<b>Stormwater Minor Upgrade - Local Area Flood Mitigation 2023/2024</b>  <b>Bid ID PBB-00001746</b>	Investigation, design and construction associated with the Local Area Flood Mitigation program.	\$0	\$100,000	\$100,000	Upgrade
<b>TRDA Catchment SMP – Eastern Parade channel – Construction Stage 1 &amp; 2 - Contribution to PAE</b>  <b>Bid ID PBB-00001747</b>	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

<p><b>Barker Inlet Catchment SMP – HEP Channel - Grand Junction Road – Design - Contribution to CoP</b></p> <p><b>Bid ID PBB-00001749</b></p>	<p>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).</p>	<p>\$0</p>	<p>\$33,250</p>	<p>\$33,250</p>	<p>Upgrade</p>
<p><b>Point Malcom Beach Access Way DDA access upgrade</b></p> <p><b>Bid ID PBB-00001751</b></p>	<p>Construction of an accessible beach access ramp on the existing Point Malcolm boardwalk.</p>	<p>\$0</p>	<p>\$150,000</p>	<p>\$150,000</p>	<p>Upgrade</p>
<p><b>Beverley Recycling and Waste Centre - Safety Upgrade</b></p> <p><b>Bid ID PBB-00001754</b></p>	<p>This project aims to increase safety, customer experience, amenities and tree canopy at the Beverley Waste. Scope includes sealing existing unsealed/undulating concrete treated rubble holding bay area and associated drainage, upgrade of amenities for community and staff use. Increased tree canopy around the site boundary and direct connection to recycled water.</p>	<p>\$0</p>	<p>\$1,143,000</p>	<p>\$1,143,000</p>	<p>Upgrade</p>
<p><b>Beverley Recycling and Waste Centre - Hook Lift Truck</b></p> <p><b>Bid ID PBB-00001755</b></p>	<p>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.</p>	<p>\$0</p>	<p>\$260,000</p>	<p>\$260,000</p>	<p>New</p>

	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				
<b>Upgrade of Woodlake Reserve, West Lakes</b> <b>Bid ID PBB-00001767</b>	Upgrade of Woodlake Reserve, West Lakes.	\$0	\$300,000	\$300,000	New
<b>Additional Vehicle for Parking Officer 2023-2024</b> <b>Bid ID PBB-00001770</b>	As per request from Manager Public Health and Safety to obtain an additional vehicle for Community Safety team.	\$0	\$50,000	\$50,000	New
<b>New shelter and seating at St Clair dog park</b> <b>Bid ID PBB-00001775</b>	New shelter and seating at St Clair dog park.	\$0	\$30,000	\$30,000	New
<b>New shade structures at playgrounds - 2023/24</b> <b>Bid ID PBB-00001776</b>	New shade structures at playgrounds - 2023/24 program.	\$0	\$75,000	\$75,000	New
<b>Woodville West Community Garden Fencing</b> <b>Bid ID PBB-00001779</b>	The installation of secure, accessible fencing around the Woodville West Community Garden.	\$0	\$41,000	\$41,000	Upgrade
<b>Supplementary fitness equipment at Point Malcolm Reserve</b> <b>Bid ID PBB-00001780</b>	Supplementary fitness equipment at Point Malcolm Reserve.	\$0	\$60,000	\$60,000	New
<b>Greening of William Atkin Reserve, Henley Beach South</b> <b>Bid ID PBB-00001781</b>	New garden beds and planting at William Atkin Reserve, Henley Beach South.	\$0	\$20,000	\$20,000	New
<b>Investigation of a new dog park in Henley Ward</b> <b>Bid ID PBB-00001782</b>	Investigation of a new dog park in Henley Ward, including research, community consultation and concept design.	\$0	\$30,000	\$30,000	New
<b>Improvements at Johns Reserve, Henley Beach</b>	Improvements at Johns Reserve, Henley Beach,	\$0	\$30,000	\$30,000	New

<b>Bid ID PBB-00001783</b>	including a new drinking fountain, tree planting and natural seating.				
<b>New play equipment for older children at Gordon Reserve, Hendon</b> <b>Bid ID PBB-00001784</b>	New play equipment for older children at Gordon Reserve, Hendon.	\$0	\$60,000	\$60,000	New
<b>New dog exercise area at Semapaw Park</b> <b>Bid ID PBB-00001785</b>	New dog exercise area at 'Semapaw Park', located at Semaphore Park Reserve.	\$0	\$51,040	\$51,040	New
<b>Additional play equipment at Bowden Village Reserve</b> <b>Bid ID PBB-00001786</b>	Additional play equipment at Bowden Village Reserve.	\$0	\$30,000	\$30,000	New
<b>Landscape Improvements at Angus Reserve, Renown Park</b> <b>Bid ID PBB-00001787</b>	Landscape Improvements at Angus Reserve, Renown Park.	\$0	\$20,000	\$20,000	New
<b>New playground at Montgomery Reserve, Flinders Park</b> <b>Bid ID PBB-00001789</b>	New playground at Montgomery Reserve, Flinders Park	\$0	\$180,000	\$180,000	New
<b>Storage Shed - Woodville Dog Obedience Club</b> <b>Bid ID PBB-00001792</b>	Supply and Install a new Storage Shed located at the Woodville Dog Obedience Club within the Woodville Oval Precinct	\$0	\$6,100	\$6,100	New
<b>West Beach surf club landscaping remediation works</b> <b>Bid ID PBB-00001795</b>	West Beach surf club landscaping remediation works.	\$0	\$140,000	\$140,000	Upgrade
<b>Four CoastSnap stations – Installation and ongoing monitoring</b> <b>Bid ID PBB-00001796</b>	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	\$0	\$17,000	\$17,000	New

	approach, to monitoring changes in the beach profile along our coastline.				
<b>Tennyson Dunes Carpark - Landscape Improvement Works</b>  <b>Bid ID PBB-00001797</b>	The Tennyson Dunes car park is under the care and control of council. 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
<b>Sandpiper Reserve Upgrade</b>  <b>Bid ID PBB-00001798</b>	Sandpiper Reserve Upgrade	\$0	\$70,000	\$70,000	New
<b>Outdoor Remote Lockers System RFID for Library</b>  <b>Bid ID PBB-00001817</b>	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.  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.	\$0	\$45,000	\$45,000	New

<p><b>Automatic gates management (Beverley Centre &amp; Horticulture Centre)</b>   <b>Bid ID PBB-00001819</b></p>	<p>The main gates that secure Beverley Centre and Horticulture Centre have legacy analogue and unsupported infrastructure now deemed End of Life (EOL). The bid submission is to install and configure an automated gate solution including the ability to open remotely from either location and software to automate entry for trusted vehicles</p>	<p>\$0</p>	<p>\$24,000</p>	<p>\$24,000</p>	<p>Upgrade</p>
<p><b>Corcoran Reserve basketball half-court acoustic surface</b>   <b>Bid ID PBB-00001791</b></p>	<p>Corcoran Reserve basketball half-court acoustic surface</p>	<p>0</p>	<p>25000</p>	<p>25,000</p>	<p>New</p>
<p><b>Total</b></p>		<p><b>\$4,039,277</b></p>	<p><b>\$17,276,655</b></p>	<p><b>\$13,237,378</b></p>	

**Summary of the total capital program:**

	Income	Expenditure	Net
Renewal of existing assets	4,000,000	31,969,228	27,969,228
Sale of replaced assets	1,229,614	4,717,401	3,487,787
New/Upgrade assets	4,039,277	17,276,655	13,237,378
<b>TOTAL</b>	<b>9,268,891</b>	<b>53,963,284</b>	<b>44,694,393</b>

## **10. How Does Council Propose to Fund its Programs?**

### ***Rates***

Rates is a tax levied on ratepayers and provides the main source of income for Council to fund its operations and infrastructure requirements. Refer Section 12.

Other sources of revenue include:

### ***Statutory Charges***

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

### ***User Charges***

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

### ***Grants***

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

### ***Investment Income***

Investment income includes interest on investments.

### ***Reimbursements***

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

### ***Other Income***

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

### ***Amounts specifically for new and upgraded assets***

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

### ***Sale of replaced assets***

This is income generated from the replacement of plant and equipment.

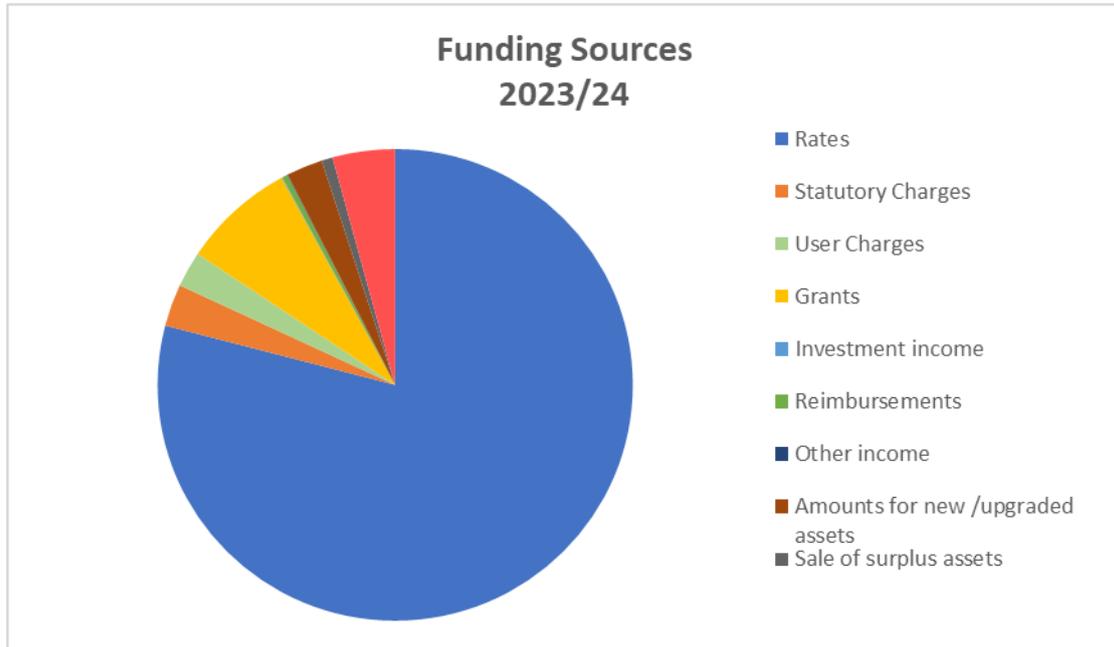
**Borrowings**

In addition to these other sources of operating revenue, borrowings are also used to finance council’s capital works and infrastructure programs especially for significant major new or upgrade projects.

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

Total Funding sources are summarised below:

	OPERATING INCOME (RECURRENT)	OPERATING INCOME FOR ANNUAL OPERATING PROJECTS	REVENUES FOR CAPITAL PROJECTS	NET BORROWINGS (CADS)	TOTAL	% OF TOTAL FUNDING
	\$000	\$000	\$000	\$000	\$000	
<b>Rates</b>	129,266				129,266	79%
<b>Statutory Charges</b>	4,724				4,724	2.9%
<b>User Charges</b>	3,991				3,991	2.4%
<b>Grants</b>	8,433	133	4,000		12,566	7.7%
<b>Investment income</b>	74				74	0%
<b>Reimbursements</b>	477	130			607	0.4%
<b>Other income</b>	75				75	0%
<b>Amounts for new /upgraded assets</b>			4,039		4,039	2.5%
<b>Sale of surplus assets</b>			1,230		1,230	0.8%
<b>Borrowings (net)</b>				6,958	6,958	4.3%
<b>Total</b>	147,040	263	9,269	6,958	163,530	100%



## 11 Council's Operating Expenditure

Categories of operating expenditure are as below :

### ***Employee expenses***

Employee expenses include all labour related expenditure such as wages & salaries and on-costs such as allowances, leave entitlements, employee superannuation, rostered days off etc. Wages and salaries costs are based on the endorsed base establishment of FTE. Increases to the base establishment of staff occur through endorsed annual operating and/or capital projects or council endorsed resolutions.

### ***Material, Contractual Services and Other***

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

"Materials" includes items such as electricity, water, fuel, library books and printing and stationary costs.

"Contractual Services" relates mainly to the provision of Council services by external providers and include items such as agency costs, waste collection, contractors, rents, leases and repairs and maintenance.

"Other Expenses" relate to a range of unclassified items including contributions to community groups, advertising, insurances, motor vehicle registrations, payment of the Regional Landscape levy and other miscellaneous expenditure.

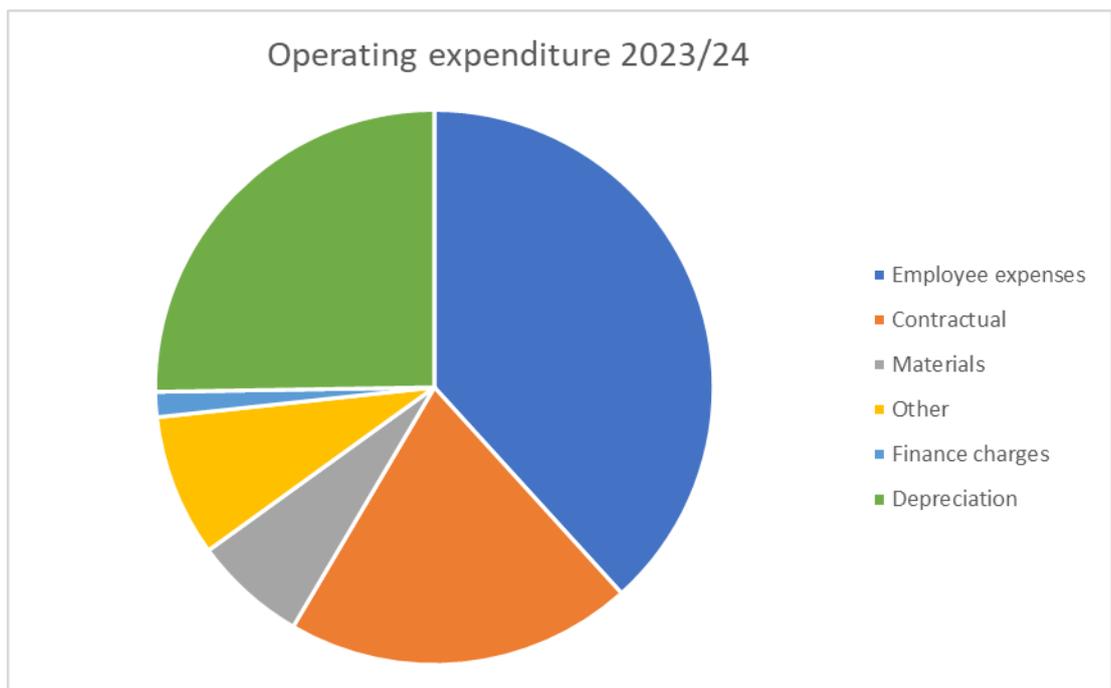
### ***Finance Costs***

Finance costs relate to interest charged by financial institutions on borrowed funds. Council as per its Borrowings Policy borrows funds through the Local Government Finance Authority (LGFA) in the first instance unless Council deem it appropriate to go to tender via a Council Resolution. Council effectively uses Cash Advance Debentures (CADs) which allow Council to have access to funds when required and which they can repay in part or in full at any time as Council's cash position allows. No charges are incurred on these Cash Advance facilities if the funds are not drawn. Refer Section 13.

### ***Depreciation***

Depreciation recognises the usage of Council's property, plant and equipment including infrastructure assets such as roads and drains, over the life of the assets, noting Council has responsibility for in excess of \$1b in infrastructure. Depreciation accounts for 25% of its operating costs.

	OPERATING EXPENSE (RECURRENT)	OPERATING INCOME FOR ANNUAL OPERATING PROJECTS	TOTAL	% OF OPERAITNG COSTS
	\$000	\$000		
Employee expenses	54,531	967	55,498	38%
Materials, Contractual Services, Other	49,788	2,200	51,988	36%
Finance Costs	2,081		2,081	1%
Depreciation	35,949		35,949	25%
<b>Total</b>	<b>142,349</b>	<b>3,167</b>	<b>145,516</b>	<b>100%</b>



## 12. What Does This Mean for Rates?

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

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

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

Local Government rates are based on:

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

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

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

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

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

Rates are a property tax that attempts to balance the 5 principles of taxation and which meets the essence of an ad valorem tax system. Property values provide an independent indication of the relative wealth of a ratepayer. The system of rate rebates, remissions and postponement is designed to enable issues of hardship and temporary incapacity to pay to be specifically targeted for special treatment amongst identified classes of ratepayer.

In determining how rates are applied and in determining the rate in the dollar Council's also have a number of options:

- **Single rate** – This is where the same rate in the dollar is applied to the value of properties from using a single rate in the dollar regardless of what the land is being used for.
- **Differential general rate** – This is where a council may charge a different rate in the dollar depending on whether the land is used for residential, commercial, primary production or other purposes.
- **A minimum amount** – This provides a mechanism by which lower valued properties pay not less than a flat (minimum) amount determined by Council. No more than 35% of properties can be on the minimum.
- **Tiered rates** – This is where Council can adopt a tiered rating scale where rates can be altered for properties within specified valuation ranges.
- **A fixed charge** – Under this system some revenue will be raised by applying a fixed charge (a flat amount) to all ratepayers to ensure everyone contributes a base equal amount. The remaining revenue is then collected from ratepayers based on the value of each ratepayers property.

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

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

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

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

## **12.1 Rate Increase for 2023/24**

To meet the requirements of Council's community plan, Long Term Financial Plan and Annual Business Plan and Budget for 2023/24, Council needs to levy rate income of \$128,947,348 (which equates to an increase of **7.52%** plus new property growth of 1.05% = 8.57%).

This total rates increase is **less** than the Draft Annual Business Plan 2023/24 proposed of 8.59% plus growth having regard to productivity savings and reduction in projects on the LTFP high level parameters, but is still in alignment with the LTFP forecasts.

For 2023/24 \$3.542m has been allocated towards rate relief options including rebates, remissions and appeals for City of Charles Sturt ratepayers which equates to approximately 2.75% of the total rates levied.

There are a number of issues that have been considered in developing Council's rating strategy for 2023/24:

- The latest reports from the Valuer General have indicated property valuations for residential have increased by an average of 13.65%, industrial by 24.63%, commercial 16.51% and vacant 27.6%
- As provided by the Valuer General, property growth (additional properties) is around 1.05% as against our LTFP prediction of 1.0% and reflects the continued property development throughout the City. This reduces the overall average increase required on existing ratepayers.
- The increase in CPI (All Groups Adelaide) for the twelve months to 31 March 2023 is 7.9% and for all capital cities 7.0%.
- Forecast CPI for June 2023 of 6.7% and for 2023/24 of 3.09% by Access Economics.
- The increase in the Local Government Price Index (LGPI) for 2023/24 is forecast at 4.3% , noting that the LGPI for March 2023 is 6.4%. The LGPI is a useful reference regarding the inflationary effect of goods and services consumed by local government and is a better reflection of the changing cost of inputs used by councils to deliver services than CPI.

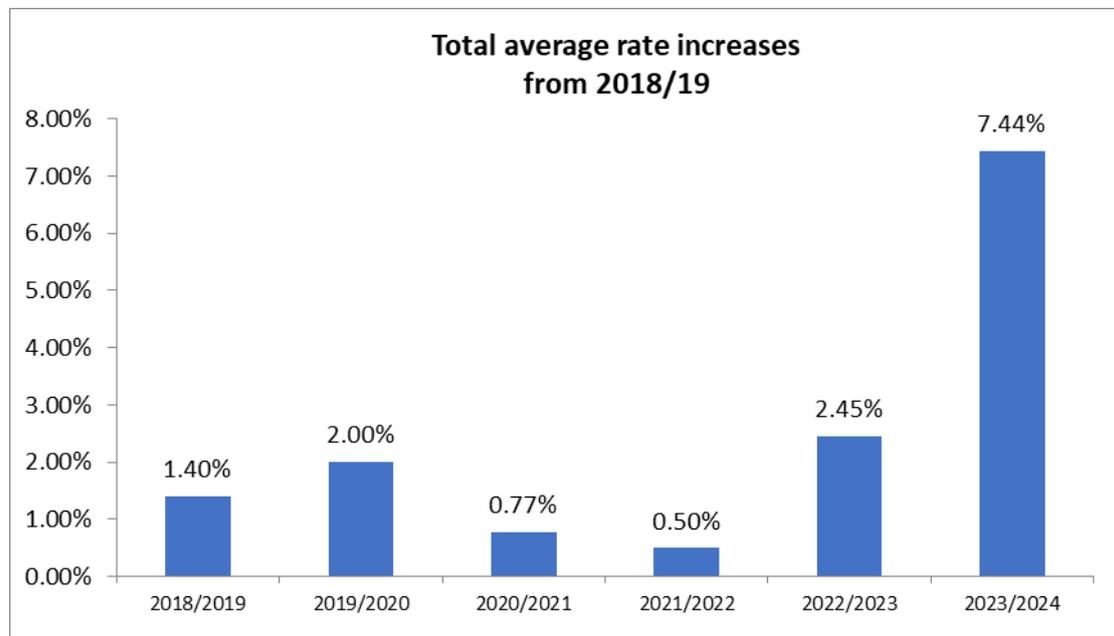
In 2023/24 Council has adopted a strategy that will see Council continue to be financially sustainable over the next 10 years but mindful of expectations of low rate increases expected by the community especially with cost of living pressures.

To maintain the number of ratepayers at the legislative minimum of 35% the minimum will be increase from \$1,019 to \$1,204 (8.57% increase or \$95).

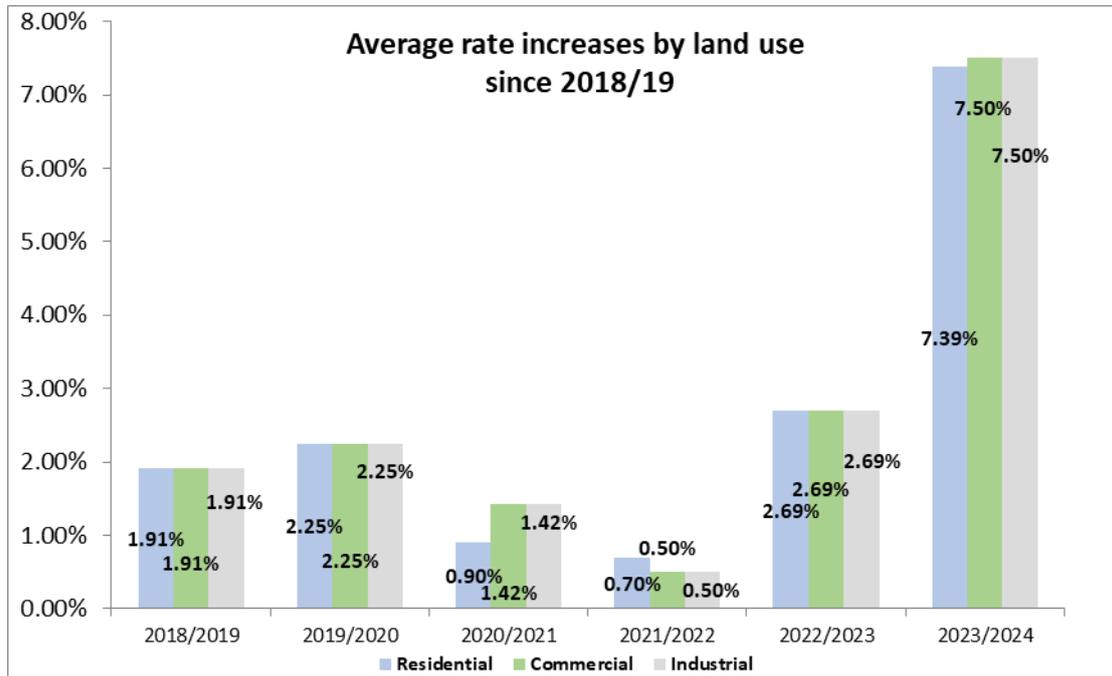
With final valuations received the overall average increase across the City is 7.44% with the average increase for residential 7.39%, commercial, industrial 7.5% and vacant land 7.5%.

For a “typical” residential ratepayer (with a median property valued at \$745,767) they will be paying approximately \$1,679 p.a. or \$4.60 per day to invest in the services and infrastructure benefits within their local community as laid down in the annual budget. This translates to an increase of approx \$2.22 cents per week or \$115.61 per annum.

***Overall the total average rates increase across the City of 7.44% is well below current Adelaide CPI forecasts of 7.9%***



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



From 2018/19 to 2023/24 inclusive the overall average increase in rates has been 2.43% with residential 2.64% and commercial/industrial 2.71%.

With final valuations received from the Valuer General final modelling was undertaken. A summary of this model is show in Section 12.2.

From the rates modelling and an examination of the potential impact across the City on the distribution of residential rates, it is still considered necessary to provide tailored rebates and remissions to address any potential inequities.

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

- **Rate capping**

Limits the amount paid in rates in 2023/24 to a 12.5% increase on rates paid (excluding Regional Landscape levy and pensioner concessions) on 2022/23 for residential land use across the community. This capping would not apply where:

- the increase is due to an increase in valuation as a result of improvements greater than \$20,000
- the increase is a result of a change in land use or
- ownership of the property has changed since July 2022

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

- **Hardship**

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

- **Residential Construction**

The vacant land rate in the dollar is usually three times higher than the residential rate in the dollar. For the purposes of securing the proper development of the area a rebate will be given to ratepayers who are assessed as vacant land as at 30 June 2023 but who will build their new family home on that land and can demonstrate that they will live in that home for at least 1 year.

If footings are poured prior to 31 December 2023 a full rebate will be given. If the footings are poured after 31 December 2023 a 50% rebate will be given. This rebate will effectively mean those ratepayers applicable will have their rates reassessed using the residential rate in the dollar as opposed to the vacant land rate.

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

**Residential construction rebates will be by application where eligible ratepayers will have until the 30 June 2024 to apply.**

- **Postponement of Rates - Seniors**

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

Postponement will be by application.

### 12.2 Rating Structure

Council has established the following rating structure for 2023/24:

Rate Type	2022/23 Cents in \$	2022/23 Ave Rate	Rates Income 2022/23	2023/24 Cents in \$	2023/24 Ave Rate	2023/24 Ave % Increase	No of Rateable Props	No on Min Rate	Rate Income 2023/24
Res'l - Charles Sturt	0.209613845	1479.72	83,196,047	0.198072681	1,589.13	7.39%	56,787	21,188	90,242,067
Comm'l - Charles Sturt	0.7677619490	7,879.24	25,757,224	0.7083867960	8,469.81	7.50%	3,306	235	28,001,185
Industrial - Charles Sturt	0.8762431000	10,848.16	5,152,874	0.7557793060	11,661.26	7.50%	472	6	5,504,115
Primary Prod'n - Charles Sturt	0.5226429479	2,570.75	10,283	0.4530601092	2,763.67	7.50%	3	0	8,291
Vacant Land - Charles Sturt	0.737237120	3,669.04	3,030,628	0.620629932	3,944.10	7.50%	872	39	3,439,253
Other - Charles Sturt	0.3389847530	6,708.83	1,623,537	0.3084420330	7,211.67	7.50%	243	18	1,752,437
<b>Overall Average</b>	<b>N/A</b>	<b>1,945.78</b>	<b>\$118,770,593</b>		<b>2,090.48</b>	<b>7.44%</b>	<b>61,683</b>	<b>21,486</b>	<b>\$128,947,348</b>

	2022/23	2023/24	% Change
<b>Minimum Rate - Charles Sturt</b>	\$1,109.00	\$1,204	8.57%
<b>% on Minimum</b>	34.6%	34.83%	

### **12.3 Rating Policy**

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

### **12.4 GIS Mapping of Rate Modelling**

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

Maps are produced for Council Members to view at the Budget workshops which reflect the key issues and outcomes of the 2023/24 rating strategy adopted by the Council. The maps reflect the distribution of rates across the City and the impacts on various sectors of the community. This analysis enables the Council Members to evaluate the potential impact of the rates distribution across the City before finalising a strategy.

## 13. Borrowing Strategy

### 13.1 Strategy Development

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

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

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

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

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

Debt will be considered:

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

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

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

## 13.2 Current Year Borrowings

For the 2023/24 year, Council has decided to continue with its borrowing program and increase council's net debt position to fund any shortfall for new/upgraded capital expenditure from council's revenues, if required.

In the Long Term Financial Plan which has been used as the framework for developing the 2023/24 budget, debt is regarded as an appropriate mechanism for funding asset new and upgrade works within the constraints of a net financial liabilities ratio less than 100% of Council's operating revenue.

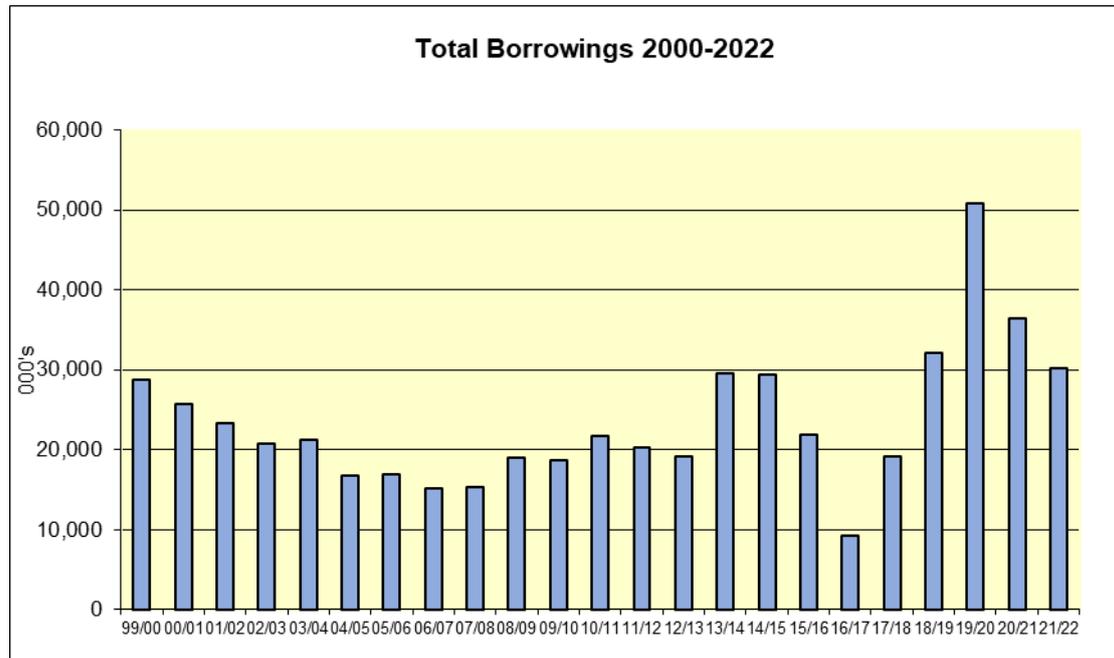
Council has in place a number of Cash Advance Debenture facilities which allow Council to have access to funds when required and which they can repay in part or in full at any time as Council's cash position allows. No charges are incurred on these Cash Advance facilities if the funds are not drawn. Consequently Council is prudently using the facility to fund cash requirements whilst awaiting cash injections from rates income. As at June 2023 Council has access to \$66.5m in CAD facilities which can be drawn and repaid as required.

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

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

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

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



For 2023/24 Council is forecasting total borrowings of \$34.166m (23% of total revenue) as at June 2024. It is forecast we will require a net draw down on existing CADs of \$6.958m

Council, however uses a Net Financial Liabilities ratio as a measure of Council’s ability to meets all of its liabilities which include borrowings as well as other liabilities including provisions for employee entitlements from its operating revenue. The forecast budgeted ratio for the 2023/24 is 41.9% and demonstrates Council can comfortably meet all of its existing liabilities from its operating revenue. (ie if Council had to pay out all its liabilities including all its staff from its total revenue it could comfortably and then would also be able to return 58.1% of its revenue back to its residents as a dividend). Council has set a constraint on its borrowings threshold for funding asset new and upgrade works within the constraints of a net financial liabilities ratio of less than 100% of Council’s operating revenue.

## 14. Infrastructure Strategy

### 14.1 Strategy

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

Our Vision:

***CHARLES STURT – A LEADING, LIVEABLE CITY***

Our Objective:

‘City assets and infrastructure are developed and enhanced on a strategic and equitable basis in collaboration with local communities and other relevant parties, including industry and government’.

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

- Major revision of our suite of Asset Management Plans to ensure asset renewal and levels of service are in line with community needs.
- Integrate climate change considerations, asset improvements and maintenance requirements into Asset Management Plans to ensure they are fit for purpose and meet changing demand
- Continue to review & manage maintenance service levels and asset lifecycles to optimise design life and achieve service efficiency in line with community needs and diverse urban densities
- Make informed decisions that realise informed planning
- Make sound and sustainable financial decisions in relation to our assets

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

The infrastructure assets that Charles Sturt maintains on behalf of the Community totals in excess of \$2.0bn in replacement value. Due to the nature of services provided, the asset class mix is quite diverse. These can be broadly grouped as;

Transport (roads including kerb & gutter, carparks, paths, lighting, traffic controls, bus stops, bridges)

Water Infrastructure (recycled water supply & stormwater management)

Council Owned Buildings

Open Space & Recreation (reserves & other green spaces, playgrounds, furniture, fences & walls, sports accessories and irrigation).

Depending on asset management complexity, the asset classes in these groups are included in an associated Asset Management Plan for major infrastructure assets. These plans are compiled by allocated Asset Managers and Asset Officers who work together to capture asset information and use it to inform and plan Asset Renewal/Upgrade/Disposal through the Long Term Financial Planning process of Council.

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

**Key Asset Management Planning achievements between July 2022 to June 2023 include:**

**Asset Management Strategy, Plans and Governance**

- The Asset Management Services Management Team comprise multi-disciplinary representatives across Council who meet on a regular basis to ensure a coordinated approach to asset management planning.
- Completed the review of Infrastructure Asset Management Plans for major asset classes triggered by condition audits and revaluations and commenced the major revision process triggered by Local Government elections.
- Commenced the development of a climate risk and sustainability assessment tool for inclusion and use in Asset Management plans.
- Conducted condition audits and revaluations on a rolling schedule carried out to ensure requirements under Australian Accounting Standards are met into the future.

**Asset Systems and Processes**

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

**A key focus for Asset Management in 2023/24 will be to:**

- Continue to refine Integrated Asset Planning activities across all Divisions of Charles Sturt
- Refine the use of the climate & sustainability risk assessment tool for assets and incorporate into decision making processes.
- Incorporate the review of maintenance service levels and asset lifecycles to optimise design life and achieve service efficiency into Asset Management Plans.
- Collaborate with other Councils & organisations to knowledge share and ensure best practice.
- Provide better access to relevant asset data through the use of reports and dashboards from the EAM system and geospatial tools available
- Refine the development of Ci Anywhere module for Asset Lifecycle Management.
- Complete the asset data transition & migration to the One Council data structure
- Maintain a high confidence level in data accuracy across major infrastructure asset class assets
- Continue the internal review cycle of the Asset Management Plans for major asset classes in accordance with our review framework.

**14.2 Roads**

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

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

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

Council staff have completed a detailed condition audit of kerb and gutter assets and the combined data was included in the final endorsed revision of the Transport Asset Management Plan. Renewal and maintenance strategies are being developed for kerb and gutter assets and will be included in a future revision of the Transport Asset Management Plan.

**14.3 Paths**

The detailed analysis of path condition data in 2019/20 was used to develop and implement updated maintenance and intervention strategies to avoid full path replacement keeping the cost of path management within sustainable levels. This

was included in the Transport Assets Asset Management Plan endorsed by Council in September 2020.

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

A further condition audit of our footpath network is planned in 2023/24 with the data intended to confirm and refine the progress of current maintenance & intervention strategies.

#### **14.4 Water (including Stormwater and Recycled water)**

A major revision of the Water Infrastructure Asset Management Plan was endorsed in November 2021. This revision combined both recycled water and stormwater assets into a single AMP with a holistic integrated Asset Management Strategy for all Council Water Assets.

Council continues to undertake water projects in coordination with the proposed road program to provide a greater integration of works and a more effective and efficient expenditure of available funds.

The Stormwater Management Plan for West Lakes (the lake) catchment was endorsed by Council in 2022 and has now been gazetted. This will enable Council to access funding from the Stormwater Management Authority (SMA). The highest priority action from the SMP was Stage 1 of Gleneagles Reserve detention basin. Detailed design is well underway with construction to commence in 23/24FY.

Council continues to implement Water Sensitive Urban Design (WSUD) into capital projects throughout the city to improve the quality of stormwater being discharged into the River Torrens and the coast.

An internal condition audit of GPTs has recently been completed, with conditions audits of our major outlet structures in West Lakes currently underway. The results of these audits will shape future renewal strategies for these assets.

The use of alternative water to replace potable water demand continues to expand. In 2022/23FY, additional groundwater supplies and continuous improvement to the automated harvesting and storage of stormwater have occurred. These upgrades will enable the supply of water to increase to meet internal irrigation and third-party customer demands. In tandem, supply improvements will continue for the St Clair development, in accordance with Development Act and Planning and Design Code requirements.

A Water Strategy to guide future decisions is in the process of being developed, with a draft expected in early 2024.

## **14.5 Bridges & Boardwalks**

Bridges have a long service life if maintained correctly. In the 2017 Bridge Asset Management Plan Charles Sturt established a planned bridge maintenance program to ensure routine maintenance work is completed to bridges on a cyclic basis.

A condition audit and valuation of bridge assets was undertaken in 2017/18 which has informed a revision of bridge asset data and renewal strategy for the asset class. The maintenance and renewal strategies have been included in the Transport Assets, Asset Management Plan endorsed by Council in September 2020. A revision of the bridge renewal program (due to changes in timing and priorities of major bridge projects) will be included in a future revision of the transport asset management plan.

A detailed condition audit of beach accessways will be completed in 2022/23, the results of the audit will be included in a future revision of the transport asset management plan as boardwalk assets.

## **14.6 Public Lighting**

A major revision of Public Lighting Strategies was undertaken in 2020 to produce the first endorsed Public lighting Asset Management plan (AMP). The AMP was endorsed by Council in October 2021 at the conclusion of a 4-week consultation period with the community to understand community expectations for the proposed service level of Public Lighting Assets.

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

The AMP also ensures funding to complete the Street light Infill upgrade program to ensure lighting compliance on local streets.

A condition audit of sportsground lighting is scheduled for 2023/24 which will provide improved information on the condition of lighting components and structures.

## **14.7 Land and Buildings**

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

In 2022/23 works were completed on the Aquatic Reserve clubrooms upgrade, Fitzroy Community Club Sports Lighting upgrade, the Brocas Community Connections multi-functional space fit out, Smith Reserve and Club West Lakes DDA Legislative Upgrades, Grange Lakes Automated Public toilet installation, Findon Skid Kids Upgrade, St Clair Ovals 3&4 Servery and Public Toilets and the Henley RSL Upgrade.

Sustainability initiatives were also undertaken at the Council Civic Centre offices and solar installations on Council buildings including the Arch Patterson Community Hall, Hindmarsh Library and The Brocas.

In 2023/24, besides minor capital works across numerous sites, Council will commence or complete major redevelopment projects at the Model T Ford Clubrooms, Grange Recreation Reserve, West Beach SLSC, SMOSH West Lakes Clubrooms, Pedlar Reserve Clubrooms and design development for the Beverley Centre redevelopment.

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

## **14.8 Open Space and Recreation**

In 2021/22 Council completed an extensive audit of Open Space furniture, fencing and sporting accessory assets which will improve data quality and inform a major revision of the Open Space and Recreation Infrastructure Asset Management Plan and optimise strategy, decision making and delivery of future works and services.

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

In 2023/24 major works commencing include reserve upgrades at Josiah Mitton & Woodlake Reserves, creation of a new reserve in Albert Park and construction of new netball courts at Flinders Park Oval.

Other projects include playground renewals across various sites, AMP Fencing, Sport Accessories & Furniture renewal works.

## 15. Measuring Achievement of the 2023/24 Business Plan

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

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

Below are our current indicators used to measure our performance.

### 1. **OUR COMMUNITY – A Strong and Connected Community**

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

***We will know we have succeeded by...***

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

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

***We will know we have succeeded by...***

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

- ❖ Increase of 5% per annum in number of active volunteers.

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

***We will know we have succeeded by...***

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

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

***We will know we have succeeded by...***

- ❖ By 2025 at least 75% of our citizens feel safe in their homes, neighbourhoods and public places with an annual increase. (community survey)
- ❖ The City of Charles Sturt childhood immunisation coverage rates are equal to or greater than the South Australian State average.
- ❖ Responsible dog ownership is reflected by 95% dogs being registered and microchipped by 2025
- ❖ Community safety is ensured by inspecting 100% of swimming pools and their safety barriers at time of construction.
- ❖ Building compliance is achieved by inspecting at least 66% of dwellings during construction annually.
- ❖ Building compliance is achieved by inspecting 90% of class 2-9 buildings during construction annually
- ❖ More than 65% of routine food premise inspections do not require a follow-up inspection to address non-compliance
- ❖ Measure and grow our community resilience
- ❖ An annual increase in number of programs offered with a focus on building resilience with an 75% participant positive-impact rate

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

***We will know we have succeeded by...***

- ❖ At least a 10% annual increase in combined library loans (physical and online).
- ❖ At least a 10% annual increase in library and community centre program participation.

- ❖ The number of participants in sporting and community clubs is maintained or increasing
- ❖ An annual increase of sports clubs participating in Council's professional development program.  
Annual increase in number of participants in the community leadership development program.
- ❖ Annual increase in number of participants in the Young Changemakers Program.

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

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

***We will know we have succeeded by...***

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

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

***We will know we have succeeded by...***

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

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

***We will know we have succeeded by...***

- ❖ Increase in the number of collaborative partners involved in delivering events
- ❖ Number of outdoor dining seats is increasing across our city annually
- ❖ At least 90% of our community agree that our city is a great place to live (Community survey).
- ❖ The heritage grant program is 100% allocated each year

- ❖ The Woodville Town Hall has a 10% annual increase in activation (total attendance numbers).
- ❖ Number of street and place activation events increases annually

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

***We will know we have succeeded by...***

- ❖ Develop a Road Safety strategy by June 2022 in response to the State Government Road Safety Strategy to be released in 2021.
- ❖ At least 80% of our community feels safe using our local streets (community survey)
- ❖ The number of road crashes on Council managed roads is reducing annually
- ❖ An annual increase in our community utilising active transport (walking, riding and cycling) and public transport.
- ❖ An annual increase of community satisfaction in major transport assets (roads and paths) (community survey)
- ❖ Number of trips made by shared transport solutions increases annually
- ❖ The number of public electric vehicle charging stations installed within CCS increases by 15% annually for the next 4 years with an annual increase in usage.

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

***We will know we have succeeded by...***

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

### **3. OUR ENVIRONMENT – An Environmentally Responsible and Sustainable City**

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

##### ***We will know 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 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 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 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 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

## 16. Attachments

### 16.1 Overview to Attachments

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

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

The contents of the attachments are summarised below.

Attachment	Nature of Information
<a href="#">Attachment A</a>	Commentary and detail of Long Term Financial Plan Includes: <ul style="list-style-type: none"> <li>- <a href="#">Schedule A</a> – Assumptions for LTFP</li> <li>- <a href="#">Schedule B</a> – Forecast Financial Statements over planning period</li> <li>- <a href="#">Schedule C</a> – Budget Principles</li> </ul>
<a href="#">Attachment B</a>	Budgeted Financial Statements for 2023/24 <ul style="list-style-type: none"> <li>- Statement of Comprehensive Income</li> <li>- Cash flow Statement</li> <li>- Balance Sheet</li> <li>- Statement of Changes in Equity</li> <li>- Summary of operating and capital investment activities</li> <li>- Key Financial Indicators</li> </ul> This section sets out the budgeted financial statements for 2023/24 as prescribed in the Local Government (Financial Management) Regulations 2011. This information is the basis of the disclosures and analysis of the annual budget in this report.
<a href="#">Attachment C</a>	Rating Policy
<a href="#">Attachment D</a>	Capital Projects for renewal of council’s existing assets for 2023/24.

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

### **Executive Summary**

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

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

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

The Long Term Financial Plan forecasts have been prepared using anticipated CPI movements over the outlook period based on forecasts provided by Deloitte Access Economics as at January 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 Cashflow Statement
- Estimated Statement of Changes in Equity
- Summary Statement including financing transactions

These are detailed in [Schedule B](#)

A number of assumptions have been made in constructing the LTFP estimates and these are detailed in [Schedule A](#).

### **Financial Indicators**

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

- Operating surplus/deficit
  - This is an indication of whether Council's operations are generating an operating surplus or deficit. An operating surplus indicates the extent to which operating revenue is sufficient to meet all of Council's operating expenses and therefore not transferring a burden that will need to be met by future ratepayers. For the planning period council continues to forecast a small operating surplus position.
- Operating surplus ratio
  - This ratio expresses the operating surplus/deficit as a percentage of operating Income and where the ratio is negative indicates the percentage in operating income required to achieve a break even operating result. Ideally Council should be aiming to achieve an operating surplus ratio >0 % and <10% and over the forecast period council has continued to budget for this outcome.
- Net financial liabilities ratio
  - This ratio indicates the extent to which the net financial liabilities of Council or its total indebtedness can be met by Council's total operating revenue. Net financial liabilities measure a council's indebtedness. It is a broader measure than net debt as it includes all of a council's obligations including provisions for employee entitlements and creditors. Net financial liabilities equals total liabilities less financial assets where financial assets include cash, investments, loans to community groups, receivables and prepayments. The target for the ratio should be greater than zero but less than 100%.
- Interest cover ratio
  - This ratio indicates the extent to which Council's commitment to interest expenses can be met by total operating revenues. A ratio of less than 10% is considered a reasonable limit to ensure net interest costs can be met comfortably by operating revenues.
- Asset Renewal funding ratio
  - This ratio indicates whether Council's capital expenditure on renewal/replacement of existing assets is what is needed to cost effectively maintain services levels as prescribed in Council's adopted Asset Management Plans (AMP). Council strives for a ratio >80%, noting it budgets for 100%

## **Commentary**

### **Long Term Financial Plan**

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

Over the next 5 years total net rate increases (based on the assumptions detailed in **Schedule A**) and excluding growth estimates for new developments of 1% annually are projected to be forecast CPI plus an extra impost to ensure financial sustainability. In 2023/24 a total rate rise of 3.09% plus an extra 5.0% for unexpected costs increases over 2022/23 plus 0.5% for the DFP for a total of 8.59%. This is followed by forecast CPI increases plus further additional imposts over 2 years of 0.5% and 0.3% at a time when Council is reviewing its ERP system (24/01/2022 item 6.01).

This translates to rates increases of 2.94%, 2.78%, 2.53% and 2.5% plus 1% new property growth annually.

The additional 5% forecast for 2023/24 was 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 of 0.5% and 0.3% respectively are in recognition of Council's investment for the DFP project and allows Council to not compromise on its service delivery for other projects due to the DFP implementation.

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 \$1.5b in 2032/33. Over the planning period total liabilities are expected to decrease from \$68.433m in 2023/24 to \$41.05m 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 \$33.906m in 2023/24 and then increase to \$49.561m in 2025/26 and then decrease to nil in 2031/32.

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.

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 52.5% 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 and demonstrates that Council borrowings are not an impost in reducing .

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 2023-2033**

### **Schedule A – Assumptions**

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 LTFP.

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
<b>Annual Operating Projects</b>	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							
<b>Total AOP</b>	<b>3,602</b>	<b>3,214</b>	<b>2,962</b>	<b>3,084</b>	<b>3,341</b>	<b>2,758</b>	<b>2,823</b>	<b>2,887</b>	<b>3,629</b>	<b>3,025</b>	<b>3,097</b>

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
<b>Total</b>		<b>39,072</b>	<b>45,128</b>	<b>54,754</b>	<b>40,212</b>	<b>34,374</b>	<b>37,307</b>	<b>37,012</b>	<b>40,008</b>	<b>39,890</b>	<b>31,927</b>

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	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
<b>Income</b>												
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	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Income</b>	<b>138,427</b>	<b>137,125</b>	<b>147,194</b>	<b>152,431</b>	<b>157,906</b>	<b>163,254</b>	<b>168,741</b>	<b>174,193</b>	<b>179,642</b>	<b>185,355</b>	<b>191,431</b>	<b>197,653</b>
<b>Expenses</b>												
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	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses</b>	<b>128,708</b>	<b>135,844</b>	<b>145,407</b>	<b>151,155</b>	<b>157,130</b>	<b>162,101</b>	<b>166,826</b>	<b>172,177</b>	<b>177,954</b>	<b>184,694</b>	<b>189,158</b>	<b>196,837</b>
<b>Operating Surplus / (Deficit)</b>	<b>9,719</b>	<b>1,281</b>	<b>1,787</b>	<b>1,276</b>	<b>776</b>	<b>1,153</b>	<b>1,916</b>	<b>2,016</b>	<b>1,687</b>	<b>660</b>	<b>2,273</b>	<b>816</b>
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	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Surplus / (Deficit)</b>	<b>12,279</b>	<b>5,022</b>	<b>2,087</b>	<b>1,576</b>	<b>1,076</b>	<b>1,453</b>	<b>2,216</b>	<b>2,316</b>	<b>1,987</b>	<b>960</b>	<b>2,573</b>	<b>1,116</b>
<b>Other Comprehensive Income</b>												
<b>Amounts which will not be reclassified subsequently to operating result</b>												
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	-
<b>Amounts which will be reclassified subsequently to operating result</b>												
<b>Total Other Comprehensive Income</b>	<b>-</b>	<b>7,369</b>	<b>9,158</b>	<b>9,519</b>	<b>16,107</b>	<b>9,348</b>	<b>14,160</b>	<b>8,967</b>	<b>7,987</b>	<b>11,492</b>	<b>8,448</b>	<b>-</b>
<b>Total Comprehensive Income</b>	<b>12,279</b>	<b>12,391</b>	<b>11,245</b>	<b>11,095</b>	<b>17,183</b>	<b>10,802</b>	<b>16,376</b>	<b>11,282</b>	<b>9,975</b>	<b>12,452</b>	<b>11,021</b>	<b>1,116</b>

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 \$'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
<b>ASSETS</b>												
<b>Current Assets</b>												
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
<b>Total Current Assets</b>	<b>9,973</b>	<b>6,937</b>	<b>7,028</b>	<b>7,165</b>	<b>7,318</b>	<b>7,468</b>	<b>7,618</b>	<b>7,775</b>	<b>7,932</b>	<b>8,106</b>	<b>16,382</b>	<b>37,394</b>
<b>Non-Current Assets</b>												
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
<b>Total Non-Current Assets</b>	<b>1,387,489</b>	<b>1,401,321</b>	<b>1,420,016</b>	<b>1,447,156</b>	<b>1,464,936</b>	<b>1,468,405</b>	<b>1,478,000</b>	<b>1,480,644</b>	<b>1,483,729</b>	<b>1,488,859</b>	<b>1,482,592</b>	<b>1,463,572</b>
<b>TOTAL ASSETS</b>	<b>1,397,462</b>	<b>1,408,257</b>	<b>1,427,044</b>	<b>1,454,321</b>	<b>1,472,254</b>	<b>1,475,873</b>	<b>1,485,617</b>	<b>1,488,419</b>	<b>1,491,662</b>	<b>1,496,965</b>	<b>1,498,975</b>	<b>1,500,966</b>
	30,223	27,678										
<b>LIABILITIES</b>												
<b>Current Liabilities</b>												
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	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"	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>51,290</b>	<b>50,343</b>	<b>59,395</b>	<b>76,528</b>	<b>77,631</b>	<b>70,803</b>	<b>64,498</b>	<b>56,017</b>	<b>49,285</b>	<b>42,136</b>	<b>33,124</b>	<b>34,000</b>
<b>Non-Current Liabilities</b>												
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"	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Current Liabilities</b>	<b>11,198</b>	<b>10,550</b>	<b>9,038</b>	<b>8,088</b>	<b>7,734</b>	<b>7,380</b>	<b>7,053</b>	<b>7,053</b>	<b>7,053</b>	<b>7,053</b>	<b>7,053</b>	<b>7,053</b>
<b>TOTAL LIABILITIES</b>	<b>62,488</b>	<b>60,892</b>	<b>68,433</b>	<b>84,616</b>	<b>85,365</b>	<b>78,183</b>	<b>71,551</b>	<b>63,070</b>	<b>56,338</b>	<b>49,189</b>	<b>40,177</b>	<b>41,053</b>
<b>Net Assets</b>	<b>1,334,974</b>	<b>1,347,365</b>	<b>1,358,611</b>	<b>1,369,706</b>	<b>1,386,889</b>	<b>1,397,691</b>	<b>1,414,067</b>	<b>1,425,349</b>	<b>1,435,324</b>	<b>1,447,776</b>	<b>1,458,798</b>	<b>1,459,913</b>
<b>EQUITY</b>												
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	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Equity</b>	<b>1,334,974</b>	<b>1,347,365</b>	<b>1,358,611</b>	<b>1,369,706</b>	<b>1,386,889</b>	<b>1,397,691</b>	<b>1,414,067</b>	<b>1,425,349</b>	<b>1,435,324</b>	<b>1,447,776</b>	<b>1,458,798</b>	<b>1,459,913</b>



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 \$'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
<b>Cash Flows from Operating Activities</b>												
<b>Receipts:</b>												
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
<b>Payments:</b>												
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)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>43,447</b>	<b>36,716</b>	<b>38,800</b>	<b>39,059</b>	<b>40,051</b>	<b>42,109</b>	<b>44,442</b>	<b>46,129</b>	<b>47,387</b>	<b>47,851</b>	<b>49,669</b>	<b>50,795</b>
<b>Cash Flows from Investing Activities</b>												
<b>Receipts:</b>												
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	-	-	-	-	-	-	-	-	-	-	-
<b>Payments:</b>												
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)	-	-	-	-	-	-	-	-	-	-	-
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(37,374)</b>	<b>(34,789)</b>	<b>(45,028)</b>	<b>(54,654)</b>	<b>(40,112)</b>	<b>(34,274)</b>	<b>(37,207)</b>	<b>(36,912)</b>	<b>(39,908)</b>	<b>(39,790)</b>	<b>(31,827)</b>	<b>(29,964)</b>
<b>Cash Flows from Financing Activities</b>												
<b>Receipts:</b>												
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	-	-	-	-	-	-	-	-	-	-	-	-
<b>Payments:</b>												
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	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>(6,258)</b>	<b>(2,545)</b>	<b>6,228</b>	<b>15,595</b>	<b>61</b>	<b>(7,835)</b>	<b>(7,235)</b>	<b>(9,217)</b>	<b>(7,479)</b>	<b>(8,061)</b>	<b>(9,734)</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(185)</b>	<b>(619)</b>	<b>-</b>	<b>8,108</b>	<b>20,831</b>							
<b>plus: Cash &amp; Cash Equivalents - beginning of year</b>	<b>1,304</b>	<b>1,119</b>	<b>500</b>	<b>8,608</b>								
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>1,119</b>	<b>500</b>	<b>8,608</b>	<b>29,439</b>								

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



	Actuals 2021/22 \$'000	Current Year 2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	Projected Years					2031/32 \$'000	2032/33 \$'000
							2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'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	-	
<b>Other Comprehensive Income</b>	-	7,369	9,158	9,519	16,107	9,348	14,160	8,967	7,987	11,492	8,448	-	
<b>Total Comprehensive Income</b>	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	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Equity - Balance at end of the reporting period</b>	<b>1,334,974</b>	<b>1,347,365</b>	<b>1,358,611</b>	<b>1,369,706</b>	<b>1,386,889</b>	<b>1,397,691</b>	<b>1,414,067</b>	<b>1,425,349</b>	<b>1,435,324</b>	<b>1,447,776</b>	<b>1,458,798</b>	<b>1,459,913</b>	

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



	Actuals 2021/22 \$'000	Current Year 2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	Projected Years					2031/32 \$'000	2032/33 \$'000
							2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000			
<b>Operating Activities</b>													
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)	
<b>Operating Surplus / (Deficit)</b>	<b>9,719</b>	<b>1,281</b>	<b>1,787</b>	<b>1,276</b>	<b>776</b>	<b>1,153</b>	<b>1,916</b>	<b>2,016</b>	<b>1,687</b>	<b>660</b>	<b>2,273</b>	<b>816</b>	
<b>Capital Activities</b>													
<b>less (Net Outlays) on Existing Assets</b>													
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	-	-	-	-	-	-	-	-	-	-	
<b>(Net Outlays) on Existing Assets</b>	<b>10,258</b>	<b>9,516</b>	<b>3,032</b>	<b>(6,384)</b>	<b>9,775</b>	<b>13,562</b>	<b>14,307</b>	<b>15,271</b>	<b>18,671</b>	<b>17,827</b>	<b>24,410</b>	<b>26,679</b>	
<b>less (Net Outlays) on New and Upgraded Assets</b>													
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(19,316)	(13,264)	(12,211)	(10,995)	(11,165)	(7,415)	(9,505)	(8,655)	(13,475)	(11,105)	(9,450)	(7,350)	
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	-	-	-	-	-	-	-	-	-	-	-	
<b>(Net Outlays) on New and Upgraded Assets</b>	<b>(15,424)</b>	<b>(9,723)</b>	<b>(12,111)</b>	<b>(10,895)</b>	<b>(11,065)</b>	<b>(7,315)</b>	<b>(9,405)</b>	<b>(8,555)</b>	<b>(13,375)</b>	<b>(11,005)</b>	<b>(9,350)</b>	<b>(7,250)</b>	
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>4,553</b>	<b>1,074</b>	<b>(7,292)</b>	<b>(16,003)</b>	<b>(514)</b>	<b>7,400</b>	<b>6,818</b>	<b>8,732</b>	<b>6,984</b>	<b>7,483</b>	<b>17,334</b>	<b>20,245</b>	

**NOTE : this adopted LTFP provided the basis for development of the annual budget and high level parameters, noting that the final budget for 2023/24 was adopted following consultation feedback and finalisation of actual inputs for recurrent budget and level of capital and annual operating projects having regard to the LTFP high level parameters and which will be updated in the next LTFP iteration.**

### ***Schedule C – Budget Principle*** **Honest and Accountable**

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

#### **Strategic Approach**

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

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

#### **Forward Financial Planning**

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

#### **Realistic Budgeting**

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

#### **Meet Long Term Liabilities**

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

**Affordable Rates**

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

**Avoid Cost Shifting**

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

**New Initiatives**

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

**Asset Sales and Debt**

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

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

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

**Financial Control**

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

## ***Attachment B – Budgeted Financial Statements for 2023/2024***

### **Schedule 1: Statement of Comprehensive Income**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue</b>		
Rates	129,266	118,715
Statutory Charges	4,724	4,450
User Charges	3,991	3,895
Grants, Subsidies and Contributions	12,566	9,366
Investment Income	74	72
Reimbursements	607	530
Other revenues	75	97
Net Profit Equity Accounted Businesses	293	
<b>Total Revenues</b>	<b>151,596</b>	<b>137,125</b>
<b>Expenses</b>		
Employee Costs	55,498	50,257
Materials, Contracts and Other	51,988	49,391
Finance Costs	2,081	1,420
Depreciation, Amortisation and Impairment	35,949	34,582
Net Loss Equity Accounted businesses	0	195
<b>Total Expenses</b>	<b>145,516</b>	<b>135,845</b>
<b>Operating Surplus/(Deficit)</b>	<b>6,080</b>	<b>1,280</b>
<b>Capital Amounts</b>		
Physical resources received free of charge	200	200
Amounts specifically for new or upgraded asset	4,039	3,541
	4,239	3,741
<b>Net Surplus/(Deficit)</b>	<b>10,319</b>	<b>5,021</b>
<b>Other Comprehensive income</b>	<b>0</b>	<b>0</b>
<b>Total Comprehensive Income</b>	<b>10,319</b>	<b>5,021</b>

**Schedule 2: Cashflow Statement**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
	<b>Inflows(outflows)</b>	<b>Inflows(outflows)</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash Flows from Operating Activities</b>		
Operating Receipts	151,335	137,157
Investment receipts	74	72
Operating Payments to suppliers and employees	(107,591)	(101,209)
Finance payments	(2,081)	(1,420)
Net Cash Flows provided by (used in) Operating Activities	<b>41,737</b>	<b>34,600</b>
<b>Cash Flows from Financing Activities</b>		
<b>Receipts</b>		
Proceeds from Borrowings	8,427	1,616
Proceeds from Aged care Facility deposits	500	500
<b>Payments</b>		
Repayments of Borrowings	(1,469)	(1,427)
Repayment of Aged care Facility Deposits	(500)	(500)
<b>Net Cash provided for (used in ) Financing Activities</b>	<b>6,958</b>	<b>189</b>
<b>Cash Flows from Investing Activities</b>		
<b>Receipts</b>		
Sale of replaced assets	1,230	742
Grants specifically for new of upgraded assets	4,039	3,541
	5,269	4,283
<b>Payments</b>		
Expenditure on renewal/replacement of assets	(36,687)	(25,808)
Expenditure on new/upgraded assets	(17,277)	(13,264)
	(53,964)	(39,072)
Net Cash used in Investment Activities	<b>(48,695)</b>	<b>(34,789)</b>
<b>Net Increase (Decrease) in Cash Held</b>	<b>0</b>	<b>0</b>
Cash and cash equivalents at Beginning of Reporting Period	500	500
<b>Cash and cash equivalents at End of Reporting Period</b>	<b>500</b>	<b>500</b>

**Schedule 3: Balance Sheet**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash equivalents	500	500
Trade and Other receivables	4,387	4,246
Inventories	185	146
<b>Total Current Assets</b>	<b>5,072</b>	<b>4,892</b>
<b>Non-Current Assets</b>		
Equity accounted investments in council business	1,063	1,539
Infrastructure, Property, plant and equipment	1,602,742	1,395,806
Other non-current assets	24,339	16,385
<b>Total Non-Current assets</b>	<b>1,628,144</b>	<b>1,413,730</b>
<b>TOTAL ASSETS</b>	<b>1,633,216</b>	<b>1,418,622</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and Other Payables	22,217	23,317
Borrowings	1,512	1,469
Provisions	10,242	9,813
<b>Total Current Liabilities</b>	<b>33,971</b>	<b>34,599</b>
<b>Non-Current Liabilities</b>		
Long Term Borrowings	32,654	37,189
Long Term Provisions	1,854	1,701
<b>Total Non-Current liabilities</b>	<b>34,508</b>	<b>38,890</b>
<b>TOTAL LIABILITIES</b>	<b>68,479</b>	<b>73,489</b>
<b>Net Assets</b>	<b>1,564,737</b>	<b>1,345,133</b>
<b>EQUITY</b>		
Accumulated Surplus	540,288	522,422
Reserves	1,024,449	822,711
<b>TOTAL EQUITY</b>	<b>1,564,737</b>	<b>1,345,133</b>

**Schedule 4: Statement of Changes in Equity**

**2024**

	<b>Accumulated Surplus \$'000</b>	<b>Asset revaluation reserve \$'000</b>	<b>Total Equity \$'000</b>
<b>Accumulated Surplus</b>			
Balance at end of previous reporting period	529,969	1,024,449	1,554,418
Net Result for year	10,319		10,319
Other Comprehensive income		0	0
<b>Balance at end of period</b>	<b>540,288</b>	<b>1,024,449</b>	<b>1,564,737</b>

**2023**

	<b>Accumulated Surplus \$'000</b>	<b>Asset revaluation reserve \$'000</b>	<b>Total Equity \$'000</b>
<b>Accumulated Surplus</b>			
Balance at end of previous reporting period	517,401	822,711	1,340,112
Net Result for year	5,021		5,021
Other Comprehensive income		0	0
	<b>522,422</b>	<b>822,711</b>	<b>1,345,133</b>

**Schedule 5: Summary of Operating and Capital Investment Activities**

		<b>2024</b>	<b>2023</b>
		<b>\$</b>	<b>\$</b>
	<b>Operating Revenue</b>	151,596	137,125
	<b>Less Operating Expenses</b>	(145,516)	(135,845)
	<b>Operating Surplus/(Deficit) before Capital Amounts</b>	<b>6,080</b>	<b>1,280</b>
<b>Less</b>	<b>Net Outlays on Existing Assets</b>		
	Capital expenditure on renewal and replacement of existing assets	36,687	25,808
	Less Depreciation, Amortisation and Impairment	(35,949)	(34,582)
	Less proceeds from sale of Replaced Assets	(1,230)	(742)
		<b>(492)</b>	<b>(9,516)</b>
<b>Less</b>	<b>Net Outlays on new and Upgraded Asses</b>		
	Capital expenditure on New and Upgraded assets	17,277	13,264
	Less amounts received specifically for New and Upgraded assets	(4,039)	(3,541)
	Less proceeds from Sale of Surplus Assets	0	0
		<b>13,238</b>	<b>9,723</b>
<b>Equals</b>	<b>Net Lending / (Borrowing) for Financial year</b>	<b>(6,666)</b>	<b>1,073</b>

**Schedule 6: Statement of Financial Indicators**

	<b>Key Financial Indicators</b>	
	<b>2024</b>	<b>2023</b>
<b>Operating surplus/deficit - \$'000</b>	6,080	1,280
<b>Operating surplus ratio</b>	4.0%	0.9%
<b>Net Financial Liabilities - \$'000</b>	63,592	68,743
<b>Net Financial Liabilities ratio</b>	41.9%	50.1%
<b>Interest cover ratio</b>	1.3%	1.0%
<b>Asset sustainability ratio (AMP)</b>	116.6%	98.8%



**Attachment C - Rating Policy**

# Rating Policy

<b>Reference Number:</b>	4.24
<b>Type:</b>	Council
<b>Category:</b>	Finance Policy
<b>Relevant Community Plan Outcome:</b>	<ul style="list-style-type: none"> <li>• Adaptive and sustainable management of the City’s finances</li> <li>• Practise transparent and accountable governance</li> </ul>
<b>Responsible Officer(s):</b>	Manager Financial Services
<b>First Issued/Approved:</b>	June 2001
<b>Minutes Reference:</b>	CI 26/6/2023 Item xxxx
<b>Last Reviewed:</b>	June 2023
<b>Next Review Due:</b>	June 2024
<b>Applicable Legislation:</b>	Local Government Act 1999 Local Government (Financial Management) Regulations 2011
<b>Related Policies:</b>	Nil
<b>Related Procedures:</b>	Nil

## 1. Purpose

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

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

## 2. Scope

### Strategic Focus

In setting its rates for the 2023/24 financial year Council has considered the following:

- its Community Plan 2020-2027 Charles Sturt – A Leading, Liveable City;
- its Long Term Financial Plan Estimates 2022-2032;
- its Budget Principles;
- the current economic climate;
- the specific issues faced by our community;
- the Annual Business Plan and Budget for the 2023/2024 financial year;
- the impact of rates on the community;
- the impact of rates on businesses;
- the relationship between Council objectives and rating strategy;
- Council's debt strategy;
- required funding for future asset replacement;
- the impact of differential changes in property valuations across the City;
- as may be relevant, issues of consistency and comparability across Council areas in the imposition of rates on sectors of the community such as business; and
- issues of equity arising from circumstances where ratepayers provide or maintain infrastructure that might otherwise be provided or maintained by Council and whether discretionary rebates will be granted.

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

## 3. Policy Statement

### COMMUNICATION OF THE POLICY

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

### METHOD USED TO VALUE LAND

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

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

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

### **ADOPTION OF VALUATIONS**

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

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

- (a) previously received a notice of this valuation under the Local Government Act, in which case the objection period is 60 days from the receipt of the first notice; or
- (b) previously had an objection to the valuation considered by the Valuer-General.

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

### **OBJECTION TO VALUATION**

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

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

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

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

## **NOTIONAL VALUES**

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

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

## **BUSINESS IMPACT STATEMENT**

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

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

## **COUNCIL'S REVENUE RAISING POWERS**

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

## DIFFERENTIAL GENERAL RATES

At its meeting on 26 June 2023 Council decided to raise rate revenue of \$128,947,348 in a total operating revenue budget of \$151,595,493. The Council has set the following differential general rates.

- (a) 0.198072681 cents in the dollar on rateable land of category (a) residential;
- (b) 0.7083867960 cents in the dollar on rateable land of categories (b) Commercial – shop; (c) Commercial - Office and (d); Commercial – other use;
- (c) 0.7557793060 cents in the dollar on rateable land of rateable land of categories (e) Industry – Light and (f); Industry – other;
- (d) 0.4530601092 cents in the dollar on rateable land of category (g) Primary Production;
- (e) 0.620629932 cents in the dollar on rateable land of category (h) Vacant Land;
- (f) 0.3084420330 cents in the dollar on rateable land of category (i) Other.

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

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

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

## MINIMUM RATE

A Council may impose a minimum amount payable by way of rates, provided that it has not imposed a fixed charge. Where two or more adjoining properties have the same owner **and** are occupied by the same occupier, only one minimum rate is payable by the ratepayer. Where a Council imposes a minimum rate it must not apply to more than 35% of properties in the Council area.

The Council has decided to impose a minimum rate of \$1,204. The reason for imposing a minimum rate is to ensure that all residents contribute towards the provision of basic services at a reasonable level.

### **REGIONAL LANDSCAPE LEVY**

The City of Charles Sturt is within the area covered by the Green Adelaide Board and is required under the Landscape South Australia Act 2019 to fund the operations of the Board. It does so by imposing a separate rate against rateable properties within its area of 0.00734298 cents in the dollar, based on the Capital Value of rateable land within the City.

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

### **PENSIONER CONCESSIONS**

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

Application forms are available by contacting the Concession Hotline on 1800 307 758 or at [www.sa.gov.au/concessions](http://www.sa.gov.au/concessions).

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

### **CONCESSIONS FOR SELF-FUNDED RETIREES**

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

Application forms are available by contacting the Concession Hotline on 1800 307 758 or at [www.sa.gov.au/concessions](http://www.sa.gov.au/concessions).

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

### **PAYMENT OF RATES**

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

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

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

Rates may be paid by cash, EFTPOS or credit card (except Diners Card and American Express):

Personally at the following Council Service Centres:

- Charles Sturt Civic Centre, 72 Woodville Road, Woodville
- Ngutungka West Lakes , 9 Charles Street West Lakes\*
- Hindmarsh Library, 149 Port Road, Hindmarsh\*
- Findon Library, Cnr Grange and Findon Roads\*
- or at
- any **Australia Post** outlet

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

By telephone using:

- B B-pay and Bpay view through your participating bank
- Phone NAB 1300 609 653

By mail:

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

By internet:

- Through Council's website at [www.charlessturt.sa.gov.au](http://www.charlessturt.sa.gov.au)
- or Australia Post at [www.postbillpay.com.au](http://www.postbillpay.com.au)

By Direct Debit:

- Quarterly
- Fortnightly

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

**Note:** Late payment fines and interest may still apply.

#### **LATE PAYMENT OF RATES / DEBT RECOVERY**

The Local Government Act provides that Councils impose a penalty of 2% on any payment for rates, whether instalment or otherwise, that is received late. A payment that continues to be late is then charged an interest rate, set each year according to a formula in the Act, for each month it continues to be late. Interest charged on late payments is charged on both the amount of the rate arrears and any interest that has previously been imposed. The purpose of this penalty is to act as a genuine deterrent to ratepayers who might otherwise fail to pay their rates on time, to allow Councils to recover the administrative cost of following up unpaid rates and to cover any interest cost the Council may incur because it has not received the rates on time.

The prescribed interest rate for the 2023/24 financial year has not yet been declared. When the interest rate is declared the Council will publish the rate on its public website.

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

### **DEBT RECOVERY**

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

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

1. fines and interest as provided by the Act will be added;
2. an overdue notice will be forwarded within 7 days of the imposition of a late payment penalty;
3. the debt will be placed in the hands of a debt collector if payment or arrangement for payment is not made within 10 days. A notice of intention to issue a claim will be forwarded by the debt collector; and
4. court proceedings will be instigated if the payment is still overdue after 21 days.

All fees and court costs are recoverable from the ratepayer.

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

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

## **REBATE OF RATES**

### **Under the Act**

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

### **Discretionary**

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

These rebates will be applied upon application.

### **Residential Construction**

Under Section 166 (1) (a) of the Act, and for the purpose of securing the proper development of the area, a rebate of general rates for the 2023/24 financial year will be granted in respect of an Assessment classed as vacant land in the Council's Assessment Book where the land is in a Residential Zone or a Residential Historic (Conservation) Zone in the Development Plan, or any replacement zone created by the authorisation of a Plan Amendment Report applicable to the Council's area:

- (a) if the Principal Ratepayer of the Assessment applies to the Council for the rebate prior to 30 June 2024; and
- (b) a dwelling has been substantially commenced on the property by 30 June 2024, and
- (c) the Council is satisfied that the intention of the Principal Ratepayer is to reside in that dwelling upon completion for at least 1 year.

The amount of the rebate is determined based on the timing of the pouring of the footings. If the footings are poured prior to 31 December 2023 a full rebate will be given but if the footings are poured after 31 December 2023 a 50% rebate will be given with the rebate being the difference in monetary terms between the rates that would have been paid in respect of the Assessment if it had been used at the date of declaration of the rates for residential purposes and the actual amount paid after deducting any other rebate granted within the rating period.

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

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

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

### **Rate Capping**

To provide relief against what would otherwise amount to a substantial change in rates payable by a ratepayer due to rapid changes in valuation, a rebate of general rates for the 2023/24 financial year will be granted to the Principal Ratepayer of an Assessment under Section 166 (1) (l) of the Act, either by the Council of its own initiative where the Council is in possession of sufficient information to determine the entitlement to the rebate or otherwise on application to the Council, where the amount of any increase in rates in respect of that Assessment in monetary terms between the amount of general rates payable for the 2022/23 financial year (after any rebate was applied) and the amount of general rates imposed for the 2023/24 financial year, is greater than 12.5%. The amount of the rebate will be the difference between the amount of general rates in monetary terms imposed for the 2023/24 financial year and the amount of general rates in monetary terms payable for the 2022/23 financial year (after any rebate was applied but prior to deducting any concessions) plus 12.5% of that amount.

The rebate will not apply where:

- (a) any such increase is due in whole or part to an increase in valuation of the land in the Assessment because of improvements made to it worth more than \$20,000, or
- (b) any such increase is applicable to the use of land being the categories of commercial, industrial, primary production, vacant land and other.
- (c) any such increase is due in full or part to the use of the land being different for rating purposes on the date the Council declared its general rates for the 2023/24 financial year than on the date the Council declared its general rates for the 2022/23 financial year, or
- (d) the ownership of the rateable property has changed since 1 July 2022

### **Postponement of Rates for Seniors**

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

### **Applications**

All applications for rebates, remissions or postponements must be in writing, addressed to the Chief Executive Officer, City of Charles Sturt, 72 Woodville Road,

Woodville SA 5011 and include sufficient details to identify the relevant property and support the application.

Application forms are available from council's website at [www.charlessturt.sa.gov.au](http://www.charlessturt.sa.gov.au).

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

#### **SALE OF LAND FOR NON-PAYMENT OF RATES**

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

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

#### **CHANGES TO ASSESSMENT RECORDS**

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

#### **DISCLAIMER**

A rate cannot be challenged on the basis of non-compliance with this policy and must be paid in accordance with the required payment provisions.

Where a ratepayer believes that the Council has failed to properly apply this policy it should raise the matter with the Council. In the first instance contact a Customer Contact Officer at the Council Offices or on telephone 8408 1111 to discuss the matter. If, after this initial contact, a ratepayer is still dissatisfied they should write to the Chief Executive, City of Charles Sturt, 72 Woodville Road, Woodville SA 5011 (email: [council@charlessturt.sa.gov.au](mailto:council@charlessturt.sa.gov.au)) explaining the nature of their concern.

## **APPENDIX A**

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

#### **Local Government Act 1999**

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

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

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

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

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

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

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

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

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

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

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

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

**Attachment D – Capital Projects for renewal of council’s existing assets for 2023/24**

Name	Budget Bid Description	Budget Bid Income \$ 2023/24	Budget Bid Expenses \$ 2023/24	Net Budget Bid \$ 2023/24
Fire Safety Upgrade - Civic Centre/Library and Woodville Town Hall  Bid ID PBB-00001666	Replace the existing Ampac fire alarm panels at Civic Centre and Woodville Town Hall with new addressable fire alarm panel to comply with the current regulations and standards. Replace all existing smoke and thermal detectors with new addressable smoke and thermal detectors in all zones as per attached fire alarm block plan. Replace all existing manual call points with new addressable manual call points in all zones as per attached fire alarm block plan. Additional installation of carbon monoxide detectors at Woodville Town Hall to improve the facility for future use of smoke and haze machine during events as requested by Urban Project team.	\$0	\$80,000	\$80,000
AMP Pedlar Reserve Clubrooms - Construction building renewal  Bid ID PBB-00001672	AMP Pedlar Reserve Clubroom Renewal in accordance with the buildings asset management plan (19/129427). The scope includes the demolition of the existing building and construction of new clubrooms including change rooms and associated facilities. The building will be reconfigured and renewed to ensure the building meets the immediate and future needs of the club and the community.	\$0	\$2,235,000	\$2,235,000

<p>Beverley Centre New Office Building - Stage 1 - Main building design documentation including ESD initiatives</p> <p>Bid ID PBB-00001692</p>	<p>The Beverley Centre office building is 50+ years old and has been occupied by Council since 1991 when the building and site was refurbished to turn it into the Council depot. Over the last 18 months significant roof and gutter storm water capacity issues have cause flooding within the building, causing significant damage and disruption. In addition to the water damage the asbestos roof has caused significant health and safety concerns for staff. Cost of replacing roof \$3.5m vs \$12.37m for the cost of constructing a new, fit for purpose depot building to cater for future needs will also allow all Field Services staff to be consolidated onto the one site, freeing up the Beverley Nursery site (Toogood Ave) to be used purely as a nursery for our Tree Canopy Improvement project. This will also negate the need to expand the carparking at that site, eliminating a \$950K capital project that was forecast for 2023/24. The project will also negate the need to find additional land to support a tree nursery/establishment site, avoiding approximately \$2M in capital cost.</p> <p>This bid is for Stage 1 - Internal consultation and Design documentation for the renewal of the main administration building at the Beverley Centre.</p>	<p>\$0</p>	<p>\$770,000</p>	<p>\$770,000</p>
<p>Model T Ford Club - Plantation Reserve, Croydon - New Clubroom Construction</p> <p>Bid ID PBB-00001693</p>	<p>Design and construction of a new building for the Model T Ford Club situated at Plantation Reserve, Croydon.</p>	<p>\$1,000,000</p>	<p>\$1,000,000</p>	<p>\$0</p>

<p>Bandstand Rotunda Port Road Structural Remediation - Stage 2</p> <p>Bid ID PBB-00001695</p>	<p>Within the 2022/23 financial year works were undertaken in accordance with PBB-00001471 to structurally remediate the State Heritage listed Bandstand Rotunda. After initial investigations, the structure was discovered to have additional structural issues greater than first anticipated. Initial works completed in 2022/23 relate to storm water management and future proofing with remaining remediation of the structure to occur within this bid in 2023/24, including replacement of timber floor joists and flooring, repair of timber posts, renewal of cast iron decorative infill panels and repainting in accordance with heritage advice.</p>	<p>\$0</p>	<p>\$85,000</p>	<p>\$85,000</p>
<p>2023/24 AMP Council Building Renewals</p> <p>Bid ID PBB-00001703</p>	<p>Council building renewal works based on the condition and remaining life of the components listed in the description within the Property Services - Council Owned Buildings Asset Management Plan 19/129427 and the Supporting AMP Renewals list 22/220475.</p> <p>Building Classes include: Public Toilets Community Halls Libraries Council Works Facilities Sporting Clubs</p>	<p>\$0</p>	<p>\$1,013,042</p>	<p>\$1,013,042</p>
<p>Footpath and Kerb and Gutter Defect Program</p> <p>Bid ID PBB-00001706</p>	<p>Actioning of audit identified programmed concrete, block paved and kerb and gutter works identified for renewal</p>	<p>\$0</p>	<p>\$1,650,000</p>	<p>\$1,650,000</p>

<p>Public Lighting Renewal Program 2023/24</p> <p>Bid ID PBB-00001714</p>	<p>Renewal of lighting in the following areas with energy efficient LED lighting, including new poles, wiring and fittings/ luminaires</p> <p>Josiah Mitton Reserve Brompton Green Reserve Trust Reserve Henley and Grange Memorial Oval Southern Carpark Kingfisher Drive Walkway Huntingdale Reserve Hughes Street North Reserve</p> <p>Project also includes allowance for planning and design for 24/25 projects.</p>	<p>\$0</p>	<p>\$660,000</p>	<p>\$660,000</p>
<p>Road Rehabilitation Program of Works 2023/24</p> <p>Bid ID PBB-00001715</p>	<p>Road Rehabilitation – involves the application of the following asset renewal and treatments to extend the useful life of road pavements</p>	<p>\$0</p>	<p>\$4,500,000</p>	<p>\$4,500,000</p>
<p>Road Reconstruction Program of Works 2023/24</p> <p>Bid ID PBB-00001716</p>	<p>The reconstruction of road pavements and associated kerb and gutters that have reached the end of their useful life and/or due to poor pavement condition it cannot be rehabilitated. The proposed Road Reconstruction Program of Works 2023/24 includes the following:</p> <ul style="list-style-type: none"> <li>• Albemarle St, West Hindmarsh</li> <li>• Coglin St, Brompton</li> <li>• Wright St, Renown Park</li> <li>• Flinders Parade, Flinders Park</li> <li>• DIT Roads – Kerb &amp; Gutter Renewal</li> </ul> <p>It also includes Traffic Control Devices as identified in the Road Safety Devices AMP and installation of parking enforcement technology (where required) associated with this program.</p>	<p>\$0</p>	<p>\$6,250,000</p>	<p>\$6,250,000</p>

<p>Path Renewal Program 2023/24</p> <p>Bid ID PBB-00001718</p>	<p>Renewal of paths in line with CCS Transport Asset Management Plan recommendations and endorsed 4 year works program.</p> <p>The Path Renewal Program and budget include:                  Hallett Blvd &amp; Rawson Dr                  Allenby Gardens; St James Blvd, Burley Griffin Blvd &amp; Mais St Brompton; Murray St                  Albert Park; Gething Cres                  Bowden; Coglin St                  Brompton; Palmer Crt Devon Park; Falkirk Ave Findon;                  Grange Rd, Wandilla St, Hannam Ave, Albany St,                  Gluyas Ave, Surrey St, Fort St, &amp; Connaught St Grange;                  Sunlake Pl Tennyson; Grand Junction Rd &amp; Addison Rd                  Pennington; Bower Rd                  Semaphore Park; WL Blvd, Old Port Rd, &amp; Bower Rd                  West Lakes, Military Rd West Beach, Albermarle St West                  Hindmarsh.</p>	<p>\$0</p>	<p>\$2,600,000</p>	<p>\$2,600,000</p>
<p>Carpark Renewal Program of Works 2023/24</p> <p>Bid ID PBB-00001720</p>	<p>Renewal of Carparks in accordance with the Asset Management Plan renewal program. The Carpark Renewal Program of Works 2023/24 include: Woodville District Table Tennis Club (Windsor Ave, Woodville Park) &amp; Flinders Park Senior Citizens (Grange Rd, Grange).</p>	<p>\$0</p>	<p>\$200,000</p>	<p>\$200,000</p>
<p>DDA Access Ramp Renewal Program 2023/24</p> <p>Bid ID PBB-00001721</p>	<p>Renewal of access ramps associated with capital works for road and path programs and in response to requests from the community for improved ramp access.</p> <p>The DDA Access Ramp Renewal Program 2023/24 and Streets include:                  Hallett Blvd &amp; Rawson Dr                  Allenby Gardens; St James Blvd, Burley Griffin Blvd &amp; Mais St Brompton; Murray St                  Albert Park; Coglin St</p>	<p>\$0</p>	<p>\$200,000</p>	<p>\$200,000</p>

	Brompton; Palmer Crt Devon Park; Albany St, Gluyas Ave, Surrey St, & Fort St Grange; Sunlake Pl Tennyson; Grand Junction Rd & Addison Rd Pennington; WL Blvd, Old Port Rd, & Bower Rd West Lakes, Albermarle St West Hindmarsh.			
Grange Recreation Reserve – Replacement Two Storey Clubroom - Construction  Bid ID PBB-00001722	<p>In 2022 Council undertook a master plan design project for the Grange Recreation Reserve. Council endorsed the final masterplan in April 2022, which included the upgrade of the clubrooms at a total cost of \$6.25 million.</p> <p>In 2022/23 the detailed design for a replacement of the clubrooms was undertaken and \$3mil was secured by the clubs as part of the State Government Election Pledges towards the project.</p> <p>This budget bid is for the construction of the clubrooms, as a replacement of the Cyril Baxter Hall which is home to the SA Armature Soccer League and The Grange Cricket Club.</p>	\$3,000,000	\$6,250,000	\$3,250,000
Water Proofing the West - Increasing yields both injection & extraction.  Bid ID PBB-00001730	Four MAR Wells in operation suffer from biological clogging due to natural bacteria creating a bio film that creates an obstruction in the valves and head of the well, slowing down injection and extraction rates. This project will renew existing infrastructure remove this well obstruction and issue, and allow for efficient and safe chemical treatment of the MAR water well to prevent future occurrences.	\$0	\$50,000	\$50,000
Stormwater - Drain Renewal Program 2023/2024  Bid ID PBB-00001736	Detailed design and procurement of pipes and pits ready for construction in 24/25 in line with the Water Asset Management Plan recommendations and condition audits which have been scoped for renewal or	\$0	\$200,000	\$200,000

	which provide strategic benefit.			
GPT and Major Outlet Structure Renewal Program 2023/2024  Bid ID PBB-00001737	Renewal of Gross Pollutant Traps and Major Outlet Structures in line with the Water Asset Management Plan recommendations and condition audits which have been scoped for renewal or which provide strategic benefit.	\$0	\$50,000	\$50,000
Faith Montessori Royal Park - Damaged windows remediation  Bid ID PBB-00001741	Replacement of damaged and deteriorated window frames, windows and screens.	\$0	\$50,000	\$50,000
Public Art Repairs - The ORB - West Croyden - Rosetta Street  Bid ID PBB-00001742	Welding renewal works and repairs to the ORB public art structure at Peace Park on Rosetta Street, West Croyden	\$0	\$10,000	\$10,000
Chief Street Brompton - Streetscape Renewal - PLEC - Undergrounding of Powerlines  Bid ID PBB-00001753	Council contribution for the powerlines on Chief street between the rail crossing and Hawker Street in Brompton to be placed underground and new street lighting columns installed in preparation for future streetscape works.	\$0	\$1,500,000	\$1,500,000
AMP Playground Renewals 2023/24  Bid ID PBB-00001757	Playground renewals at various locations outlined in endorsed Open Space & Recreation Asset Management Plan (AMP).	\$0	\$480,296	\$480,296
AMP Fences, Walls and Bollard Renewals 2023/24  Bid ID PBB-00001758	Renewal of various fences, walls and bollard assets as outlined in the endorsed Open Space & Recreation Infrastructure Asset Management Plan (AMP).	\$0	\$271,970	\$271,970
Asset Contingency Building Works 2023/2024  Bid ID PBB-00001763	These funds will cover costs associated with unexpected and unplanned building repairs and building component replacements caused by failure, damage, vandalism and accident.	\$0	\$200,000	\$200,000

AMP Irrigation Renewals 2023/24 Bid ID PBB-00001765	Renewal of irrigation assets at various locations, as outlined in the endorsed Open Space & Recreation Infrastructure Asset Management Plan (AMP).	\$0	\$841,000	\$841,000
AMP Open Space Furniture Renewals 2023/24 Bid ID PBB-00001766	Renewal of open space furniture assets as outlined in the Open Space & Recreation Infrastructure Asset Management Plan (AMP).	\$0	\$25,320	\$25,320
Heavy Fleet 2023-2024 Bid ID PBB-00001771	Heavy Fleet Replacement program to replace councils Heavy Fleet in accordance with Fleet Services Asset Management Plan as updated	\$419,217	\$2,787,935	\$2,368,718
Light Fleet 2023-2024 Bid ID PBB-00001772	As part of the Light Fleet Replacement Program to replace all councils Light Fleet in accordance with Fleet Services Asset Management Plan as updated	\$810,397	\$1,929,466	\$1,119,069
Audiovisual refresh for meeting rooms Bid ID PBB-00001777	<p>Audio visual equipment in various meeting rooms and workspaces across the organisation are approaching end of life and require upgrading to maintain audio visual (AV) assets in line with the asset replacement program.</p> <p>Planning and Development portfolio uses a Microfiche on a daily basis to check and print property records and plans within the City of Charles Sturt area that have not been digitised. As it requires regular servicing and it has come to the end of life, it is time to replace the Microfiche to ensure staff have access to the most up-to-date technology.</p> <p>Meeting rooms which audio visual equipment require replacing are at Beverley Centre – Meeting Room 2, Civic Centre Learning Room, Contact Centre and Planning and Development Microfiche</p>	\$0	\$37,000	\$37,000

Desktop and Laptop Replacement  Bid ID PBB-00001778	Charles Sturt Council has a large fleet of laptops and desktop PCs which require refreshing on a regular scheduled basis to ensure up to date technology is available to staff.	\$0	\$250,000	\$250,000
AMP Council Office Furniture Renewal 2023/2024  Bid ID PBB-00001790	Renewal of office and corporate furniture items.	\$0	\$45,000	\$45,000
Library Infrastructure - Autoloaders, Self Check and People Counters  Bid ID PBB-00001816	As part of the AMP and LTFP, essential library infrastructure is due for renewal. The library IT infrastructure that has reached End of Life (EOL) are the (auto loaders, keypads, self check infrastructure & people counters)  The hardware listed is essential to the ability to maintain community check in and check out of books (and resources) in addition to allocate computer bookings, data and analytics to library activity and security.	\$0	\$128,000	\$128,000
AMP Sport Accessories Renewals 2023/24  Bid ID PBB-00001820	Renewal of two (2) tennis courts at Raymond Reserve, Seaton.	\$0	\$87,600	\$87,600
Traffic Control Renewal - 2023/24  Bid ID PBB-00001823	Renewal of existing roundabout at the intersection of Croydon Avenue and Hurtle Street in West Croydon.  Consultation and design of traffic control renewal in Russell Terrace Woodville/Woodville Park,	\$0	\$250,000	\$250,000
<b>Total</b>		<b>\$5,229,614</b>	<b>\$36,686,629</b>	<b>\$31,457,015</b>