AGENDA OF SPECIAL COUNCIL MEETING

25 JUNE 2024

Notice is hereby given in accordance with Section 83 of the Local Government Act 1999 that a Special Council meeting will be held in the Council Chamber at 62 Commercial Road, Port Adelaide on **Tuesday 25 June 2024**.

The meeting will commence at 7:00pm.

The business to be considered at the above-mentioned meeting, is set out on the enclosed Agenda.

Mark Withers
Chief Executive Officer

21 June 2024

DISCLAIMER - Please note that the contents of the Special Council Meeting Agenda have yet to be considered and recommendations may be altered or changed.

AGENDA OF
SPECIAL COUNCIL MEETING

25 JUNE 2024

Commencing at 7:00 pm

Emergency Procedure
In the case of an emergency please follow the Exit signs as directed.

Kaurna Acknowledgement
Before we begin the proceedings, I would like to acknowledge and pay respect to the Traditional Owners of the land on which we stand, the Kaurna People of the Adelaide Plains. It is upon their ancestral lands that the Port Adelaide Enfield Council meets. It is also The Place of the Kardi, the Emu, whose story travels from the coast inland.

We pay respect to Elders past and present. We respect their spiritual beliefs and connections to land which are of continuing importance to the living Kaurna people of today. We further acknowledge the contributions and important role that Aboriginal people continue to play within our shared community.

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1 APOLOGIES

2 LEAVE OF ABSENCE

3 DECLARATIONS OF CONFLICT OF INTEREST

4 COUNCIL BUSINESS

4.1 Adoption of City Vision 2024-34 and Annual Business Plan 2024-25

Report Type	Decision
City Plan Theme	Community Economy Environment & Heritage Placemaking Leadership
Report Author	Team Leader Planning & Analysis, Corporate Services
Report Summary	As required under the *Local Government Act 1999*, Council's Draft City Vision 2024-34 and Draft Annual Business Plan 2024-25 have been made available for public consultation and are now submitted to Council for consideration and adoption.
Attachments	1. City Vision 2024-34 [**4.1.1** - 8 pages] 2. Annual Business Plan 2024-25 [**4.1.2** - 36 pages]

RECOMMENDATION

Council resolves that:

1. **The report of the Director Corporate Services titled "Adoption of the City Vision 2024-34 and Annual Business Plan 2024-25" be received and noted.**

2. **Having considered all public submissions received, the City Vision 2024-34 provided as Attachment 1 to this report be adopted pursuant to Section 122 of the *Local Government Act 1999*.**

3. **Having considered all public submissions received, the Annual Business Plan 2024-25 provided as Attachment 2 to this report be adopted pursuant to Section 123 of the *Local Government Act 1999* and Regulation 6 of the *Local Government (Financial Management) Regulations 2011*.**

4. **The Chief Executive Officer, or delegated representative is authorised to finalise the City Vision 2024-34 and Annual Business Plan 2024-25 document, which includes rebranding with the newly adopted logo, and prepare an Annual Business Plan Summary 2024-25 for inclusion with the first rates notice as required by Section 123(9) of the *Local Government Act 1999*.**

5. **In accordance with Council's Annual Business Plan 2024-25, and budgeted borrowings included in the 2024-25 Budget, the Council Administration is authorised to negotiate with lending authorities for additional loan borrowings of $30.0 million.**

6. **The Mayor and Chief Executive Officer be authorised to execute any relevant documentation in relation to the borrowings for and on behalf of Council and affix the Council's Common Seal thereto.**

Report

Background

Section 122 of the *Local Government Act 1999* (the Act) provides that Council must develop and adopt plans (which may take various forms) for the management of its area. This suite of plans (to be collectively known as the strategic management plans) must identify the council's objectives for the area over a period of at least four (4) years. The City Vision 2024-34 will operate, and is declared, as a strategic management plan as per Section 122(8) of the Act. The Four-Year Business Plan, which is under development, will also form part of Council's suite of strategic management plans.

Section 123 of the *Local Government Act 1999* (the Act) provides that Council has for each financial year an Annual Business Plan which must:

- include a summary of the Council's long-term objectives, as set out in its strategic management plans.
- include the Council's objectives for the financial year.
- include the activities that the Council intends to undertake to achieve those objectives.
- include the measures (financial and non-financial) that the council intends to use to assess the performance of the Council against its objectives.
- assess the financial requirements for the financial year.
- set out the rates structure and policies.
- assess the impact of the rates structure and policies on the community.
- consider the Council's Long-Term Financial Plan (LTFP), and relevant issues relating to management and development of infrastructure and major assets.

In addition, the *Local Government (Financial Management) Regulations 2011* prescribe that the Annual Business Plan must include information with respect to the following additional matters:

- the reason why Council has adopted its valuation method.
- the reasons for the use of differential rating, and the expected level of revenue raised by each differential rate.
- the use and level of a fixed charge (if applicable)
- the use and level of any separate rates, service rate or service charge (if applicable)
- the Council's policy on discretionary rebates and remissions
- the total expected revenue from general rates for the financial year compared to the previous financial year (excluding mandatory rebates)
- the percentage change in the total expected revenue from general rates for the financial year compared to the previous financial year (excluding mandatory rebates)
- the average change in the expected rates for the financial year (in whole dollars)
- issues concerning equity within the community and the impact of rates across the area.
- the application or operation of a minimum amount payable by way of rates

Council's Annual Business Plan 2024-25 document contains the following principal accounting statements as required by the *Local Government Act 1999*, and the *Local Government (Financial Management) Regulations 2011*:

- Budgeted Statement of Comprehensive Income
- Budgeted Statement of Financial Position
- Budgeted Statement of Changes in Equity
- Budgeted Statement of Cash Flows
- Financial Indicators
- Uniform Presentation of Finances

Preparation of the Annual Business Plan 2024-25 commenced in November 2023, and included community engagement, various reports, workshops, and meetings of Council where information was exchanged between the Elected Members, the Administration, and the community to ensure an inclusive and informed process.

Following adoption, an Annual Business Plan Summary 2024-25 will be prepared to accompany the first rates notice to be sent to ratepayers for the financial year.

Highlights for 2024-25

The Annual Business Plan 2024-25 includes the delivery of the following highlighted projects and programs:

- Yitpi Yartapuultiku
- Inclusive Communities Plan
- Inclusive Sports Facilities Program
- Enhancements to reserves, including Port Canal, Joyce Snadden, Carroll Avenue, Jack Watkins, Thomas Turner, LJ Lewis & Edward Smith
- Social Infrastructure Plan
- Flagship events, including Dockside Festival, MELTFest (new Winter event), Christmas Parade, New Year's Eve
- Semaphore Foreshore Master Plan
- Port Adelaide Civic Precinct Plan
- Greening our City initiatives
- Net Zero Emissions Plan Implementation
- Waste Management
- Economic Development Plan
- Digital Future Program
- PAE Brand

Summary of the 2024-25 Budget

Statement of Comprehensive Income

This statement represents Council's day-to-day income and expenditure and measures Council's financial operating performance for the period. Council's ability to generate an operating surplus (on average over time) indicates that Council can operate in a financially sustainable manner.

For the Year Ended 30 June 2025	Budget 2024-25 $ Million
Operating Income	161.7
Less: Operating Expenses	160.7
Operating Surplus/(Deficit)	**1.0**
Asset Disposal & Grants for Specific Assets	4.4
Net Surplus/(Deficit)	**5.4**
Other Comprehensive Income	0.0
Total Comprehensive Income	**5.4**

Statement of Financial Position

This statement represents Council's projected assets, liabilities, and equity as of 30 June 2025, and measures Council's financial position at that date. The budgeted Statement of Financial Position forecasts Net Assets on 30 June 2025 to total $1,692.1 million.

As at 30 June 2025	Budget 2024-25 $ Million
Assets & Liabilities	
Net Current Assets	(24.5)
Net Non-Current Assets	1,716.6
Net Assets	**1,692.1**
Equity	
Accumulated Surplus	921.2
Reserves	770.9
Total Equity	**1,692.1**

Statement of Changes in Equity

This statement represents the movements to and from Council's Accumulated Surplus and Reserve Funds for the year. The Budget forecasts an increase of $5.4 million in Equity (Community Wealth) for the year.

For the Year Ended 30 June 2025	Estimated 2023-24 $ Million	Change 2024-25 $ Million	Budget 2024-25 $ Million
Accumulated Surplus	915.8	5.4	921.2
Reserves	770.9	-	770.9
Total Equity	**1,686.7**	**5.4**	**1,692.1**

Statement of Cash Flows

This statement summarises the movements of cash for the year and projects the cash position of the Council as of 30 June 2025. The budget forecasts no net change in cash resources for activities undertaken during the financial year. Total cash and investments as of 30 June 2025 are forecast to total $0.5 million.

For the Year Ended 30 June 2025	Budget 2024-25 $ Million
Net Cash from Operating Activities	46.3
Net Cash used in Investment Activities	(76.8)
Net Cash from Financing Activities	30.5
Net Increase/(Decrease) in cash held	**0.0**
Add Opening Cash 1 July 2024	0.5
Closing Cash 30 June 2025	**0.5**

Uniform Presentation of Finances

The Uniform Presentation of Finances is a high-level summary of the investment activities of the Council for the budget year. The annual net impact to financing activities is a funding measure that considers both the operating and capital activities for the financial year. The budget forecasts a net funding requirement of $36.6 million for the year ending 30 June 2025, which will be sourced from a combination of working capital and cash advance debenture facilities.

For the Year Ended 30 June 2025	**Budget 2024-25 $ Million**
Operating Surplus/(Deficit) before Capital Amounts	
Operating Revenues	161.7
Less: Operating Expenses	(160.7)
	1.0
Net Outlays on Existing Assets	
Capital Expenditure on Existing Assets	(38.0)
Add Depreciation	39.2
Add Proceeds from Sale of Replaced Assets	0.5
	1.7
Less Outlays on New/Upgraded Assets	
Capital Expenditure on New/Upgraded Assets	(44.7)
Add Amounts Received for New/Upgraded Assets	5.4
Add Proceeds from Sale of Surplus Assets	0.0
	(39.3)
Annual Net Impact to Financing Activities	**(36.6)**

Borrowings: Cash Advance Debenture Facility

The following schedule is a summary of cash advance debenture (CAD) facility movements.

For the Year Ended 30 June 2024	**Budget 2024-25 $ Million**
Projected Opening Balance 1 July 2024	61.6
Proposed Drawdown of existing CAD	31.3
Repayment of Loan Principal	0.0
Projected Closing Balance 30 June 2025*	**92.9**

The projected CAD liability of $92.9 million (*excluding lease liabilities) as of 30 June 2025, represents approximately 66% of net rate revenue, while the cost of debt servicing (interest repayments) as a percentage of net rate revenue is estimated to be 3%.

Differential General Rates

The 2024-25 Budget has been prepared considering Council's LTFP and the intention to adopt a rating structure that allows for a responsible increase. An increase in rate revenue of 5.8% plus new development (increase in rateable properties) has been proposed to maintain a small operating surplus. Factors that have influenced the preparation of the Council's Annual Business Plan 2024-25 include:

- Rate rebates of approximately $4.6 million in 2024-25. This includes support required to be given to the community housing providers who have assumed responsibility for many properties from Housing SA
- Increase in financing costs of $2.7 million compared with 2023-24 projected final, reflective of prevailing interest rates and the additional loan borrowings required.
- Cost of living pressures being experienced by the community and cost escalations impacting Council planned projects and ongoing services.
- Requirements to maintain and improve infrastructure assets to acceptable standards including roads, footpaths, lighting, storm water, drainage, parks and gardens, and Council's buildings.
- Adaptation to climate change, reducing Council's carbon footprint, and stimulating a local low carbon economy.
- The need to invest in efficient and effective technology infrastructure while proactively managing threats such as cybersecurity.

In comparison to other Adelaide metropolitan Council's, PAE will continue to levy the lowest average residential rates in metropolitan Adelaide by a significant margin. In 2023-24, the average residential rate across the six most comparable Councils in Adelaide was $1,734, compared to PAE at $1,222.

For the average PAE residential ratepayer, a 5.8% increase equates to $71 per year, or $1.36 per week in 2024-25.

Council will continue to provide support to rate payers experiencing financial hardship through the establishment of payment plans or the waiving of fines and interest associated with late payments.

City Vision Relationship

The City Vision 2024-34 will be the foundation for all work undertaken by the City of PAE. The City Vision 2024-34 sets out four goals: Thriving Community, Prosperous Economy, Clean and Green City and Places for People.

In developing an Annual Business Plan, Council is demonstrating sound fiscal management through good corporate and financial governance practices providing accountability and transparency to ratepayers. These qualities reflect the Guiding Principles and Enablers of the City Vision and ensure we can be a high-performing leader within the Local Government sector.

Legislative Context and Related Policies

The City Vision 2024-34 will operate, and be declared, as a strategic management plan as per Section 122(8) of the *Local Government Act 1999*. The Four-Year Business Plan, which is under development, will also form part of Council's suite of strategic management plans.

The Annual Business Plan 2024-25 has been prepared in accordance with Section 123 of the *Local Government Act 1999* in the format as prescribed by the *Local Government (Financial Management) Regulations 2011*.

Section 123(9) of the *Local Government Act 1999* also requires that Council must prepare a summary of its Annual Business Plan to accompany the first rates notice sent to ratepayers after the declaration of its rates for the financial year.

Stakeholder Engagement

Council's engagement on the Draft City Vision and Draft Annual Business Plan was extensive and provided a variety of opportunities for the community to provide feedback. During the engagement period, a total of 20 responses were received via ParticipatePAE and one submission was received via email. As required under legislation a Public Meeting was held on 14 May 2024 to enable the community to provide comment on the Annual Business Plan, one person spoke at the Public Meeting.

Of the feedback received, several respondents wrote statements of support for included priorities and activities. There were also several respondents who expressed a desire for Council to do more, particularly relating to the environment (i.e. increase trees and green spaces, reduce pollution and waste).

Council carefully considered the community feedback received during the Draft City Vision and Draft ABP consultation at its 11 June 2024 Council meeting and resolved the following:

1. *The report of the Director Corporate Services titled "Community Engagement on Council's Draft City Vision and Annual Business Plan 2024-25" be received and noted.*
2. *No changes to the City Vision 2024-34 are proposed arising from the Community feedback received.*
3. *The City Vision 2024-34 and Annual Business Plan 2024-25 be finalised for adoption by Council at a Special Meeting on 25 June 2024.*
4. *The funding for the feasibility study for a tidal pool is included in the current budget process.*

There were no changes proposed to the City Vision 2024-34 and one minor amendment was proposed to the Annual Business Plan 2024-25. Consultation feedback has been carefully considered and, where relevant, referred for action, further investigation and/or planning.

Risk Management

Failure to set a clear City Vision and a responsible and achievable Annual Business Plan may result in resources being directed towards activities that are contrary to Council's long-term strategic direction. This may subject Council to financial, political, and reputational risks. These documents focus Council's objectives and mitigate potential risks to a low level.

Financial Management

Council’s 2024-25 Annual Business Plan and budget has been developed in the context of delivering on the commitments and community priorities outlined in the City Plan 2030, the Draft City Vision 2024-34 and Council’s Long-Term Financial Plan.

Council's Annual Business Plan 2024-25 is an important tool for planning the most effective and efficient use of resources to ensure that day-to-day operations are directed towards Council's long-term goals. The document contains financial statements and performance indicators that measure the performance and financial position of the Council. The 2024-25 Budget will be regularly monitored during the financial year and performance will be reported to Council accordingly.

The Annual Business Plan 2024-25 also outlines Council’s borrowing requirements for the period. The existing loan facilities of $70.0 million with Local Government Financing Authority (LGFA) will be insufficient to fund Council’s total forecast expenditure through 30 June 2025. It is prudent to increase the total facility to $100 million in line with the funding requirements set out in the budget, which includes a safety net of $7.1 million to accommodate seasonal fluctuations in peak debt levels in the 2nd half of the financial year.

Environmental and Social Impacts

The City Vision 2024-34 describes Council’s environmental and social goals and objectives for the City over the next 10 years. Council’s Annual Business Plan 2024-25 funds a range of services and programs to progress Council’s City Vision.

CITY VISION
2024–34

CITY OF
Port Adelaide Enfield

KAURNA
Acknowledgement

We would like to acknowledge and pay respect to the Traditional Owners of the land on which we stand, the Kaurna People of the Adelaide Plains. It is upon their ancestral lands that the Port Adelaide Enfield Council meets. It is also The Place of the Kardi, the Emu, whose story travels from the coast inland. We pay respect to Elders past and present. We respect their spiritual beliefs and connections to land which are of continuing importance to the living Kaurna people of today. We further acknowledge the contributions and important role that Aboriginal people continue to play within our shared community.

MAYOR'S Message

Claire Boan
Mayor, City of PAE

Welcome to the City of Port Adelaide Enfield's City Vision 2024-34. This document describes our long-term aspirations and will guide our decision making, planning, and project and service delivery over the next 10 years.

Our vision for PAE is a welcoming, liveable City: made by people.

During 2023-24, we carried out conversations with the community, to understand their diverse perspectives, aspirations and priorities.

The City is home to a diverse population of 139,000 residents. Some families have lived here for many generations, while more than a third of us were born overseas, and more than a third use a language other than English at home. There are so many differences between us – our ages, our ancestry, our household structure, and yet, we agree that we want to build a PAE where everyone is welcome, and where each person contributes to the creation of a dynamic, thriving and connected city.

The vision is supported by the four key goals we will focus on.

- To create a **thriving community**, we will create opportunities for people to connect, share their stories and be supported to live healthy and active lives
- To develop a **prosperous economy**, we will support businesses to innovate, grow and succeed, and make economic decisions with the community always in mind
- To establish a **clean and green City**, we will take action to protect and enhance our natural environment
- To build **places for people**, we will care for our cultural and built heritage and celebrate what we share, through events, culture and the arts

This decade is sure to be a period of great change and evolution. We are committed to showing courage, foresight and innovation through transparent and accountable planning and spending.

This vision speaks to the future we want to create for PAE, and it will evolve over time. We will review the City Vision regularly to ensure we respond to community needs and emerging trends. As we continue to deepen connections with our communities, I thank you for joining us on this journey and for being one of the people who helps us make PAE so special.

Cover photo: Andrew Bartlett, Pixels with Altitude

CONTEXT
How we Developed the City Vision

What is the City Vision?

PAE's City Vision describes our long-term aspirations and will guide our decision making, planning and delivery over the next 10 years. We review our City Vision regularly to ensure we can continue to respond to community needs and emerging trends.

PAE revised its City Vision in late 2023. The revised City Vision focuses firmly on the community and speaks to the future of the City and what we do.

How did we Develop the City Vision?

Through our 2023 Market Research, we considered community and business feedback, and we analysed strategic risks and challenges. Our City Vision draws this together to outline our aspirations for the City of PAE.

Measuring Our Success

We will track our progress and report back to the community on a regular basis.

At the end of each financial year, we will produce an annual report: a summary of what has been achieved each year against the Goals and Objectives of the City Vision. This is a legislated requirement and provides information to the community on what services, facilities and programs we are delivering for rate payers, residents and visitors.

Community Consultation Outcomes

Community consultation on the the Draft City Vision commenced on 15 April 2024 and concluded on 14 May 2024.

Feedback could be provided by completing a survey on ParticipatePAE, in writing, in person, by phone conversation or through public representation at the May 2024 Council meeting.

A majority of respondents indicated that they were either Very satisfied or Satisfied with the Draft City Vision.

The Vision and Goals were generally seen as appropriate, comprehensive and forward-thinking.

LISTENING TO COMMUNITY
What You Told Us

In 2023 we surveyed residents and local businesses to assess our current performance and inform future priorities. A snapshot of future priorities is below:

What improvements and benefits do we want?

Residents

More community engagement in events, programs and activities

Improved/ maintained streetscapes

Encouragement for economic development, esp. hospitality and retail

More engagement with the community

More green spaces, trees and parks

Improved roads and road safety

What should our top priorities for the future be?

Residents

Environmental sustainability/ climate resilience

Maintaining core services

Greening/ beautifying the area

Public safety/ lighting

Road and traffic improvements/parking

Infrastructure upgrades

Businesses

Infrastructure, planning and transport to support business growth

Making it easy to do business/being business-friendly

Events, programs and activities in the community

Business support, training and advisory services

Circular economy initiatives

Investment attraction

OUR CITY VISION

What we Aspire to Become Over the Next 10 Years

Elements of the City Vision

Our City Vision is made up of the following elements:

VISION: How we see the City of PAE in the future
GUIDING PRINCIPLES: What values and commitments underpin our decision making
GOALS: What success looks like as we deliver on our Vision
OBJECTIVES: What we will do to accomplish each Goal
ENABLERS: Which organisational capabilities will help us deliver on our Goals

Vision	A welcoming, liveable City: made by people			
Guiding Principles	**Equity and belonging** · Building a better future for all **Participation** · Listening to the community and involving them in our decision making **Sustainability** · Managing our environment responsibly and sustainably **Integrity** · Making informed decisions honestly, transparently and accountably **Transformative** · Showing courage, foresight and innovation			
Goals	**Thriving Community** *A City where people have the opportunity to connect and flourish*	**Prosperous Economy** *A City with a thriving economy that enriches its local community*	**Clean And Green City** *A City that values its natural environment*	**Places For People** *An accessible City where people love to be*
Objectives	We promote community capacity, connection and participation in civic life	We participate in the economy with the community in mind	We reduce the City's adverse environmental impact and participate in a circular economy	We walk together on Kaurna country
	We encourage cultural expression and recognise people's history, stories and connection to place	We support local businesses, big and small, to grow, innovate and succeed	We shape the City to tackle the challenges of a changing climate	We shape the City to be attractive and liveable and care for our cultural and built heritage
	We support and encourage people to live healthy and active lives	We invest in our local economy to benefit current and future generations	We protect and enhance the City's natural environment	We bring places to life through community events, culture, design and the arts
Enablers	**Organisational Capability** Our diverse workforce is resourced to deliver meaningful outcomes Our systems, processes and tools are contemporary and reflect leading practice Our assets and finances are managed with good stewardship			

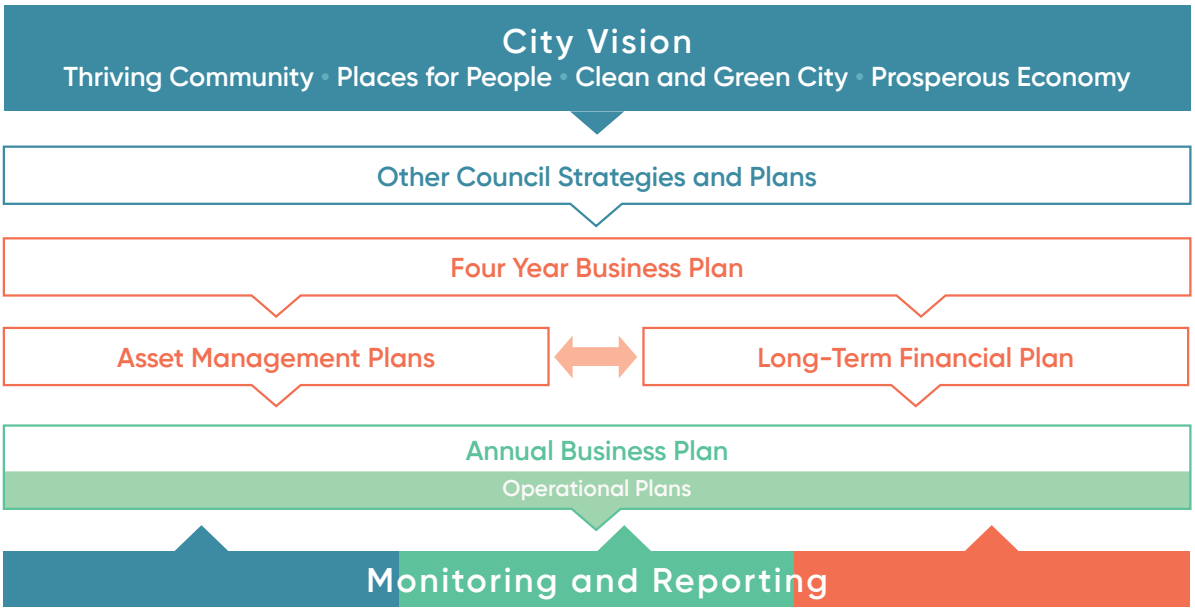
OUR STRATEGIC MANAGEMENT FRAMEWORK

How do we Plan for the Future?

Our Strategic Management Framework (SMF, below) demonstrates how our suite of plans deliver on our long-term City Vision.

The City Vision sets our long-term strategic direction. It identifies the key Goals and Objectives that we will work towards delivering over 10 years. The City Vision informs other more detailed strategies and plans. We are currently developing a Four-Year Business Plan (4YBP) which will show how we intend to deliver our City Vision in the medium term.

Our Asset Management Plans and Long Term Financial Plan outline how we will resource our strategies and plans. Each financial year we develop our Annual Business Plan which sets out the priorities, activities and budget to demonstrate how your rates contribute to services and programs we deliver that benefit the whole community. Regular performance monitoring and reporting demonstrate that we deliver on our commitments and are accountable to the community.



JOIN THE CONVERSATION
At Participate PAE

Help Shape Your Community

We regularly consult with the community on various proposals. Your feedback and perspectives are important and help us to make decisions about projects and issues.

Keep up to date with what's happening in our City, interact with others and help shape your community.

Visit Participate PAE here:
Home participate.cityofpae.sa.gov.au

Find a copy of our current Annual Business Plan here:
Annual Business Plan cityofpae.sa.gov.au/council/corporate-documents/abp

Find a copy of our current Long-Term Financial Plan and Asset Management Plans here:
Plans cityofpae.sa.gov.au/council/corporate-documents/plans

Find a copy of latest Annual Report here:
Annual Report cityofpae.sa.gov.au/council/our-council/annual-report

ANNUAL BUSINESS PLAN
2024–25

CITY OF
Port Adelaide Enfield

KAURNA
Acknowledgement

We would like to acknowledge and pay respect to the Traditional Owners of the land on which we stand, the Kaurna People of the Adelaide Plains. It is upon their ancestral lands that the Port Adelaide Enfield Council meets. It is also The Place of the Kardi, the Emu, whose story travels from the coast inland. We pay respect to Elders past and present. We respect their spiritual beliefs and connections to land which are of continuing importance to the living Kaurna people of today. We further acknowledge the contributions and important role that Aboriginal people continue to play within our shared community.

Artist credit: Ingrid O'Loughlin and Aboriginal Students of Mount Carmel College, 2019

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MAYOR'S Message

Claire Boan
Mayor, City of PAE

Welcome to the City of Port Adelaide Enfield's Annual Business Plan 2024-25, which details the activities and projects that we will deliver over the coming year. This annual plan is a significant one for PAE, as it coincides with the adoption of a new City Vision for the decade ahead.

Our longer-term vision is to create **a welcoming, liveable City: made by people.** The 2024-25 Annual Business Plan enables us to take our first steps towards this vision.

To create a **thriving community**, this year we will deliver projects that will enable more people to experience and enjoy community life. We will continue our work to ensure that community spaces are effectively supporting learning, skill development and social connections. We will also develop a new Inclusive Communities Plan, to outline how we will support people with disability and to upgrade sports facilities and reserves so that they can be enjoyed by everyone.

To develop a **prosperous economy** we will commence work on a new Economic Development Plan, which will incorporate actions to promote the outstanding visitor experiences that can be found right across PAE. At the same time, the forthcoming Port Adelaide Civic Precinct Plan well help us pave the way for a civic precinct that is even more useable and attractive. A series of special events, including the popular Dockside Festival, Christmas Parade and New Year's Eve celebrations, will help us build exciting **places for people**, showcasing all that is unique about PAE. Work on major projects, including Semaphore Foreshore and Yitpi Yartapuultiku, will also continue during 2024-25.

You have told us that environmental sustainability is a priority for you, and this year we will strive to establish a **clean and green City** through work on urban canopy and planting, and open space development. Council will undertake actions to deliver on our commitment to reduce our corporate greenhouse gas emissions by at least 30% by 2025.

This Annual Business Plan 2024-25 provides us with a firm foundation for our goals for the next decade. We have taken community feedback into account and developed a plan that enables us to ensure that our assets and finances are managed in a sustainable, accountable and timely way. A modest average rate increase will help us fund this exciting evolution of PAE, and ensure we continue to provide the quality services and infrastructure that make the city so liveable.

We will continue to engage and involve you over the course of this year, and into the future. To achieve our vision for PAE, we need everyone to be involved in building a better future for all. It's the people that make PAE such a great place to be and I look forward to working with you during 2024-25, and beyond.

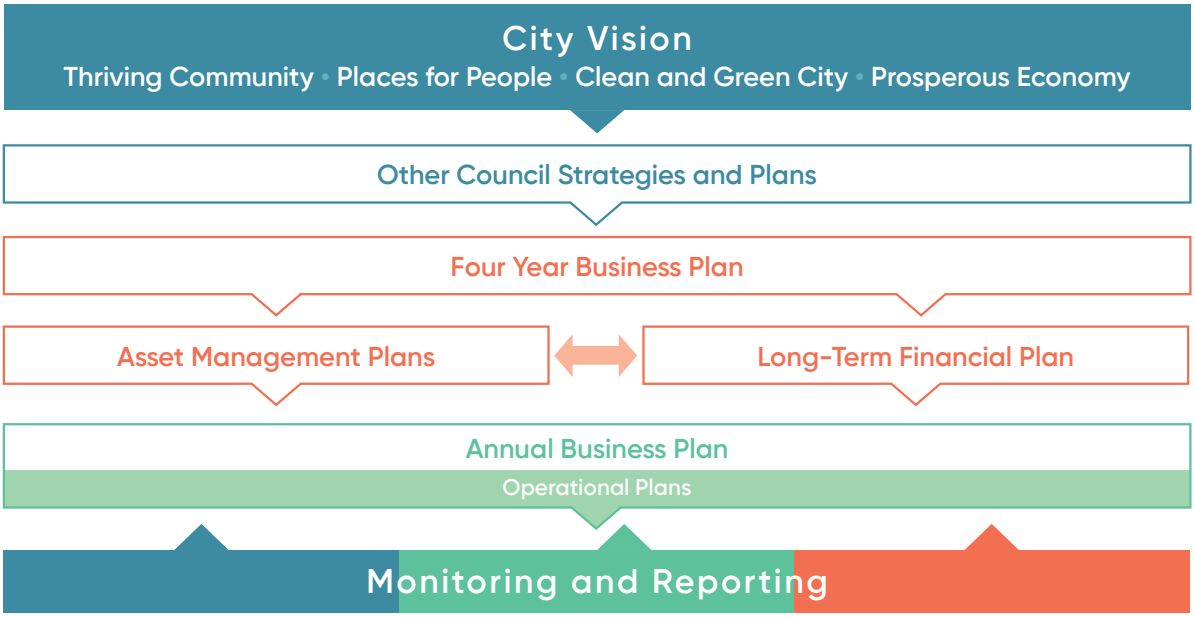
STRATEGIC MANAGEMENT FRAMEWORK

Our Strategic Management Framework demonstrates how our plans deliver on our vision.

Our Annual Business Plan is a core part of our Strategic Management Framework.

The Strategic Management Framework (SMF, below) ensures everything we do is informed by our City Vision. The City Vision sets our long-term strategic direction. It identifies the key Goals and Objectives that we will work towards delivering over 10 years, and it shapes our other strategies and plans, including our Four-Year Business Plan. Our Asset Management Plans and Long Term Financial Plan outline how we will resource our strategies and plans. Regular performance monitoring and reporting will help us deliver on our commitments and be accountable to the community.

You can find a list of our plans at cityofpae.sa.gov.au/council/corporate-documents/plans



CITY VISION
What we Aspire to Become Over the Next 10 Years

The City Vision sets our long-term aspirations (over the next ten years) and our guiding principles for decision-making. It identifies key Goals and Objectives, which in turn inform our other strategies and plans.

Vision

A welcoming, liveable City: made by people

Guiding Principles

Equity and belonging · Building a better future for all
Participation · Listening to the community and involving them in our decision making
Sustainability · Managing our environment responsibly and sustainably
Integrity · Making informed decisions honestly, transparently and accountably
Transformative · Showing courage, foresight and innovation

Goals	Objectives
Thriving Community *A City where people have the opportunity to connect and flourish*	We promote community capacity, connection and participation in civic life We encourage cultural expression and recognise people's history, stories and connection to place We support and encourage people to live healthy and active lives
Prosperous Economy *A City with a thriving economy that enriches its local community*	We participate in the economy with the community in mind We support local businesses, big and small, to grow, innovate and succeed We invest in our local economy to benefit current and future generations
Clean And Green City *A City that values its natural environment*	We reduce the City's adverse environmental impact and participate in a circular economy We shape the City to tackle the challenges of a changing climate We protect and enhance the City's natural environment
Places For People *An accessible City where people love to be*	We walk together on Kaurna country We shape the City to be attractive and liveable and care for our cultural and built heritage We bring places to life through community events, culture, design and the arts

Enablers

Organisational Capability
Our diverse workforce is resourced to deliver meaningful outcomes
Our systems, processes and tools are contemporary and reflect leading practice
Our assets and finances are managed with good stewardship

OPPORTUNITIES AND CHALLENGES

Each year as we develop our Annual Business Plan, we consider the possible impact of the external environment on our City and the organisation.

The Economy

- Adelaide's inflation rate was recorded at 4.8% in December 2023. In addition to inflationary pressures, The City of Port Adelaide Enfield (PAE) continues to experience supply chain disruptions, skills shortages and rising prices impacting the overall cost of living and operating a business. Despite this, the PAE economy continues to grow, with Gross Regional Product (GRP) at $10.9bn. This strong economic growth has led to a substantial rise in the number of local businesses and unemployment rates that are well below the historical average.

- The submarine construction yard at Osborne presents significant opportunities in job creation.

- We will remain focused on keeping our rates affordable, looking for ways to deliver our products and services within our means and finding ways to operate as efficiently as possible.

The Environment

- Market research undertaken in 2023 indicated environmental sustainability and responding to climate change remain a priority for the community.

- Ensuring future environmental sustainability will require a multifaceted approach, from looking at the products we buy, to the buildings we construct, and even to the trees we are planting to green, beautify and cool our public spaces.

- Building resilience to the impacts of climate change continues to be a priority at PAE. We are committed to reducing our carbon footprint and stimulating a local low- carbon economy.

Community

- The City of PAE is home to many cultures and backgrounds which help to create a diverse and rich community. We engage regularly to understand and respond to the community's aspirations, concerns and needs.

- It will be important for PAE to provide governance and leadership and remain accountable to its community through advocacy, sound decision-making and appropriate action. We are committed to engaging and communicating with the community in a transparent way that builds trust in Council.

Assets and Infrastructure

- Climate change is contributing to an increase in major disasters and catastrophic events such as storms and floods. The unpredictability and potential impact of these events on our large asset base, along with increasing community reliance on council assets and infrastructure, highlight the importance of data and analysis to support informed planning and decision-making.

Technology

- Technology provides new opportunities for the way we manage operations, deliver services and develop our City. Cyber security continues to be a significant risk, requiring system controls and staff training. We will continually review how we use technology to provide more personalised and cost-effective services to the community.

MEASURING OUR PERFORMANCE

A key part of our Strategic Management Framework is monitoring our performance. We track our progress and report back to the community through quarterly reviews and the Annual Report.

We will measure progress over the next 12 months using the following indicators:

Indicator	How We Measure This
Service Excellence	Monthly community feedback from Voice of PAE survey (rating out of 5)
Employee Engagement	Bi-monthly survey using Teamgage (combined summary)
Net Zero Emissions Target Progress	Annual progress report (% reduction CO2)
Delivery of our Capital Plan	Quarterly progress reporting (% complete)
Operating Surplus Ratio	The operating surplus (deficit) expressed as a percentage of operating income
Net Financial Liabilities Ratio	Net financial liabilities at the end of a financial year as a percentage of operating income for the year
Asset Renewal Funding Ratio	Capital expenditure on renewal or replacement of assets, divided by the optimal level of such expenditure proposed in Asset Management Plans

Listening to our Community

Community consultation on the Draft ABP commenced 15 April 2024 and concluded 14 May 2024.

During the engagement period, a total of 21 written responses were received and one person spoke at the May Public Meeting.

A majority of survey respondents were Satisfied or Very Satisfied with the Draft Annual Business Plan.

Of the responses received, several comments were in support of planned lighting upgrades at council reserves. Several comments were also in support of an increased focus on cooling and/or greening the environment. Council currently delivers a diverse range of environmental programs and will continue to review how it can best respond to climate change risks.

HIGHLIGHTS
2024–25

Each year we undertake regular work to maintain, renew and develop our assets. These include our roads and footpaths, stormwater system, buildings, parks and gardens. For more details of our capital plan, see Appendix 5 (page 23).

The following table(s) lists the priorities for 2024–25 which we will deliver alongside our regular work schedule:

Project	City Vision Goal
Inclusive Communities Plan Develop and implement a new Inclusive Communities Plan to strengthen access and inclusion, supporting people with disability to participate in all aspects of community life.	**Thriving Community**
Inclusive Sports Facilities Program Continue to upgrade community sports facilities to support increased and diverse participation in sports. This year we will progress upgrades to: • Largs Reserve (upgrade club room and change rooms) • Duncan Fraser Reserve (upgrade change rooms) • Blair Athol Reserve (improve social space, kitchen bar facilities and wet area, and upgrade oval/outdoor space) • E P Nazer Reserve (install sports lighting, backstop and a scoreboard) • Largs North Reserve (upgrade commercial kitchen, bar and toilet facilities; install new sports lighting and goal posts, including netting and cricket nets; and install additional solar panels and battery)	**Thriving Community**
Reserves Continue to upgrade our reserves to make them accessible and safe for all. This year we will progress upgrades to: • Port Canal • Joyce Snadden • Carroll Avenue • Jack Watkins • Thomas Turner • LJ Lewis & Edward Smith	**Thriving Community**
Semaphore Foreshore Following extensive community engagement to develop a Master Plan for the Semaphore foreshore, we will commence detailed design on the Central Plaza Area.	**Thriving Community**
Social Infrastructure Plan Develop the Social Infrastructure Plan to ensure the spaces and activities in our existing or potentially new community infrastructure—Libraries, Halls, Community Sporting Hubs and Community Centres—meet existing and future community need and build community learning, skills, wellbeing and connections.	**Thriving Community**

HIGHLIGHTS
2024–25

Project	City Vision Goal
Economic Development Plan Commence implementation of a new Economic Development Plan which will assist in creating a thriving economy that enriches its local community. This will include implementing the findings of the Visitor Information Centre review to enhance visitor experiences, drive economic growth, activate the local area and create a sustainable and vibrant tourism destination.	**Prosperous Economy**
Greening Our City Continue to deliver our response to climate change and environmental sustainability priorities, supporting business and community action through the Greening Our City initiative: • Tree Planting and canopy mapping • Get Shady Program • Green open space developments • Complete and deliver Urban greening and Biodiversity plan	**Clean and Green City**
Net Zero Emissions Plan Implementation Continue to deliver on our commitment to reduce our corporate greenhouse gas emissions by at least 30% by 2025 and then by at least 60% by 2030. This program will include purchasing renewable energy, improving energy and water efficiencies, and switching to low emission alternatives to reduce our carbon footprint.	**Clean and Green City**
Waste Management Continue to provide efficient and effective waste management services for the community. During 2024-25 we will: • Review and develop a new Regional Waste Management Strategy with the Central Adelaide Waste and Recycling Authority (CAWRA) • Improve waste management options for households, Council facilities and leased facilities, and on streets, including to address illegal dumping • Expand community education and awareness in partnership with CAWRA	**Clean and Green City**

HIGHLIGHTS
2024–25

Project	City Vision Goal
Flagship Events Activations and celebrations that support a vibrant community, business precincts and promote PAE as a unique tourism destination. During 2024-25 we will deliver four flagship events including: • Dockside Festival • MELTFest (new Winter event) • Christmas Parade • New Year's Eve	**Places for People**
Port Adelaide Civic Precinct Plan Develop a Precinct Plan that considers how Council's buildings and public space can best be used to address community needs, and contribute to making the civic centre of Port Adelaide more useable and attractive.	**Places for People**
Yitpi Yartapuultiku A new Aboriginal cultural destination—a space where people can meet, learn, experience, grow and develop strong cultural connections. Following construction in early 2025, we will continue to collaborate with the Aboriginal and Kaurna community and others to develop and deliver programs and activities to bring Yitpi Yartapuultiku to life.	**Places for People**
Digital Future Program Continue to deliver projects from our Digital Future Program, including: • A new Customer Relationship Management System • Transitioning our core enterprise system into a cloud environment • Continue the cyber security uplift program to strengthen systems security	**Enabler**
PAE Brand Deliver a brand that resonates with the PAE community and reflects who we are, strengthening our identity and community ties through innovative and bold communications. We will share stories that showcase our activities and community achievements, employing a range of communication methods, including face-to-face, in print and digital interactions, to deepen connections with our diverse communities.	**Enabler**

OUR SERVICES

We provide a diverse mix of services and facilities to the community in response to the needs and priorities of our local residents, businesses and visitors to our City. Our ongoing business activities, programs and services are focused on achieving great outcomes for the community.

We will continue to deliver:

- Street infrastructure such as roads, footpaths and kerbing
- Development and building assessments
- Urban development planning and policy
- Animal management
- Leases, licences and permits to guide the use of public spaces
- Environmental health such as food safety, litter and nuisance requirements, and immunisation
- Emergency planning and response
- Parks and gardens, playgrounds and skate parks, walking and cycling network
- Sporting grounds and facilities, and club support
- Environmental management and leadership, including waste and recycling, stormwater, coastal protection, wetlands and land care
- Libraries and community/recreational centres
- Arts and cultural activities and events
- Community development and capacity building
- Public health services, youth and disability services and community transport services
- Economic and tourism development programs, business support and the Visitor Information Centre
- Customer experience and community engagement.

The organisation's corporate services also help us deliver for the community.

These include:

- Financial management
- Procurement
- Information and communications technology
- Marketing and communications
- Strategic planning and research
- Risk and audit
- Governance
- People and culture
- Fleet and property management
- Project management.

YOUR RATES AT WORK

How every $100 of rates payment is spent

$29.54

Environment, Stormwater and Waste Management

$22.47

Road and Footpath Infrastructure

$20.90

Sporting Facilities, Parks and Recreation

$13.23

Community Safety and Support Services

$7.11

Libraries, Community Centres, Culture and Heritage

$3.98

Building, Planning and Health Services

$1.07

Tourism and Economic Development

$0.37

Depot Operations

$1.33

Council Governance

FUNDING THE ANNUAL BUSINESS PLAN

The 2024–25 budget has been prepared bearing in mind the following principles:

- Delivering against the City Vision and the priorities of our community
- Sustainable, accurate and timely asset management
- Delivering major new assets and projects for the community for the longer term
- Affordability

The budget has been structured to ensure that Council remains within key financial indicator benchmarks, and ensures Council's financial sustainability into the future.

Your Rates in 2024–25

The Annual Business Plan 2024–25 is based on an average rate increase for existing properties of 5.8%. In addition, the number of rateable properties in the Council area is expected to have grown by approximately 1.0%. At the time of preparing the budget for 2024–25, the latest available Adelaide CPI data was for the 12 months to 31 December 2023. Rates account for 87% of Council's operating revenue. Other sources of revenue include fees, charges and government grants.

In comparison to other Adelaide metropolitan Council's, PAE will continue to levy the lowest average residential rates in metropolitan Adelaide by a significant margin. In 2023-24, the average residential rate across the six most comparable Councils in Adelaide was $1,734, compared to PAE at $1,222.

While the average rate increase will be 5.8%, it should be noted that actual rates payable by a rate payer will vary according to individual property valuations, the attributed land use, and whether there has been any new development or capital improvement on the land.

Reconciliation to the Draft Annual Business Plan 2024–25

There have been some changes made to the budget since the Draft Annual Business Plan was released for public consideration:

		$ million
Operating surplus (Draft)		**$3.0**
Removing annual increase from Dog and Cat registration fee income	(0.1)	
Other grants and reimbursements	0.1	
Subsidiary net deficit	(1.3)	
Community Development Coordinator and Officers	(0.2)	
Community Events and Grants	(0.3)	
Capital projects reclassified to operating expenditure	(0.1)	
Dune management and tidal pool feasability study	(0.1)	
Operating surplus (Final)		**$1.0**

		$ million
Capital expenditure (Draft)		**$79.3**
Stormwater	3.0	
Pump Stations	0.1	
Roads	0.3	
Parks & Gardens	0.1	
Buildings	4.3	
Masterplans	0.3	
Furniture & Fittings	0.3	
Additional Carry Over Provision to 2025-26	(5.0)	
Capital expenditure (Final)		**$82.7**

The above includes an $8.1m increase in 2023-24 carry over projects

Property Valuations

Council uses Capital Value as the basis for valuing land within the Council area. Capital Value is the value of the land and all of the improvements on the land. Council will adopt capital valuations distributed by the Valuer-General for all properties in 2024–25. Valuations are adopted with a value date of 1 January in the rating year. For 2024–25, property valuations provided by the Valuer-General are expected to reflect general market movements in real estate pricing across metropolitan Adelaide in the past year. However, this does not mean Council rates will increase by this amount. In setting rates for 2024–25, the applicable rate-in-the-dollar has been adjusted to ensure rates payable increase by 5.8% on average.

Differential Rating

Council uses a differential rating system to raise revenue based upon its land use to ensure fairness and equity

in the distribution of rates. The anticipated level of rate revenue to be raised by each differential factor for 2024–25 is set out in the following table:

Net Rate Revenue by Differential Factor

	2023-24 Projected ($m)	2024-25 Budget ($m)	2024-25 Budget (%)
Residential	72.15	77.05	54.9%
Commercial - Shop	8.44	9.01	6.4%
Commercial - Office	1.34	1.44	1.0%
Commercial - Other	22.23	23.74	16.9%
Industry - Light	2.45	2.62	1.9%
Industry - Other	17.44	18.62	13.3%
Primary Production	0.02	0.02	0.0%
Vacant Land	4.02	4.29	3.1%
Other	4.34	4.64	3.3%
Marina Berths	0.10	0.10	0.1%
Separate Rate - Regional Landscape Levy	3.26	3.44	2.5%
Separate Rate - New Haven Village Wastewater	0.05	0.05	0.0%
	135.83	**145.02**	
LESS Mandatory Rebates	(3.85)	(4.14)	(3.0%)
	131.98	**140.88**	
LESS Discretionary Rebates & Remissions	(0.50)	(0.50)	(0.4%)
	131.48	**140.38**	

Separate Rates

New Haven Village Wastewater

Council sets a separate rate for the purpose of supporting the New Haven housing development that trialled new technology in energy efficiency, environmentally friendly materials and on-site treatment and reuse of domestic wastewater that is considered to be of benefit to the land and occupiers of the land. A separate rate is declared in respect to each allotment contained within Deposit Plan No. 42580 comprising the New Haven Village at North Haven. The revenue is for the purpose of providing a wastewater and storm water treatment service. There are 62 assessments within the Village area.

Regional Landscape Levy

The Landscape South Australia Act 2019 is the framework for managing the State's water, pest animals, plants and biodiversity. The Green Adelaide Board has been specifically created in this legislation, in recognition of the unique environmental challenges faced in urban areas. The levy is collected by Council on behalf of State Government. Revenue from this levy is not retained by the Council, nor does the Council determine how the revenue is spent. The Green Adelaide Board has advised this levy will increase by 5.9% for 2024–25.

Budget Overview

The Annual Budget contains five principal accounting statements namely:

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash Flows
- Uniform Presentation of Finances

The Statements comply with the requirements of the Local Government Act 1999, relevant Regulations and Accounting Standards. Our expenditure focuses on the prioritisation of core community and civic services, initiatives that support the City of PAE's cultural and economic development, and projects that maintain and upgrade infrastructure within the local area.

Budget Highlights for 2024–25

The Budget has been structured to ensure that PAE responsibly remains within key financial indicator benchmarks, enabling Council's financial sustainability going forward. Some of the financial statistics of the budget include:

- Operating Expenditure of $160.7 million
- Operating Surplus Ratio of 0.6%
- Capital Expenditure of $82.7 million
- Total Assets at 30 June 2025 of $1.8 billion
- Total Liabilities at 30 June 2025 of $123.8 million
- Net Financial Liabilities Ratio at 30 June 2025 of 73.3%
- Asset Renewal Funding Ratio at 30 June 2025 of 101.4%

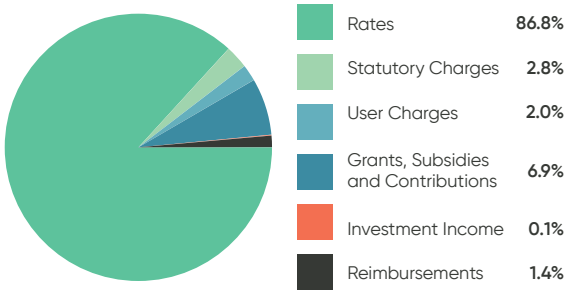
Statement of Comprehensive Income

	2023-24 Projected ($m)	2024-25 Budget ($m)
Income		
Rates (including Regional Landscape Levy*)	131.4	140.4
Statutory Charges	4.0	4.5
User Charges	3.6	3.2
Grants, Subsidies and Contributions	11.6	11.2
Investment Income	0.2	0.2
Reimbursements	3.1	2.2
	153.9	**161.7**
Expenses		
Employee Costs	55.9	60.9
Materials, Contracts & Other Expenses	58.5	54.9
Depreciation	38.3	39.2
Finance Cost	1.7	4.4
Net Loss - Equity Accounted Council Business	0.9	1.3
	155.3	**160.7**
Operating Surplus / (Deficit)	**(1.4)**	**1.0**
Asset Disposal & Fair Value Adjustments	1.1	-
Amounts Received Specifically for New or Upgraded Assets	11.6	4.4
Physical Resources Received Free of Charge	-	-
Net Surplus / (Deficit)	**11.3**	**5.4**
Other Comprehensive Income	**-**	**-**
Total Comprehensive Income	**11.3**	**5.4**

**Regional Landscape Levy is a tax collected on behalf of the State Government: 2024-25 $3.3m (2023-24 $3.2m)*

Operating Revenue

Council's total operating revenue for 2024–25 (before capital revenues) is anticipated to be $161.7 million. Council's main source of income is rate revenue, representing 87% of Council's total revenue. Other sources include government grants, reimbursements, user and statutory charges.



Grants, Subsidies and Contributions
Includes grants and subsidies from all sources but excludes grants and subsidies specifically for new/upgraded assets. Major funding anticipated for 2024–25 relates to the maintenance of assets, community services and related activities.

Investment Income
Represents interest earned on cash reserves and surplus cash on hand during the period not immediately required. This is predicted to be negligible in 2024–25.

Statutory Charges
Represents income received for regulatory services. The fees are associated with regulating the Planning, Development and Infrastructure Act 2016, the Dog & Cat Management Act 1995, Food Act 2001 and South Australian Public Health Act 2011. Under these Acts, fees are applicable to registering dogs, assessing planning and building applications, granting of permits and licences and compliance audits. Most of these fees are determined by the State Government and are reviewed annually.

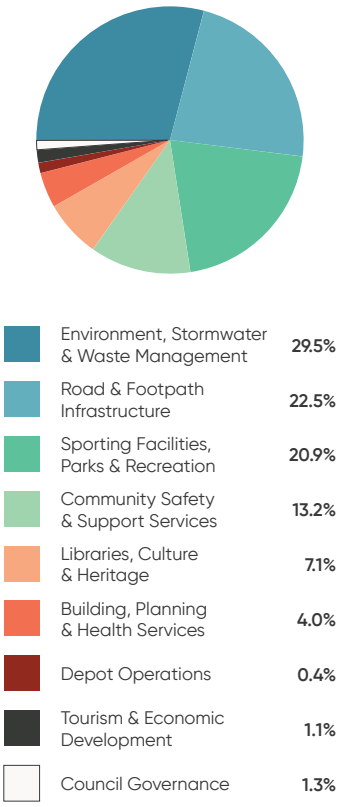
User Charges
Relate to the recovery of service delivery costs associated with the use of Council facilities. They include hire of community facilities such as ovals, halls, community centre services, and golf courses. These charges are determined by Council annually as part of the Annual Business Planning process.

Reimbursements
Represents amounts received as payment for work done by Council acting as an agent for other government bodies, property owners, organisations and individuals. It also includes contributions received for joint undertakings.

Operating Expenditure

Council's total expenditure for 2024–25 is anticipated to be $243.4 million. This includes operating expenditure of $160.7 million and capital expenditure of $82.7 million.

2024–25 Expenditure for every $100 spent



Employee Costs
Employees are responsible for the provision of Council's key services, including the ongoing maintenance of open space areas, roads, libraries, sporting and community facilities, health and community care, plus many other services. Employee costs include all labour related expenses such as salaries, wages and on-costs, leave entitlements, employer superannuation and workers compensation insurance. However, the cost of temporary/agency staff is not included here.

In 2024–25, employee costs are projected to be $5.0 million higher than 2023–24 due to several factors, including:

- Enterprise Agreement increases
- Superannuation Guarantee increase from 11.0% to 11.5% from 1 July 2024
- Additional contract and permanent roles to deliver priority Council projects and services in 2024–25

Materials
Council's materials budget includes payments for physical goods such as office consumables, water, fuel, electricity, safety equipment, and infrastructure maintenance materials.

Contractors
Contractor expenditure includes payments for the provision of external services. Major areas of anticipated contractor expenditure for Council in 2024–25 include, but are not limited to: waste management, maintenance of infrastructure and building assets, temporary/agency staff, and specialist resources/ consultants.

Finance Costs
Interest payments on Council's borrowings are expected to be materially higher in 2024-25, due to higher utilisation of debt to finance long-term community infrastructure.

Capital Expenditure

The City of PAE owns and manages a large and diverse community infrastructure portfolio with an approximate value of $1.8 billion. These assets, including roads, footpaths, stormwater drains, community buildings, parks, reserves, plant and fleet, play a vital role in the quality of life for the local community. Council invests in the renewal and upgrade of these assets to service the community for current and future generations. Council also receives 'gifted' or 'donated' assets from developers. These assets attract ongoing operational and maintenance costs over their lifetime.

In 2024–25, we will be delivering a total capital works program of $82.7 million, including $38.0 million on renewal/replacement of existing assets and $44.7 million on new/upgraded assets. The following table summarises Council's planned Capital Works Program:

Capital Expenditure	2024-25 Budget ($m)
Stormwater	14.1
Pump Stations	5.1
Footpaths	5.3
Roads	19.7
Parks & Gardens	12.2
Buildings	16.3
Yitpi Yartapuultiku	19.4
Masterplans	1.9
Fleet Vehicles	2.3
Furniture & Fittings	1.3
Waste Bins	0.1
Carry Over Provision	(15.0)
	82.7

Financing the Budget

The City of PAE is currently in a very strong financial position, with capacity to invest in intergenerational asset renewal and upgrades. However, in the interests of intergenerational equity, it is important that each generation of ratepayers meets the cost of the services and community assets they consume. Borrowings are a very effective tool to deliver intergenerational equity across long-lived assets and infrastructure.

Council has historically restricted borrowing to capital expenditures and this principle is reflected in Council's Treasury Management Policy. In accordance with this policy, Council aims to manage its finances holistically.

This means that Council will:

- Not retain or quarantine money for a particular future purpose
- Borrow funds in accordance with the projections set out in its Long-Term Financial Plan and
- Apply any funds not immediately required to meet approved expenditure to reduce its level of borrowings or to defer and/or reduce the level of new borrowings that would otherwise be required

In order to achieve continued investment in Council's assets, and in accordance with Council's Treasury Management Policy, the budget proposes an additional drawdown of its Cash Advance Debenture (CAD) facility to the value of $31.3 million for the 2024–25 financial year.

The following schedule is a summary of budgeted movements in borrowings:

Borrowings*	2024-25 Budget ($m)
Fixed Debenture Loans:	
Projected Opening Balance	-
New Loans	-
Principle Repayments	-
Projected Closing Balance 30 June 2025	**-**
Cash Advance Debenture Facility (CAD):	
Projected Opening Balance	61.6
Net Drawdowns	31.3
Net Repayments	-
Projected Closing Balance 30 June 2025	**92.9**
Total Projected Borrowings 30 June 2025	**92.9**

**Excluding lease liabilities*

Financial Ratios

To assist Council in meeting its objective of financial sustainability, a series of financial indicators endorsed by the Local Government Association of South Australia are maintained. The following table details these financial indicators:

Ratios	Target Range*	2023-24 Projected	2024-25 Budget
Operating Surplus Ratio	0%-15%	(0.9%)	0.6%
Net Financial Liabilities Ratio	35%-100%	53.4%	73.3%
Asset Renewal Funding Ratio	100%	103.1%	101.4%
Interest Cover Ratio	1%-5%	1.0%	2.6%

**Target as per LTFP 2024-33 and/or Treasury Management Policy*

All financial ratios are forecast to be within their 'conservative' target ranges for 2024–25.

Operating Surplus Ratio
Operating Surplus divided by Total Operating Revenue.

The extent to which the current generation of ratepayers is meeting the costs of services they are consuming. The larger the ratio, the more revenue is available to fund infrastructure expenditure and/or repay borrowings.

Net Financial Liabilities Ratio
Net Financial Liabilities divided by Total Operating Revenue.

Indicates the extent to which net financial liabilities of Council can be met out of a single year's operating revenue.

Asset Renewal Funding Ratio
Asset Renewal Expenditure divided by Asset Management Plan (AMP) Renewal Expenditure.

Indicates the extent to which infrastructure assets are being renewed in line with AMP's, thereby maintaining service levels to the desired standard.

Interest Payment Ratio
Annual Interest Payments divided by Annual Operating Revenue.

Ensures the Council only borrows to a level that results in interest costs that are reasonably manageable in relation to the Council's level of operating revenue.

APPENDIX 1
Statement of Financial Position

	2023-24 Projected ($m)	2024-25 Budget ($m)
ASSETS		
Current Assets		
Cash and Cash Equivalents	0.5	0.5
Trade & Other Receivables	6.0	3.8
Inventories	0.3	0.4
Other Current Assets	-	-
	6.8	**4.7**
Non-Current Assets		
Financial Assets	-	-
Equity Accounted Investments in Council Businesses	0.4	-
Infrastructure, Property, Plant & Equipment	1,740.6	1,793.6
Other Non-Current Assets	27.6	17.6
Total Non-Current Assets	**1,768.6**	**1,811.2**
TOTAL ASSETS	**1,775.4**	**1,815.9**
LIABILITIES		
Current Liabilities		
Trade & Other Payables	13.3	16.7
Current portion of Long Term Borrowings	0.8	-
Short-Term Provisions	12.2	12.5
	26.3	**29.2**
Non-Current Liabilities		
Long-Term Borrowings	61.6	92.9
Long-Term Provisions	0.8	0.8
Liability - Equity Accounted Council Businesses	-	0.9
	62.4	**94.6**
TOTAL LIABILITIES	**88.7**	**123.8**
NET ASSETS	**1,686.7**	**1,692.1**
EQUITY		
Accumulated Surplus	915.8	921.2
Asset Revaluation Reserve	767.4	767.4
Other Reserves	3.5	3.5
TOTAL EQUITY	**1,686.7**	**1,692.1**

APPENDIX 2
Statement of Changes in Equity

	Accumulated Surplus ($m)	Asset Revaluation Reserve ($m)	Other Reserves ($m)	Total Equity 2024-25 ($m)
Opening Balance	915.8	767.4	3.5	1,686.7
Net Surplus / (Deficit) for the year	5.4	-	-	5.4
Other Comprehensive Income	-	-	-	-
Transfer between Reserves	-	-	-	-
Balance at end of period	**921.2**	**767.4**	**3.5**	**1,692.1**

APPENDIX 3
Statement of Cash Flows

	2023-24 Projected ($m)	2024-25 Budget ($m)
Cash Flows from Operating Activities		
Receipts		
Operating Receipts	153.5	162.7
Investment Income	0.2	0.2
Payments		
Operating Payments to Suppliers & Employees	(110.6)	(112.2)
Finance Payments	(2.0)	(4.4)
	41.1	**46.3**
Cash Flows from Investing Activities		
Receipts		
Grants Utilised for the Acquisition or Replacement of Assets	1.5	5.4
Sale of Replaced Assets	1.6	0.5
Deferred Rates	-	-
Sale of Surplus Assets	-	-
Sale of Non Current Assets Held for Sale	0.5	-
Payments		
Expenditure on Renewal / Replacement of Assets	(47.1)	(38.0)
Expenditure on New / Upgraded Assets	(35.9)	(44.7)
Capital Contributed to Equity Accounted Council Businesses	-	-
	(79.4)	**(76.8)**
Cash Flows from Financing Activities		
Receipts		
Proceeds from Borrowings	36.5	31.3
Payments		
Repayments of Borrowings	(0.8)	(0.8)
	35.7	**30.5**
Net Increase (Decrease) in Cash Held	**(2.6)**	**-**
Cash & Cash Equivalents at Beginning of Period	3.1	0.5
Net Increase (Decrease) in Cash Held	**0.5**	**0.5**

APPENDIX 4
Uniform Presentation of Finances

	2023-24 Projected ($m)	2024-25 Budget ($m)
Operating Surplus/(Deficit) before Capital Amounts		
Operating Revenues	153.9	161.7
Less Operating Expenses	(155.3)	(160.7)
	(1.4)	**1.0**
Net Outlays on Existing Assets		
Capital Expenditure on Renewal / Replacement of Existing Assets	(47.1)	(38.0)
Add back Depreciation, Amortisation and Impairment	38.3	39.2
Add back Proceeds from Sale of Replaced Assets	1.6	0.5
	(7.2)	**1.7**
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New / Upgraded Assets	(35.9)	(44.7)
Capital Contributed to Equity Accounted Council Businesses	-	-
Add back Amounts received specifically for New / Upgraded Assets	1.6	5.4
Add back Proceeds from Sale of Surplus Assets	0.5	-
	(33.8)	**(39.3)**
Annual Net Impact to Financing Activities (Surplus/(Deficit))	**(42.4)**	**(36.6)**

APPENDIX 5
Capital Works Program 2024–25

SCHEDULE OF FOOTPATH WORKS
Angle Park - Hilton St (Suffolk St to End)
Birkenhead - Close St (Moore St to Hargrave St)
Birkenhead - Craigie St (Wells St to Gunn St); Little Craigie St (Craigie St to End)
Birkenhead - Dickenson Cl (Southern End to to Walker St); Semaphore Rd (Heath St to Victoria Rd)
Birkenhead - Elder Rd (Stirling St to End)
Birkenhead - Emily St (Darton St to Hargrave St)
Birkenhead - Gilbert St (Baker St to Hargrave St)
Birkenhead - Mead St (Harris St to Darton St)
Birkenhead - Morris St (Maintenance by Suburb)
Birkenhead - Roberts St (Shorney St to Darton St) & Shorney St (Mead St to Roberts St)
Birkenhead - Victoria Rd (Heath St to Hargrave St)
Blair Athol - Sheffield Cres (Sheffield Cres to End)
Broadview - Jean St (Moresby Ave to Lae Ave)
Broadview - Watson Ave (Beavan Ave to Olive Ave)
Clearview - Gordon Ave (Reading St to Ridgeway Ave) (Stafford St to Alderney Ave)
Clearview - Radford Ave (Turner Ave to Walton Ave)
Dry Creek - Cavan Rd (Both sides - Gum Ave to Port Wakefield Rd)
Dudley Park - Pedder Ct (Clements St to Oxenham St)
Enfield - Enfield Community Centre Cnr Chelsea Dr and Perkins Ave
Enfield - Hereford St (Warwick St to End)
Enfield - Walkway (Truscott Rd to Tindall Rd)
Greenacres - Leander Cres Reserve
Hampstead Gardens - Gambia Avenue (Page St to Frome Ave)
Hillcrest - Dragon St (Ramsay Ave to Dunedin Ave)
Kilburn - Blackburn St (Inwood Ave to End)
Kilburn - Jack Watkins Reserve (Churchill Rd Opposite Le Hunte St)
Klemzig - Ron Bonner Reserve (Swan Ave)
Klemzig - Yvonne St (Second Ave to End)
Largs North - Kolapore Ave (Mimosa Ct to Carnarvon Tce)
Largs North - Waller Ct (Collins St to End)
McLaren Parade Plaza Area
Northfield - E Smith Reserve (Grand Junction Rd Opposite Westbrook Tce)
Northfield - Mostyn Ave (Maldon St to Swift St)
Northfield - Stockade Botanical Park
Northgate - Dumfries Ave Northgate (Loch St to Northgate Pde)
Northgate - Petaluma Reserve (Cnr Petalums Cl and Springwood Way)
Oakden - Sir Ross Smith Bvd (#69 Sir Ross Smith Bvd)
Osborne - Veitch Rd (Victoria Rd to Mersey Rd)

APPENDIX 5
Capital Works Program 2024–25

Port Adelaide - Baynes Pl (Baynes Pl to Under Railway Bridge)
Port Adelaide - Commercial Rd (Divett St to St Vincent St)
Port Adelaide - Dale St (Ship St to Church St)
Port Adelaide - St Vincent St (Mundy St to Ship St)
Port Adelaide - St Vincent St (Todd St to Wauwa St)
Port Adelaide - St Vincent St (Wauwa St to Perkins Drive)
Port Adelaide - Thomas Pl (Church to 64 Thomas Pl)
Port Adelaide - Timpson St (Divett St to McLaren Pde)
Port Adelaide Enfield - Adhoc Customer Requests
Port Adelaide Enfield - Bus Stop Upgrades and DDA Compliance including Pedestrian ramps and crossings
Port Adelaide Enfield - Kerb Ramp Upgrades as per Integrated Transport Strategy
Queenstown - Long St (Tapleys Hill Rd to Portland Rd)
Queenstown - New St (Broad St to Webber st)
Queenstown - Webber St (Long St to Port Rd)
Regency Park - Birralee Rd (Wirriga St to Grand Junction Rd)
Rosewater - Russell St (Davidson St to Reynolds St)
Semaphore - Percy St (22 to 45 Percy St) (Hall St to Derby St)
Taperoo - Walkway (Karoola Ct)
Taperoo - Walkway (Ormiston to Military Rd)
Walkley Heights - Grand Junction Rd North Side (West of Bus Stop 35K to Walkley Rd)
Windsor Gardens - March St (Albion St to Glanton Cres)
Windsor Gardens - Moore St (6 River Glen Dr)
Wingfield - Emily St (Wingfield Rd to Plymouth Rd)
Wingfield - Hanson Rd (Fourth St to Fifth St)
Wingfield - Hines Rd South side (Hanson Rd to Wingfield Rd North)
Wingfield - Millers Rd (South Tce to Wing St), Wing St (Millers Rd to South Rd)
Wingfield - Wingfield Rd (Fourth St to Fifth St)
Woodville Gardens - Danvers Gr (Third Ave to Ridley Gr)
$5,241,000

APPENDIX 5
Capital Works Program 2024–25

SCHEDULE OF ROAD WORKS
Reconstruction Program
Broadview - McKay St (Blamey Ave to Beaven Ave)
Clearview - Fairview Tce (St Albans Pl to Strafford St)
Enfield - Ragless Ave (George St to Corralyn Tce)
Greenacres - Cedar Ave (Princes Rd to Rellum Rd)
Greenacres - Hinton Rd (Fosters Rd to Cedar Ave)
Greenacres - Wingate St (Moreshead St to Vasey St)
Hillcrest - Condamine St (Shropshire Ave to Queensborough Ave)
Hillcrest - Treweck Ave (Snell St to Patricia Ave)
Valley View - Maurice Pl (Forrest Ave to End)
Reseal Program
Blair Athol - Jaffrey St (Main North Rd to Lily St)
Broadview - Beaven Ave (Watson Ave to Regency Rd)
Broadview - Gowland St (Haig St to Ian St)
Broadview - Harper St (Meredith St to Erin St)
Broadview - Hopkins Ct (McKay St to End)
Broadview - Ian St (Regency Rd to Regency Rd)
Broadview - Meredith St (Maple St to Council Boundary)
Broadview - Moresby Ave (Regency Rd to Sandville Ave)
Broadview - Tralee Ave (Watson Ave to Regency Rd)
Broadview - Winton St (Haig St to Ian St)
Clearview - Ayredale Ave (High Ave to Hampstead Rd)
Clearview - High Ave (Browning St to Ormond Ave)
Clearview - Lawson Ave (Hillsea Ave to High Ave)
Clearview - Ormond Ave (Kent Ave to Hillsea Ave)
Clearview - Reading St (Clearview Cres to Gordon Ave)
Clearview - Windsor Ave (High Ave to Hampstead Rd)
Enfield - Baker St (Main North Rd to Devon St)
Enfield - Barton Vale Lane (Bowman Cres to McCusker Ave)
Enfield - Central Ave (Whittington St to Darlington St)
Enfield - Cross St (Markham Ave to End)
Enfield - Devon St (Grand Junction Rd to Whittington St)
Enfield - George St (Markham Ave to Main North Rd)
Enfield - Hurtle Ave (Main North Rd to Ragless Ave)
Enfield - Leron Ave (Collins St to Cross St)
Enfield - Pateela St (Collins St to End)
Enfield - Whittington St (Main North Rd to Park Tce)
Enfield - Wilkins St (Collins St to End)

APPENDIX 5
Capital Works Program 2024–25

Enfield - Wirra Wirra Ave (Collins St to End)
Exeter - Lapthorne Ln (Martini St to Semaphore Rd)
Exeter - Martini St (Woolnough Rd to Lapthorne Ln)
Ferryden Park - Coker St (Days Rd to Nairn St)
Gepps Cross - Amanga St (Grand Junction Rd to Karra St)
Gepps Cross - Barli Cres (Amanga St to Amanga St)
Gepps Cross - Inderi St (Mira St to Lilka St)
Gepps Cross - Kara St (Amanga St to Terama St)
Gepps Cross - Lilka St (Amanga St to Terama St)
Gepps Cross - Mira St (Amanga St to Tepko St)
Gepps Cross - Nanto St (Amanga St to Orana St)
Gepps Cross - Orana St (Amanga St to Inderi St)
Gepps Cross - Tepko St (Grand Junction Rd to Mira St)
Gepps Cross - Terama Ct (Terama St to Terama St)
Gepps Cross - Terama St (Kara St to Grand Junction Rd)
Hillcrest - Duthie St (County St to Hawkins Ave)
Hillcrest - Filinders Rd (Link - Treweck St Ave to Flinders Rd)
Hillcrest - Filinders Rd (Nestor St to Hood St)
Hillcrest - Kelham St (Oxford St to Treweck Ave)
Hillcrest - Nestor St (Gascoyne Ave to Flinders Rd)
Hillcrest - Oxford St (Lord Howe Ave to Preston St)
Hillcrest - Preston St (Oxford St to Treweck Ave)
Hillcrest - Treweck Ave (Preston St to Snell St)
Hillcrest - Voss St (County St to Duthie St)
Kilburn - Bank St (Railway Tce to Churchill Rd)
Kilburn - Carroll Ave (Churchill Rd to Railway Tce)
Kilburn - Hawkesbury Ave (Churchill Rd to Railway Tce)
Kilburn - Railway Tce (Carroll Ave to Northern End)
Klemzig - Alexander Ave (Windsor Gr to Reece Ave)
Klemzig - Boucaut Ave (Fourth Ave to Second Ave)
Klemzig - Cole St (Clarence Ave to Whitbread Ave)
Klemzig - Cole St (Whitbread Ave to End)
Klemzig - Copas Dr (Second Ave to End)
Klemzig - Cullford Ave (Fourth Ave to Second Ave)
Klemzig - Hillburn Ave (Windsor Gr to Trent Ave)
Klemzig - Judith St (Katrina Ave to Copas Dr)
Klemzig - Kandy Cres (Third Ave to End)
Klemzig - Katrina Ave (Third Ave to Second Ave)
Klemzig - Ramsey Ave (Second Ave to End)
Klemzig - Trent Ave (North East Rd to McCulloch Ave)

APPENDIX 5
Capital Works Program 2024–25

Klemzig - Whitbread Ave (Beenleigh Ave to Third Ave)
Largs Bay - Honorah St (McKay St to Peterhead St)
Largs Bay - McKay St (Honorah St to Peterhead St)
Largs Bay - Osborne St (End to End)
Largs Bay - Peterhead St (Osborne St to Hargrave St)
Largs Bay - Ralph St (Wills St to Osborne St)
Largs Bay - Sawtell St (Ralph St to End)
Lightsview - Francis St (Folland Ave to Rapid Ave)
Lightsview - The Strand (Folland Ave to Rapid Ave)
Military Rd & Bower Rd Pedestrian Improvements
North Haven - Jib Ct (Australia II Dr to End)
Oakden - Brand St (Kew Dr to End)
Oakden - Bristol Tce (Knightsbridge to Sudhilz Rd)
Oakden - Chatham St (Kew Dr to Sussex Ct)
Oakden - Hyde St (Kew Dr to End)
Oakden - Kew Dr (Brand St to Hyde St)
Oakden - Oxford Cres (Oxford St to Oxford St)
Oakden - Oxford St (Lord Howe Ave to Bristle Terrace)
Osborne - Hamilton Ave (Victoria Rd to Mersey Rd)
Port Adelaide - Godfrey St (Commercial Rd to Lipson St)
Port Adelaide - Wells Street (Nelson St to Nile St)
Port Adelaide Train Station Access Improvements & Wayfinding Signage
Valley View - Carolan Cres (Rhoda Ave to Walkleys Service Rd)
Valley View - Forrest Ave (Carolan Cres to Walkleys Service Rd)
Valley View - Grantham Pl (Forrest Ave to End)
Valley View - Spenfeld Ct (Walkleys Rd to End)
Valley View - Walkleys Rd (End to End Service Rd)
Valley View - Warilda Ave (Carolan Ave to End)

Rejuvenation Program
Road Program - Rejuvenation Treatment of Roads

Road Design Progam
Design of Roads / CCTV Inspections for Capital Works

Traffic Management
5086 Local Area Traffic Management (LATM) - Completion
Largs Bay/Largs North Local Area Traffic Management (LATM)
All Traffic Control Hazardous Locations
Gepps Cross, Northfield & Valley View Local Area Traffic Management (LATM)

APPENDIX 5
Capital Works Program 2024–25

Integrated Transport Strategy Projects
Narrow Streets Projects - Policy implementation
Net Zero Emmisions - Transport Initiatives
School Crossings - Signal Upgrade
Traffic Control Device Renewal
Walking & Cycling Plan Projects
Way to Go Programme and School Safety Improvements
$19,656,700

SCHEDULE OF STORMWATER WORKS
Continuation of Quebec Street Stormwater Upgrades
Gross Pollutant Trap (GPT) Florence Tce
Drainage Reserves
Jetty Rd Largs Bay - Pump Station Investigations
Lefevre - Semaphore Rd Outlet Upgrade
Lefevre Stormwater Management Plan (SMP) - Flap Gate Upgrade (TideFlex)
Lefevre Stormwater Management Plan (SMP) - Review of Hack St Catchment and Pump Station Efficiency
Local Flooding Relief
Mersey Rd Catchment - Construction of Lateral Drains and Basin
New and Upgrades of Soakage Pits
North Arm East - State Sports Park - Basin Construction
North Arm East Catchment - Upgrade Concrete Channel - Railway Reserve to Grand Junction Rd
Port River East - Port Centre West Pump Station
Port River East Catchment - Construction of Lateral Drain - Portland Rd
Rafferty Road, Wingfield - Replacement of Trash Racks
Stormwater Infrastructure Upgrades Short St/Frederick St/John St, Mansfield Park
Stormwater Infrastructure Upgrades in Talbot Rd, Croydon Park
Water Sensitive Urban Design Streetscape Projects
$10,550,000

SCHEDULE OF PUMP STATION WORKS
Carlisle St Pump Station - Replace Generator
Midlunga Pump Station Construction Railway Terrace, Osborne
Hart Street Pump Station Controller Replacement
Newhaven WWTP
Pump and Valve Replacements
Wellington St Pump Station Upgrade & GPT Design
$4,960,000

APPENDIX 5
Capital Works Program 2024–25

SCHEDULE OF PARKS & GARDENS WORKS
Sport & Recreation (Active)
Blair Athol Reserve Reconstruct Futsal & Netball Court & Sangi Rag Pitch
Branson Ave Reserve Tennis Sports Lighting Upgrade
Dry Creek Reserve Irrigation Design
Duncan Fraser Reserve Cricket Net Matting & Fence Mesh Replacement
Edward Smith Reserve Sports Lighting Replacement (Scope & Design)
EP Nazer Reserve - Former Port Adelaide Football Club Building -Turf Reinstatment
Ferryden Park Reserve Irrigation Replacement (Scope & Design)
Ferryden Park Reserve Replace Sports Lighting Lamps
George Crawford Reserve Irrigation Upgrade
George Crawford Reserve New Playspace
Greenacres Reserve Sports Lighting Replacement (Scope & Design)
John Hart Reserve Hockey Court & Lighting Replacement (Scope & Design)
Largs North Reserve Synthetic Cricket Wicket
LeFevre Recreation Reserve Speedway Lighting Replacement
Port Adelaide Reserve Football Oval Irrigation Upgrade
Regency Park Oval Design and Consultation Playground
Rushworth Reserve Replace Netting Behind Goals & Reserve Fencing
Sunnybrae Reserve Playspace Removal
Thomas Turner Reserve Irrigation Upgrade (East & Central)
Thomas Turner Reserve Sports Lighting Upgrade
TK Shutter Reserve Sports Lighting Upgrade and Carpark Design
Waite Street Reserve Playspace Upgrade
Sport & Recreation (Passive)
AT Knibbs Reserve Irrigation (Scope & Design)
Carroll Ave Reserve Upgrade
Clearview, Frazer Lane Landscaping
East Parkway Reserve Playspace Rubber Softfall Replacement
Fotheringham Reserve Playspace & Shade Sail Upgrade & BBQ
GE Hunter Reserve Pedestrian Bridge Remedition Works
Jack Watkins Reserve Playspace & Fitness Upgrade (Replacements)
Jack Watkins Reserve Upgrade
Killara St Reserve Irrigation Design
Leopold Conrad Reserve Playspace, Fence & Fitness Upgrade
Linear Park (Moore Street) Bridge Replacement (Scope & Design)
Linear Park (Ramsey Ave) Retaining Wall Replacement (Scope & Design)
Linear Park (Windsor Grove) Bridge Replacement (Scope & Design)
Mariner's Park Irrigation Design

APPENDIX 5
Capital Works Program 2024–25

McLauchlan Road Reserve Irrigation Upgrade
McLauchlan Road Reserve New Playspace
New Port Quays Landscape & Irrigation Upgrade & Foot Bridge Removal
Northgate Reserve Pedestrian Lighting (Scope & Design)
One & All Drive Reserve Playspace Removal & Remediation
Phillips Reserve Irrigation Design
Phillips Reserve Playspace Rubber Softfall Replacement
Port Road Median Irrigation Upgrade - Stage 3
Queensborough Ave Reserve Playspace Upgrade
RB Connolly Reserve Irrigation Design
RB Connolly Reserve Playspace Rubber Softfall Replacement
Reserve Signage Replacement Program
Roy Amer Reserve Refurbish Park Furniture
Snowdon Beach Access Ramp and Investgiation of Gabion Retaining Wall
South Parkway Reserve Drainage Works
South Parkway Reserve Mainline and Valve Only - Irrigation
St John Ambulance Building - Swan Terrace - Turf Reinstatement
The Parkway Reserve Playspace Rubber Softfall Replacement
Vacant Former Scouts Building - Pettitt Street - Turf Reinstatement
Veterans Memorial Reserve Playspace Upgrade
Wal Kilpatrick Reserve New Reserve Lighting
Walkley Heights Reserve Irrigation Design
White Hollow Reserve Replace Fencing, Retaining Walls & Interface Landscaping

Foreshore
Foreshore Shared Use Path Lighting
North Haven (Mariners Park) Carpark Reseal/Fencing and Lighting
Semaphore Foreshore (Jervois-Hart) Replace Railway Fencing Pedestrain Crossings and Kiosk Fence
Semaphore Foreshore (North Palais) Playspace Design
Semaphore Foreshore Railway Line Replacement

Golf Facilites
Glanville Golf Course Replace Netting
Glanville Golf Course Replacement Bores - Stage 2
Regency Park Golf Course Irrigation Upgrade - Stage 1

$11,564,900

SCHEDULE OF BUILDING WORKS

Building Works
Building Management System Upgrades - Various Sites
Civic Centre - Fire Sensor Replacement

APPENDIX 5
Capital Works Program 2024–25

Civic Centre - Lift Upgrade
Civic Centre - Roof Access System Installation
Civic Centre Compliance and Fitout Works Stage 3 of 5
Dynamic Gym - Structural Works
Enfield Community Centre - Airconditioning Replacement
Enfield Library - Workroom Upgrade
Glanville Golf Course - Bower Road Shed Replacement
John Hart Reserve - Clubroom Upgrade
Kilburn Community Centre - Airconditioning Replacement
Kilburn Community Centre - Auto Door Installation
Kilburn Community Centre - Grease Arrestor Installation
Kilburn Community Centre - Roof Access System Installation
Kilburn Depot - Painting and Rust Treatment of Structural Steel
Kilburn Depot - Replace Gutters / Truck Parking Area
Largs North Reserve - Airconditioning Replacement
LeFevre Community Stadium - Basketball Rings - Replacement
LeFevre Community Stadium - Roof Access System Installation
Nelson Road Facility - Structural Repairs
PAE Willochra Depot - Office Upgrade
Roof Replacements - Various Buildings
Vitesse Racing Pigeon Club - Structural Works

Green Building Projects
Greenacres Library - Solar / Energy Efficiency Upgrades
Hanson Reserve Changerooms - Solar / Energy Efficiency Upgrades
Klemzig Community Hall - Energy Efficiency Upgrades
LeFevre Recreation Centre - Energy Efficiency Upgrades
Natural Gas Transitions
Osborne House - Energy Efficiency Upgrades
Parks Library - Energy Efficiency Upgrades
Semaphore Library - Energy Efficiency Upgrades
Visitor Information Centre - Energy Efficiency Upgrades
Willochra Depot Admin Office - Solar / Energy Efficiency Upgrades

Major Building Upgrades
Blair Athol Reserve - Facility Upgrades
Duncan Fraser Reserve - Changeroom Construction
EP Nazer Reserve - Facility Upgrades
Largs North Reserve - Facility Upgrades
Largs Reserve - Clubroom Construction
Yitpi Yartapuultiku

APPENDIX 5
Capital Works Program 2024–25

Public Conveniences
Duncan Fraser Reserve - New Toilet - Construction
EP Nazer Reserve - Toilet Upgrade
Ferryden Park / Angle Park / Mansfield Park - Location TBC - New Toilet
L J Lewis Reserve - New Toilet - Construction
Queenstown Hall - Accessible Toilet Upgrade
Rushworth Reserve - New Toilet - Construction
Semaphore Foreshore - Coppin Street - Toilet Upgrade
Semaphore Library - Toilet Upgrade
Vickers Vimy Reserve - New Toilet - Construction
$28,187,590

SCHEDULE OF MASTERPLANS
Joyce Snadden Reserve
LJ Lewis Reserve (Cricket Nets) Design
Port Canal Reserve
Semaphore Foreshore Detail Design
Thomas Turner Reserve (Passive Open Space) Design
$1,596,483

SCHEDULE OF WASTE MANAGEMENT, FLEET, PLANT AND EQUIPMENT CAPITAL	
Waste Management Equipment	
New Waste Bins	
New Green Waste Bins	
New Recycling Bins	
Major Plant and Fleet	
Major Plant and Fleet Replacement	
Minor Plant	
Minor Capital Purchases	
Furniture & Other Equipment	
Furniture & Other Equipment	
$3,723,800	
Estimated Carry-over from 2023/24	$12,183,947
Provision for carry-over works	($15,000,000)
$82,664,420	

APPENDIX 6
Valuation & Rating Policy

1 Valuation Methodology and Adoption
1.1 Council uses Capital Value as the basis for valuing land within the Council area. Capital Value is the value of the land and all of the improvements on the land. The Council will adopt the capital valuations distributed by the Valuer-General for all properties. Valuations are adopted as at 1st of January in the rating year.

2 Differential General Rates
2.1 All land within the council area, except for land specifically exempt under Section 147 (2) of the Local Government Act 1999 ('the Act') is rateable. The Act provides for a council to raise revenue through a general rate, which applies to all rateable land, or through differential general rates, which differentially apply to classes of rateable land. Council uses a differential rating system to raise revenue based upon Land Use to ensure a fair and equitable distribution of rates within the City of PAE. In applying this approach Council will take into consideration all prevailing economic conditions and changes and adjust its differential rates accordingly, to ensure an appropriate and fair equalisation of rates across all land use categories.

2.2 The differential general rate Land Use categories are as follows:
Category 1 – Residential
Category 2 - Commercial – Office
Category 3 - Commercial – Shop
Category 4 - Commercial – Other
Category 5 - Industry – Light
Category 6 - Industry – Other
Category 7 - Primary Production
Category 8 - Vacant
Category 9 – Other
Category 10 - Marina Berths

These differential rates will be used to determine the rates in the dollar for all properties within the City of PAE area for the financial year. These rates will be specified in Council's rate declaration for each financial year.

3 Minimum Rate
3.1 A minimum amount payable by way of general rates is determined to apply to the whole of an allotment (including land under a separate lease or licence) and only one minimum amount is payable in respect of two or more pieces of adjoining land (whether intercepted by a road or not) if they are owned by the same owner and occupied by the same occupier. The Minimum Rate to apply to properties within the City of PAE will be detailed in Council's rate declaration for each financial year.

4 Regional Landscape Levy
4.1 The Council, under the Landscape South Australia Act 2019, is required to collect this levy. It does so by imposing a separate rate for all rateable properties within the Council area. For each financial year, the levy for each property will be determined by using the calculation below: Total Capital Value divided by the Total Amount Required (set for the financial year by the Green Adelaide Board). This determines an appropriate rate in the dollar, and this rate in the dollar will then be applied to each property. The Council does not retain any of the revenue raised by way of the separate rate or determine how the Board spends the funds.

5 Payment of Rates
5.1 The due date for payment of rates will be detailed in Council's rate declaration for each financial year. Typically, these will be by four instalments, due on 1 September, 1 December, 1 March and 1 June. However, the total amount of rates may be paid in full at any time.

5.2 Council has determined that rates may be paid by the following methods:
- Internet - Council's home page www.cityofpae.sa.gov.au
- BPAY - Telephone or internet payments
- Centrepay - Deductions directly from Centrelink payments
- Direct Debit - Direct from either a Cheque or Savings account
- In person - At Council Offices
- Australia Post - Post Office, Telephone, or Internet
- Telephone - 8405 6600
- By Mail - City of PAE, PO Box 110, Port Adelaide 5015

6 Late Payment of Rates
6.1 Council imposes an initial penalty (a fine) of 2% as prescribed under the Act on any instalment that is received after the due date. A further interest charge (at the prescribed interest rate) will be applied at the end of each month thereafter on any balance (including fines and interest) that remains unpaid.

APPENDIX 6
Valuation & Rating Policy

6.2 When the Council receives a payment in respect of overdue rates the Council applies the money received in the order set out below in accordance with Section 183 of the Act:

- First - to satisfy any costs awarded in connection with court proceedings
- Second - to satisfy any interest costs
- Third - in payment of any fines imposed
- Fourth - in payment of rates, in chronological order (starting with the oldest debt first)

7 Mandatory Rebates

7.1 Council will grant mandatory rate rebates at the prescribed rate in accordance with Sections 160 to 165 of the Act:

- S160 – Health Services 100% Rebate
- S161 – Community Services (Including Housing Associations) 75% Rebate
- S162 – Religious Purposes 100% Rebate
- S163 – Public Cemeteries 100% Rebate
- S164 – Royal Zoological Society of SA 100% Rebate
- S165 – Educational Purposes 75% Rebate

7.2 Where the Council is satisfied from its own records, or from other sources, that a person or body meets the necessary criteria for a mandatory rate rebate, the Council will grant the rebate accordingly. Where the Council is not satisfied based upon the information in its possession or otherwise does not hold relevant information it will require the person or body to provide evidence to confirm their eligibility for a rate rebate.

7.3 Where a person or body is entitled to a mandatory rebate of 75 percent, the Council may, pursuant to Section 159 (4) of the Act, and at Council's absolute discretion, increase the rebate to greater than 75 percent. The Council may grant a higher rebate upon application, or on its own merit. In either case, the Council will take into account those matters set out in this policy and other matters considered relevant to the application.

8 Discretionary Rebates

8.1 A discretionary rate rebate may be granted by the Council at its absolute discretion up to and including 100 percent relief pursuant to Section 166 of the Act.

8.2 Any person or body seeking a discretionary rebate will be required to submit an application form to the Council and provide to the Council such information as stipulated on the application form and any additional information the Council may reasonably require. First time applicants can request a form via email or on Council's website.

8.3 The Council will advise an applicant for a rebate of its determination of that application in due course, after receiving the application and receiving all information requested by Council. The advice will state:

- If the application has been granted, the amount of the rebate; or
- If the application has not been granted, the reasons why.

8.4 Consideration of discretionary rebates will examine matters relevant including, but not limited to:

- Whether the applicant is public sector body, a private not-for-profit body, or a private for-profit body
- The specific sub-section of the Act under which an application is made
- Why there is a need for financial assistance in the form of a rates rebate
- The level of rebate being sought and why it is appropriate
- Whether the applicant is in receipt of or is eligible for a community grant
- Consideration of the full financial consequences of the rebate for Council
- The community need that is being met by activities carried out on the land
- The extent to which activities provide assistance to the relief of disadvantaged persons
- The range of community services the applicant is providing within the Council area
- Services and/or facilities provided by groups being open for broad community use and not restricted to individuals or small groups
- The ratepayer's ability to pay and fairness of rates distribution that ensures an equitable approach is taken with the community
- The financial position of the applicant
- The extent of financial assistance, if any, being provided to the applicant and in respect of the land by Commonwealth or State agencies
- Any other matters and policies of the Council, which the Council considers relevant

8.5 All persons or bodies wishing to apply to the Council for a discretionary rebate of rates must do so on or before 1 May in the financial year for which the rebate is sought.

8.6 The Council may grant a rebate of rates on such conditions as the Council thinks fit.

9 Lapse of Entitlement for Rebates
9.1 The Council may, for proper cause, determine that an entitlement to a rebate of rates under the Act no longer applies.

9.2 Where an entitlement to a rebate of rates ceases or no longer applies during the course of a financial year, the Council will recover rates at a proportionate amount relating to the remaining part of the financial year as entitled under the Act and provide the applicant with a revised Rates Notice and letter advising of action taken.

10 Eligibility Review
10.1 Council will periodically issue a questionnaire survey to rebate recipients to confirm the applicant still meets the eligibility criteria. Should the questionnaire not be returned, the rebate for the following year may no longer be provided, at Council's discretion.

11 Rate Remission or Postponement (Hardship)
11.1 Council may postpone or remit rates in whole or part under Section 182 (1) of the Act if satisfied on the application of a ratepayer that payment would cause hardship.

11.2 The Council has an absolute discretion to:
- Allow or decline postponement, remission of rates, service charges or a payment arrangement; and
- Determine the amount of any such postponement, remission of rates, service charges or a payment arrangement.

11.3 A ratepayer experiencing financial hardship may submit an application in writing to the Council's Team Leader Property & Rating, with sufficient information to enable an objective assessment of the individual circumstances. The supporting information will need to substantiate the ratepayer is currently experiencing financial hardship. The Council treats any such information confidentially.

11.4 The amount of any rate remission granted will not be greater than the difference between the minimum rate and the amount of rates raised. The Regional Landscape Levy is payable in full.

12 Rate Postponement (Seniors)
12.1 An application may be made to Council by ratepayers who meet the criteria required for qualification for postponement of rates under Section 182A of the Act. The following criteria applies:
- the person is a prescribed ratepayer, or is the domestic partner of a prescribed ratepayer; and
- the rates are payable on land that is the principal place of residence of the prescribed ratepayer; and
- the land is owned by:
- the prescribed ratepayer; or
- the prescribed ratepayer and his or her domestic partner (and no other person has an interest, as owner, in the land); and
- the application must be made in the prescribed form and be accompanied by such information as the Council may reasonably require; and
- the account must be current (i.e. there are no arrears).

12.2 Where a postponement of rates is granted, the postponement will only apply to the value of annual rates more than $500. The first $500 of annual rates must be paid in accordance with Section 182A of the Act.

12.3 Interest will still accrue on postponed amounts at the prescribed interest rate. However, fines will not be imposed, if the terms of the arrangement are honoured by the ratepayer.

13 Deceased Estates
13.1 Council will remit fines and interest for a period of twelve (12) months from the 'date of death' recorded on the death certificate, except in the circumstances where a property is held jointly with a person(s) or body.

13.2 Council are unable to obtain the death certificate on behalf of a ratepayer. On this basis, the death certificate must be provided to Council by the Executor of the Estate before the remission can take place. Extensions over the initial 12 month period may be granted upon receipt of a written request from the Executor, and will be considered on its merits.

APPENDIX 6
Valuation & Rating Policy

14 Sale of Land for Non-Payment of Rates
14.1 Section 184 of the Act provides that a Council may sell any property where the rates have been in arrears for three (3) years or more and a payment plan is not in place or is not being adhered to. Where Council has followed its debt treatment plan and determines, as a last resort, to pursue the sale of a property due to non-payment of rates, Council will notify the land owner of its intentions if payment of the outstanding amount is not received within one month.

14.2 Council recognises that there are circumstances where property owners are unable to make rate payments. This may include but not be limited to:
- Health or social issues
- Financial hardship
- The owner is awaiting sale or settlement of the property

14.3 Where Council is satisfied there are legitimate circumstances for the non-payment of rates, action to sell a property in accordance with Section 184 of the Act may be paused or discontinued at the absolute discretion of Council.

15 Elected Member Communication
15.1 Elected Members will be provided appropriate notification when Section 184 is enacted by the Chief Executive Officer, to ensure transparency in the recovery process.

16 Definitions
Ratepayer - a person who is responsible for amounts of rates levies, fees, or other charges due and payable to the Council and appears in the assessment record as the owner or occupier of a rateable property.

Prescribed Ratepayer - a ratepayer who is the holder of a current State Seniors Card or a person eligible to hold such a card who has applied but is yet to be issued with a card.

Hardship - refers to a person or body experiencing a lack of financial means that may be temporary or ongoing that has been substantiated by provision of relevant supporting evidence. A situation where a person chooses not to meet a liability for an unpaid debt is not considered to be hardship.

Remission - a reduction of the rates amount to be paid or the return of part or all of an amount of rates pursuant of Section 182 of the Act.

Mandatory rebate - a rebate which has been applied under Sections 160 to 165 of the Act. Discretionary rebate - a rebate which has been applied under Sections 166 of the Act.

Not-for-Profit organisation - an organisation that does not operate for the profit, personal gain or other benefit of particular people (for example, its members and the people who run it, or their friends or relatives).

4.2 Adoption of Valuations 2024-25

Report Type	Decision
City Plan Theme	Leadership
Report Author	Team Leader - Property & Revenue, Corporate Services
Report Summary	Council is required under the *Local Government Act 1999* to adopt the assessment of capital valuations prior to the declaration of rates
Attachments	Nil

RECOMMENDATION

Council resolves that:

1. **The report of the Director Corporate Services titled "Adoption of Valuations 2024-25" be received and noted.**

2. **Council adopts the capital valuations as supplied by the Office of the Valuer-General as the valuations that are to apply to all land within its area for rating purposes for the 2024-25 financial year, pursuant to Section 167 (2)(a) of the *Local Government Act 1999*.**

3. **Council notes that as of 3 June 2024, the valuation of all rateable land in the Council area is $51,088,708,971.**

Report

Council rates are based upon the assessment of capital value for rateable land within the Council area. Council must adopt the most recent valuations available to the Council at the time the Council adopts its budget but before the declaration of the rates.

Council receives updated assessment details from the Valuer-General on a weekly basis and the following schedule contains the most recent valuation information available at the date of writing this report.

During the current financial year, the steady upturn in residential valuations assessed by the Valuer-General has continued (+12.4%) along with a significant upturn in valuation growth across most categories of non-residential land use (+23.3%).

While valuations presented for adoption are those available at the date of writing this report, adjustments to individual property valuations and overall totals may need to be made should further changes be notified by the Valuer-General up to 30 June 2024, strictly in accordance with the requirements of *Local Government Act 1999*.

Assessed Capital Values

	2023-24 (adopted)	2024-25 (for adoption)	Variation %
Valuations determined by the Valuer-General	44,397,628,281	51,088,708,971	**N/A**
Total valuations that are to apply to land for rating purposes pursuant to s167 of the *Local Government Act 1999*	**44,397,628,281**	**51,088,708,971**	**15.07%**
Valuation of land that is not rateable has not been assessed but has an approximate value of	1,701,164,539	1,879,144,149	**10.46%**
Total Valuations	**46,098,792,820**	**52,967,853,120**	**14.90%**

City Plan Relationship

This report and decision reflect that Council demonstrates sound corporate governance practices and legislative compliance so that the city can be confident that we are a high performing leader within the Local Government sector.

Legislative Context and Related Policies

To calculate rate revenue, Council is required to adopt property valuations pursuant to Section 167 (2) of the *Local Government Act 1999*.

Stakeholder Engagement

There has been no community engagement associated with preparation of the assessed capital values; however, the individual property description and valuation will appear on the rate payer's rates notice. Should the ratepayer be dissatisfied with the valuation an objection may be lodged with the Office of the Valuer-General within 60 days.

Risk Management

Failure to adopt property values would result in financial, legal and reputational risk to Council. Council would not have met its legal requirements in setting its annual rates which in turn could lead to a loss of rate revenue and additional legal costs in rectifying the process. Council has a legislative obligation to adopt appropriate property valuations and in doing so mitigates the associated legal and financial risk.

Financial Management

The property valuations form the basis upon which annual rates are calculated. The rate in the dollar is discussed in a separate report to Council. The rate revenue generated from the property valuations has been included in Council's Annual Business Plan 2024-25.

Environmental and Social Impacts

The property valuations form the basis upon which annual rates are calculated. Rates revenue is used to fund Council's extensive range of programs and services, many of which deliver significant environmental and social outcomes.

4.3 Declaration of Rates 2024-25

Report Type	Decision
City Plan Theme	Leadership
Report Author	Team Leader - Property & Revenue, Corporate Services
Report Summary	Council, having adopted the Annual Business Plan and the assessment of capital valuations for 2024-25, is now able to declare the rates payable for 2024-25
Attachments	Nil

RECOMMENDATION

Council resolves that:

1. **The report of the Director Corporate Services titled "Declaration of Rates 2024-25" be received and noted.**

2. **Council having adopted its Annual Business Plan 2024-25, taking into account a 5.8% average rate increase and having adopted the valuations that are to apply to land within its area for rating purposes for the 2024-25 financial year, pursuant to Section 153 of the *Local Government Act 1999* and with differentiating factors being declared permissible by the *Local Government (General) Regulations 2013*, declare differential general rates set out hereafter on rateable land within its area for the said financial year based upon the capital value of the land subject to the rate:**

   - **Residential: A differential general rate of $0.001843 in the dollar on the value of the land subject to the rate;**
   - **Commercial – Shop: A differential general rate of $0.0050795 in the dollar on the value of the land subject to the rate;**
   - **Commercial – Office: A differential general rate of $0.0050795 in the dollar on the value of the land subject to the rate;**
   - **Commercial – Other: A differential general rate of $0.0050795 in the dollar on the value of the land subject to the rate;**
   - **Industry – Light: A differential general rate of $0.0050795 in the dollar on the value of the land subject to the rate;**
   - **Industry – Other: A differential general rate of $0.0050795 in the dollar on the value of the land subject to the rate;**
   - **Primary Production: A differential general rate of $0.0050795 in the dollar on the value of the land subject to the rate;**
   - **Vacant Land: A differential general rate of $0.0050795 in the dollar on the value of the land subject to the rate;**
   - **Other: A differential general rate of $0.0050795 in the dollar on the value of the land subject to the rate; and**
   - **Marina Berths: A differential general rate of $0.0050795 in the dollar on the value of the land subject to the rate as declared to be a permissible differentiating factor pursuant to Section 156(4a) of the *Local Government Act 1999*.**

3. **In relation to the Regional Landscape Levy, declares a separate rate of $0.00006725 in the dollar on the capital value of rateable land in the region of the Green Adelaide Board, as declared to be a permissible separate rate pursuant to Section 154 of the *Local Government Act 1999* and Section 69 of the *Landscape South Australia Act 2019*.7**

4. **In relation to the New Haven Village Water Scheme, declares a separate rate of $0.0014375 in the dollar on the capital value of rateable land for each allotment contained within Deposited Plan No 42580 comprising the New Haven Village at North Haven (formerly Osborne) for the provision of a waste water and storm water treatment service, as declared to be a permissible separate rate pursuant to Section 154 of the *Local Government Act 1999*.**

5. **Council fixes a minimum amount payable by way of general rates in respect of rateable land within its area of $1,069.00 for the 2024-25 financial year, pursuant to Section 158(1)(a) of the *Local Government Act 1999*.**

6. **There be published a notice of the Adoption of Valuations pursuant to Section 167(6) of the *Local Government Act 1999*.**

7. **There be published a notice of the Declaration of Rates pursuant to Section 170 of the *Local Government Act 1999*.**

8. **The days on which each rates instalment payment falls due shall be as follows, pursuant to Section 181(2) of the *Local Government Act 1999*:**

Months Payable	Day Instalment Falls Due
September 2024	Monday 2nd
December 2024	Monday 2nd
March 2025	Monday 3rd
June 2025	Monday 2nd

Report

Key Principles

Section 150 of the *Local Government Act 1999* (the Act) provides general principles in relation to the determination of rates:

A council should, when making and adopting policies and determinations concerning rates under this Act, take into account the following principles:

(a) rates constitute a system of taxation for local government purposes (generally based on the value of land);

(b) rating policies should make reasonable provision with respect to strategies to provide relief from rates (where appropriate), and any such strategies should avoid narrow or unreasonably restrictive criteria and should not require ratepayers to meet onerous application requirements;

(c) the council should, in making any decisions, take into account the financial effects of the decision on future generations,

(but a challenge to a rate cannot be based on the extent to which a council has (or has not) applied these principles).

The Act therefore makes it quite clear that Council rates are not a fee for service. Ratepayers are contributing to the revenue required to fund all the services provided by the Council. Whether the ratepayer is using a particular service at a particular time is not related to the payment of rates and, in the case of some services, the use may be cyclical. For example, some services are directed towards young persons and others to persons at, or near, retirement.

The following principles have been considered in the determination of Council rates:

Equity and Fairness

There are two concepts in respect to equity. *Horizontal equity* is the concept that taxpayers with an equal ability to pay should pay the same amount of tax. The *vertical equity* concept is that taxpayers having a greater ability to pay should pay more. Whether a particular tax is charged fairly is difficult to determine and is basically a matter of whether the system is perceived as *fair*. Consideration must be given as to whether the tax is progressive, regressive or flat. Council rates are progressive in that the system is based upon persons of greater wealth paying more, in dollar terms, than those of lesser wealth.

Certainty

To provide certainty, the taxpayer (ratepayer) needs to know when the tax (rate) is to be paid, how it is to be paid, and how the amount to be paid is determined. Certainty will help to improve compliance with the rules and to increase respect for the system. There is a very high “certainty” in respect to council rates.

Convenience of Payment

The convenience principle requires that the tax should be due at a time or in a manner that is most likely to be convenient for the taxpayer. Council rates are payable by various means such as BPAY, online, by phone and in person. Accepted method of payment is cheque, credit card, debit card, direct debit, Centrepay and by cash. Various locations for payment are also available such as any Council office, any Post Office in Australia. Although the standard timing is for payment to be made quarterly, rate officers have the authority to make arrangements available to suit individual ratepayer circumstances to attend to arrears or other amounts due to Council.

Economy of Collection

The costs of collection should be kept to a minimum. Costs associated with the collection of a tax include the number of staff required for its administration. The costs of collection of council rates are relatively low. The simplicity principle below will assist in keeping such costs to a minimum.

Simplicity

The tax should be simple to enable the taxpayer to understand the rules and comply with them correctly and in a cost-efficient manner. Complex rules lead to errors, disrespect for the system and a lowering of compliance. The system of levying council rates in South Australia is reasonably simple.

Neutrality

The effect of the tax law on a taxpayer's decisions as to how to carry out a particular transaction or whether to engage in a transaction should be kept to a minimum. The primary purpose of a tax is to raise revenue for the taxing authority rather than to influence business and personal decisions. Council rates are, generally, a comparatively small component of a taxpayer's annual expenditure; particularly when the large number of services delivered is taken into account.

Economic Growth and Efficiency

The productive capacity of the economy should not be impeded or reduced by the tax system. Although this concept relates more to Federal and State taxes in Australia, the effect on the ratepayers within a municipality is a matter that Local Government must consider. The comparatively small component of a taxpayer's annual expenditure on council rates is unlikely to have a significant effect on economic growth.

Transparency and Visibility

Taxpayers should know that a tax exists and how and when it is imposed upon them and others. The tax (rates) paid to a South Australian council are highly visible in that the amount(s) to be paid in respect to a particular fiscal year are included on the account for rates.

Minimum Tax Gap

A tax should be structured to minimise non-compliance. The tax gap is the difference between the taxes owed and the taxes voluntarily paid. There is basically no tax gap in respect to council rates. The amount is determined by the Council and is a charge upon the land.

Appropriate Government Revenues

The tax system should enable the government to determine how much tax revenue will likely be collected and when. Because council rates are a charge upon the land, the incidence of bad debts is insignificant to South Australian councils.

Formulation of Rates

Growth

Council rates represent approximately 86% of income generated by the City of Port Adelaide Enfield. Rates are based upon the assessed capital value of land. The value of the land includes any improvements thereon. There is a distinction between growth resulting from movements in market value and growth from improvements to the land. It is generally accepted that growth resulting from an increase to the capital stock of a council should result in a "true" increase in the general rates raised.

Growth resulting from movement in market value is not uniform from area to area or necessarily from street to street. Council does not seek to achieve windfall gains from abnormal growth in market values. Rather, the relevant rate in the dollar amounts are often varied down to mitigate the impact of excessive increases in general property market values. Where individual property valuations increase more than the average, Council can apply various additional strategies to minimise the financial impact of abnormal increases in rates.

Key elements in the rating structure for the City of Port Adelaide Enfield include enabling ratepayers to vary their payment schedules, giving careful consideration to cases of financial hardship, and refraining from formal recovery action when it is considered that other arrangements will be effective.

Minimum Amount Application

Section 158 of the *Local Government Act 1999* allows councils to fix a minimum amount payable by way of rates. The minimum amount is the lowest amount of rates that is charged on a property even if a lesser amount results from the calculation when multiplying the property value by the relevant rate in the dollar.

The minimum amount option is applied to ensure all ratepayers contribute a reasonable share towards the cost of Council services. The *Local Government Act 1999* (section 158(2)(d)) requires that the number of properties on which the minimum amount is paid must not exceed 35 per cent of the total number of rateable properties.

The recommended rate structure for 2024-25 will result in the minimum amount being applied to 33.1% per cent of the total number of rateable properties.

Maximum Increase

Section 153(3) of the *Local Government Act 1999* requires a council, in declaring a general rate, to consider whether it will fix a maximum increase in the general rate to be charged on any rateable land within its area that constitutes the principal place of residence of a principal ratepayer. The City of Port Adelaide Enfield does not fix a maximum increase because it conflicts with the principle that rates are based upon the capital value of the land and ratepayers having a greater ability to pay should pay more. The fixing of a maximum increase also has the effect of increasing the rates of all other ratepayers to cover the lost income. Council's main emphasis is to minimise the rate impost on all ratepayers, whilst at the same time providing an appropriate level of services for its community.

Financial Sustainability

The City of Port Adelaide Enfield is committed to maintaining its financial sustainability. Council's financial position is considered sustainable when the costs of maintaining planned service delivery standards and asset renewal and replacement programs are met without unplanned increases in rates or disruptive cuts to services.

A key financial indicator in measuring financial sustainability is the capacity for Council to achieve on average, over the longer term, an operating surplus (before capital amounts). Council will continue to provide all existing services at a similar service level to those of 2023-24, after applying the recommended rate rise. The rate revenue estimated for 2024-25 is based upon a 5.8% p.a. average increase, plus new development growth.

The Adelaide Consumer Price Index (CPI) taken from the Australian Bureau of Statistics in December 2023 was 4.8% p.a.

Regional Landscape Levy

The *Landscape South Australia Act 2019* (the Act) creates nine landscape management regions with eight regional landscape boards and a metropolitan landscape board, Green Adelaide. Local Government plays a key role in collection of the Regional Landscape Levy on behalf of the State Government.

The Green Adelaide Board specifies the amount to be contributed by the constituent councils in the Green Adelaide Region. The contribution due from City of Port Adelaide Enfield ratepayers for the 2024-25 financial year is $3,334,072.

Section 69 of the *Landscape South Australia Act 2019* requires the Council to recover its contribution by way of a levy (a *Regional Landscape Levy*). Except to the extent that the contrary intention appears, the levy is treated as a separate rate under Chapter 10 of the *Local Government Act 1999*.

New Haven Village Water Scheme

The New Haven Village is a unique residential project in North Haven which has seen the development of medium density dwellings on small Torrens title allotments incorporating innovations in the areas of engineering services, urban designs, energy management and water and on-site wastewater management. The Council’s responsibilities include maintenance of the reserves and refuse collection. Management of the sewerage treatment plant and the sub-surface irrigation system is also a Council responsibility.

The Council is responsible for the capital replacement of the treatment plant which has an estimated useful life of twenty-one years, and is also responsible for the hard infrastructure, being concrete tanks and building, which has an estimated useful life of fifty years. If necessary, the sewerage system can be connected to the SA Water sewer mains.

There are currently 62 assessments, with a total assessed capital value of $34,745,000 within the area of the separate rate.

Proposed Rates Structure 2024-25

The Annual Business Plan 2024-25 proposes an average rate increase of 5.8% plus new development growth. New development growth for the 2024-25 year has been 1.0%. To achieve the required average rate outcome, the rates in the dollar for each differentiating land use category have been set as follows:

Category	Differentiating Factor	Proposed 2024-25 Rate in the Dollar
1	Residential	$0.001843
2	Commercial – Shop	$0.0050795
3	Commercial - Office	$0.0050795
4	Commercial - Other	$0.0050795
5	Industry – Light	$0.0050795
6	Industry – Other	$0.0050795
7	Primary Production	$0.0050795
8	Vacant Land	$0.0050795
9	Other	$0.0050795
10	Marina Berths	$0.0050795
	Minimum Rate	$1,069.00

The proposed rates for 2024-25 are based upon a responsible rating structure. The structure ensures that the Council can raise sufficient operating funds to meet its anticipated operating expenditure.

Issuing of Rates Notices

The rates in respect of a particular year fall due in four equal, or approximately equal, instalments. The instalments are payable in the months of September, December, March and June of the financial year for which the rates are declared. The day upon which each instalment falls due within each of the four months is determined by the Council and is generally the first working day of the respective month.

City Plan Relationship

General rates are Council's primary revenue source, contributing 86% of total income. This enables Council to deliver the City Plan strategies, including projects, programs and infrastructure renewal.

Legislative Context and Related Policies

The declaration of rates and the minimum amount payable by way of rates is undertaken pursuant to sections 153 and 158 of the *Local Government Act 1999*.

Council is required to levy a separate rate to recover the contribution to Green Adelaide Board pursuant to section 154 of the *Local Government Act 1999* and the *Landscape South Australia Act 2019*. Council is also levying a separate rate for the New Haven Village Water Scheme under the same provision in the Act.

Stakeholder Engagement

Council's Draft Annual Business Plan 2024-25, including rating proposals, was the subject of community engagement during April and May 2024. Council's engagement was extensive and provided multiple opportunities for the community to provide feedback.

Risk Management

Rate revenue constitutes approximately 86% of Council's annual operating revenue. Failure to consider an appropriate rating structure would place most of the Council's revenue at risk. Through the establishment of the Annual Business Plan an appropriate rating structure can be determined mitigating the financial risk.

Financial Management

As discussed above, the rating structure provided has been determined to provide the appropriate rate revenue as determined in Council's Annual Business Plan 2024-25.

Environmental and Social Impacts

The City Plan 2030 commits Council resources to a wide range of environmental and community priorities. The Annual Business Plan 2024-25 will significantly progress these outcomes.

5 MOTIONS WITHOUT NOTICE

6 CLOSURE OF MEETING