



# THE COMMITTEE AGENDA & REPORTS

for the meeting

Tuesday 5 February 2019  
at 5:30 pm

in the Colonel Light Room.  
Adelaide Town Hall

Members - The Right Honourable the Lord Mayor [Sandy Verschoor];  
Councillor Moran (Chair)

Councillors Abiad (Deputy Lord Mayor), Abrahamzadeh, Couros, Dr Donovan, Hou, Hyde, Khera, Knoll,  
Martin (Deputy Chair) and Simms.

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## 1. Acknowledgement of Country

At the opening of the Committee Meeting, the Chair will state:

'Council acknowledges that we are meeting on traditional Country of the Kurna people of the Adelaide Plains and pays respect to Elders past and present. We recognise and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kurna people living today.

And we also extend that respect to other Aboriginal Language Groups and other First Nations who are present today.'

## 2. Apologies and Leave of Absence

Apology:

Councillor Knoll.

## 3. Confirmation of Minutes – 15/1/2019 & 22/1/2019 [TC]

That the Minutes of the Special meeting of The Committee held on 15 January 2019, and the meeting of The Council held on 22 January 2019, be taken as read and be confirmed as an accurate record of proceedings.

## 4. Discussion Forum Item

**Strategic Alignment – Creative**

### 4.1. Adelaide Festival 2019

*Presenter – Ms Rachel Healy, Joint Artistic Director Adelaide Festival*

## 5. Items for Consideration and Recommendation to Council

**Strategic Alignment – Creative**

### 5.1. Adelaide Festival Pontoon [2018/230427] [Page 3]

*Clare Mockler, Director Community, City of Adelaide*

Strategic Alignment - Corporate Activities

### 5.2. Productive Economy Discussion Paper [2018/01370] [Page 9]

*Clare Mockler, Director Community, City of Adelaide*

### 5.3. 2018-19 Quarter 2 Finance Report [2017/03018] [Page 44]

*Steve Mathewson, Director Services, City of Adelaide*

### 5.4. 2018-2019 Delivery Plan: Year Three Deliverables for the Strategic Plan [2015/00335] [Page 81]

*Steve Mathewson, Director Services, City of Adelaide*

**5.5.** 2019 LGA Ordinary General Meeting [2014/04834] [Page 84]

*Steve Mathewson, Director Services, City of Adelaide*

**6. Council Member Discussion Forum Items**

**7. Exclusion of the Public**

**7.1.** Exclusion of the Public to Consider [2018/04291] [Page 90]:

For the following Item for Consideration and Recommendation to Council in Confidence:

[Strategic Alignment – Smart](#)

**8.1.** 2018-19 Quarter 2 Business Operations Report [s 90(3) (b) & (d)]

**8. Item for Consideration and Recommendation to Council in Confidence**

[Strategic Alignment – Smart](#)

**8.1.** 2018-19 Quarter 2 Business Operations Report [2017/03018] [Page 93]

*Steve Mathewson, Director Services, City of Adelaide*

**9. Closure**

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# Adelaide Festival Pontoon

ITEM 5.1 05/02/2019

The Committee

2018/230427

Public

**Program Contact:**

Vanessa Godden, AD Customer  
8203 7156

**Approving Officer:**

Clare Mockler, Director  
Community

## EXECUTIVE SUMMARY:

In 2017 Council granted landlord consent to the Adelaide Festival Corporation for the Adelaide Festival Pontoon to remain in the River Torrens/ Karrawirra Parri until 30 April 2019. The City of Adelaide (CoA) entered into a lease agreement with the Adelaide Festival Corporation (AFC) for the Adelaide Festival Pontoon from 1 September 2017. The lease agreement will expire on 30 April 2019. At lease expiry the AFC is required to remove the pontoon and make good the site.

Since 2017, the Adelaide Festival has occupied the pontoon with the 'Palais' venue for approximately seven weeks per year, including three weeks of operating to the public plus a three-week bump in period and a one-week bump out period.

The Adelaide Festival Pontoon has also been used on an ad-hoc basis for other events and activities throughout the remainder of the year.

Since entering into the pontoon lease agreement with the City of Adelaide, the Adelaide Festival's Creative Directors' tenure has been extended from 2019 until the conclusion of the 2021 Adelaide Festival. The Adelaide Festival has advised that the Festival's Pontoon (The Palais) is an integral part of their vision for the 2020 and 2021 Festivals.

Consequently, on 8 January 2019, a request was received from the Adelaide Festival Corporation for a two-year extension to their lease agreement. The extension being sought is for the Adelaide Festival Pontoon structure to remain in the River Torrens/ Karrawirra Parri from the conclusion of the 2019 Festival in April until the conclusion of the 2021 Festival, with the pontoon structure being removed by 30 April 2021. Acknowledging the lessons learnt over the last 18 months, the Adelaide Festival Corporation is proposing to retain all future pontoon and activation management in-house and take a different approach to the activation of the pontoon should their lease extension request be supported.

Given the Adelaide Festival Corporation has not met the commitments made to Council in 2017 as part of the lease negotiations and the original intent behind leaving it in situ has not been fulfilled, it is recommended that Council does not support the request for a lease extension and requests that the pontoon be removed by 30 April 2019 as per the current lease agreement.

## RECOMMENDATION:

### THAT THE COMMITTEE RECOMMENDS TO COUNCIL

#### That Council

1. Does not approve landlord consent to the Adelaide Festival Corporation for the Adelaide Festival Pontoon to remain in its current location (adjacent to the Popeye landing) in the River Torrens/Karrawirra Parri from 1 May 2019 until 30 April 2021.

## IMPLICATIONS AND FINANCIALS:

City of Adelaide 2016-2020 Strategic Plan	Not as a result of this report.
Policy	Not as a result of this report.
Consultation	Not as a result of this report.
Resource	This activity will be facilitated within existing resources.
Risk / Legal / Legislative	There are potential reputational risks associated with the Adelaide Festival Corporation not being granted an extension to retain the Adelaide Festival Pontoon in the River Torrens/Karrawirra Parri.
Opportunities	Not as a result of this report.
18/19 Budget Allocation	Not as a result of this report.
Proposed 19/20 Budget Allocation	Not as a result of this report.
Life of Project, Service, Initiative or (Expectancy of) Asset	The current lease agreement with the Adelaide Festival Corporation expires on 30 April 2019.
18/19 Budget Reconsideration (if applicable)	Not as a result of this report.
Ongoing Costs (e.g. maintenance cost)	Not as a result of this report.
Other Funding Sources	Not as a result of this report.

# DISCUSSION

## **Background**

1. At the conclusion of the 2017 Adelaide Festival the Adelaide Festival Corporation presented a proposal to Council requesting the Adelaide Festival Pontoon remain in the River Torrens/Karrawirra Parri between the 2017 and 2019 Adelaide Festivals.
2. As part of the negotiation to retain the Adelaide Festival Pontoon in the River Torrens/Karrawirra Parri the Adelaide Festival Corporation committed to Council that:
  - 2.1. The aesthetics of the Adelaide Festival Pontoon would be improved and consistent with the drawings presented to Council in [Link 2](#).
  - 2.2. The Activation and Programming of the Adelaide Festival Pontoon would be community focussed including passive recreational use. The use of the pontoon for commercial events and activations would be secondary.
3. On the 8 August 2017 a report was presented to Council for consideration ([Link 1](#)). The report provided details regarding the Adelaide Festival Corporation's commitment to improving the aesthetics of the pontoon structure, the management of the Adelaide Festival Pontoon and the activation and programming of the pontoon.
4. At the 8 August 2017 meeting of Council, Council resolved the following:
  - 4.1 *Grants landlord consent to the Adelaide Festival Corporation for the Adelaide Festival pontoon to remain in its current location (adjacent to the Popeye landing) in the River Torrens/Karrawirra Parri from 1 September 2017 until 30 April 2019.*
  - 4.2 *Endorses a \$1,250 per month lease fee to be charged to the Adelaide Festival Corporation outside of the Adelaide Festival period.*
  - 4.3 *Notes the execution of the lease is subject to the outcomes of the planning and assessment process undertaken by the Development Assessment Commission.*
  - 4.4 *Notes the aesthetics of the pontoon will be improved by no later than 31 October 2017 consistent with the drawings provided by the Adelaide Festival Corporation as at Attachment A to Item 6.4 on the Agenda for the meeting of the Council held on 8 August 2017.*
  - 4.5 *Notes the Adelaide Festival pontoon remains an asset of the Adelaide Festival Corporation and all liabilities including financial, risk and maintenance of the structure remains with the Adelaide Festival Corporation.*
  - 4.6 *Notes Council's Park Land Event fees and charges will be applied to any event organiser (including the Adelaide Festival Corporation) activating or utilising the Adelaide Festival pontoon and that the income will be retained by the City of Adelaide.*
  - 4.7 *Notes the Adelaide Festival Corporation's indicative programming for the Adelaide Festival pontoon for the lease period as at Attachment B to Item 6.4 on the Agenda for the meeting of the Council held on 8 August 2017.*
  - 4.8 *Notes the Adelaide Festival Corporation will continue to collaborate with key stakeholders to develop the activation program for the pontoon and that Council will be provided with the updated program as it develops.*

## **Park Lands Leasing and Licence Policy**

5. Council has the care and control of Land defined as the Adelaide Park Lands and regularly receives requests for the use of Community Land, buildings and other infrastructure within its control.
6. Exclusive use of Community Land is commonly facilitated through the granting of a lease or licence. A lease typically grants an exclusive contractual right to a lessee, to use the land. A licence typically grants a first right non-exclusive use to the licensee but allows general public access when not in use by the licensee (and any sub - licensees).
7. The Adelaide Park Lands Leasing and Licensing Policy and Operating Guidelines (Policy and Guidelines) establishes the process guidelines for the consideration of leases and licences of Community Land and the general terms upon which those leases and licences will be granted.
8. The Adelaide Festival Corporation (AFC) has a ground lease arrangement over the land (River Torrens/Karrawirra Parri) to which it supplied and installed a fixed pontoon platform and associated fit out which would bump in and out as appropriate to its activation program.

## **The Lease**

9. The Adelaide Festival Corporation (AFC) has a 1 year and 8-month lease with Council that will expire on 30 April 2019. The lease is over a portion of Park Lands (Park 26 River Torrens/Karrawirra Pari) for the use of a river pontoon facility in accordance with an indicative activation program to be delivered by the Adelaide Festival.
10. The permitted use of the Adelaide Festival Pontoon is based on the “Use of Pontoon in accordance with indicative Activation Program” as set out in the lease. This includes (ranked between commercial and community activities):
  - 10.1. Major events (Ashes Cricket, TDU, Port Power Game Days) - Commercial
  - 10.2. Festivals (Flower Festival, Oz Asia, Adelaide Cabaret, Volksfest and various music events) – Commercial
  - 10.3. Public events (Carols by Candlelight, CoA New Year’s Eve, Australia Day, City to Bay Fun Run, Queens Birthday etc) – Community
  - 10.4. Other activation (Winter and Spring Activation events, Splash Adelaide events – Community/Commercial
  - 10.5. Miscellaneous (Long Lunches, Breakfast with Papers) – Commercial
  - 10.6. Sub-Lease activation (Archie’s) - Commercial
11. The pontoon was purpose built and installed by the Adelaide Festival at its own cost. The AFC must maintain the aesthetics of the pontoon to a high standard. At lease expiry the AFC is required to remove the pontoon and make good the site.
12. Based on the outcome of an independent market review undertaken to determine the social, community, environmental and economic impact of allowing infrastructure (such as the pontoon) in the Park Lands, it was determined that Adelaide Festival Corporation would be required to pay the City of Adelaide a leasing fee of \$1,250 per month for retaining the pontoon in the River Torrens/Karrawirra Pari.
13. The lease fee only applied to the period when the pontoon is moored outside of the 2018 and 2019 Adelaide Festival period. During the Adelaide Festival period Council’s annual Park Land Events fees and charges are to be applied.
14. Council’s Park Land Event fees and charges are applied to any event organiser (including the Adelaide Festival Corporation) activating or utilising the Adelaide Festival pontoon and the income is retained by the City of Adelaide.
15. The original intention was that events or hirers of the Adelaide Festival pontoon would not be charged a fee by the Adelaide Festival or any other party to hire or utilise the structure.
16. The Adelaide Festival Corporation has acknowledged that the past 18 months has been challenging and the commitments made to Council in 2017 have not been entirely delivered. As part of the initial discussion with us in relation to the request for an extension until April 2021, the Adelaide Festival Corporation has advised that if Council granted an extension to the lease there would be changes to the management and operations of the pontoon structure.

## **Use of the pontoon outside of the Adelaide Festival Period**

17. Since 2017 the Adelaide Festival has occupied the pontoon with the ‘Palais’ venue for the 2018 Adelaide Festival for approximately 7 weeks per year, this includes 3 weeks of operating to the public plus a three-week bump in period and a one-week bump out period. The Adelaide Festival will utilise the Pontoon structure again for the ‘Palais’ venue for the 2019 Festival.
18. Outside of the Festival period, the commitment to Council was that pre-existing events utilising Elder Park would have priority to utilise the Pontoon. It was also understood and agreed that the Adelaide Festival Corporation would undertake the programming and management of the pontoon.
19. After entering into the lease with the CoA, the Adelaide Festival Corporation engaged Adelaide Pontoon Pty Ltd to manage the activations on the Adelaide Festival pontoon structure between Adelaide festival periods, from April through until January each year.
20. The Adelaide Festival Corporation’s intention was to simplify the management of the pontoon and to maximise activation and use of the pontoon. However, this model has not achieved this aim and has led to limited successful activations through the term.
21. This approach has also increased the workload for the City of Adelaide team and the Adelaide Festival Corporation and at times caused significant angst and frustration for our customers including event organisers.

22. The aesthetic improvements to the pontoon structure that were made did somewhat improve the look of the structure but did not deliver to the standard that was presented in the concepts to Council in 2017.
23. In line with the designs presented to Council the pontoon was to be open and accessible to the public when not in use for events or activations. The aesthetic improvements were to provide an open, flexible space so it could be used as an additional seating or recreation area by the community.
24. Furthermore, the aesthetic improvements were not completed within the committed timeframe (i.e. by no later than 31 October 2017). The works were not finalised until December 2017. There was, therefore, no opportunity to run events and activities on the pontoon between November and December 2017 due to the delay in the works undertaken on the structure to improve the aesthetics and make it safe for people to utilise.
25. However, from December 2017 until January 2019 there have been approximately 14 different Events held on the Adelaide Festival pontoon, noting some of these events were held over multiple days (e.g. Archie's Clubhouse).
26. The early programming included community focussed events such as movie nights, live music and performances. However, the focus on programming became increasingly more commercial in nature and less regular, meaning the structure was closed off to the public and was only accessible when it was in operation mode for an event or activation.
27. The realisation of the cost involved in running events on the pontoon meant that Adelaide Pontoon Pty Ltd have wanted to seek some return on their investment. This resulted in Adelaide Pontoon Pty Ltd taking a more commercial approach to the management and hiring out of the pontoon and seeking to charge commercial rates to events hiring the pontoon.
28. If at the time of negotiating the lease we were aware that the pontoon was to be commercialised, then a higher lease fee and different terms and conditions could have been negotiated in the original lease.
29. It also became apparent that there is limited opportunity and scope to program events and activities on the pontoon during the winter months, as with many other Park Land event spaces.
30. Until recently the pontoon has been kept in a clean and tidy state pre and post events or activations. It is only recently that we have had issues with the state of the pontoon post events.
31. In addition to the challenges faced by us with the overall management of the pontoon, there has also been issues with the location of the structure in the River Torrens/Karrawirra Parri.
32. At times, there are considerable amounts of debris in the River which is normal and to be expected after heavy rain or storms. The natural or normal flow of the River would see this move down the River, however the debris has been gathering around the structure instead of moving through.
33. To ensure this does not pose a risk to the water quality or other river users we have increased the maintenance and management of the River to ensure the River is safe for all users.
34. In accordance with the current lease the pontoon structure will be removed from the River Torrens/Karrawirra Parri and surrounding Park Land areas by the 30 April 2019.
35. The plan is to either remove the structure via Pinky Flat or Elder Park. The Adelaide Festival will assess the structure post Festival and determine the approach that will have the least impact on the Park Lands.

#### **Future proposed approach to the management of the Pontoon**

36. Acknowledging the lessons learnt since October 2017, the Adelaide Festival Corporation as part of their request for an extension to their lease have advised that they would retain all pontoon and activation management in-house to be managed by Adelaide Festival staff members.
37. Due to the constraints with programming during the winter months Adelaide Festival Corporation has proposed that the pontoon is kept available for passive activation and also available to be used upon request but would not be a programmed space.
38. The approach to programming the pontoon would be for the pontoon to be limited to specific events that are already co-located in either Elder Park, the Festival Theatre or Adelaide Oval. Such events include OzAsia Festival, New Year's Eve, FOMO (all of whom used the pontoon in 2018), Carols by Candlelight, Adelaide Cabaret Festival, Australia Day concert, Football Game Day activities as well as other users of Elder Park and the Riverbank.
39. Adelaide Festival Corporation would not run a series of independent activations as occurred in 2017/18 with the 'Summer Series' and at the end of 2018 with Archie's Clubhouse.



40. This would mean that the number of dynamically activated days would be decreased but it would increase the potential for passive activation and would also ensure that the pontoon is always available for use by any Elder Park events in a simple and straight forward manner without any potential clashes, and a significantly lower cost to prospective users. Outside the Winter months and The Palais activation period, Adelaide Festival Corporation would anticipate at least one significant activation per month for each of the two years.
  41. The proposed management approach outlined in the request for an extension to the lease does alleviate some of the issues experienced since 2017.
  42. The proposal does not address the aesthetics of the structure post 2019 Adelaide Festival.
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## ATTACHMENTS

Nil

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- END OF REPORT -

# Productive Economy Discussion Paper

ITEM 5.2 05/02/2019  
The Committee

2018/01370  
Public

**Program Contact:**  
Shanti Ditter, AD Planning &  
Development 8203 7756

**Approving Officer:**  
Clare Mockler, Director  
Community

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## EXECUTIVE SUMMARY:

The Productive Economy Discussion Paper is one of a series of 5 papers released by the State Planning Commission. Their purpose is to inform the creation of the new Planning and Design Code (P&D Code) which will by 1 July 2020 replace the Adelaide (City) Development Plan and 71 other Development Plans across the State. Council has previously provided a response to the first two discussion papers, "Integrated Movement Systems" and "Natural Resources and Environment".

The third discussion paper, "Productive Economy" proposes the government's approach to the timing and focus of transitioning planning policies which relate to industry, jobs, infrastructure and investment to the P&D Code. The paper identifies types of policies which could be refocused to improve and support economic opportunities in South Australia. This discussion paper provides an opportunity for the City of Adelaide to inform State Government of key aspirations and initiatives that should be supported by and embedded into emerging planning reforms. The City of Adelaide is largely supportive of the approach to investigating and staging the creation of new policies in the P&D Code, and provides specific City-focussed feedback.

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## RECOMMENDATION:

### THAT THE COMMITTEE RECOMMENDS TO COUNCIL

#### That Council:

1. Endorses the "City of Adelaide Response" (Attachment A to Item 5.2 on the Agenda for the meeting of The Committee held on 5 February 2019) to the "Productive Economy Discussion Paper" for submission to the State Planning Commission.
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## IMPLICATIONS AND FINANCIALS:

City of Adelaide 2016-2020 Strategic Plan	<p>Corporate Activities</p> <p>The discussion papers seek to inform the policies of the future Planning and Design Code which will replace the Adelaide (City) Development Plan and 71 other Development Plans across the state. All City of Adelaide Strategic Plan themes and objectives which have a relationship with “development” as defined in the existing <i>Development Act 1993 (SA)</i>, and the <i>Planning Development and Infrastructure Act 2016 (SA)</i> have the potential to be enabled by these policies.</p>
Policy	The Planning and Design Code may impact on Council policies and procedures. The extent to which changes to policies and procedures may be required to support the implementation of the Planning and Design Code cannot yet be determined.
Consultation	The discussion paper has been released by the State Planning Commission for consultation. City of Adelaide has communicated the opportunity for key city stakeholders and community members to contribute to the State Government’s consultation, consistent with Council’s Public Communication and Consultation Policy.
Resource	No additional resources will be required to provide a response to the State Government consultation on this discussion paper.
Risk / Legal / Legislative	No legal or legislative risks have been identified associated with providing comment on this discussion paper.
Opportunities	Opportunity to provide feedback on the proposed new planning system in South Australia and influence good outcomes to assist City of Adelaide achieve strategic and operational goals.
18/19 Budget Allocation	Nil
Proposed 19/20 Budget Allocation	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report
18/19 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	Not as a result of this report

## DISCUSSION

### Background

1. South Australia's planning system is currently undergoing its biggest modernisation in over 20 years.
2. The Planning System has been under review since 2013, with gazettal of the *Planning, Development and Infrastructure Act 2016* (SA) (PDI Act) being progressively "switched on" and the relevant parts of the *Development Act 1993* (SA) concurrently being "switched off".
3. The reform agenda is the result of the recommendations of the final report of South Australia's Expert Panel on Planning Reform. The Expert Panel engaged widely with the community, councils, industry groups, professionals and Government agencies to form their recommendations.
4. One of the key reforms involves creating a single state-wide planning rule book, the Planning and Design Code (P&D Code). The P&D Code will replace all Development Plans across the State.
5. To inform the preparation of the P&D Code, the State Planning Commission (Commission) disclosed that they would be releasing five policy theme papers for consultation.
  - 5.1. The papers would make recommendations about the transition of best-practice, contemporary policy into the P&D Code as well as suggesting where policy reform is needed for the first and future generations of the P&D Code.
  - 5.2. However, the papers would not provide the proposed policies, rather statements of intent, making it difficult to understand which policy will be transitioned across to the new system.
6. On 6 August 2018, DPTI, on behalf of the Commission released two discussion papers:
  - 6.1. Integrated Movement System ([Link 1](#))
  - 6.2. Natural Resources and Environment ([Link 2](#))
7. On 12 November, City of Adelaide submitted Council's feedback on these papers ([Link 3](#)).
8. On 28 November 2018, the Department of Planning, Transport and Infrastructure (DPTI), on behalf of the State Planning Commission released the 'Productive Economy Discussion Paper' for consultation ([Link 4](#)).
9. Feedback on this paper is due to the State Planning Commission by 22 February 2019.
10. The City of Adelaide now has an opportunity to provide feedback on this paper to influence the formulation of the P&D Code.

### Productive Economy Discussion Paper

11. The Adelaide (City) Development Plan has, on-balance, been an effective development assessment tool which has enabled business investment and supported innovation and growth. The process of creating a new, state-wide P&D Code is intended to "transfer" current policies into the new system.
12. The P&D Code presents an opportunity to build upon existing Development Plan policy that applies in the City of Adelaide to enhance our City and State's economic competitiveness.
13. The State Government is also taking this opportunity to conduct a "health check" of South Australia's strategic and policy environment to identify strengths, weaknesses, opportunities and threats across a range of sectors to establish a clear approach to planning in the new system.
14. The Productive Economy Discussion paper considers how our future economic prosperity can be supported through the new planning system and seeks feedback on how the new system can deliver a productive economy.
15. City of Adelaide supports the aspirations of the Productive Economy paper, and commentary and suggestions are provided in the draft response in **Attachment A**, regarding the following themes:
  - 15.1. Supporting and growing key industries (Primary Industries, Tourism, Mining and Exploration)
  - 15.2. Linking people to jobs, goods and services (Centres, Retail and Mixed-Use Activities; Employment Lands, Home-based Businesses)
  - 15.3. Providing infrastructure to enhance our liveability (Renewable Energy, Adaptive Reuse, Infrastructure)
  - 15.4. Facilitating innovation and enabling investment (Collaboration and clustering, E-commerce and a Sharing Economy)

16. Key responses included in Attachment A include:
- 16.1. The City of Adelaide Strategic Plan 2016-2020 should be considered as a key input to the preparation of the P&D Code, particularly to “strengthen the City Economy by growing the number of people living, working, playing, visiting and studying in the City every day”.
  - 16.2. Land use definitions and how they are modernised and integrated within the new system are important and require attention for example, in relation to rapidly changing economies such as short-stay accommodation, and the gig, or sharing, economy.
  - 16.3. Supporting and growing key industries
    - 16.3.1. City of Adelaide advocates “for an urban growth boundary that limits urban sprawl and promote the City as the commercial, cultural, residential and social heart of metropolitan Adelaide” (Strategic Plan 2016-2020)
    - 16.3.2. The goals of the City of Adelaide “Visitor Economy Action Plan 2018-2022” should be recognised and enabled within the P&D Code
    - 16.3.3. Heritage tourism is of particular importance to the City’s economy and a valuable economic asset (\$375 million annually)
    - 16.3.4. The P&D Code may need to address the timing and intensity of mining exploration and extraction of fossil fuels to better support the State and City of Adelaide’s risk approach to climate adaptation (Carbon Neutral Action Plan). Mining impacts on tourism in our food and wine production areas should also be addressed via the P&D Code to support the City of Adelaide’s “Visitor Economy Action Plan 2018-2022”
  - 16.4. Linking People to Jobs, Goods and Services
    - 16.4.1. Successive planning strategies over multiple decades have recognised and sought to continue the CBD’s primacy as the peak of the centres hierarchy in South Australia and this should be reinforced in the P&D Code.
    - 16.4.2. The planning policies at the site of Lot Fourteen are out of date and still reflect the use of land when it was in hospital use. These need to be revised and updated to reflect the site as a future innovation hub.
    - 16.4.3. The P&D Code needs to continue to enable residential areas in the City to enjoy a mix of uses and include policies that act to prevent conflict such as noise between otherwise generally compatible land uses.
  - 16.5. Providing infrastructure to enhance our liveability
    - 16.5.1. City of Adelaide supports the provision of renewable energy infrastructure as this is aligned to City of Adelaide’s Climate Change Strategy, Draft Carbon Neutral Council Road Map, Resilient East Climate Adaptation Plan and Carbon Neutral Adelaide Action Plan 2016-2021.
    - 16.5.2. City of Adelaide continues to support the adaptive reuse of both heritage-listed and under-utilised buildings, such as C & D grade office buildings. It should also be recognised that renovation and adaptation of buildings in the City is an ongoing response to market forces, in which the planning system has a key enabling and curation role.
    - 16.5.3. City of Adelaide is supportive of identifying ways of improving integration between planning and infrastructure delivery in an inner urban, collaborative context.
  - 16.6. Facilitating innovation and enabling investment
    - 16.6.1. Innovation districts and mixed-use areas require recognition that ‘mixed use’ is the goal of the area and have sufficient policy to ensure that outcome.
    - 16.6.2. The P&D Code should respond to key infrastructure such as the City of Adelaide’s “Ten Gigabit Adelaide” which is currently being delivered to commercial buildings and facilitating key economic opportunities for existing and new City businesses.

- 16.6.3. City of Adelaide is supportive of the P&D Code's aspirations to respond to the emerging sharing economy. Learnings from short-stay accommodation in the City should be addressed within the P&D Code.

### Community Engagement

17. A major inclusion in the PDI Act is the Community Engagement Charter. An object of the PDI Act places emphasis on engaging communities early, to, 'provide a scheme for community participation regarding the initiation and development of planning policies and strategies'. As such, the following points should be noted:
- 17.1. The Policy theme discussion papers have not been consulted on by the Commission with guidance from a community engagement plan. Whilst these papers are not in themselves 'statutory documents', they will directly inform the P&D Code which is a 'statutory document' and it is our view that the principles of the Community Engagement Charter should have been applied for consultation of these documents. It is also therefore our view that the consultation on these papers has not met the intent of the Expert Panel, PDI Act or Parliament and is not in the spirit of the Community Engagement Charter.
- 17.2. Council has informed the community and stakeholders of the release of these discussion papers and consultation timeframe in the absence of a detailed engagement plan from the State Planning Commission.
18. Two additional discussion papers are expected to be released in early 2019 titled; 'People and Neighbourhoods' and 'Design in the Planning System'.
- 18.1. The Commission has previously allowed three months to provide feedback on the previous policy theme papers, and therefore feedback on the above two papers is likely to be due in April 2018. However, as has been announced by the Commission, consultation and delivery of the P&D Code will have three phases of implementation with phase 1 commencing in February 2019. As such, there is a real possibility that with overlapping timelines the feedback provided on these policy discussion papers will not be able to be meaningfully used to influence and inform the drafting and preparation of the inaugural P&D Code. This forms a key issue being raised in the response letter to the State Planning Commission.
- 18.2. Additionally, the policy discussion papers were intended to be read as a family however they have been released separate to one another. As such, Council will take the opportunity to review and amend feedback on the subject papers when the additional papers are released.

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## ATTACHMENTS

**Attachment A** – City of Adelaide Response to the “Productive Economy Discussion Paper”.

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- END OF REPORT -

## RESPONSE TO PRODUCTIVE ECONOMY

Comments on the 'Productive Economy Discussion Paper' from the City of Adelaide are summarised below by theme. Detailed comments are included in the attached Table 1.1 – City of Adelaide Response to Productive Economy Discussion Paper.

The City of Adelaide is largely supportive of the approach and intention of the Productive Economy Discussion Paper and comments against the proposed approach to investigating and staging the creation of new policies for inclusion in the Planning & Design Code are included in this document.

### City of Adelaide Strategic Plan

At a high level, the City of Adelaide Strategic Plan 2016-2020 should be considered as a key input to the preparation of the Planning & Design Code (P&DC). It contains specific Objectives and Actions which are of direct relevance to the Productive Economy Discussion Paper and the creation of the Planning & Design Code.

Its key themes are Smart, Green, Liveable and Creative, and the City's primary goal is to "strengthen the City Economy by growing the number of people living, working, playing, visiting and studying in the City every day".

"To achieve our vision and remain uniquely Adelaide, our Strategic Plan principles will ensure our City will be:

- Iconic and celebrated for its distinctive heritage and cultural values
- Inclusive of all members of our community and accessible for all
- Diverse enough to accommodate a range of activities and experiences valued by people of different ages, cultures abilities and interests.
- Resilient to a changing climate and able to sustain quality experience, both now and for future generations
- Affordable relative to other capital cities and liveable with great infrastructure, arts, recreation and sport
- Made up of distinct districts each with its own character and fully engaged community.

The City of Adelaide is the capital city of South Australia and the Planning and Design Code should recognise and reinforce the primacy of the 'city centre', namely:

- Its Cultural and economic focus
- As the state's epicentre for legal and financial services
- As the heart of specialist medical services
- As the heart of research and higher education
- With the state's highest quality retailing
- Identify new challenges and opportunities for the City.

Land use definitions and how they are modernised and integrated within the new system are of critical importance and require critical attention. For example, in relation to rapidly changing economies such as short-stay accommodation, the gig-economy and the like. With emerging technologies, new and never imagined land uses will emerge

The City of Adelaide recognises and encourages the pursuit of the unique opportunity for embedding a "form-based approach" to the drafting of the Planning & Design Code, as anticipated by the *Planning, Development and Infrastructure Act, 2016*.

A summary of Council's feedback to the Discussion Paper follows.

## THEME 1: Supporting and Growing Key Industries

### 1.1 Primary Industries

The City of Adelaide Strategic Plan seeks to “advocate for an urban growth boundary that limits urban sprawl and promotes the City as the commercial, cultural, residential and social heart of metropolitan Adelaide”.

### 1.2 Tourism

The City of Adelaide is a key tourist destination and there is a need to maintain, preserve and enhance the unique attributes of our built and natural environments to support and grow tourism opportunities. The goals of the City of Adelaide “Visitor Economy Action Plan 2018-2020” should be recognised and enabled within future Planning & Design Code (P&DC) policy.

Heritage tourism is also of particular importance to our City’s economy and the careful drafting and application of future P&DC policies should occur with regard to the fact that the City’s cultural heritage is a valuable economic asset, with direct heritage tourism expenditure valued at \$375 million annually.

### 1.3 Mining and exploration

The P&DC may need to address the timing and intensity of mining exploration and extraction of fossil fuels to better support the State and City of Adelaide’s risk approach to climate adaptation (Carbon Neutral Climate Change Strategy, Draft Carbon Neutral Council Road Map, Resilient East Climate Adaptation Plan and Carbon Neutral Action Plan 2016-2021). Mining impacts on tourism in our food and wine production areas should also be addressed via the P&DC to support the City of Adelaide’s “Visitor Economy Action Plan 2018-2022”.

## THEME 2: Linking People to Jobs, Goods and Services

### 2.1 Centres, retail and mixed-use activities

- a) Successive planning strategies over many decades have recognised and sought to continue the CBD’s primacy at the peak of the centres hierarchy in South Australia. This should be reinforced, in addition to supporting and reinforcing City retail and main streets.
- b) Capital city focussed policy should be developed for spatial application within the City of Adelaide, and regard should be had to strategies such as the City of Adelaide “Experience Adelaide – Adelaide City Retail Strategy 2015-20”, and the “Our Market District – Market District Plan”.

### 2.2 Employment Lands (industry, manufacturing and commercial)

- a) The planning policies that encompass the site at Lot 14 (Former RAH site) reflect the use of the land when it was in hospital use. The planning policies for this land parcel are out of date and urgently need to be revised and updated to reflect the site as a future innovation hub.

### 2.3 Home-based businesses

- a) The central part of the City is an existing and desirable area for mixed use in an intense environment. The residential areas have a range of home-based and long-established historic businesses. The planning system needs to continue to enable this mix of uses to



coexist and have policy that acts to prevent conflict such as from noise between otherwise generally compatible land uses.

## THEME 3: Providing Infrastructure to Enhance our Liveability

### 3.1 Renewable energy

- a) Reducing greenhouse gas emissions and enabling development which is climate-ready, including decentralised renewable energy, is aligned with existing City of Adelaide policy and the following initiatives could be supported by the Planning and Design Code by:
- Continuing to support the adaptive reuse of under-utilised and heritage listed buildings.
  - Fostering design leadership in energy efficiency, reduced embodied energy and increase renewable energy systems in new developments.
  - Enabling decentralised energy generation within significant development sites.
  - Increasing routine building construction and planning inspections for thermal performance, energy efficiency and sustainability.
  - Facilitating an energy hierarchy in the built form, including:
    - Low carbon design and construction measures
    - Passive design
    - Supplying energy efficiently including decentralised energy generation and embedded networks
    - Large scale renewable energy

### 3.2 Adaptive Reuse

- a) It should be noted that adaptive re-use occurs constantly and when market forces allow it to occur.
- b) Commentary on barriers which exist to adaptive re-use need to be based on thorough research to enable targeted recommendations to change the planning and building rules in response. Research is currently being conducted via Heritage SA and City of Adelaide that should be drawn upon to inform future policy.

### 3.3 Infrastructure

- a) The focus of the discussion paper is the provision of infrastructure for greenfield developments. With increased densities and the amount of infill development, the capacity of existing infrastructure within metropolitan Adelaide and the City will need to be managed and curated to ensure it has the capacity to cater for increased use loads on all physical infrastructure from potential growth.

## THEME 4: Facilitating Innovation and Enabling Investment

### 4.1 Collaboration and clustering

- a) The P&DC should respond to key infrastructure initiatives such as the City of Adelaide's "Ten Gigabit Adelaide" project which is being delivered to 1000 commercial buildings in the City of Adelaide.
- b) Innovation districts and mixed-use areas require recognition that 'mixed use' is the goal of the area and to have enough policy to ensure that outcome. For example, policy requiring that ground level uses should be non-residential and that a proportion of a multi-level buildings be non-residential use. The Capital City and City Frame zones are examples.

### 4.2 E-commerce and a sharing economy

- a) City of Adelaide is particularly interested in assisting with shaping and influencing the e-commerce and sharing economy sector as this policy is developed in the second generation of the P&DC.


Table 1.1 – City of Adelaide Response to Productive Economy Discussion Paper

DPTI Sub-Theme	Ref No /DPTI Key opportunities and challenges	Proposed DPTI response	DPTI Proposed timing	City of Adelaide Comment
<b>THEME 1: SUPPORTING AND GROWING KEY INDUSTRIES</b>				
<i>General comment</i>				The City of Adelaide is very supportive of growing key industries however the proposed approach in the Productive Economy discussion paper to the P&DC does not enable a coherent response from the perspective of the City of Adelaide. Tourism is the only policy category of direct relevance to development in the City of Adelaide, however key industries in the City of Adelaide are more varied in scope than tourism and are also of key importance to our state's economy, for example the university sector and the medical research sector.
<i>1.1 Primary Industries</i>	<b>1A</b> Allow ongoing generational farming, investment, value-adding and job growth in the vital food production sector.	Refine and transition the policy intent of SAPPL policies that support: <ul style="list-style-type: none"> <li>Value-adding activities</li> <li>Ancillary dwellings, dependent accommodation, tourist accommodation and short-term worker accommodation in primary production areas</li> <li>Farm buildings and horticultural buildings</li> </ul>	Transition ready ✓	City of Adelaide understands the importance of supporting and growing primary industries and recognises that many businesses, educational institutions, services etc. located within the City of Adelaide which support and benefit from a thriving primary industry sector.

DPTI Sub-Theme	Ref No /DPTI Key opportunities and challenges	Proposed DPTI response	DPTI Proposed timing	City of Adelaide Comment
		<ul style="list-style-type: none"> <li>Rural living (inside and outside the Environment and Food Production Areas).</li> </ul>		
	<p><b>1B</b> Planning policy needs to conserve natural environments, biodiversity and agricultural lands to ensure continued productivity.</p>	Include the EFPA and McLaren Vale and Barossa Valley Character Preservation Districts into the Code as an overlay.	<p>Transition ready</p> <p>✓</p>	The City of Adelaide Strategic Plan seeks to “advocate for an urban growth boundary that limits urban sprawl and promotes the City as the commercial, cultural, residential and social heart of metropolitan Adelaide”.
	<p><b>1C</b> Review the storage, transport and logistics needs of SA farms (in the context of broader primary production use policy) to enable bulk handling in locations with logistical advantage.</p>	Review and update SAPPL bulk handling policies.	<p>Transition ready</p> <p>✓</p>	No comment
	<p><b>1D</b> Develop better policy criteria/guidelines for new and emerging infrastructure such as, but not limited to, frost fans, solar farms, telecommunications, and horticultural netting for those cases that are not exempt under the new Regulations.</p>	Review primary production planning policies to ensure that development activities or land uses which are complementary and ancillary to on-farm primary production activities are envisaged in the Code.	<p><b>Reform (Gen 1)</b></p>	No comment

DPTI Sub-Theme	Ref No /DPTI Key opportunities and challenges	Proposed DPTI response	DPTI Proposed timing	City of Adelaide Comment
	<b>1E</b> It is important to modernise definitions and policies that have not kept up with modern farming practices, requirements or directions.	Review definitions in relation to primary production land uses including additional dwellings, tourist accommodation and farm buildings.	<b>Reform (Gen 1)</b>	City of Adelaide supports the work being undertaken to review land use definitions and would support modernisation to these definitions as per the response City of Adelaide has previously provided to State Government.
	<b>1F</b> Review and introduce clearer policy regarding urban interface for buffers, spray drift, separation distances, desired mix of land uses and township boundaries.	Adopt a more standardised urban/rural interface buffer policy across South Australia, with locational variation, where required.	<b>Reform (Gen 2)</b>	Emerging urban agriculture may also require consideration in the P&DC, however the timing of these policy considerations may also be best suited to Reform (Gen 2).
	<b>1G</b> Retain and improve locational/site specific needs, buffers and interface policy and guidance for intensive animal keeping and stock rates.	Refine and update policies relating to commercial and non-commercial animal keeping (including stock rates).	<b>Reform (Gen 2)</b>	Emerging urban agriculture may also require consideration in the P&DC, however the timing of these policy considerations may also be best suited to Reform (Gen 2).
	<b>1H</b> Ensure aquaculture policy addresses the need for required services. This includes ensuring that associated allotments are large enough to cater for	Review on-land aquaculture policy to ensure consistency with current industry standards, including buffer separation distances.	<b>Reform (Gen 2)</b>	No comment.

DPTI Sub-Theme	Ref No /DPTI Key opportunities and challenges	Proposed DPTI response	DPTI Proposed timing	City of Adelaide Comment
	on-site processing and other activities, such as storage of baskets.			
	<p><b>11</b></p> <p>There is an opportunity to better support primary industry business to grow, adapt and evolve through technology adoption, intensification of production systems, business diversification, workforce attraction and restructuring.</p>	Review primary industry policies to identify opportunities to better respond to emerging technologies, practices and other changes.	<b>Reform (Gen 2)</b>	Emerging urban agriculture may also require consideration in the P&DC, however the timing of these policy considerations may also be best suited to Reform (Gen 2).
	<p><b>Discussion Questions:</b></p> <p><i>Should the Code include a 40 metre interface buffer between rural and residential, but allow a smaller buffer distance if it can be justified?</i></p> <p><i>Does policy regarding subdivision and minimum allotment sizes need to be reviewed and strengthened?</i></p>			<p>No comment.</p> <p>No comment.</p>

<p>1.2 <i>Tourism</i></p>	<p><b>1J</b> Tourism is important for the State's economy and therefore it is important to continue to encourage and support its growth.</p>	<p>Refine and transition the policy intent of SAPPL tourism Development General Module policy.</p>	<p>Transition ready </p>	<p><u>Tourism and the Visitor Economy</u></p> <p>The City of Adelaide "Visitor Economy Action Plan 2018-2020" sets out actions to achieve key city targets from the City of Adelaide Strategic Plan, namely:</p> <ul style="list-style-type: none"> <li>- By 2020, our City's economy will be growing faster than the Australian economy</li> <li>- Bed nights spent in the City by international and domestic visitors will have grown from 8.1 million to 9 million by 2020</li> <li>- People who say the City has great places to enjoy, events, activities, art and culture will have grown from 8.4 to 9 out of 10 by 2020</li> <li>- Attendance at festivals and events in the City and Park Lands will have grown by 5% by 2020.</li> </ul> <p>Visitor Economy Action Plan 2018-2020:</p> <ol style="list-style-type: none"> <li>1. Promote the Adelaide Experience</li> <li>2. Develop and enhance Adelaide's offering</li> <li>3. Industry and stakeholder engagement</li> </ol> <p>Enhancing arrival experience into Adelaide is a key action, including Adelaide Central Bus Station, Adelaide Airport, Adelaide Park Lands Terminal, Adelaide Railway Station and Outer Harbor.</p> <p>The transition of the SAPPL tourism policies should consider the particular circumstance of the City of Adelaide and potentially other non-rural tourism locations, as some of the current SAPPL wording does not easily lend itself to a City environment and could be inadvertently inappropriate in a City setting.</p> <p><u>Tourism and Heritage</u></p> <p>Heritage tourism is of particular importance to the City of Adelaide. Our research in 2015 showed that an impressive \$375 million was spent by visitors on cultural heritage related tourism in the City of Adelaide in 2013-14. The following two reports are of particular relevance and should be considered during the drafting of the Planning &amp; Design Code:</p> <p><u>Economic Benefit of Heritage Tourism Study – 2015</u> <a href="https://www.cityofadelaide.com.au/assets/documents/Economic_Value_of_Heritage_Tourism_-_Adelaide_2015_v4.pdf">https://www.cityofadelaide.com.au/assets/documents/Economic_Value_of_Heritage_Tourism_-_Adelaide_2015_v4.pdf</a></p>
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			<p>The City of Adelaide commissioned Tourism Research Services (WA) to assess the value of Adelaide's heritage tourism.</p> <p>Visitors who stayed at least one night in Adelaide were questioned about features of Adelaide which influenced their decision to visit and stay. This in turn enabled an evaluation, in dollar terms, of the amount of tourists' expenditure attributable to heritage compared with other features.</p> <p>The City's cultural heritage is a valuable economic asset, with direct heritage tourism expenditure valued at \$375 million annually.</p> <p><u>The Economic Value of Built Heritage in the City of Adelaide – 2018</u></p> <p><a href="https://www.cityofadelaide.com.au/assets/FINAL_REPORT_-_SGS_Economics_Planning_-_The_Economic_Value_of_Built_Heritage_in_the_City_of_Adelaide_(February_2018).pdf">https://www.cityofadelaide.com.au/assets/FINAL_REPORT - SGS Economics Planning - The Economic Value of Built Heritage in the City of Adelaide (February 2018).pdf</a></p> <p>The City of Adelaide commissioned SGS Planning &amp; Economics to assess the value of Adelaide's built heritage, including the financial benefits of the City of Adelaide's Heritage Incentives Scheme.</p> <p>Key findings from the study include:</p> <ul style="list-style-type: none"> <li>- \$1.68 return to the South Australian economy for every \$1 invested via the City of Adelaide's Heritage Incentives Scheme (HIS).</li> <li>- The HIS has contributed \$395m to Gross State Product and supports 3,000 jobs.</li> <li>- Over \$20m invested by the City of Adelaide over the 30 years of operation of HIS.</li> </ul>
	<p><b>1K</b> It is important to strengthen and provide greater certainty to tourism, including where it should be located.</p>	<p>Refine SAPPL zones and the land use definitions to:</p> <ul style="list-style-type: none"> <li>- Clearly define where tourist accommodation is anticipated</li> <li>- Set the appropriate level of assessment</li> <li>- Ensure the definitions provide</li> </ul>	<p><b>Reform (Gen 1)</b></p> <p><u>Tourism Assets</u> – The City of Adelaide and its cultural, heritage, entertainment, sporting, Park Lands, business and other features is a key tourism attraction in and of itself. Care should be taken during policy conversion to the state-wide Planning and Design Code to continue to retain existing tourism assets, whilst also enabling the creation and evolution of new tourism assets within the City of Adelaide.</p> <p><u>Sharing Economy/Air B'nB</u> - refer to comments in response to Section 4E.</p> <p><u>Cultural Roadmap</u> – The City of Adelaide Cultural Strategy 2017-2023 is a key document which underpins Council's Strategic Plan by seeking to strengthen Adelaide as a multi-cultural city with a passion to create authentic and internationally renowned experiences:</p> <ol style="list-style-type: none"> <li>1. Adelaide's cultural identity is unique and our creative reputation is renowned</li> <li>2. Adelaide's cultural economy is robust, sustainable and easy to navigate</li> <li>3. Adelaide has an engaged, collaborative, knowledgeable and connected cultural community</li> </ol>



		<p>certainty and consistency for the purpose of assessment</p> <ul style="list-style-type: none"> <li>- Provide the flexibility required for the tourism industry to respond to changing market sand explore innovative ideas.</li> </ul>	<ol style="list-style-type: none"> <li>4. Adelaide is recognised as a cultural incubator where people, enterprises and audiences flourish</li> <li>5. Adelaide is renowned for its authentic, vibrant and diverse cultural experiences</li> </ol> <p>The cultural roadmap identifies the following priorities:</p> <ul style="list-style-type: none"> <li>- Adelaide City of Music Live Music Action Plan 2017-2020</li> <li>- Public Art Action Plan</li> <li>- Public Art and Memorials Policy</li> <li>- Arts and Cultural Grants Guidelines</li> <li>- Other cultural policies and action plans to be developed.</li> </ul> <p>The night-time economy in the City should continue to be enabled to thrive, including zones allowing for sound i.e. outdoor events and live music venues and the Planning and Design code should reinforce progress that has been made in this area, particularly in relation to ensuring that policies are based on the “agent of change” principles which are applied to proposed development, whether it be new apartments or new music venues. Culturally creative and innovative industries should also be enabled in the City of Adelaide.</p> <p><u>Tourism Accommodation</u></p> <p>The City of Adelaide is a primary location for tourism accommodation in the State and the future Planning and Design Code should continue to reinforce this key aspect of our City’s economy. The transition of the SAPPL tourism policies should consider the particular circumstance of the City of Adelaide, as some of the current SAPPL wording does not easily lend itself to a City environment and could be inadvertently inappropriate in a City setting, depending upon which policies are “called up” in a particular spatial application of the Planning &amp; Design Code. The density of the City and contested space in the public realm also lends itself to other policy requirements for example hotel loading zones on the street instead of within the site.</p>
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	<p><b>Discussion Question:</b> <i>Do we need to review our signage policies? In particular, do we need facilities for third party advertising and tourism advertising? For example, should there be more scope for tourism signs on arterial roads and outside of townships?</i></p>			<p>There is potential in the City of Adelaide to continue to advance opportunities for maximising the visitor, shopper and tourist experience via wayfinding and signage which complements the built form and natural environments of our City. Planning and Development Code policies should enable effective physical and technological approaches.</p> <p>Within the City of Adelaide, third party advertising is not encouraged in most locations based on generally negative visual amenity impacts within a dense urban setting and impact on streetscape character. It is suggested that a review of signage policies consider the various forms of advertising and promotion that are available (i.e. social media and on-line platforms) to ensure a balanced and well-informed policy position on appropriate signage in different locations.</p>
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<p>1.3 Mining and exploration</p>	<p><b>1L</b> There is a need to provide flexibility for industry/light industry in Mineral Extraction Zones, whilst protecting the viability of mining operations.</p>	<p>Refine and transition the policy intent of the SAPPL Mineral Extraction Zone, in particular, policies that have the flexibility the enable complementary activities to be undertaken within mining areas.</p>	<p>Transition ready ✓</p>	<p>No comment.</p>
	<p><b>1M</b> Mining and exploration is a long term investment for the state and, given its vulnerability to market forces, operational intensities may vary over time.</p>	<p>Review policy regarding mining activities to:</p> <ul style="list-style-type: none"> <li>- Consider separation distances</li> <li>- Enable ancillary and associated developments</li> <li>- Provide improved consistency, certainty and transparency</li> <li>- Consider appropriate zoning for resource areas.</li> </ul>	<p><b>Reform (Gen 2)</b></p>	<p>The P&amp;DC may need to address the timing and intensity of mining exploration and extraction of fossil fuels to better support the State and City of Adelaide's risk approach to climate adaptation (Carbon Neutral Adelaide Action Plan 2016-2021). Mining impacts on tourism in our food and wine production areas should also be addressed via the P&amp;DC to support the City of Adelaide's "Visitor Economy Action Plan 2018-2022"</p>
	<p><i>Should undeveloped strategic mineral resources be identified and protected from urban encroachment and other incompatible development?</i></p>			<p>No comment, however it is noted that consideration could also be given to below-ground land use zoning, which would be possible given the 3D mapping technologies currently available.</p>

THEME 2: LINKING PEOPLE TO JOBS, GOODS AND SERVICES				
<p>2.1 Centres, retail and mixed-use activities</p>	<p><b>2A</b> Centres are an important part of SA's economy. There is an opportunity to consolidate the range of centre type zones (including regional centre zones) and transition to the Code.</p>	<p>Transition, update and consolidate the existing contemporary retailing, activity centres and regional centre policies and zones.</p>	<p>Transition ready ✓</p>	<p>The City of Adelaide is the capital city of South Australia and the Planning and Design Code should recognise and reinforce the primacy of the 'city centre', including:</p> <ul style="list-style-type: none"> <li>- Cultural and economic focus</li> <li>- Epicentre for legal and financial services</li> <li>- Heart of specialist medical services</li> <li>- Heart of research and higher education</li> <li>- Our highest quality retailing</li> <li>- New challenges and opportunities for the City.</li> </ul> <p>The existing SAPPL library does not currently contain policies which are of specific reference and applicability to the City of Adelaide. Relevant current Adelaide (City) Development Plan policy relating to centres, retail and mixed-use activities should be transitioned to the new P&amp;DC.</p> <p>Regard should be had to the <a href="#">City of Adelaide "Experience Adelaide – Adelaide City Retail Strategy 2015-20"</a> which seeks for key outcomes:</p> <ul style="list-style-type: none"> <li>- A remarkable experience</li> <li>- A compelling retail offer</li> <li>- A destination of choice</li> <li>- A prosperous retail sector</li> </ul> <p>The goals of the current Retail Strategy are currently supported and enabled by the Adelaide (City) Development Plan, however it should be noted that this strategy is likely to be updated over time. The new state-wide Planning &amp; Design Code will need to be drafted with specific regard to the goals and ambitions of the City of Adelaide, enable responsiveness to change in this sector over time, and by leveraging the City of Adelaide's Urban Design Framework to support public realm improvements and make great places that link precincts and districts, attract retail investment, improve customer comfort and encourage the uniqueness of districts. "Our Market District – the Right</p>

				<p>Ingredients for the Future” should also be considered in this context.</p> <p>Successive planning strategies over multiple decades have recognised and sought to continue the CBD’s primacy at the peak of the centres hierarchy within SA. Successive Councils have monitored proposed significant retail and centres development in terms of its impact on the primacy and has made submissions where appropriate.</p> <p>Separate to centres policy, Council recognises that it has a role to play in supporting City retail and main streets and has a range of ongoing programs to give that effect. These include Enterprise Adelaide, the Mainstreet Development Program and support for start-ups. In terms of centres policy, Council would be open to a review of the centres hierarchy that has regard to retail and population trends and best positions greater Adelaide – with the CBD in an ongoing primacy role – with a range of centres with retail, commercial and business opportunities.</p>
	<p><b>2B</b> Promote mixed use zoning and flexible policy to support innovation, growth and diversity to provide for changing business and market needs, particularly in the right locations.</p>	<p>Review and transition the policy intent of SAPPL mixed use zones.</p>	<p>Transition ready ✓</p>	<p>The current Adelaide (City) Development Plan incorporates mixed use zoning across all zones that should be transitioned across to the P&amp;DC. This mixed-use zoning approach will help support innovation growth and diversity to provide for changing business and market needs including, for example, cultural and creative industries.</p>
	<p><b>2C</b> Conventional ‘bricks and mortar’ retail industry is experiencing significant disruption by out-of-centre retailing, international competitors entering the</p>	<p>Undertake a review of retail policy and consider how it can be strengthened to respond to current and future challenges and opportunities.</p>	<p><b>Reform (Gen 1)</b></p>	<p>City of Adelaide agrees that a review of retail policy as proposed to inform the P&amp;DC will be worthwhile. The City of Adelaide retail policy may also benefit from review and future retail needs to be canvassed and re-imagined, with particular consideration given to potential impacts on SME businesses. The policy review needs to be backed by strong policies that protect existing land</p>

	market, online retailing and shared economies and this is changing the form, scale, intensity and locations of retail activities.			<p>uses whilst also encouraging and promoting new retail opportunities.</p> <p>In a City context, the 'agent of change' principle which is utilised for noise and acoustic treatments should also be applied in a retail setting.</p> <p>The attractiveness of the City of Adelaide as a venue for festivals and tourism etc. is enhanced by the walkability of retail hubs and clusters. Policy settings in the P&amp;DC should not geographically dilute the retail offering within the City. Consideration could also be given to providing sufficient flexibility to enable day time retail and night time bars in the same sites/space.</p>
	<p><b>2D</b></p> <p>The Bulky Goods Zone is not consistent with general zone structure and intent as it lacks fundamental policy differentiation to warrant separate zoning/policy identification.</p>	Transition of the policy intent of the SAPPL Bulky Goods Zone into a broader zone option.	<b>Reform (Gen 1)</b>	This should be considered within the context of the overall review of retail policy as identified in 2C.
	<p><b>2E</b></p> <p>Town centres could allow for a 'softening of edges' between business and residential activities and mixed-use developments.</p>	Review policy opportunities for expansion of activity centre developments into adjacent zones (where appropriate).	<b>Reform (Gen 2 and beyond)</b>	<p>Policy change as a result of a review needs to be carefully considered to ensure changes are planned and consulted on with the community. Unplanned 'creep' of mixed land uses may result in unintended negative consequences. Conversely, well-planning policy approaches can enable mixed land uses which enhance a local area.</p> <p>Local activation opportunities and development that has no residential/environmental detriment could be considered.</p> <p>See also comments provided against 2C.</p>

	<p><b>2F</b> The recently approved Existing Activity Centres Policy Review DPA introduced a number of policy changes to activity centres in the metropolitan area to improve their economic efficiencies and increase competitiveness. These changes should be considered for application in regional areas where appropriate.</p>	<p>Investigate opportunities for expansion of activity centre developments into adjacent zones (where appropriate).</p>	<p><b>Reform (Gen 2 and beyond)</b></p>	<p>Agree that more detailed investigations should occur. It is important to consider more smaller-format retail/service/social infrastructure/neighbourhood approach in the City context and the P&amp;CD policy needs to respond to the specific needs of the City, noting that convenience and amenity is “king”.</p> <p>Policy change resulting from the review needs to be carefully considered to ensure changes are planned and consulted on with the community. The interface between main streets and residential zones.</p> <p>Local activation opportunities and development that has no residential/environmental detriment could be considered.</p> <p>See also comments provided in 2C.</p>
	<p><b>2G</b> Many regional centre type zones are now out of date. Especially if a centre is showing signs of decline consider approach to re-activate or change scope.</p>	<p>Explore policy options regarding the redevelopment or rezoning of regional activity centres which are in decline or vacant.</p>	<p><b>Reform (Gen 2 and beyond)</b></p>	<p>City of Adelaide is interested in contributing to this discussion when it occurs, noting overseas trends in the shopping centre industry, and with regard to opportunities for re-activation of centres for cultural purposes. Refer to comments in 2A.</p>
	<p><b>Discussion Questions:</b> <i>Is there a need to retain the centres hierarchy or not – is it still relevant to today’s planning?</i> <i>Should there be residential development within retail centres? If so, how could/should this occur?</i></p>			<p>The discussion paper recognises but does not sufficiently emphasise the role and protection of the Adelaide City as the civic, cultural and commercial heart of South Australia in the proposed policy response. Without any reference to this there could be the potential for significant suburban CBD’s to weaken and diminish Adelaide CBD’s role.</p> <p>The City of Adelaide has around 24,000 residents, 5,000 businesses, and around 115,000 workers. The Paper’s discussion of agglomeration economies is acknowledged as applying with the City and sought to be continued. In terms of land use and development, the central part of the City is an existing and desired area of mixed use in an intense environment with the</p>

residential areas have a range of home based and long-established historic businesses. The planning system needs to continue to enable this mix of uses and to have policy that acts to prevent conflict such as noise between otherwise generally compatible land uses.

Council notes that Discussion Paper's acknowledgement that 'Central Adelaide has all the markings of a leading innovation precinct' and that 'Planning rules should continue to evolve to foster the blending of employment, residential and cultural uses to realise this potential' (pg 47).

The City has also experienced and approved activities that could be seen as 'manufacturing' which add to the employment base. This experience can be drawn on in considering the new Code.

In considering increased diversity of uses within metropolitan located employment lands – be it commercial or industrial areas – the impact on the CBD's office and retail function should be considered. The role such land plays in a Greater Adelaide increasing in population should also be considered.

Assumptions are made about the CBD however the paper does not explicitly consider the economic value the CBD brings to the state economy. The Planning & Design Code policy needs to demonstrate that it will ensure that the economic energy of the City is not drained out and its role weakened.

Residential development in retail centres should not prejudice the prime retail and business function of the centre. As a general principle, additional floor space in centres should provide for business and commercial uses (as distinct to residential). This would enable opportunities for start-up businesses (this might include businesses which have outgrown a residential context) and provide additional local employment and services.

Whilst 'residential zones' are intended to foster residential amenity, it is a misnomer to consider these as exclusively



				residential. Acknowledging existing residential areas vary, to the extent possible whilst maintaining residential amenity and fostering the role of centres, opportunities for business in residential areas should be enabled. This should include home based business, non-residential use of existing structures (including heritage items) originally built as commercial or retail, as well as flexibility for established generally compatible non-residential uses – such as schools and child care - to be able to invest.
2.2 <i>Employment lands (industry, manufacturing and commercial)</i>	<b>2H</b> There is a need to provide flexible policy that enables a diversity of industry and commercial activities to reflect changing industry trends.	Review, consolidate and transition the policy intent of SAPPL industry and commercial zones to respond to changing technologies and markets.	Transition ready ✓	City-specific policies in the P&DC need to enable compatible industry, small-scale manufacturing and commercial activities in the City as appropriate with regard to noise, scale and environmental impact. For example, planning policies that encompass the site at Lot 14 (Former RAH site) reflect the use of the land when it was in hospital use. The planning policies for this land parcel are out of date and need to be revised and updated to reflect the site as a future innovation hub.
	<b>2I</b> There is increased pressure on industrial lands and the economic viability of industries through encroachment by sensitive uses. Therefore it is important to review and refine these policies.	Review and update SAPPL industry zones to ensure that industrial activities are protected from encroachment by conflicting land uses.	<b>Reform (Gen 1)</b>	No comment.
	<b>2J</b> There is a need for consideration of residential development that is ancillary to business/industrial activities on land in employment land	Review and update policy in relation to the provision of short-term/ancillary worker development in industrial zones to support economic	<b>Reform (Gen 2)</b>	No comment.

	type zones. For example, accommodation for truck drivers, on-site managers, business owners and other workers.	activities (such as defence and mining).		
	<p><b>2K</b></p> <p>Consider opportunities to promote business clusters on the basis of shared knowledge, infrastructure, skills or labour to unlock economies of scope and scale (where appropriate). For example, science and technology hubs, defence industries, ports and intermodels and waste management.</p>	Identify and improve zoning that supports industry and commercial clusters.	<b>Reform (Gen 2)</b>	Refer to response in Theme 4.
	<p><b>Discussion Questions:</b></p> <p><i>Should there be a more flexible approach to encouraging a wide range of land uses in non-residential zones – with a land use genus, impact and design focus, rather than strict land use definitions?</i></p> <p><i>Is there too much emphasis placed on height and setback criteria in employment lands zones, in particular the ‘core’ of these zones?</i></p>			

2.3 Home-based businesses	<p><b>2L</b></p> <p>The Code provides an opportunity to review home industry policy and decide whether it should be in a residential or light industry zone in the future.</p>	Review and transition home industry policies to an appropriate zone.	<p>Transition ready</p> <p>✓</p>	It is considered that light industry, special industry, industry definitions all need to be looked at, not simply the home industry policy.
	<p><b>Discussion Questions</b></p> <p><i>What innovations and changes to work practices will impact the planning system and how should we respond?</i></p>			<p>Innovations and changes to work practices are to be expected over time, and the current planning reforms and review of policy are a key opportunity to ensure policy and assessment practices support the aims and needs of our community. The planning system itself should be a considered and informed reflection of the aims and goals of our community. Temporal considerations (daytime/evening/late night) relating to land uses may need to be explicitly considered, as is currently the case in the Adelaide (City) Development Plan.</p>

THEME 3: PROVIDING INFRASTRUCTURE TO ENHANCE OUR LIVEABILITY				
3.1 Renewable energy	<p><b>3A</b></p> <p>There are a wide range of renewable energy sources including wind, solar, geothermal, hydrogen, hydropower, tidal and biofuels.</p> <p>Policy needs to be updated to keep up with the new forms of development and technological changes. This means providing improved guidance regarding the intensity, location and impacts of these developments.</p>	Investigate and introduce policy to provide improved guidance in relation to renewable energy generation developments.	Transition ready ✓	<p>Supported by City of Adelaide, as this is consistent with our Smart, Green, Liveable and Creative Strategic Plan goals, as well as our Carbon Neutral Strategy. A bigger climate change focus is needed, and City of Adelaide could collaborate further with the State Government and other key stakeholders to achieve these goals.</p> <p>Reducing greenhouse gas emissions and enabling development which is climate-ready is aligned with existing City of Adelaide policy including:</p> <ul style="list-style-type: none"> <li>- City of Adelaide Climate Change Strategy</li> <li>- Draft Carbon Neutral Council Road Map</li> <li>- Carbon Neutral Adelaide Action Plan 2016-2021</li> <li>- Strategic Plan Green Theme</li> <li>- Resilient East Climate Adaptation Plan</li> </ul> <p>Consideration of small-scale and small physical footprint renewable energy generation is also needed to enable City-scale renewable energy where and as appropriate to co-exist with existing built form and communities.</p>
	<p><i>How should planning policy respond to growth in renewable energy – what issues should be addressed?</i></p>			<p>Current policy appears to have a large-scale facility focus for renewable energy. Policy should move towards renewable energy at different scales. Planning policy could enable options to pursue “micro grids” which are off-grid. Additional responses recommended by the Carbon Neutral Adelaide Action Plan 2016-2021 include:</p> <ul style="list-style-type: none"> <li>- Foster design leadership in energy efficiency, reduced embodied energy and increase renewable energy systems in new developments.</li> <li>- Enable decentralised energy generation within significant development sites.</li> <li>- Increase routine building construction and planning inspections for thermal performance, energy efficiency and sustainability.</li> <li>- Facilitate an energy hierarchy in the built form, including:</li> </ul>

				<ul style="list-style-type: none"> <li>○ Low carbon design and construction measures</li> <li>○ Passive design</li> <li>○ Supplying energy efficiently including decentralised energy generation and embedded networks</li> <li>○ Large scale renewable energy.</li> </ul>
3.2 Adaptive Reuse	<p><b>3B</b></p> <p><i>There are opportunities for policy incentives to encourage adaptive reuse, particularly in relation to heritage or character properties that contribute to the amenity of an area.</i></p>	Identify further potential policy incentives that can promote the adaptive reuse of buildings.	<p><b>Reform (Gen 1)</b></p>	<p>It should be noted that adaptive re-use occurs constantly and when market forces allow it to occur. The re-use of buildings includes both heritage and non-heritage listed buildings and to state that adaptive reuse ‘is underpinned by the increasing value attributed to the unique value attributed to the unique character and quality of older or heritage buildings’ does not present the full picture.</p> <p>In addition, any conclusions drawn regarding the barriers in place regarding adaptive re-use need to be based on thorough research and then focus on changes to the planning and building rules in response. Currently research is being conducted via PhD research, Heritage SA, and a City of Adelaide research project. Additional research could be undertaken by State government to identify the outcomes from the “Minister’s Specification for upgrading the health and safety in existing buildings, August 2017”.</p> <p>There is potential for heritage buildings to benefit from more flexible land use planning and building rules, and standard policy provisions should be more flexible for heritage places if alternative performance provisions can be provided.</p> <p>Consideration for how to enable conversions of C&amp;D grade office buildings to residential apartments is also required, for example how to manage the provision of open space requirements, without resulting in poorly designed balconies being tacked on in response.</p> <p>Support investigating policy incentives to encourage adaptive reuse. A 2008 Study for the City of Adelaide investigated potential incentives and can be provided as an input. Whilst depending on the scope of policy, the heritage inquiry underway by the ERD Committee of Parliament may well also touch on the range of policy and non-policy measures to encourage adaptive reuse of heritage buildings.</p>

	<p><b>3C</b> <i>Consider the appropriateness of land division of surplus on-farm dwellings to promote ongoing use of valued heritage type buildings – provided it does not affect the long-term viability of farming activities.</i></p>	<p>Review opportunities and investigate the appropriateness of including policies to facilitate the adaptive reuse of disused farm dwellings.</p>	<p><b>Reform (Gen 2)</b></p>	<p>No comment.</p>
	<p><b>Discussion Question:</b> <i>Should existing unused farm houses be able to be separately titled to allow their adaptive reuse and to facilitate economic activity?</i></p>			<p>No comment.</p>
<p>3.3 Infrastructure</p>	<p><b>3D</b> <i>There is a variety of infrastructure-type zones across development plans and these can lack fundamental differentiation. These should be reviewed and potentially consolidated to provide overarching consistency and certainty.</i></p>	<p>Review and transition infrastructure-based zones to provide improved consistency.</p>	<p>Transition ready ✓</p>	<p>‘Planning Liveable Cities’: A place-based approach to sequencing infrastructure and growth’ released by Infrastructure Australia in December 2018 acknowledges the important role of economic and social infrastructure in enabling liveable places. Whilst the Planning, Development and Infrastructure Act 2016 provides head-powers for infrastructure, a place-based approach to identifying necessary infrastructure (including innovative ways of provision) is needed in the planning system. As a minimum, the new Planning and Design Code should enable consent to be able to be readily granted for development applications, but a prior stage is suggested as needed as part of master planning or strategic planning for a place.</p> <p>The focus of the discussion paper is the provision of infrastructure for greenfield developments. With increased densities and the amount of infill development, the capacity of existing infrastructure within metropolitan Adelaide and the City will need to be managed to ensure it has the capacity to cater for increased use loads from potential growth. Infrastructure-specific zones may not be necessary in the City of Adelaide, however the provision of all types of infrastructure needed in the City is important.</p>

	<p><b>3E</b> <i>It is important to provide clear direction in regard to appropriate separation distances for infrastructure such as waste water treatment plants and power generation facilities.</i></p>	<p>Review separate distances for infrastructure (e.g. utilities) and identify opportunities for appropriate uses within buffer spaces.</p>	<p><b>Reform (Gen 1)</b></p>	<p>A city-scale approach to infrastructure needs to be taken in the City of Adelaide to achieve integrated, well-designed, safe and cost-effective outcomes to benefit all investors and users.</p> <p>Co-contribution for public realm infrastructure needs consideration. More up-front planning on trunk infrastructure e.g. utilities to service new development is needed.</p> <p>The Code could also be utilised to support micro-infrastructure rather than only large-scale infrastructure. The look and placement of telecommunication towers and installations in the City requires consideration of the appropriate level of control.</p>
	<p><b>Discussion Question:</b> <i>How can we ensure that land use planning is able to accommodate and support the provision of new and innovative infrastructure?</i></p>			<p>A more robust policy amendment process could assist the provision of new and innovative infrastructure, including considered linking of regional and local infrastructure plans with the planning system.</p> <p>Opportunities to link the e-planning system to spatially link to infrastructure planning and delivery could also be contemplated.</p>

THEME 4: FACILITATING INNOVATION AND ENABLING INVESTMENT				
<p>4.1 <i>Collaboration and clustering</i></p>	<p><b>4A</b> It is important to find the balance between policy certainty and policy flexibility in zones that support economic development and clustering.</p>	<p>Explore options and identify opportunities for improved policies for specialist development clustering within a zone (including business ecology precincts).</p>	<p><b>Reform (Gen 1)</b></p>	<p>The Planning and Design Code will need to respond to key infrastructure initiatives such as the City of Adelaide’s bespoke “Ten Gigabit Adelaide” project. It is allowing city-based businesses to connect to a dedicated fibre-optic network and access a range of cloud-based services at phenomenal 10Gbps symmetrical data speeds that bypass traditional internet connections, with exclusive access and connectivity to other city-based businesses.</p> <p>The infrastructure is being physically rolled out to 1000 commercial buildings across the CBD. It makes connected buildings more attractive to tenants. Such key infrastructure should also be recognised in strategic infrastructure planning and regional planning initiatives as the PDI Act is progressively implemented.</p> <p>As more businesses become connected to Ten Gigabit Adelaide, the city will lead the way as one of the fastest and most affordable connected cities in the world. Each service in the Ten Gigabit Adelaide suite has its own, dedicated and uncontested connection, meaning businesses can access via a clean, super-fast, low-latency connection. The services suite enables businesses to choose one or many services, each with a fast, clear and reliable path. The services include:</p> <ul style="list-style-type: none"> <li>• Private network links</li> <li>• Cloud connections</li> <li>• Adelaide business to business</li> <li>• Voice and video</li> <li>• Internet</li> <li>• Special services</li> </ul>



				<ul style="list-style-type: none"> <li>Tailored connectivity</li> </ul>
	<p><b>4B</b> There is a need for consideration of new manufacturing technologies (that are not dirty, noisy, smelly or impacting) which potentially allow for a mix of uses in residential land business zones.</p>	<p>Review and refine SAPPL policies that support and encourage the adoption of emerging technologies and ensure flexibility to accommodate future ones in land use design and development.</p>	<p><b>Reform (Gen 1)</b></p>	<p>Land use definitions and how they are modernised and integrated within the new system are of critical importance and require due attention during the creation of the P&amp;DC. For example, the current definition of "Industry" conflicts with the stated intention of providing for new manufacturing technologies which are not dirty, noisy, smelly or impacting.</p>
	<p><i>Do we have adequate planning policies in place to encourage/support the aims of innovation districts?</i></p> <p><i>How do we ensure that residential development does not monopolise the offering in mixed-use areas of innovation districts?</i></p>			<p>Planning policy should ensure adequate data networks to attract clusters e.g. 10 Gigabit Adelaide project?</p> <p>The key is to be clear that 'mixed use' is the goal of the area and to have sufficient policy to ensure that outcome. For example, policy requiring that ground level uses should be non-residential, and that a proportion of a multi-level building be non-residential use. The Capital City and City Frame Zones are examples.</p> <p>Potential to foster innovation in the affordable housing stream should also be considered, particularly considering collaborative projects with the City of Adelaide such as "Project Zero" which aims to address homelessness in the City.</p> <p>Given that international students play an important role in the South Australian economy, it is important that quality student accommodation is available. The P&amp;DC needs to ensure that appropriate planning and design standards are in place to ensure quality accommodation is provided in the City of Adelaide which is suited to student needs. Consideration of whether university campuses should have the ability to provide student accommodation on site could also occur.</p>

<p>4.2 E-commerce and a sharing economy</p>	<p>Planning processes, policy formulation and regulatory structures all need to be reviewed and, where appropriate, redesigned to take advantage of the development opportunities presented by e-Commerce in a safe, equitable and orderly manner.</p>	<p>Continue to further investigate the anticipated impacts of e-Commerce and respond to these in future generations of Code policy as appropriate.</p>	<p><b>Reform (Gen 2)</b></p>	<p>City of Adelaide is interested in continuing to shape and influence the e-commerce and sharing economy sector, noting that the timing of investigations into 4.2 is intended to occur as part of “Reform (Gen 2)”. As such it is understood that this research is unlikely to occur until post-2020 at the earliest. City of Adelaide is keen for the Planning and Design Code to enable and not stifle innovation in this area.</p>
	<p><b>Discussion Questions:</b> <i>Does planning policy need to respond better to new ways of doing business such as the emergence of the sharing economy – which may require the introduction of controls to mitigate previously unanticipated effects (for example, the conversion of long term rentals into short stay holiday accommodation via online platforms)?</i></p> <p><i>What will be the emerging industry impacts of e-Commerce and how should these be managed by the Code?</i></p>			<p>City of Adelaide agrees that planning policy needs to respond better to new ways of doing business, and again emphasises the need to review and update land use definitions which are used by the planning system. It may also be advantageous to build-in regular review and update of definitions in say a 5-year cycle so that policy stays relevant to the needs of business. The planning system is currently working with definitions which were written over 20 years ago and no longer “fit-for-purpose” in some instances.</p> <p><u>Short-stay Accommodation via On-Line Platforms</u></p> <p>The City of Adelaide supports the provision of short-term accommodation and the accommodation sharing industry. This is defined as where property owners make space available in part or all of their dwellings for short-term rental to paying guests, generally organised through companies. Some hosts lease rooms while others lease entire dwellings.</p> <p>The relatively low number of applications for serviced apartments indicates few properties are being used this way. However, this contrasts with estimates that up to 1000 properties are available for short-term accommodation in the City. It may be that hosts are unaware that allowing their dwelling to be permanently used for short-term accommodation, requires a development application. Generally, the commencement of short-term accommodation is reported by neighbours only when amenity is impacted.</p> <p>Problem properties typically display the following themes:</p>

- A lack of involvement by the company providing the accommodation and/or the owner/manager in vetting guests or policing the terms of leasing agreements
- Not occupied by their owners
- Rental time of two (2) days or less
- Accommodation offered for significant numbers of guests with limited on-site parking
- A rental fee that is at the less expensive end of the range.
- The location of the property plays a part in that centrally located properties that allow guests to walk to and from 'home' can be more problematic.

Council cannot ask for a development application seeking consent as a 'serviced apartment'. The Adelaide (City) Development Plan anticipates 'serviced apartments' as an envisaged development in most of the City (other than the Park Lands and Institutional Zones north of North Terrace). If a development application for 'serviced apartments' is granted development approval, conditions could be attached, and the onus will fall on Council to monitor whether other conditions are being met and if not, take enforcement action under the *Development Act 1993*.

City of Adelaide is also interested in how short-term accommodation will be addressed within land use definitions, e.g. will it be included in the definition of tourism accommodation?

#### Sharing Economy / e-Commerce

Consider the adoption of a risk-based approach to sharing economy to enable planning policy to "stand back" and enable innovation.

E-commerce and the sharing economy enable opportunities for business, be it in a residential premises or business premises. E-commerce and the sharing economy are trends that the planning system needs to continually monitor, such as via targeted research investigations.

The impacts of short stay accommodation via on-line platforms is a current example of a trend arising from the sharing economy. It may be that certain impacts need to be considered via regulatory or

**RESPONSE TO PRODUCTIVE ECONOMY DISCUSSION PAPER**  
City of Adelaide

				<p>policy tools other than the planning system. Looking ahead, autonomous vehicles are emerging as a trend which will need consideration around, for example, parking rates.</p> <p>'Data centres' are land uses which process data and need to be in proximity to where most data is needed. A number have been established in the City and the new Planning and Design Code should consider these land uses into the future.</p>
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Item 5.2 - Attachment A



# 2018-19 Quarter 2 Finance Report

**ITEM 5.3** 05/02/2019  
**The Committee**

2017/03018  
Public

**Program Contact:**  
Tracie Dawber, AD Finance 8203  
7002

**Approving Officer:**  
Steve Mathewson, Director  
Services

## EXECUTIVE SUMMARY:

The 2018-19 Quarter 2 Finance Report summarises:

- The year to date financial performance for the quarter ended 31 December 2018;
- Proposed adjustments to the Quarter 2 Revised Budget to fund emerging priorities and adjust income and expenditure in line with the latest forecasts for 2018-19.

The financial result for the second quarter is a net funding surplus of \$0.2m including subsidiaries. The year to date result is \$8.8m favourable to budget, primarily due to the timing variations in the delivery of projects \$4.5m (including City Transformation Investments and Commercial Opportunities), Subsidiaries \$3.7m, and favourable variances in General Operations \$1.1m.

The proposed net adjustments for the Quarter are \$2.4m, which includes Council retiming adjustments into 2019-20 of \$3.5m, and net additional Council requests of (\$1.1m) including Adelaide Central Market Authority Operations. These decrease the forecasted annual funding requirement for 2018-19 from (\$49.1m) to (\$46.7m). These adjustments include:

- A forecast reduction in the financial performance of Off-Street Parking as detailed in the 2018-19 Quarter 2 Commercial and Business Operations Report;
- Additional funding emerging priorities offset by savings identified;
- Retiming adjustments of \$3.5m to align the budgeted expenditure with the respective schedule of works across the 2019-20 financial year.

At the end of this financial year the cumulative funding requirement is forecasted to be (\$78.1m) which is a \$2.4m decrease compared to the Quarter 1 Revised Budget. This level of borrowing is within our current Prudential Borrowing Limits.

The Committee Chair will provide opportunity for this topic to be discussed prior to seeking a motion for a recommendation for Council.

## RECOMMENDATION:

### THAT THE COMMITTEE RECOMMENDS TO COUNCIL

#### That Council:

1. Notes the year to date Corporation Financial Performance for the period ended 31 December 2018, as detailed in Schedule 1 of Attachment A to Item 5.3 on the Agenda for the meeting of The Committee held on 5 February 2019.
2. Notes the year to date Treasury Report for the period ended 31 December 2018, as detailed in Schedule 2 of Attachment A to Item 5.3 on the Agenda for the meeting of The Committee held on 5 February 2019.

3. Notes the 2018-19 Proposed QF2 revised Long Term Financial Plan, forecasted Key Financial Indicators, and prudential borrowing ratios as detailed in Schedules 4-6 of Attachment A to Item 5.3 on the Agenda for the meeting of The Committee held on 5 February 2019.
  4. Notes the 2018-19 QF2 Proposed Forecast Uniformed Presentation of Finances as detailed in Schedule 7 of Attachment A to Item 5.3 on the Agenda for the meeting of The Committee held on 5 February 2019.
  5. Approves the 2018-19 proposed QF2 revised forecast for Business Operations, General Operations, Operating and Capital Projects, the Infrastructure Program, and City Transformation Investments as summarised in Schedule 3 and detailed in Schedules 8-14 in Attachment A to Item 5.3 on the Agenda for the meeting of The Committee held on 5 February 2019.
  6. Approves the proposed retiming of Operating and Capital Project budgets into 2019-20 as detailed in Schedules 10, 13 and 14 in Attachment A to Item 5.3 on the Agenda for the meeting of The Committee held on 5 February 2019.
  7. Notes the Quarter 2 Capital Program Report for the period ended 30 December 2018 as included in Schedule 15 in Attachment A to Item 5.3 on the Agenda for the meeting of The Committee held on 5 February 2019.
  8. Approves the proposed QF2 revised forecast for the Adelaide Central Market Authority (ACMA) as summarised in Schedule 16 and detailed in Schedule 17 of Attachment A to Item 5.3 on the Agenda for the meeting of The Committee held on 5 February 2019.
  9. Notes the 2017-18 QF2 Proposed Financial Statements as detailed in Schedule 18 of Attachment A to Item 5.3 on the Agenda for the meeting of The Committee held on 5 February 2019.
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## IMPLICATIONS AND FINANCIALS:

City of Adelaide 2016-2020 Strategic Plan	Strategic Alignment - Corporate Activities The deliverables and objectives set out in the Quarter 2 Revised Forecast (QF2) document are directly aligned to the delivery of year 3 of the 2016-2020 City of Adelaide Strategic Plan.
Policy	Not as a result of this report.
Consultation	Not as a result of this report.
Resource	Not as a result of this report.
Risk / Legal / Legislative	The Quarter 2 Revised Forecast (QF2) meets Council's obligations under the Local Government Act 1999 and Local Government (Financial Management) Regulations 2011. Council's Long Term Financial Plan is a requirement under section 122 of the Local Government Act 1999 (the Act), and section 5 of the Local Government (Financial Management) Regulations 2011.
Opportunities	Not as a result of this report.
18/19 Budget Allocation	Adjustment to the 2018-19 Budget are detailed throughout the Report and Attachment A.
Proposed 19/20 Budget Allocation	Retiming of Operating and Capital Projects of \$3.5m to 2019-20 as detailed in Schedules 11, 13-14 of Attachment A.
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report.
18/19 Budget Reconsideration (if applicable)	Yes. The year-end cumulative funding requirement of (\$78.1m) for QF2 is expected to be \$2.4m favourable to that included in the QF1 Budget as shown in Schedule 3 of <b>Attachment A</b> .
Ongoing Costs (eg maintenance cost)	Not as a result of this report.
Other Funding Sources	Not as a result of this report.

## DISCUSSION

1. **Attachment A** provides a summary of the financial performance for the quarter ended 31 December 2018 and proposes adjustments to the Quarter 1 Revised Forecast (QF1) as part of the Quarter 2 Revised Forecast (QF2).
2. Schedule 1 compares the financial performance for the first quarter to the 2018-19 QF1 Budget and shows a net funding surplus of \$0.2m inclusive of subsidiaries with a \$8.8m favourable variance. The favourable variance is primarily due to the timing variations in the delivery of projects for City of Adelaide \$4.5m, Subsidiaries \$3.7m (including Adelaide Central Market Authority Capital \$3.5m), and \$1.1m in General Operations of which \$0.7m relates to contractual services.
3. Schedule 2 provides the Treasury Report for the second quarter and shows borrowings as at 31 December 2018 of \$33.7m which is within our Prudential Borrowing Limits, and favourable net interest income/expense to budget of \$48k.
4. Schedule 3 provides a summary of all proposed adjustments to income and expenditure arising from emerging priorities, additional costs, savings, transfers between categories and carry forwards recommended by the Administration. The proposed net adjustments for QF2 are \$2.4m, decreasing the forecasted funding requirement for 2018-19 from (\$49.1m) to (\$46.7m).
5. Business Operations are forecast to be (\$1.1m) unfavourable to the QF1 due to the decline in performance of Off-Street Parking. Refer to Schedule 8 for a detailed list of proposed adjustments.
6. General Operations are forecast to be (\$0.4m) unfavourable to QF1 primarily due emerging priorities including Horticulture Program (\$0.4m). Refer to Schedule 9 for a detailed list of proposed adjustments.
7. Projects (Operating & Capital) are forecast to be \$0.8m favourable to QF1 primarily due to retiming adjustments of \$0.1m, net transfers of \$0.8m, savings of \$0.2m and emerging priorities of (\$0.2m). Refer to Schedules 10 and 11 for the detailed lists of proposed adjustments.
8. The Infrastructure Program is forecast to be \$1.3m favourable to QF1 primarily due to retiming adjustments of \$1.0m and net savings of \$0.3m. Refer to Schedule 12 for a summary of the Infrastructure Program and Schedule 13 for a detailed list of proposed adjustments.
9. City Transformation Investments are forecast to be \$1.8m favourable to QF1 due to retiming adjustments of \$2.4m and emerging priorities of (\$0.7m) for Gawler Place Redevelopment. Refer to Schedule 14 for a detailed list of proposed adjustments.
10. Commercial Opportunities are forecast to be in line with the Approved Budget.
11. Subsidiaries are forecast to be (\$26k) unfavourable to QF1 due to a reduction in revenue partially offset by savings in expenditure identified within Adelaide Central Market Authority, and a reallocation of priorities within the capital budget. Refer to Schedule 16 for a summary of the Subsidiaries, Schedule 17 for a detailed list of proposed adjustments for the Adelaide Central Market Authority.
12. The end of the financial year cumulative funding requirement is forecast to be (\$78.1m), which is a \$2.4m reduction compared to QF1.
13. Schedule 4 provides Long Term Financial Plan updated for the proposed QF2 Cumulative Borrowing Position and Baseline changes into 2019-20 and beyond.
14. Schedule 5 provides the proposed Quarter 2 Revised Key Financial Indicators and Ratios.
15. Schedule 6 provides the proposed Quarter 2 Revised Prudential Borrowing Ratios, which indicate that our 10 year projection of borrowings is within our current Prudential Borrowing Limits.
16. Schedule 15 provides a summary of the Capital Program (Capital Projects, the Infrastructure Program and City Transformation Investment Projects) performance to the end of December where 45% of projects are currently in the construction stage with 27% of the annual QF1 Budget has been spent.
17. Schedule 18 provides the proposed Financial Statements for QF2 compared to Adopted 2018-19 Budget.

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## ATTACHMENTS

**Attachment A** – 2018-19 Quarter 2 Revised Forecast

- END OF REPORT -



# 2018-19 Quarter 2 Revised Forecast

## Attachment A



# Schedule 1: 2018-19 Financial Performance to 31 December 2018

<b>Financial Performance</b>	Schedule 1: 2018-19 Financial Performance to 31 December 2018 Schedule 2: 2018-19 Treasury Report to 31 December 2018
<b>Revised Forecast</b>	Schedule 3: Proposed 2018-19 QF2 Revised Forecast Schedule 4: Revised Quarter 2 Long-Term Financial Plan Schedule 5: Revised Quarter 2 Key Financial Indicators and Ratios Schedule 6: Revised Quarter 2 Prudential Borrowing Ratios
<b>Uniform Presentation of Finances</b>	Schedule 7: Uniform Presentation of Finances
<b>General &amp; Business Operations</b>	Schedule 8: Proposed amendments to Business Operations Schedule 9: Proposed amendments to General Operations
<b>Projects</b>	Schedule 10: Proposed amendments to Operating Projects Schedule 11: Proposed amendments to Capital Projects
<b>Infrastructure Program</b>	Schedule 12: Infrastructure Program Summary Schedule 13: Proposed amendments to the Infrastructure Program
<b>City Transformation Investments</b>	Schedule 14: Proposed amendments to City Transformation Investments
<b>Capital Report</b>	Schedule 15: QF2 2018-19 Capital Program Report
<b>Subsidiaries</b>	Schedule 16: Subsidiaries Summary Schedule 17: Proposed amendments to Adelaide Central Market Authority
<b>Financial Statements</b>	Schedule 18: Financial Statements

# Schedule 1: 2018-19 Financial Performance to 31 December 2018

Financial Performance
Revised Forecast
Uniform Presentation of Finances
General & Business Operations
Projects
Infrastructure Program
City Transformation Investments
Capital Report
Subsidiaries
Financial Statements

This schedule compares the 2018-19 actual performance against 2018-19 QF1 Budget.

\$'m	Year to Date			Full Year
	2018-19 Actual	2018-19 Budget	Variance to Budget	2018-19 QF1 Budget
Business Operations	12.0	12.6	(0.6)	25.4
General Operations	18.5	17.4	1.1	34.1
Funding available for Projects	30.6	30.0	0.5	59.5
Projects (Operating & Capital)	(9.3)	(11.1)	1.8	(22.7)
Infrastructure Management Program	(16.2)	(17.5)	1.3	(50.4)
Projects and Infrastructure Program	(25.5)	(28.5)	3.0	(73.0)
Underlying Surplus/(Deficit)	5.1	1.5	3.6	(13.5)
City Transformation Investments	(3.2)	(4.5)	1.3	(16.7)
Commercial Opportunities	(2.2)	(2.4)	0.2	(14.2)
City of Adelaide Surplus/(Deficit)	(0.3)	(5.4)	5.1	(44.4)
Subsidiaries	0.5	(3.2)	3.7	(4.8)
<b>Annual Net Funding Surplus/(Deficit)</b>	<b>0.2</b>	<b>(8.6)</b>	<b>8.8</b>	<b>(49.1)</b>
<b>Cumulative Funding Surplus/(deficit) including Subsidiaries</b>				<b>(80.5)</b>

The year to date net funding surplus of \$0.2m which is \$8.8m favourable to budget. Key variances include:

- **Business Operations (\$0.6m) unfavourable** primarily due to the financial performance of Off-Street Parking and an income target of to be achieved through new income streams or additional revenues in existing businesses.
- **General Operations \$1.1m favourable** primarily due to the timing of contractual expenditure \$0.7m and Internal Charges \$0.3m.
- **Operating/Capital Projects \$1.8m favourable** mainly due to timing variances on operating projects including \$0.3m City Activation, Redevelopment of CoA Website \$0.2m, Smart Move Strategy \$0.2m and Community & Culture Grants/Partnerships \$0.2m.
- **Infrastructure Program \$1.3m favourable** due to the timing of ICT Renewals \$0.5m, Residential Streets \$0.4m and Park Lands \$0.4m.
- **City Transformation Investments \$1.3m favourable** primarily due delays in the Smart City Projects \$1.0m (including Smart Parking \$0.9m), and Market to Riverbank \$0.4m due to delays on Bentham Street.
- **Commercial Opportunities \$0.2m favourable** due to timing of activation and marketing activity
- **Subsidiaries \$3.7m favourable** due to the timing of ACMA capital works \$3.6m, including Fire & Emergency System \$1.5m, Security Upgrade \$0.6m, Stall Mezzanine Safety \$0.6m and Waste Management \$0.4m.

# Schedule 2: 2018-19 Treasury Report to 31 December 2018

## Financial Performance

### Revised Forecast

### Uniform Presentation of Finances

### General & Business Operations

### Projects

### Infrastructure Program

### City Transformation Investments

### Capital Report

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## Borrowing Facility

Borrowings Facility	Available	Interest Type	Interest Rate	Borrowing(s) Amount as at 30 September 2018	Change since previous report	Maturity Date	CAD Interest Rate
LGFA CAD 554	\$30m	Variable	2.75%	\$30m	(\$3.2m)	16/12/2023	2.75%
LGFA CAD 555	\$70m	Variable	2.75%	\$3.7m	(\$3.7m)	15/06/2033	2.75%

\* Note CAD facilities are flexible and allows Council to convert all or part of it into a fixed rate interest only loan for a maximum of 5 years.

## Prudential Borrowing Limits

Prudential Limit Ratio	Comments	Limits	YTD Actual to Dec-18	Proposed QF2 2018-19 EoY Position
<b>Debt Service Coverage Ratio</b>	The number of times Council's annual 'Amount Available for Projects' can service annual principle and interest commitments.	Min 5 times	26.93	9.9
<b>Leverage Test</b>	Total borrowings expressed as a multiple of the annual 'Amount Available for Projects'.	Max 1.5 years	0.57	1.35
<b>Asset Test</b>	The percentage of total borrowings to Council's saleable property assets.	Max 25%	10%	22.5%

## Interest Income/(Expenditure)

	Quarter Jul - Dec		Dec YTD		Annual	Administration Comments
	Actual	Budget	Actual	Budget	Budget	
<b>Revenue</b>	\$8,300	\$12,500	\$16,148	\$31,000	\$62,000	Interest revenue consists of interest earned on operating monies held in the NAB operating account.
<b>Expense</b>	(\$204,931)	(\$238,602)	(\$414,744)	(\$477,204)	(\$954,409)	Interest expense consist of LGFA CAD facility.

## Schedule 3: Proposed Quarter 2 Revised Forecast

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This schedule compares the 2018-19 QF2 full year forecast to 2018-19 QF1 Budget.

\$'m	2018-19 QF1 Budget	2018-19 QF2 Budget	Variance to QF1 Budget
Business Operations	25.4	24.3	(1.1)
General Operations	34.1	33.7	(0.4)
Funding available for Projects	59.5	58.1	(1.5)
Projects (Operating & Capital)	(22.7)	(21.9)	0.8
Infrastructure Management Program	(50.4)	(49.0)	1.3
Projects and Infrastructure Program	(73.1)	(70.9)	2.1
Underlying Surplus/(Deficit)	(13.5)	(12.8)	0.7
City Transformation Investments	(16.7)	(14.9)	1.8
Commercial Opportunities	(14.2)	(14.2)	-
Annual Funding Surplus/(deficit) excluding Subsidiaries	(44.4)	(41.9)	2.4
Subsidiaries	(4.8)	(4.8)	(0.0)
Annual Funding Surplus/(deficit) including Subsidiaries	(49.1)	(46.7)	2.4
Cumulative Funding Surplus/(deficit) including Subsidiaries	(80.5)	(78.1)	2.4

The proposed net adjustments are \$2.4m reducing the forecasted funding requirement for 2018-19 from (\$49.1m) to (\$46.7m). This includes proposed retiming adjustments of \$3.5m to 2019-20.

The cumulative funding requirement forecast to the end of 2018-19 has decreased from (\$80.5m) to (\$78.1m).

- **Business Operations (\$1.1m)** due to forecasted reduction in the financial performance of Off-Street Parking. *Refer to Schedule 8*
- **General Operations (\$0.4m)** due to Emerging Priorities (\$0.5m) and transfers of \$0.1m. *Refer to Schedule 9.*
- **Operating and Capital Projects \$0.8m** including retiming adjustments of \$0.1m, transfers of \$0.8m, savings of \$0.2m and emerging priorities of (\$0.2m). *Refer to Schedules 10 and 11 for a detailed breakdown.*
- **Infrastructure Program \$1.3m** due to retiming adjustments of \$1.0m and net savings of \$0.3m. *Refer to Schedules 12 and 13 for a detailed breakdown.*
- **City Transformation Investments \$1.8m** due to retiming adjustments of \$2.4m and Emerging Priorities of (\$0.7m) for Gawler Place Upgrade. *Refer to Schedule 14 for a detailed breakdown.*
- **Commercial Opportunities** in line with QF1 budget.
- **Subsidiaries** due to reduction in revenue partially offset by savings in expenditure for Adelaide Central Market Authority. *Refer to schedules 16 and 17 for a detailed breakdown.*

# Schedule 4: Proposed Quarter 2 Revised Long-Term Financial Plan

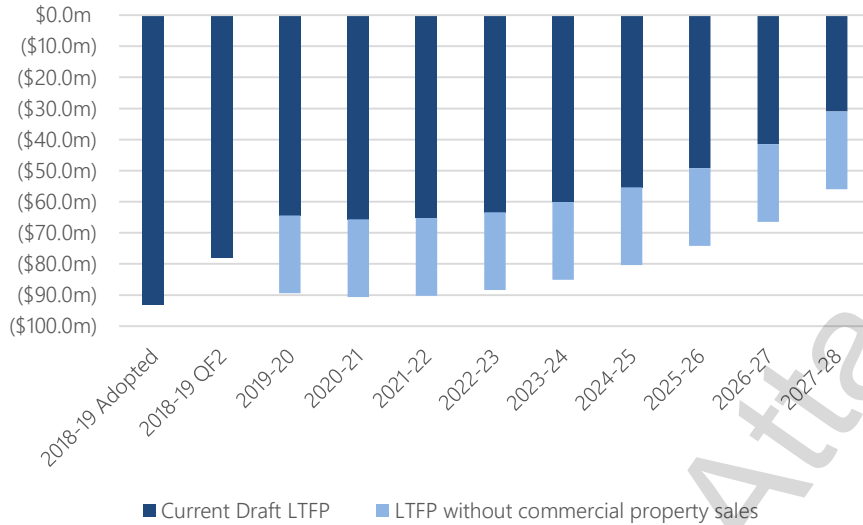
This schedule provides the Long Term Financial Plan updated for QF2 Cumulative Borrowing Position and Baseline changes into 2019-20 and beyond

	\$'m	2018-19 Budget (Adopted)	2018-19 Budget (Approved)	2018-19 QF1	2018-19 QF2	2019-20 Plan	2020-21 Plan	2021-22 Plan	2022-23 Plan	2023-24 Plan	2024-25 Plan	2025-26 Plan	2026-27 Plan	2027-28 Plan
<b>General Operations</b>														
General Rates		102.8	102.8	102.8	102.8	106.2	109.7	113.3	117.0	120.9	124.9	129.0	133.3	137.7
Other Revenue		32.9	32.9	33.8	33.8	32.8	33.6	34.4	35.2	36.0	36.8	37.6	38.5	39.4
Expenditure		(101.7)	(101.7)	(102.5)	(102.9)	(105.1)	(107.5)	(109.8)	(112.2)	(114.6)	(117.0)	(119.6)	(122.2)	(123.9)
<b>General Operations Surplus</b>		<b>34.1</b>	<b>34.0</b>	<b>34.1</b>	<b>33.7</b>	<b>33.9</b>	<b>35.8</b>	<b>37.9</b>	<b>40.0</b>	<b>42.3</b>	<b>44.7</b>	<b>47.0</b>	<b>49.6</b>	<b>53.2</b>
<b>Business Operations</b>														
Revenue		46.8	46.7	46.5	45.4	48.2	47.3	48.4	49.5	50.6	51.8	53.0	54.2	55.4
Expenditure		(21.2)	(21.2)	(21.1)	(21.1)	(21.5)	(22.0)	(22.5)	(23.0)	(23.5)	(24.0)	(24.6)	(25.2)	(25.8)
<b>Business Operations Surplus</b>		<b>25.7</b>	<b>25.6</b>	<b>25.4</b>	<b>24.3</b>	<b>26.7</b>	<b>25.3</b>	<b>25.9</b>	<b>26.5</b>	<b>27.1</b>	<b>27.8</b>	<b>28.4</b>	<b>29.0</b>	<b>29.6</b>
<b>Amount available for Projects</b>		<b>59.8</b>	<b>59.6</b>	<b>59.5</b>	<b>58.1</b>	<b>60.6</b>	<b>61.1</b>	<b>63.8</b>	<b>66.5</b>	<b>69.4</b>	<b>72.5</b>	<b>75.4</b>	<b>78.6</b>	<b>82.8</b>
<b>Projects (inc. Grants &amp; Sponsorships)</b>		<b>(17.3)</b>	<b>(17.9)</b>	<b>(17.8)</b>	<b>(17.0)</b>	<b>(15.7)</b>	<b>(16.1)</b>	<b>(16.5)</b>	<b>(16.9)</b>	<b>(17.3)</b>	<b>(17.7)</b>	<b>(18.1)</b>	<b>(18.5)</b>	<b>(18.9)</b>
<b>Capital Works Program</b>														
Infrastructure Program		(33.1)	(33.8)	(32.9)	(31.6)	(34.8)	(35.6)	(36.4)	(37.2)	(38.1)	(39.0)	(39.9)	(40.8)	(41.7)
Other Asset Renewals		(3.1)	(3.1)	(3.2)	(3.2)	(3.6)	(3.7)	(3.7)	(3.8)	(3.9)	(4.0)	(4.1)	(4.2)	(4.3)
Capital Works Program Management		(6.4)	(6.4)	(6.4)	(6.4)	(6.5)	(6.6)	(6.8)	(7.0)	(7.2)	(7.4)	(7.6)	(7.8)	(8.0)
<b>Capital Works Program</b>		<b>(42.5)</b>	<b>(43.3)</b>	<b>(42.5)</b>	<b>(41.2)</b>	<b>(44.9)</b>	<b>(45.9)</b>	<b>(46.9)</b>	<b>(48.0)</b>	<b>(49.2)</b>	<b>(50.4)</b>	<b>(51.6)</b>	<b>(52.8)</b>	<b>(54.0)</b>
<b>Underlying Current Year Funding Surplus/(Deficit)</b>		<b>0.0</b>	<b>(1.6)</b>	<b>(0.8)</b>	<b>(0.1)</b>	<b>0.1</b>	<b>(0.8)</b>	<b>0.4</b>	<b>1.6</b>	<b>2.9</b>	<b>4.4</b>	<b>5.7</b>	<b>7.3</b>	<b>9.9</b>
City Transformation Investments		0.0	0.0	(1.0)	0.8	(4.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commercial Opportunities		(13.7)	(13.8)	(13.7)	(13.7)	30.0	(0.2)	0.1	0.4	0.4	0.5	0.5	0.6	0.6
<b>Current Annual Funding Surplus/(Deficit)</b>		<b>(13.7)</b>	<b>(15.5)</b>	<b>(15.5)</b>	<b>(13.0)</b>	<b>25.9</b>	<b>(1.0)</b>	<b>0.5</b>	<b>2.0</b>	<b>3.4</b>	<b>4.8</b>	<b>6.2</b>	<b>7.9</b>	<b>10.5</b>
Project retiming		(21.8)	(28.9)	(28.9)	(28.9)	(10.5)	(0.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Annual Funding Surplus/(Deficit) Excluding Subsidiaries</b>		<b>(35.5)</b>	<b>(44.3)</b>	<b>(44.4)</b>	<b>(41.9)</b>	<b>15.4</b>	<b>(1.2)</b>	<b>0.5</b>	<b>2.0</b>	<b>3.4</b>	<b>4.8</b>	<b>6.2</b>	<b>7.9</b>	<b>10.5</b>
Subsidiaries		(5.0)	(5.1)	(4.8)	(4.8)	(1.6)								
<b>Annual Funding Surplus/(Deficit) Including Subsidiaries</b>		<b>(40.5)</b>	<b>(49.4)</b>	<b>(49.1)</b>	<b>(46.7)</b>	<b>13.8</b>	<b>(1.2)</b>	<b>0.5</b>	<b>2.0</b>	<b>3.4</b>	<b>4.8</b>	<b>6.2</b>	<b>7.9</b>	<b>10.5</b>
<b>Cumulative Funding Surplus/(Deficit) At End of Year - Including Subsidiaries</b>		<b>(93.0)</b>	<b>(89.4)</b>	<b>(80.5)</b>	<b>(78.1)</b>	<b>(64.3)</b>	<b>(65.5)</b>	<b>(65.0)</b>	<b>(62.9)</b>	<b>(59.6)</b>	<b>(54.7)</b>	<b>(48.5)</b>	<b>(40.7)</b>	<b>(30.1)</b>

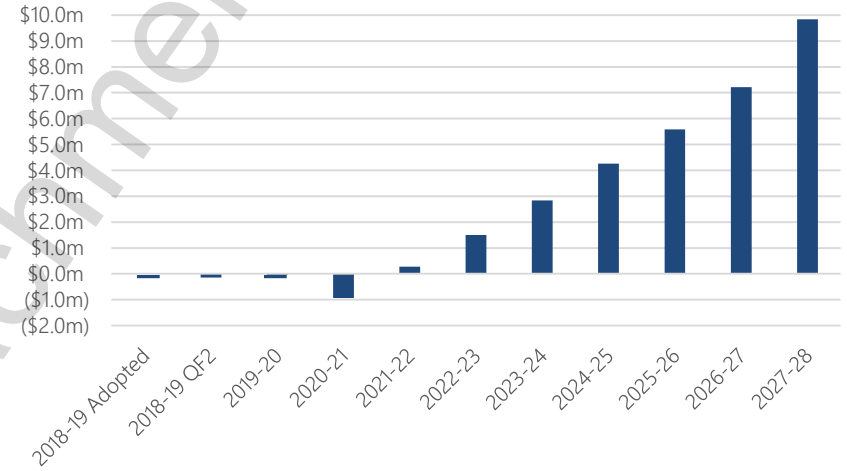
# Schedule 5: Proposed Quarter 2 Revised Key Financial Indicators and Ratios

- Financial Performance
- Revised Forecast
- Uniform Presentation of Finances
- General & Business Operations
- Projects
- Infrastructure Program
- City Transformation Investments
- Capital Report
- Subsidiaries
- Financial Statements

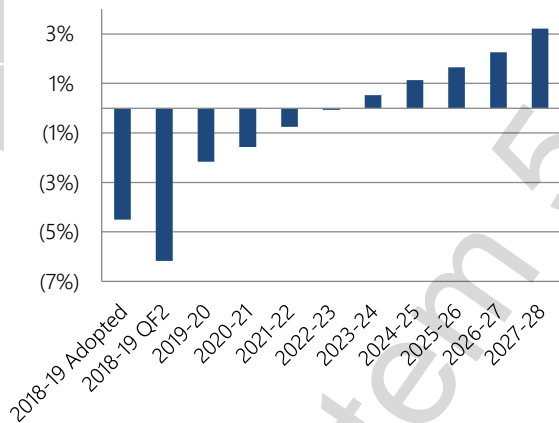
**Borrowings**



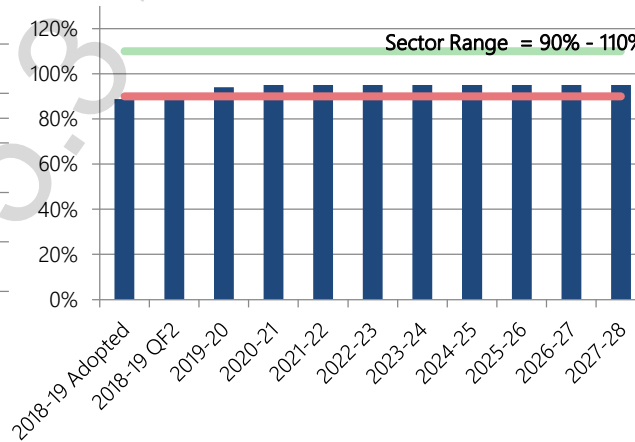
**Underlying Operating Surplus/(Deficit)**



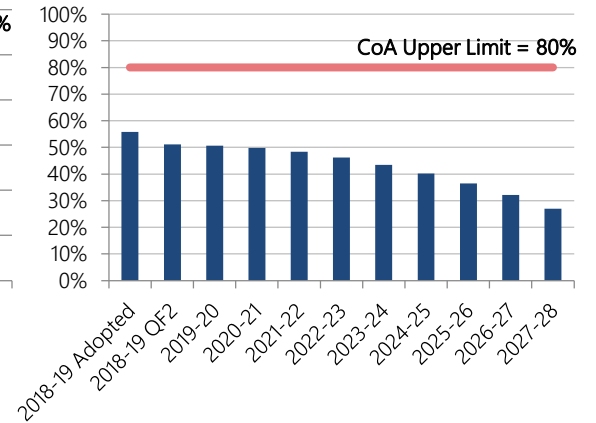
**Operating Surplus Ratio**



**Asset Sustainability Ratio**



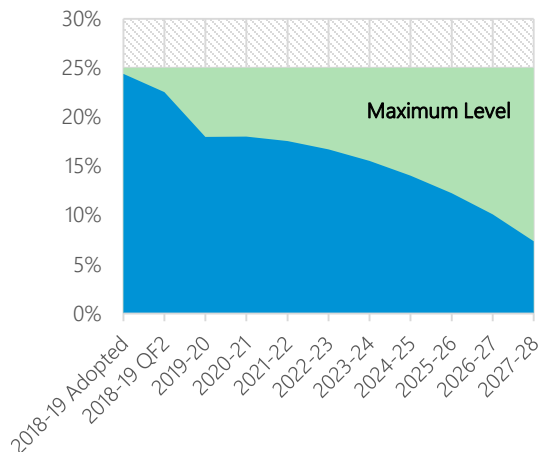
**Net Financial Liabilities Ratio**



# Schedule 6: Proposed Quarter 2 Revised Prudential Borrowing Ratios

- Financial Performance
- Revised Forecast**
- Uniform Presentation of Finances
- General & Business Operations
- Projects
- Infrastructure Program
- City Transformation Investments
- Capital Report
- Subsidiaries
- Financial Statements

**Asset Test Ratio**

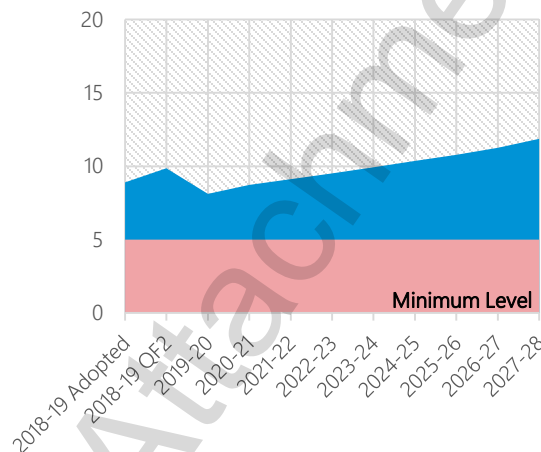


The percentage of total borrowings to Council's saleable property assets.

**Maximum 25%**

Total Borrowings / Total Saleable Property Assets  
(Saleable Property Assets = Total Property Assets LESS Landmark Public Buildings and Park Lands)

**Debt Service Coverage Ratio**

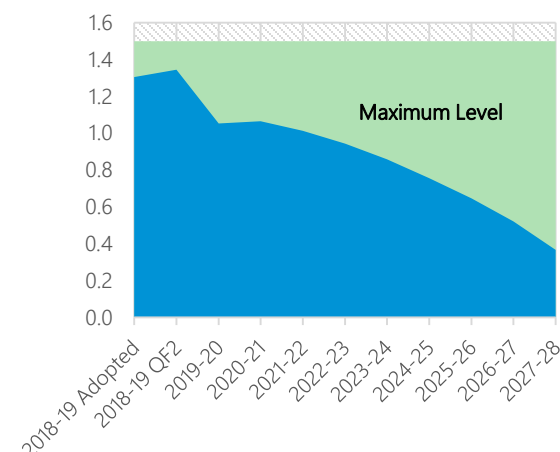


The number of times Council's annual 'Amount Available for Projects' can service annual principle and interest commitments.

**Minimum 5 times**

(General Operations Surplus + Commercial Businesses Surplus) / Annual Principal and Interest Payments.

**Net Financial Liabilities Ratio**



Total borrowings expressed as a multiple of the annual 'Amount Available for Projects'.

**Maximum 1.5 Years**

Total Borrowings / (General Operations Surplus + Commercial Businesses Surplus)



# Schedule 7: Uniform Presentation of Finances

Financial Performance	Consolidated \$'m	2018-19 Adopted Budget	2018-19 Approved Budget	2018-19 QF1 Budget	2018-19 QF2 Budget
Revised Forecast					
<b>Uniform Presentation of Finances</b>					
	Income	197.2	196.9	197.5	196.3
	<i>less</i> Expenses	(206.1)	(208.7)	(208.8)	(208.3)
	<b>Operating Surplus / (Deficit)</b>	<b>(8.9)</b>	<b>(11.8)</b>	<b>(11.3)</b>	<b>(12.0)</b>
General & Business Operations	<i>add</i> Project related expenditure	8.3	9.1	9.2	8.4
Projects	<b>Funding Surplus before Capital Amounts</b>	<b>(0.6)</b>	<b>(2.7)</b>	<b>(2.1)</b>	<b>(3.6)</b>
Infrastructure Program	<b><i>less</i> Net Outlays on Existing Assets</b>				
	Capital expenditure on renewal and replacement of existing assets	53.2	58.4	58.0	56.9
City Transformation Investments	<i>less</i> Depreciation, Amortisation and impairment	(43.6)	(43.6)	(43.4)	(43.4)
	<i>less</i> Amounts received specifically for existing assets	(1.6)	(2.6)	(2.9)	(3.2)
Capital Report	<b>Sub-total</b>	<b>8.0</b>	<b>12.2</b>	<b>11.7</b>	<b>10.3</b>
Subsidiaries	<b><i>less</i> Outlays on New and Upgraded Assets</b>				
	Capital expenditure on new and upgraded assets	42.4	46.3	47.4	40.0
Financial Statements	<i>less</i> Amounts received specifically for new and upgraded assets	(10.5)	(11.8)	(12.1)	(7.2)
	<b>Sub-total</b>	<b>31.9</b>	<b>34.5</b>	<b>35.3</b>	<b>32.8</b>
	<b>Net Lending / (Borrowing) for Financial Year</b>	<b>(40.5)</b>	<b>(49.4)</b>	<b>(49.1)</b>	<b>(46.7)</b>

## Schedule 8: Proposed amendments to Business Operations

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Reference	Description	Proposed Net Budget Adjustment \$'000s	Administration Comment	Baseline Change
BO1	Off-Street Parking	(1,100)	Forecasted reduction in performance of Off-Street Parking as detailed in the 2018-19 Quarter 2 Commercial and Business Operations Report	One-Off
BO2	Commercial Rent	20	Additional internal rent received from Adelaide Central Market Authority due to an increase in forecasted revenue.	One-Off
<b>Total Net Adjustment</b>		<b>(1,080)</b>		

## Schedule 9: Proposed amendments to General Operations

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Reference	Description	Proposed Net Budget Adjustment \$'000s	Administration Comment	Baseline Change
GO1	Horticulture Program	(371)	Additional costs incurred in the Horticulture Program.	One-Off
GO2	On Street Parking Machines	(48)	Adjustment to On-Street Parking income due to delays in the completion of the North Terrace Tram works as the Department of Planning, Transport & Infrastructure have been using parking bays for storage of materials and equipment.	One-Off
GO3	Discounts applied to event fees and remediation costs	(50)	Additional discounts applied to event fees and remediation costs.	One-Off
GO4	Contribution to Household and Business Insight Surveys	80	Reallocation of expenditure to Operating Projects for <ul style="list-style-type: none"> <li>OP3 Employment and Activity Snapshot 2019 (Business Insights) \$50k</li> <li>OP4 Household insights Survey \$30k</li> </ul>	One-Off
GO5	DPTI Planning portal contribution	9	Savings identified.	One-Off
<b>Total Adjustment</b>		<b>(380)</b>		

# Schedule 10: Proposed amendments to Operating Projects (1 of 2)

Reference	Project	Current Net Budget 2018-19 \$'000s	Proposed Net Budget Adjustment \$'000s	Proposed Net Carry Forwards \$'000s	Revised Net Budget (QF2) 2018-19 \$'000s	Administration Comment
OP1	Modern Approach to Grow the City Economy	-	(60)	-	(60)	Funding to support business stakeholder based investigations into alternative governance and funding models for the City's mainstreets to enable a greater level of marketing, activation and investment attraction for the City as a whole.
OP2	Retail Strategy	(400)	(39)	-	(439)	To fund additional promotional activity aimed at increasing awareness of summer shopping opportunities, including boxing day events across the city.
OP3	Employment and Activity Snapshot 2019 (Business Insights)	-	(80)	-	(80)	The Employment and Activity Snapshot (EAS) 2019 will provide a survey of every business in the City (over 5,000) focussing on number, industry types and employment. Funded through reallocations from: <ul style="list-style-type: none"> <li>• GO4 General Operations \$50k</li> <li>• OP5 Service &amp; Efficiency Review \$10k</li> <li>• OP6 Visitor Growth \$20k.</li> </ul>
OP4	Household insights Survey	-	(30)	-	(30)	Funding to complete a survey to understand the resident experience of the city through monitoring of community wellbeing and satisfaction, and the importance of Council services and facilities. The project is funded through the reallocation of GO4 General Operations \$30k.
OP5	Service & Efficiency Review	(618)	10	-	(608)	Reallocation of funds to complete the Employment and Activity Snapshot 2019 survey project OP3.
OP6	Visitor Growth	(221)	20	-	(201)	
OP7	Business Activation and Support	(150)	13	-	(138)	Reallocation of funds to OP8 National Economic Development Australia Conference.
OP8	National Economic Development Australia Conference	-	(13)	-	(13)	To fund the National Economic Development Australia Conference in partnership with 6 other Councils, with funds reallocated from OP7 Business Activation and Support.
OP9	Smart Move Strategy - Sth Local Area Traffic Management Plan	(130)	-	60	(70)	Project to commence in January with community engagement scheduled March 2019. Plan to be delivered and considered by Council by the end of the calendar year.
OP10	Park Lands Strategy Implementation - Hindmarsh Square MP	(200)	200	-	-	Drivers for the Hindmarsh Square Master Plan were reviewed in November, and proposed to delay the project for reconsideration in future years.

## Schedule 10: Proposed amendments to Operating Projects (2 of 2)

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Reference	Project	Current Net Budget 2018-19 \$'000s	Proposed Net Budget Adjustment \$'000s	Proposed Net Carry Forwards \$'000s	Revised Net Budget (QF2) 2018-19 \$'000s	Administration Comment
OP11	Turning Gray St Green	-	60	-	-	NRM grant for Green Wall (\$40k) and Community works (\$20k) to improve greening in Gray Street.
			(60)			Recognition of NRM grant for Green Wall (\$40k) and Community works (\$20k) to improve greening in Gray Street.
Projects with no changes		(16,193)	-	-	(16,193)	
<b>Total Net Adjustment</b>		<b>(17,912)</b>	<b>21</b>	<b>60</b>	<b>(17,831)</b>	

# Schedule 11: Proposed amendments to Capital Projects

Project Number	Project	Current Net Budget 2018-19 \$'000s	Proposed Net Budget Adjustment \$'000s	Proposed Net Carry Forwards \$'000s	Revised Net Budget (QF2) 2018-19 \$'000s	Administration Comment	Contracted
T005	Brownhill Keswick Creek	(721)	721	-	-	Consolidation of 2017-18 carried forward budget with 2018-19 budget allocation (Water Infrastructure)	N/A
Projects with no changes		(4,038)	-	-	(4,038)		
<b>Total Capital Projects</b>		<b>(4,759)</b>	<b>721</b>	<b>-</b>	<b>(4,038)</b>		

## Projects

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# Schedule 12: Infrastructure Program and Renewals Summary

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Category	Current Net Budget (QF1) 2018-19	Proposed Net Budget Adjustment	Proposed Net Carry Forwards	Revised Net Budget (QF2) 2018-19
Main Streets	(7,798)	281	-	(7,517)
Residential Streets	(6,398)	410	300	(5,688)
Laneways	(2,846)	(310)	300	(2,856)
City Landscape	(1,376)	101	-	(1,275)
Street Furniture	(408)	-	-	(408)
Park Lands	(2,473)	(341)	149	(2,665)
City Works				
Transport	(6,993)	206	-	(6,787)
Traffic Signal	(1,136)	(1)	-	(1,136)
Bridges	(1,828)	-	-	(1,828)
Lighting & Electrical	(2,116)	(3)	-	(2,119)
Water Infrastructure	(1,593)	(474)	158	(1,910)
Urban Elements	(869)	-	-	(869)
Park Lands Assets	(743)	-	-	(743)
City Works Sub Total	(15,278)	(272)	158	(15,392)
Asset Management Services	(600)	-	-	(600)
Design Services	(650)	650	-	-
Buildings	(2,933)	(183)	90	(3,026)
Plant, Fleet and Equipment	(1,572)	-	-	(1,572)
Information Management	(1,600)	-	-	(1,600)
Sub-total	<b>(43,932)</b>	<b>337</b>	<b>997</b>	<b>(42,599)</b>
Capital Works Program Management	(6,426)	-	-	(6,426)
<b>Infrastructure Program &amp; Renewals</b>	<b>(50,358)</b>	<b>337</b>	<b>997</b>	<b>(49,025)</b>

The full year QF2 forecast for the Infrastructure Program is a \$1.3m reduction due to \$1.0m of carry forwards and \$0.3m of savings, allocated to Public Realm.

- **Residential Streets \$0.7m net decrease** mainly due to \$500k saving from deferral of Vincent St and Vincent Place project and \$300k carry forward for Gray Street.
- **Main Streets \$0.3m net decrease** due to savings (Main Streets Improvement Program and Hindley Street) \$506k partly offset by re-allocation of Design Services funds (\$225k).
- **City Landscape \$0.1m net decrease** due to savings from completed projects \$120k offset by transfer from Design Services (\$16k).
- **Laneways (\$0.0m)** carry forward of Union St \$300k partly offset by (\$200k) additional funds for Gresham St and transfer from Design Services (\$110k).
- **Buildings (\$0.1m) net increase** due to a new project for Central Market Arcade Safety work (\$120k) and additional funds for the Town Hall café refurbishment (\$62k) offset by a carry forward for the Bell Tower safety access and refurbishment project \$90k.
- **City Works (\$0.1m) net increase:** additional Blackspot funding income for Morphett/Gouger Intersection \$194k and additional Federal Assistance grant income \$108k, a carry forward for Brownhill Keswick Creek \$158k, 2 project cancellations \$85k more than offset by 3 new projects (\$527k for Gresham St stormwater, \$50k for Frome/Rundle St communications pit and \$16k for East Terrace Median works).
- **Park Lands (\$0.2m) net increase** due to re-allocation of Design Services funds to Park Lands projects (\$249k) and additional funds for Path from NA Station to Mills Terrace (\$100k) partly offset by carry forward for Place of Reflection \$149k.

# Schedule 13: Proposed amendments to the Infrastructure Program (1 of 6)

Project Number	Project	Current Net Budget 18-19 \$'000s	Proposed Net Budget Adjustment \$'000s	Proposed Net Carry Forwards \$'000s	Revised Net Budget 18-19 \$'000s	Administration Comment	Contracted
<b>Main Streets</b>							
T102	Melbourne St Streetscape	(446)	22	-	(424)	Project completed with savings.	Completed
U101	Main Streets Improvements	(435)	371	-	(64)	Project scope reduced and savings released.	No
U102	Hindley Street	(450)	113	-	(337)	Scope was reduced from Concept Design to Masterplan, resulting in \$113k savings.	No
U103	Grote St (Design)	-	(150)	-	(150)	Design Services funds transferred to the design project for Grote Street.	Partial
U110	Angas St (Design)	-	(75)	-	(75)	Design Services funds transferred to the design project for Angas Street.	Partial
Projects with no changes		(6,467)	-	-	(6,467)		
<b>Total Main Streets</b>		<b>(7,798)</b>	<b>281</b>	<b>-</b>	<b>(7,517)</b>		
<b>Residential Streets</b>							
U113	Archer Street	(410)	(40)	-	(450)	Funding required to allow western section to be constructed in 2018-19.	No
U116	Gray St (Currie to Waymouth)	(700)	65	300	(400)	Recognition of grant and related expenses (\$65k) from NRM for installation of rainwater gardens and passively irrigated street trees. Carry forward (\$300k) due to dependency on completion of Unilodge accommodation construction works, completion August 2019.	Partial
U117	Gray St (North Terrace to Currie) (Design)	-	(50)	-	(50)	Design Services funds transferred to the design project for Gray Street (North Terrace to Currie St).	Partial
U118	Vincent St and Vincent Place	(500)	500	-	-	Limited community interest in improvements other than lighting cable undergrounding resulted in project closure, a separate project will be raised if a grant for undergrounding can be obtained.	No
Projects with no changes		(4,788)	-	-	(4,788)		
<b>Total Residential Streets</b>		<b>(6,398)</b>	<b>410</b>	<b>300</b>	<b>(5,688)</b>		



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<b>Laneways</b>							
T118	Gresham St Streetscape	(645)	(200)	-	(845)	Design change and resulting cost increase due to variations (\$200k).	Partial
U120	Union Street	(1,500)	-	300	(1,200)	Construction delayed due to festival season and limitation to available working hours by external stakeholders. Completion scheduled August 2019.	Partial
U121	Laneways (Design)	-	(70)	-	(70)	Design Services funds transferred to the design project for Laneways.	Partial
U126	Paxton's Walk and Vaughan Place (Design)	-	(40)	-	(40)	Design Services funds transferred to the design project for Paxton's Walk and Vaughan Place.	No
Project with no changes		(702)			(702)		
<b>Total Laneways</b>		<b>(2,846)</b>	<b>(310)</b>	<b>300</b>	<b>(2,856)</b>		
<b>City Landscape</b>							
T126	King William St Median	-	(2)	-	(2)	Project completed with small overspend.	Completed
T198	Landscaping Frome St	(279)	76	-	(204)	Project completed with savings.	Completed
U125	East Terrace Medians	(85)	34	-	(51)	Project completed with savings.	Completed
U141	Hurtle Square Landscape Improvements	(90)	10	-	(80)	Project completed with savings.	Completed
U144	Louder's Precinct (Design)	-	(16)	-	(16)	Design Services funds transferred to a newly created project for Louder's Precinct (Design only)	Partial
Projects with no changes		(922)	-	-	(922)		
<b>Total City Landscape</b>		<b>(1,376)</b>	<b>101</b>	<b>-</b>	<b>(1,275)</b>		

<b>Table Key</b>	Additional Expenditure / Reduced Income	Transfers / Zero Bottom Line	Savings / Increased Income	Carry Forwards
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Project Number	Project	Current Net Budget 18-19 \$'000s	Proposed Net Budget Adjustment \$'000s	Proposed Net Carry Forwards \$'000s	Revised Net Budget 18-19 \$'000s	Administration Comment	Contracted
<b>Park Lands</b>							
U155	Place of Reflection	(150)	-	264 (115)	(1)	Considerations in choosing a site and establishing an advisory group will push completion of concept design into June 2019 with construction extending into 2019-20.	No
U156	Light Horse Memorial Improvements	-	(10)	-	(10)	Design Services funds transferred to the design project for Light Horse Memorial improvements.	No
U158	War Memorial Drive (Design)	-	(9)	-	(9)	Design Services funds transferred to the design project for War Memorial Drive.	Yes
U159	Path from North Adelaide station to Mills Terrace	(200)	(100)	-	(300)	Quotes received for work are above budget.	No
U160	Town Clerk's Walk (Design)	-	(40)	-	(40)	Design Services funds transferred to the design project for Town Clerk's Walk.	No
U161	Park 24 Access Improvements (Design)	-	(130)	-	(130)	Design Services funds transferred to the design project for Park 24 Access Improvements.	No
U162	Pelzer Park/Pityarilla (Park 19) Plaque	(10)	8	-	(2)	Project completed with savings.	Completed
U164	Park Planning – Event Infrastructure Rymill, Rundle (Design)	-	(60)	-	(60)	Design Services funds transferred to a newly created project for Park Planning for Events.	Partial
Projects with no changes		(2,113)	-	-	(2,113)		
<b>Total Park Lands</b>		<b>(2,473)</b>	<b>(341)</b>	<b>149</b>	<b>(2,665)</b>		

# Schedule 13: Proposed amendments to the Infrastructure Program (4 of 6)

Project Number	Project	Current Net Budget 18-19 \$'000s	Proposed Net Budget Adjustment \$'000s	Proposed Net Carry Forwards \$'000s	Revised Net Budget 18-19 \$'000s	Administration Comment	Contracted
<b>Transport/Transportation Multi-Class</b>							
T134	Morphett/Gouger St Intersection	(555)	194 (194)	-	(361)	Recognition of unbudgeted Blackspot funding of \$194k. Savings of \$194k as project completed.	Completed
U300	Roads Renewal Program	(2,037)	194 (80)	-	(2,009)	Recognition of Financial Assistance grant \$108k, increase of funds to include road reseals ancillary to major projects (\$80k).	Yes
U340	East Terrace Median Works	-	(16)	-	(16)	Median opening for U-turns and resulting access to parking spaces.	Completed
Projects with no changes		(4,401)	-	-	(4,401)		
<b>Total Transportation Multi-Class</b>		<b>(6,993)</b>	<b>206</b>	<b>-</b>	<b>(6,787)</b>		
<b>Traffic Signals</b>							
T180	Traffic Signals Frome St	(17)	(1)	-	(18)	Project completed with small overspend.	Completed
Projects with no changes		(1,118)	-	-	(1,118)		
<b>Total Water Infrastructure</b>		<b>(1,136)</b>	<b>(1)</b>	<b>-</b>	<b>(1,136)</b>		
<b>Lighting and Electrical</b>							
T197	Lighting Renewals Frome St	(98)	6	-	(93)	Project completed with savings.	Completed
U211	Street Lighting Renewal	(44)	41	-	(3)	Project funds insufficient to deliver scope. Project cancelled, work included in future IBPs.	N/A
U215	Frome/Rundle St communication ducts and pits	-	(50)	-	(50)	A communication pit on the corner of Frome and Rundle St renewed to allow access to services.	Partial
Projects with no changes		(1,974)	-	-	(1,974)		
<b>Total Lighting and Electrical</b>		<b>(2,116)</b>	<b>(3)</b>	<b>-</b>	<b>(2,119)</b>		

Table Key

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Reduced IncomeTransfers /  
Zero Bottom LineSavings /  
Increased Income

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<b>Water Infrastructure</b>							
T196	Stormwater Renewals Frome St	(341)	(1)	-	(342)	Project completed with small overspend.	Completed
U233	Minor water projects	(39)	39	-	-	Budget was allocated for Gross Pollutant Trap Program however no work is required. Project closed.	N/A
U234	Brownhill Keswick Creek	(650)	(721)	158	(477)	Project consolidated with prior year carry forward (Capital project) of \$721k. Program schedule was reviewed by Project Steering group. Due to further delays \$735k savings with \$158k carried forward to increase the planned contribution for 2019-20.	Partial
U235	Gresham St Stormwater	-	(527)	-	(527)	During recent works at the related streetscape project it was found that the stormwater pipes need replacing due to failure of the asset.	Partial
Projects with no changes		(563)	-	-	(563)		
<b>Total Water Infrastructure</b>		<b>(1,593)</b>	<b>(474)</b>	<b>158</b>	<b>(1,910)</b>		
<b>Urban Elements</b>							
U229	Fireman Gardners Memorial	-	19	-	-	After damage to the Memorial an insurance claim was raised. The received funds of \$19k will be used for remediation.	No
Projects with no changes		(869)	(19)	-	(869)		
<b>Total Urban Elements</b>		<b>(869)</b>	<b>-</b>	<b>-</b>	<b>(869)</b>		
<b>Design Services</b>							
U930	Design Services	(650)	650	-	-	Design Services funds re-allocated to individual design projects across various budget categories.	N/A
Projects with no changes		-	-	-	-		
<b>Total Asset Management Services</b>		<b>(650)</b>	<b>650</b>	<b>-</b>	<b>-</b>		

<b>Table Key</b>	Additional Expenditure / Reduced Income	Transfers / Zero Bottom Line	Savings / Increased Income	Carry Forwards
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# Schedule 13: Proposed amendments to the Infrastructure Program (6 of 6)

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Project Number	Project	Current Net Budget 18-19 \$'000s	Proposed Net Budget Adjustment \$'000s	Proposed Net Carry Forwards \$'000s	Revised Net Budget 18-19 \$'000s	Administration Comment	Contracted
<b>Buildings</b>							
U263	Adelaide Aquatic Centre renewal	(40)	7	-	(33)	Project completed with savings.	Completed
U267	Bell Tower safety access and refurbishments (ATH)	(127)	-	90	(37)	Limited material sourcing, previous supplier closed down. Further impediment due to specialist works with limited supplier options. Scheduled completion December 2019.	No
U272	Town Hall Café refurbishment	(100)	(62)	-	(162)	Tender prices for work elements of the café refurbishment funded through a CoA contribution came in higher than anticipated (\$62k).	No
U274	Central Market Arcade Safety Works	-	(120)	-	(120)	Central Market Arcade lease expired in September 2018 with the building reverting back to CoA control. Funds are required for urgent safety works.	No
U275	Town Hall works	-	(8)	-	(8)	New project for urgent work in Town Hall.	Completed
Projects with no changes		(2,666)	-	-	(2,666)		
<b>Total Buildings</b>		<b>(2,933)</b>	<b>(183)</b>	<b>90</b>	<b>(3,026)</b>		

<b>Table Key</b>	Additional Expenditure / Reduced Income	Transfers / Zero Bottom Line	Savings / Increased Income	Carry Forwards
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# Schedule 14: Proposed amendments to City Transformation Investments

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Project Number	Project	Current Net Budget 18-19 \$'000s	Proposed Net Budget Adjustment \$'000s	Proposed Net Carry Forwards \$'000s	Revised Net Budget 18-19 \$'000s	Administration Comment	Contracted
<b>City Transformation Investments</b>							
S710	Gawler Place Redevelopment	(6,337)	(687)	-	(7,024)	Increase in scope of project requiring additional funds, <b>Council ID: 18794.</b>	Yes
S716	Market to Riverbank Laneways Upgrade	(3,400)	-	(1,400) 2,800	(2,000)	Due to third party construction taking place throughout the link, some of the work has to be rescheduled to 2019-20.	Partial
S718	North Terrace Public Realm upgrade	(1,500)	-	463	(1,037)	Review of design and service investigations have delayed start of construction with some work scheduled for completion in 2019-20.	Partial
S780	City of Adelaide Bikeways Project – East-West	(217)	-	(217) 434	-	Negotiations still underway with State Government.	No
S781	City of Adelaide Bikeways Project – Bikeshare	(365)	-	(365) 730	-	Negotiations still underway with State Government.	No
T190	Denise Norton Park/Pardipardinyilla (Park 2) East Enhancement	-	-	(2,950) 2,950	-	Delay to finalisation of grant resulted in later start of design work. New completion date for design is June 2019. The tender process and construction will commence in 2019-20.	No
Projects with no changes		(4,833)	-	-	(4,833)		
<b>Total City Transformation Investments</b>		<b>(16,652)</b>	<b>(687)</b>	<b>2,445</b>	<b>(14,893)</b>		

# Schedule 15: QF2 2018-19 Capital Program Report (1 of 3)

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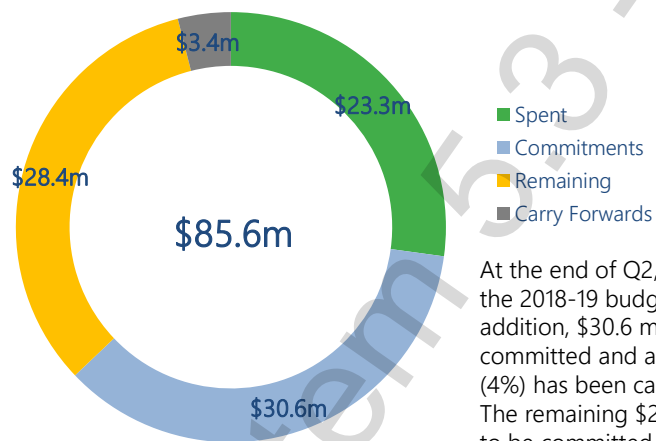
Project Type	Major Projects	Streets	City Works	City Landscapes	Buildings	Other	Total	Percentage
Carry forward from 17-18	11	14	18	5	7	22	77	35.3%
18-19 Program of Work	4	24	44	25	13	17	127	58.3%
New 18-19 Projects	0	0	4	5	4	1	14	6.4%
<b>Total</b>	<b>15</b>	<b>38</b>	<b>66</b>	<b>35</b>	<b>24</b>	<b>40</b>	<b>218</b>	<b>100%</b>
Planning Phase	1	1	3	0	4	6	15	6.9%
Design Phase	1	19	15	11	3	1	50	22.9%
Construction Phase	7	6	33	12	13	27	98	45.0%
Ongoing projects with completion planned in future years	4	2	1	1	1	2	11	5.0%
Delivered	2	8	12	11	3	4	40	18.4%
Not Progressing This Year	0	2	2	0	0	0	4	1.8%

There are 218 projects in 2018-19 for the Capital Program. 77 are carry forwards from 2017-18 and 14 are new projects. Of these, 40 projects (18%) have been delivered.

4 projects will not be progressing this year.

There are 29 design only projects in 2018-19 Capital Program.

## Capital Program - Budget Profile



At the end of Q2, \$23.3 million (27%) of the 2018-19 budget has been spent. In addition, \$30.6 million (36%) has been committed and an additional \$3.4 million (4%) has been carried forward. The remaining \$28.4 million (33%) is yet to be committed.

# Schedule 15: QF2 2018-19 Capital Program Report (2 of 3)

Financial Performance	<b>City Transformation Investments</b>	
Revised Forecast	<b>Project</b>	<b>Key Update</b>
Uniform Presentation of Finances	<b>Pelzer Park/Pityarrilla (Park 19) Enhancements</b>	<ul style="list-style-type: none"> <li>Park re-opened to the public in May. Minor enhancement being undertaken with remaining available grant budget. Awaiting on execution of Kaurua inspired Public Art contract. Opportunities to use interest earned on grant monies for project enhancements being investigated.</li> </ul>
General & Business Operations	<b>Josie Agius/Wikaparntu Wirra and Gladys Elphick Park/Narningga (Park 22 &amp; 25) [two projects]</b>	<ul style="list-style-type: none"> <li>Park 22 – Project is complete and operational but there remains opportunities for the use of remaining available grant budget.</li> <li>Park 25 – Park launch held successfully in November. Public Works Committee Report submitted to the State Government for reporting and closing out of the project.</li> </ul>
Projects	<b>Gawler Place Redevelopment</b>	<ul style="list-style-type: none"> <li>BMD Constructions engaged and contracted to deliver project. Works commenced on 11 January 2019.</li> </ul>
Infrastructure Program	<b>City of Adelaide Bikeways</b>	<ul style="list-style-type: none"> <li>North-South Bikeway: Works completed on Wakefield to Rundle sections. Design commenced on North Adelaide sections</li> <li>East-West Bikeway: Not progressing this year. Project proposing a net carry forward of \$217K</li> <li>Bikeshare Scheme: Not progressing this year. Project proposing a net carry forward of \$365K</li> </ul>
City Transformation Investments	<b>Market to Riverbank</b>	<ul style="list-style-type: none"> <li>Topham Mall lighting program changed over due to issue with the existing system.</li> <li>Bentham St currently in design and construction phase with service authority upgrades and service re-locations underway.</li> <li>Design work started on other lanes.</li> <li>Project proposing a net carry forward of \$1.4m.</li> </ul>
<b>Capital Report</b>	<b>North Terrace Public Realm</b>	<ul style="list-style-type: none"> <li>Master Program under review, with proposals to provide alternatives on paver size. Service Investigation contract awarded.</li> <li>Project proposing a carry forward of \$463K</li> </ul>
Subsidiaries	<b>Denise Norton Park/Pardipardinyilla (Park 2) Enhancements</b>	<ul style="list-style-type: none"> <li>Grant scope adjustment signed off by DPTI. Currently at tender for design consultancy. Project proposing a gross expenditure carry forward of \$2.95m (100% grant funded).</li> </ul>
Financial Statements	<b>Smart Projects</b>	<ul style="list-style-type: none"> <li>Smart parking infrastructure is installed with go live anticipated for January. Off-Street parking element delayed until February 2019.</li> </ul>



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## Completed Projects in Q2

### City Transformation Investments

- ✓ Park 25 (Gladys Elphick/ Narnungga)

### Streets

- ✓ City West Quietway Stage 2 – Lowe, Blenheim & Gray
- ✓ O'Connell St Streetscape

### City Works

- ✓ Morphett / Gouger Street Intersection
- ✓ Bridge Renewal (Albert Bridge)
- ✓ East Terrace Median Opening
- ✓ Frome St Pedestrian Improvement
- ✓ Stormwater Renewals (Frome St)
- ✓ Lighting Renewals (Frome St)
- ✓ Road Renewals (Ifould St, Beaumont Road North, Rundle St, Princess St, Bewes St, Hurtle Sq, Frome St)

### City Landscapes

- ✓ Hurtle Square Landscape Improvements
- ✓ Light Horse Memorial Improvements (Design)

### Buildings

- ✓ Adelaide Aquatic Centre Renewal

### Others

- ✓ City Library WHS Remediation
- ✓ Library Books (S401)

## 2017-18 Carry Forward projects with planned completion in Q3

### City Transformation Investments

- ❑ Smart City – City Parking Experience

### Streets

- ❑ Wright Court & Field Street Design
- ❑ Boulton St. Streetscape
- ❑ Pirie St Streetscape (Design)
- ❑ Gresham St Streetscape

### City Works

- ❑ Victoria Square/Tarntanyangga Access & Inclusion Works
- ❑ Grenfell – Currie Transport Corridor
- ❑ Torrens Linear Trail South
- ❑ Traffic SCATS & CCTV Installation 17/18
- ❑ CCTV Renewal 17/18
- ❑ Torrens Lake Retaining Wall Works
- ❑ Bridge Renewal 17-18 (Design)

### Buildings

- ❑ Town Hall External Works

### Other

- ❑ Christmas in the City
- ❑ EV Charging Stations (On and off street)
- ❑ City Connector Smart Technology & Bus Stops
- ❑ E-Planning

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\$'000s	2018-19 QF1	2018-19 QF2	Variance to QF1 Budget	Administration Comment
Adelaide Central Market Authority	(4,738)	(4,764)	(26)	Net increase of (\$26k) through operating revenue reduction offset by expenditure savings. <i>Refer to schedule 17.</i>
Adelaide Park Lands Authority	-	-	-	
Rundle Mall Management Authority	(38)	(38)	-	Recognition of additional income of \$39k offset by additional expenditure of (\$39k) to fund the additional marketing campaign for the boxing day sales in the Mall.
<b>Annual Funding Surplus/(deficit)</b>	<b>(4,776)</b>	<b>(4,802)</b>	<b>(26)</b>	

# Schedule 17: Proposed amendments to Adelaide Central Market Authority (1 of 3)

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\$'000s	2018-19 QF1	2018-19 QF2	Variance to QF1 Budget
ACMA Administration	(1,643)	(1,486)	157
Central Market Car Park	1,726	1,518	(208)
Central Market Complex	(144)	(119)	24
<b>Operating Surplus/(Deficit)</b>	<b>(60)</b>	<b>(87)</b>	<b>(26)</b>
ACMA Capital Current Year	(3,734)	(3,734)	-
ACMA Capital Carry Forward 2017-18	(943)	(943)	-
<b>Total Capital</b>	<b>(4,678)</b>	<b>(4,678)</b>	<b>-</b>
<b>Annual Funding Surplus/(deficit)</b>	<b>(4,738)</b>	<b>(4,764)</b>	<b>(26)</b>

Adelaide Central Market Authority net increase of (\$26k):

- ACMA Administration \$157k favourable to QF1 Budget due to additional revenue from the sale of the Market book \$83k, and net savings identified.
- Central Market Car Park (\$208k) unfavourable to QF1 Budget driven by a reduction in casual parking income (\$298k)
- Central Market Complex \$24k favourable to QF1 Budget driven by a reduction in tenant incentives \$115k, offset by net increases in expenditure (\$91k)
- ACMA Capital – reallocation of capital projects to fund the overspend in Waste Recycling facility.

## Operating requests

### ACMA Administration:

Reference	Description	Proposed Net Budget Adjustment \$'000s	Administration Comment
Admin1	Revenue	83	Sales of Market Book, released December 2018
Admin2	Employee Costs	64	Savings identified, based on current employee structure
Admin3	Contractual Services	30	Savings identified in promotional, consultant and contractor fees
Admin4	Internal Rent	(20)	Increased rent based on percentage calculation of increased revenue
<b>Total ACMA Administration Net Adjustment</b>		<b>157</b>	

# Schedule 17: Proposed amendments to Adelaide Central Market Authority (2 of 3)

Financial Performance

Revised Forecast

Uniform Presentation of Finances

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## Central Market Car Park:

Reference	Description	Proposed Net Budget Adjustment \$'000s	Administration Comment
CP1	Casual Parking	(298)	Declining car park revenue not meeting budget
CP2	Statutory Charges	6	Savings identified in water charges
CP3	Repairs & Maintenance	53	Savings identified as works completed
CP4	Consultants	10	Savings identified as works completed
CP5	Marketing	21	Savings in budget requirements to meet strategies being implemented Q3
<b>Total ACMA Car Park Net Adjustment</b>		<b>(208)</b>	

## Central Market Complex:

Reference	Description	Proposed Net Budget Adjustment \$'000s	Administration Comment
CM1	Tenancy Fitout Incentive	115	Savings in tenant incentives offered to encourage staff fit-outs
CM2	Statutory Charges	8	Savings identified in water charges
CM3	Air Conditioning	(14)	Additional costs to maintain failing system
CM4	Electricity	(78)	Correction of QF1 adjustment based on current expenditure
CM5	Repairs & Maintenance	14	Savings identified as works completed
CM6	Property Management	(20)	Setup costs to move property management services in-house
<b>Total ACMA Market Complex Net Adjustment</b>		<b>24</b>	

Table Key

Additional Expenditure /  
Reduced IncomeTransfers /  
Zero Bottom LineSavings /  
Increased Income

Carry Forwards

# Schedule 17: Proposed amendments to Adelaide Central Market Authority (3 of 3)

## Capital requests

Project Number	Project	Current Net Approved Budget 18-19 \$'000s	Proposed Net Budget Adjustment \$'000s	Revised Net Budget (QF1) 18-19 \$'000s	Administration Comment
1902	Main Switchboard Renewal	(46)	15	(31)	Project completed, savings reallocated to complete waste recycling project.
1904	Waste Recycling Facility	(656)	(50)	(706)	Project completed with 4% overspend.
1905	Stall Mezzanine Structural Renewal	(1,150)	35	(1,115)	Stall works deferred to enable completion of high priority waste recycling facility.
Projects with no changes		(2,826)	-	(2,826)	
<b>Total Net Adjustment</b>		<b>(4,678)</b>	<b>-</b>	<b>(4,678)</b>	

# Schedule 18: Financial Statements

Financial Performance	Statement of Comprehensive Income	
Revised Forecast	for the year ended 30 June 2019	
Uniform Presentation of Finances	Consolidated QF2 Budget 2019	Consolidated Adopted 2019
General & Business Operations	\$ '000	
	<b>Income</b>	
	Rates Revenues	108,242
	Statutory Charges	14,500
	User Charges	68,370
	Grants, Subsidies and Contributions	6,169
	Investment Income	61
	Reimbursements	525
	Other Income	1,606
	<b>Total Income</b>	<b>199,473</b>
	<b>Expenses</b>	
	Employee Costs	74,152
	Materials, Contracts & Other Expenses	89,819
	Depreciation, Amortisation & Impairment	43,440
	Finance Costs	954
	<b>Total Expenses</b>	<b>208,365</b>
	Operating Surplus / (Deficit)	(8,892)
	Amounts Received Specifically for New or Upgraded Assets	7,183
	<b>Net Surplus / (Deficit)</b>	<b>3,176</b>
	<b>Total Comprehensive Income</b>	<b>(1,709)</b>

# Schedule 18: Financial Statements

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## Statement of Financial Position as at 30 June 2019

	Consolidated QF2 Budget 2019	Consolidated Adopted 2019
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	148	200
Trade & Other Receivables	14,365	5,835
Other Financial Assets	159	214
Inventories	527	555
<b>Total Current Assets</b>	<b>15,199</b>	<b>6,804</b>
<b>Non-Current Assets</b>		
Financial Assets	430	458
Equity Accounted Investments in Council Businesses	76	88
Investment Property	2,894	2,873
Infrastructure, Property, Plant & Equipment	1,690,724	1,474,711
Other Non-Current Assets	1,569	1,477
<b>Total Non-Current Assets</b>	<b>1,695,693</b>	<b>1,479,606</b>
<b>TOTAL ASSETS</b>	<b>1,710,891</b>	<b>1,486,411</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade & Other Payables	23,866	24,192
Borrowings	-	-
Provisions	12,999	13,269
<b>Total Current Liabilities</b>	<b>36,865</b>	<b>37,461</b>
<b>Non-Current Liabilities</b>		
Borrowings	78,114	78,033
Provisions	2,026	2,117
<b>Total Non-Current Liabilities</b>	<b>80,140</b>	<b>80,150</b>
<b>TOTAL LIABILITIES</b>	<b>117,005</b>	<b>117,612</b>
<b>Net Assets</b>	<b>1,593,886</b>	<b>1,368,799</b>
<b>EQUITY</b>		
Accumulated Surplus	853,288	872,460
Asset Revaluation Reserves	736,242	491,404
Other Reserves	4,356	4,935
<b>Total Council Equity</b>	<b>1,593,886</b>	<b>1,368,799</b>

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## Statement of Changes in Equity

for the year ended 30 June 2019

\$ '000	Accumulated Surplus	Asset Revaluation Reserve	Contingency Reserve	Other Reserves	Total Council Equity	Minority Interest Equity	Total Equity
<b>QF2 Budget</b>							
<b>Balance at the end of previous reporting period</b>	854,997	736,242	2,818	1,569	1,595,626	-	1,595,626
<b>a. Net Surplus / (Deficit) for Year</b>	(1,709)	-	-	-	(1,709)	-	(1,709)
<b>b. Other Comprehensive Income</b>							
- Contingency Reserve transfer	-	-	(31)	-	(31)	-	(31)
<b>Other Comprehensive Income</b>	-	-	(31)	-	(31)	-	(31)
<b>Total Comprehensive Income</b>	<b>(1,709)</b>	<b>-</b>	<b>(31)</b>	<b>-</b>	<b>(1,740)</b>	<b>-</b>	<b>(1,740)</b>
<b>Balance at the end of period</b>	<b>853,288</b>	<b>736,242</b>	<b>2,787</b>	<b>1,569</b>	<b>1,593,886</b>	<b>-</b>	<b>1,593,886</b>
<b>Adopted</b>							
<b>Balance at the end of previous reporting period</b>	869,284	491,404	2,818	2,117	1,365,623	-	1,365,623
<b>Restated Opening Balance</b>	<b>869,284</b>	<b>491,404</b>	<b>2,818</b>	<b>2,117</b>	<b>1,365,623</b>	<b>-</b>	<b>1,365,623</b>
<b>a. Net Surplus / (Deficit) for Year</b>	3,176	-	-	-	3,176	-	3,176
<b>b. Other Comprehensive Income</b>							
- Contingency Reserve transfer	-	-	-	-	-	-	-
<b>Other Comprehensive Income</b>	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>3,176</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,176</b>	<b>-</b>	<b>3,176</b>
<b>Balance at the end of period</b>	<b>872,460</b>	<b>491,404</b>	<b>2,818</b>	<b>2,117</b>	<b>1,368,799</b>	<b>-</b>	<b>1,368,799</b>



# Schedule 18: Financial Statements

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## Statement of Cash Flows

for the year ended 30 June 2019

	Consolidated	Consolidated
\$ '000	QF2 Budget	Adopted
<b>Cash Flows from Operating Activities</b>		
<u>Receipts</u>		
Operating Receipts	199,473	203,488
<u>Payments</u>		
Operating Payments to Suppliers and Employees	(166,481)	(159,735)
<b>Net Cash provided by (or used in) Operating Activities</b>	<b>32,992</b>	<b>43,753</b>
<b>Cash Flows from Investing Activities</b>		
<u>Receipts</u>		
Amounts Received Specifically for New/Upgraded Assets	7,183	10,509
<u>Payments</u>		
Expenditure on Renewal/Replacement of Assets	(56,914)	(53,214)
Expenditure on New/Upgraded Assets	(39,965)	(42,396)
<b>Net Cash provided by (or used in) Investing Activities</b>	<b>(89,696)</b>	<b>(85,101)</b>
<b>Cash Flows from Financing Activities</b>		
<u>Receipts</u>		
Proceeds from Borrowings	50,114	40,501
<b>Net Cash provided by (or used in) Financing Activities</b>	<b>50,114</b>	<b>40,501</b>
<b>Net Increase (Decrease) in Cash Held</b>	<b>(6,590)</b>	<b>(847)</b>
plus: Cash & Cash Equivalents at beginning of period	6,738	1,047
<b>Cash &amp; Cash Equivalents at end of period</b>	<b>148</b>	<b>200</b>

# 2018-2019 Delivery Plan: Year Three Deliverables for the Strategic Plan

**ITEM 5.4 05/02/2019**  
**The Committee**

2015/00335  
Public

**Program Contact:**  
Jacki Done, AD People &  
Governance 8203 7256

**Approving Officer:**  
Steve Mathewson, Director  
Services

## EXECUTIVE SUMMARY:

This report outlines the 2018-2019 Delivery Plan for the *City of Adelaide 2016-2020 Strategic Plan* (Strategic Plan). It provides an update on the activity for year three of the Strategic Plan and gives an indication of the breadth of work undertaken by Council to progress the 110 actions in the Strategic Plan.

The *City of Adelaide 2018-2019 Delivery Plan: year three deliverables and actions for the 2016-2020 Strategic Plan* (Delivery Plan) outlines how Council plans to achieve the Strategic Plan objectives and actions under the Plan's Smart, Green, Liveable and Creative themes.

The Delivery Plan will be reviewed each year in line with the annual Integrated Business Plan to consider new priorities and assess the impact of work undertaken to date.

Progress on the achievement of the Strategic Plan actions is not included in this document as this information is captured in the quarterly Strategic Plan reporting to Council.

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## RECOMMENDATION:

### THAT THE COMMITTEE RECOMMENDS TO COUNCIL

#### That Council:

1. Receives the *City of Adelaide 2018-2019 Delivery Plan: year three deliverables and actions for the 2016-2020 Strategic Plan*.
-

## IMPLICATIONS AND FINANCIALS:

City of Adelaide 2016-2020 Strategic Plan	This report outlines the activities that are being carried out in 2018-19 to progress the 110 actions under all four themes.
Policy	Not as a result of this report.
Consultation	Not as a result of this report.
Resource	Not as result of this report.
Risk / Legal / Legislative	Not as a result of this report.
Opportunities	Specific deliverables may highlight opportunities to further progress the actions, objectives, vision and primary goal of the City of Adelaide 2016-2020 Strategic Plan.
18/19 Budget Allocation	Not as result of this report.
Proposed 19/20 Budget Allocation	Not as result of this report.
Life of Project, Service, Initiative or (Expectancy of) Asset	Not applicable.
18/19 Budget Reconsideration (if applicable)	Not applicable.
Ongoing Costs (eg maintenance cost)	Not as result of this report.
Other Funding Sources	Not as result of this report.

## DISCUSSION

1. The *City of Adelaide 2016-2020 Strategic Plan* (Strategic Plan) articulates a vision for the city, which is underpinned by a primary goal and principles. Within the Strategic Plan, there are 17 objectives and 110 actions of varying degrees of complexity under four themes – Smart, Green, Liveable and Creative.
2. In 2016, Council endorsed a motion that 'Administration bring a report back to the Strategy, Planning and Partnerships Committee which presents the deliverables (action items) of the Strategic Plan four-year delivery plan as year by year actions – detailing the timing of deliverables and milestones.
3. The *City of Adelaide 2018-2019: year three deliverables and actions for the 2016-2020 Strategic Plan* (Delivery Plan) is the third iteration of the year-by-year deliverables for 2018-19 ([Link 1](#)). It summarises the activities undertaken by Administration during the current financial year to progress the 110 actions in the Strategic Plan under the four themes of Smart, Green, Liveable and Creative.
4. The Delivery Plan will continue to be reviewed and iterated during the currency of the Strategic Plan through the Integrated Business Plan process. The annual review process will allow for the consideration of new priorities, re-prioritisation of current deliverables, Council decisions and impact of work undertaken to date.

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## ATTACHMENTS

Nil

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- END OF REPORT -

# 2019 LGA Ordinary General Meeting

**ITEM 5.5** 05/02/2019  
**The Committee**

**Program Contact:**

Jacki Done, AD People &  
Governance 8203 7256

2014/04834

Public

**Approving Officer:**

Steve Mathewson, Director  
Services

## EXECUTIVE SUMMARY:

The Local Government Association of South Australia (LGA) has advised the Council Best Practice Showcase and Ordinary General Meeting will be held on 11 and 12 April 2019, with the General Meeting itself falling on 12 April.

On 17 January 2019 the LGA invited South Australian Councils to submit Proposed Items of Business for the Ordinary General Meeting by 22 February 2019, and to advise of new, or confirm existing, Council Delegate and Deputy Council Delegate (in the event the delegate is unable to attend) to the meeting by Friday 29 March 2019.

Council Members have been engaged regarding the draft Items of Business, and informed of the opportunity to attend the Meeting, and nominate as Council's voting delegate or deputy delegate.

Councillor Donovan has indicated her willingness to accept a nomination at Council to attend the Ordinary General Meeting as a voting delegate for Council.

Councillor Donovan has also proposed an Item of Business on the topic of coordinated transport planning with other Local Government authorities across the state to identify priority transport corridors, including a coordinated approach to planning for active transport across adjacent council areas.

## RECOMMENDATION:

### THAT THE COMMITTEE RECOMMENDS TO COUNCIL

#### That Council:

1. Notes that the LGA Council Best Practice Showcase and Ordinary General Meeting are scheduled for 11 and 12 April 2019.
2. Appoints a Council Delegate for the 2019 Local Government Association of South Australia (LGA) Ordinary General Meeting on 12 April 2019.
3. Appoints a Deputy Council Delegate for the 2019 LGA Ordinary General Meeting on 12 April 2019.
4. Approves submission of the following Proposed Items of Business to the Greater Adelaide Regional Organisation of Councils for consideration for inclusion on the agenda of the LGA Ordinary General Meeting:
  - 4.1. The Ordinary General Meeting requests that the LGA...
 

*(An Item of Business regarding transport planning is being prepared in consultation with Councillor Donovan, for distribution prior to Committee.)*
  - 4.2. The Ordinary General Meeting requests that the LGA:
    - 4.2.1. Supports and encourages Councils to improve their social infrastructure planning including through research, innovation, collaboration, skills and capacity development;

- 4.2.2. Liaises with the South Australian Government to ensure Councils are engaged and informed regarding social infrastructure planning associated with urban development and planning processes, with reference to implementation of the Planning, Development and Infrastructure Act 2016 (SA) (PDI Act) and the 30-year Plan for Greater Adelaide, and
- 4.2.3. Requests that the South Australian government investigates opportunities to promote a more consistent and place-based approach to social infrastructure planning in the state, including development of a contemporary social infrastructure guideline / design standard for SA.
-

## IMPLICATIONS AND FINANCIALS:

City of Adelaide 2016-2020 Strategic Plan	Strategic Alignment - Corporate Activities This report contributes to Council's 2016-2020 Strategic Plan by providing the opportunity to collaborate with Local Government entities to shape the future of the city.
Policy	Not as a result of this report.
Consultation	Council Members were invited to provide Items of Business for Council to move at the LGA Ordinary General Meeting, to provide feedback on an Item of Business prepared by the Administration, and to express interest in attending the Meeting or nominating for the position of voting delegate or deputy delegate. An expression of interest in being appointed as Council's voting delegate was received from Councillor Donovan, as was a proposed Item of Business.
Resource	Administrative support will be provided to Council Members attending.
Risk / Legal / Legislative	Not as a result of this report.
Opportunities	Attendance at the annual Ordinary General Meeting provides an opportunity for Council to participate in decision making on LGA policy and local government matters. In addition, submission of motions to the meeting provides Council with the opportunity to shape the future of Local Government in South Australia.
18/19 Budget Allocation	Not as a result of this report.
Proposed 19/20 Budget Allocation	Not as a result of this report.
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report.
18/19 Budget Reconsideration (if applicable)	Not as a result of this report.
Ongoing Costs (eg maintenance cost)	Not as a result of this report.
Other Funding Sources	Not as a result of this report.

## DISCUSSION

1. The 2019 Ordinary General Meeting of the Local Government Association of South Australia (LGA) is to be held at the Adelaide Entertainment Centre on 12 April 2019, following the Council Best Practice Showcase to be held on 11 April 2019.

### Appointment of a Voting Delegate and Deputy Delegate

2. The LGA has invited Council to confirm existing, or appoint a new, Council Delegate and Deputy Council Delegate (in the event the delegate is unable to attend) to vote on Council's behalf at the Ordinary General Meeting.
3. The LGA Constitution provides that the appointment of a delegate is a standing appointment which means that the voting delegate for the most recent meeting of LGA members, being the AGM of 26 October 2018, remains their voting delegate in the absence of advice to the contrary. As neither of the City of Adelaide's (CoA's) previous delegates remain on Council the CoA will need to appoint two new delegates.
4. Notification of those delegates is requested to be provided on the *LGA General Meetings – Appointment of Council Delegate* form to the LGA by 29 March 2019.
5. Councillor Donovan has expressed an interest in being appointed as Council's voting delegate at the Ordinary General Meeting.

### Notices of Motion

6. The LGA has invited Councils to submit Proposed Items of Business for inclusion in the Ordinary General Meeting agenda.
7. The *LGA General Meeting Proposed Items of Business form* is required to be submitted to the LGA by 22 February 2019 in order that it may be referred to the Greater Adelaide Regional Organisation of Councils (GAROC) or the LGA Board of Directors.
8. Council Members have been invited via E-News to submit Proposed Items of Business for Council's consideration, and People and Governance Program staff have offered to meet with Council Members to provide support in preparing draft items.
9. The following items have been proposed by Council Members for submission to the LGA Ordinary General Meeting:

#### 9.1. Item 1:

##### **The Ordinary General Meeting requests that the LGA calls upon and works with all...**

*(Councillor Donovan has proposed an Item of Business on the topic of coordinated transport planning with other Local Government authorities across the state to identify priority transport corridors, including a coordinated approach to planning for active transport across adjacent council areas. The proposed Item of Business is being developed accordingly, for distribution prior to Committee.)*

10. The following additional item is suggested for consideration of Council Members:

#### 10.1. Item 2: Social Infrastructure that promotes liveable and healthy communities

##### **The Ordinary General Meeting requests that the LGA:**

1. **Supports and encourages Councils to improve their social infrastructure planning including through research, innovation, collaboration, skills and capacity development;**
2. **Liases with the South Australian Government to ensure Councils are engaged and informed regarding social infrastructure planning associated with urban development and planning processes, with reference to implementation of the Planning, Development and Infrastructure Act 2016 (SA) (PDI Act) and the 30-year Plan for Greater Adelaide, and**
3. **Requests that the South Australian government investigates opportunities to promote a more consistent and place-based approach to social infrastructure planning in the state, including development of a contemporary social infrastructure guideline / design standard for SA.**

### Background

Social infrastructure is important for cohesive, healthy, liveable, prosperous and equitable communities.



Social infrastructure includes community and cultural facilities, libraries, sport and recreation facilities, education and health services, as well as community development and support programs. Responsibility for delivering different types of social infrastructure sits across levels of government, and responsibility for delivering outcomes is therefore shared.

Effective planning for, and timely provision of, social infrastructure is especially important for communities undergoing significant change e.g. densifying inner-city councils, and new green-fields growth areas at the city fringe. Unfortunately, social infrastructure often lags behind urban development and other infrastructure, resulting in missed opportunities for integrated outcomes, efficient use of resources, partnerships, negotiated contributions by developers, and maximised community benefits.

Infrastructure Australia's recent Planning Liveable Communities (December 2018) report recommends that more place-based infrastructure planning (including for social infrastructure) is required for liveable communities. Local Government is a key partner in development of place-based solutions to community needs.

An improved and more consistent approach to planning for social infrastructure in South Australia may result in better outcomes for communities as well as savings for Councils (e.g. through better use of funds, more efficient asset use, clarity regarding community needs, and shared contributions to social infrastructure by developers and others etc).

While SA Councils spent almost as much on community support, cultural and library services (\$316 mil) as they did on open space, sport and recreation services (\$319 mil) in 2016/17, the practice of strategic planning for these social/community assets and services is not as well developed. There is an opportunity to enhance how these assets and services are planned for strategically by Councils, and integrated into development outcomes for communities.

The LGA could play a role in promoting and supporting Councils to undertake appropriate planning for Council-owned social infrastructure (community buildings/assets, service provision), as well as strengthening Councils' role in advocacy and negotiation of provision by others such as through development processes.

The ALGA's National State of the Assets report 2018 also found that many councils have information and knowledge gaps in their overall infrastructure planning processes, including for community buildings. This report concluded that without intervention, such as capacity building, there is likely to be an increasing inability to forecast and finance future infrastructure renewal and upgrade infrastructure to meet future needs due to demand and growth.

The LGA Research and Development fund supported a project on this topic in 2012, which has assisted some Councils since. However, there remain gaps, inconsistencies and low levels of experience in the sector relating to social infrastructure planning.

A contemporary social infrastructure guideline could help promote a more consistent approach to social infrastructure planning in the state.

The 30-year Plan for Greater Adelaide includes policy which promotes social infrastructure, and it is understood that the Department for Planning, Transport and Infrastructure has developed a guideline resource for internal (but not Council) use i.e. by departmental staff and for State government projects.

The implementation of the PDI Act provides new opportunities for including social infrastructure in 'Infrastructure Schemes'. The Planning Commission is also developing new planning instruments, including design standards, which could include social infrastructure.

The motion will bring a stronger focus to this aspect of planning for liveable communities and support greater Council and State government collaboration.

### **Strategic alignment**

Action 3.1.06: Increase participation by the broadest range of residents in the community life of their neighbourhood (Liveable)

Action 3.1.10 Work with neighbouring councils and the State Government to enhance the facilities, attractions, landscapes and movement networks in the Park Lands to meet the needs and expectations of growing high-density communities living in and near the City (Liveable)

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## ATTACHMENTS

Nil

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- END OF REPORT -

## Exclusion of the Public

**ITEM 7.1** 05/02/2019  
**The Committee**

**Program Contact:**  
Jacki Done, AD People &  
Governance 8203 7256

2018/04291  
Public

**Approving Officer:**  
Mark Goldstone, Chief  
Executive Officer

## EXECUTIVE SUMMARY:

It is the recommendation of the Chief Executive Officer that the public be excluded from this Committee meeting for the consideration of information and matters contained in the Agenda.

For the following Item aligned with the *City of Adelaide Strategic Plan 2016-2020* for Consideration and Recommendation to Council in confidence:

Strategic Alignment – Smart

**8.1** 2018-19 Quarter 2 Commercial and Business Operations Report [s 90(3) (b) & (d)]

The Order to Exclude for Item 8.1:

1. Identifies the information and matters (grounds) from s 90(3) of the *Local Government Act 1999 (SA)* utilised to request consideration in confidence;
2. Identifies the basis – how the information falls within the grounds identified and why it is necessary and appropriate to act in a meeting closed to the public; and
3. In addition identifies for the following grounds – s 90(3) (b), (d) or (j) - how information open to the public would be contrary to the public interest.

## ORDER TO EXCLUDE FOR ITEM 8.1:

### THAT THE COMMITTEE:

1. Having taken into account the relevant consideration contained in s 90(3) (b) & (d) and s 90(2) & (7) of the *Local Government Act 1999 (SA)*, this meeting of The Committee dated 5/2/2019 resolves that it is necessary and appropriate to act in a meeting closed to the public as the consideration of Item 8.1 [2018-19 Quarter 2 Commercial and Business Operations Report] listed on the Agenda in a meeting open to the public would on balance be contrary to the public interest.

#### Grounds and Basis

This Item is confidential as it includes commercial information of a confidential nature where confidence consideration is sought to protect the commercial position of the council and the operating position of Council's business entities operating in a competitive market place prior to the effective date of 1 February 2019.

The disclosure of information in this report to competitors in advance may be to Council's commercial detriment.

#### Public Interest

The Committee is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of this information to competitors in advance may be to Council's commercial detriment.

2. Pursuant to s 90(2) of the *Local Government Act 1999 (SA)*, this meeting of The Committee dated 5/2/2019 orders that the public (with the exception of members of Corporation staff and any person permitted to remain) be excluded from this meeting to enable this meeting to receive, discuss or consider in confidence Item 8.1 [2018-19 Quarter 2 Commercial and Business Operations Report] listed in the Agenda, on the grounds that such item of business, contains information and matters of a kind referred to in s 90(3) (b) & (d) of the Act.

## DISCUSSION

1. s 90(1) of the *Local Government Act 1999 (SA)*, directs that a meeting of a Council Committee must be conducted in a place open to the public.
2. s 90(2) of the *Local Government Act 1999 (SA)*, states that a Council Committee may order that the public be excluded from attendance at a meeting if the Council Committee considers it to be necessary and appropriate to act in a meeting closed to the public to receive, discuss or consider in confidence any information or matter listed in s 90(3).
3. s 90(3) prescribes the information and matters that a Council may order that the public be excluded from.
4. s 90(4) of the *Local Government Act 1999 (SA)*, advises that in considering whether an order should be made under s 90(2), it is irrelevant that discussion of a matter in public may:
  - 4.1 cause embarrassment to the council or council committee concerned, or to members or employees of the council; or
  - 4.2 cause a loss of confidence in the council or council committee.’
  - 4.3 involve discussion of a matter that is controversial within the council area; or
  - 4.4 make the council susceptible to adverse criticism.
5. s 90(7) of the *Local Government Act 1999 (SA)* requires that an order to exclude the public:
  - 5.1 Identify the information and matters (grounds) from s 90(3) of the *Local Government Act 1999 (SA)* utilised to request consideration in confidence;
  - 5.2 Identify the basis – how the information falls within the grounds identified and why it is necessary and appropriate to act in a meeting closed to the public; and
  - 5.3 In addition identify for the following grounds – s 90(3) (b), (d) or (j) - how information open to the public would be contrary to the public interest.
6. s 87(10) of the *Local Government Act 1999 (SA)* has been utilised to identify in the Agenda and on the Report for the meeting, that the following matter is submitted seeking consideration in confidence.
  - 6.1 Information contained in Item 8.1 – 2018-19 Quarter 2 Commercial and Business Operations Report:
    - 6.1.1 Is not subject to an Existing Confidentiality Order.
    - 6.1.2 The grounds utilised to request consideration in confidence is s 90(3) (b) & (d)
      - (b) information the disclosure of which—
        - (i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and
        - (ii) would, on balance, be contrary to the public interest;
      - (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which—
        - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
        - (ii) would, on balance, be contrary to the public interest;

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## ATTACHMENTS

Nil

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# Confidential Item 8.1

2018-19 Quarter 2 Business Operations Report

Section 90 (3) (b) & (d) of the *Local Government Act 1999 (SA)*

Pages 93 to 107

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