



# THE COMMITTEE AGENDA & REPORTS

for the meeting

Tuesday 25 February 2020  
at 5:30 pm

in the Colonel Light Room  
Adelaide Town Hall



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

Councillors Abrahamzadeh, Couros, Donovan, Hou, Khera, Knoll, Martin, Moran and Simms (Deputy Chair).

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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 Kaurna 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 Kaurna 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

Nil

## 3. Confirmation of Minutes – 18/2/2020 [TC]

That the Minutes of the meeting of The Committee held on 18 February 2020 be taken as read and be confirmed as an accurate record of proceedings.

## 4. Discussion Forum Items

Workshops

Strategic Alignment – Liveable

4.1. Workshop – City Access Strategy [2020/00255] [Page 2]

4.2. Workshop – East-West Bikeway: Pirie – Waymouth Streets [2016/02813]

*To be distributed separately*

Strategic Alignment – Corporate Activities

4.3. Workshop – 2020-2021 – Business Plan and Budget [2019/02431] [Page 9]

## 5. Closure

# CITY ACCESS STRATEGY

Update and overview of next stages

## Workshop Purpose:

The Consultant Team will provide an update of progress and an overview of the next stages of the strategy development

**PROGRAM:** Planning, Design and Development

**AUTHOR:** Anna McDonald | **APPROVING OFFICER:** Shanti Ditter  
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**A BEAUTIFUL  
DIVERSE CITY  
WITH AN  
ENVIABLE  
LIFESTYLE THAT IS  
WELCOMING TO  
PEOPLE AT ALL  
STAGES OF LIFE**

**LIVEABLE**

- Funded by the Capital City Committee, the Department of Planning, Transport and Infrastructure (DPTI) and City of Adelaide (CoA) have partnered to prepare a visionary 20-year integrated movement strategy for the City.
- Engagement with key stakeholders and the community will be a critical part of the process, so as to understand the community's and customer's needs, challenges and ideas for the future.
- A project team led by Aurecon has been appointed to develop the Strategy.
- Michael Davis (Project Manager, Aurecon) will present the draft vision and guiding principles, opportunities and challenges and a series of scenarios that have been developed for how the future transport system can meet this vision. Supporting information can be found in the Discussion Paper ([Link 1](#)).
- We are seeking views from Elected Members on the draft vision, guiding principles and future scenarios.

## KEY QUESTION

Do Members have views on the draft Vision for the City Access Strategy?

## KEY QUESTION

Do Members have views on the draft Guiding Principles for the City Access Strategy?

## KEY QUESTION

Do Members have views on the draft scenarios for the City Access Strategy?

IMPLICATION	COMMENT:
Policy	<p>City of Adelaide Strategic Plan 2016-2020:                      Vision – Adelaide is a welcoming and dynamic city full of rich and diverse experiences.                      The City Access Strategy will assist in contributing to each of the four strategic themes – Smart, Green, Liveable and Creative.</p>
Consultation	<p>Consultation will be undertaken in line with Council’s Community Consultation Policy.                      An Engagement Plan has been developed for the project.</p>
Resource	<p>Not as a result of this workshop</p>
Risk / Legal / Legislative	<p>Not as a result of this workshop</p>
Opportunities	<p>To develop a Strategy that will support the city to transform liveability, increase sustainability and support growth.</p>

IMPLICATION	COMMENT:
<b>19/20 Budget Allocation</b>	\$300,000 has been allocated through the Capital City Committee to the development of the City Access Strategy.
<b>19/20 Budget Reconsideration (if applicable)</b>	Not as a result of this workshop.
<b>Proposed 20/21 Budget Allocation</b>	Not as a result of this workshop.
<b>Ongoing Costs (eg maintenance cost)</b>	Not as a result of this workshop.
<b>Life of Project or Life Expectancy of Asset</b>	Not as a result of this workshop.
<b>Other Funding Sources</b>	Not as a result of this workshop.

Discussion Paper ([Link 1](#))

Presentation to be undertaken by Michael Davis, Aurecon



## KEY QUESTION

Do Members have views on the draft Vision for the City Access Strategy?

## KEY QUESTION

Do Members have views on the draft Guiding Principles for the City Access Strategy?

## KEY QUESTION

Do Members have views on the draft scenarios for the City Access Strategy?

# 2020 – 2021 Business Plan and Budget

## Workshop Purpose:

Considerations for the 2020 - 2021 Business Plan and Budget

**PROGRAM: FINANCE AND PROCUREMENT**

AUTHOR: Tracie Dawber | APPROVING OFFICER: Clare Mockler

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CORPORATE

Discuss key considerations and principles for the 2020-21 Business Plan and Budget.

### **Strategic Decisions**

- Setting the key principles for the 2020-21 Business Plan and Budget, and the Long Term Financial Plan
- Ensuring the financial sustainability of the Council's services and City's assets

### **Key Issues:**

- Being financially responsible and sustainable
- Delivering services efficiently and effectively
- Creating the capacity to fund the current and emerging priorities and projects
- Maintaining and enhancing infrastructure
- Repayment of borrowings

### **Risks:**

- Council's capacity to respond to emerging priorities
- Capacity to repay borrowings

## Principles

- Operating surplus should be achieved to ensure financial sustainability
- Income primarily dependent upon rates and income from parking
- Rates reflect the cost of delivering services and core asset renewals
- Fees and charges based on user pay principles
- Accounting for business as usual projects as part of operations
- New priorities funded through the redirection of existing budgets (rather than additional funding as part of the quarterly revised forecasts)
- Infrastructure: Prioritise renewals based on condition audits and risk
- Debt redemption plan a priority
- Borrowings should only be utilised for income generating opportunity
- Strategic Property Review: Divest under performing and non-performing assets to invest in performing assets (eg. Central Market Arcade)
- SA Government in a fiscally tight position
  - Council will not accept cost shifting

# BUDGET CONSIDERATIONS

## Annual Funding Requirement

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CORPORATE

### Current position

- Projects and Infrastructure funded from Operations surplus
- The present LTFP forecast for 2020-21 is (\$7.5m) due to carry forwards (funded in previous years) and property investments
- Deficits in 2021-22 and 2022-23 are primarily due to property investments

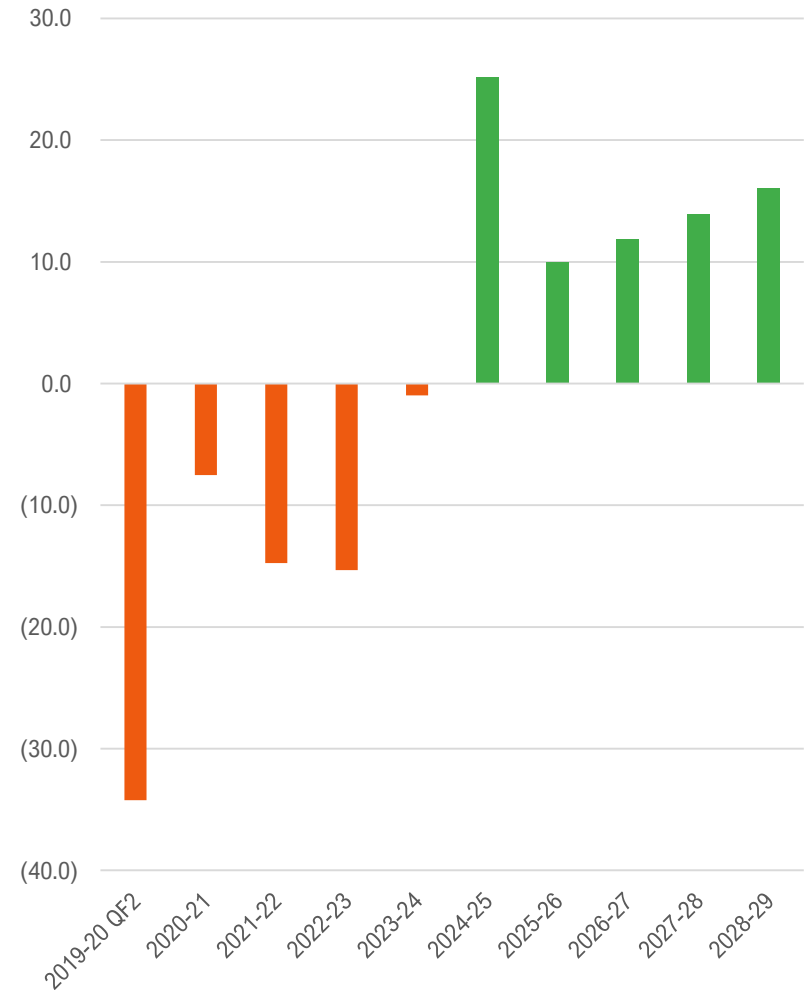
### Considerations

- Capacity for Council's priorities including
  - Council's services
  - Ongoing renewal of the City's infrastructure
  - Delivery of the 2020-24 Strategic Plan
- Capacity to repay borrowings

### Next Steps

- Agree principle of funding surplus
- Presentation of the draft budget in March

Annual Funding Requirement



### Current Position

- Rates and parking contribute over 85% of Operational income
- Rates growth dependent upon
  - Uplift in valuations
  - Growth from new developments and additions
- Decline in demand for on-street and off-street parking

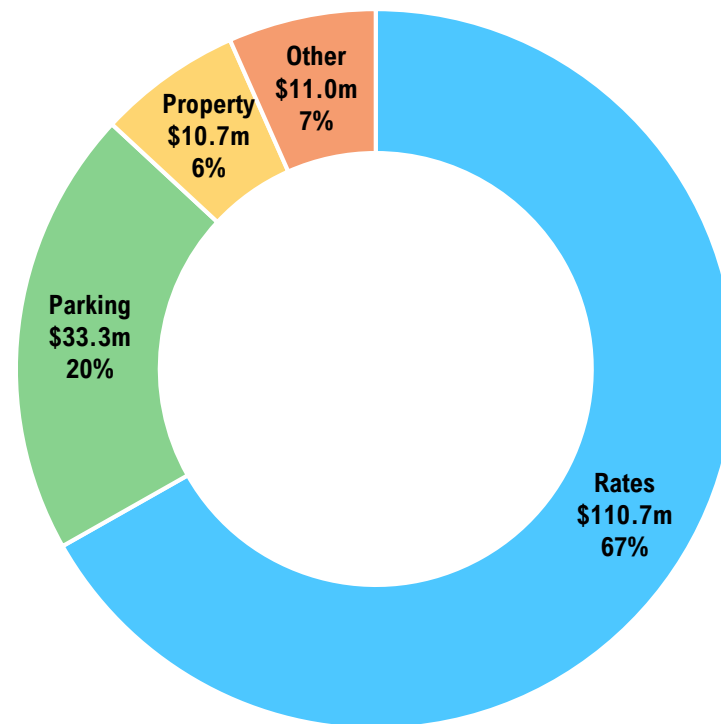
### Considerations

- Forecast rates growth
- Role of on-street parking and off-street parking
- Other opportunities including
  - Charging for commercial use of infrastructure
  - Third party advertising
- Leveraging property portfolio for new income opportunities

### Next Steps

- Operations budget to be considered in March
- Strategic Property Review in April

**Operational Income**  
based on net income from  
commercial businesses and parking



### Current position

- Growth in rates income dependent on
  - Rate in the dollar frozen since 2013-14
  - Uplift in valuations noting CoA uses annual assessed valuations (not capital valuation)
  - Growth in new developments
- LTFP forecast presently 3.3%

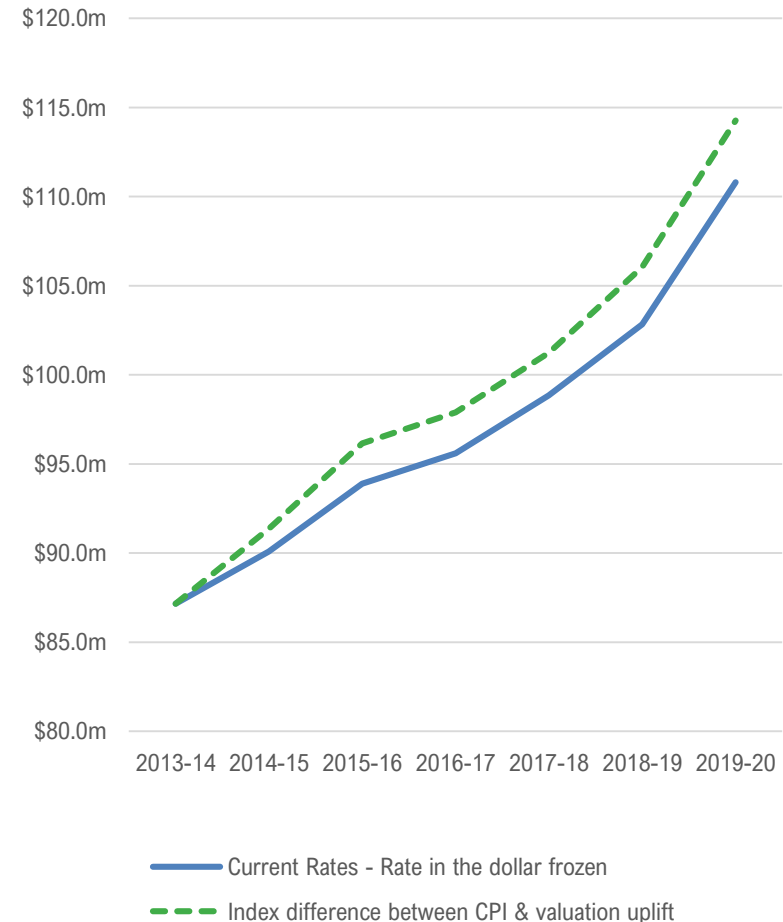
### Considerations

- Funding required for Council's services, infrastructure and delivery of the 2020-2024 Strategic Plan
- Impact of freezing the rate in the dollar

### Next Steps

- Estimates of valuation uplift and growth in new developments to be provided in March workshop
- Approach to rate in the dollar to be considered once valuation uplift and growth in developments is provided
- Consider potential impact of proposed rate capping legislation on future years

Rating scenarios if the rate in the dollar was indexed by Adelaide CPI



### Current position

- Significant operating efficiencies have been identified and achieved over the past four budgets.
  - \$6.0 million achieved in past three years
  - \$6.1 million budgeted in 2019-20
- Underlying cost pressures of 5-6% per annum over the past 4 years

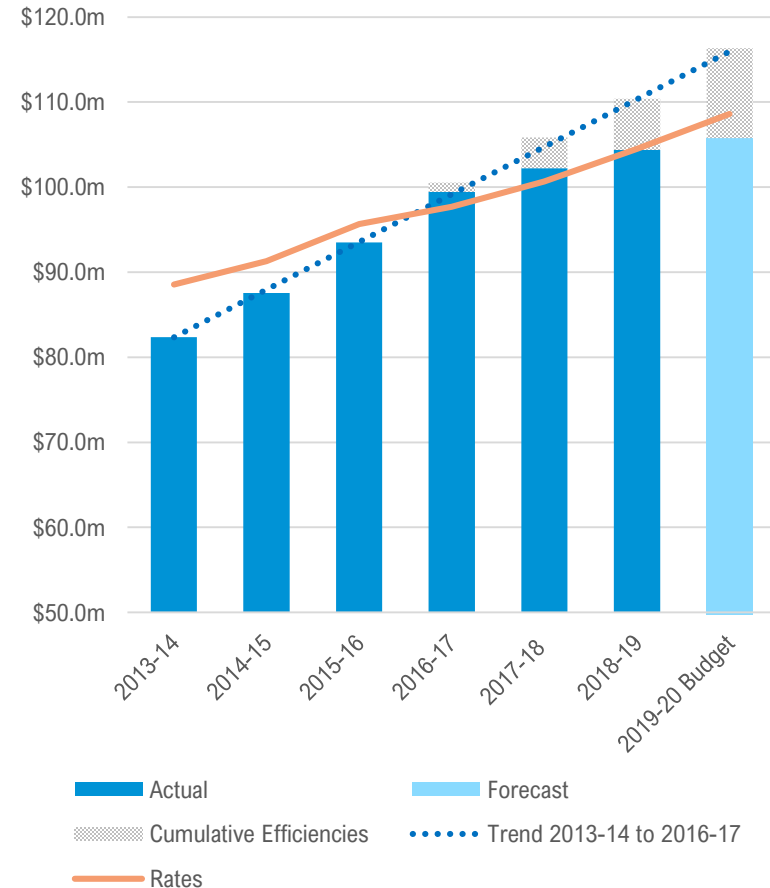
### Considerations

- Funding required for Council's services, infrastructure and delivery of the 2020-2024 Strategic Plan
- Impact of freezing the rate in the dollar

### Next Steps

- Operational pressures to be considered in March workshop
- Further opportunities to improve the efficiency and effectiveness of services will be considered as part of service planning and performance reviews.

**General Operating Expenditure relative to Rates Income**





### **Asset Renewals & Sustainability**

- Renewals take priority over enhancements and new projects
- Responsibility to maintain and renew at sustainable levels based on the Asset Management Plans and risk ratings;

### **Allocation for enhancements**

- Basis for the prioritisation of streetscape and Park Land upgrades, and value of the investment relative to renewals

### **Capacity for Greening**

- Consider investment to achieve city greening objectives recognising physical and financial constraints

### **Co-funding opportunities**

- Opportunities to leverage funding from State and Federal Government, neighbouring councils and the private and not for profit sector (where it aligns to strategic, asset management, and long term financial plans)

### Current position

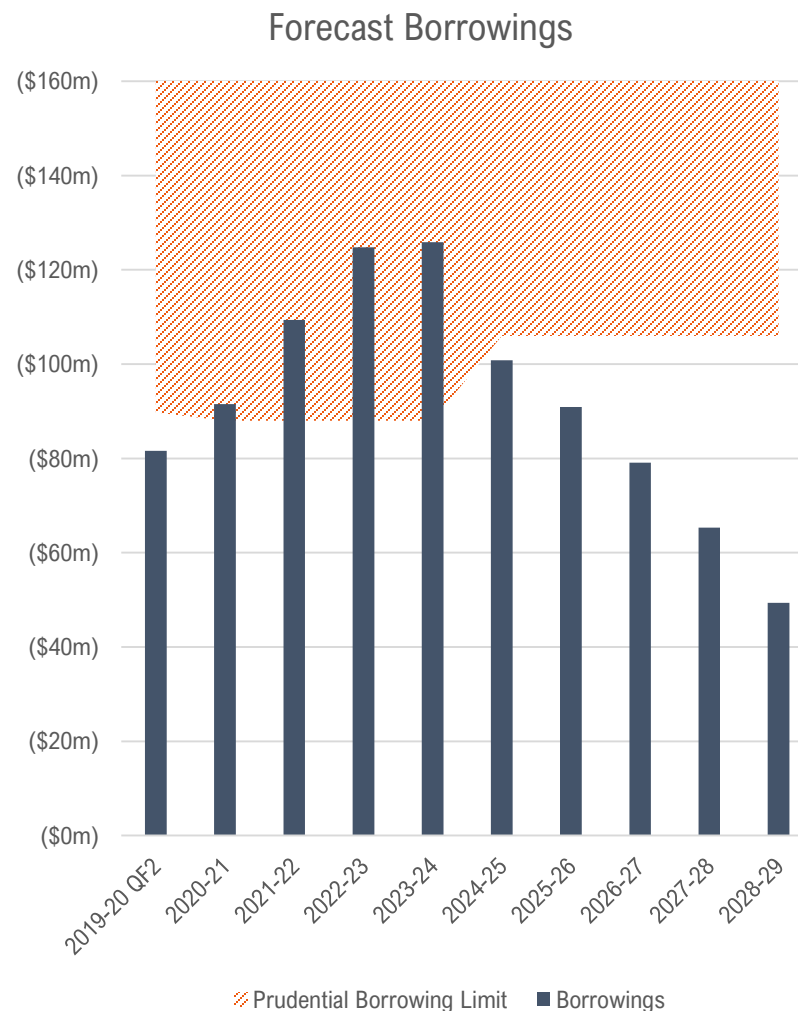
- Prudential borrowing limit forecast to be exceeded in -the last quarter of 2020-21
- Subject to consideration of opportunities arising from the Strategic Property Review
- Workshop on the Strategic Property Review in April

### Considerations

- Debt reduction strategy

### Next Steps

- Consider actions from the Strategic Property Review in April
- Consider options to reduce borrowings



## What are the key funding priorities for 2020-21 arising from the 2020-2024 Strategic Plan?

### Community Outcomes – what we want to achieve together

#### Thriving Communities

- Healthy and resilient communities
- Safe and welcoming community spaces
- Well-planned and inclusive residential population growth
- Functional zero homelessness
- A safe, affordable, accessible, well-connected city for everyone, and all transport modes
- Increase community use of and access to the Adelaide Park Lands

#### Strong Economies

- The lowest-cost capital city with the least red tape
- Greater digital capabilities and connectivity through Ten Gigabit Adelaide, enhancing capacity for innovation
- Attraction and retention of a broad range of businesses and investment
- Be a test bed for innovation in diverse industries
- Main streets activated for economic growth

#### Dynamic City Culture

- Aboriginal people and culture strongly represented in City life
- Beautiful, surprising places
- Global connections and collaborations
- Celebration of diverse community, culture and creativity
- New cultural infrastructure
- Protection, preservation and promotion of our unique built, natural and cultural heritage

#### Environmental Leadership

- A city where sustainability is core
- A transition to low carbon and circular economies
- Enhanced greening and biodiversity
- A climate ready organisation and community
- Integrated and sustainable development

### Delivery Plan - Prioritise

- **Impact** – Visibility to the community
- **Cost** – Repurpose / redirect
- **Time** required to deliver the outcome / benefit

### **March – Special Workshop**

- Council Member Priorities – Opportunity to put forward proposals with support from Administration
- Operations Budget presented by Service Categories
- Proposed Projects for consideration
- Draft Infrastructure Program for consideration

### **Audit Committee Review**

### **April – Special Workshop**

- Review of subsidiary budgets (including capital requests)
- Consider Long Term Financial Plan and borrowings
- Consider the rate in the dollar
- Finalise draft budget for public consultation

### **Community input in May**

- Continue engagement from Strategic Plan development
- Seek input on funding priorities for 2020-2021
- Engagement activities to include traditional and new methods

### **Finalise Business Plan and Budget in June**