



THE COMMITTEE AGENDA & REPORTS

for the Special meeting

Monday 15 June 2020
at 5:30 pm



Members - The Right Honourable the Lord Mayor [Sandy Verschoor];
Councillor Hyde (Deputy Lord Mayor) (Chair)
Councillors Abrahamzadeh, Couros, Donovan, Hou, Khera, Knoll,
Mackie, Martin, Moran and Simms (Deputy Chair).

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. Discussion Forum Item

[Workshop](#)

Strategic Alignment – Corporate Activities

3.1. Workshop – 2020/21 Business Plan and Budget [2019/02431] [Page 2]

4. Closure

City of Adelaide 2020-21 Business Plan & Budget **Building the Budget**

Briefing Purpose:

To consider the 2020-21 Business Plan and Budget

Introduction

Workshop Purpose

- Provide an overview of the draft 2020-21 Budget in the context of
 - The recovery principles and funding levers
 - The impact of COVID-19 on Council's income
 - \$20m reduction in operating expenditure
 - The reset of the Infrastructure Program
 - The City's Recovery
- Present the operations budget by Service Categories, with reference to
 - Operating income and expenditure
 - The current environment, outlook and challenges for the commercial business
- Seek your feedback on the funding priorities for Strategic Projects and the Infrastructure Program as presented on 28 May
- Consider scenarios for the Long Term Financial Plan
- Seek your feedback on the key principles for borrowings

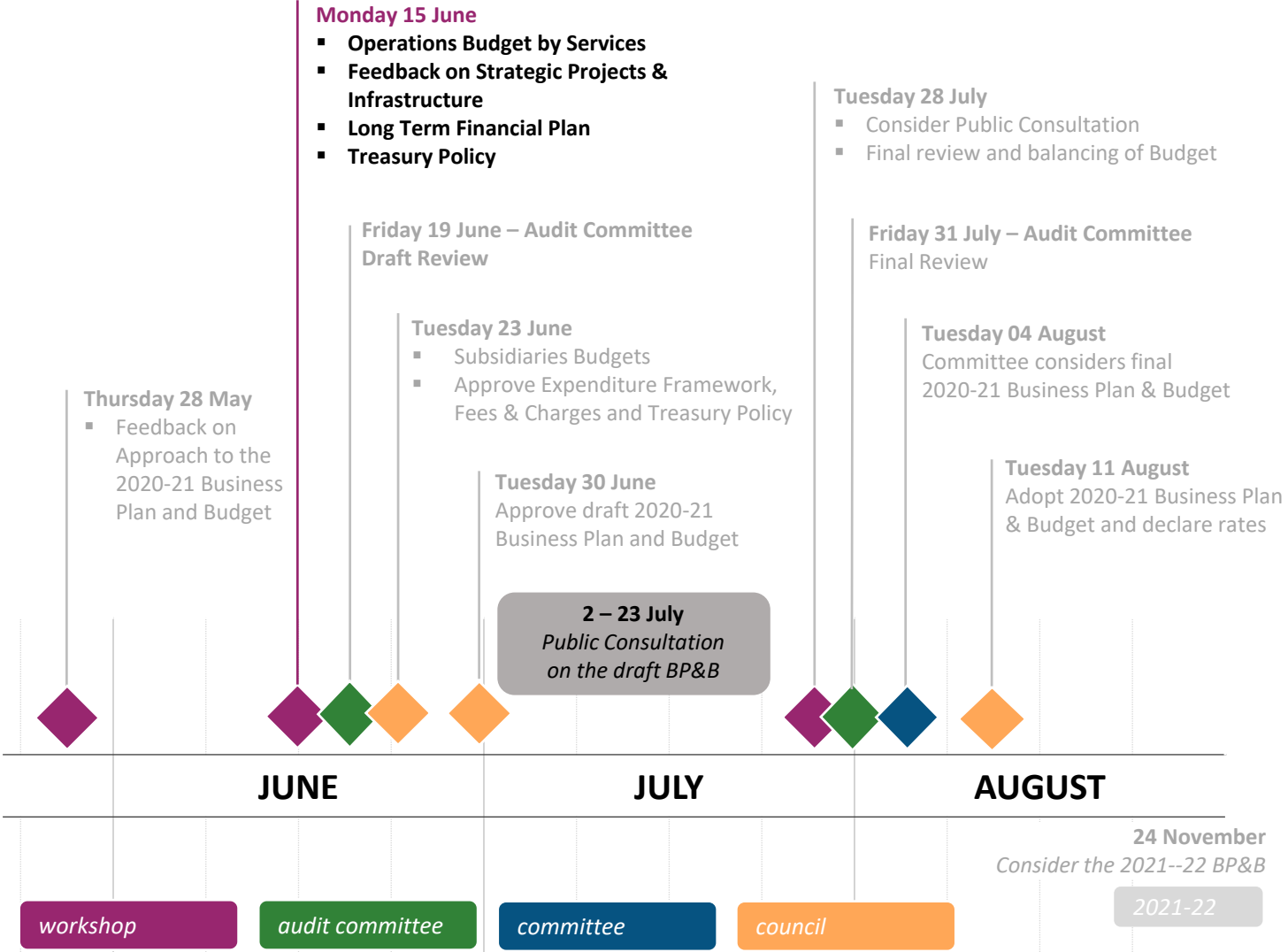
Next Steps

Feedback from this evening's workshop will inform:

- The Expenditure Framework and revised Treasury Policy to be considered on 23 June
- The draft 2020-21 Business Plan and Budget to be considered for Public Consultation on 30 June

Feedback from Public Consultation will be considered in late July prior to the adoption of the final Business Plan and Budget in August.

Budget Overview Timeline



Overview Recap on the last workshop

Recovery Principles

- Our rates approach is fair and equitable
- Financial borrowings adjusted to stimulate growth
- Proceeds from selling assets will build a 'future fund'
- Asset renewals will be prioritised based on audit condition and risk
- Strategic enhancements will be delivered through partnerships
- We will seek Government funding for new Infrastructure
- Our service delivery will reflect the needs of the community
- Investment is prioritised to support recovery

Feedback on the Financial Levers

Rates

- Continue to freeze the rate in the dollar
- Consider options with the discretionary rate rebate

Fees and Charges

- Hold fees and charges at 2019-20 levels for next six months
- Consider increase from January 2021

Borrowing Capacity

Increase the borrowing capacity to take advantage of opportunities to support City's recovery by funding City Shaping Projects and new income streams

Infrastructure Program

Reset and prioritise delivery of the 2019-20 program and essential renewals utilising a risk based approach

Budget Overview

Key Movements

Recovery principle:

Our service delivery will reflect the needs of the community

What's incorporated in 2020-21 Budget

Significant income impact from COVID-19

- (\$22m) reduction in income from parking, commercial businesses and property compared to pre-COVID levels
- High level of fixed costs

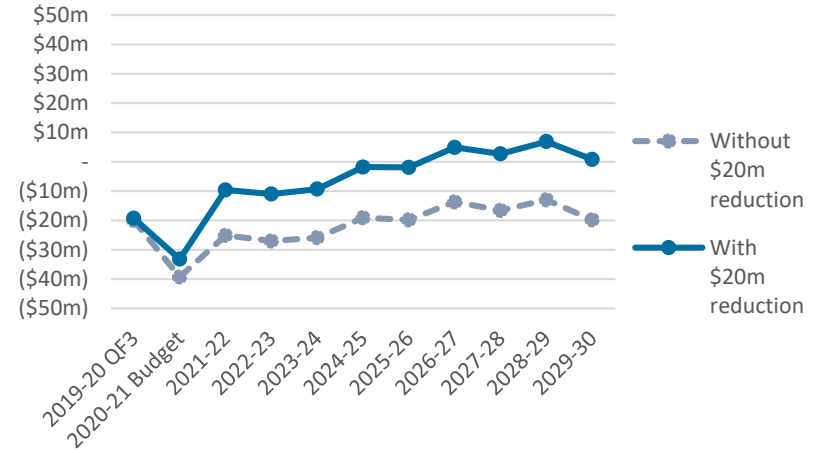
\$20m reduction in operational expenditure

- Incorporated a \$20m reduction in operating expenditure for 2020-21 and the Long Term Financial Plan
- One-off potential structural re-alignment costs of (\$14m) in 2020-21

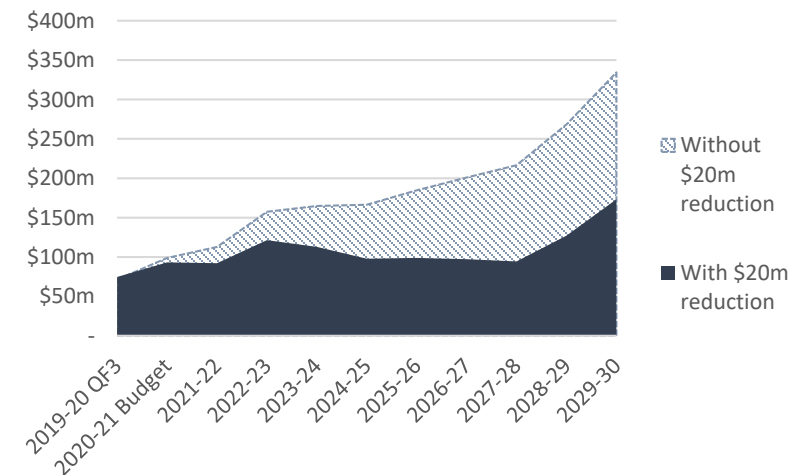
Creating capacity from reset of the Infrastructure Program

- \$23m reduction in the Infrastructure Program for 2020-21 to enable focus on delivery
- Increase in maintenance activities due to reduced renewals

Forecast Operating Surplus/(Deficit)



Forecast Borrowings



Budget Overview

Operating Summary

Operating Position

The forecast operating position for 2020-21 is a deficit of (\$19m) before potential one-off structural re-alignment costs of (\$14m).

Operational income has reduced by \$27m from the 2019-20 Quarter 2 Forecast (the pre-COVID base) primarily due to the impact on the commercial businesses and parking from COVID-19.

Operational expenditure has reduced by over \$25m (before the potential structural re-alignment costs) compared to the 2019-20 Quarter 2 forecast.

As directed by Council, a \$20m reduction in operating expenditure has been built into the draft budget and Long Term Financial Plan. For 2020-21 this reduction is largely offset by the potential one-off structural realignment costs of \$14m that may be required to achieve the ongoing efficiencies within operational services.

\$m	Draft 2020-21 Budget	2019-20 Quarter 2 Forecast	2019-20 Quarter 3 Forecast
Income			
Rates	119.4	116.5	116.5
Statutory Charges	8.5	13.4	11.2
User Charges	54.3	71.7	59.3
Grants, Subsidies and Contributions	3.9	11.4	15.0
Investment Income	0.0	0.0	0.0
Reimbursements	0.7	0.5	0.5
Other Income	0.3	0.4	0.5
Total Income	187.0	213.9	199.3
Expenses			
Employee Costs	(64.9)	(77.9)	(77.3)
Materials, Contracts & Other Expenses	(84.7)	(97.9)	(86.0)
Depreciation, Amortisation & Impairment	(50.8)	(49.6)	(50.2)
Finance Costs	(5.8)	(6.5)	(5.8)
Total Expenses	(206.2)	(231.9)	(219.1)
Operating Surplus/(Deficit) before transition costs	(19.2)	(17.9)	(20.0)
Potential structural re-alignment costs	(14.4)	-	-
Operating Surplus/(Deficit) after transition costs	(33.6)	(17.9)	(20.0)
Asset Disposal & Fair Value Adjustments	(0.3)	(0.3)	-
Amounts received specifically for New or Upgraded Assets	4.6	0.4	0.4
Total Comprehensive Income	(29.4)	(17.8)	(19.6)

Budget Overview

Budget Summary

When we introduced the budget process in December we outlined a simplified approach to presenting and categorising the budget, breaking it down into three components:

- Operations
- Projects
- Infrastructure

These are outlined on the right.

Operations

- General and Business Operations
- Recurrent activities transferred to Operations (e.g. grants and sponsorships and City Connector Bus)
- Commercial Businesses
- Rolling renewal programs for plant, fleet and equipment

Projects

- Strategic Projects identified through the delivery planning process for 2020-21
- Commercial Projects including Property Developments

Infrastructure

- All Infrastructure Projects and Programs including
- Infrastructure Renewals
 - Infrastructure Enhancements (new and upgraded)
 - Major Projects (Moonta Street, Bikeways, Market to Riverbank, etc)

\$'m	2017-18 Actual	2018-19 Actual	2019-20 Q2 Forecast	2019-20 Q3 Forecast	2020-21 Draft Budget	Variance
Operations	41.3	42.5	46.0	38.1	23.7	(14.4)
Projects	(47.1)	(8.6)	(16.4)	(10.6)	(10.6)	-
Infrastructure	(47.0)	(46.9)	(58.8)	(32.3)	(41.3)	(9.0)
Subsidiaries	(4.6)	(4.3)	(5.1)	(5.0)	(5.3)	(0.3)
Total	(57.4)	(16.3)	(34.3)	(9.8)	(33.4)	(23.6)

City of Adelaide 2020-21 BP&B Operations

Briefing Purpose:

To consider the Operations Budget

Operations Overview

Operations Overview

In this section we provide an overview of the operations budget, including commercial businesses, that support the delivery of services.

The following slides include a

- breakdown of the **budget by service category**
- summary of the **income and expenditure** to outline the key assumptions and primary variances
- the forecast performance for the **commercial businesses** and key considerations in the financial performance.

A breakdown of **plant, fleet and equipment** for 2020-21 is included in Appendix 2.

\$'m	2017-18 Actual	2018-19 Actual	2019-20 Q2 Forecast	2019-20 Q3 Forecast	2020-21 Draft Budget	Variance
Operations						
General Operations	31.5	33.2	36.9	34.5	27.3	(7.2)
Recurrent projects transferred to Operations	(10.3)	(12.0)	(13.2)	(11.9)	(14.3)	(2.4)
Sub-total	21.2	21.1	23.7	22.6	13.0	(9.6)
Commercial Businesses	22.8	24.3	25.4	17.9	14.7	(3.2)
Plant, Fleet & Equipment	(2.8)	(2.9)	(3.1)	(2.4)	(4.0)	(1.6)
Total	41.3	42.5	46.0	38.1	23.7	(14.4)

Operations Overview

Summary by Service Category

Our operations including Commercial Businesses have been summarised into ten Service Categories as presented on the right.

Appendix 1 provides a summary of each service category including the services delivered and their value proposition.

Recovery principle:

Our service delivery will reflect the needs of the community

Service Category	Full Time Equivalents	Income \$m	Expenditure \$m
Arts, Community Development & Civic Services	114.7	1.6	(20.3)
Asset Maintenance	229.7	1.2	(32.7)
Commercial Operations	65.5	25.4	(19.7)
Corporate Support Services	77.3	0.1	(22.0)
Economic Growth	65.4	13.1	(26.4)
Infrastructure & Asset Management	75.3	-	(18.9)
Policy & Planning Services	30.4	0.0	(5.9)
Property Management	13.1	8.5	(1.1)
Regulatory & Statutory Services	127.7	133.3	(19.8)
Waste, Natural Resources & Environmental Services	17.0	0.1	(6.2)
Total	816.1	183.3	(173.0)

Income and expenditure excludes capital works, plant, fleet & equipment renewals, 2019-20 corporate efficiencies, annual government grants, insurance distributions and proceeds from property investments.

Operations Income

Income Summary

COVID-19 has had a significant impact on operational income, primarily due to reductions in on street parking, expiations and commercial income including UPark.

The 2019-20 Quarter 3 revised forecast foreshadowed a significant reduction in operational income. This is reflected in the reduction between the original 2019-20 budget and Quarter 3 Forecast for User and Statutory Charges.

While income is anticipated to progressively recover in the coming months, budgeted income 2020-21 has been significantly reduced from the 2019-20 Q2 Forecast (Pre-COVID baseline):

- User charges (\$16m), (37%) reduction
- Statutory charges (\$5m), (27%) reduction

Current assumptions

Rates 3.1% increase

- No change to rate in the dollar
- 2.0% growth new developments/additions
- 1.0% valuation uplift

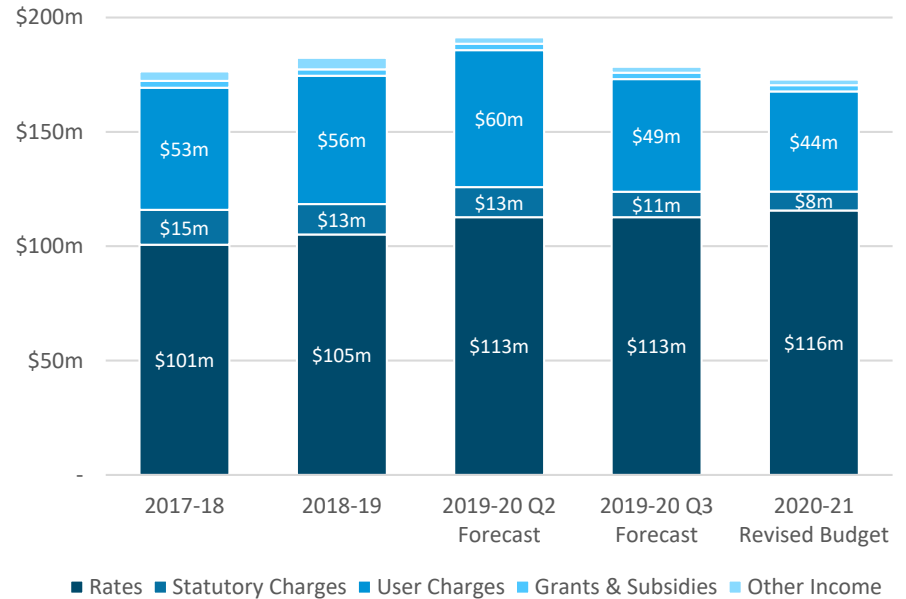
Fees and Charges

- General user charges – no change
- Statutory charges – as set by government Commercial – no increase or variable (eg. UPark)

Recovery principle:

Our rates approach is fair and equitable

Operational income by category



Operations Expenditure

Expenditure Summary

Operational expenditure for the draft 2020-21 Budget is based on the cost of delivering existing services (as outlined in the summary by Service Category) with adjustments for:

- Enterprise agreements and contractual increases
- Changes in operations due to COVID 19 (eg. increased cleaning requirements)
- Initial operational savings identified in response to the tighter financial position

The basis for the reduction of \$20m in our ongoing operating expenditure has been reflected in the revised 2020-21 Budget noting the full savings will not be reflected until future financial years due to the one-off structural realignment costs of potentially (\$14m).

Current assumptions

Employee Costs – as per Enterprise Agreements

- Wages 2%
- Salaries 2%
- Leisure 2.5%
- UPark 2%

Other Expenditure

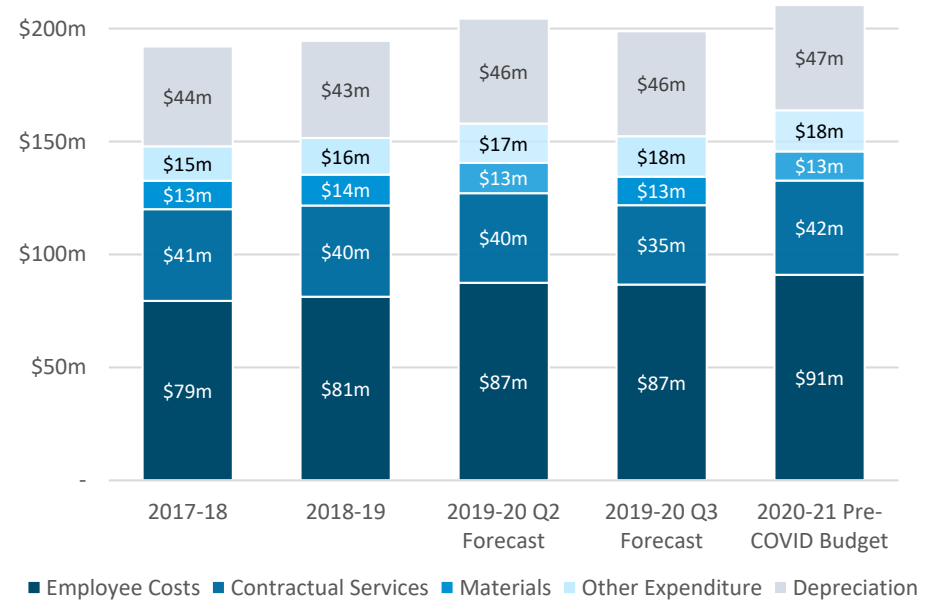
- Based on existing budget indexed by CPI presently 2.0%, unless there are specific and material variations
- Interest rates – 1.5%

Recovery principle:

Our service delivery will reflect the needs of the community

Operational expenditure by category

(excluding internal recoveries)



Operations

UPark

Aquatic Centre

Golf Course

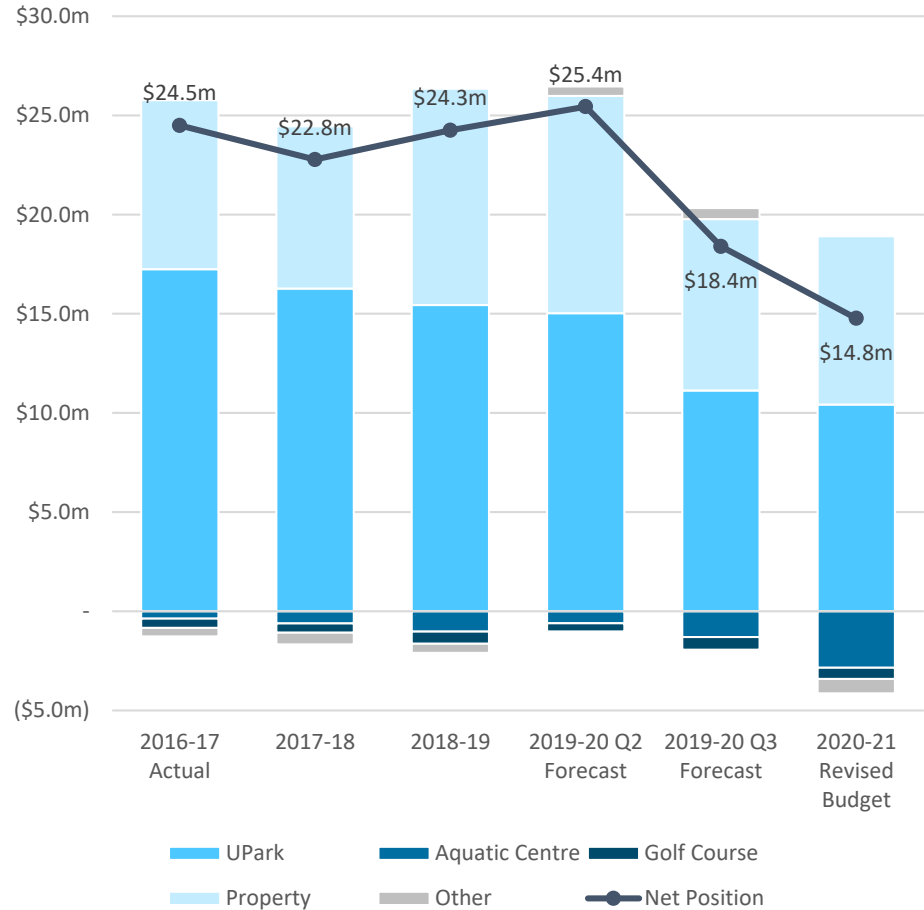
Property Leases

Summary

The 2019-20 Quarter 3 revised forecast foreshadowed a (\$7.5m) reduction in income from UPark, the Aquatic Centre, Golf Course and Property Leases compared to the original 2019-20 budget due to the reduced demand for U Parks and the Council's rent relief for its tenants.

Revenue is forecast to reduce by (\$9.4m) in 2020-21 compared to the draft budget prepared prior to COVID-19, primarily due to the ongoing impact on U Park's income and temporary closure of the Aquatic Centre.

Net contribution



Operations

UPark

Aquatic Centre

Golf Course

Property Leases

Operational Challenges

UPark

- Visitation dropped by 85% during peak restrictions
- Casual parking heavily reliant on hospitality and retail;
- The parking sector is currently heavily discounting off-street parking to attract customers but this is financially unsustainable

Property

- Likely increase in vacancies due to the impacts of 'Job Keeper' ceasing in September 2020
- Challenges of recovering pre-COVID-19 debts
- Reduced income from Central Market Arcade Development due to 70% rent relief once redevelopment clause enacted
- City of Adelaide has not received any relief for premises it leases
- Requests from tenants for relief in outgoings (utility charges, etc) and the waiver/deferral of rates

Aquatic Centre

- Large proportion of operating expenditure is fixed, ie. labour to meet compliance requirements regarding supervision, plant equipment maintenance and utility costs
- Large volume of cancellations from Members and Swim School enrolments received in March prior to closure
- Smaller and less frequent Swim School classes due to social distancing
- reduced Swim and Gym memberships across the year and limited services to meet social distancing requirements
- Casual visitation during peak operating periods Nov-Feb will be reduced due to social distancing restrictions

Golf Course

- Revenue from functions, retail and food limited revenue whilst COVID19 safe work practices training of redeployed staff hindered the ability to reduce expenditure

Operations

UPark

Aquatic Centre

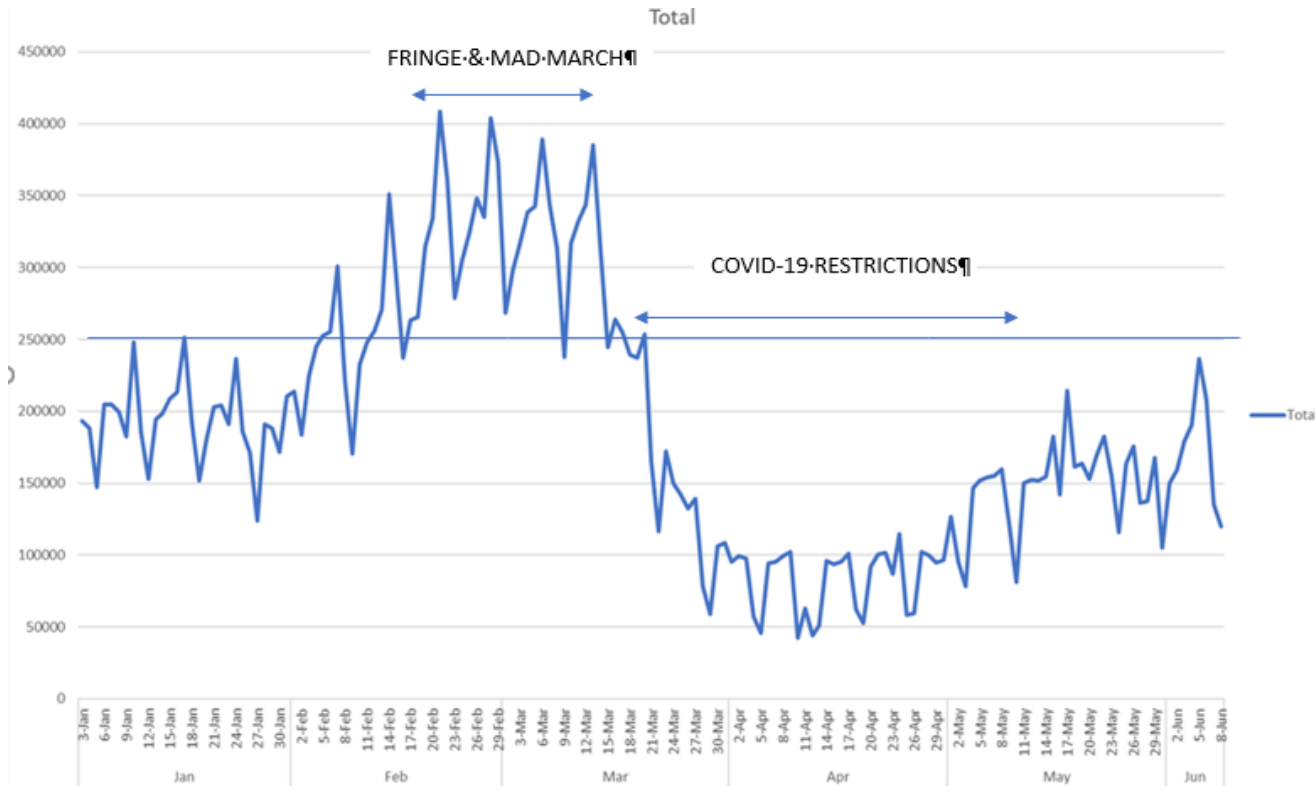
Golf Course

Property Leases

	Forecast unfavourable impact	Current Status	Looking forward
UPark	(\$5.2m)	UPark Plus has supported the recovery in occupancy at a lower price point – Revenue down circa 50%	<ul style="list-style-type: none"> ▪ Leverage UPark Plus under delegation to maintain/grow market share ▪ Phased approach to restoring sustainable pricing
Aquatic Centre	(\$2.1m)	Centre presently closed due to social distancing requirements	Re-opening <ul style="list-style-type: none"> ▪ Re-engage workforce ▪ Social distancing requirements reduce capacity and class size ▪ Recover enrolments that were cancelled
Golf Course	(\$0.2m)	Patronage has recovered since reopening in April	Recovery of function, retail and food income due to social distancing
Property	(\$2.2m) based on 20% vacancy rate and before consideration of further rental relief	3 months rent relief to small and medium enterprises	Minimise vacancy rates while balancing capacity to provide further rent relief where genuinely required

City Recovery

City Activity (Devices)



COVID-19 Restrictions

South Australian Roadmap for Easing COVID-19 Restrictions

- 11 May 2020 - Step 1
- 1 June 2020 - Step 2
- 11 June 2020 – 90% of Rundle Mall traders have recommenced operations
- 13 June 2020 - AFL Round 2 @ Adelaide Oval with 2000 crowd capacity
- Mid-late June 2020 - Social distancing measures expected to be relaxed
- July 2020 - State Borders expected to open and interstate flights to increase

City Recovery Rates

Rates

The City of Adelaide’s current rates hardship provisions allow all ratepayers to make an [application for rate relief](#). Support measures introduced to assist businesses and residents impacted by the COVID-19 crisis include:

1. Postponement of payment for the 4th quarter rates (due 1 June 2020) for three months until 31 August 2020
2. Repayment arrangements (weekly, fortnightly or monthly) based on an agreed amount
3. No fines or interest to be charged on any 4th quarter outstanding rates (due 1 June 2020) until 31 August 2020
4. Fines and interest suspended on all outstanding historic rates until 31 August 2020
5. No new debt recovery action to be instigated for any business that enters into a financial arrangement with the City of Adelaide, including any pre-existing debt.

Q4 Rates issued	21 April 2020 (\$000)	Q4 Rates Hardship Applications	11 June 2020
Amount issued	\$25,742	Residential	46
Total Paid (10/6/20)	\$18,578	Commercial	114
Balance owing	\$7,164	Total	160
Total percentage paid	72%	% of total assessments	1.82%

\$4 million City Support

- 100% rent free for 3 months for lessees of Council owned properties
- 100% rent free for 3 months for community leases of Council owned properties
- 100% rent free for 3 months for Adelaide Central Market tenants
- Waiving of the separate rate for the Rundle Mall precinct for 3 months approx. \$1 million
- A 3-month waiver of all Park Land lease and licence fees for sporting clubs and community groups approx. \$118,000
- Making the city accessible by creating more flexibility regarding on street parking regulations
- Increasing City of Adelaide's cleaning regime to ensure the city is kept as clean and hygienic as possible
- Facilitating access to hardship provisions
- Establishing a Small Business Task Force (SBTF)
- **AND UPARK PLUS**

Recovery principle:

Our rates approach is fair and equitable

City Recovery

Capital City Support

Relief Measure	Adelaide	Melbourne	Sydney	Perth	Brisbane	Hobart	Darwin
Rates Financial hardship application	✓	✓	✓	✓	✓	✓	✓
Rates Waiver							
Rates Postponement	✓	✓			✓	✓	✓
Rates in the \$ frozen for 20-21	TBC	✓		✓	✓	✓	
Rates Payment Plan	✓	✓			✓		✓
Rates No fines or interest	✓	✓			✓	✓	✓
Rates No debt recovery	✓				✓		
Rent relief for Council properties	✓	✓	✓	✓	✓	✓	✓
Rent relief for Community leases	✓				✓		
Venue bookings fees waived	✓		✓		✓	✓	
Health & building compliance fees waived		✓	✓		✓		
No outdoor dining fees	✓	✓		✓	✓	✓	✓
Discounted parking initiatives	✓	✓	✓	✓	✓	✓	✓
Lease & licence fees for sporting and community clubs waived	✓				✓	✓	
SME business grants / advice	✓	✓	✓	✓		✓	✓

Capital City Support

The City of Adelaide’s support for City residents and businesses aligns with and in some cases exceeds the support measures introduced by the other Capital Cities across Australia.

At this stage, no capital city is offering rate waivers, and all require a ratepayer seeking assistance to make a formal application under their financial hardship provisions

Property Council

The Property Council advises that landlords are offering various support packages ranging in percentage discounts as a deferral not a waiver.

They are also working with tenants to see if extending leases at the back end works for both parties.

JobKeeper

- 3,000 CBD entities / 50,000 SA entities receiving benefits
- Review on 23 July 2020
- Currently ends 27 September 2020

City Recovery

Draft Bill - Local Government (Public Health Emergency) (Rate Relief) Amendment Bill 2020

Land Use Description	Rates Generated	Estimated Months Impacted	Remission
Amusement Centre	\$88,527.10	4	\$29,509.03
Backpacker Accommodation	\$151,376.35	6	\$75,688.18
Cinema	\$100,251.33	4	\$33,417.11
Function Facility	\$447,592.91	6	\$223,796.45
Health Studio	\$638,422.25	3	\$159,605.56
Hotel w/out Accommodation	\$1,373,530.60	4	\$457,843.53
Hotel with Accommodation	\$5,152,474.66	5	\$2,146,864.44
Lodging House	\$673,066.28	5	\$280,444.28
Motel	\$349,545.33	5	\$145,643.89
Restaurant	\$2,413,443.13	4	\$804,481.04
Serviced Apartment	\$2,360,938.75	3	\$590,234.69
Shop	\$16,726,842.96	3	\$4,181,710.74
Showroom	\$715,665.19	3	\$178,916.30
Theatre	\$98,851.55	4	\$32,950.52
Training Institution	\$936,436.23	4	\$312,145.41
TOTAL:	\$32,226,964.62		\$9,653,251.17

Draft Bill

Introduced to Parliament on 28 May 2020, the Draft Bill would see council rates waived for local businesses and not for profit organisations that have been forced to close as a result of Government directives in the wake of the COVID-19 crisis.

The waiver of rates would apply for the period between when the restrictions commenced and ended.

Businesses Impacted

The table shows those businesses likely to have closed or otherwise significantly impacted as a result of COVID-19 (determining how long a particular business has been impacted, given the restrictions vary greatly, is challenging).

Estimated Cost to CoA

Rate remissions to these businesses is estimated at approx **\$9.7m per quarter**.

Evidence to support a rate waiver would be required rather than a blanket application across all businesses.

City Recovery

Options to Provide Additional Assistance to City Residents and Businesses

Extension of the existing \$4 million City Support package for a further 3 months (or some variation), including hardship assistance measures

Waiver of all rates for small businesses forced to close as a result of mandated Federal or State Government restrictions up until 31 August 2020

A 50% deferral or waiver of all rates for small businesses that can demonstrate a reduction in trade/loss of income of 50%+ up until 31 August 2020

Provide longer term assistance and allow small businesses a period of up to two years to pay their rates to help them rebuild

Section 182 (3) of the *Local Government Act (1999)* allows Council to grant other or additional postponements of rates “to assist or support a business in its area” implying that financial hardship may not be the only criteria to be eligible for assistance

Rates may be deferred for a longer period (the number of quarters to be determined by Council), and an encumbrance attached to the property which will be released upon sale of the property at which time the outstanding rates would be recovered. Interest would continue to accrue

Reduce the special discretionary rebate, currently set at 10% to reduce the impact of an increase in rates as a result of an increased valuation. Properties that have had an alteration or an addition or is a new development site are not eligible for the rebate.

A targeted package to support the hotel and accommodation sectors who have experienced significant loss of business and higher than normal vacancy rates through lost bookings as a result of South Australia’s strong border controls and restrictions on interstate and overseas travel. Estimated cost: approx. \$1.7 million per quarter – noting that some businesses have more capacity to pay and state borders should open soon

Land Use	Annual Rates 2019-2020	% of Total Rates	Rates (4 th Quarter)	Number of Assessments
Hotels w Accom	\$5,152,474.66	4.68%	\$1,288,118.67	31
Hotels w/o Accom	\$1,373,530.60	1.25%	\$343,382.65	72
Motels	\$349,545.33	0.32%	\$87,386.33	11
TOTAL	\$6,875,550.59	6.23%	\$1,718,887.65	114

City of Adelaide 2020-21 BP&B Projects

Briefing Purpose:

To consider the funding priorities for Projects

Projects Summary

Projects Overview

The following table provides a summary of the funding for projects including the Strategic Projects presented on 28 May.

The full list of individual projects is provided in Appendix 3.

\$'m	2017-18 Actual	2018-19 Actual	2019-20 Q2 Forecast	2019-20 Q3 Forecast	2020-21 Draft Budget	Variance
Projects						
Strategic Projects	(7.2)	(6.5)	(9.4)	(8.7)	(5.2)	3.5
Reprioritised	-	-	-	-	(0.4)	(0.4)
Commercial Projects	(39.9)	(2.1)	(7.0)	(1.9)	-	1.9
Retimed Projects	-	-		-	(5.0)	(5.0)
Total	(47.1)	(8.6)	(16.4)	(10.6)	(10.6)	-

City of Adelaide 2020-21 BP&B Infrastructure

Briefing Purpose:

To consider the funding priorities for Infrastructure

Infrastructure LTFP

Recovery principle:

Asset renewals will be prioritised based on audit condition and risk

Strategic enhancements will be delivered through partnerships

We will seek Government funding for new Infrastructure

Long Term Financial Plan

Intergenerational Financial Sustainability is dependant on responsible asset management planning and forward financial allocation through the LTFP.

The Infrastructure and Asset Management Plans (AMPs) are being reviewed and updated including asset service levels, taking into account community needs, population density/growth impacts and asset management principles. They will be brought back to the elected body for endorsement.

There has been a renewed focus on the quality and condition of our infrastructure and an increased cost to provide those services.

There are significant renewals required in the outer years of the long term financial plan which have not previously been identified:

- Adelaide Bridge
- Torrens Weir Structure
- Replacement of Rundle UPark
- Rymill Park Lake

Revised LTFP for Infrastructure



Infrastructure Asset Sustainability

Recovery principle:

Asset renewals will be prioritised based on audit condition and risk

Strategic enhancements will be delivered through partnerships

We will seek Government funding for new Infrastructure

Asset Sustainability Ratio

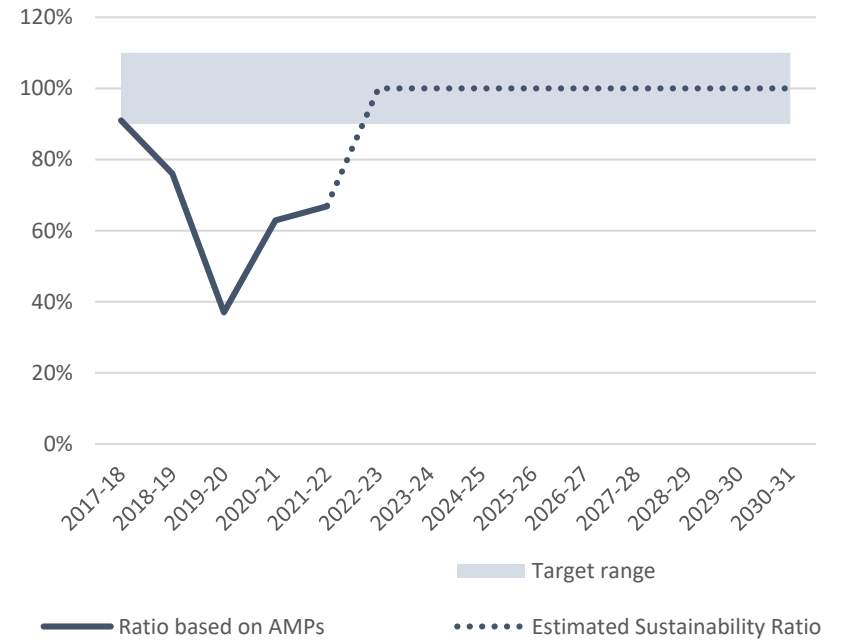
The Sustainability Ratio illustrates whether existing assets are being replaced or renewed at the rate they are being consumed and ensures consistent delivery of infrastructure to service the City determined by the AMPs.

The LGA Target Range for the Sustainability Ratio is 90%-110%.

Impacts of reducing the Infrastructure Program in 2020-21 will increase the renewal funding required over the longer term, reducing capacity to deliver new and significant upgrade projects, major projects and emerging priorities in the short to medium term. Other impacts:

- Increased maintenance and operational costs
- Increased cost at time of intervention

Forecast Asset Sustainability Ratio



Infrastructure Summary

Overview

As outlined on the 28 May the draft 2019-20 Infrastructure Program has been revised to reset and prioritise completion of 2019-20 program and essential renewals utilising a risk based approach.

The revised Infrastructure Program for 2020-21 is \$11.1m including:

- Renewals \$10.3m
- New & Upgraded / Enhancements \$0.7m

Retimed projects of \$15.0m from 2019-20 will be completed.

Major projects will be progressed with the incorporation of Moonta Street \$2.2m and Whitmore Square Greening \$0.9m.

Refer to Appendix 4 for the full list of infrastructure funding priorities.

Recovery principle:

Asset renewals will be prioritised based on audit condition and risk

Strategic enhancements will be delivered through partnerships

We will seek Government funding for new Infrastructure

\$'m	2017-18 Actual	2018-19 Actual	2019-20 Q2 Forecast	2019-20 Q3 Forecast	2020-21 Draft Budget	Variance
Infrastructure						
Renewals	(29.7)	(27.5)	(37.3)	(16.7)	(10.3)	5.7
Enhancements					(0.7)	
2019-20 Re-timed	-	-	-	-	(15.0)	(15.0)
Delivery Resources*	(7.0)	(7.1)	(7.3)	(7.3)	(7.2)	0.1
Major Projects	(10.3)	(12.3)	(14.3)	(8.4)	(8.1)	(0.3)
Total	(47.0)	(46.9)	(58.8)	(32.3)	(41.3)	(9.0)

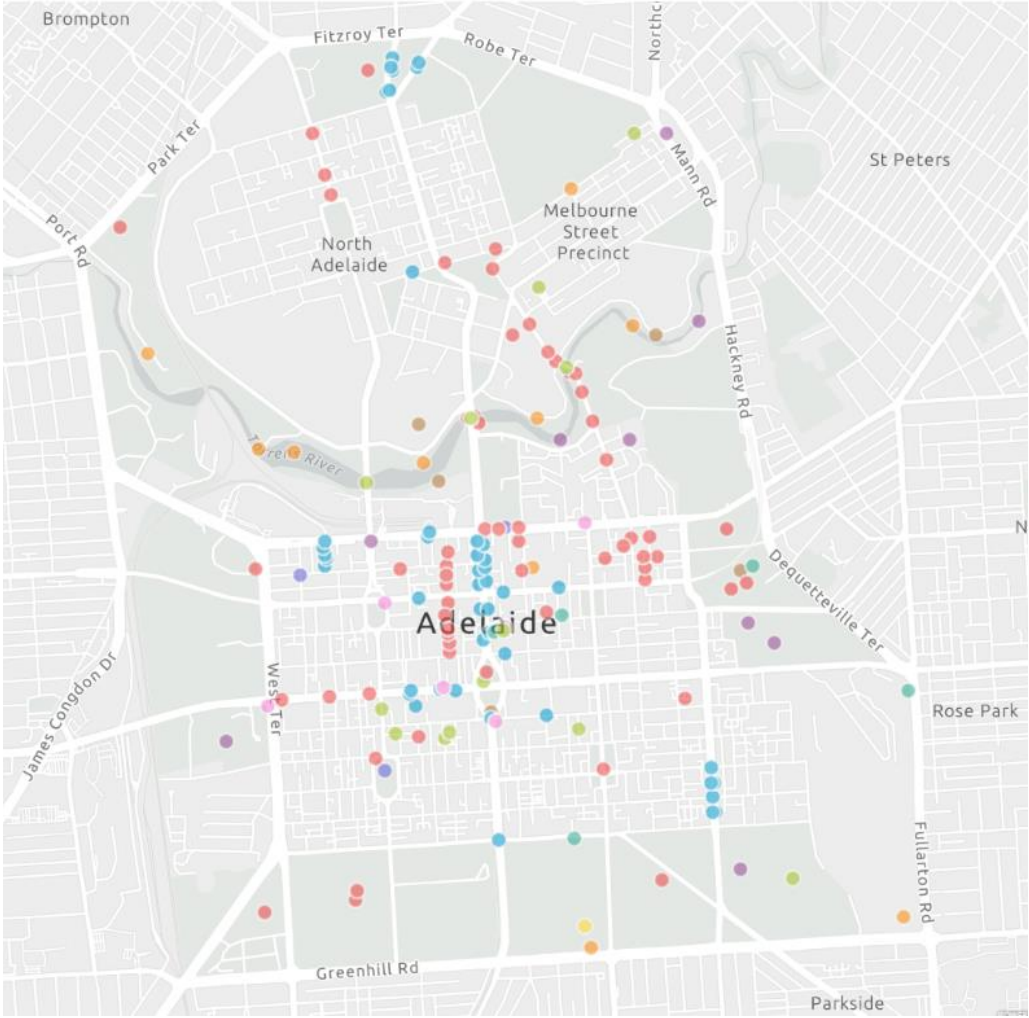
* Delivery resources is the budget for the contribution of internal asset management, design, project management, and administrative services that contribute to the delivery of infrastructure projects.

Infrastructure Summary

Works Mapped

A live demonstration will be presented on the evening.

- ^ Legend
- Re-Timed Projects
 - Transport
 - Lighting and Electrical
 - Bridges
 - Water Infrastructure
 - Park Lands and Open Spaces
 - Traffic Signals
 - Urban Elements
 - Buildings
 - Major Projects
 - others



City of Adelaide 2020-21 BP&B **Long Term Financial Plan**

Briefing Purpose:

To consider the Long Term Financial Plan

Long Term Financial Plan Overview

LTFP Introduction

The City of Adelaide's Long Term Financial Plan (LTFP) seeks to ensure Council can deliver services, maintain assets and achieve its strategic objectives in a financially sustainable manner.

The LTFP is a forecast of Council's financial position based on its strategic plans, anticipated service levels and economic and political indicators. It is reviewed quarterly and updated on an iterative basis to reflect the latest available information.

Outputs of the LTFP include a comprehensive set of financial indicators and statements as per legislative requirements.

The LTFP provides guidance to support Council decision making, and confirm that Council has the financial capacity to meet its longer term commitments.

Key Inputs and Influences

- An assessment of our current financial position and financial sustainability
- Council's Strategic Plan and Asset Management Plans
- Economic and political indicators
- Governance principles
- Corporate Programs and internal support strategies
- Service provision and delivery standards
- Revenue and financing guidelines, including the Rating Policy and Treasury Policy

Long Term Financial Plan Overview

Operational Assumptions

Rates

- No change in the rate in the dollar
- Uplift in valuations (Annual Assessed Value)
 - Medium term CPI 2.0%
 - Short to medium term forecasts on market research and analysis
- Increase from new developments and additions:
 - Current assumption is 1% based on the assumption for previous years
 - Short to medium term forecasts being developed based on development applications and market

Other Income and Expenditure

Based on existing budget indexed by medium term CPI (presently 2.0%) unless there are specific and material variations (e.g. new electricity contract)

Interest rates – presently 1.5%

Projects and Infrastructure Program

- Baseline reviewed annually based on adopted budget (with sufficient allowance for Asset Management Plans)
- Adjustments made in specific years based on funding priorities
- Carry forwards adjusted quarterly

Major Projects and Property Developments

- Detailed analysis of proposed projects is undertaken as part of Council consideration (usually as part of Prudential Report)
- Incorporated within the LTFP once a Council decision is made

Long Term Financial Plan

Key Indicators

Financial Indicator	Target	2019-20 QF3	2020-21 Budget	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Operating Surplus Ratio	0%-20%	(10%)	(18%)	(5%)	(6%)	(5%)	(1%)	(1%)	2%	1%	2%	-
Net Financial Liabilities	Less than 80%	42%	67%	63%	74%	68%	55%	54%	52%	49%	61%	78%
Asset Sustainability Ratio	90%-110%	37%	35%	67%	100%	100%	100%	100%	100%	100%	100%	100%
Asset Test Ratio	Maximum 25%	20%	26%	26%	33%	29%	26%	26%	25%	24%	31%	42%
Debt Service Coverage	Minimum 5 times	11.5	6.6	6.9	6.2	5.8	7.4	8.4	-	-	8.3	6.3
Leverage Test Ratio	Maximum 1.5 years	1.4	2.2	1.9	2.4	2.1	1.6	1.5	1.5	1.4	1.8	2.4
Borrowings (\$'m)	Within Prudential Limits	71.7	92.9	91.9	121.1	112.4	97.4	98.3	96.7	93.7	126.4	172.4
Operating Surplus (\$'m)	Financial sustainability	(20.0)	(33.6)	(10.2)	(11.6)	(9.9)	(2.4)	(2.5)	4.2	2.0	6.2	0.1

Operating Surplus Surplus generated in 2026-27. This Surplus will be utilised to repay debt, major renewals (Adelaide Bridge, Torrens Weir, Rundle UPark) and investment in other income generating assets

Borrowings Limit exceeded from 2020-21 through to 2025-26 and then again through 2028-29 and 2029-30.

Asset Sustainability Ratio Outside of Target Range due to reprioritisation of 2019-20 and 2020-21 Renewal Programs and anticipated reduced 2021-22 Program.

Long Term Financial Plan Scenarios

Scenario 1

LTFP without \$20m reduction to Operating expenditure

The draft 2020-21 Budget has an ongoing operating expenditure saving of \$20m imbedded in line with Council resolution to improve the Operating position. This scenario illustrates the impact on the LTFP without the \$20m expenditure saving, which results in ongoing Operating Deficits and Borrowings exceeding existing Prudential Limits.

Financial Indicator (\$'m)	Target	2019-20 QF3	2020-21 Budget	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Borrowing	Within Prudential Limits	71.3	98.8	112.7	157.4	164.7	166.4	184.7	200.9	216.5	268.4	334.3
Operating Surplus	Financial sustainability	(20.0)	(39.3)	(25.1)	(27.0)	(25.9)	(19.1)	(19.8)	(13.7)	(16.6)	(13.0)	(19.8)

Scenario 2

LTFP without the revised Infrastructure plan

The draft 2020-21 Budget has a revised Infrastructure Plan based on the renewed focus on the quality and condition of our infrastructure and an increased cost to provide those services. Scenario 2 illustrates the impact on the LTFP as per the 2019-20 adopted LTFP with the inclusion of the River Torrens Weir & Rundle UPark building renewals. Consistent with that presented in QF3. Borrowings will be within the Prudential Limits from 2024-25 and Operating Surpluses will be achieved from 2026-27, building capacity to fund the significant renewals in 2028-29 and 2029-30.

Financial Indicator (\$'m)	Target	2019-20 QF3	2020-21 Budget	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Borrowing	Within Prudential Limits	71.3	93.7	106.2	122.1	98.3	74.7	67.3	58.9	49.2	73.6	148.3
Operating Surplus	Financial sustainability	(20.0)	(33.6)	(11.6)	(10.2)	(8.4)	(1.5)	(1.7)	4.9	2.7	7.0	(2.8)

A Live demonstration to be provided during the Workshop with additional scenarios

Long Term Financial Plan Scenarios

Scenario 3

LTFP incorporating the impact of the Draft Bill for Rate Relief

This scenario illustrates the impact on the Draft Bill where council rates are waved for local business and not for profit organisations that have been forced to close as a result of Government directives. A 6 month rate remission has been assumed in this scenario, where the 2019-20 Quarter 4 rates would be credited against future rates payable, and the 2020-21 Quarter 1 rates payable waived. The impact of this being recognised in 2020-21 and results in ongoing Operating Deficits through to 2025-26 and Borrowings exceeding existing Prudential Limits from 2020-21.

Financial Indicator (\$'m)	Target	2019-20 QF3	2020-21 Budget	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Borrowing	Within Prudential Limits	71.3	112.2	111.6	141.1	132.8	118.2	119.5	118.2	115.7	148.7	195.2
Operating Surplus	Financial sustainability	(20.0)	(52.9)	(10.6)	(11.9)	(10.2)	(2.8)	(2.9)	3.8	1.6	5.8	(0.3)

A Live demonstration to be provided during the Workshop with additional scenarios

City of Adelaide 2020-21 BP&B **Treasury Policy**

Briefing Purpose:

To consider the key principles for borrowings

Treasury Policy Borrowings

Borrowing Principles for the Treasury Policy

Borrowings should be reserved to fund projects that are aligned to Council’s Strategic Plan and meet two of the following criteria:

- Have a positive return on investment
- Leverage external grant funding
- City shaping Projects with intergenerational equity

The level of borrowings held should consider Council’s

- Capacity to service the interest and repay borrowings through present and forecast future income
- Capacity to respond to emerging opportunities and risks
- Be balanced with Council’s foreseeable funding priorities identified in the Long Term Financial Plan
- ‘Risk appetite’, as defined by Council’s prudential limits

Borrowings should not be utilised to fund the

- Delivery of operational services
- Routine asset renewals

Revised Prudential Borrowing Limit

Proposed Prudential limits	2019-20 QF3	2020-21 Budget	2021-22
Asset Test Ratio	20%	26%	26%
Leverage Test Ratio	0.6	0.8	0.8
Interest Expense Ratio	0.97%	1.47%	1.45%

Asset Test

Maximum 50% of sellable assets

Basis of the calculation unchanged

Leverage Test

Maximum 1.5 of general rates revenue

(rather than funds available for projects)

General rates more consistent basis to measure capacity to repay borrowings

Interest Expense Ratio

Maximum of 10% of general rates revenue

This ratio measures the affordability of Council’s debt and articulates the proportion of Council’s general rate income that is being used to service debt. The ratio is consistent with the Local Government Financing Authority (LGFA) calculation

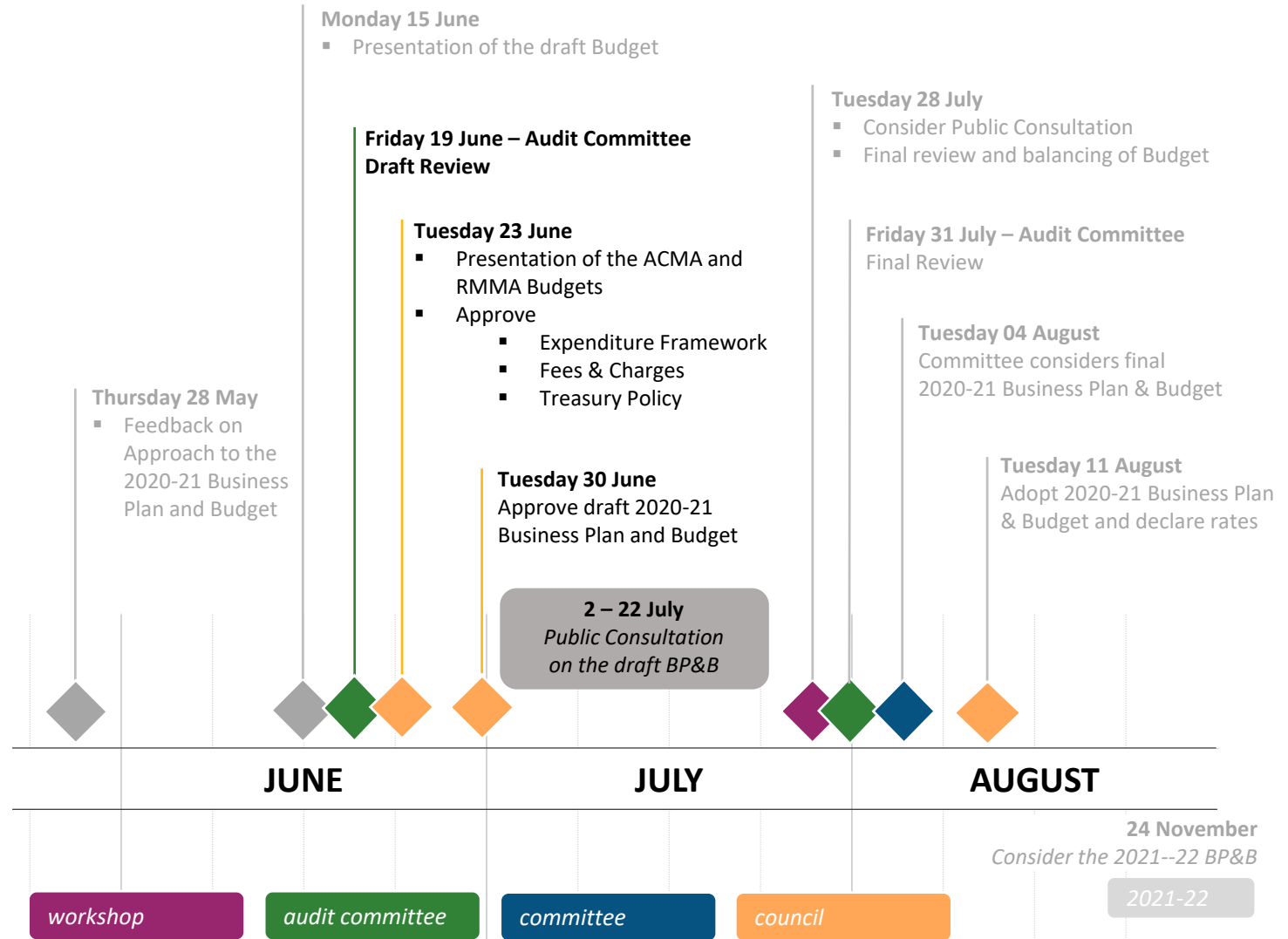
The revised Prudential Limit would increase borrowing capacity to approximately \$175m with annual interest payments of \$3.5m

Recovery principle:

Financial borrowings adjusted to stimulate growth

Investment is prioritised to support recovery

Next Steps



Appendix 1

Long Term Financial Plan – Budgeted Financial Statements

- 5.1 Uniform Presentation of Finances
 - 5.2 Statement of Comprehensive Income
 - 5.3 Statement of Financial Position
 - 5.4 Statement of Changes in Equity
 - 5.5 Statement of Cash Flows
-

Appendix 1: Service Category Summaries

- Arts, Community Development & Civic Services
 - Asset Maintenance
 - Commercial Operations
 - Corporate Support Services
 - Economic Growth
 - Infrastructure & Asset Management
 - Policy & Planning Services
 - Property Management
 - Regulatory & Statutory Services
 - Waste, Natural Resources & Environmental Services
-

Arts, Community Development & Civic Services

Category Definition

Services provided for community benefit, to respond to community needs and provide programs that deliver community experiences as well as meet civic responsibilities in representing the interests of the city.

Community value statement

We have a community that feel connected, accessible, vibrant, safe and resilient, and who embrace cultural diversity and wellbeing.

Linked Strategic Plan Key Actions

Thriving Communities

- 1.01 Leverage the Adelaide Park Lands to promote health, wellbeing and lifestyle experiences
- 1.02 Build and be guided by the Wellbeing Dashboard
- 1.04 Develop diverse places, and facilities with and for young people
- 1.06 Support volunteerism to build community capacity and connectedness
- 1.09 Pursue affordable, reliable links to airports, regions and suburbs

Strong Economies

- 2.06 Support and develop diverse creative and social industry sectors
- 2.08 Facilitate creative uses of the public realm and underutilised city buildings
- 2.09 Activate main streets and develop unique precincts to support a diverse range of businesses and communities

Dynamic City Culture

- 3.04 Support development of new cultural and civic infrastructure for the city
- 3.07 Deliver diverse parks and playspaces
- 3.08 Expand public art throughout the city in collaboration with the private sector
- 3.09 Connect City users to place through curated city experiences
- 3.10 Support community diversity, cultural expression, experiences and participation
- 3.11 Expand Adelaide's global reputation as a 'magnet city' and UNESCO City of Music, through world class events, live music, festivals and activation

Environmental Leadership

-

Enabling Priorities

- 5.02 Demonstrate bold governance leadership in the Local Government Sector
- 5.03 Build on effective advocacy and partnerships, locally, globally and nationally
- 5.09 Encourage and support new ideas and concepts

Services \$'000s	2020-21				2019-20 net	% variance
	FTE	Income	Expend.	Net		
Civic Collection Management	3.3	6	(401)	(394)	(351)	(12.2%)
Community Capacity Building (<i>community centres, sport and recreation, community wellbeing and resilience</i>)	15.8	356	(3,375)	(3,020)	(2,912)	(3.7%)
Creative and Cultural Experiences (<i>libraries, Town Hall, events</i>)	44.6	1,275	(8,559)	(7,285)	(6,533)	(11.5%)
Creative and Cultural Planning and Partnerships (<i>cultural strategy, creative enterprises and social industries</i>)	10.1	0	(2,060)	(2,060)	(2,515)	18.1%
Customer Experience	32.1	1	(3,688)	(3,687)	(3,321)	(11.0%)
Lord Mayor and Elected Members Administration	7.4	0	(1,974)	(1,974)	(1,899)	(4.0%)
Partnerships and Intergovernmental Relations	1.1	0	(254)	(254)	(263)	3.4%
Total Service Category	114.4	1,637	(20,311)	(18,674)	(17,794)	(4.94%)

Key variances / discussion:

- Increase in cost of Creative and Cultural Experiences to offset reduction in library grant funding and increased support to event customers
- Enhanced resourcing for the development of partnerships and relationships in Creative and Cultural Planning and Partnerships
- \$700k of City Activation – Splash classed as one off costs in 2020-21
- Customer Experience – review of team structure based on service expectation has resulted in a reallocation of FTE to this service

Asset Maintenance

Category Definition

Maintenance of the city's public infrastructure assets.

Community value statement

We are provided with safe, clean and well maintained public spaces.

Linked Strategic Plan Key Actions

Thriving Communities

-

Strong Economies

-

Dynamic City Culture

-

Environmental Leadership

4.01 Increase street tree canopies and green infrastructure in city hot spots and public spaces

4.05 Enhance biodiversity in the Park Lands and connect our community to nature

4.08 Protect and conserve the heritage listed Adelaide Park Lands

Enabling Priorities

-

Services \$'000s	2020-21				2019-20 net	% variance
	FTE	Income	Expend.	Net		
Arboriculture	14.6	0	(2,267)	(2,267)	(2,162)	(4.9%)
Biodiversity	5.3	0	(592)	(592)	(575)	(3.0%)
Capital Works	0.0	0	0	0	1,201	(100.0%)
Cleansing	53.4	33	(7,410)	(7,377)	(6,800)	(8.5%)
Facilities Management	5.4	0	(583)	(583)	(794)	26.6%
Irrigation	4.7	5	(889)	(884)	(973)	9.2%
Lines and Signs	14.4	450	(2,417)	(1,967)	(1,347)	(46.0%)
Mowing	18.1	0	(2,503)	(2,503)	(2,237)	(11.9%)
Nursery	6.0	625	(1,137)	(512)	(522)	2.0%
Park Lands Maintenance	25.3	3	(2,993)	(2,990)	(2,629)	(13.7%)
Plant and Fleet Management	16.7	10	917	927	1,113	(16.7%)
Playground Maintenance	2.8	0	(345)	(345)	(355)	3.0%
Road and Footpath Maintenance	26.7	0	(4,233)	(4,233)	(3,440)	(23.1%)
Streetscape Maintenance	9.4	0	(2,708)	(2,708)	(1,161)	(133.3%)
Trade Services	11.9	102	(3,504)	(3,402)	(3,427)	0.7%
Urban Elements Maintenance	15.0	0	(2,029)	(2,029)	(1,871)	(8.4%)
TOTAL Service Category	229.7	1,229	(32,690)	(31,462)	(25,978)	(21.11%)

Key variances / discussion:

- The Infrastructure Program has been revised to essential renewals utilising a risk based approach. As a result, there will be an increase in maintenance requirements. The Internal team previously delivering capital works projects (and charged to the relevant projects) has been redirected to work on maintenance activities. As such the Capital Works service along with the internal recovery of \$2.7m has ceased.
- Enhanced cleansing is needed on additional and upgraded assets – for example Market to Riverbank and Gawler Place (\$0.6m)
- Cost of water for irrigation has been reallocated from Infrastructure and Asset Solutions (Infrastructure and Asset Management category) to Streetscape Maintenance (\$1.4m)

Commercial Operations

Category Definition

Council operated and maintained business operations.

Linked Strategic Plan Key Actions

Thriving Communities

-

Strong Economies

2.05 Reduce and streamline Council policies, permits and fees to reduce the cost base of doing business in the City

Dynamic City Culture

3.05 Upgrade major recreational facilities

Environmental Leadership

-

Enabling Priorities

-

Community value statement

Council businesses are sustainably and financially operated to meet community needs and drive increased visitation, participation and physical activity.

Services \$'000s	2020-21				2019-20 net	% variance
	FTE	Income	Expend.	Net		
Aquatic Centre	32.4	█	█	█	█	█
Commercial Business Marketing and Communications	2.2	█	█	█	█	█
Golf Links	11.8	█	█	█	█	█
Off Street Parking	19.1	█	█	█	█	█
Off Street Parking - Park Lands	0.0	█	█	█	█	█
TOTAL Service Category	65.5	25,398	(19,661)	5,738	13,884	(58.67%)

Key variances / discussion:

- Aquatic Centre temporary closed. Re-opening date to be confirmed with reductions in revenue expected across all services
- Golf Trade Days not expected to start until February 2021
- UPark not expected to return to previous levels in 20-21 budget
- Cancellation of Royal Show Parking

Corporate Support Services

Category Definition

Internal enabling and supporting services for the organisation.

Community value statement

We have trust and confidence in decision making through Council's effective governance and sustainable use of resources.

Linked Strategic Plan Key Actions

Thriving Communities

-

Strong Economies

-

Dynamic City Culture

-

Environmental Leadership

-

Enabling Priorities

5.01 Review and improve the way we collect and present data to share insights with the community

5.05 Develop new revenue opportunities for Council operations

5.06 Review Council services to balance efficiencies with meeting community expectations

5.07 Implement Sustainable (financial, environmental, social, cultural) Procurement Policy

5.09 Encourage and support new ideas and concepts

Services \$'000s	2020-21				2019-20 net	% variance
	FTE	Income	Expend.	Net		
Business Improvement	2.8	0	(431)	(431)	(725)	40.6%
Council Governance	3.8	0	(532)	(532)	(526)	(1.2%)
Council Print Services	1.0	0	(116)	(116)	(136)	14.5%
Emergency Management	1.1	0	(143)	(143)	(220)	34.7%
Financial Services	10.9	25	(3,024)	(2,999)	(3,667)	18.2%
Helpdesk & Application Support Services	9.1	40	(4,620)	(4,580)	(4,377)	(4.6%)
IT Business Engagement (<i>internal</i>)	10.8	0	(4,449)	(4,449)	(1,351)	(229.2%)
Legal	1.1	0	(1,058)	(1,058)	(1,019)	(3.8%)
Network & Telecommunications Services	2.1	0	(1,017)	(1,017)	(905)	(12.3%)
People Experience	15.5	0	(2,972)	(2,972)	(2,737)	(8.6%)
Procurement and Contract Management	12.1	0	(1,526)	(1,526)	(1,139)	(33.9%)
Safety and Wellbeing	4.0	25	(883)	(858)	(893)	3.9%
Server and Cloud Administration	3.1	23	(1,254)	(1,232)	(849)	(45.1%)
TOTAL Service Category	77.3	113	(22,025)	(21,912)	(18,545)	(18.16%)

Key variances / discussion:

- Cost of Financial Services reduced by \$0.6m due to a reduction in interest expense
- Procurement and Contract Management has increased to reflect the need for extra resource after the closure of Council Solutions. Savings expected in 19-20 were not achieved and are not included in the 20-21 budget
- Business Systems Roadmap now included as an Operational cost in IT Business Engagement
- Server and Cloud Administration increased as more services are moving to cloud support, requiring a higher level of FTE support which has been reallocated from standard application support
- Increases in software - particularly Microsoft suite has increased budget for Helpdesk and Application Support Services
- All Emergency Management tasks now facilitated by City of Adelaide rather than external service providers
- Greater Council & Committee meeting support required from Council Governance in response to significantly extended meeting duration and number of special meetings

Economic Growth

Category Definition

Provision of services that aim to increase visitor and resident growth and provide economic benefit to the city

Community value statement

We have increased visitors, residents, productivity and investment within the city.

Linked Strategic Plan Key Actions

Thriving Communities

1.06 Support volunteerism to build community capacity and connectedness

Strong Economies

2.03 Establish a Smart Visitor Experience Centre

2.04 Provide connections, opportunities and a supportive environment for start-ups to test, trial and innovate

2.06 Support and develop diverse, creative and social industry sectors

2.09 Activate main streets and develop unique precincts to support a diverse range of businesses and communities

2.10 Implement a City Wide Business Model

Dynamic City Culture

3.09 Connect City users to place through curated city experiences

3.11 Expand Adelaide's global reputation as a 'magnet city' and UNESCO City of Music, through world class events, live music, festivals and activation

Environmental Leadership

-

Enabling Priorities

5.01 Review and improve the way we collect and present data to share insights with the community

Services \$'000s	2020-21				2019-20 net	% variance
	FTE	Income	Expend.	Net		
ACMA Marketing & Events	2.7	14	(587)	(573)	(563)	(1.8%)
ACMA Operations & Leasing	3.0	8,736	(8,347)	389	1,123	(65.4%)
ACMA Strategic Management, Governance, Finance & Admin	2.1	49	(788)	(738)	(557)	(32.6%)
City Growth	6.3	2	(2,156)	(2,154)	(2,232)	3.5%
Content and Social Media	3.2	0	(474)	(474)	(234)	(102.3%)
Graphic Design	3.2	0	(336)	(336)	(198)	(69.6%)
Innovation	6.7	170	(1,622)	(1,452)	(1,524)	4.7%
Marketing Strategy, Brand and Consumer Insights	3.8	0	(676)	(676)	(550)	(23.0%)
Media Relations	3.8	0	(687)	(687)	(633)	(8.6%)
Programme Marketing and Communications	8.2	0	(1,410)	(1,410)	(1,239)	(13.8%)
(RMMA) Marketing Events and Activation	6.0	2,102	(2,615)	(513)	(574)	10.6%
(RMMA) Retail and General Operations	1.8	1,036	(998)	38	74	(47.9%)
(RMMA) Strategic Management and Governance	1.8	947	(472)	475	501	(5.1%)
Small Business Advice and Support	0.0	0	0	0	(224)	100.0%
Visitor Growth	9.2	0	(4,391)	(4,391)	(4,470)	1.8%
Web, digital and visual content	3.8	0	(851)	(851)	(617)	(38.0%)
TOTAL Service Category	65.4	13,055	(26,410)	(13,355)	(11,920)	(12.04%)

Key variances / discussion:

- Reduction in income from Central Market car park (\$685k)
- Increase in software licencing costs as Marketing and Communications have taken on responsibility of managing marketing based software licencing reflecting investment in new website platform functionality, stability, security, speed and its extensibility (\$200k)
- Marketing costs to support projects now included in operational costs rather than recharged to projects (\$385k)

Infrastructure and Asset Management

Category Definition

Development and management of the city's public infrastructure assets and delivery of the Council's Capital Projects.

Community value statement

Community assets are designed, planned, delivered and operated in a safe and financially sustainable manner.

Linked Strategic Plan Key Actions

Thriving Communities

- 1.01 Leverage the Adelaide Park Lands to promote health, wellbeing and lifestyle experiences
- 1.10 Support delivery of welcoming civic infrastructure / third spaces to foster community connections through the adoption of universal and sustainable design principles
- 1.11 Work with the State and Federal Government to future proof infrastructure for emerging modes of transport, and trial smart, sustainable forms of public transport

Strong Economies

- 2.08 Facilitate creative uses of the public realm and underutilised city buildings

Dynamic City Culture

- 3.04 Support development of new cultural and civic infrastructure for the city
- 3.05 Upgrade major recreational facilities
- 3.06 Develop asset management plans to provide for future generations
- 3.07 Deliver diverse parks and playspaces
- 3.08 Expand public art throughout the city in collaboration with the private sector

Environmental Leadership

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Enabling Priorities

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Services \$'000s	2020-21				2019-20 net	% variance
	FTE	Income	Expend.	Net		
Asset Information Services	7.0	0	(914)	(914)	(675)	(35.5%)
Design Management	19.4	0	(2,514)	(2,514)	(1,079)	(132.9%)
Design Strategy	1.4	0	(254)	(254)	(1,234)	79.4%
Governance and Performance Office	7.7	0	(1,031)	(1,031)	(986)	(4.5%)
Infrastructure and Asset Planning	3.7	0	(643)	(643)	(526)	(22.1%)
Infrastructure and Asset Solutions	12.4	0	(8,858)	(8,858)	(10,318)	14.2%
Project Management	16.5	0	(2,339)	(2,339)	(1,988)	(17.7%)
Transport Operations	7.3	0	(2,389)	(2,389)	(1,917)	(24.6%)
TOTAL Service Category	75.3	0	(18,940)	(18,940)	(18,724)	(1.16%)

Key variances / discussion:

- Transfer of irrigation costs from Infrastructure and Asset Solutions to Streetscape Maintenance (Asset Maintenance category) \$1.4m
- Due to the focus on renewals in our Infrastructure program for the next few years resources have been reallocated from Design Strategy to Design Management. Design Strategy may increase again in future years dependent on budget availability for new and upgrades, state funding and Council decisions.
- Extra resource required in Asset Information Services to support the improved service from the new Asset Management System
- Transport Operations has been combined with Transport Planning (Policy and Planning Services category)

Policy and Planning Services

Category Definition

Services that provide insights into city Planning, information and advice enabling Council to effectively set and implement policy as well as deliver strategic programs and projects.

Community value statement

We have a city that is beautiful, inspiring, safe, sustainable and values its heritage.

Linked Strategic Plan Key Actions

Thriving Communities

- 1.01 Leverage the Adelaide Park Lands to promote health, wellbeing and lifestyle experiences
- 1.02 Build and be guided by the Wellbeing Dashboard
- 1.03 Continue support for the Adelaide Zero Project and other initiatives to achieve functional zero homelessness
- 1.05 Support health and housing for vulnerable people and young people
- 1.07 Develop plans to improve mobility and physical and digital access and connectedness
- 1.08 Implement City Access projects (walking, cycling and public transport) in partnership with the State Government, including the North-South and East-West city bikeways
- 1.09 Pursue affordable, reliable links to airports, regions and suburbs

Strong Economies

- 2.07 Develop spatial plans to support the growth in the city
- 2.08 Facilitate creative uses of the public realm and underutilised city buildings

Dynamic City Culture

- 3.01 Support, promote and share Aboriginal and Torres Strait Islander cultures and pay homage to the Kaurna people as traditional owners
- 3.02 Pursue world and State heritage listing for the Adelaide Park Lands and City Layout
- 3.03 Encourage smart, creative, adaptive reuse of heritage assets, including through incentives and promotion

Environmental Leadership

- 4.08 Protect and conserve the heritage listed Adelaide Park Lands

Enabling Priorities

- 5.01 Review and improve the way we collect and present data to share insights with the community
- 5.08 Implement new approaches to engaging the community in Council decision-making

Services \$'000s	2020-21				2019-20 net	% variance
	FTE	Income	Expend.	Net		
City Insights and Evidence	2.4	0	(587)	(587)	(321)	(82.8%)
Community Engagement	3.8	0	(512)	(512)	(493)	(3.8%)
Community Planning and Strategy (<i>social inclusion, reconciliation</i>)	5.7	45	(830)	(785)	(1,295)	39.4%
Heritage Management	5.6	0	(1,911)	(1,911)	(1,625)	(17.6%)
Park Lands Management	3.0	0	(726)	(726)	(520)	(39.6%)
Spatial Planning	6.5	0	(861)	(861)	(999)	13.8%
Strategy and Planning	3.4	0	(488)	(488)	(250)	(94.8%)
Transport Planning	0.0	0	0	0	(670)	100.0%
TOTAL Service Category	30.4	45	(5,916)	(5,871)	(6,175)	4.92%

Key variances / discussion:

- Transport Planning has been combined with Transport Operations (Infrastructure and Asset Management category)
- Community Planning and Strategy \$0.5m
 - Reclassification of the Don Dunstan initiative within Community Planning and Strategy to projects \$0.3m
 - Structural realignment, combining two teams within Community, saving a manager's position with no impact on service delivery \$0.2m

Property Management

Category Definition

Services that manage a diverse portfolio of properties and provide an important source of funding in addition to rates revenue.

Community value statement

We have access to beautiful and surprising places through the promotion, management and development of council owned property.

Linked Strategic Plan Key Actions

Thriving Communities

-

Strong Economies

2.01 Develop 88 O'Connell Street

2.02 Redevelop Adelaide Central Market Arcade and Market District

2.08 Facilitate creative uses of the public realm and underutilised city buildings

Dynamic City Culture

-

Environmental Leadership

-

Enabling Priorities

5.04 Implement Strategic Property Review

Services \$'000s	2020-21				2019-20 net	% variance
	FTE	Income	Expend.	Net		
Land Tenure Services	1.2	0	(207)	(207)	(200)	(3.2%)
Property Management	6.9	8,508	70	8,577	11,417	(24.9%)
Property Strategy	5.0	0	(1,000)	(1,000)	(1,496)	33.1%
TOTAL Service Category	13.1	8,508	(1,137)	7,370	9,720	(24.18%)

Key variances / discussion:

- Property Management (\$2.8m)
 - Central Market Arcade will cease operations during 2020-21 with a net reduction of (\$1.4m).
 - Expectation of increased vacancies in Council commercial properties and potential deferral of rent increases to 21-22 (\$1.4m)
- Property Strategy - 88 O'Connell Development in final stages of negotiation and no activation budgeted for 20-21 \$0.5m

Regulatory and Statutory Services

Category Definition

Council is required to administer a range of regulatory and statutory functions prescribed by legislation for planning, access, amenity, and public health and safety.

Community value statement

We have a safe, accessible and well planned city.

Linked Strategic Plan Key Actions

Thriving Communities

-

Strong Economies

2.05 Reduce and streamline Council policies, permits and fees to reduce the cost base of doing business in the city

Dynamic City Culture

-

Environmental Leadership

-

Enabling Priorities

5.01 Review and improve the way we collect and present data to share insights with the community

5.05 Develop new revenue opportunities for Council operations

Services \$'000s	2020-21				2019-20 net	% variance
	FTE	Income	Expend.	Net		
Building Assessment & Compliance	10.7	64	(1,271)	(1,208)	(1,247)	3.2%
Business Centre	11.2	1,951	(1,319)	631	306	106.4%
Community Safety	6.3	34	(767)	(733)	(721)	(1.7%)
Compliance	2.3	0	(425)	(425)	(568)	25.2%
Enterprise Risk	1.4	0	(1,171)	(1,171)	(1,118)	(4.7%)
Environmental Health	6.3	223	(912)	(690)	(632)	(9.0%)
External Reporting (<i>financial, statutory reporting</i>)	3.3	0	(527)	(527)	(515)	(2.4%)
Financial Planning and Analysis	14.5	0	(1,935)	(1,935)	(1,932)	(0.1%)
On-Street Parking	44.1	14,935	(6,169)	8,766	17,399	(49.6%)
Planning Assessment	12.3	362	(1,553)	(1,191)	(877)	(35.7%)
Rating	6.8	115,706	(2,657)	113,049	108,068	4.6%
Records & Archival Management	8.4	6	(1,106)	(1,100)	(1,049)	(4.8%)
TOTAL Service Category	127.7	133,280	(19,811)	113,469	117,113	(3.11%)

Key variances / discussion:

- Expected increase in city works permits income in the Business Centre
- Forecasted reduction in income from On-Street Parking ticket machines
- Increase of resource required in Planning Assessment due to changes in DPTI Planning Code
- A majority of the legislative compliance program and internal audit work is now completed in house

Waste, Natural Resources and Environmental Services

Category Definition

Council provides a range of services that deliver both strategic and operational management of waste as well as broader environmental services to ensure the long-term sustainability of our city.

Community value statement

We are a sustainable city that minimises our environmental impact and prepares for a changing climate.

Linked Strategic Plan Key Actions

Thriving Communities

-

Strong Economies

-

Dynamic City Culture

-

Environmental Leadership

4.01 Increase street tree canopies and green infrastructure in city hot spots and public spaces

4.02 Implement improvements to city-wide waste and recycling services to support transition to the circular economy

4.03 Educate and support our community to be zero-waste, water sensitive, energy efficient and adaptive to climate change

4.04 Support our community to transition to a low carbon economy through education, incentives and appropriate infrastructure

4.05 Enhance biodiversity in the Park Lands and connect our community to nature

4.06 Implement the Carbon Neutral Strategy for the city and achieve carbon neutral certification for our operations

4.07 Support all CBD businesses to be green accredited

Enabling Priorities

5.02 Demonstrate bold governance leadership in the Local Government Sector

5.03 Build on effective advocacy and partnerships, locally, nationally and globally

5.09 Encourage and support new ideas and concepts

Services \$'000s	2020-21				2019-20 net	% variance
	FTE	Income	Expend.	Net		
Carbon Neutral and Efficient Organisation	4.1	0	(939)	(939)	(762)	(23.3%)
Supporting a Low Carbon City	4.5	0	(730)	(730)	(1,127)	35.3%
Sustainable and Climate Ready City	4.8	0	(1,127)	(1,127)	(911)	(23.7%)
Sustainable Event Support	0.0	0	0	0	(69)	100.0%
Waste and Recycling	2.6	0	(525)	(525)	(257)	(104.5%)
Waste Management	0.9	50	(2,921)	(2,871)	(2,766)	(3.8%)
TOTAL Service Category	17.0	50	(6,241)	(6,192)	(5,892)	(5.08%)

Key variances / discussion:

- Sustainable Events service has ceased as guidelines have been completed and are available to all event holders
- Waste and Recycling has increased to include an Education Officer and corresponding expenditure to deliver ongoing services
- Climate Change Action Initiative Fund supports Carbon Neutral and Efficient Organisation, Supporting a Low Carbon City and Sustainable and Climate Ready City. Budget remains at 1% of rates income, however, activities have not been fully scoped yet. Focus may change each year across services to support strategic plan actions

Appendix 2 Plant, Fleet & Equipment

Program	Description	\$'000s
Public Realm – Plant, Fleet & Equipment		1,700
ICT Renewals		
Server Replacement	Ongoing program to maintain and upgrade on premise data centre and disaster recovery equipment consisting of servers, data storage equipment, power supply and backup devices. Equipment is replaced on a 5-year cycle, extended with warranty extensions where cost effective.	175
Network Connectivity & Security	Ongoing program to maintain and upgrade the corporate data network consisting of fibre optic connections, networking equipment (switches) and network security protection systems.	536
Telecommunications	Ongoing program to maintain and upgrade the corporate telephone systems including desktop telephone handsets.	144
PC Replacement	Ongoing program to maintain and upgrade the corporate desktop equipment fleet consisting of PCs, laptops and other desktop equipment (monitors, peripherals). PCs and laptops are replaced every 4 years on a rotating basis and peripherals are replaced when obsolete.	348
Printer/MFD Replacement	Ongoing program to maintain and replace the corporate fleet of multi-function devices (MFDs) and printer equipment.	62
Corporate Applications	Ongoing program to maintain and upgrade corporate software applications, including replacement when the corporate software becomes obsolete or unsupported.	15
Handheld Equipment	Devices for Parking Information Officers and Environmental Health Officers .	140
		1,420
Commercial		
UPark Operating System Replacement and Upgrade	Replacement of existing hardware in two UParks including software, licences and intercom system. Installation of licence plate recognition and QR code readers.	661
Golf Fit Out – Pro Shop	Pro Shop Fit out	50
Aquatic Centre	Replacement of pin loaded health club equipment and pool equipment	130
		841
Total		3,961

Appendix 3.1 2020-21 Strategic Projects

2020-21 Strategic Projects

The following list provides further context to the Strategic Projects presented on 28 May.

We would like your feedback on these works in preparation to finalise the draft 2020-21 Business Plan and Budget for Public Consultation.

New projects / adjustments to the list presented on 28 May are in blue text.

Ref #	Project	\$000's		
		2020-21	2019-20	2018-19
2020-21 Strategic Projects				
Thriving Communities				
SP-01	Adelaide Free Wi-Fi	900	-	-
SP-12	Don Dunstan Foundation Strategic Partnership	115	313	111
SP-13	Men's Shed	30	-	-
SP-15	Park Lands Services	100	195	-
Total		1,145		
Strong Economies				
SP-02	Eighty Eight O'Connell	150	789	-
SP-04	Christmas in the City	300	200	200
SP-09	Central Market Arcade Redevelopment	500	270	500
SP-14	City Plan	200	100	-
Total		1,150		
Dynamic City Culture				
SP-03	Splash incorporating Winter Lights	710	710	390
SP-05	Shared Arts & Cultural Grants (subject to SA Govt matched funding)	50	-	-
SP-06	Kaurna-led Stretch Reconciliation Plan 2018-21 Initiatives	100	83	-
SP-07	Kids on Country	40	-	-
SP-08	CoA Reconciliation Action Plan (RAP) 2021-2024 Build	15	-	-
SP-17	World Heritage listing	50	100	-
SP-18	Public Art	216	212	208
SP-19	New Winter Event	300	-	-
Total		1,481		
Environmental Leadership				
SP-10	City Wide Waste and Recycling Program	1,000	200	153
SP-11	Kirrawirra Park/River Torrens Wetlands and Urban Nature Space	300	-	-
Total		1,300		
Enabling Priorities				
SP-16	Strategic Property Investigations	100	100	-
Total		100		
Total 2020-21 Strategic Projects		5,176		

Appendix 3.2 Reprioritised & Retimed Projects

2020-21 Priorities

The following are the lists of the reprioritised projects and retimed projects from the Quarter 3 Forecast.

We would like your feedback on the progression of the revised projects in preparation to finalise the draft 2020-21 Business Plan and Budget for Public Consultation.

The retimed projects have been approved in the Quarterly Revised Forecasts, and are included for reference only.

Ref #	Project	\$000's		
		2020-21	2019-20	2018-19
2019-20 Projects Reprioritised				
	Melbourne, O'Connell & Hutt Streets Masterplan	232	370	-
	China Town and Market District Safety	50	50	-
	Shop Front Improvements	50	50	-
	Umbrella Winter Festival	40	40	40
	Welcoming City Places & Spaces	25	25	-
	Torrens Lake Weir Designs	16	25	-
Total 2019-20 Projects Reprioritised		413		

Ref #	Project	Retimed at Quarter 3 \$'000	Retimed since Quarter 3 \$'000	Net Budget
Retimed Projects				
Retimed Strategic Projects				
	Winter Splash	100	-	100
	Christmas in the City	200	-	200
	Representation Review	50	-	50
	Asset Management Transformation Program	442	-	442
	Rundle Mall Wayfinding	50	-	50
	Terrence Plowright Sculpture Installation	178	-	178
	Public Art 2018-19	36	-	36
	Vietnamese Boat People Memorial	20	-	20
		1,076	-	1,076
Retimed Commercial Projects				
	Ten Gigabit Milestone Payments	2,000	-	2,000
	Gawler UPark Upgrade	1,911	60	1,961
		3,911	60	3,961
Total 2019-20 Retimed Projects		4,987	60	5,037

Appendix 4.1 Infrastructure 2020-21 Program

2020-21 Priorities

The following list provides further context to the funding priorities for Infrastructure Enhancements and Infrastructure Renewals as presented on 28 May.

We would like your feedback on these priorities in preparation to finalise the draft 2020-21 Business Plan and Budget for Public Consultation.

Program	Description	\$'000s
Enhancements		
City Dirt Masterplan	Detailed Design and cost planning for the enhancement of the BMX facility in Park 20 and connections to the TreeClimb facility in Park 20.	40
Greening in the City's North West and South West	Project to increase greening and tree canopy of the city's south west and north west	235
Hutt Street Project	Quick win of Hutt Street Masterplan, including infill street trees, revitalisation of the verge and median garden beds between South Terrace and Halifax Street, aligning with planned renewals (700k)	325
Flinders Street Pedestrian Crossing Improvements	Subject to the final route on the East-West bikeway being approved by Council, to prepare detailed design for cost estimation for kerb extensions on Flinders Street adjacent Pilgrim Lane for the further consideration of Council	10
North Terrace / George Street Cyclist Safety Measures	Detailed design and cost estimation for a bicycle hook turn and western pedestrian crossing at the intersection of North Terrace and George Street for Council's further consideration.	40
Kingston Terrace Stormwater	Stormwater Investigations and Design on Kingston Terrace – West for Council's further consideration	6
Total		656

Renewals		
Bridges	Investment in the Council's bridge infrastructure to ensure accessible and safe movement throughout the City, including replacing Victoria Bridge expansion joints as well renewing several minor footbridges in the park lands.	657
Buildings	The Buildings Program consists of Public Conveniences in Mary Lee Park (Park 27b), and Rymill Park (including changing places facility).	968
Lighting and Electrical	Essential works on Lighting and Electrical Infrastructure to support a safe, secure and continuous service to the residents, visitors and community.	953
Park Land and Open Space	Ensures that landscape features located within our streets and Park Lands are actively managed to enhance our streets giving consideration to legislative requirements and safety.	80
Transport	Essential roadworks to ensure we continue to provide a safe, efficient and accessible road and footpath network, including resurfacing Grote Street, Prospect Road and Main North Road.	4,173
Urban Elements	Essential Urban Elements works to ensure the provision of a safe, accessible, clean and well maintained urban environment including Public Art Refurbishment	565
Water Infrastructure	Essential works on Council's Stormwater Infrastructure including contribution to Brownhill Keswick Creek, Torrens Lake retaining structure and Francis Street Stormwater renewal.	1,886
Traffic Signals	Investment in Traffic Signal infrastructure to ensure accessible and safe movement throughout the City for residents, visitors and the public, including critical underground cables and conduits replacement works in West Terrace and Currie street.	1,003
Total		10,280

Appendix 4.2 Infrastructure Retimed Works

2019-20 Retimed Projects

The Quarter 3 Revised Forecast identified \$12.3m of 2019-20 projects that were retimed to be completed in 2020-21. A further \$2.8m projects are now proposed to be retimed for completion in 2020-21.

We would like your feedback regarding the progression of these projects in 2020-21

\$'000	Retimed at Quarter 3	Retimed since Quarter 3	Net Budget
City Greening	131	10	141
Decorative Lighting Program	98	33	131
Grote Street (Morphett Street to West Terrace)	1,728	-	1,728
Hindley Street	231	-	231
Jeffcott Street Stage 2	1,990	-	1,990
Paxton's Walk and Vaughan Place Design	30	-	30
Union Street Streetscape	1,182	-	1,182
Whitmore Square Pedestrian Safety Improvements	710	-	710
Events Infrastructure Rundle Park	567	247	814
Place of Reflection	148	-	148
Wattle Grove Memorial	43	-	43
Colonel Light Centre Renewals	423	-	423
UPark Buildings – Rundle UPark	3,378	-	3,378
UPark Building – Topham Mall	-	50	50
Lighting and Electrical	704	-	704
Transport	712	789	1,507
Urban Elements	30	-	30
Water Infrastructure	80	88	168
Design Services	51	-	51
Bridge Program	-	96	96
Hazardous Material Removal Program	-	274	274
Tavistock Lane	-	150	150
Building Renewal and Compliance Program	-	126	126
Chesser Arbour	-	60	60
Hutt Street	-	59	59
Public Conveniences	-	216	216
Park Lands	-	400	400
Peace Park / Town Clerk's Walk	-	171	171
Field Street (Design)	-	20	20
Integrated Water Management	-	15	15
Total	12,236	2,804	15,046

Appendix 4.3 Infrastructure Major Projects

The Quarter 3 Revised Forecast identified \$18.7m of Major Projects that were retimed to be completed in 2020-21. A further \$2.0m projects are now proposed to be retimed for progression in 2020-21.

Moonta Street \$2.2m and Whitmore Square Greening \$0.9m have been incorporated into the draft Budget for 2020-21 following confirmation of co-funding with the South Australian Government.

\$'000	Expenditure Budget				Net Budget
	Retimed		New Funding 2020-21	Total	
	Quarter 3	Since Quarter 3			
Moonta Street: <i>Joint Funded Project to establish Moonta Street as the next key linkage in connecting the Central Market to Riverbank Precinct through north-south road laneways.</i> SA Government contribution \$2.0m	-	-	2,200	2,200	200
Whitmore Square Greening (P&D Grant Funding): <i>Joint Funded Project to deliver the first stage of the master plan to establish pleasant walking paths and extend the valued leafy character of the square from its centre to its edges.</i> SA Government contribution \$0.9m	-	-	900	900	-
City of Adelaide Bikeways – East West	5,826	-	-	5,826	2,913
City of Adelaide Bikeways – North South	2,949	-	-	2,949	1,474
City Skate Park	2,829	68	-	2,897	-
Josie Agius Park/Wikaparntu Wirra (Park 22)	25	-	-	25	-
Market to Riverbank	6,452	-	-	6,452	3,226
Quentin Kenihan Inclusive Playspace	827	-	-	827	-
Pityarilla/Pelzer Park (Park 19)	35	-	-	35	-
Gawler Place Development	-	316	-	316	316
Denise Norton Park/Pardipardinyilla (Park 2) East Enhancement	-	1,663	-	1,663	-
Total	18,943	2,047	3,100	24,090	8,129

Appendix 5

Long Term Financial Plan – Budgeted Financial Statements

- 5.1 Uniform Presentation of Finances
 - 5.2 Statement of Comprehensive Income
 - 5.3 Statement of Financial Position
 - 5.4 Statement of Changes in Equity
 - 5.5 Statement of Cash Flows
-

Uniform Presentation of Finances

\$'000s	2019-20 Q2 Forecast	2019-20 Q3 Forecast	2020-21 Budget	2021-22 Plan	2022-23 Plan	2023-24 Plan	2024-25 Plan	2025-26 Plan	2026-27 Plan	2027-28 Plan	2028-29 Plan	2029-30 Plan
Income	211.0	196.4	186.1	201.4	206.6	211.9	225.1	231.1	237.0	242.9	249.0	255.2
less Expenses	(219.4)	(215.0)	(217.7)	(208.9)	(211.5)	(216.5)	(223.1)	(229.7)	(229.3)	(236.9)	(235.4)	(246.2)
Operating Surplus / (Deficit) before Capital Amounts	(8.4)	(18.5)	(31.6)	(7.5)	(5.0)	(4.6)	2.0	1.5	7.7	6.1	13.6	9.0
less Net Outlays on Existing Assets												
Net Capital Expenditure on Renewal & Replacement of Existing Assets	55.6	33.6	41.8	30.7	59.0	61.8	56.4	57.1	56.7	57.8	95.4	110.5
less Depreciation, Amortisation and Impairment	(49.6)	(50.2)	(50.8)	(49.9)	(49.0)	(50.2)	(50.9)	(54.7)	(50.7)	(54.6)	(49.1)	(55.4)
less Amounts received specifically for Existing Assets	(2.9)	(2.8)	(0.9)	-	-	-	-	-	-	-	-	-
Net Outlays on Existing Assets	3.1	(19.4)	(9.9)	(19.2)	10.0	11.6	5.5	2.4	6.1	3.1	46.3	55.0
less Net Outlays on New and Upgraded Assets												
Net Capital Expenditure on New and Upgraded Assets	29.1	13.2	28.0	16.7	14.2	-	-	-	-	-	-	-
less Amounts received specifically for New and Upgraded Assets	(6.5)	(2.5)	(16.2)	-	-	-	-	-	-	-	-	-
less Proceeds from Sale of Assets	-	-	-	-	-	(25.0)	(25.5)	-	-	-	-	-
Net Outlays on New and Upgraded Assets	22.6	10.7	11.7	16.7	14.2	(25.0)	(25.5)	-	-	-	-	-
Net Lending / (Borrowing) for Financial Year	(34.0)	(9.8)	(33.4)	(5.0)	(29.2)	8.7	22.0	(0.9)	1.7	3.0	(32.7)	(46.0)

Statement of Comprehensive Income

\$'000s	2019-20 Q2 Forecast	2019-20 Q3 Forecast	2020-21 Budget	2021-22 Plan	2022-23 Plan	2023-24 Plan	2024-25 Plan	2025-26 Plan	2026-27 Plan	2027-28 Plan	2028-29 Plan	2029-30 Plan
Income												
Rates Revenues	116.5	116.5	119.4	123.3	127.0	130.8	135.8	140.1	144.1	148.3	152.5	156.7
Statutory Charges	13.4	11.2	8.5	12.0	12.2	12.4	12.6	12.9	13.1	13.4	13.6	13.9
User Charges	71.7	59.3	54.3	62.0	63.2	64.5	72.3	73.7	75.2	76.7	78.2	79.8
Grants, Subsidies and Contributions	11.4	13.3	3.9	3.1	3.1	3.2	3.2	3.3	3.4	3.4	3.5	3.6
Investment Income	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursements	0.5	0.5	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8
Other Income	0.4	0.5	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.4	0.4
Total Income	213.9	199.3	187.0	201.4	206.6	211.9	225.1	231.1	237.0	242.9	249.0	255.2
Expenses	-											
Employee Costs	77.9	77.3	79.3	71.7	73.2	74.7	76.3	77.9	79.5	81.1	82.8	84.5
Materials, Contracts & Other Expenses	97.9	86.0	84.7	84.4	88.5	89.4	93.3	94.7	96.8	99.2	105.0	109.1
Depreciation, Amortisation & Impairment	49.6	50.2	50.8	49.9	49.0	50.2	50.9	54.7	50.7	54.6	49.1	55.4
Finance Costs	6.5	5.8	5.8	5.5	7.4	7.4	6.9	6.4	5.8	6.0	5.9	6.1
Total Expenses	231.9	219.2	220.6	211.6	218.1	221.8	227.4	233.7	232.8	241.0	242.8	255.1
Operating Surplus / (Deficit)	(17.9)	(20.0)	(33.6)	(10.2)	(11.6)	(9.9)	(2.4)	(2.5)	4.2	2.0	6.2	0.1
Asset Disposal & Fair Value Adjustments	-	-	(0.3)	-	-	3.6	(0.3)	-	-	-	-	-
Amounts Received Specifically for New or Upgraded Assets	0.4	0.4	4.6	-	-	-	-	-	-	-	-	-
Net Surplus / (Deficit)	(17.5)	(19.6)	(29.4)	(10.2)	(11.6)	(6.3)	(2.7)	(2.5)	4.2	2.0	6.2	0.1
Total Comprehensive Income	(17.5)	(19.6)	(29.4)	(10.2)	(11.6)	(6.3)	(2.7)	(2.5)	4.2	2.0	6.2	0.1

Statement of Financial Position												
\$'000s	2019-20 Q2 Forecast	2019-20 Q3 Forecast	2020-21 Budget	2021-22 Plan	2022-23 Plan	2023-24 Plan	2024-25 Plan	2025-26 Plan	2026-27 Plan	2027-28 Plan	2028-29 Plan	2029-30 Plan
ASSETS												
Current Assets												
Cash and Cash Equivalents	2.0	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Trade & Other Receivables	10.8	25.3	9.4	10.2	10.5	10.7	11.4	11.7	12.0	12.3	12.6	12.9
Other Financial Assets	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0
Inventories	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Total Current Assets	13.5	26.8	11.0	11.8	12.0	12.3	12.9	13.2	13.5	13.8	14.1	14.4
Non-Current Assets												
Financial Assets	0.3	0.3	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1
Equity Accounted Investments in Council Businesses	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Investment Property	2.9	2.9	2.9	3.0	3.0	3.0	3.0	3.1	3.1	3.1	3.2	3.2
Infrastructure, Property, Plant & Equipment	1,853.7	1,822.8	1,837.0	1,836.7	1,853.6	1,880.5	1,854.6	1,851.3	1,854.6	1,851.9	1,888.7	1,932.7
Other Non-Current Assets	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
Total Non-Current Assets	1,859.2	1,828.2	1,842.4	1,842.1	1,859.1	1,886.0	1,860.1	1,856.8	1,860.1	1,857.5	1,894.3	1,938.3
TOTAL ASSETS		1,855.1	1,853.4	1,853.9	1,871.1	1,898.3	1,873.0	1,870.1	1,873.6	1,871.3	1,908.4	1,952.7
LIABILITIES												
Current Liabilities												
Trade & Other Payables	21.8	16.7	26.9	26.4	26.4	33.4	26.8	26.8	26.8	26.8	26.3	26.4
Provisions	14.2	14.2	11.6	11.8	12.1	12.3	12.6	12.8	13.1	13.3	13.6	13.9
Other Current Liabilities	1.6	1.5	1.1	0.7	0.9	1.3	1.7	2.2	1.7	1.6	2.1	1.9
Total Current Liabilities	37.5	32.4	39.6	39.0	39.4	47.0	41.1	41.8	41.6	41.8	42.1	42.1
Non-Current Liabilities												
Trade & Other Payables	0.3	0.3	1.0	7.0	7.0	-	-	-	-	-	-	-
Borrowings	81.4	71.7	92.9	91.9	121.1	112.4	97.4	98.3	96.7	93.7	126.4	172.4
Provisions	2.0	2.0	1.7	1.7	1.7	1.8	1.8	1.9	1.9	1.9	2.0	2.0
Other Non-Current Liabilities	15.2	14.2	13.2	19.4	18.5	17.2	15.5	13.4	14.5	12.9	10.8	8.9
Total Non-Current Liabilities	98.9	88.3	108.7	120.0	148.3	131.4	114.7	113.6	113.1	108.6	139.2	183.4
TOTAL LIABILITIES	136.5	120.6	148.3	159.0	187.8	178.4	155.8	155.3	154.7	150.4	181.3	225.5
Net Assets	1,736.3	1,734.5	1,705.1	1,694.9	1,683.3	1,719.9	1,717.2	1,714.7	1,718.9	1,720.9	1,727.1	1,727.2
EQUITY												
Accumulated Surplus	816.8	815.0	785.6	775.4	763.9	757.6	754.9	752.4	756.6	758.6	764.8	764.9
Asset Revaluation Reserves	917.8	917.8	917.8	917.8	917.8	960.7	960.7	960.7	960.7	960.7	960.7	960.7
Other Reserves	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
Total Council Equity	1,736.3	1,734.5	1,705.1	1,694.9	1,683.3	1,719.9	1,717.2	1,714.7	1,718.9	1,720.9	1,727.1	1,727.2

Statement of Changes in Equity												
\$'000s	2019-20 Q2 Forecast	2019-20 Q3 Forecast	2020-21 Budget	2021-22 Plan	2022-23 Plan	2023-24 Plan	2024-25 Plan	2025-26 Plan	2026-27 Plan	2027-28 Plan	2028-29 Plan	2029-30 Plan
Balance at the end of previous reporting period	1,754.1	1,754.1	1,734.5	1,705.1	1,694.9	1,683.3	1,719.9	1,717.2	1,714.7	1,718.9	1,720.9	1,727.1
a. Net Surplus / (Deficit) for Year	(17.8)	(19.6)	(29.4)	(10.2)	(11.6)	(6.3)	(2.7)	(2.5)	4.2	2.0	6.2	0.1
b. Other Comprehensive Income												
Total Comprehensive Income	(17.8)	(19.6)	(29.4)	(10.2)	(11.6)	(6.3)	(2.7)	(2.5)	4.2	2.0	6.2	0.1
Gain (Loss) on Revaluation of I, PP&E						42.9						
Balance at the end of period	1,736.3	1,734.5	1,705.1	1,694.9	1,683.3	1,719.9	1,717.2	1,714.7	1,718.9	1,720.9	1,727.1	1,727.2

Statement of Cash flows

\$'000s	2019-20 Q2 Forecast	2019-20 Q3 Forecast	2020-21 Budget	2021-22 Plan	2022-23 Plan	2023-24 Plan	2024-25 Plan	2025-26 Plan	2026-27 Plan	2027-28 Plan	2028-29 Plan	2029-30 Plan
Cash Flows from Operating Activities												
<u>Receipts</u>												
Operating Receipts	216.7	187.4	203.7	200.6	206.3	211.6	224.4	230.8	236.7	242.6	248.7	254.9
<u>Payments</u>												
Payments to Employees	(77.6)	(77.0)	(82.2)	(71.4)	(72.9)	(74.5)	(76.0)	(77.6)	(79.2)	(80.8)	(82.5)	(84.1)
Payments for Materials, Contracts & Other Expenses	(89.9)	(91.3)	(72.9)	(82.9)	(86.6)	(88.4)	(92.2)	(93.5)	(95.0)	(97.6)	(99.2)	(101.3)
Finance Payments	(1.8)	(1.1)	(1.7)	(1.8)	(2.1)	(2.3)	(2.0)	(1.9)	(1.9)	(1.8)	(2.1)	(2.9)
Operating Payments to Suppliers and Employees	(169.2)	(169.4)	(156.9)	(156.1)	(161.6)	(165.1)	(170.2)	(173.0)	(176.1)	(180.2)	(183.8)	(188.3)
Net Cash provided by (or used in) Operating Activities	47.4	18.0	46.8	44.5	44.7	46.5	54.2	57.9	60.5	62.4	64.9	66.5
Cash Flows from Investing Activities												
<u>Receipts</u>												
Amounts Received Specifically for New/Upgraded Assets	0.4	0.4	4.6	-	-	-	-	-	-	-	-	-
Proceeds from Surplus Assets	-	-	1.0	6.0	-	25.0	18.5	-	-	-	-	-
<u>Payments</u>												
Expenditure on Renewal/Replacement of Assets	(55.6)	(33.6)	(41.8)	(30.7)	(59.0)	(61.8)	(56.4)	(57.1)	(56.7)	(57.8)	(95.4)	(110.5)
Expenditure on New/Upgraded Assets	(29.1)	(13.2)	(28.0)	(16.7)	(14.2)	-	-	-	-	-	-	-
Capital Contributed to Equity Accounted Council Businesses	0.0	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided by (or used in) Investing Activities	(84.3)	(46.3)	(64.2)	(41.4)	(73.2)	(36.8)	(37.9)	(57.1)	(56.7)	(57.8)	(95.4)	(110.5)
Cash Flows from Financing Activities												
<u>Receipts</u>												
Proceeds from Borrowings	34.0	24.3	18.9	-	29.2	-	-	-	-	-	32.7	46.0
<u>Payments</u>												
Repayment from Borrowings	-	-	-	(1.0)	-	(8.7)	(15.0)	0.9	(1.7)	(3.0)	-	-
Repayment of Principal portion of lease liability	(1.2)	(1.2)	(1.6)	(2.1)	(0.7)	(0.9)	(1.3)	(1.7)	(2.2)	(1.7)	(2.1)	(2.1)
Net Cash provided by (or used in) Financing Activities	32.8	23.1	17.4	(3.0)	28.5	(9.7)	(16.2)	(0.8)	(3.8)	(4.6)	30.6	43.9
Net Increase (Decrease) in Cash Held	(4.1)	(5.3)	(0.0)	(0.0)	0.0	(0.0)	0.0	(0.0)	0.0	(0.0)	0.0	(0.0)
plus: Cash & Cash Equivalents at beginning of period	6.1	6.1	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Cash & Cash Equivalents at end of period	2.0	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8