



CITY FINANCE AND GOVERNANCE COMMITTEE

Agenda and Reports

for the meeting on

Tuesday, 17 February 2026

at 6.00 pm

in the Colonel Light Room, Adelaide Town Hall

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Our Adelaide.
Bold.
Aspirational.
Innovative.

CITY FINANCE AND GOVERNANCE COMMITTEE
Meeting Agenda, Tuesday, 17 February 2026, at 6.00 pm

Members – The Right Honourable the Lord Mayor, Dr Jane Lomax-Smith
Councillor Dr Siebentritt (Chair)
Councillor Maher (Deputy Chair)

Deputy Lord Mayor, Councillor Noon and Councillors Abrahamzadeh, Cabada, Couros, Davis,
Freeman, Giles, Martin and Snape

Agenda

Item	Pages
1. Acknowledgement of Country	
At the opening of the City Finance and Governance Committee meeting, the Chair will state:	
‘Council acknowledges that we are meeting on traditional Country of the Kurna people of the Adelaide Plains and pays respect to Elders past and present. We recognise and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kurna people living today.	
And we also extend that respect to other Aboriginal Language Groups and other First Nations who are present today.’	
2. Apologies and Leave of Absence	
Leave of Absence -	
The Right Honourable the Lord Mayor, Dr Jane Lomax-Smith	
Apologies -	
Nil	
3. Confirmation of Minutes - 18/11/2025, 2/12/2025, 9/12/2025 & 27/1/2026	
That the Minutes of the meeting of the City Finance and Governance Committee held on 18 November 2025, and the Special meetings held on 2 December 2025, 9 December 2025 and 27 January 2026, be taken as read and be confirmed as an accurate record of proceedings.	
View public 18 November 2025 , 2 December 2025 , 9 December 2025 and 27 January 2026 Minutes.	
4. Declaration of Conflict of Interest	
5. Deputations	
6. Workshops	
Nil	
7. Reports for Recommendation to Council	
7.1 Use of Artificial Intelligence and Generative AI Policy	4 - 13
7.2 2025/26 Business Plan & Budget Q2 Review	14 - 108
8. Reports for Noting	
Nil	

- 9. Exclusion of the Public** 109 - 111
- In accordance with sections 90(2), (3) and (7) of the *Local Government Act 1999* (SA) the City Finance and Governance Committee will consider whether to discuss in confidence the reports contained within section 10 of this Agenda.
- 10. Confidential Reports for Recommendation to Council**
- 10.1** Delegation to Award Contracts (Christmas Tree Lighting and Structure Renewal; and Flagstone Pavers) [S90(3) (b), (d)] 112 - 117
- 11. Closure**

Use of Artificial Intelligence and Generative AI Policy

Tuesday, 17 February 2026
City Finance and Governance
Committee

Program Contact:
Sonjoy Ghosh, Associate Director
Information Management

Approving Officer:
Anthony Spertalis, Chief
Operating Officer

Strategic Alignment - Our Corporation

Public

EXECUTIVE SUMMARY

The purpose of the report is to present to the City Finance and Governance Committee a final draft “Use of Artificial Intelligence and Generative AI” Policy (**Attachment A**), which reflects the discussion in the City Finance and Governance Committee workshop held on 16 September 2025.

Council Member observations and suggestions have been included in the draft, which with Committee endorsement can be presented to Council for adoption. The changes made to the workshop draft are found in [Link 1](#) (Draft AI Policy – tracked changes).

Council members in the 16 September 2025 workshop observed that policy governance was critical and must be reflected in the policy and associated operating guidelines. Governance and implementation framework is included in the policy, and operational guidance will be reflected in the operating guidelines (yet to be finalised).

RECOMMENDATION

The following recommendation will be presented to Council on 24 February 2026 for consideration

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL

1. Adopts the “Use of Artificial Intelligence and Generative AI” Policy as contained in Attachment A to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 17 February 2026.
 2. Authorises the Chief Executive Officer to make any minor editorial and formatting changes as required to finalise the “Use of Artificial Intelligence and Generative AI” Policy as contained in Attachment A to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 17 February 2026.
-

IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	Strategic Alignment – Our Corporation
Policy	The “Use of Artificial Intelligence and Generative AI” Policy provides guidance to administration on the use of new and emerging AI technology. The Policy (and associated guidelines) will operate alongside the City of Adelaide Data Management Policy (Link 4), and Privacy Policy (Link 3).
Consultation	Not as a result of this report
Resource	Not as a result of this report
Risk / Legal / Legislative	It operates in the context of the <i>Local Government Act 1999 (SA)</i> , <i>Copyright Act 1968 (Cth)</i> , <i>Spam Act 2003 (Cth)</i> , State and Commonwealth anti-discrimination legislation, and the South Australian Information Privacy Principles.
Opportunities	Effective implementation of AI-systems provides opportunities for administrative and operational efficiencies.
25/26 Budget Allocation	Not as a result of this report
Proposed 26/27 Budget Allocation	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report
25/26 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	Not as a result of this report

DISCUSSION

1. The City Finance and Governance Committee discussed a draft AI Policy in its meeting on 16 September 2025. Council Member feedback on the draft has been incorporated into a final draft (**Attachment A**) for Committee to recommend to Council for adoption.
2. Changes to the 16 September draft are shown in a tracked changes version at [Link 1](#) (Draft AI Policy – tracked changes).
3. Feedback at the 16 September workshop indicated Council considers good governance and risk management around AI Policy is critical. This will be reflected in operating guidelines (yet to be finalised), but a summary of the governance and risk management mechanisms to be applied are summarised below. These have been adapted from the Local Government Information Technology South Australia (LGITSA) AI Adoption toolkit (2025) [Link 2](#).

AI Governance Structure

4. CoA will adopt the following governance structure to oversee AI adoption and ensure ethical and effective use:
 - 4.1. *Council (Elected Body)*: Ensure AI adoption aligns with community values and long-term goals. Allocates resources and undertake training on ethical AI use.
 - 4.2. *Audit and Risk Committee*: Review AI-related risks, complaints, and data incidents. Recommends inclusion of AI-related risks and issues in the internal audit program.
 - 4.3. *Senior Leadership*: Accountable for AI adoption and governance. Actively engages in strategy development and risk management. Implemented through a dedicated AI subcommittee of the existing Business Services Committee.
 - 4.4. *Sponsor*: Appointed by the CEO to lead AI governance, establish policies, and ensure alignment with CoA's objectives.
 - 4.5. *AI Governance Group*: A cross-functional team led by the Sponsor, including subject matter experts in governance, risk, community engagement, IT and supported by external expertise and advice as needed. Reporting through the AI subcommittee.

Risk Management

5. The AI Governance Group and Senior Leadership group will oversee and be responsible for:
 - 5.1. *Risk Assessments*: Conduct regular evaluations of AI systems to identify and mitigate risks, including bias, misuse of AI, privacy breaches, and operational disruptions.
 - 5.2. *Adherence to Laws*: AI use must comply with relevant legislation, including the *Copyright Act 1968* (Cth), *Local Government Act 1999* (SA), and South Australian Information Privacy Principles.
 - 5.3. *Alignment with Frameworks*: AI use will be aligned with local, state and federal frameworks, including the Australian Government's AI Ethics Principles, Australian Cyber Security Centre (ACSC) Essential Eight, state government frameworks (when available) and the LGITSA AI Adoption Toolkit.
 - 5.4. *Risk Management*: CoA must proactively identify and mitigate risks associated with use of AI systems, including ethical, technical, and reputational risks.
 - 5.5. *Stakeholder Management*: Involve stakeholders in the design and implementation of AI solutions to address concerns and build trust.

DATA AND SUPPORTING INFORMATION

Link 1 – Draft AI policy – tracked changes

Link 2 – LGITSA AI Adoption Toolkit

Link 3 – CoA Privacy policy

Link 4 – CoA Data Management policy

ATTACHMENTS

Attachment A – Use of Artificial Intelligence and Generative AI policy

- END OF REPORT -

Use of Artificial Intelligence and Generative AI Policy

February 2026

non-legislative

Council

PURPOSE

The Use of Artificial Intelligence and Generative AI Policy informs Council's approach to applying Artificial Intelligence Systems, including Generative AI, to foster innovation and corporate and community benefit, while ensuring risk, privacy, ethical and technological considerations and community expectations are managed appropriately.

STATEMENT

The City of Adelaide (CoA) recognises the transformative potential of Artificial Intelligence (AI) and Generative AI (Gen AI) in reshaping society, government, and the economy. This Policy provides insights into the opportunity considerations arising from these technological solutions, while providing the principles to how CoA will utilise, implement and responsibly approach how they are used to ensure ethical, transparent, and safe application.

This Policy is designed to evolve alongside advancements in AI technology and ethical considerations, ensuring alignment with community values and organisational objectives. It provides:

- **Potential application**, responsible use and innovative opportunities.
- **Strengthening public trust** through ethical principles and transparency.
- **Compliance and safety**, including with relevant legislation, regulations, and council policies.
- **Risk mitigation** associated with AI use such as: bias; incomplete provision of information; incorrect information; hallucinations; and handling and use of private information.
- **Implementation and Governance.**

This Policy applies to all Council staff, Council members, volunteers, contractors, and third-party partners who use AI technologies in their work for or with the CoA. It covers the use of AI and Generative AI tools currently publicly available or specifically designed for and employed by the CoA.

Potential application

Because of the pace of technological change and the evolving social, economic and legal dynamics associated with the introduction of AI, specific platforms, systems or software solutions are not considered or recommended in this Policy.

CoA should consider safely and beneficially applying AI and Generative AI, in activities including the following:

General Administration:

- Drafting documents, policies, and reports
- Summarising lengthy texts, emails, or documents
- Automating repetitive tasks like data entry and calendar management
- Screening employment applications
- Conducting research by quickly finding relevant resources and information
- Analysing data to identify trends and generate reports
- General governance advice.

Customer Service:

- Implementing AI 'chatbots' to provide instant and standardised responses to inquiries about council services, regulations, and events
- Assisting with rates and payments, debtor management, permit applications, waste and recycling queries, and event bookings
- Enhancing accessibility and reducing wait times for residents and businesses
- Speeding up approval processes
- Designing visualisations for urban planning projects.

Content Creation:

- Generating marketing materials, social media posts, and email templates
- Translating complex reports into plain language for broader community understanding
- Supporting community engagement materials to improve how we communicate.

Data Analysis and Risk Management:

- Analysing large datasets to support decision-making and policy development
- Identifying risks and vulnerabilities to improve organisational risk management.

Workforce Support:

- Assisting employees with English as a second language or those with disabilities in drafting emails and improving communication
- Supporting brainstorming and innovation by generating creative ideas.

Innovative opportunities

AI applied well in these areas has the potential to enhance productivity, improve service delivery, and foster innovation while ensuring responsible and ethical uses.

Strengthening public trust

Ethical Principles

The CoA in its application and use of AI is committed to:

- Prioritising the wellbeing of individuals, society, and the environment throughout the AI lifecycle
- Assessing potential impacts of AI systems to understand their positive and negative effects.
- Ensuring AI implementation improves organisational output without reducing employee costs or numbers.
- Respecting human rights, diversity, and autonomy in AI system design and implementation
- Ensuring transparency, explainability, and user control over AI systems
- Mitigating biases and discrimination in AI systems to prevent perpetuating societal inequalities or misinformation
- Incorporating mechanisms to measure and address biases in AI systems.

Transparency and Accountability

The CoA in its application and use of AI is committed to:

- Ensuring AI tools are used to inform decision-making but do not replace critical thinking and human judgment
- Disclosing the use of AI systems, including their purpose, data handling practices, and potential impacts
- Providing explanations for AI system decisions, especially those with significant individual or community impacts
- Establishing mechanisms for external scrutiny and independent audits of AI systems.

Compliance and safety

Privacy Protection and Security

The CoA in its application and use of AI will:

- Comply with relevant privacy laws and regulations, including the South Australian Information Privacy Principles
- Protect against unauthorised access, data breaches, and security threats
- Prohibit entering sensitive data or confidential data and information into public AI platforms
- Minimise the collection of personal data and information and consider privacy-maintenance techniques
- Ensure all activities involving AI tools align with relevant information and data legislation and policies.

Reliability and Safety

The CoA in its application and use of AI will:

- Curate datasets to ensure fairness, representativeness, and quality of AI outputs
- Conduct pre-deployment pilot studies to evaluate reliability and safety
- Continuously monitor and evaluate AI systems to address issues or risks

- Validate AI-generated outputs to ensure accuracy and originality, addressing potential plagiarism concerns.

Contestability

The CoA will:

- Ensure AI systems are not solely relied upon for strategic decision-making
- Establish mechanisms for human review and intervention in contested AI system decisions
- Provide support to individuals impacted by AI system decisions.

Risk Mitigation

The CoA in its application and use of AI will take all reasonable measures to manage its inherent risk and:

- Assume all inputs into public AI tools may become publicly accessible
- Validate and take ownership of AI-generated content to address inaccuracies, AI “hallucinations” and biases
- Address copyright and intellectual property concerns related to AI training datasets and outputs
- Apply rigorous data governance standards to AI usage
- Train relevant staff on effective prompt engineering principles and techniques to maximise AI utility while minimising risks.

Implementation and Governance

The CoA will adopt the following governance structure to oversee AI adoption and ensure ethical and effective use:

- *Council (Elected Body)*: Ensure AI adoption aligns with community values and long-term goals. Allocates resources and undertake training on ethical AI use.
- *Audit and Risk Committee*: Review AI-related risks, complaints, and data incidents. Recommends inclusion of AI-related risks and issues in the internal audit program.
- *Senior Leadership*: Accountable for AI adoption and governance. Actively engages in strategy development and risk management. Implemented through a dedicated AI subcommittee of the existing Business Services Committee.
- *Sponsor*: Appointed by the CEO to lead AI governance, establish policies, and ensure alignment with CoA’s objectives.
- *AI Governance Group*: A cross-functional team led by the Sponsor, including subject matter experts in governance, risk, community engagement, IT and supported by external expertise and advice as needed. Reporting through the AI subcommittee.

The AI Governance Group and Senior Leadership group will oversee and be responsible for:

- *Risk Assessments*: Conduct regular evaluations of AI systems to identify and mitigate risks, including bias, misuse of AI, privacy breaches, and operational disruptions.

- *Adherence to Laws:* AI use must comply with relevant legislation, including the *Copyright Act 1968 (Cth)*, *Local Government Act 1999 (SA)*, and South Australian Information Privacy Principles.
- *Alignment with Frameworks:* AI use will be aligned with local, state and federal frameworks, including the Australian Government AI Ethics Principles, ACSC Essential Eight, state government frameworks (when available) and the Local Government IT Of South Australia (LGITSA) AI Adoption Toolkit.
- *Risk Management:* CoA must proactively identify and mitigate risks associated with use of AI systems, including ethical, technical, and reputational risks.
- *Stakeholder Management:* Involve stakeholders in the design and implementation of AI solutions to address concerns and build trust.

OTHER USEFUL DOCUMENTS

Relevant legislation

The CoA will consider the legislative and regulatory context in relation to application and use of AI, considering in particular:

- *Local Government Act 1999 (SA)*
- *Copyright Act 1968 (Cth)*
- *Spam Act 2003 (Cth)*
- Anti-discrimination legislation (various)
- South Australian Information Privacy Principles.

Related internal documents

- Privacy Policy
- Data Management Policy

Related external documents

The CoA will consider relevant principles and frameworks in its application and use of AI including:

- *Australian Government AI Ethics Framework*
- Policies and guidelines of the Office of the Chief Information Officer, Department of Treasury and Finance, Government of South Australia
- *AI adoption toolkit (2025)*, Local Government Information Technology South Australia

GLOSSARY

Throughout this document, the terms below have been used and are defined as:

- **Artificial Intelligence (AI):** Machine-based systems which analyse data, recognise patterns, and generate outputs such as predictions, recommendations, or decisions which influence physical or virtual environments.
- **Generative AI (Gen AI):** AI technologies designed to create new content (e.g., text, images, video, audio) by analysing patterns in existing data.
- **Bias:** Inclination or prejudice which unfairly favours or discriminates against individuals or groups.
- **Hallucination:** incorrect or untrue data / information fabricated by AI systems.

- **Confidential Information:** Information expressly restricted from public release or not publicly available.
- **Personal Data:** Information which identifies or could reasonably identify an individual, including names, addresses, biometrics, and location data.
- **Sensitive Data:** Personal data related to racial or ethnic origin, political opinions, religious beliefs, sexual orientation, health, or genetic information.
- **Prompt Engineering:** the practice of designing and refining the inputs given to an AI system so the most useful, accurate, or creative outputs are produced.

ADMINISTRATIVE

As part of Council’s commitment to deliver the City of Adelaide Strategic Plan, services to the community and the provision of transparent information, all policy documents are reviewed as per legislative requirements or when there is no such provision a risk assessment approach is taken to guide the review timeframe.

This Policy document will be reviewed every **two** years unless legislative or operational change occurs beforehand. The next review is required in **February 2028**.

Review history:

Trim Reference	Authorising Body	Date/ Decision ID	Description of Edits
	<i>Council</i>		<i>New policy</i>

Contact:

For further information contact the Office of the Chief Operating Officer.
City of Adelaide
25 Pirie ST, Adelaide, SA
GPO Box 2252 ADELAIDE SA 5001
+61 8 8203 7203
city@cityofadelaide.com.au

2025/26 Business Plan & Budget Q2 Review

Strategic Alignment - Our Corporation

Public

Tuesday, 17 February 2026
City Finance and Governance
Committee

Program Contact:
Rebecca Hayes, Associate
Director Governance & Strategy

Approving Officer:
Anthony Spartalis, Chief
Operating Officer

EXECUTIVE SUMMARY

This report presents the performance and delivery status of Council's commitments against the City of Adelaide's 2025/26 Business Plan and Budget (BP&B) for the second quarter (October to December 2025) and was provided to the Audit and Risk Committee on 6 February 2026. The report provides an overview of portfolio and project achievements, in addition to the performance of Council subsidiaries.

The year-to-date operating position as at 31 December 2025 is an operating surplus of \$12.515m, which is \$6.468m higher than the year-to-date budget of \$6.047m, for this period.

The projected year end operating position is an operating surplus of \$8.541m which remains consistent with the adopted budget.

Total estimated operating revenue is forecast to be \$253.282m which is \$1.711m higher than the Q1 budget of \$251.571m. This is mainly due to additional commercial parking revenue of \$0.483m, including expiations, late payments and recoveries income of \$0.347m, Adelaide Town Hall of \$0.166m, external funding received for Library Materials and Operating Grants \$0.279m, State Bike Fund \$0.200m and funding for Strategic Projects of \$0.218m, and other movements of \$0.018m.

Total estimated operating expenditure (including depreciation) is forecast to be \$244.741m, which is \$1.711m higher than the Q1 budget of \$243.030m. This is due to additional funding for Strategic Projects \$1.069m, and permanent increases to the budget of \$0.642m including land holding costs associated with Tapanka – Franklin Street site \$0.462m, Adelaide Town Hall \$0.190m associated with an increase in revenue, remeasurement of a lease term on a lease liability resulting in depreciation reducing by \$1.755m and finance costs increasing by \$1.699m, and other movements of \$0.046m.

The year-to-date Capital Expenditure as at 31 December 2025 is \$33.516m, which is \$0.122m less than the approved budget of \$33.638m for the period to deliver the annual capital program.

The Capital Program is proposed to decrease by \$1.630m from \$122.293m to \$120.663m as a result of the reduction to new and upgraded projects of \$2.473m through retiming of 9 projects, the addition of 3 new projects, and accrued interest of \$0.019m from externally funded projects. The renewal program is proposed to increase by \$0.843m due to the addition of 1 new project, and a reallocation of Project Delivery Management costs of \$0.566m.

Council's forecasted borrowings as of 30 June 2026 has decreased by \$1.141m from \$51.818m forecast in the Q1 budget to \$50.677m.

Quarterly reports are provided to support Council in monitoring the integrity of Council's financial statements and reporting, as well as reviewing and overseeing progress on the BP&B. This process supports Council's commitment to transparency and accountability.

RECOMMENDATION

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL

1. Receives the City of Adelaide 2025/26 Business Plan and Budget Quarter 2 update as contained in Attachment A to Item 7.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 17 February 2026.
 2. Approves adjustments for the 2025/26 Business Plan and Budget (BP&B) as identified in this report and contained in Attachment A to Item 7.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 17 February 2026.
 3. Notes the year-to-date Operating (Financial Performance) for the quarter ending 31 December 2025, which includes:
 - 3.1. An operating surplus of \$12.515m (\$6.468m higher than the budget of \$6.047m, for the period)
 - 3.2. Total operating revenue of \$128.712m (\$1.667m higher than the budget of \$127.045m, for the period)
 - 3.3. Total operating expenses (including depreciation) of \$116.197m (\$4.801m lower than the budget of \$120.998m, for the period)
 - 3.4. Total Capital Expenditure of \$33.516m (\$0.122m less than the budget of \$33.638m, for the period)
 - 3.5. Net cash surplus position of \$9.803m.
 4. Approves budgeted year end Operating Position, which includes:
 - 4.1. An operating surplus of \$8.541m (consistent with the adopted budget of \$8.541m)
 - 4.2. Total operating revenue of \$253.282m (\$1.711m higher than the adopted budget of \$251.571m)
 - 4.3. Total operating expenses (including depreciation) of \$244.741m (\$1.711m higher than the Q1 budget of \$243.030m).
 5. Approves total capital expenditure of \$120.663m for 2025/26 year (\$1.630m lower than the Q1 budget of \$122.293m).
 6. Approves total borrowings of \$50.677m projected to 30 June 2026 (\$1.141m lower than the Q1 projected borrowings of \$51.818m to 30 June 2026).
 7. Receives the Council Subsidiary Quarter 2 updates as contained as Attachments B, C, D and E to Item 7.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 17 February 2026.
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IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	Strategic Alignment – Our Corporation Quarterly reporting supports Council’s <i>financial sustainability</i> objective within the 2024-2028 Strategic Plan.
Policy	Not as a result of this report
Consultation	Not as a result of this report
Resource	Not as a result of this report
Risk / Legal / Legislative	Quarterly reporting is an important part of monitoring the organisation’s performance and effectiveness against Council’s planned activities, which is required under Section 122 (1) of the <i>Local Government Act 1999 (SA)</i> .
Opportunities	Quarterly reporting enables Council to make informed and timely decisions to maintain or change its services, assets, and budgets to meet community expectations and needs, maintaining or improving Council’s financial position, and enabling Council to be responsive to risks and opportunities.
2025/26 Budget Allocation	Not as a result of this report
Proposed 26/27 Budget Allocation	Not as a result of this report.
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report
25/26 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	Not as a result of this report

DISCUSSION

2025/26 BUSINESS PLAN PRIORITIES

1. Council continues to make good progress on delivering on its Strategic Plan 2024-2028 and is well progressed with the Key Actions prioritised in the 2025/26 Annual Business Plan and Budget (for more detail, please see 'Spotlight on Strategic Plan Priorities and Projects' section of **Attachment A**).
2. As at Quarter 2, all Annual Priorities from the 2025/26 Business Plan and Budget have commenced and are on track to be completed by the end of the financial year and are detailed below.

Our Community

- 2.1. Support increased residential growth and housing affordability through partnerships and advocacy
- 2.2. Celebrate and elevate our community culture and the profiles of multicultural communities and create welcoming programs and services

Our Environment

- 2.3. Make public electric vehicle charging available for all users, including micro-mobility, catalysing the uptake of electric vehicles in Adelaide and improving Council and community performance on transport emissions
- 2.4. Work with partners to create innovative ways to create or convert underutilised areas to green space

Our Economy

- 2.5. Reinforce the position of Adelaide as the State's central business district and amplify Adelaide's reputation as a place to learn, work and start a business
- 2.6. Provide services and information that contribute towards a high productivity economy

Our Places

- 2.7. Work with partners to increase active and diverse transport measures to ensure drivers, cyclists and pedestrians can safely and easily move within the city with a goal to minimise road incidents and decrease fatalities
- 2.8. Encourage repurposing, adaptive reuse and improvement of buildings and facilities

Our Corporation

- 2.9. Create, maintain and integrate plans and policies that reflect and guide decision making and support our city and our community to thrive
- 2.10. Attract and retain people with skills and behaviours which align with our organisational objectives and values

FINANCIAL SUMMARY

Year-to-Date

3. The year-to-date operating position as at 31 December 2025 is an operating surplus of \$12.515m, \$6.468m higher than the budget of \$6.047m, for the period. The variance is driven by:
4. Total operating revenue of \$128.712m is \$1.667m higher than the budget of \$127.045m, for the period, and includes the following key movements:
 - 4.1. Additional rates revenue of \$0.520m mainly from interest and penalties applied to overdue rates balances
 - 4.2. Additional fees and charges of \$1.026m which includes positive movements in parking \$0.892m, expiations, late payments and recoveries \$0.183m and Adelaide Town Hall fees and charges \$0.246m
 - 4.3. Grants, subsidies and contributions are (\$0.523m) unfavourable due to the timing of the recognition of grants, largely due to the Financial Assistance Grants, where 50% of the annual contribution was received in the 2024/25 Financial Year
 - 4.4. Additional other income of \$0.644m due to reimbursements \$0.192m and insurance claims \$0.267m.
5. Total operating expenditure of \$116.197m is \$4.801m lower than the budget of \$120.998m for the period, and includes the following key movements:
 - 5.1. Employee costs \$3.054m favourable partially offset by temporary labour backfill of (\$2.687m)

- 5.2. Strategic Projects are \$1.750m favourable and include timing of Asset Condition Audits \$0.410m, Market Expansion \$0.258m, Social Planning Homelessness Resource \$0.215m, Resilient Flood Mapping \$0.151m, Helen Mayo Park Master Plan \$0.125m, and Cyber Security Enhancement \$0.110m
- 5.3. Materials, Contracts and Other Expenses is (\$0.462m) unfavourable due to temporary labour backfill (\$2.687m). This is offset by favourable variances in strategic projects including professional services \$0.541m, advertising \$0.404m, computer software maintenance \$0.298m and the timing of Strategic Projects \$1.244m (including Asset Condition Audits \$0.410m, Market Expansion \$0.258m, Resilient Flood Mapping \$0.151m, Helen Mayo Park Master Plan \$0.125m, and Cyber Security Enhancement \$0.110m)
- 5.4. Sponsorships, Contributions and Donations are \$1.030m favourable and include timing of Event and Festivals Sponsorships within AEDA \$0.746m, Social Planning Homelessness Resource \$0.215m and Community Impact Grants \$0.101m, offset by Heritage Incentive Scheme (\$0.194m)
- 5.5. Depreciation is \$2.044m favourable, due to prior year revaluations, and remeasurement of lease liabilities, offset by an increase in finance costs of (\$0.865m).
6. The year-to-date Capital Expenditure as at 31 December 2025 is \$33.516m, which is \$0.122m behind the Q1 budget of \$33.638m for the period.
7. As at 31 December 2025, Council had a cash surplus of \$9.803m, with \$2.517m in bank accounts and \$7.286m in deposits.

Projected Annual Financial Summary

8. The proposed Quarter 2 review delivers an end of year operating surplus of \$8.541m, (in line with the adopted budget):
 - 8.1. Total estimated operating revenue of \$253.282m (\$1.711m higher than the adopted budget of \$251.571).
 - 8.2. Total estimated operating expenses (including depreciation) of \$244.741m (\$1.711m higher than the adopted budget of \$243.030m).
9. Operating revenue has increased by \$1.711m from the Q1 budget of \$251.571m to the estimated income of \$253.282m. This is mainly due to additional commercial parking revenue of \$0.483m; expiations, late payments and recoveries income of \$0.347m, Adelaide Town Hall of \$0.166m, external funding received for Library Materials and Operating Grants \$0.279m, State Bike Fund \$0.200m and funding for Strategic Projects of \$0.218m, and other movements of \$0.018m.
10. Operating expenditure increased by \$1.711m from the Q1 budget of \$243.030m to the estimated expenditure of \$244.741m. This is due to additional funding for Strategic Projects \$1.069m, and permanent increases to the budget of \$0.642m including land holding costs associated with Tapanka – Franklin Street site \$0.462m, Adelaide Town Hall \$0.190m associated with an increase in revenue, remeasurement of a lease term on a lease liability resulting in depreciation reducing by \$1.755m and finance costs increasing by \$1.699m, and other movements of \$0.046m.
11. Total proposed Capital Expenditure for the year is \$120.663m (decrease of \$1.630m compared to Q1 budget of \$122.293) as a result of the reduction to new and upgraded projects of \$2.473m through retiming of 9 projects, the addition of 3 new projects, and accrued interest of \$0.019m from externally funded projects. The renewal program is proposed to increase by \$0.843m due to the addition of 1 new project, and a reallocation of Project Delivery Management costs of \$0.566m.
12. Grant funding to support capital expenditure on new and upgraded assets of \$14.121m (\$0.455m increase to Q1 budget of \$13.667m) through funding for the Flinders Street Housing project (City East)
13. Borrowings are proposed to decrease to \$50.667m as at 30 June 2026 (\$1.141m lower than the adopted budget of \$51.818) as a result of the changes above.
14. Updated financial statements are provided from page 53 in **Attachment A**.

PROJECT DELIVERY SUMMARY

Strategic Projects

15. In 2025/26, Council has a commitment of \$8.195m (\$7.172 net of grant funding) to deliver 50 Strategic Projects. At the end of this quarter 50% was committed or spent.

Capital Works Program

16. In 2025/26, Council has a commitment of \$122.293m to deliver 325 projects as part of its Capital Works Program. At the end of this quarter 19 New and Upgrade projects and 19 Renewal projects reached practical completion.

ADJUSTMENTS TO THE 2025/26 BUSINESS PLAN AND BUDGET

Operating Program

17. Adjustments to program deliverables and budgets for the quarter (permanent changes to BAU which will flow through to the 2026/27 budget) are offset by adjustments to 2025/26 Strategic Projects (which are once-off in nature):
 - 17.1. Permanent changes to the budget of \$0.651m net increase in revenue including commercial parking revenue of \$0.483m, expiation revenue of \$0.347m, library grant of \$0.279m, offset by an increase in expenditure associated with finance cost of (\$1.699m), land holding cost of (\$0.462m), employee cost of (\$0.174m), net decrease in Adelaide Town Hall of (\$0.024m), depreciation reduction of \$1.755m, materials reduction of \$0.115m and other minor changes of \$0.031m.
 - 17.2. Adjustments to Strategic Projects (temporary in nature) for the quarter total (\$0.651m) increase in net expenditure (\$1.069m increase in gross expenditure), consisting of:
 - 17.2.1. Inclusion of 7 new strategic projects: 2025 Resident Survey Analysis (\$0.020m), Tree Martin Management - 2026 Migratory Season (\$0.150m), National Heritage Management Plan First Nations Heritage (\$0.207m), ACMA Traders Sustainability Program Stage 2 (\$0.050m), Strategic Property Investigations (\$0.200m), Market Expansion Site Management (\$0.080m), Park 21 West SAPN Transformer (\$0.450m)
 - 17.2.2. Increase in funding for Election 2026 (\$0.090m), National Heritage Management Plan Implementation (\$0.039m)
 - 17.2.3. Savings identified in projects: Asset Condition Audit Project \$0.200m, City Plan Digital Tool (CoADE) \$0.039m
 - 17.2.4. Partial funding received projects: National Heritage Management Plan First Nations Heritage \$0.168m, ACMA Traders Sustainability Program Stage 2 \$0.050m
 - 17.2.5. Final costs associated Supplementary Election 2025 (\$0.102m)
 - 17.2.6. Reallocation of funding in Adelaide Central Market Expansion Operational Preparedness \$0.080m
18. Further detailed information on these changes is from page 47 (Operating Program - Adjustments) in **Attachment A**.

Capital Program

19. Capital expenditure is proposed to decrease to \$120.663m for the year, which is lower than the adopted budget of \$122.293m.
 - 19.1. New and Upgrade projects has decreased by \$2.473m from the Q1 budget of \$54.356m to a proposed budget as at Quarter 2 of \$51.883m.
 - 19.2. The Renewals budget has increased by \$0.843m from the Q1 budget of \$67.937m to a proposed budget as at Quarter 2 of \$68.780m.
20. Adjustments to the Capital program include:
 - 20.1. Re-timing of 9 projects into future years of \$6.081m
 - 20.2. City Library relocation (\$2.500m)
 - 20.3. A bring forward of the construction of the Glen Osmond Shared Use path and lighting project planned for 2026/27 of (\$1.200m)
 - 20.4. A new grant to support the development of the Housing solution at Flinders Street (\$0.455m)
 - 20.5. Accrued grant interest in Quarter 2 of (\$0.019m)
 - 20.6. The reduction in the New/Upgrade component of the Project Delivery Management cost of \$0.566m with a corresponding increase in the Renewal component.
21. Further detailed information on these changes is available from page 39 in Attachment A.

COUNCIL SUBSIDIARIES SUMMARY

22. The Adelaide Central Market Authority, Adelaide Economic Development Agency and Kadaltilla / Adelaide Park Lands Authority have provided updates as contained in **Attachments B, C and D**, respectively.
23. The Brown Hill Keswick Creek Stormwater Board (Regional Subsidiary), which Council is a member of, has provided an update as contained in **Attachment E**.

Adelaide Central Market Authority (ACMA) – Year to Date Financial Summary

24. The year-to-date operating position as at 31 December 2025 is an operating deficit of (\$0.063m), which is \$0.587m favourable when compared to the Q1 budget of (\$0.650m) deficit for this period.
 - 24.1. Total operating revenue of \$2.770m
 - 24.2. Total operating expenditure of \$2.833m (comprised of Existing Marketing Operations Expenditure of \$2.726m and Market Expansion Expenditure of \$0.107m)
25. The proposed changes for ACMA in Quarter 2 is the recognition of the ACMA Traders Sustainability Program Stage 2 (100% grant funded), and a reduction in the Adelaide Central Market Expansion Operational Preparedness project of \$0.080m to reallocate to fund the site manager, noting that funds will be required next financial year to continue with the project.

Adelaide Economic Development Agency (AEDA) – Year to Date Financial Summary

26. The year-to-date operating position as at 31 December 2025 is an operating deficit of (\$0.343m), which is \$0.322m favourable when compared to the approved budget of (\$0.665m) deficit for this period.
 - 26.1. Total operating income of \$6.662m
 - 26.2. Total operating expenditure of \$7.005m.
27. The proposed change for AEDA in Quarter 2 is an adjustment to recognise the Right of Use Asset for the storage lease for Rundle Mall, net impact of \$0.002m increase to expenditure. This is funded by a \$0.002m increase to the appropriation of funds through the City of Adelaide.

Kadaltilla / Adelaide Park Lands Authority – Year to Date Financial Summary

28. The year-to-date operating position as at 31 December 2025 is an operating deficit of (\$0.075m), which is \$0.070m favourable when compared to the approved budget of (\$0.145m) deficit for this period.
 - 28.1. Total operating income of nil
 - 28.2. Total operating expenditure of \$0.075m.

There are no proposed changes to the Kadaltilla budget in Quarter 2.

ATTACHMENTS

Attachment A – 2025/26 Business Plan and Budget Q2 Update

Attachment B – Adelaide Central Market Authority Q2 Update

Attachment C – Adelaide Economic Development Agency Q2 Update

Attachment D – Kadaltilla / Adelaide Park Lands Authority Q2 Update

Attachment E - Brown Hill Keswick Creek Stormwater Board Update

- END OF REPORT -

2025/26 Business Plan & Budget



October to December 2025 Quarter 2 Update



Kurna Acknowledgement

City of Adelaide tampendi, ngadlu Kurna yertangga banbabanbalyarnedi (inbarendi). Kurna meyunna yaitya mattanya Womma Tandanyako. Parnako yailtya, panuko tappa purruna, parnuko yerta ngadlu tampendi. Yellaka Kurna meyunna itto yailtya, tappa purruna, yerta kuma burro martendi, burro warriappendi, burro tangka martulyaiendi. Kumarta yaitya miyurna iyangka yalaka ngadlu tampinhi.

City of Adelaide acknowledges the traditional Country of the Kurna people of the Adelaide Plains and pays respect to Elders past and present. We recognise and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kurna people living today. And we also extend that respect to other Aboriginal Language Groups and other First Nations.

Legend

Throughout this document, these icons represent:

Status

-  that the project timeline, delivery and budget are on track (based on latest adopted schedule and budget)
-  that the project has risks that are being managed and may exceed estimated time and adopted budget
-  that the project is no longer on track or within adopted budget / delivered outside of schedule and budget

Budget

-  that there is no change from the most recent adopted budget to the proposed budget
-  that there is an increase from the most recent adopted budget to the proposed budget
-  that there is a decrease from the most recent adopted budget to the proposed budget

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CEO Message

Delivering the 2025/26 Business Plan and Budget



The 2025/26 Business Plan and Budget continues to support the delivery of the City of Adelaide Strategic Plan 2024-2028. This report highlights our progress for Quarter 2 against the objectives of the Business Plan and Budget and the corresponding aspirations of our Strategic Plan.

In Quarter 2, Council delivered its core business while progressing the Our Community, Our Environment, Our Economy, Our Places and Our Corporation pillars of the Strategic Plan 2024–2028. Key milestones included a Cultural Burn with Traditional Owners at Victoria Park/Pakapakanthi (Park 16), the completion and official opening of 88 O’Connell after 36 years of inactivity, and the Market Square commercial office tower reaching its highest structural point.

Quarter 2 saw the 2025/26 Capital Program continue strong progress across both New and Upgrade and Renewals projects. 19 New and Significant projects reached practical completion, including several street greening projects, Vincent Street and Vincent Place streetscape improvement project and Hutt Street Entry Statement.

During the quarter, 19 renewal projects achieved practical completion, including Traffic Signal renewals at Anzac Highway/Park Lands trail crossing, Wellington Square/Tynte St intersection and at Pulteney St/Grenfell St as well as Pulteney/Pirie St intersection, the Colonel Light Centre – Air Handling Unit renewal and the Veale Gardens footpath renewal project.

At the end of Quarter 2 the Strategic Projects program was 50% committed or spent, with a focus on projects that support the delivery of the City of Adelaide Strategic Plan 2024-2028 and other endorsed strategies. Annual Cultural Burn in the Park Lands, Supplementary Election 2025 and Black Friday projects achieved practical completion.

The ongoing financial planning and management over Quarter 2 has seen the delivery of an operating result generally in line with the budget. The forecast operating surplus of \$8.541m will ensure that we remain in a strong position to support our commitment in delivering on the 2025/26 Business Plan and Budget within the parameters adopted by Council, the Long-Term Financial Plan, and associated Asset Management Plans.

During Quarter 2, Council’s work was recognised through several industry awards. UPark received Parking Organisation of the Year and Outstanding Customer Experience at the Australian Parking Industry Association Awards. At the Planning Institute Australia (SA) Awards for Planning Excellence, the Adaptive Reuse City Housing Initiative (ARCHI) received the Planning Research Award and the Minister for Planning’s Award, along with commendations for City Plan Digital Explorer (Technology and Digital Innovation), Performance on Waste and Resource Recovery (Climate Change and Resilience Category), Adelaide Park Lands Management Strategy (Strategic Planning Category), and Ellen Liebelt, Project Manager City Housing and ARCHI Lead (Planning Champion Category). The People Safety and Wellbeing team received the Self Insurers SA award for Outstanding WHS Innovation or Pioneer, recognising an innovative solution to an identified workplace hazard.

I encourage you to read and review this progress report to recognise Quarter 2 achievements towards the delivery of the City of Adelaide’s 2025/26 Business Plan and Budget and the priorities of our Strategic Plan 2024-2028.

Michael Sedgman
Chief Executive Officer

Executive Summary

This report presents the performance and delivery status of Council's commitments against the 2025/26 Business Plan and Budget (BP&B) for the second quarter (October to December 2025). Included within this report is an overview of Portfolio and Project achievements, as well as the performance of Council subsidiaries.

The year-to-date operating position as at 31 December 2025 is an operating surplus of \$12.505m, which is \$6.468m higher than the approved budget of \$6.047m for the period.

The year end projected operating position is an operating surplus of \$8.541m which remains consistent with the Q1 budget. Total estimated operating revenue is forecast to be \$253.282m which is \$1.711m higher than the adopted budget of \$251.571m. This is mainly due to additional commercial parking revenue of \$0.483m; expiations, late payments and recoveries income of \$0.347m, Adelaide Town Hall of \$0.166m, external funding received for Library Materials and Operating Grants \$0.279m, State Bike Fund \$0.200m and funding for Strategic Projects of \$0.218m, and other movements of \$0.018m. Total estimated operating expenditure (including depreciation) is forecast to be \$244.741m, which is \$1.711m higher than the Q1 budget of \$243.030m. This is due to additional funding for Strategic Projects \$1.069m, and permanent increases to the budget of \$0.642m including land holding costs associated with Tapanka – Franklin Street site \$0.462m, Adelaide Town Hall \$0.190m associated with an increase in revenue, remeasurement of a lease term on a lease liability resulting in depreciation reducing by \$1.755m and finance costs increasing by \$1.699m, and other movements of \$0.046m.

Operating Position (Financial Performance)

\$000's	YTD Actual	YTD Budget	Variance	Q1 Budget	Proposed Q2	Variance
Total Revenue	128,712	127,045	1,667	251,571	253,282	1,711
Total Expenses	116,197	120,998	4,801	243,030	244,741	(1,711)
Operating Surplus / Deficit	12,515	6,047	6,468	8,541	8,541	-

Borrowings

Council's forecasted borrowings as of 30 June 2026 has decreased by \$1.141m from \$51.818m forecast in the Q1 budget to \$50.677m as set out in the table below:

\$000's	Q1 Budget	Proposed Q2	Movement
Opening Borrowings (Financial Statements)	(23,820)	(23,820)	-
Adjusted Operating Surplus ^	8,541	8,064	477
Net outlays on Renewal of Assets	(8,033)	(9,343)	1,310
Net outlays on New and Upgraded Assets	(28,506)	(25,578)	(2,928)
Forecast Borrowings as at 30 June 2026	(51,818)	(50,677)	(1,141)

^ The Adjusted Operating Surplus incorporates grants received within the operating position which are one-off and capital in nature. The grants received are included within the Net Outlays on Renewal of Assets. Refer to the Uniform Presentation of Finances in the Appendix: Financial Statements

Capital Program

The year-to-date Capital Expenditure as at 31 December 2025 is \$33.516m, which is \$0.122m less than the approved budget of \$33.638m for the period. This is a result of the continued effort to deliver the annual capital program.

The Capital Program is proposed to decrease by \$1.630m from \$122.293m to \$120.663m as a result of the reduction to new and upgraded projects of \$2.473m through retiming of 9 projects, the addition of 3 new projects, and accrued interest of \$0.019m from externally funded projects. The renewal program is proposed to increase by \$0.843m due to the addition of 1 new project, and a reallocation of Project Delivery Management costs of \$0.566m to reflect the direct costs incurred in delivering the renewal program.

Council's Capital Program Quarter 2 budget changes are set out in the table below:

\$000's	YTD Actual	YTD Budget	Variance	Q1 Budget	Proposed Q2	Variance
New and Upgrades Projects	8,509	15,091	6,582	54,356	51,883	2,473
Renewal / Replacement of Assets	25,007	18,547	(6,460)	67,937	68,780	(843)
Total Revenue	33,516	33,638	122	122,293	120,663	1,630

Business Plan and Budget Funding Overview

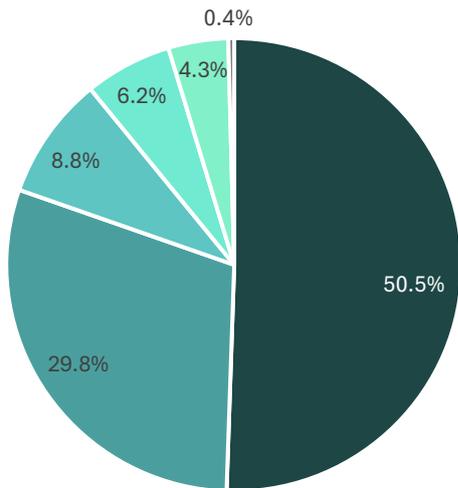
Where our funds come from

	Budget (\$m)	
Rates	\$ 154.908	50.5%
Fees and charges (Statutory & User Charges)	\$ 91.458	29.8%
Borrowings	\$ 26.857	8.8%
Proceeds from the Sale of Assets	\$ 19.000	6.2%
External Funding	\$ 13.037	4.3%
Other	\$ 1.276	0.4%
TOTAL	\$ 306.535	

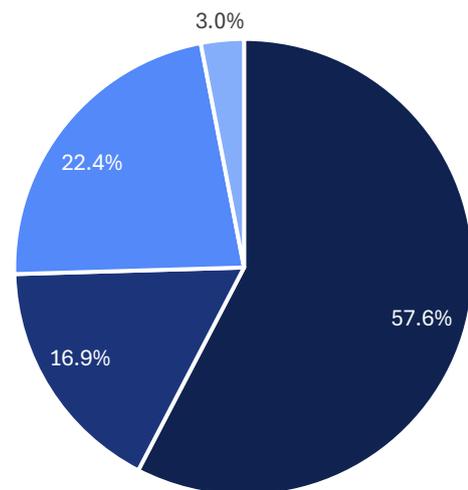
How our funds are spent

	Budget (\$m)	
Service Delivery	\$ 176.608	57.6%
New and Upgraded Assets	\$ 51.883	16.9%
Renewal/Replacement of Assets	\$ 68.780	22.4%
Strategic Projects	\$ 9.264	3.0%
TOTAL	\$ 306.535	

Note: Some rounding occurs in this table and throughout the document



- Rates
- Fees and charges (Statutory & User Charges)
- Borrowings
- Proceeds from the Sale of Assets
- External Funding
- Other



- Service Delivery
- New and Upgraded Assets
- Renewal/Replacement of Assets
- Strategic Projects

Spotlight on Strategic Plan Priorities and Projects

Our Community

Vibrant, connected and inclusive

Strategic Plan Key Actions that are being prioritised this year:

Support increased residential growth and housing affordability through partnerships and advocacy.

On 23 November 2025, the City of Adelaide, partnering with the State Government, Junction Australia and Unity Housing, announced the City East Housing Project which will deliver at least 700 new residential apartments, including 200 affordable apartments, in the east of the city.

Celebrate and elevate our community culture and the profiles of multicultural communities and create welcoming programs and services.

'Purkarari: Slow down' is an exhibition of major new works by Zaachariaha Fielding alongside collaborative paintings created with senior artists working out of the APY Studio in Adelaide, serving as a powerful tribute to connection, creativity, and country.

Wangkumara artist Crista Bradshaw's engagement with the City of Adelaide Archives through the Guildhouse Collections Project resulted in an ART POD installation presented with Tarnanthi Festival.

The SA Music Hall of Fame Exhibition at Adelaide Town Hall celebrated our thriving independent artists, iconic venues, dynamic and diverse industry for Adelaide's 10-year anniversary as Australia's only UNESCO City of Music in 2025.

Quarter Spotlight: City Wide Experiences



Council continues to deliver fun, lively and interesting city-wide experiences year-round through the **City Activation** initiative (\$300k, Strategic Project), aimed at attracting people, transforming places, and celebrating community and culture. Following Supercycle Sunday in the previous quarter, the Park Up Spring Series was delivered over three Fridays in October, promoting working in the city to young professionals through bespoke after-work experiences, attracting over 1,000 attendees. The series received an exceptionally strong and supportive response, with many attendees expressing a desire for it to become a regular fixture. The activation will return for a short summer series beginning 23 January 2026. In partnership with the UNESCO City of Music, the **Rundle Mall Live Music Program** (\$100k, Strategic Project) continues to provide paid performance opportunities for local and international artists, while reinforcing Rundle Mall's position as a destination for culture and community connection. Wasabi Entertainment was engaged to procure local artists and deliver this program with eight events held in quarter two, culminating with Sounds of the Season celebrating Christmas music on 19, 22 and 23 December. **Christmas Decorations – City-Wide and Rundle Mall** (\$446k, Capital Project) delivered new light-based entry statements and installations across key locations in the city and North Adelaide, in line with the new Christmas in the City Action Plan and building on the 2024/25 light motif trail trial to enhance the visitor experience. These included the installation of 34 Grote Street illuminated baubles and 20 illuminated O'Connell Street Christmas trees. In Rundle Mall, two new Christmas zones were installed ahead of the 2025 Christmas Pageant: the Mistletoe Arch Zone near James Place and the Santa's Throne Zone at Twin Street.

Our Environment

Resilient, protected and sustainable

Strategic Plan Key Actions that are being prioritised this year:

Make public electric vehicle charging available for all users, including micro-mobility, catalysing the uptake of electric vehicles in Adelaide and improving Council and community performance on transport emissions.

A workshop was held on 21 October for Council Members with the preferred provider in attendance. Further specific details about charging infrastructure and locations have been received and are being reviewed.

Work with partners to create innovative ways to create or convert underutilised areas to green space.

On 23 November 2025, the City of Adelaide, partnering with the State Government, Junction Australia and Unity Housing, announced the City East Housing Project which will deliver new public open space in the east of the city.

Quarter Spotlight: Culture and Heritage



A **Cultural Burn in the Adelaide Park Lands** (\$60k jointly funded Strategic Project) was delivered on 2 October by the Kurna Fire Team (Firesticks Alliance Indigenous Corporation) in partnership with the City of Adelaide. The project restored Kurna Caring for Country practices and strengthened recognition of living heritage and culture. The slow, controlled burn supported cultural knowledge transmission while improving ecosystem health through fuel load reduction, enhanced biodiversity, and ongoing monitoring to inform future cultural burning across key biodiversity areas. As part of the **National Heritage Management Plan Implementation** (\$100k, Strategic Project), work is to be done to identify and spatially map views and vistas of National Heritage value across the Adelaide Park Lands. The procurement stage has been completed with an agreement signed on 31 October 2025 and project initiation from 13 November 2025. **Tentative List Submission for the World Heritage Bid for Adelaide and its Rural Settlement Landscapes** (\$178k, Strategic Project) progressed in the quarter to support the Strategic Plan objective of achieving World Heritage listing for the Adelaide Park Lands and strengthening heritage protections, with an Aboriginal engagement consultancy appointed to develop a Free, Prior and Informed Consent (FPIC) stakeholder engagement plan. Early engagement was undertaken with the Federal Government and heritage experts to advance the Tentative List Submission and Preliminary Assessment.

Our Economy

Growing, innovative and responsive

Strategic Plan Key Actions that are being prioritised this year:

Reinforce the position of Adelaide as the State’s central business district and amplify Adelaide’s reputation as a place to learn, work and start a business.

Data for Lunch was held on 12 November, followed by the Visitor Economy Forum on 18 November, while strategic funding to MTPConnect, Renew Adelaide and ThinCLab supported entrepreneurship development.

Provide services and information that contribute towards a high productivity economy.

Council’s subsidiary, the Adelaide Economic Development Agency (AEDA) partnered with Study Adelaide to promote the city at the ASEAN Conference, continued engagement with purpose-built student accommodation providers to explore opportunities, and progressed brand development activities.

Quarter Spotlight: Tourism



Tourism and Business Attraction (\$150k, Strategic Project) In line with AEDA's Strategic Plan 2024-28 objectives to grow the Visitor Economy by attracting year-round, "magnet" tourism products to further position Adelaide as a desirable place to visit, especially for national and international audiences. Work has continued to identify, qualify and undertake discussions with global tourism operators. AEDA has met with several global operators to understand their business model, how they approach new projects and jurisdictions, and identify what they would require in order to consider a future investment in Adelaide.

Strategic Plan Key Actions that are being prioritised this year:

Work with partners to increase active and diverse transport measures to ensure drivers, cyclists and pedestrians can safely and easily move within the city with a goal to minimise road incidents and decrease fatalities.

Council continues to successfully deliver capital improvements to safe road and footpath infrastructure, including the Vincent Street and Vincent Place improvements, South Terrace and Hutt Street intersection improvements, Street Tree Greening, progressing designs for imminent construction of wombat crossings on Melbourne Street and new Bicycle & Pedestrian Actuated Crossings on Hutt Street, Glen Osmond Road and Sir Donald Bradman Drive.

Encourage repurposing, adaptive reuse and improvement of buildings and facilities.

The Adaptive Reuse City Housing Initiative (ARCHI) Incentives Scheme allocated \$25,000 in Quarter 2 for stage 2 construction work associated with 1 dwelling, comprising 4 bedrooms. The Heritage Incentive Scheme allocated \$68,000 for 9 projects to restore Heritage listed properties in the City of Adelaide in Quarter 2. The Scheme is now fully allocated for 2025/26.

Quarter Spotlight: Safer Roads



Belair-City Bikeway / Adelaide Park Lands Trail – Glen Osmond Road (\$ 1,372k, Capital Project) progressed this quarter with \$1.3 million in Federal Government Blackspot Road Safety funding supporting the delivery of a new raised, signalised pedestrian and cyclist crossing on Glen Osmond Road, with design procurement nearing completion, site investigations undertaken, and concept design underway. **Peacock Road Cycle Route** (\$ 572k, Capital Project) will deliver a quick-build protected cycleway along one of the city’s busiest commuter corridors, addressing safety risks from unprotected bike lanes, unlocking latent cycling demand, and strengthening connections to the Mike Turtur Cycleway and the City of Unley network, with design in progress. **School Safety Implementation Project** (\$177k, Capital Project) progressed this quarter with speed limit changes and associated legislative school signage being worked through with the Department for Infrastructure and Transport (DIT) following Council’s decision, while non-legislative school zone advisory signage is being developed for installation. **Franklin Street Pedestrian Crossing** (\$120k, Capital Project) is progressing with concept design currently being prepared for internal design review, with detailed design planned for the latter half of the financial year. **Vincent Street and Vincent Place Improvements** (\$1,106k, Capital Project) were completed during the quarter, delivering safer, greener and more enjoyable streets for residents, workers and visitors. The upgrades enhanced everyday experiences across walking, cycling, driving and spending time in the neighbourhood, improving both safety and amenity throughout the area.

Strategic Plan Key Actions that are being prioritised this year:

Create, maintain and integrate plans and policies that reflect and guide decision making and support our city and our community to thrive.

The policy review process is being refined to improve consistency and ensure timely policy updates across the organisation.

Attract and retain people with skills and behaviours which align with our organisational objectives and values.

Leadership Capability Model was developed, consulted upon, and endorsed by Executive.

Quarter Spotlight: UPark – Central Market Parking



With the new Market Square Expansion returning 260 parking spaces and relying on access through the existing UPark Central Market, improved customer wayfinding, reduced congestion and safety risks, and effective utilisation of the car park will enable the ongoing success of the Central Market and Market Square Expansion. In this quarter, the **UPark Central Market – Parking Guidance System** (\$300k, Capital Project) progressed with Request For Tender specifications under development and coordination underway with signage design for the Market Square redevelopment. The **UPark Central Market – Car Park Hardware** (\$190k, Capital Project) supports the delivery of new car park area associated with the Market Square redevelopment and will commence following handover of the car park floors by the developer.

Our Programs and Projects

Our Organisation

The City of Adelaide will deliver the 2025/26 Business Plan and Budget through our Organisational Structure, including our Portfolios, Offices and Subsidiaries.

City Community

- Director City Community
- City Culture
- Customer and Marketing
- Regulatory Services

City Infrastructure

- Director City Infrastructure
- Infrastructure
- Strategic Property and Commercial

City Shaping

- Director City Shaping
- City Operations
- Park Lands, Policy and Sustainability
- Kadaltilla / Adelaide Park Lands Authority (Kadaltilla)

Corporate Services

- Chief Operating Officer
- Finance and Procurement
- Governance & Strategy
- Information Management
- People

Subsidiaries

- Adelaide Central Market Authority (ACMA)
- Adelaide Economic Development Agency (AEDA)

Offices

- Office of the Chief Executive Officer
- Office of the Lord Mayor

Operational Financial Summary

	Q1 Budget		Proposed Q2		
	\$'000	Income	Expenditure	Income	Expenditure
City Community					
Director City Community	-	(685)	-	(685)	
City Culture	5,061	(19,348)	5,524	(19,378)	
Customer and Marketing	1	(7,231)	1	(7,231)	
Regulatory Services	18,323	(11,171)	18,670	(11,171)	
Strategic Projects	47	(917)	47	(1,367)	
City Infrastructure					
Director City Infrastructure	-	(709)	-	(709)	
Infrastructure	-	(52,983)	200	(51,404)	
Strategic Property and Commercial	60,761	(34,686)	61,244	(34,500)	
Strategic Projects	424	(3,143)	424	(3,223)	
City Shaping					
Director City Shaping	-	(715)	-	(715)	
City Operations	2,935	(47,092)	2,935	(47,184)	
Park Lands, Policy and Sustainability	46	(7,889)	46	(7,889)	
Kadaltilla / Adelaide Park Lands Authority	323	(323)	323	(323)	
Strategic Projects	553	(2,142)	721	(2,499)	
Corporate Services					
Chief Operating Officer	-	(974)	-	(974)	
Finance and Procurement	142	(4,853)	142	(4,841)	
Governance and Strategy	-	(6,054)	-	(6,054)	
Information Management	38	(15,227)	38	(15,849)	
People	-	(5,082)	-	(5,082)	
Corporate Activities*	143,562	2,696	143,560	1,022	
Adelaide Central Market Authority	5,645	(6,282)	5,645	(6,282)	
Adelaide Economic Development Agency	13,710	(13,135)	13,712	(13,137)	
Strategic Projects	-	(1,994)	50	(2,175)	
Offices					
Office of the CEO	-	(1,501)	-	(1,501)	
Office of the Lord Mayor	-	(1,590)	-	(1,590)	
Total		251,571	(243,030)	253,282	(244,741)
Operating Surplus/(Deficit)			8,541		8,541

* Includes Rates Revenue, Corporation grants (e.g. Financial Assistance Grants), vacancy management target, and capital overhead

City Community Portfolio

The City Community Portfolio strives to deliver exceptional experiences for our community and customers, providing opportunities for creativity, recreation and wellbeing in a city that is safe, accessible and supportive of all our communities.

Key Focus areas:

- Strategic communication that keeps our community informed
- Support safer public spaces and keep the city moving
- Community led services that increase wellbeing, social connection and active lifestyles
- City activation, events, initiatives, grants and sponsorship
- Provide brilliant customer service to all city users
- Facilitation of high-quality built form outcomes through the assessment phase.

Planning and Budget Updates

Operating Budget Changes

- Increase in expiation, late payments and recoveries income of \$0.347m
- Increase in Adelaide Town Hall income of \$0.166m, partly offset by an increase in associated expense (\$0.135m)
- Increase in Community Centre user charges income \$0.018m
- Small increase to Library operating grant income \$0.002m, and recognition of Library materials grant \$0.277m
- Reallocation of expenditure relating to the measurement of leases under AASB 16 from City Culture \$0.105m

Strategic Project Budget Changes

- Allocation of \$0.450m budget for Park 21 West SA Power Network Transformer

Portfolio Quarterly Highlights

City Culture

Very Neighbourly Organisation Designation awarded to the City of Adelaide - the first LGA in South Australia.

Launch of The Angels Lane, extending the City of Adelaide Music Laneway trail, attracting local and national media interest.

Delivery of the new Christmas in the City Action Plan.

Customer and Marketing

The social media strategy continued to deliver improvements with Instagram metrics increasing between 80% - 140% and Facebook between 125% and 250% with over 8 million page views.

Improvements in customer service resulted in a Q2 customer satisfaction score of over 69%, the highest since measurements commenced.

Regulatory Services

Commenced operation of a second Park Safe vehicle, focusing on data collection to better understand parking behaviour and areas of low compliance.

City Community Portfolio Budget

	\$'000	FTE	Q1 Budget			Proposed Q2			
			Inc.	Exp.	Total(N)	FTE	Inc.	Exp.	Total(N)
Operating Budget									
Revenue	-		23,432	-	23,432	-	24,242	-	24,242
Employee Costs	196.9		-	(25,567)	(25,567)	196.9	-	(25,512)	(25,512)
Materials	-		-	(9,805)	(9,805)	-	-	(11,794)	(11,794)
Sponsorships	-		-	(909)	(909)	-	-	(909)	(909)
Depreciation	-		-	(2,800)	(2,800)	-	-	(1,617)	(1,617)
Finance Costs	-		-	(271)	(271)	-	-	-	-
TOTAL	196.9		23,432	(39,352)	(15,920)	196.9	24,242	(39,832)	(15,590)
Program Budget									
Office of the Director	3.0		-	(685)	(685)	3.0	-	(685)	(685)
City Culture	68.8		5,061	(19,348)	(14,287)	68.8	5,524	(19,378)	(13,854)
Customer and Marketing	40.1		1	(7,231)	(7,230)	40.1	1	(7,231)	(7,230)
Regulatory Services	83.0		18,323	(11,171)	7,152	83.0	18,670	(11,171)	7,499
Strategic Projects	2.0		47	(917)	(870)	2.0	47	(1,367)	(1,320)
TOTAL	196.9		23,432	(39,352)	(15,920)	196.9	24,242	(39,832)	(15,590)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Capital Projects					
New and Upgrade	3,918		(14,939)	3,918	(14,655)
Renewal	-		(222)	-	(456)
TOTAL	3,918		(14,582)	3,918	(15,111)

City Culture

	\$'000	FTE	Q1 Budget			FTE	Proposed Q2		
			Inc.	Exp.	Total(N)		Inc.	Exp.	Total(N)
Operating Budget									
Revenue	-		5,061	-	5,061	-	5,524	-	5,524
Employee Costs	68.8		-	(9,222)	(9,222)	68.8	-	(9,167)	(9,167)
Materials	-		-	(6,546)	(6,546)	-	-	(8,085)	(8,085)
Sponsorships	-		-	(509)	(509)	-	-	(509)	(509)
Depreciation	-		-	(2,800)	(2,800)	-	-	(1,617)	(1,617)
Finance Costs	-		-	(271)	(271)	-	-	-	-
TOTAL	68.8		5,061	(19,348)	(14,287)	68.8	5,524	(19,378)	(13,854)
Activity View									
Associate Director (office)	2.0		-	(381)	(381)	2.0	-	(381)	(381)
Adelaide Town Hall	5.0		3,316	(3,557)	(241)	5.0	3,482	(3,692)	(210)
Aquatic Centre	-		-	-	-	-	-	-	-
City Experience	15.1		820	(4,381)	(3,561)	15.1	820	(4,381)	(3,561)
City Lifestyle	8.8		532	(3,005)	(2,473)	8.8	532	(3,005)	(2,473)
Creative City	12.4		137	(2,421)	(2,284)	12.4	155	(2,423)	(2,268)
Libraries	25.5		256	(5,603)	(5,347)	25.5	535	(5,496)	(4,961)
TOTAL	68.8		5,061	(19,348)	(14,287)	68.8	5,524	(19,378)	(13,854)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Operating Activities					
Aboriginal Protocol Grant	-		(41)	-	(41)
Adelaide's New Years Eve	65		(700)	65	(700)
ANZAC Day Service - March & Related Activities	-		(57)	-	(57)
Arts and Cultural Grants	-		(39)	-	(39)
Christmas Festival Action Plan	-		(533)	-	(533)
City Activation - West End Precinct	-		(53)	-	(53)
City Activation – East End Unleashed	41		(291)	41	(291)
City Activation - Gouger Street Precinct	-		(53)	-	(53)
City Activation - Hutt Street Precinct	-		(81)	-	(81)
City Activation - North Adelaide Precinct	-		(109)	-	(109)
City Activation - Precinct Support	-		(136)	-	(136)
Community Capacity Development	-		(3)	-	(3)
Community Impact Grants	-		(550)	-	(550)
DHS Community Neighborhood Development Funding - Minor Works	99		(99)	99	(99)
Homelessness Social and Affordable Housing	-		(310)	-	(310)
International Relations (Sister Cities)	-		(98)	-	(98)
Live Music Industry and Venues Support	-		(59)	-	(59)
UNESCO Adelaide City of Music Ltd Partnership	-		(54)	-	(54)
TOTAL		205	(3,266)	205	(3,266)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Strategic Projects					
Australia Day Sponsorship (SP)	-		(100)	-	(100)
Bilingual Community Liaison Officer	-		(93)	-	(93)
City Activation	-		(300)	-	(300)
Community Sports Building Redevelopment (Park 21 West)	-		-	-	(450)
DHS Grant - Volunteers Connectors Program	25		(25)	25	(25)
Future Libraries Business Case	-		(75)	-	(75)
Library Community Cohesion Programs	9		(9)	9	(9)
Positive Ageing Program – Pilot	-		(50)	-	(50)
Social Work in Libraries	13		(13)	13	(13)
TOTAL		47	(665)	47	(1,115)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Capital Projects					
New and Upgrade		3,918	(14,939)	3,918	(14,655)
Renewal		-	(222)	-	(456)
TOTAL		3,918	(15,161)	3,918	(15,111)

Customer and Marketing

	\$'000	FTE	Q1 Budget		Total(N)	FTE	Proposed Q2		Total(N)
			Inc.	Exp.			Inc.	Exp.	
Operating Budget									
Revenue	-		1	-	1	-	1	-	1
Employee Costs	40.1		-	(5,179)	(5,179)	40.1	-	(5,179)	(5,179)
Materials	-		-	(2,052)	(2,052)	-	-	(2,052)	(2,052)
Sponsorships	-		-	-	-	-	-	-	-
Depreciation	-		-	-	-	-	-	-	-
Finance Costs	-		-	-	-	-	-	-	-
TOTAL	40.1		1	(7,231)	(7,230)	40.1	1	(7,231)	(7,230)
Activity View									
Manager		1.0	-	(225)	(225)	1.0	-	(225)	(225)
Customer Experience		28.1	1	(4,708)	(4,707)	28.1	1	(4,708)	(4,707)
Marketing & Communications		11.0	-	(2,298)	(2,298)	11.0	-	(2,298)	(2,298)
TOTAL		40.1	1	(7,231)	(7,230)	40.1	1	(7,231)	(7,230)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Operating Activities					
N/A	-	-	-	-	-
TOTAL	-	-	-	-	-

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Strategic Projects					
City of Adelaide website redevelopment	-	-	(100)	-	(100)
TOTAL	-	-	(100)	-	(100)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Capital Projects					
New and Upgrade	-	-	-	-	-
Renewal	-	-	-	-	-
TOTAL	-	-	-	-	-

Regulatory Services

	\$'000	FTE	Q1 Budget		Total(N)	FTE	Proposed Q2		Total(N)
			Inc.	Exp.			Inc.	Exp.	
Operating Budget									
Revenue	-		18,323	-	18,323	-	18,670	-	18,670
Employee Costs	83.0		-	(10,194)	(10,194)	83.0	-	(10,194)	(10,194)
Materials	-		-	(977)	(977)	-	-	(977)	(977)
Sponsorships	-		-	-	-	-	-	-	-
Depreciation	-		-	-	-	-	-	-	-
Finance Costs	-		-	-	-	-	-	-	-
TOTAL	83.0		18,323	(11,171)	7,152	83.0	18,670	(11,171)	7,499
Activity View									
Associate Director (office)	3.0		-	(490)	(490)	3.0	-	(490)	(490)
City Development	24.9		3,852	(3,274)	578	24.9	3,852	(3,274)	578
City Safety	13.0		538	(1,902)	(1,364)	13.0	538	(1,902)	(1,364)
On-Street Parking Compliance	42.1		13,933	(5,505)	8,428	42.1	14,280	(5,505)	8,775
TOTAL	83.0		18,323	(11,171)	7,152	83.0	18,670	(11,171)	7,499

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Operating Activities					
N/A	-	-	-	-	-
TOTAL	-	-	-	-	-

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Strategic Projects					
On-Street Parking Compliance Technology and Customer Analytics Reform	-		(152)	-	(152)
TOTAL	-		(152)	-	(152)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Capital Projects					
New and Upgrade	-		-	-	-
Renewal	-		-	-	-
TOTAL	-		-	-	-

City Infrastructure Portfolio

The City Infrastructure Portfolio is responsible for Council's infrastructure assets, strives to make it easier to conduct business in our City and leads the Council's property portfolio and commercial businesses to generate income.

Key Focus areas:

- Capital Works Program, including New and Significant Upgrades and Renewals
- Main street revitalisation and improvements
- Deliver initiatives as defined in the City of Adelaide Property Strategy
- Progress with approved property development projects including Market Square, 88 O'Connell, and the Former Bus Station site.

Planning and Budget Updates

Operating Budget Changes:

Reallocation of depreciation from City Infrastructure to Corporate Services as follows:

- \$0.622m in relation to CCTV equipment, aligning to assets managed by Information Management
- \$1.768m following the following review of building useful lives and traffic signal revaluation

Reallocation of expenditure relating to the measurement of leases under AASB 16 from Strategic Property & Commercial (\$0.141m).

Recognition of State Bike Fund grant received for a Renewal Project \$0.200m.

Increase to Commercial Parking revenue \$0.483m offset by recognition of operating costs for Andrew Streetcar Park (\$0.462m). Increase in funding for Income Protection (\$0.021m) reflecting the above CPI increase for 25-26.

Strategic Project Changes:

Building Condition Audit quotes have been received and allowed a budget reduction of \$0.200m.

New projects to complete Strategic Property Investigations of \$0.200m and Market Expansion Site Management \$0.080m.

Portfolio Quarterly Highlights

Infrastructure

The concept designs for the Hutt Street and Melbourne Street Main Street Projects have been successfully endorsed by Council, allowing both projects to progress to detailed design phase.

The Street Tree Greening project has planted circa 100 trees in the first half of the financial year, with further planting to commence as we enter planting season from early April 2026.

Renewal works is progressing well, with over 60% of the annual program committed and spent as of the end of November 2025.

Strategic Property and Commercial

Following 'Topping out' of Central Market Adelaide Redevelopment (CMAR) last quarter, the northern tower has now reached level 30, with fit out works progressing on lower podium levels.

UPark recognised at the 2025 Parking Industry Awards, winning awards for Parking Organisation of the Year, and for Outstanding Customer Service.

City Infrastructure Portfolio Budget

	\$'000	FTE	Q1 Budget			Proposed Q2			
			Inc.	Exp.	Total(N)	FTE	Inc.	Exp.	Total(N)
Operating Budget									
Revenue	-		61,185	-	61,185	-	61,868	-	61,868
Employee Costs	118.2		-	(12,684)	(12,684)	118.2	-	(12,706)	(12,706)
Materials	-		-	(20,666)	(20,666)	-	-	(26,468)	(26,468)
Sponsorships	-		-	(175)	(175)	-	-	(175)	(175)
Depreciation	-		-	(57,556)	(57,556)	-	-	(50,487)	(50,487)
Finance Costs	-		-	(440)	(440)	-	-	-	-
TOTAL	118.2		61,185	(91,521)	(30,336)	118.2	61,868	(89,836)	(27,968)
Program Budget									
Office of the Director	3.0		-	(709)	(709)	3.0	-	(709)	(709)
Infrastructure	66.5		-	(52,983)	(52,983)	66.5	200	(51,404)	(51,204)
Strategic Property and Commercial	46.7		60,761	(34,686)	26,075	46.7	61,244	(34,500)	26,744
Strategic Projects	2.0		424	(3,143)	(2,719)	2.0	424	(3,223)	(2,799)
TOTAL	118.2		61,185	(91,521)	(30,336)	118.2	61,868	(89,836)	(27,968)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Capital Projects					
New and Upgrade	4,100		(24,860)	4,100	(24,423)
Renewal	-		(58,322)	-	(57,912)
TOTAL	4,100		(83,182)	4,100	(82,335)

Infrastructure

	\$'000	FTE	Q1 Budget			Proposed Q2			
			Inc.	Exp.	Total(N)	FTE	Inc.	Exp.	Total(N)
Operating Budget									
Revenue	-		-	-	-	-	200	-	200
Employee Costs	66.5		-	(3,713)	(3,713)	66.5	-	(3,713)	(3,713)
Materials	-		-	(5,331)	(5,331)	-	-	(5,331)	(5,331)
Sponsorships	-		-	(175)	(175)	-	-	(175)	(175)
Depreciation	-		-	(43,764)	(43,764)	-	-	(42,185)	(42,185)
Finance Costs	-		-	-	-	-	-	-	-
TOTAL	66.5		-	(52,983)	(52,983)	66.5	200	(51,404)	(51,204)
Activity View									
Associate Director (office)	1.9		-	(651)	(651)	1.9	-	(651)	(651)
Infrastructure Planning and Delivery	44.8		-	(51,795)	(51,795)	44.8	200	(50,216)	(50,016)
Technical Services	19.8		-	(537)	(537)	19.8	-	(537)	(537)
TOTAL	66.5		-	(52,983)	(52,983)	66.5	200	(51,404)	(51,204)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Operating Activities					
Free City Connector	-		(1,364)	-	(1,364)
TOTAL	-		(1,364)	-	(1,364)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Strategic Projects					
Asset Condition Audit	-		(1,200)	-	(1,000)
Gawler Place Raim Raid Bollard	10		(10)	10	(10)
Market Expansion Site Mangement	-		-	-	(80)
Resilient Flood Planning	100		(1,100)	100	(1,100)
School Safety Review	-		(11)	-	(11)
TOTAL	110		(2,321)	110	(2,201)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Capital Projects					
New and Upgrade	4,100		(20,704)	4,100	(19,765)
Renewal	-		(58,322)	-	(57,912)
TOTAL	4,100		(71,021)	4,100	(77,677)

Strategic Property and Commercial

	\$'000	FTE	Q1 Budget		Total(N)	FTE	Proposed Q2		Total(N)
			Inc.	Exp.			Inc.	Exp.	
Operating Budget									
Revenue	-		60,761	-	60,761	-	61,244	-	61,244
Employee Costs	46.7		-	(8,005)	(8,005)	46.7	-	(8,027)	(8,027)
Materials	-		-	(12,448)	(12,448)	-	-	(18,171)	(18,171)
Sponsorships	-		-	-	-	-	-	-	-
Depreciation	-		-	(13,793)	(13,793)	-	-	(8,302)	(8,302)
Finance Costs	-		-	(440)	(440)	-	-	-	-
TOTAL	46.7		60,761	(34,686)	26,075	46.7	61,244	(34,500)	26,744
Activity View									
Associate Director (office)		1.8	-	(444)	(444)	1.8	-	(444)	(444)
Commercial		4.0	-	(773)	(773)	4.0	-	(773)	(773)
Parking		17.8	47,338	(14,981)	32,357	17.8	47,821	(15,595)	32,226
North Adelaide Golf Course		13.1	5,455	(5,527)	(72)	13.1	5,455	(5,530)	(75)
Strategic Property Development		4.8	-	(966)	(966)	4.8	-	(966)	(966)
Strategic Property Management		5.2	7,968	(11,995)	(4,027)	5.2	7,968	(11,192)	(3,224)
TOTAL		46.7	60,761	(34,686)	26,075	46.7	61,244	(34,500)	26,744

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Operating Activities					
N/A		-	-	-	-
TOTAL		-	-	-	-

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Strategic Projects					
88 O'Connell St Redevelopment		144	(194)	144	(194)
Commercial Parking Internal Audit – System Consolidation		-	(450)	-	(450)
Review of Property Management		-	(50)	-	(50)
Parking Coordinator - On Street Paid Parking Controls		170	(128)	170	(128)
Strategic Property Investigations		-	-	-	(200)
		314	(822)	314	(1,022)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Capital Projects					
New and Upgrade		-	(4,156)	-	(4,658)
Renewal		-	-	-	-
TOTAL		-	(4,156)	-	(4,658)

City Shaping Portfolio

The City Shaping Portfolio leverages and celebrates our role as a Capital City Council and delivers the services that protect our heritage, Park Lands and urban environment and demonstrate our environmental leadership now and into the future.

Key Focus areas:

- Adelaide Park Lands greening, management and improvements
- Implementing the City Plan
- Implementing the Integrated Climate Strategy
- Implementing the Reconciliation Action Plan
- Heritage promotion and protection
- Capital Works Program, including New and Significant Upgrades and Renewals
- Maintenance of public realm and city presentation
- Initiatives and projects included or associated with the Economic Development Strategy, Housing Strategy, and the Homelessness Strategy
- Continued delivery of the Adaptive Re-use City Housing Initiative (ARCHI)

Planning and Budget Updates

Operating Budget Changes:

Increase in funding for Income Protection (\$0.092m) reflecting the above CPI increase for 25-26.

Strategic Project Changes:

New projects for Tree Martin Management (\$0.150m) and National Heritage Management Plan First Nations Heritage (\$0.207m), partially funded by grant received of \$0.168m.

Movement of funds between City Plan Digital Tool \$0.039m and National Heritage Management Plan Implementation (\$0.039m).

Portfolio Quarterly Highlights

City Operations

Building on the insights from the Cleansing Service Pilot, the new service model is now being rolled out citywide in two phases over the next 12 months. Phase 1 is currently underway in the south-west precinct.

Development of the Cleansing Service Standards is underway. This is being undertaken with the support of Bee Squared Pty Ltd, with anticipated completion in 2026.

The Waste, Recycling and Organics Collection Feasibility Study included two reports to Executive (September and October 2025) and a confidential Committee workshop on 25 November 2025.

The Horticulture team is working with the Park Lands & Sustainability, Spatial Systems and Web & User Experience teams to launch a public facing Urban Forest web page in Quarter 3.

Work is continuing with the development of a suite of Service Standards. Currently, a benchmarking exercise is underway across other metro and capital city councils to understand the broader landscape.

Park Lands Policy & Sustainability

CoA completed its annual carbon reporting via CDP. Internationally, Adelaide has retained its A- rating.

City of Adelaide has been recognised at the 2025 SA Awards for Planning Excellence. Our Adaptive Reuse City Housing Initiative (ARCHI) stole the show, winning two major awards:

- Planning Research Award
- Minister's Award

Alongside these wins, we received commendations across multiple categories:

- Strategic Planning Project: Adelaide Park Lands Management Strategy Towards 2036
- Climate Change & Resilience: Performance on Waste and Resource Recovery (PWRR) Tool (with Aurecon)
- Technology & Digital Innovation: City of Adelaide Digital Explorer (CoADE)
- Planning Champion: ARCHI project lead, Ellen Liebelt

Kadaltilla workshopped the Adelaide Park Lands Partnering Opportunities document and its accompanying digital strategic project tracking tool. The document includes the implementation priorities from the Adelaide Park Lands Management Strategy (APLMS) and is intended to be used by Kadaltilla Board Members, the City of Adelaide, and the Government of South Australia to pursue partnership opportunities for the benefit of the Adelaide Park Lands.

Finalised a submission on the Green Adelaide Draft Regional Landscape Plan 2026-2031 in its capacity as the principal advisory body to both the State Government and the City of Adelaide on the protection and management of the Adelaide Park Lands.

Nomination of five Council-appointed members and two deputy members to the Board for a three-year term. These nominations are currently under consultation with the Minister for Planning prior to finalisation.

City Shaping Portfolio Budget

	\$'000	FTE	Q1 Budget			Proposed Q2			
			Inc.	Exp.	Total(N)	FTE	Inc.	Exp.	Total(N)
Operating Budget									
Revenue	-		3,857	-	3,857	-	4,025	-	4,025
Employee Costs	274.2		-	(32,733)	(32,733)	274.2	-	(32,825)	(32,825)
Materials	-		-	(21,398)	(21,398)	-	-	(21,755)	(21,755)
Sponsorships	-		-	(1,902)	(1,902)	-	-	(1,902)	(1,902)
Depreciation	-		-	(2,128)	(2,128)	-	-	(2,128)	(2,128)
Finance Costs	-		-	-	-	-	-	-	-
TOTAL	274.2		3,857	(58,161)	(54,304)	274.2	4,025	(58,610)	(54,585)
Program Budget									
Office of the Director		3.0	-	(715)	(715)		-	(715)	(715)
Park Lands, Policy & Sustainability		36.6	46	(7,889)	(7,843)		46	(7,889)	(7,843)
City Operations		230.3	2,935	(47,092)	(44,157)		2,935	(47,184)	(44,249)
Kadaltilla / Park Lands Authority		1.3	323	(323)	-		323	(323)	-
Strategic Projects		3.0	553	(2,142)	(1,589)		721	(2,499)	(1,778)
TOTAL		274.2	3,857	(58,161)	(54,304)		4,025	(58,610)	(54,585)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Capital Projects					
New and Upgrade		-	(780)	-	(768)
Renewal		-	(1,559)	-	(1,988)
TOTAL		-	(2,339)	-	(2,756)

Park Lands, Policy & Sustainability

	\$'000	FTE	Q1 Budget			FTE	Proposed Q2		
			Inc.	Exp.	Total(N)		Inc.	Exp.	Total(N)
Operating Budget									
Revenue	-		46	-	46	-	46	-	46
Employee Costs	36.6		-	(5,549)	(5,549)	36.6	-	(5,549)	(5,549)
Materials	-		-	(903)	(903)	-	-	(903)	(903)
Sponsorships	-		-	(1,437)	(1,437)	-	-	(1,437)	(1,437)
Depreciation	-		-	-	-	-	-	-	-
Finance Costs	-		-	-	-	-	-	-	-
TOTAL	36.6		46	(7,889)	(7,843)	36.6	46	(7,889)	(7,843)
Activity View									
Associate Director (office)	3.0		-	(502)	(502)	3.0	-	(502)	(502)
City Planning and Heritage	15.2		46	(3,917)	(3,871)	15.2	46	(3,917)	(3,871)
Low Carbon & Circular Economy	7.8		-	(1,745)	(1,745)	7.8	-	(1,745)	(1,745)
Park Lands & Sustainability	7.6		-	(1,279)	(1,279)	7.6	-	(1,279)	(1,279)
Reconciliation	3.0		-	(446)	(446)	3.0	-	(446)	(446)
TOTAL	36.6		46	(7,889)	(7,843)	36.6	46	(7,889)	(7,843)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Operating Activities					
Annual Delivery of Kuarna Initiatives	-		(27)	-	(27)
Heritage Incentive Scheme	-		(1,163)	-	(1,163)
Heritage Promotion Program	-		(187)	-	(187)
History Festival	-		(33)	-	(33)
Homelessness - Social and Affordable Housing	-		(165)	-	(165)
Homeless and Vulnerable People Project	46		(46)	46	(46)
Integrated Climate Strategy - SIS	-		(233)	-	(233)
Integrated Climate Strategy - Carbon Neutral	-		(484)	-	(484)
Integrated Climate Strategy - Sustainability	-		(124)	-	(124)
NAIDOC Week Celebrations	-		(54)	-	(54)
Noise Management Program Incentive Scheme	-		(48)	-	(48)
Safer City Program	-		(254)	-	(254)
TOTAL		46	(2,818)	46	(2,818)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Strategic Projects					
Adaptive Reuse City Housing Initiative^	303		(606)	303	(606)
Annual Cultural Burn in the Park Lands	-		(25)	-	(25)
City Plan Digital Tool	-		(140)	-	(101)
COP 31	-		(123)	-	(123)
Delivering the Planning and Design Code Amendment Program 23-26 (Yr 2)	-		(100)	-	(100)
Disability Access and Inclusion Plan 2024-2028 Implementation	-		(130)	-	(130)
Implementation of City of Adelaide Housing Strategy	-		(200)	-	(200)
Key Biodiversity Area Management Plans	-		(75)	-	(75)
Master Plan for Helen Mayo Park	250		(250)	250	(250)
National Heritage Management Plan First Nations Heritage	-		-	168	(207)
National Heritage Management Plan Implementation	-		(100)	-	(139)
Social Planning Homelessness and Adelaide Zero Project Resourcing	-		(215)	-	(215)
Tree Martin Management - 2026 Migratory Season	-		-	-	(150)
World Heritage Bid for the Park Lands	-		(178)	-	(178)
TOTAL		553	(2,142)	721	(2,499)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Capital Projects					
New and Upgrade	-		(561)	-	(574)
Renewal	-		-	-	-
TOTAL			(561)		(574)

Kadaltilla / Adelaide Park Lands Authority

	\$'000	FTE	Q1 Budget			FTE	Proposed Q2		
			Inc.	Exp.	Total(N)		Inc.	Exp.	Total(N)
Operating Budget									
Revenue	-		323	-	323	-	323	-	323
Employee Costs		1.3	-	(180)	(180)	1.3	-	(180)	(180)
Materials		-	-	(143)	(143)	-	-	(143)	(143)
Sponsorships		-	-	-	-	-	-	-	-
Depreciation		-	-	-	-	-	-	-	-
Finance Costs		-	-	-	-	-	-	-	-
TOTAL		1.3	323	(323)	-	1.3	323	(323)	-
Activity View									
Kadaltilla		1.3	323	(323)	-	1.3	323	(323)	-
TOTAL		1.3	323	(323)	-	1.3	323	(323)	-

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Operating Activities					
N/A		-	-	-	-
TOTAL		-	-	-	-

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Capital Projects					
New and Upgrade		-	-	-	-
Renewal		-	-	-	-
TOTAL		-	-	-	-

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Strategic Projects					
N/A		-	-	-	-
TOTAL		-	-	-	-

Corporate Services Portfolio

The Corporate Services Portfolio provides effective and efficient services and insights to strengthen and grow our organisational capability, and support a culture of accountability, transparency, and innovation.

Key Focus areas:

- Update of the Long-Term Financial Plan
- Continuous improvement of community engagement
- Cybersecurity uplift
- Workforce planning
- Transition to One Market (Adelaide Central Market)
- Support visitor economy, jobs and investment in the city

Planning and Budget Updates

Operating Budget Changes:

Release savings for memberships that are surplus to requirements \$0.011m.

Reallocation of depreciation from City Infrastructure to Corporate Services (\$0.622m) in relation to CCTV equipment, which is managed by Information Management.

Reallocation of depreciation from City Infrastructure to Corporate Activities following the following review of building useful lives and traffic signal revaluation (\$1.768m).

Reallocation of expenditure relating to the measurement of leases under AASB 16 from City Infrastructure \$0.141m and City Community (\$0.106m).

Reduction in depreciation \$1.755m and increase in finance costs (\$1.699m) due to adjustment in lease terms on Gawler UPark and City Library.

Strategic Project Changes:

Project added for the 2025 Supplementary Election (\$0.102m).

Project added to conduct the 2025 Resident Survey Analysis (\$0.020m).

Additional funding added to 2026 Election project (\$0.090m).

Project added for ACMA Traders Sustainability Program which is fully grant funded.

Temporary reprioritisation of Adelaide Central Market Expansion Operational Preparedness \$0.080m to the delivery of the Market Expansion Site Management.

Portfolio Quarterly Highlights

Finance & Procurement

2025/26 to 2034/35 Long Term Financial Plan adopted.

Commenced the development of the 2026/27 Business Plan and Budget.

Completion of the 2024/25 Local Government Grants Commission Return.

56 procurements worth \$46.51m, comprised of \$38.823m for 43 current procurements and \$7.688m for 13 awarded contracts during Q2.

Annual request for property information issued (Tenancy Information Schedules).

First rate notices issued for 88'OC.

Commenced Election 2026 Project with Governance.

Governance & Strategy

Election 2026 Project is progressing well with key milestones being met by the project team. Meetings have been held with the Office for Local Government and the Electoral Commission of SA. Nomination Forms are drafted, processes mapped and relevant advice sought for preparation of FAQs.

The Internal Auditors, BDO, Australia, have commenced and completed a review of the Council's Strategic Risks and developed the Internal Audit Plan 2026-2029. Scoping of initial audits is underway.

Information Management

Friendly phishing program rollout has been finalised and will be rolled from January 2026.

Updated service portal has been completed to improve IM service delivery.

People

2025 Annual Awards event delivered with positive staff feedback.

Awarded the Self Insurers SA 'Outstanding WHS Innovation or Pioneer' Award in recognition of research undertaken in partnership with the University of Adelaide, aimed at identifying ways to safeguard outdoor workers against extreme heat risks.

Leadership Capability Model developed, consulted upon, and endorsed by Executive.

Adelaide Central Market Authority

Multiple operational preparedness activities progressed including Placemaking Strategy (following workshops with key stakeholders and traders), the commencement of the Retail Design Manager services and procurement of Tenancy Coordinator services.

Significant tenancy investment by Traders in Quarter 2 with 2 stall fit-outs completed with Michael's Fruit and Veg (October) and Coco's Fruit and Veg (November).

Christmas Campaign delivered - marketing and operational.

Adelaide Economic Development Agency

Delivered ADL Fashion Week, a program of 40 events, including five runway events, with more than 2,000 tickets sold.

Activation and marketing of Rundle Mall over the Black Friday and Christmas period including delivery of City Sessions Live Music program.

Stakeholder launch of Rundle Mall 50th Anniversary program of activity.

Completed detailed design for the Visitor Experience Centre and commenced procurement for AV hardware and digital production.

Supported events including OzAsia, Lucky Dumpling Market, Beach Volleyball World Championships, Adelaide Christmas Pageant and Carols By Candlelight.

Corporate Services Portfolio Budget

	\$'000	FTE	Q1 Budget			Proposed Q2			
			Inc.	Exp.	Total(N)	FTE	Inc.	Exp.	Total(N)
Operating Budget									
Revenue	-		163,097	-	163,097	-	163,147	-	163,147
Employee Costs	163.5		-	(17,844)	(17,844)	164.5	-	(17,959)	(17,959)
Materials	-		-	(27,657)	(27,657)	-	-	(21,102)	(21,102)
Sponsorships	-		-	(3,376)	(3,376)	-	-	(3,376)	(3,376)
Depreciation	-		-	(2,022)	(2,022)	-	-	(8,519)	(8,519)
Finance Costs	-		-	(6)	(6)	-	-	(2,416)	(2,416)
TOTAL	163.5		163,097	(50,905)	112,192	164.5	163,147	(53,372)	109,775
Program Budget									
Office of the COO	5.0		-	(974)	(974)	5.0	-	(974)	(974)
Finance and Procurement	28.8		142	(4,853)	(4,711)	28.8	142	(4,841)	(4,699)
Governance and Strategy	23.3		-	(6,054)	(6,054)	23.3	-	(6,054)	(6,054)
Information Management	32.0		38	(15,227)	(15,189)	33.0	38	(15,849)	(15,811)
People	28.8		-	(5,082)	(5,082)	28.8	-	(5,082)	(5,082)
Corporate Activities	3.0		143,562	2,696	146,258	3.0	143,560	1,022	144,582
ACMA	9.8		5,645	(6,282)	(637)	9.8	5,645	(6,282)	(637)
AEDA	31.6		13,710	(13,135)	575	31.6	13,712	(13,137)	575
Strategic Projects	1.2		-	(1,994)	(1,994)	1.2	50	(2,175)	(2,125)
TOTAL	163.5		163,097	(50,905)	112,192	164.5	163,147	(53,372)	109,775
					Q1 Budget				
					\$'000	Inc.	Exp.	Inc.	Exp.
Capital Projects									
New and Upgrade						-	(6,292)	-	(6,352)
Renewal						-	(1,936)	-	(1,960)
TOTAL						-	(8,228)	-	(8,312)

Finance and Procurement

	\$'000	FTE	Q1 Budget			Proposed Q2			
			Inc.	Exp.	Total(N)	FTE	Inc.	Exp.	Total(N)
Operating Budget									
Revenue	-		142	-	142	-	142	-	142
Employee Costs	28.8		-	(4,090)	(4,090)	28.8	-	(4,090)	(4,090)
Materials	-		-	(763)	(763)	-	-	(751)	(751)
Sponsorships	-		-	-	-	-	-	-	-
Depreciation	-		-	-	-	-	-	-	-
Finance Costs	-		-	-	-	-	-	-	-
TOTAL	28.8		142	(4,853)	(4,711)	28.8	142	(4,841)	(4,699)
Activity View									
Associate Director		1.0	-	(283)	(283)	1.0	-	(271)	(271)
Financial Planning & Reporting		13.0	-	(2,044)	(2,044)	13.0	-	(2,044)	(2,044)
Procurement & Contract Management		7.8	-	(1,103)	(1,103)	7.8	-	(1,103)	(1,103)
Rates & Receivables		7.0	142	(1,423)	(1,281)	7.0	142	(1,423)	(1,281)
TOTAL	28.8		142	(4,853)	(4,711)	28.8	142	(4,841)	(4,699)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Operating Activities					
N/A		-	-	-	-
TOTAL		-	-	-	-

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Strategic Projects					
N/A		-	-	-	-
TOTAL		-	-	-	-

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Capital Projects					
New and Upgrade		-	-	-	-
Renewal		-	-	-	-
TOTAL		-	-	-	-

Governance & Strategy

	\$'000	FTE	Q1 Budget			FTE	Proposed Q2		
			Inc.	Exp.	Total(N)		Inc.	Exp.	Total(N)
Operating Budget									
Revenue	-	-	-	-	-	-	-	-	-
Employee Costs	23.3	-	(3,010)	(3,010)	(3,010)	23.3	-	(3,010)	(3,010)
Materials	-	-	(3,044)	(3,044)	(3,044)	-	-	(3,044)	(3,044)
Sponsorships	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-
Finance Costs	-	-	-	-	-	-	-	-	-
TOTAL	23.3	-	(6,054)	(6,054)	(6,054)	23.3	-	(6,054)	(6,054)
Activity View									
Associate Director	1.0	-	(255)	(255)	(255)	1.0	-	(255)	(255)
Corporate Governance	5.2	-	(3,203)	(3,203)	(3,203)	5.2	-	(3,203)	(3,203)
Council Governance	5.1	-	(1,133)	(1,133)	(1,133)	5.1	-	(1,133)	(1,133)
Legal Governance	-	-	-	-	-	-	-	-	-
Project Management Office	5.0	-	(262)	(262)	(262)	5.0	-	(262)	(262)
Strategy & Insights	7.0	-	(1,201)	(1,201)	(1,201)	7.0	-	(1,201)	(1,201)
TOTAL	23.3	-	(6,054)	(6,054)	(6,054)	23.3	-	(6,054)	(6,054)

	\$'000	Adopted Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Operating Activities					
N/A	-	-	-	-	-
TOTAL	-	-	-	-	-

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Strategic Projects					
Election 2026	-	-	(185)	-	(275)
2025 Resident Survey Analysis	-	-	-	-	(20)
Supplementary Election 2025	-	-	-	-	(102)
TOTAL	-	-	(185)	-	(397)

	\$'000	Adopted Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Capital Projects					
New and Upgrade	-	-	-	-	-
Renewal	-	-	-	-	-
TOTAL	-	-	-	-	-

Information Management

	\$'000	FTE	Inc.	Exp.	Total(N)	FTE	Inc.	Exp.	Total(N)
Operating Budget									
Revenue	-		38	-	38	-	38	-	38
Employee Costs	32.0		-	(4,781)	(4,781)	33.0	-	(4,896)	(4,896)
Materials	-		-	(9,215)	(9,215)	-	-	(9,100)	(9,100)
Sponsorships	-		-	-	-	-	-	-	-
Depreciation	-		-	(1,231)	(1,231)	-	-	(1,853)	(1,853)
Finance Costs	-		-	-	-	-	-	-	-
TOTAL	32.0		38	(15,227)	(15,189)	33.0	38	(15,849)	(15,811)
Activity View									
Associate Director	13.0		8	(2,055)	(2,047)	13.0	8	(2,055)	(2,047)
Project Delivery	7.0		-	(2,576)	(2,576)	7.0	-	(2,576)	(2,576)
Service Desk	5.0		30	(9,278)	(9,248)	6.0	30	(9,900)	(9,870)
Technology, Infrastructure and Platform	7.0		-	(1,318)	(1,318)	7.0	-	(1,318)	(1,318)
TOTAL	32.0		38	(15,227)	(15,189)	33.0	38	(15,849)	(15,811)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Operating Activities					
Business Systems Roadmap	-		(1,600)	-	(1,600)
TOTAL	-		(1,600)	-	(1,600)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Strategic Projects					
Clipper Ship City of Adelaide	-		(30)	-	(30)
Cyber Security Enhancement	-		(110)	-	(110)
TOTAL	-		(140)	-	(140)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Capital Projects					
New and Upgrade	-		(172)	-	(173)
Renewal	-		(1,660)	-	(1,680)
TOTAL	-		(1,832)	-	(1,853)

People

	\$'000	FTE	Inc.	Exp.	Total(N)	FTE	Inc.	Exp.	Total(N)
Operating Budget									
Revenue	-	-	-	-	-	-	-	-	-
Employee Costs	28.8	-	-	(3,846)	(3,846)	28.8	-	(3,846)	(3,846)
Materials	-	-	-	(1,236)	(1,236)	-	-	(1,236)	(1,236)
Sponsorships	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-
Finance Costs	-	-	-	-	-	-	-	-	-
TOTAL	28.8	-	-	(5,082)	(5,082)	28.8	-	(5,082)	(5,082)
Activity View									
Associate Director	3.0	-	-	(596)	(596)	3.0	-	(596)	(596)
People Experience	15.8	-	-	(2,613)	(2,613)	15.8	-	(2,613)	(2,613)
People Safety and Wellbeing	4.0	-	-	(774)	(774)	4.0	-	(774)	(774)
People Services	6.0	-	-	(1,099)	(1,099)	6.0	-	(1,099)	(1,099)
TOTAL	28.8	-	-	(5,082)	(5,082)	28.8	-	(5,082)	(5,082)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Operating Activities					
Graduate Employment Program	-	-	(1,122)	-	(1,122)
TOTAL	-	-	(1,122)	-	(1,122)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Strategic Projects					
Aboriginal Employment and Inclusion Coordinator	-	-	(34)	-	(34)
Talent Acquisition Advisor	-	-	(121)	-	(121)
TOTAL	-	-	(155)	-	(155)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Capital Projects					
New and Upgrade	-	-	-	-	-
Renewal	-	-	-	-	-
TOTAL	-	-	-	-	-

Adelaide Central Market Authority (ACMA)

	\$'000	FTE	Inc.	Exp.	Total(N)	FTE	Inc.	Exp.	Total(N)
Operating Budget									
Revenue	-		5,645	-	5,645	-	5,645	-	5,645
Employee Costs	9.8		-	(1,776)	(1,776)	9.8	-	(1,776)	(1,776)
Materials	-		-	(4,461)	(4,461)	-	-	(4,461)	(4,461)
Sponsorships	-		-	-	-	-	-	-	-
Depreciation	-		-	(42)	(42)	-	-	(42)	(42)
Finance Costs	-		-	(3)	(3)	-	-	(3)	(3)
TOTAL	9.8		5,645	(6,282)	(637)	9.8	5,645	(6,282)	(637)
Activity View									
ACMA Operations	6.8		5,558	(5,449)	109	6.8	5,558	(5,449)	109
Market Expansion	3.0		-	(600)	(600)	3.0	-	(600)	(600)
Online Market Platform	-		87	(233)	(146)	-	87	(233)	(146)
TOTAL	9.8		5,645	(6,282)	(637)	9.8	5,645	(6,282)	(637)
Operating Activities									
N/A									
TOTAL									
Strategic Projects									
ACMA Traders Sustainability Program Stage 2								50	(50)
Adelaide Central Market Expansion Operational Preparedness								(939)	(859)
TOTAL								50	(909)
Capital Projects									
New and Upgrade								(1,200)	(1,215)
Renewal								(1)	(1)
TOTAL								(1,201)	(1,216)

Adelaide Economic Development Agency (AEDA)

	\$'000	FTE	Inc.	Exp.	Total(N)	FTE	Inc.	Exp.	Total(N)
Operating Budget									
Revenue	-		13,710	-	13,710	-	13,712	-	13,712
Employee Costs	31.6		-	(4,769)	(4,769)	31.6	-	(4,769)	(4,769)
Materials	-		-	(4,968)	(4,968)	-	-	(4,943)	(4,943)
Sponsorships	-		-	(3,346)	(3,346)	-	-	(3,346)	(3,346)
Depreciation	-		-	(48)	(48)	-	-	(72)	(72)
Finance Costs	-		-	(4)	(4)	-	-	(7)	(7)
TOTAL	31.6		13,710	(13,135)	575	31.6	13,712	(13,137)	575
Activity View									
General Manager AEDA	2.0		9,182	(547)	8,635	2.0	9,184	(547)	8,637
Business and Investment	7.0		-	(2,787)	(2,787)	7.0	-	(2,787)	(2,787)
Marketing	8.0		-	(2,144)	(2,144)	8.0	-	(2,144)	(2,144)
Rundle Mall Management	9.6		4,518	(4,518)	-	9.6	4,518	(4,520)	(2)
Visitor Economy	5.0		10	(3,139)	(3,129)	5.0	10	(3,139)	(3,129)
TOTAL	31.6		13,710	(13,135)	575	31.6	13,712	(13,137)	575

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Operating Activities					
Adelaide Fashion Week	-		(489)	-	(489)
Business Growth - Business Support	-		(232)	-	(232)
Data and Insights	-		(412)	-	(412)
Event and Festival Sponsorship	-		(1,990)	-	(1,990)
General Marketing	-		(420)	-	(420)
Main Streets Development Grants / Precinct Activation	-		(190)	-	(190)
Strategic Partnerships	-		(1,142)	-	(1,142)
Visitor Growth - Tourism Projects	-		(198)	-	(198)
TOTAL	-		(5,073)	-	(5,073)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Strategic Projects					
Black Friday	-		(50)	-	(50)
City Brand Development	-		(100)	-	(100)
Investment Attraction Program	-		(100)	-	(100)
Partner Marketing - Winter Focus	-		(75)	-	(75)
Rundle Mall Live Music Program	-		(100)	-	(100)
Tourism and Business Attraction	-		(150)	-	(150)
TOTAL	-		(575)	-	(575)

	\$'000	Q1 Budget		Proposed Q2	
		Inc.	Exp.	Inc.	Exp.
Capital Projects					
New and Upgrade	-		(4,920)	-	(4,964)
Renewal	-		(275)	-	(279)
TOTAL	-		(5,195)	-	(5,243)

Offices and Regional Subsidiary

Office of the Chief Executive Officer (OCEO) / Office of the Lord Mayor (OLM)

OCEO supports the CEO to lead a sustainable, successful organisation, to make well informed decisions to deliver on Council's priorities, and to foster productive partnerships both with industry, and local government and other government bodies through the delivery of effective intergovernmental relations.

OLM supports the Lord Mayor and Council Members to foster productive relationships with peak bodies, other government bodies and the community, to deliver our strategic plan, and fulfill our Capital City leadership responsibilities.

Key Focus Areas:

- Advocacy, partnerships and intergovernmental relations
- Capital city oversight
- Civic protocols and events
- Communication and public relations
- Executive support and administration
- Lord Mayor and Council administration

Planning and Budget Updates

There have been no proposed changes to the approved budget for the Office of the Chief Executive and the Office of the Lord Mayor during this quarter.

Quarterly Highlights

During the second quarter, the Lord Mayor hosted 11 civic events, including the Town Hall COP, which brought together South Australia's local government leaders in collaboration with ICLEI. The Lord Mayor's Christmas Stand hosted for the Christmas Pageant on 8 November in Victoria Square. In addition, a Citizenship Ceremony took place on Friday, 28 November 2025.

The Lord Mayor's Christmas celebration was held on Thursday 4th December 2025 on the grounds of the North Adelaide Golf Course, inviting key stakeholders.

The Lord Mayor travelled internationally from 30 October to 17 November 2025, attending and speaking at both the Local Leaders Forum in Rio de Janeiro and the UN Climate Change Conference (COP30) in Belém. All flights and accommodation for this travel were fully sponsored by C40 Cities.

On 21 October 2025, newly elected Central Ward Councillor, Cr Alfredo Cabada was officially sworn in at a Special Meeting of Council.

The Lord Mayor also attended and addressed the CCCLM & Local Government Climate Leaders Forum in Sydney on 26 November 2025.

The Lord Mayor, Councillors Giles and Maher and CEO attended the Capital City Committee meeting on 19 November 2025.

The Lord Mayor and CEO attended the LGA SA 2025 Welcome Reception and Conference on 20 and 21 November 2025.

	\$'000	FTE	Q1 Budget			Proposed Q2			
			Inc.	Exp.	Total(N)	FTE	Inc.	Exp.	Total(N)
Operating Budget									
Revenue	-	-	-	-	-	-	-	-	-
Employee Costs	10.3	-	(1,866)	(1,866)	10.3	-	(1,866)	(1,866)	
Materials	-	-	(1,225)	(1,225)	-	-	(1,225)	(1,225)	
Sponsorships	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-
Finance Costs	-	-	-	-	-	-	-	-	-
TOTAL		10.3		(3,091)	(3,091)	10.3		(3,091)	(3,091)
Program Budget									
Office of the Chief Executive	4.0	-	(1,501)	(1,501)	4.0	-	(1,501)	(1,501)	
Civic Event, Partnerships, and Other Events	-	-	(385)	(385)	-	-	(385)	(385)	
Lord Mayor's Office Administration	6.3	-	(1,205)	(1,205)	6.3	-	(1,205)	(1,205)	
TOTAL		10.3		(3,091)	(3,091)	10.3		(3,091)	(3,091)

Brown Hill and Keswick Creek Stormwater Board

The Regional Subsidiary, known as the Brown Hill and Keswick Creek Stormwater Board, was established in February 2018. The Board coordinates the delivery of the Brown Hill Keswick Creek Stormwater Project, which is a collaborative undertaking between the Cities of Adelaide, Burnside, Mitcham, Unley and West Torrens. The Board is governed by a Charter prepared by these five constituent Councils and subsequently approved by the Minister for Local Government.

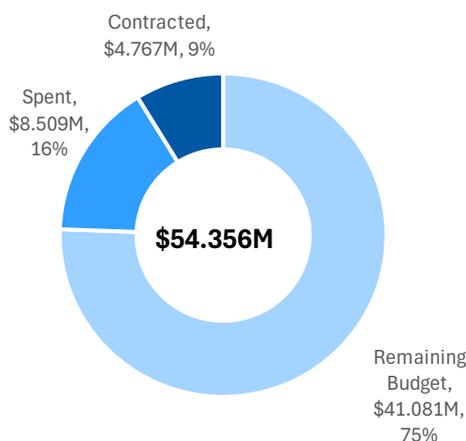
Reporting for this Board is done separately and is not embedded in the City of Adelaide's quarterly report reporting, however, where available, the Board's own report and plans will be provided as attachments as well as being available on the Board's website.

Projects

Capital New and Upgrade

New and Upgrade projects are works of a capital nature that are either introducing new assets or significantly upgrading existing assets, usually by extending the footprint of an asset or increasing the level of service an asset provides.

Approved Budget



Budget Highlights

The proposed New and Upgrade budget has decreased by \$2.473m from the approved budget of \$54.356m to a Quarter 2 budget of \$51.883m due to:

- Re-timing of projects into future years of \$6.081m including:
 - Main Street Revitalisation program \$2.544m (broken down as Melbourne St \$0.510m, Hindley St \$0.284m, Gouger St \$1.630m, and Hutt St \$0.120m)
 - Park 27B - Community Sports Building Redevelopment \$2.800m
 - Place of Courage \$0.190m
 - Torrens Lake retaining structure adjacent to Red Ochre \$0.190m
 - Integrated Climate Strategy – City Public Realm Greening project \$0.045m
 - Project Delivery Management costs \$0.312m
- A Council decision regarding the City Library relocation \$2.500m
- A bring forward of the construction of the Glen Osmond Shared Use path and lighting project planned for 2026/27 of \$1.200m
- A new grant to support the development of the Housing solution at Flinders St \$0.455m
- Accrued grant interest in Quarter 2 of \$0.019m
- The reduction in the New/Upgrade component of the Project Delivery Management cost of \$0.566m with a corresponding increase in the Renewal component.

There has been a change to program allocation within the Capital program due to the reallocation of Project Delivery Management costs of \$1.040m to individual projects based on Q2 actuals.

Key Achievements

During the Quarter, 19 New and Upgrade projects (inclusive of sub-projects) achieved practical completion, including several street greening projects, Vincent Street and Vincent Place streetscape improvement project and Hutt Street Entry Statement.

Quarter 2 saw the commencement of delivery of the design stage of the Peacock cycling route and of the concept design of the 2 Park Lands trail pedestrian crossings.

Several projects have signed contracts for the intended works. This includes the Shared Use Path improvement in Park 27 and some greening projects.

The Main Street Revitalisation – Melbourne Street – Wombat crossing project has started the tender process in Q2, with contract award and commencement of works expected in Q3.

2025/26 New and Upgrade Projects

Project	Plan		Expenditure (\$ '000)			Stage	
	Deliver by		Q1 Budget	Proposed Q2	Variance		
City Community							
City Culture							
Aquatic Centre Community Playing Field - Denise Norton Park/Paradipardinyilla (Park 2)	●	Jun-26	●	5,735	5,758	(24)	Build/ Construct
City of Music Laneways - The Angels Artwork	●	Jul-25	●	15	1	15	Practical Completion
City Library Capital Fit Out (State Library)	●		●		2,500	(2,500)	Plan/ Design
Christmas Decorations - city wide	●	Jan-26	●	237	242	(4)	Build/ Construct
Community Sports Building Redevelopment – Golden Wattle Park / Mirnu Wirra (Park 21 West)*>	●	Mar-27	▲	4,292	4,382	(90)	Build/ Construct
Community Sports Building Redevelopment – Mary Lee Park / Tulya Wardli (Park 27B)*>	●	Jul-27	●	3,722	982	2,739	Plan/Design
Community Sports Building Redevelopment – Concept Design	●		●	102	106	(3)	Design Only
Honouring Women in the Chamber - Portrait Commissions	●	Apr-26	●	10	10	(0)	Build/ Construct
Main Street Revitalisation - Gouger Street (Artwork) (detailed design)*	▲	Feb-28	●	66	67	(1)	Plan/ Design
Main Street Revitalisation - Hindley Street (Artwork)*	◆	May-27	▲	10	11	(0)	Plan/ Design
Market to Riverbank Link Project^	●	Sep-25	●	43	43	-	Practical Completion
Place of Courage *>	▲	Jun-27	●	194	7	187	Plan/ Design
Public Art	●		●	5	0	5	Cancelled
Public Art Action Plan Deliverables	●		●	278	125	154	Plan/ Design
Public Art - Kaurna Welcome Art Installation	●		●		20	(20)	Design Only
Public Art - Her Majesty's Theatre Commemorative Artwork	●		●		165	(165)	Plan/ Design
Minor Works Building – Security Upgrades	●		▲	51	55	(4)	Plan/ Design
Statue Commemorating South Australian Aboriginal Leaders (Lowitja O'Donoghue)	●	May-26	●	178	182	(4)	Build/ Construct
City Infrastructure							
Infrastructure							
Adelaide Park Lands Trail – Sir Donald Bradman Drive**	●	Nov-26	●	1,271	1,288	(17)	Plan/ Design
Belair-City Bikeway/Adelaide Park Lands Trail – Glen Osmond Road**	●	Nov-26	●	1,372	1,390	(18)	Plan/ Design
Bench install - 211 Grenfell Street	●	Dec-25	●		1	(1)	Practical Completion
Bench Seat - 60 King William Street	●	Nov-25	●	6	6	0	Practical Completion
Bikeways (North-South)	●	Nov-25	▲	108	156	(47)	Practical Completion
O'Connell/Archer St Intersection Upgrade>	▲		●	358	364	(6)	Plan/ Design
Bonython Park / Tulya Wardli Shared Path Lighting, Retaining wall and Footpath Upgrade (Construction)	●	Feb-26	●	100	100	-	Build/ Construct
Botanic Catchment Water Course Rehabilitation*	▲	Dec-26	▲	364	368	(4)	Build/ Construct
Brown Hill Keswick Creek (Financial Contribution)	●	Feb-26	●	329	329	-	Build/ Construct
Charles Street – Streetscape Upgrade Major Project	●	Dec-25	●	32	34	(2)	Practical Completion
Field Street Planters	●	Jun-25	●	1	1	-	Practical Completion
Franklin Street Pedestrian Crossing	●	Jun-26	●	124	128	(4)	Design Only
Glen Osmond Road / Hutt Road and Carriageway Park / Tuthangga (Park 17) Improvements	●	Jun-26	▲		1,200	(1,200)	Build/ Construct
Hutt Road / Park Lands Trail Signalised Crossing (Construction)	●	Feb-26	●	24	23	1	Practical Completion
Hutt Street and South Terrace – Stormwater Improvements*	▲	Dec-25	●	208	215	(6)	Practical Completion
Hutt St Entry Statement>	●	Mar-26	●	230	237	(7)	Build/ Construct
Integrated Climate Strategy – City Public Realm Greening Program	●	Jun-27	●	4,574	4,787	(213)	Build/ Construct
James Place Upgrade*	▲	Aug-26	▲	1,061	1,083	(22)	Plan/ Design
Kingston Terrace Bus Stop Upgrades (Construction)	●	May-26	●	157	165	(8)	Plan/ Design
Main Street Revitalisation – Gouger Street (Detailed Design & Construction) >	▲	Feb-28	●	2,406	854	1,552	Plan/ Design
Main Street Revitalisation – Hindley Street (Construction) >	◆	May-27	▲	818	552	266	Plan/ Design
Main Street Revitalisation – Hutt Street (Detailed Design & Construction) >	▲	Oct-28	●	372	269	103	Plan/ Design
Main Street Revitalisation – Melbourne Street (Detailed Design & Construction)*	▲	Nov-28	▲	1,950	1,440	510	Plan/ Design
Main Street Revitalisation - Melbourne Street Improvements	●	Mar-26	●	545	564	(20)	Build/ Construct

Project	Plan		Expenditure (\$ '000)			Stage
	Deliver by		Q1 Budget	Proposed Q2	Variance	
Main Street Revitalisation – O'Connell Street (Detailed Design)	● Jul-28	▲	1,124	1,163	(38)	Plan/ Design
Market Link - CMAR access footpath	●		10	10	(1)	Design Only
Market to Riverbank Link Project^	● Sep-25	●	361	365	(4)	Practical Completion
Traffic Signal Safety Upgrade – Morphett Street and Franklin Street Intersection	● Jul-26	●	276	281	(5)	Plan/ Design
Traffic Signal Safety Upgrade – Morphett Street and Grote Street Intersection	● May-26	●	259	264	(5)	Plan/ Design
New Parents Room with store room (Central Market)	●	●	35	37	(2)	Design Only
Peacock Road Cycle Route**	● Sep-26	●	572	585	(13)	Plan/ Design
Rymill Park Masterplan and Accessibility>	● Mar-26	●	780	797	(18)	Build/ Construct
School Safety Implementation Project>	● Jun-26	●	177	180	(3)	Plan/ Design
Torrens Lake Earth Retaining Structure>	◆ Jul-27	●	324	140	184	Build/ Construct
Vincent St and Vincent Pl>	● Dec-25	●	340	352	(12)	Practical Completion
West Pallant Street Improvements>	●	●	36	37	(1)	Design Only
Strategic Property and Commercial						
Central Market Arcade Redevelopment Options	● Oct-26	▲	477	483	(5)	Build/ Construct
Central Market Arcade Redevelopment Major Project	● Oct-26	●	1,410	1,425	(15)	Build/ Construct
UPark Central Market – Parking Guidance System	●	●	300	300	-	Plan/ Design
Flinders Street Housing – Concept Planning	●	●	273	740	(467)	Design Only
South West Community Centre	●	●	1,506	1,521	(15)	Plan/ Design
UPark Central Market – Car Park Hardware	●	●	190	190	-	Plan/ Design
City Shaping						
City Operations						
Additional (2nd) Park Safe vehicle	● Oct-25	●	69	44	25	Practical Completion
Accelerated Greening Water Truck	●	●	150	150	-	Plan/ Design
Park Lands, Policy and Sustainability						
Additional VivaCity Motion Sensor (V3)	● Jul-25	●	3	3	0	Practical Completion
Disability Access and Inclusion Plan 2024-2028 Implementation	●	▲	20	20	-	Design Only
Integrated Climate Strategy - London Road Depot Electrification (Stage 1) - Replace gas heater with electric	● Jun-26	●	203	206	(3)	Plan/ Design
Light Square / Wauwi – Master Plan (detailed design)	●	●	113	116	(4)	Design Only
Victoria Park / Pakapakanthi (Park 16) Master Plan implementation	●	●	222	228	(7)	Plan/ Design
Corporate Services						
Adelaide Central Market Authority (ACMA)						
Federal Hall Trade Waste and Water Connections^	● Jun-25	●	7	7	-	Practical Completion
Christmas Decorations – One Market	●	●	178	181	(3)	Plan/ Design
Market Expansion Capital Works – Ground Floor	●	●	1,014	1,026	(12)	Plan/ Design
Adelaide Economic Development Agency (AEDA)						
Rundle Mall Sound System	▲ Sep-26	●	832	844	(12)	Plan/ Design
Christmas Decorations – Rundle Mall	● Nov-25	●	209	214	(5)	Practical Completion
Experience Adelaide Visitor Centre**>	● Sep-26	●	3,879	3,905	(27)	Plan/ Design
Information Management						
HR System - Implementation of Integration Suite	● Jun-26	●	42	43	(1)	Build/ Construct
ICT Network Connectivity - Gardeners Shed	● Jan-26	●	120	120	-	Build/ Construct
Replacement of Audio / Video in Council Chamber and Colonel Light Room	▲ Apr-26	●	10	10	-	Build/ Construct
Corporate Activities						
Planning for Future Projects	●	●	112	231	(118)	Plan Only
2025/26 Project Delivery Costs>	● Jun-26	●	7,372	5,454	1,917	Build/ Construct
Total			54,356	51,883	2,473	

*partially grant funded

**fully grant funded

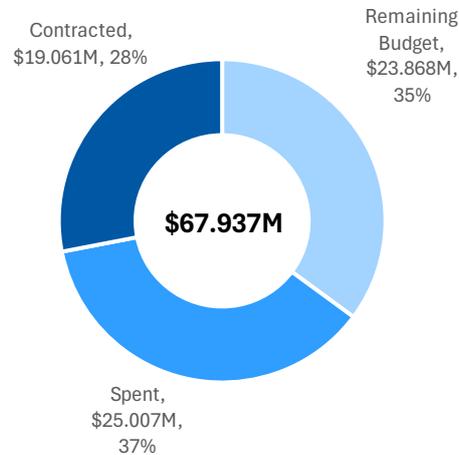
^income generating

>some/all budget retimed from 24/25

Capital Renewal

Renewals are works of a capital nature that are replacing an existing asset like for like, or like for modern, equivalent.

Approved Budget



Budget Updates

The Renewals budget has increased by \$0.843m from an approved budget of \$67.937m to a proposed Quarter 2 budget of \$68.780m due to a new library grant and an increase in the renewal component of the Project Delivery Management cost, with a corresponding reduction in the New/Upgrade component.

There have been reallocations of Project Delivery Management costs of \$1.718m to asset classes based on Q2 outputs.

Key Achievements

During the quarter, 19 renewal projects achieved practical completion, including Traffic Signal renewals at Anzac Highway/Park Lands trail crossing, Wellington Square/Tynte St intersection and at Pulteney St/Grenfell St as well as Pulteney/Pirie St intersection, the Colonel Light Centre – Air Handling Unit renewal and the Veale Gardens footpath renewal project.

Quarter 2 saw the commencement of delivery of the following projects: Glen Osmond Road, Hutt Road and Park 17 improvements, Town Clerks Walk and Park 12 improvements, Archer and Grenfell Streets footpath renewal projects and the Veale Garden pumps renewal.

Several projects have signed contracts for the intended works. This includes various footpaths renewal projects, the Adelaide Central Market Automatic Exhaust system and carpark sprinkler renewal project and the Public Lighting renewal projects in Pirie St and Strangways Terrace.

Projects that started their tender process in Quarter 2 with expected contract awards in Quarter 3 are Public Toilet renewal – Park 17 Greenhill Road, Christmas Tree renewal, the Stormwater pipe relining program, various road projects and the Victoria Square flagpole renewal project.

2025/26 Renewal Budget by Category

\$'000	Q1 Budget	Proposed Q2	Variance	
Buildings	14,908	14,848	60	▼
Lighting & Electrical	3,668	4,322	(655)	▲
Park Lands & Open Space	1,798	1,685	113	▼
Plant, Fleet & Equipment*	3,433	4,120	(687)	▲
Transport**	28,817	28,089	728	▼
Urban Elements	4,064	4,826	(762)	▲
Water Infrastructure	7,137	7,930	(793)	▲
Delivery Resources	4,111	2,959	1,153	▼
TOTAL	67,937	68,780	(843)	▲

2025/26 Renewal Projects by Category and Project Phase

Categories	Total Projects	Design Only	Plan / Design	Build / Construct	On Hold	Practical Completion
Buildings	49	13	8	15	1	12
Lighting & Electrical	40	17	1	20	-	2
Park Lands & Open Space	14	4	2	7	-	1
Plant, Fleet & Equipment*	15	-	4	8	-	3
Transport**	114	41	7	44	1	21
Urban Elements	47	10	7	23	-	7
Water Infrastructure	10	3	1	6	-	-
TOTAL	289	88	30	123	2	46

*includes IT

** includes bridges, roads, footpaths, kerb and water table, and traffic signal

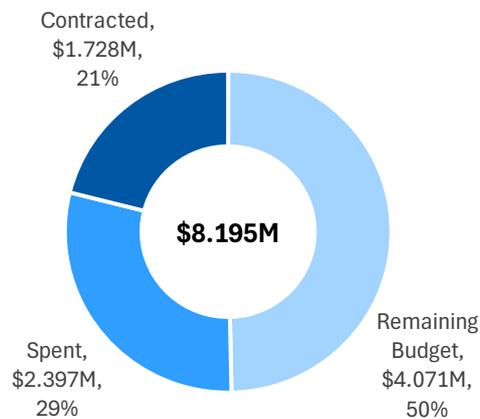
Notes:

- Some projects have been broken down into sub-projects, so total appears different.
- The variance between adopted and proposed budget is in large part been driven by the amalgamation of individual asset renewals into multi-asset projects which are reported under the main renewed asset class.
- Total Project count: mixed funded projects are only counted once in the total project count.

Strategic

Strategic Projects are generally ‘one off’ or short-lived activities that have been prioritised to be delivered within a specific timeframe to meet strategic outcomes, often as a result of Council decisions and/or partnerships.

Approved Budget



Budget Updates

Quarter 2 has seen the strategic program budget increase by \$1.069m from \$8.195m to \$9.264m, following the inclusion of new and emerging priorities; Community Sports Building Redevelopment (\$0.450m), Strategic Property Investigation (\$0.200m), National Heritage Management Plan – First Nations Heritage (\$0.207m), Tree Martin Management – 2026 Migratory Season (\$0.150m), Market Expansion Site Management (\$0.080m) and Resident Survey Analysis 2025 (\$0.020m). Additionally, several existing projects requested increases to funding as costs were further refined and planned deliverables were confirmed.

Key Achievements

At quarter end, the Strategic Project program was 50% committed or spent, with project procurement and delivery continuing to track upwards.

The number of proposed strategic projects increased to 50, with the addition of nine new or ongoing projects. The following projects achieved practical completion in Quarter 2; Annual Cultural Burn in the Park Lands, Supplementary Election 2025 and Black Friday

External grant funding opportunities continue to provide budget support for the delivery of several projects, in turn offsetting CoA contributions.

2025/26 Strategic Projects

Project	Plan Deliver by	Expenditure (\$'000)			
		Q1 Budget	Proposed Q2	Variance	
City Community					
City Culture					
Australia Day Partnership - Australia Day Council of South Australia Incorporated	● Jan-26	100	100	-	▶
Bilingual Community Liaison Officer	● Jun-26	93	93	-	▶
Community Sports Building Redevelopment (Park 21 West)	● Jun-26	-	450	(450)	▲
City Activation	● Jun-26	300	300	-	▶
Future Libraries Business Case	● Oct-26	75	75	-	▶
Positive Ageing Program – Pilot	● Jun-26	50	50	-	▶
Social Work in Libraries Evaluation Framework**	● Nov-26	13	13	-	▶
DHS Grant for Volunteers Connectors Program**	● Jun-26	25	25	-	▲
Library Community Cohesion Programs**	● Jun-26	9	9	-	▲
Customer and Marketing					
City of Adelaide Website Redevelopment	● Jun-26	100	100	-	▶
Regulatory Services					
On-Street Parking Compliance Technology and Customer Analytics Reform	● Jun-25	152	152	-	▶
City Infrastructure					
Infrastructure					
Asset Condition Audit	● Jun-26	1,200	1,000	200	▼
Gawler Place Ram Raid Bollard^	● Jun-26	10	10	-	▶
Market Expansion Site Management	● Dec-26	-	80	(80)	▲
Resilient Flood Planning*	▲ Apr-26	1,100	1,100	-	▶
School Safety Review	● Nov-25	11	11	-	▶
Strategic Property & Commercial					
88 O'Connell Project Delivery	● Complete	194	194	-	▶
Parking Coordinator – On-Street Paid Parking Control Changes	● Jun-26	128	128	-	▶
Review of Property Management	● Jun-26	50	50	-	▶
Strategic Property Investigation	● Jun-26	-	200	(200)	▲
Commercial Parking Internal Audit - System Consolidation	● Jun-26	450	450	-	▶
City Shaping					
Park Lands, Policy & Sustainability					
Adaptive Re-use Housing Initiative Program (ARCHI)*	● Jun-26	606	606	-	▶
Annual Cultural Burn in the Park Lands	● Complete	25	25	-	▶
City Plan Digital Tool (City of Adelaide Digital Explore - CoADE)	● Jun-26	140	101	39	▼
Planning and Design Code Amendment Program	● Jun-26	100	100	-	▶
Implementation of the Disability Access and Inclusion Plan 2024-2028	● Jun-26	130	130	-	▶
Implementation of the City of Adelaide Housing Strategy – Vacancy assessment	● Jun-26	200	200	-	▶
Master Plan for Helen Mayo Park**	● Jun-26	250	250	-	▶
National Heritage Management Plan Implementation	▲ Jun-26	100	139	(39)	▲
NHMP First Nations Heritage*	● Jun-26	-	207	(207)	▲
Key Biodiversity Area Management Plan for G S Kingston Park / Wirrarninhi (Park 23)	● Jun-26	75	75	-	▶
Social Planning Homelessness and Adelaide Zero Project - Partnership	● Jun-26	215	215	-	▶
Tentative List Submission for the World Heritage Bid for Adelaide and its Rural	● Jun-26	178	178	-	▶
Settlement Landscape					
Tree Martin Management - 2026 Migratory Season	● Jun-26	-	150	(150)	▲
COP 31	● Nov-25	123	123	-	▶
Corporate Services					
Governance & Strategy					
Election 2026	● Jun-26	185	275	(90)	▲
Resident Survey Analysis 2025	● Jun-26	-	20	(20)	▲
Supplementary Election 2025	● Complete	-	102	(102)	▲
Information Management					
Cyber Security Enhancement	● Mar-26	110	110	-	▶
Clipper Ship	● Mar-26	30	30	-	▶
People					
Aboriginal Employment and Inclusion Coordinator	▲ Jun-26	34	34	-	▶
Talent Attraction and Retention	● Jun-26	121	121	-	▶
ACMA					
Adelaide Central Market Expansion Operational Preparedness	● Jun-26	939	859	80	▼
ACMA Traders Sustainability Program Stage 2**	● Jun-26	-	50	(50)	▲
AEDA					
Rundle Mall Live Music Program	● Jun-26	100	100	-	▶
Tourism and Business attraction	● Jun-26	150	150	-	▶
Partner Marketing – Winter Focus	▲ May-26	75	75	-	▶
City Brand Development	● Feb-26	100	100	-	▶
Investment Attraction Program	● Jun-26	100	100	-	▶
Black Friday	● Complete	50	50	-	▲
TOTAL	50 projects	8,195	9,264	(1,069)	

*partially grant funded

**fully grant funded

^income generating

Budget

Summary

December Year to Date (YTD)

The operating position as at the end of Quarter 2 2025/26 is an operating surplus of \$12.515m, which is \$6.468m favourable to the adopted budget of \$6.047m for the period. The variance is driven by:

- Revenue \$1.667m favourable to budget and includes the following key movements:
 - Additional rates revenue of \$0.520m mainly from interest and penalties applied to overdue rates balances
 - Additional fees and charges of \$1.026m which includes positive movements in parking \$0.892m, expiations, late payments and recoveries \$0.183m and Adelaide Town Hall fees and charges \$0.246m
 - Grants, subsidies and contributions are (\$0.523m) unfavourable due to the timing of the recognition of grants, largely due to the Financial Assistance Grants, where 50% of the annual contribution was received in the 2024/25 Financial Year
 - Additional other income of \$0.644m due to reimbursements \$0.192m and insurance claims \$0.267m.
- Expenditure \$4.801m favourable to budget and includes the following key movements:
 - Employee costs \$3.054m favourable partially offset by temporary labour backfill of (\$2.687m)
 - Materials, Contracts and Other Expenses is (\$0.462m) unfavourable due to temporary labour backfill (\$2.687m). This is offset by favourable variances in strategic projects including professional services \$0.541m, advertising \$0.404m, computer software maintenance \$0.298m and the timing of Strategic Projects \$1.244m (including Asset Condition Audits \$0.410m, Market Expansion \$0.258m, Resilient Flood Mapping \$0.151m, Helen Mayo Park Master Plan \$0.125m, and Cyber Security Enhancement \$0.110m)
 - Sponsorships, Contributions and Donations are \$1.030m favourable and include timing of Event and Festivals Sponsorships within AEDA \$0.746m, Social Planning Homelessness Resource \$0.215m and Community Impact Grants \$0.101m, offset by Heritage Incentive Scheme (\$0.194m)
 - Depreciation is \$2.044m favourable, due to prior year revaluations, and remeasurement of lease liabilities, offset by an increase in finance costs of (\$0.865m).

The year-to-date Capital Expenditure as at 31 December 2025 is \$33.516m, which is \$0.122m below the adopted budget of \$33.638m for the period.

Council had a cash surplus of \$9.803m as at 31 December 2025.

Quarter 2 2025/26 Projected Operating Position

The proposed Quarter 2 forecast is an operating surplus of \$8.541m which remains consistent with the adopted budget. The following adjustments are incorporated into Quarter 2:

- Total estimated **operating revenue** is forecast to be \$253.282m which is \$1.711m higher than the Q1 budget of \$251.571m. This is mainly due to additional commercial parking revenue of \$0.483m; expiations, late payments and recoveries income of \$0.347m, Adelaide Town Hall of \$0.166m, external funding received for Library Materials and Operating Grants \$0.279m, State Bike Fund \$0.200m and funding for Strategic Projects of \$0.218m, and other movements of \$0.018m.
- Total estimated **operating expenditure** (including depreciation) is forecast to be \$244.741m, which is \$1.711m higher than the Q1 budget of \$243.030m. This is due to additional funding for Strategic Projects \$1.069m, and permanent increases to the budget of \$0.642m including land holding costs associated with Tapanka – Franklin Street site \$0.462m, Adelaide Town Hall \$0.190m associated with an increase in revenue, remeasurement of a lease term on a lease liability resulting in depreciation reducing by \$1.755m and finance costs increasing by \$1.699m, and other movements of \$0.046m.

- The **Capital Program** is proposed to decrease by \$1.630m from \$122.293m to \$120.663m as a result of the reduction to new and upgraded projects of \$2.473m through retiming of 9 projects, the addition of 3 new projects, and accrued interest of \$0.019m from externally funded projects. The renewal program is proposed to increase by \$0.843m due to the addition of 1 new project, and a reallocation of Project Delivery Management costs of \$0.566m.
- **Borrowings** are forecast to decrease by \$1.141m from \$51.818m to \$50.677m. This is largely due to the continuation of capital projects into 2026/27.

Operating Position (Financial Performance)

\$000's	YTD Actual	YTD Budget	Variance	Q1 Budget	Proposed Q2	Variance
Rates Revenue	77,924	77,404	520	154,908	154,908	-
Fees and Charges	48,682	47,656	1,026	90,480	91,458	978
Grants, Subsidies and Contributions	832	1,355	(523)	4,943	5,640	697
Other Income	1,274	630	644	1,240	1,276	36
Total Revenue	128,712	127,045	1,667	251,571	253,282	1,711
Employee Costs	41,787	44,841	3,054	90,694	90,868	(174)
Materials, Contracts and Other Expenses	40,409	39,947	(462)	80,751	82,344	(1,593)
Sponsorships, Contributions and Donations	2,918	3,948	1,030	6,362	6,362	-
Depreciation, Amortisation and Impairment	29,859	31,903	2,044	64,506	62,751	1,755
Finance Costs - ROU Assets	1,224	359	(865)	717	2,416	(1,699)
Total Expenses	116,197	120,998	4,801	243,030	244,741	(1,711)
Operating Surplus / Deficit	12,515	6,047	6,468	8,541	8,541	-

Capital Program

	YTD Actual	YTD Budget	Variance	Q1 Budget	Proposed Q2	Variance
New and Upgrades Projects	8,509	15,091	6,582	54,356	51,883	2,473
Renewal / Replacement of Assets	25,007	18,547	(6,460)	67,937	68,780	(843)
Total Revenue	33,516	33,638	122	122,293	120,663	1,630

Operating Program – Adjustments

The following changes are permanent in nature and will impact the 2026/27 budget and Long Term Financial Plan:

\$000's	Budget	Proposed	Variance
Adelaide Town Hall			
Anticipated full year additional income	3,315	3,481	166
Commercial Parking Income			
Anticipated full year additional income	48,524	49,007	483
Expiation, Late payments and recoveries			
Anticipated full year additional income	13,875	14,222	347
Community Centres			
Anticipated full year additional income	28	46	18
Library Operating Grant			
Increase in funding received	219	221	2
Library Materials Grant			
Recognition of grant received	-	277	277
Employee costs			
Reallocation of Employee costs to contractual expenditure and an increase in income protection insurance	(90,694)	(90,868)	(174)
Materials, Contracts and Other Expenses			
Overall decrease comprising higher employment/external contract agreements	(83,445)	(83,330)	115
Adelaide Town Hall Expenditure			
Increase in funding associated with the additional income	(2,694)	(2,884)	(190)
Land Holding Costs			
Forecast land holding costs associated with Tapanka - Franklin Street site	-	(462)	(462)
Depreciation			
Reduction due to the remeasurement of the lease term on a lease liability	(5,953)	(4,198)	1,755
Finance Costs			
Increase due to the remeasurement of the lease term on a lease liability	(717)	(2,416)	(1,699)
Minor Items			
Small changes trivial in nature	-	13	13
Total Proposed Permanent Adjustments			651

The following changes are temporary in nature and will impact the 2025/26 budget only:

\$000's	Budget	Proposed	Variance
Election 2026			
Increase in funding for data collection	(185)	(275)	(90)
National Heritage Management Plan Implementation			
Increase in funding	(100)	(139)	(39)
Asset Condition Audit Project			
Savings identified	(1,200)	(1,000)	200
City Plan Digital Tool (CoADE)			
Savings identified	(140)	(101)	39
Supplementary Election 2025			
Final costs associated with the Central Ward Supplementary Election	-	(102)	(102)
2025 Resident Survey Analysis			
New strategic project	-	(20)	(20)
Tree Martin Management - 2026 Migratory Season			
New strategic project	-	(150)	(150)
National Heritage Management Plan First Nations Heritage			
Partial funding received to deliver project	-	168	168
National Heritage Management Plan First Nations Heritage			
New strategic project	-	(207)	(207)
ACMA Traders Sustainability Program Stage 2			
Funding received to deliver program	-	50	50
ACMA Traders Sustainability Program Stage 2			
New strategic project	-	(50)	(50)
Strategic Property Investigations			
New strategic project	-	(200)	(200)
Adelaide Central Market Expansion Operational Preparedness			
Reallocation of funding towards the Market Expansion Site Management	(939)	(859)	80
Market Expansion Site Management			
New strategic project	-	(80)	(80)
State Bike Fund			
Recognition of grant received	-	200	200
Park 21 West SAPN Transformer			
New strategic project	-	(450)	(450)
Total Proposed Strategic Project Adjustments			(651)
Total Proposed Q2 Adjustments			-

Capital Program – Adjustments

New and Upgrades			
Works of a significant nature that are either introducing new assets or significantly upgrading existing assets. Usually by extending the footprint of an asset or increasing the level of service the asset provides.	54,356	51,883	2,473
Renewals			
Works of a capital nature that are replacing an existing asset like for like or like for modern equivalent.	67,937	68,780	(843)
Total Adjustment	122,293	120,663	1,630

Financial Indicators

	Target	Adopted	Q1	Q2
Operating Surplus Ratio The ratio expresses the Operating Surplus as a percentage of Total Operating Revenue.	0%-20%	3.4%	3.4%	3.4%
Adjusted Operating Surplus Ratio The ratio expresses the Operating Surplus as a percentage of Total Operating Revenue adjusted for the timing and recognition of grants	0%-20%	3.4%	3.4%	3.2%
Net Financial Liabilities The ratio expresses the Financial Liabilities as a percentage of Operating Income.	Less than 80%	35%	36%	35%
Asset Renewal Funding Ratio The ratio expresses the expenditure on Asset Renewals as a percentage of forecast required expenditure according to the Asset Management Plans.	90%-110%	93.5%	93.5%	94.7%
Asset Test Ratio The ratio expresses Borrowings as a percentage of Saleable Property Assets.	Maximum 50%	15.9%	16.4%	16.0%
Interest Expense Ratio Interest expense as a percentage of General Rates Revenue (less Landscape Levy).	Maximum 10%	1.5%	1.5%	1.5%
Leverage Test Ratio The ratio expresses total Borrowings relative to General Rates Revenue (less the Landscape Levy).	Maximum 1.5 years	0.33 years	0.34 years	0.33 years
Cash Flow From Operations Ratio The ratio expresses Operating Income as a percentage of Operating Expenditure plus expenditure on Renewal/Replacement of assets.	Greater than 100%	102%	104%	102%
Borrowings The ratio expresses Borrowings as a percentage of the Prudential Borrowing Limit (50% of Saleable Property Assets).	Within Prudential Limits	32%	33%	32%
Borrowings The ratio expresses Borrowings (Gross of Future Fund) as a percentage of the Prudential Borrowing Limit (50% of Saleable Property Assets).	Within Prudential Limits	52%	53%	52%

On track	Within range
At risk	May be within range but at risk of going outside of range
Off track	Outside of range

Treasury Reporting

The tables below present the debt and cash investment information as required by Council’s Treasury Policy.

Table 1 shows the borrowing facilities taken out by Council. Council had nil borrowings as at 31 December 2025:

Borrowings Facility*	Available	Interest Type	Interest Rate	Current Borrowings	Change since previous report \$'000	Maturity Date
LGFA CAD 555	\$70m	Variable	4.85%	-	-	15/06/2033

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

Table 2 shows cash invested by Council. Council had \$9.803m in cash investments at 31 December 2025:

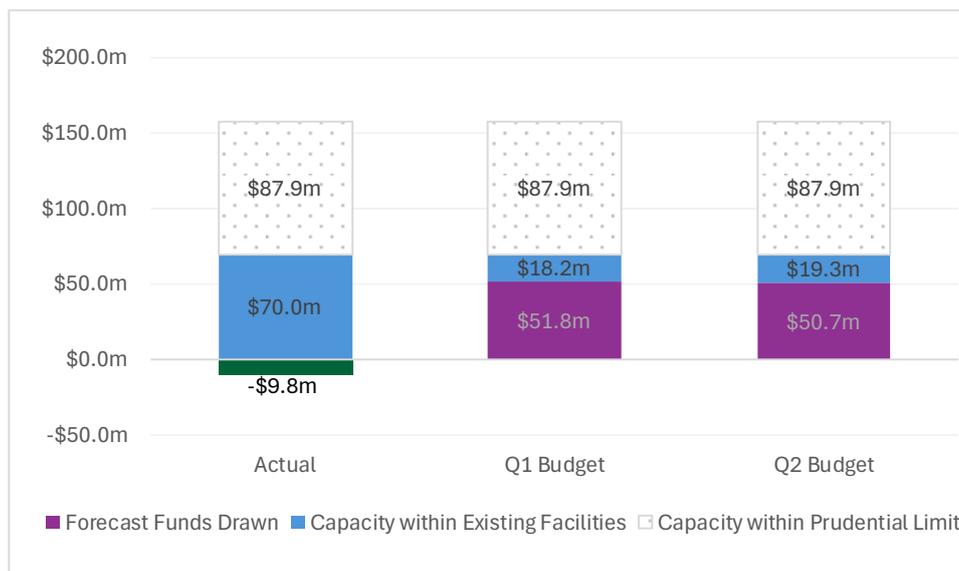
Cash & Cash Equivalents	Available	Interest Type	Interest Rate	Current Investments	Change since previous report \$'000	Maturity Date
LGFA General		Variable	3.90%	\$7.286m	\$2.781m	-
NAB		Variable	3.80%	\$0.233m	\$0.143m	-
CBA		Variable	3.60%	\$2.284m	(\$1.1694m)	-

Total cash position without the Future Fund offset (\$32.654m) would otherwise be \$22.851m in borrowings.

Table 3 provides the Prudential Limit Ratios as outlined in Council’s Treasury Policy:

Prudential Limit Ratio**	Comments	Limits	YTD Actual
Interest Expense Ratio	Annual interest expense relative to General Rates Revenue (less Landscape Levy).	Maximum 10%	0.31%
Leverage Test	Total borrowings relative to annual General Rates Revenue (Less Landscape Levy).	Max 1.5 years	0 years
Asset Test	The percentage of total borrowings to Council’s saleable property assets.	Maximum 50%	0%

Borrowings: showing current facilities against our prudential limit and forecasted position



Glossary

Budget

25/26 Budget: is the adopted budget for the 2025/26 financial year.

Financial Indicators: Measures used to assess Council's financial performance, to guide decision making on major projects, and ensure its continued financial sustainability.

Reallocation: Reallocation of funds from one source to another.

Reclassification: A change of a project categorisation to reflect the scope, size or funding source of a project (e.g. Renewal to Upgrade).

Retimed: Deliberate change of timing of a project into a future year based on an agreed decision.

Subsidiaries: Established by Council under Section 42 of the *Local Government Act 1999* (SA) that operate under independent boards or organisations that the City of Adelaide either operates or supports.

Capital Works

New and upgrade: Works of a capital nature that are either introducing new assets or significantly upgrading existing assets. Usually by extending the footprint of an asset or increasing the level of service the asset provides.

Renewal: Works of a capital nature that are replacing an existing asset like for like or like for modern equivalent.

Project Management Phases

Commit/Concept: A project plan is being finalised with scope, and greater understanding of budget timing and stakeholder management.

Design: Projects for which only the design phase will be undertaken in the current year, with construction occurring in another financial year.

Design/Detail Planning: The planning and design phase of a project, which includes activities such as project planning and technical design.

Build/Construct (also Deliver): The build and construction phase of a project, which includes activities such as tendering, and construction/creating an asset.

Practical Completion: The practical completion phase of a project where an area/asset is open and created in our asset system. Depreciation commences at this point.

On Hold: Project status indicating a decision of Executive or Council is required and cannot proceed until a decision is reached.

Types of Projects

Capital Project: A long-term project to establish, develop, improve or renew a capital project.

Strategic Project: Delivers the Strategic Plan and are generally 'once off' that have been prioritised to be delivered in a specific timeframe. Strategic Project budgets are operational in nature (not capital) and are aligned to a relevant service.

Appendix: Risk and Opportunities

Risks and Opportunities

Council operations continue to be impacted by multiple external factors.

The temporary Golf course closure presents an opportunity for the City of Adelaide to proactively activate other areas of the Park Lands, encouraging broader community participation in active lifestyles and informal exercise.

As at 31 December 2025, CoA had been awarded \$3.4 million in grants to assist with the delivery of the capital and strategic programs. City of Adelaide has submitted and is awaiting a decision on 9 grants to the value of \$6.9 million to state and federal grant schemes.

Resourcing, both internal and external, remains a challenge across the organisation from facilitating major events to progressing capital projects through design and construction. For project delivery, internal resources continue to be supplemented with short term contract staff and external consultants and contractors have high workloads due to a busy time in the industry, with pricing remaining at post-covid levels.

Increased Renewals program and the 93.5% Asset Renewal Funding Ratio KPI is an increase on the previous year. This remains challenging in terms of delivery, resources, timing and the challenges of working within a busy City. This risk is being addressed in part by the identification and engagement of appropriate external consultants and contractors to supplement Council resources.

Delays to Main Streets projects may cause construction to converge across multiple sites, increasing pressure on budget, contractor capacity, traffic and pedestrian impacts, and the delivery of high-value capital projects within the current financial year.

Leveraging the Integrated Transport Strategy and Integrated Climate Strategy outcomes provides an opportunity to revisit and strengthen safe cycling routes, supporting safer and lower-carbon travel.

Change in legislation for Public Health Plans, Dog and Cat Management and Community Engagement provide an opportunity for CoA to revisit how these services are operated.

Rising homelessness and the management of campsites in the Park Lands and U-Parks pose ethical and reputational risks, particularly when relocating vulnerable community members.

Appendix: Financial Statements

Statement of Comprehensive Income

\$'000s	Adopted Budget	Q1	Q2
Income			
Rates Revenue	154,908	154,908	154,908
Statutory Charges	17,809	18,507	18,854
User Charges	70,309	71,973	72,604
Grants, Subsidies and Contributions - Capital	409	409	886
Grants, Subsidies and Contributions - Operating	4,487	4,534	4,755
Investment Income	171	171	171
Reimbursements	181	374	374
Other Income	695	695	731
TOTAL INCOME	248,969	251,571	253,282
Expenses			
Employee Costs	90,792	90,694	90,868
Materials, Contracts and Other Expenses	84,413	87,113	88,707
Depreciation, Amortisation and Impairment	64,506	64,506	62,751
Finance Costs	717	717	2,416
TOTAL EXPENSES	240,428	243,030	244,741
Operating Surplus (Deficit)	8,541	8,541	8,541
Asset Disposal & Fair Value Adjustments	-	-	-
Amounts Received Specifically for New or Upgraded Assets	8,018	13,667	14,121
Net Surplus / (Deficit)	16,559	22,208	22,662
Changes in Revaluation Surplus – I,PP&E	-	-	-
TOTAL OTHER COMPREHENSIVE INCOME	16,559	22,208	22,662

Statement of Financial Position

\$'000s	Adopted Budget	Q1	Q2
ASSETS			
Current Assets			
Cash and Cash Equivalents	800	800	800
Trade & Other Receivables	20,847	20,847	20,847
Inventories	741	741	741
Other Current Assets	-	-	-
Total Current Assets	22,388	22,388	22,388
Non-Current Assets			
Trade & Other Receivables	755	755	755
Equity Accounted Investments in Council Businesses	4,706	4,706	4,706
Investment Property	3,197	3,197	3,197
Infrastructure, Property, Plant and Equipment	2,134,740	2,142,735	2,142,049
Other Non-Current Assets	-	-	-
Non-Current Receivable	-	-	-
Total Non-Current Assets	2,143,398	2,151,393	2,150,707
TOTAL ASSETS	2,165,786	2,173,781	2,173,095
LIABILITIES			
Current Liabilities			
Trade and Other Payables	24,280	24,883	24,884
Provisions	17,381	17,381	17,381
Borrowings (Lease Liabilities)	5,264	5,264	5,264
Total Current Liabilities	46,926	47,528	47,529
Non-Current Liabilities			
Trades and Other Payables	15,732	15,732	15,732
Borrowings	50,074	51,818	50,677
Provisions	2,109	2,109	2,109
Borrowings (Lease Liabilities)	22,658	22,658	22,658
Total Non-Current Liabilities	90,573	92,317	91,176
TOTAL LIABILITIES	137,499	139,845	138,705
Net Assets	2,028,287	2,033,936	2,034,390
EQUITY			
Accumulated Surplus	824,521	830,170	830,624
Asset Revaluation Reserves	1,171,995	1,171,995	1,171,995
Future Reserve Fund	31,771	31,771	31,771
TOTAL COUNCIL EQUITY	2,028,287	2,033,936	2,034,390

Statement of Changes in Equity

\$'000s	Adopted Budget	Q1	Q2
Balance at the end of previous reporting period	2,011,728	2,011,728	2,011,728
a. Net Surplus / (Deficit) for Year	16,559	22,208	22,662
b. Other Comprehensive Income		-	-
Total Comprehensive Income	16,559	22,208	22,662
Balance at the end of period	2,028,287	2,033,936	2,034,390

Statement of Cash flows

\$'000s	Adopted Budget	Q1	Q2
Cash Flows from Operating Activities			
Receipts			
Rates - general & other	154,042	154,042	154,042
Fees & other charges	17,815	18,513	18,860
User charges	70,470	72,133	72,764
Investment receipts	171	171	171
Grants utilised for operating purposes	4,487	4,534	4,755
Reimbursements	181	374	374
Other revenues	695	695	731
Payments			
Employee costs	(90,225)	(90,127)	(90,301)
Materials, contracts & other expenses	(81,676)	(84,376)	(87,669)
Finance Payments	(2,913)	(2,913)	(2,913)
Net Cash provided by (or used in) Operating Activities	73,047	73,047	70,815
Cash Flows from Investing Activities			
Receipts			
Amounts Received Specifically for New/Upgraded Assets	8,018	7,350	7,805
Grants utilised for capital purposes	-	-	477
Proceeds from Surplus Assets	18,500	18,500	18,500
Sale of Replaced Assets	500	500	500
Payments			
Expenditure on Renewal/Replacement of Assets	(67,937)	(67,937)	(68,780)
Expenditure on New/Upgraded Assets	(46,041)	(54,036)	(51,563)
Capital Contributed to Equity Accounted Council Businesses	(320)	(320)	(320)
Net Cash provided by (or used in) Investing Activities	(87,280)	(95,943)	(93,381)
Cash Flows from Financing Activities			
Receipts			
Proceeds from Borrowings	19,335	27,998	26,857
Payments			
Repayment from Borrowings	-	-	-
Repayment of Lease Liabilities	(5,102)	(5,102)	(4,291)
Net Cash provided by (or used in) Financing Activities	14,233	22,896	22,566
Net Increase (Decrease) in Cash Held	-	-	-
plus: Cash and Cash Equivalents at beginning of period	800	800	800
Cash & Cash Equivalents at end of period	800	800	800

Uniform Presentation of Finances

\$'000s	Adopted Budget	Q1	Q2
Income			
Rates Revenue	154,908	154,908	154,908
Statutory Charges	17,809	18,507	18,854
User Charges	70,309	71,973	72,604
Grants, Subsidies and Contributions - Capital	409	409	886
Grants, Subsidies and Contributions - Operating	4,487	4,534	4,755
Investment Income	171	171	171
Reimbursements	181	374	374
Other Income	695	695	731
TOTAL INCOME	248,969	251,571	253,282
Expenses			
Employee Costs	90,792	90,694	90,868
Materials, Contracts and Other Expenses	84,413	87,113	88,707
Depreciation, Amortisation and Impairment	64,506	64,506	62,751
Finance Costs	717	717	2,416
TOTAL EXPENSES	240,428	243,030	244,741
Operating Surplus / (Deficit)	8,541	8,541	8,541
Net Timing adjustment for General Purpose Grant Funding	-	-	-
Less Grants, subsidies and contributions - Capital	(409)	(409)	(886)
Add Roads to Recovery funding	409	409	409
Adjusted Operating Surplus / (Deficit)	8,541	8,541	8,064
Net Outlays on Existing Assets			
Capital Expenditure on Renewal and Replacement of Existing	(67,937)	(67,937)	(68,780)
Finance lease payments for right of use assets on existing assets	(5,102)	(5,102)	(4,291)
add back Depreciation, Amortisation and Impairment	64,506	64,506	62,751
Grants, Subsidies and Contributions - Capital Renewal	-	-	477
Proceeds from Sale of Replaced Assets	500	500	500
Net Outlays on Existing Assets	(8,033)	(8,033)	(9,343)
Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets	(46,361)	(54,356)	(51,883)
Amounts received specifically for New and Upgraded Assets	8,018	7,350	7,805
Grants, Subsidies and Contributions - Capital New/Upgrade	-	-	-
Proceeds from Sale of Surplus Assets	18,500	18,500	18,500
New Outlays on New and Upgraded Assets	(19,843)	(28,506)	(25,578)
Net Lending / (Borrowing) for Financial Year	(19,335)	(27,998)	(26,857)

City of Adelaide
25 Pirie Street, Adelaide

cityofadelaide.com.au
 strategicplan@cityofadelaide.com.au



Adelaide Central Market Authority

Quarter 2 Report: 1 October 2025 - 31 December 2025

Executive Summary

Leasing revenue remained strong in Q2, with no rent arrears, 98.6% occupancy and one lease currently under negotiation (Stall 55), after been left intentionally vacant to allow for trader relocations during fit out works and pop ups during December (Project Burrata and Full Circle). There was continued tenancy investment by Traders with 2 new stall fit outs completed (Michael's Fruit & Veg and Coco's Fruit & Veg) reopening in October and November respectively. One stall (House of Organics) retired their business at the end of December, with a pop-up (Electric Head) in place until 15 January, followed by a full site redevelopment (underway).

Market visitation has been strong across the quarter, supported by additional tourism in the month of December. There were 1.9 million customers over the quarter and 200,000 visitors in the final 6 days before Christmas, with traders indicating a consistent trade in comparison to 2024.

Operational highlights for Q2 included the launch of the inaugural Market Made campaign, showcasing over 1,000 products only available from the Adelaide Central Market. The key retail Christmas campaign supported traders with strong media opportunities, including national coverage, and delivered a program of in-Market entertainment, online shopping opportunities and home delivery service, plus support for our community partners, Catherine House and OzHarvest.

Work continues to lease the 53 tenancies in the Market Expansion with 21 accepted offers across key sites. Operational preparedness continues at pace, with the wayfinding detailed design compete, Place Activation Strategy finalised, commencement of Retail Design Management services and appointment of tenancy coordination.

The operating position is \$329K favourable to the YTD budget for the existing Market and \$258K favourable for the Market Expansion project, however, this is mainly based on timing of expenditure.

Financial Report

\$'000	December 2025 YTD			Adopted Annual Budget	Proposed Q2 Budget
	Actual	Budget	Variance		
Existing Marketing Operations					
Income	2,770	2,832	(62)	5,645	5,695
Expenditure	2,726	3,117	391	6,282	6,332
Total Existing Marketing Operations	44	(285)	329	(637)	(637)
Market Expansion					
Income			-		-
Expenditure	107	365	258	939	859
Total Marketing Expansion	107	365	258	939	859
Net Operating Surplus / (Deficit)	(63)	(650)	587	(1,576)	(1,496)

Debtors Summary

Financial Year	Total Arrears	Current	%	30 Days	%	60 Days	%	90+ Days	%
2025/26	\$ 3,714	\$ 80	2%	\$ 121	3%	\$ -	0%	\$ 3,513	95%
2024/25	\$ 57,129	\$ 48,552	85%	\$ 8,578	15%	\$ -	0%	\$ -	0%
2023/24	\$ 25,793	\$ 17,251	67%	\$ 9,893	38%	\$ 111	0%	\$ 1,239	-5%
2022/23	\$ 165,678	\$ 166,444	100%	\$ 132	0%	\$ 15	0%	\$ 620	0%

Note the minimal arrears. Percentage of rent paid in advance remains stable.

Leasing

Q2 - The total number of Market stalls is 70 - 97% Occupancy	
Renewals	6 (out of 14 lease expiries in FY25/26)
Holdovers	1
Vacancy	1- lease negotiation in progress for Stall 55 House of Organics will be vacant in Q2

Q2 leasing movements included the reopening of Michael's Fruit & Veg and Coco's Fruit & Veg. Stall 55 was activated with two pop ups - Project Burrata and Full Circle (previous Producer in Residence). Stall 34-36 was activated early January by Electric Head (previous Producer in Residence).

Risks and Opportunities

- Organic produce offering after the retirement of House of Organics.
- Multiple ACMA recruitments.
- Market Expansion: Cost of fit-out +rent levels

Business Plan & Budget 2025/26 and Strategic Plan Measures

The 2025/26 ACMA Business Plan and Budget includes 109 priority actions, an increase from Quarter 1 following a *Strategic Plan Pulse Check* review by the ACMA Board in October 2025. These actions span across the five strategic pillars of the ACMA Strategic Plan 2023/28: Our Customers, Our Traders, Our Business, Our Community and Our Market. At the end of Q2, tracking of progress is as follows:

Summary of 109 actions	Complete/ Ongoing/ In Progress	To be monitored/ Deferred	Off track/ At Risk
OUR CUSTOMERS	27	0	0
OUR TRADERS	16	1	0
OUR BUSINESS	35	0	0
OUR COMMUNITY	15	0	0
OUR MARKET	15	0	0
TOTAL	108	1	0

Q2 Highlights

OUR CUSTOMERS

We will keep customer experiences at the heart of all decisions, every day.

- Delivery of in-Market events and activations including sold out school holiday program, Adelaide Italian Festival, cooking demonstrations, roving entertainment, live music and free kid's activities.
- Delivered Christmas program (marketing and operational).
- Partnership with Adelaide Festival Centre for the Cirque Alice show.

OUR TRADERS

We will work with our traders to support them in the delivery of an exceptional shopping experience.

- Delivery of Market Made campaign.

- Trader event support (Lucia's cooking demonstration) and photography (Oct. and Dec.).
- Trader interview opportunities with media across TV, radio and print.
- Trading hours round table discussion with Minister Michaels.
- 2 x big cleans for the Market.

OUR BUSINESS

We will take a responsible and sustainable approach to our business in pursuing positive long-term financial results.

- Annual General Meeting on 23 October.
- Adelaide Central Market Online -135 orders (\$29,405) delivered Christmas week with an average basket size of \$217
- 4 Recruitment: Customer Experience Attendant, Marketing Executive and Manager parental covers, Appointment of new Leasing Coordinator
- GM and MCM attended AEDA Visitor Economy Industry presentation.
- 3 ACMA staff nominated at CoA Awards.

OUR COMMUNITY

We will make a valuable contribution to the economic, social and cultural wellbeing of our precinct and community.

- Ongoing partnership support - Oz Harvest (weekly produce collection) + Tree of Goodness raised \$6,323.30.
- Catherine House (monthly fruit and veg support) + produce for Christmas lunch for 70 people
- Guide Dogs SA/NT collections in Market.

OUR MARKET

We will deliver infrastructure and programs that address the current and emerging needs for our customers and traders.

- Full working drawings for Northern toilets.
- Annual ducting clean for all cooking traders and form 3 compliance.
- Fire compartmentation works for escalators and special clean.
- Completed two stall rebuilds
- Basement / cellar remediation works ongoing.
- Market Expansion:
 - 21 accepted offers across key sites.
 - ACMA and AEDA Board Site Tour.
 - Wayfinding Detailed Design Competed.
 - Public Art Discussions.
 - Final Lease Plans issued by architects
 - Retail Design Manager (RDM) commenced.
 - Pace Activation Strategy finalised.
 - Tenancy Coordinator contract issued.
 - Christmas Decorations and bin housings tender process completed x2.

Upcoming quarter priorities: FY 25/26 1 January 2026 - 30 March 2026

- Marketing:
 - Marketing resourcing (including recruitment).
 - Deliver events and activations
 - Sauce Day
 - Lunar New Year activation
 - Valentine's Day activation
 - School holidays program
 - Tourism advertising (awareness during key tourism period).
 - Plan and commence Easter campaign.
 - Ongoing program of live music and free kid's activities.
 - GISA Grant next steps: continuation of online modules and one-on-one consulting (due for completion in June 2026).
- Operational and leasing:
 - Stall 55 lease execution
 - Stall 34/36 redevelopment
 - EOI for Stall 34-36.
 - Federal Hall fitout commencement.
- Market Expansion:
 - Appointment of additional leasing agents to support progress
 - Ongoing leasing conversations with potential tenants and issue offers.
 - Continue to issue execution lease documentation to secured tenants.
 - Operational readiness project - wayfinding, casual leasing furniture, people counters, PA System, play equipment, storage, shade and greening underway.
 - Finalise trading hours options and establish for Expansion.
 - Award contract for Site Manager and Services Engineer (53 fit outs).
 - Support ORAT consultant engagement through developer, progress site readiness, including Waste, loading dock, Building Management System with CoA/ICD
 - Continuation of Placemaking Project.
 - Facade Signage development approval expected.
 - Public Bin Housing Upgrade Project underway.

Adelaide Economic Development Agency

Quarter 2 Report

1 October 2025 – 31 December 2025

Between 1 October 2025 and 31 December 2025, AEDA:

- delivered ADL Fashion Week, a program of 40 events, including five runway events, with more than 2,000 tickets sold
- provided data and information to the business community through Data4Lunch and the Visitor Economy Forum, collectively attended by 242 people
- activated and marketed Rundle Mall over the Black Friday and Christmas period
- stakeholder launch of Rundle Mall 50th Anniversary logo and program of activity
- finalised the Rundle Mall Marketing and Events Strategy
- completed detailed design for the Visitor Experience Centre and commenced procurement for AV hardware and digital production
- commenced engagement with ten businesses considering establishment or expansion in Adelaide representing a potential 294 jobs
- supported events including OzAsia, Lucky Dumpling Market, 2025 Beach Volleyball World Championships, Adelaide Christmas Pageant and Carols by Candlelight
- held the AEDA Annual General Meeting.

Financial report

Operating Position \$000s	December YTD Results			Annual		
	Actuals	YTD Budget	Variance	Adopted Budget	Proposed Q2 Budget	Variance Q2 Budget
Income						
Rundle Mall Levy	2,083	2,069	14	4,138	4,138	-
Rundle Mall User charges	263	190	73	380	380	-
CoA Appropriation of Funds	4,306	5,622	(1,316)	9,182	9,184	2
Grants and other contributions	5	-	5	-	-	-
Other income	5	5	-	10	10	-
Total income	6,662	7,886	(1,224)	13,710	13,712	2
Expenses						
Employee costs	2,200	2,367	167	4,769	4,769	-
Materials, contracts and other expenses	3,001	3,647	646	5,543	5,518	(25)
Sponsorship, contributions and donations	1,751	2,511	760	3,346	3,346	-
Depreciation, amortisation and impairment	49	24	(25)	48	72	24
Financing costs	4	2	(2)	4	7	3
Total expenses	7,005	8,551	1,546	13,710	13,712	2
Operating Surplus/Deficit	(343)	(665)	322	0	0	(0)

Year to date (YTD) Financial Summary

Income

- Rundle Mall Levy \$14k favourable due to timing of objections
- Rundle Mall User Charges \$73k favourable to budget due to timing of concessions and casual mall leasing
- CoA appropriation of funds is \$4,306, matching AEDA's expenditure (excluding Rundle Mall) for the first half of the year.
- Grants and Other Contributions \$5k favourable due to unbudgeted sponsorship received.

Expenditure

- Employee costs \$167k favourable due to vacancies, partially offset by temp staff \$48k expensed under materials, contractors and other expenses
- Materials, Contracts and Other Expenses \$646k favourable driven by timing of budgets compared to actual spend, particularly with Christmas in the Mall \$390k and Marketing & PR \$117k
- Sponsorships, Contributions and Donations \$760k favourable due to timing of Events and Festival Sponsorship
- Depreciation and financing costs (\$27k) unfavourable to budget due to new leased asset recognised at the end of FY24/25.

Proposed Quarter 1 variances and budget requests

- Net increase to expenditure related to accounting adjustments for the new leased asset, being an increase to depreciation and financing costs of \$24k and \$3k offset by a reduction in operating spend (\$25k). This is collectively offset by an additional \$2k in CoA appropriation of funds.

Board and Advisory Committee Term Changes

On 9 December 2025, Council endorsed a recommendation from the AEDA Board Selection Panel to appoint Dr Michelle Perugini until 30 June 2027 to fill the casual vacancy created by the resignation of Matt Poblocki.

Changes to the AEDA Advisory Committee in Q2:

- Lauren Giorgio, Chief Operating Officer, GPN Vaccines, retired at the expiration of her term on 1 November 2025
- Cr Alfredo Cabada resigned from the Advisory Committee effective from the Committee's December 2025 meeting following the Central Ward election
- Paula Mifsud, Director Corporate and Government Relations at the University of Adelaide, commenced her term on 1 November 2025 with that term expiring on 12 February 2028
- Nikki Hamdorf has been reappointed as the Precinct group's representative for a further 12-month term expiring 31 October 2026.

Risks and opportunities

- There is currently a high level of interest in external organisations collaborating with AEDA on various projects and opportunities. The agency has limited capacity to effectively collaborate on many of these opportunities given the extent of the current work program.
- There is no significant change in Australia's domestic economic environment internationally, however, the impact of global economic uncertainty including its potential impact on trade, investment and consumer confidence is one that will continue to be monitored
- Safety and security remain an ongoing risk in Rundle Mall. Multiple high-profile incidents have received media coverage with the negative sentiment beginning to emerge in consumer research initiatives
- Continuing changes and activity within the higher education and international education sector
- Increased competition to Rundle Mall from suburban shopping centres and on-line shopping

NB: AEDA's strategic risks are included within the City of Adelaide's Strategic Risk Register, which is reported through the Strategic Risk and Internal Audit Group that then reports into the Audit and Risk Committee.

AEDA Review implementation

Since Council's adoption of the AEDA Review Implementation Plan on 24 October 2023, which detailed how the 36 actionable recommendations from the Deloitte and KPMG reviews of AEDA would be addressed, 35 actions have been completed. The one remaining item relates to the development of a long-term financial plan for AEDA. A further workshop on the subject of AEDA's funding was held on 9 December 2025.

Grant Funding Approved

Nil.

Business Plan and Budget and Strategic Plan Measures

The 2025/26 AEDA Business Plan and Budget includes 22 measures across five key areas: Investment & Business Growth; Visitor Economy; Rundle Mall & Precincts; City Brand & Marketing and Governance & Operations.

As at the end of quarter two, progress against the measures was as follows:

- four measures have been marked 'Completed' indicating it has been finalised or the annual target met
- thirteen measures are 'On track', meaning the pro-rata measure is tracking ahead or in-line with the target
- five measures are 'Active underway', indicating progress has been made towards the annual target, but has not yet been achieved.

Activate Rundle Mall & Precincts

Operational Measures	Status	Annual Measure	Actual	Difference
Total expenditure in Rundle Mall grows by at least three percent per annum	On track	3%	3.4%	+0.4 percentage points
Engage with at least eight new brands to promote Rundle Mall as a premium location to grow their businesses	On track	8	5	-3
Rundle Mall visitation remains above 52 million	On track	52 million – 12 month cumulative	52.1 million	+0.1 million
Three new major brand partnerships	Completed	3	5	+2
Concession income exceeds budget	On track	Financial Year to Date	\$263k FYTD	+\$73k FYTD
ADL Fashion Week delivered	Completed	Y/N	Delivered October 2025	-

City Brand & Marketing

Operational Measures	Status	Annual Measure	Actual	Difference
Brand identity created	On track	Y/N	Project commenced	-
At least two cooperative campaigns delivered	On track	2	1	-1
Increase Experience Adelaide newsletter metrics to 36%+ open rate and 1.9% click through rate*	On track	36% 1.9%	17.5% open rate 3.51% click through	-18.5% points +1.61 % points
Provide at least three industry briefing events	On track	3	2	-1

* Q2 reflects the transition to HubSpot which temporarily disrupted normal benchmarks (not comparable with Q1). Q2 2025 now a baseline for future measurement and optimisation.

Growing the Visitor Economy

Operational Measures	Status	Annual Measure	Actual	Difference
At least 20 events and Festivals supported through sponsorship	Completed	20	20	0
Maintain value of business event delegates	On track	Cumulative total	\$288m YTD	+\$81m YTD
Work with existing firms and new entrants to develop at least 10 bookable experiences	On track	10	4	-6
Visitor Experience Centre opened	Active underway	Y/N	Detailed design completed	-
At least 45,000 people provided with information through AEDA's visitor information services	Active underway	45,000	17,715	-27,285
Greater Adelaide Destination Management Plan (DMP) completed	On track	Y/N	Draft DMP prepared	-

Investment and Business Growth

Operational Measures	Status	Annual Measure	Actual	Difference
Work with at least 75 inbound/expanding companies with an aim to identify an additional 2,000 new city-based jobs	Active underway	75	33	-42
Work with the development sector to facilitate/support an additional three residential developments in the city	Completed	3	10	+7
Provide/support at least eight programs to support emerging industries and the scaling up of businesses	On track	8	5	-3
Increase the number of users of the data and insights component of the AEDA website	Active underway	7,000	2,212	-4,788

Governance & Operations

Operational Measures	Status	Annual Measure	Actual	Difference
Opportunities and issues identified in the Board's annual governance review are addressed	On track	Y/N	Board evaluation occurring in February 2026	
An approach to funding that supports multi-year planning is applied	Active underway	Y/N	Underway	-



Strategic Partnerships

Business Events Adelaide held its AGM on 29 October 2025. Chair Ian Horne confirmed that during the 2024–25 financial year, 149 future business events were secured for South Australia, injecting more than \$684 million into the State economy. Between August and December 2026, 11 business events worth \$33.3 million were confirmed, with 18 additional events in the pipeline expected to deliver \$23.8 million.

The pitch night for ThincLab's ThincSeed program was held on 19 November 2025. Participating businesses covered the spectrum of improving IVF outcomes, customisable fashion, risk management, spare parts inventory management, nanomedicines, improving HR recruitment and AI driven tools to enhance outcomes for people with learning disabilities.

StudyAdelaide's Global agent Famil program was held in October 2025. The program aims to raise awareness of Adelaide as a high-quality study destination. Sixty-nine education agents from 15 countries participated with 82% first time visitors to Adelaide. The education agencies who participated in the collectively send more than 13,000 students to Australia.

Renew Adelaide opened four new ventures including Cut Sick, Extra Hard Nails, Adario's and Thread Collective.

MTP Connect led an outbound delegation to the BIO25 international congress where they supported Adelaide companies to participate, provided a clinical trials concierge generating 75 leads for South Australia (primarily to Biomed City) and presented at a global clinical trials event, showcasing Adelaide's capabilities. Introductions at BIO25 to Adelaide Industry leaders, created opportunity for one outbound delegation and one inbound delegation (potentially during LIV Golf). MTP Connect is also working with SouthStart on investor education initiatives.



Data and Insights

AEDA's Data team responded to 55 requests for information, with 25% from external stakeholders. Presentations were made at West End AGM, AEDA Data4Lunch, The Innovation Factory's 5th Birthday and AEDA's Visitor Forum.

Reports published included the 2025 Q3 Activity Report and Visitor Economy Report.

Focus groups to better understand city attendance behaviours, working-from-home trends and Rundle Mall were conducted.

The ninth AEDA Data4Lunch, held on Wednesday, 12 November 2025, at the Marriott Adelaide, was sold out, attracting 147 attendees. The program featured Scott Philp, Acting Director, Workforce Planning and Analyst at the Department of State Development. Scott provided insights into South Australia's workforce planning and highlighted employment sectors experiencing strong demand. Jane Johnston, Chief Executive of StudyAdelaide, shared insights into the international graduate talent pool. Jordon Tomopoulos, AEDA's Economic Research Advisor, presented the latest analysis of Adelaide's workforce, including employment rates, job demand and supply, and current workforce challenges.



Rundle Mall Activations

Rundle Mall Shopping Weekend

Three days of activations were held in Rundle Mall during ADL Fashion Week (ADLFW), designed to inspire discovery and reward loyal shoppers, encouraging people to shop, explore, and experience Rundle Mall. More than 475k visitors were recorded in Rundle Mall across the three days, a 4% increase on ADLFW 2024. Overall spend in the Mall was up 5% vs 2024.

Black Friday

AEDA delivered a program of activity, featuring extended midnight trading, positioning Rundle Mall and the City as the focal point of South Australia's Black Friday weekend. Shoppers visiting the City and Rundle Mall for Black Friday sales had the opportunity to win their share of \$40,000 in \$100 Experience Adelaide gift cards, redeemable across postcodes 5000 and 5006 — encouraging local spending and supporting businesses throughout the wider city area.

City-wide expenditure was stable across the weekend compared to the 2024 Black Friday weekend although retail expenditure city-wide was down 3.5%. Friday foot traffic numbers were impacted by the 18.8mm of torrential rain that fell in Adelaide. Saturday was up 19% on 2024 and up 6% on 2023 (the last time Black Friday weekend coincided with the car race).

Christmas in Rundle Mall

In partnership with the City of Adelaide, a new Christmas creative suite launched on Friday 7 December, delivering a cohesive and complementary look and feel across the city. Rundle Mall's Christmas positioning sits under the banner *Where Christmas Is Made*.

This Christmas marks the first year of a new five-year festive strategy, focused on strengthening Rundle Mall as South Australia's home of. New decorations have been introduced to encourage exploration throughout the Precinct, including Jingle Junction, a new feature at the Gawler Place canopy that acts as a festive focal point. These are supported by a curated program of Christmas markets, live music and performances, and family-friendly activities, creating an immersive atmosphere that encourages longer stays and memorable experiences for all ages.

Rundle Mall Marketing and Events Strategy

In November, the AEDA Board formally endorsed the Rundle Mall Marketing and Events Strategy, developed with Showpony and co-designed with stakeholders, traders, and customers. The strategy provides a clear framework for how we activate, market, and grow the Precinct, bringing to life five place principles and four strategic pillars aimed at increasing visitation, spend, and emotional connection with the Mall.



Sponsored Events and Festivals

The following events and festivals, supported through the Events and Festivals Sponsorship Program, were held during Q2:

- Adelaide Guitar Festival* \$30,000
- Nature Festival of South Australia* \$60,000
- Adelaide Film Festival \$60,000
- OzAsia Festival \$75,000
- Feast Festival \$80,000
- National Pharmacies Christmas Pageant \$75,000
- Adelaide FIVB Beach Volleyball World Championships \$100,000
- bp Adelaide Grand Final \$30,000
- Carols by Candlelight \$75,000

**Event commenced in Q1 and concluded in Q2*

Aside from the National Pharmacies Christmas Pageant which does not conduct formal research, these events and festivals are expected to generate an estimated gross economic impact of \$126,224,950 to the State and an estimated total attendance of 995,100. Of this, city-based attendance is expected to be approximately 941,500.

The following eight events and festivals, supported through the Commercial Events and Festivals Sponsorship Program were held during Q2:

- Gathered Market in the Mall* \$16,000
- CheeseFest \$20,000
- Hongdae in Adelaide \$14,000
- Poppin Out \$10,000
- Lucky Dumpling Market \$45,000
- Our Sound \$16,000
- Hyde and Seek Street Festival (formerly Rhino Room Street Fest) \$20,000
- Adelaide Polo Classic \$14,000

These events and festivals are expected to generate an estimated attendee expenditure of \$13,400,514 and an estimated total city-based attendance of 210,233 people. These figures are based on application estimates, with the exception of Lucky Dumpling Market, which has submitted their acquittal report.

**Gathered Market in the Mall is a recurring monthly event from Feb – Dec 2025, with two markets held in December. Data reflects the four markets held in Q2, based on application estimates.*



ADL Fashion Week

ADL Fashion Week ran from 8-12 October. The program featured 40 events, including five runway events, with more than 2,000 total festival tickets sold. This year's program featured a close working relationship with the fashion industry, both with the South Australian Fashion Industry Association as well as with individual brands

The post event evaluation demonstrated a high net promoter score and about half of the attendees attended for the first time signalling strong new audience attraction. Flow on spend in the City was strong with 68% of participants dining before or after the event they attended and 45% doing additional shopping.

ADL Fashion Week generated 75 media items, including national syndication support with an approximate 11.9M+ audience reach reported.



Visitor Experience Centre

Progress on the Visitor Experience Centre continued with the completion of the Concept Design and Detailed Design phases. In November Design Documentation and Digital Production began. The AV Hardware Tender was finalised with evaluation in progress and Issued for Construction (IFC) documents are nearing 100% completion.

Planned Quarter Three Activity

Coming up from 1 January 2026 to 31 March 2026:

- Rundle Mall 50th Anniversary commences
- Tour Down Under, Rundle Mall 50th Anniversary branded car
- Experience Adelaide cross promotion and competition
- LIV Golf in Rundle Mall
- Tour Down Under Experience Adelaide Visitor Information booth
- AEDA Corporate Communications proactive media engagement
- Adelaide Visitor Centre awareness campaign
- 2026 Adelaide Visitor Guide release
- Adelaide Investment Attraction campaign
- Lunar New Year Activation in Rundle Mall
- Festival Season in Rundle Mall
- Colours of Asia Food Festival in Rundle Mall
- AEDA promoting city employers at the Western Adelaide Jobs Expo
- SouthStart Innovation Festival supported by AEDA to deliver a program across the City, including an Investment Day
- Study Adelaide International Agent Familiarisation
- Opening of 2026/27 Events and Festivals Sponsorship Program for applications



Kadaltilla / Adelaide Park Lands Authority

October to December 2025/2026
Quarter 2 Report

Kurna Acknowledgement

The Kadaltilla/Adelaide Park Lands Authority (Kadaltilla) tampendi, ngadlu Kurna yertangga banbabanbalyarnendi (inbarendi). Kurna meyunna yaitya mattanya Womma Tarndanyako. Parnako yaitya, parnuko tappa purruna, parnuko yerta ngadlu tampendi. Yellaka Kurna meyunna itto yaitya, tappa purruna, yerta kuma burro martendi, burro warriappendi, burro tangka martulyaiendi. Kumarta yaitya miyurna iyangka yalaka ngadlu tampinhi.

Kadaltilla acknowledges the traditional Country of the Kurna people of the Adelaide Plains and pays respect to Elders past and present. We recognise and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kurna people living today. And we also extend that respect to other Aboriginal Language Groups and other First Nations

Kadaltilla is a traditional Kurna word meaning Green place/Green lands/Parklands.

Kadaltilla / Adelaide Park Lands Authority

Quarter 2 Report

October to December 2025

Executive Summary

This report details activity for the period 1 October 2025 to 31 December 2025, aligned with the achievement of the Kadaltilla Business Plan & Budget 2025/2026 and the functions of Kadaltilla. As per section 4.8.5 of the Kadaltilla Charter, no Board meeting was held in December 2025.

Between 1 October 2025 and 31 December 2025, Kadaltilla:

- Attended a Cultural Burn in Victoria Park / Pakapakanthi (Park 16)
- Received a workshop from the Department for Environment and Water on the *Biodiversity Act 2025* (SA)
- Received a workshop from the City of Adelaide on the Adelaide Park Lands Partnering Opportunities document
- Finalised a submission to Green Adelaide on its Draft Regional Landscape Plan 2026-2031
- Endorsed a revised Community Land Management Plan for the Adelaide Oval Precinct part of Tarntanya Wama (Park 26) for community consultation (subject to Council decision)
- Supported the Park Lands Community Lease Agreement, and the exemption of Blackfriars Priory School from the Expression of Interest process
- Noted the concept design for a new Community Building at Mary Lee Park / Tulya Wardli (Park 27B), supported the Lease Agreement and the Exemption to Expression of Interest process, and reinforced the importance of inclusion of renewable energy initiatives for Park Lands buildings to support financial sustainability for lease holders
- Approved the Kadaltilla / Adelaide Park Lands Authority 2026 meeting dates
- Considered (in confidence) Adelaide TreeClimb Exemption to EOI and Lease discussions
- Noted progress by the City of Adelaide towards the draft Tentative List Submission for the World Heritage Bid for Adelaide and its Rural Settlement Landscapes

Business Plan & Budget 2025/2026

Key Actions October to December 2025

Cultural Value

Promote the cultural values of the Park Lands including Kurna culture, heritage, and wellbeing

Performance	Achievements and Measures
1.1 Seek Kurna cultural authority in everything we do	<ul style="list-style-type: none"> Board members attended a Cultural Burn in Victoria Park / Pakapakanthi (Park 16) conducted in partnership with the Kurna Fire Team (Firesticks Alliance Indigenous Corp.) Kadaltilla’s social media channels were used to raise awareness and educate the community about the cultural and environmental benefits of cultural burning Kurna cultural considerations were embedded across all relevant reports, with cultural authority clearly acknowledged where appropriate, including recognition of engagement with Aboriginal and Torres Strait Islander Peoples under the principles of Free, Prior and Informed Consent in the Tentative List submission for the World Heritage bid for Adelaide and its Rural Settlement Landscapes ‘Storytime Sunday’ was promoted on Kadaltilla’s social media to share the history and significance of Kurna naming in the Adelaide Park Lands
1.2 Assist with Kurna cultural mapping	<ul style="list-style-type: none"> Promotion of the Kurna Voices Cultural Mapping Tool developed by the City of Adelaide with project partners on Kadaltilla’s social media platforms
1.3 Advocate for the featuring of the Adelaide Park Lands in relevant promotional campaigns	<ul style="list-style-type: none"> Kadaltilla featured the Adelaide Park Lands in paid social media promotional campaigns
1.4 Champion the development of World Heritage listing nomination	<ul style="list-style-type: none"> Received regular reports from the City of Adelaide on the World Heritage Tentative listing submission progress

Environmental Performance

Maintain and improve climate resilience and the landscape values of the Park Lands

Performance	Achievements and Measures
2.1 Define, protect, and enhance landscape values and design qualities	<ul style="list-style-type: none">• Landscape values and design qualities were reviewed in the Mary Lee Park / Tulya Wardli (Park 27B) – Draft Lease Agreement and Draft Community Building Concept Design report
2.2 Promote ecologically sustainable initiatives and monitor tree canopy cover, biodiversity, and environmental sustainability and design quality	<ul style="list-style-type: none">• Received a workshop from the Department for Environment and Water on the implications of the new <i>Biodiversity Act 2025</i> (SA) for the Adelaide Park Lands
2.5 Increase the accessibility of evidence-based information	<ul style="list-style-type: none">• Continued to deliver regular social media content in line with the Social Media Strategy, maintaining consistent engagement across Kadatilla’s three digital platforms

Management and Protection

Treat the Park Lands holistically with an adaptive future focused approach

Performance	Achievements and Measures
3.1 Monitor delivery of priority projects in the Adelaide Park Lands Management Strategy	<ul style="list-style-type: none">Workshopped the new digital strategic project tracking tool, which will be regularly updated to reflect progress on priority projects in line with the digital Adelaide Park Lands Management Strategy (APLMS)
3.2 Advocate for and establish Funding Mechanisms to support delivery of the Adelaide Park Lands Management Strategy	<ul style="list-style-type: none">Received a workshop from the City of Adelaide on the Adelaide Park Lands Partnering Opportunities document
3.4 Advocate for progression of State Heritage Listing by the State Government	<ul style="list-style-type: none">Sent a letter to the Hon Lucy Hood MP, South Australian Minister for Climate, Environment and Water, in line with the undertaking made on 18 September 2025 to proactively engage on the Tentative List Submission for the World Heritage Bid for Adelaide and its Rural Settlement Landscapes
3.5 Assess the landscape value of the Adelaide Park Lands including economic, environmental and cultural significance	<ul style="list-style-type: none">Endorsed a revised Community Land Management Plan for the Adelaide Oval Precinct part of Tarntanya Wama (Park 26) for public consultation (subject to Council decision)

Expert Advice

Function as the peak advisory body for policy, development, heritage, and management of the Park Lands based on sound data and evidence

Performance	Achievements and Measures
4.1 Provide advice on plans, projects, and policies for the Adelaide Park Lands	<ul style="list-style-type: none">• Advice of Kadaltilla was endorsed and adopted by Council as relevant
4.2 Engage with City of Adelaide and State Government including input into State Government initiatives	<ul style="list-style-type: none">• Received a workshop from the Department for Environment and Water on the <i>Biodiversity Act 2025 (SA)</i>• Finalised a submission to Green Adelaide on its Draft Regional Landscape Plan 2026-2031
4.3 Review leasing and licensing and event management policies together with other relevant Park Lands use policies	<ul style="list-style-type: none">• Supported the Lease Agreements for the West Adelaide Soccer Club in Mary Lee Park / Tulya Wardli (Park 27B), and Blackfriars Priory School in Denise Norton Park / Pardipardinyilla (Park 2)• Discussed (in confidence) an exemption from the Expressions of Interest process for Adelaide TreeClimb for the lease at Blue Gum Park / Kurangga (Park 20)
4.4 Strengthen Kadaltilla's engagement with City of Adelaide, State Government, and adjoining Councils	<ul style="list-style-type: none">• The City of Adelaide and State Government actively engaged with Kadaltilla
4.5 Increase the profile of the Kadaltilla Board	<ul style="list-style-type: none">• Kadaltilla's social media platforms continue to inform and educate the public about the Board's activities and initiatives, providing insights into ongoing projects, strategic priorities, and opportunities for community engagement

Governance

The City of Adelaide governance support enables Kadaltilla to meet legislative requirements and obligations arising from its Charter

Performance	Achievements and Measures
5.1 Maximise utilisation of skills, knowledge and enthusiasm of Kadaltilla through effective meetings that foster dialogue and the development of shared thinking	<ul style="list-style-type: none"> Formal and informal opportunities were provided to share advice and expertise on the Adelaide Park Lands, including through meetings, workshops, and the Kadaltilla portal
5.2 Develop a high level of knowledge and understanding of the Park Lands amongst Members through regular site visits and briefings	<ul style="list-style-type: none"> On 2 October 2025, Board Members attended a Cultural Burn in Victoria Park / Pakapakanthi (Park 16) undertaken by the Kurna Fire Team (Firesticks Alliance Indigenous Corp.)
5.3 Seek early input into issues relating to the Park Lands to ensure Kadaltilla advice is timely and relevant	<ul style="list-style-type: none"> Kadaltilla provided advice on plans, projects and policies for the Adelaide Park Lands Eight items were reviewed by Kadaltilla between October-November 2025, including one external presentation
5.4 Monitor developments subsequent to Kadaltilla advice	<ul style="list-style-type: none"> Advice of Kadaltilla was endorsed and adopted by Council as relevant
5.5 Advocate for the value of Kadaltilla as a proactive, accountable, independent, skills-based Board that advises on Park Lands management and protection	<ul style="list-style-type: none"> Advice provided to Council and the State Government on strategic matters relating to the Adelaide Park Lands
5.6 General purpose accounts are operational	<ul style="list-style-type: none"> General purpose accounts are maintained by the City of Adelaide and Kadaltilla makes appropriate use of available finances provided by Council
5.7 Annual Business Plan and Budget is in place for Kadaltilla	<ul style="list-style-type: none"> An Annual Business Plan and Budget was prepared in accordance with legislative and Charter requirements, and is in place for Kadaltilla
5.8 Kadaltilla makes appropriate use of available finances provided by Council	<ul style="list-style-type: none"> Quarterly finance reports were presented to Council Kadaltilla financial management is in accordance with legislative and Charter requirements

Performance	Achievements and Measures
5.9 The Adelaide Park Fund is operational	The Adelaide Park Lands Fund is operational and monies are received and expended according to the provisions of Kadaltilla's Charter
5.10 Kadaltilla's Annual Report is prepared detailing achievement of the aims and objectives of the APLMS, Strategic Plan, and Business Plan and Budget	<ul style="list-style-type: none"> An Annual Report is being prepared in accordance with legislative and Charter requirements
5.11 Kadaltilla is insured according to the requirements of the Local Government Mutual Liability Scheme	<ul style="list-style-type: none"> Kadaltilla maintains insurance coverage in line with the requirements of the Local Government Mutual Liability Scheme

Upcoming - Quarter 3 of 2025/26

Coming up from 1 January to 31 March 2026 are:

- Induction of new Kadaltilla Board Members
- Delivery of a strategic planning workshop with Kadaltilla Board Members
- Review of the draft Park Lands Leasing and Licencing Policy
- Promotion of the Adelaide Park Lands Partnering Opportunities document.

Budget Position

October to December 2025

Year-to-date expenditure for the 2025/2026 financial year is \$70,000 under budget, primarily due to lower materials, contracts, and other expenses. All other expenditure areas are broadly consistent with planned allocations and financial targets.

\$'000s	YTD Actual	YTD Budget	Variance	2025/26 Q1 Budget	2025/26 Q2 Budget
Grants, Donations, Sponsorships	0	0	0	-323	-323
Total Revenue	0	0	0	-323	-323
Employee Costs	69	89	20	180	180
Materials, Contracts and Other Expenses	6	56	50	143	143
Sponsorships, Contributions and Donations	0	0	0	0	0
Total Expenditure	75	145	70	323	323
Operating Deficit	75	145	70	0	0

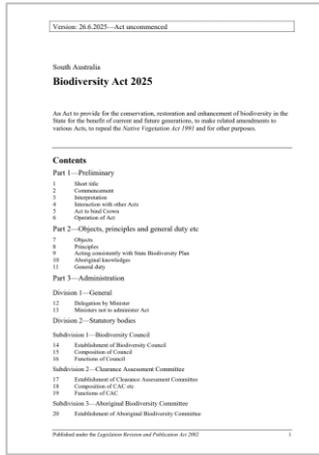
For 2025/2026, Kadaltilla's budget of \$322,609 is allocated as follows:

- Sitting Fees and Salary of \$254,554
- Brand and Marketing of \$26,317
- Insurance, Audit and Legal of \$22,168
- Sponsorships of \$0
- Operations (e.g. meetings, community forum) of \$14,420
- External Advice of \$5,150

Key Highlights from Quarter 2



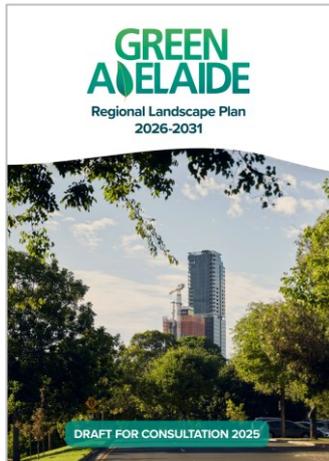
Attended a Cultural Burn in Victoria Park / Pakapakanthi (Park 16)



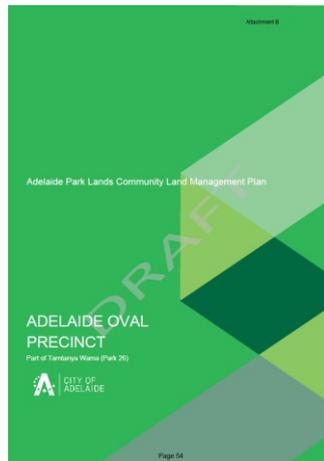
Received a workshop from the Department for Environment and Water on the *Biodiversity Act 2025* (SA)



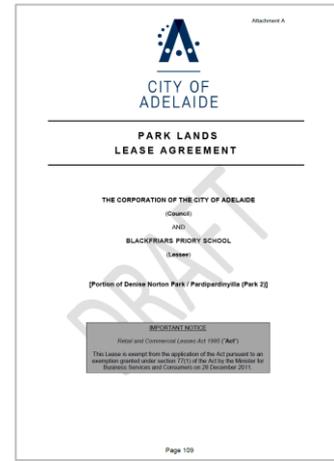
Received a workshop from the City of Adelaide on the Adelaide Park Lands Partnering Opportunities document



Finalised a submission to Green Adelaide on its Draft Regional Landscape Plan 2026-2031



Endorses the revised Community Land Management Plan for the Adelaide Oval Precinct part of Tarantanya Wama (Park 26) for public consultation (subject to Council decision)



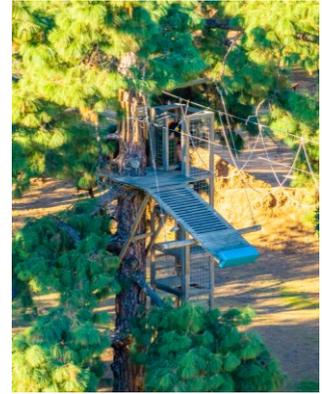
Supported the Park Lands Community Lease Agreement, and the exemption of Blackfriars Priory School from the Expression of Interest process



Noted the concept design for the new Community Building at Mary Lee Park / Tulya Wardli (Park 27B), supported the Lease Agreement and EOI exemption, and reinforced the importance of inclusion of renewable energy saving initiatives for Park Lands buildings



Approved the Kadaltilla / Adelaide Park Lands Authority 2026 meeting dates



Considered (in confidence) Adelaide TreeClimb Exemption to EOI and Lease Discussions in confidence



Noted progress by the City of Adelaide towards the draft Tentative List Submission for the World Heritage Bid for Adelaide and its Rural Settlement Landscapes

Kadaltilla

Adelaide Park Lands Authority

P (08) 8203 7203

E kadaltilla@cityofadelaide.com.au

W cityofadelaide.com.au/Kadaltilla

 [linkedin.com/company/kadaltilla-adelaide-park-lands-authority](https://www.linkedin.com/company/kadaltilla-adelaide-park-lands-authority)

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Brown Hill Keswick Creek Stormwater Project

Project Newsletter

Welcome

This newsletter focusses on the 5 projects being delivered in Upper Brown Hill Creek. These locations are funded with support from the Australian Government's Disaster Ready Fund and Urban Rivers and Catchments Program, and will be constructed over the summer months of 2025/26 and 2026/27. Residents and local communities will see immediate flood protection benefits and these important projects bring us one step closer to achieving whole of catchment flood protection.

November 2025

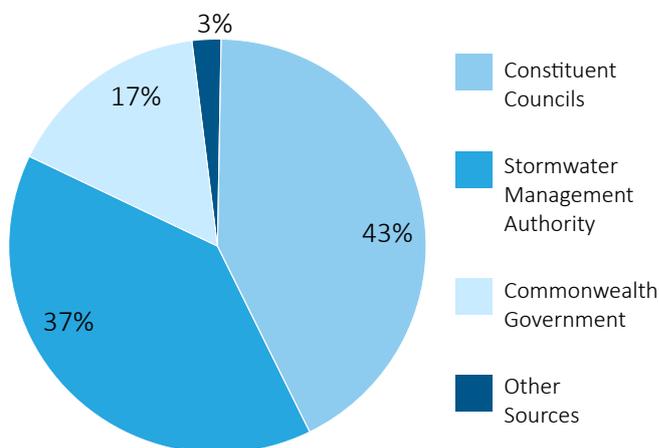
In This Edition

- Financial Summary
- Summary of Completed Works
- 2025/26 Maintenance Budget
- Focus on Safety
- Upper Brown Hill Creek
 - Area 1: Wilberforce Walk, Forestville
 - Area 1: Forestville Reserve
 - Area 2: Orphanage Park, Millswood
 - Area 5: Cross Road to Hampton Street, Hawthorn
 - Area 6: Betty Long Gardens, Torrens Park

Capital Funding Summary as at 31 October 2025

- \$34.2m from the 5 Constituent Councils – the Cities of Adelaide, Burnside, Mitcham, Unley and West Torrens.
- \$29.9m from the Stormwater Management Authority.
- \$13.4m from the Commonwealth Government, being portion of a total \$21.6m commitment provided under 3 grant programs.
- \$2.8m from other sources including property owner contributions to projects and smaller State Government grant programs.

Capital Funding Contributors



2025/26 Operating Summary as at 31 October 2025

	Actual YTD	Budget YTD	Variance \$
Income	\$577,908	\$494,504	\$83,404
Expenses	\$297,322	\$354,885	(\$57,563)
Net Surplus	\$280,586	\$139,619	\$140,967
Depreciation	\$96,562	\$206,698	(\$110,136)



In accordance with the Local Government (Financial Management) Regulations 2011, the Board recently approved:

- the review of 2024/25 financials against budget, undertaken in compliance with Regulation 10; and
- the quarter 1 review of the 2025/26 budget, prepared in compliance with Regulation 9.

Strategic Management Plans have been reviewed and updated, where required, including the Long-Term Financial Plan, Infrastructure and Asset Management Plan, Strategic Plan, Business Plan, and Business Continuity Plan.

The Board has also recently undertaken a review of its Risk Management Policy and Strategic and Operational Risk Register.

Summary of Completed Works

Maintenance Responsibility

Stage	Sub-project	Responsibility for Maintenance
Flood Detention	Ridge Park Flood Control Dam	City of Unley
	Glenside Flood Detention Basin	BHKCSB – stormwater infrastructure delivered under the plan. City of Burnside – all non-stormwater assets on site.
	Pakapakanthi Wetland and Kurangga Creek Works	BHKCSB – stormwater infrastructure delivered under the plan. City of Adelaide – all existing and non-stormwater assets on site.
LBHC	LBHC Packages 1A – 1D Airport to Harvey Ave, including Watson & Harvey Ave crossings	BHKCSB – stormwater infrastructure delivered under the plan. City of West Torrens – road components of the project and safety fencing.
	LBHC – Package 4 Daly Street Bridge	BHKCSB – stormwater infrastructure delivered under the plan. City of West Torrens – road components of the project.
UBHC	UBHC Area 1 Everard Park	BHKCSB – stormwater infrastructure delivered under the plan (culvert). City of Unley – ground level shared use path improvements.
	UBHC Area 1C Forestville- Leah St to Ethel St	BHKCSB – stormwater infrastructure delivered under the plan within Council drainage corridor. City of Unley – all existing and non-stormwater assets on site. Private Property Owner – all assets located on site (new and existing).
	UBHC Diversion- DPTI Culvert	DPTI
	UBHC Hawthorn Reserve	BHKCSB – stormwater infrastructure delivered under the plan. City of Mitcham – all existing and non-stormwater assets on site.

Responsibility for clearing blockages within the creek always rests with the property owner.

2025/26 Maintenance Budget YTD

Annual Maintenance Actual vs Budget to 31 October 2025

YTD Actual	YTD Budget	Variance \$
\$30,976	\$118,680	(\$87,704)

¹ The first Glenside GPT clean for FY26 was undertaken in October and the invoice was received in November so it is not included in these figures

² Wetland maintenance is being provided under a services agreement in accordance with a defined maintenance schedule with scope for one-off requirements on an as-needs basis.

Focus on Safety



The Brown Hill and Keswick Creeks Stormwater Board places utmost importance on the health and safety of our employees, our consultants and the communities within which we operate. Our extensive health and safety management systems ensure we partner with likeminded organisations and are subject to regular review and improvement.



136,000

total site hours
delivering works



0

notifiable
incidents

0

lost time
injuries



Upper Brown Hill Creek

Area 1: Wilberforce Walk, Forestville



Description of Proposed Works

The delivery approach seeks to achieve the required flow capacity while ensuring protection of the Significant Red Gum and maximizing opportunities for planting new large native trees to enhance the tree canopy along Wilberforce Walk.

For the channel bank adjacent to the Significant Red Gum a stacked rock wall treatment will be constructed to ensure that the structural root zone of the tree is not impacted by the works. For the other sections of channel bank, a vertical concrete block wall will be used to minimize the width of Wilberforce Walk that is required for the open channel and to maximize the area between the channel and shared path for the establishment of new trees and plantings.

While some trees are required to be removed for the upgrades, most of these are weed and exotic species, and on completion of the channel works an extensive revegetation program will be undertaken to plant new trees, shrubs and groundcovers along the creek corridor but outside of the main channel.

A new 1,200mm high 'open style' safety fence will be installed along the top of the channel wall in Wilberforce Walk and the existing cobble base of Brown Hill Creek will be retained and replenished with new stones.

The new culvert crossings at First Avenue and Second Avenue will include the relocation of some existing utility services and new footpaths on both sides of the roads.

Once the works are completed this upgraded section of watercourse will convey the 1% Annual Exceedance Probability (or 1-in-100 year) design flow as defined in the Brown Hill Keswick Creek Catchment Stormwater Management Plan.

Delivery of these works will mark completion of the Area 1 upgrades of Upper Brown Hill Creek in Forestville.

Existing Conditions

Brown Hill Creek runs alongside Wilberforce Walk, an established shared use path network recently upgraded by City of Unley, and in its current form the channel and road crossings are of insufficient capacity to accommodate major flows.

The condition of the existing watercourse has been significantly altered from its natural condition, with a concrete low flow channel and steep banks that are prone to erosion. Where Brown Hill Creek passes beneath Second Avenue there are currently no footpaths, resulting pedestrian safety concerns.

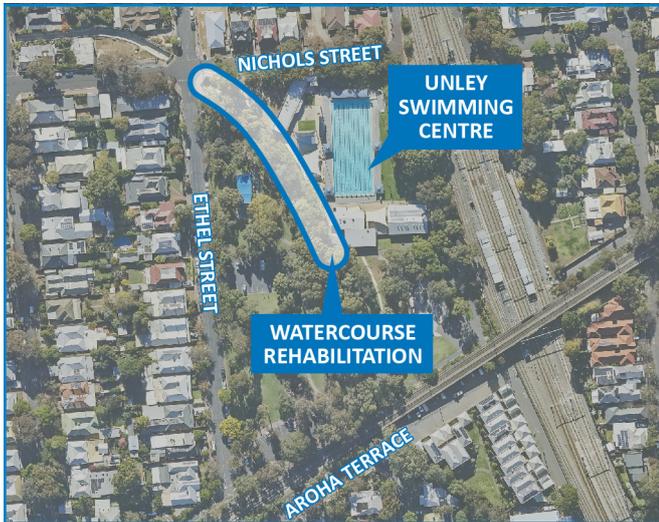
An arborist assessment revealed a diverse range of tree species, both native and introduced, including trees that are located within the watercourse corridor that will require removal and a Significant Red Gum that needs to be protected and retained. An ecological assessment identified a predominance of invasive weeds – 53 species of weeds were identified, including declared and environmental weeds.

There is an urgent need to upgrade this section of Brown Hill Creek to improve flow capacity and public safety, while enhancing the tree canopy and understory with native species that provide habitat and biodiversity outcomes.

This project is funded by the Cities of Adelaide, Burnside, Mitcham, Unley and West Torrens, the Stormwater Management Authority and the Australian Government's Disaster Ready Fund.

Upper Brown Hill Creek

Area 1: Forestville Reserve



Existing Conditions

The condition of the existing Brown Hill Creek watercourse through Forestville Reserve has been significantly altered from its natural condition. The concrete low flow channel and steep banks require restoration efforts to improve ecological health and biodiversity.

An arborist assessment revealed a diverse range of tree species, both native and introduced, including trees that are located within the main channel that will require removal and other mature trees along the watercourse corridor that can be retained.

An ecological assessment identified 23 weed species, including declared and environmental weeds, and 8 native species including Blackwood and River Red Gum, highlighting the importance of preserving the existing local flora.

The survey recorded 12 bird species, including the Red Wattlebird and Laughing Kookaburra, indicating the area's ecological value and the need for habitat improvement.

There is a need to rehabilitate this section of Brown Hill Creek to improve the creek function, biodiversity, amenity and community interaction at the reserve.

Description of Proposed Works

The delivery approach seeks to achieve channel naturalisation and biodiversity outcomes with a focus on protection of significant trees, improved water quality and habitat for native species, and opportunities for increased amenity and community interaction.

New gabion walls will be constructed for the channel banks – the gabion baskets can be installed with limited disturbance to the existing channel banks and will be filled with sandstone quartzite stones to prevent erosion. The baskets are durable and flexible and will tolerate future ground movements.

On the western side of the channel, the new gabion walls will be constructed in a terraced configuration to maximise the opportunity for new plantings. The existing concrete base will be removed and replaced with cobble stones to promote groundwater replenishment

The works will not impact the existing playspace and a new 1,200mm high 'open style' safety fence will be installed along the top of the gabion wall in Forestville Reserve. The existing pedestrian bridge to the Unley Swimming Centre will be replaced.

While some trees are required to be removed for the upgrades, most of these are weed and exotic species, and on completion of the channel works an extensive revegetation program will be undertaken to plant new trees, shrubs and groundcovers along the creek corridor.

Once the works are completed this rehabilitated section of watercourse will convey the 1% Annual Exceedance Probability (or 1-in-100 year) design flow, as defined in the Brown Hill Keswick Creek Catchment Stormwater Management Plan.

This project is funded by the Cities of Adelaide, Burnside, Mitcham, Unley and West Torrens, the Stormwater Management Authority and the Australian Government's Urban Rivers and Catchments Program .

Upper Brown Hill Creek

Area 2: Orphanage Park, Millswood



Existing Conditions

The condition of the existing Brown Hill Creek watercourse through Orphanage Park is significantly degraded and the historical land use has led to disturbance and loss of native vegetation.

An arborist assessment identified 36 tree species, including both native and invasive types. An ecological assessment identified various bird species and mammal signs, indicating the presence of wildlife in the area. Five bird species were observed, including the Black-faced Cuckooshrike and Eastern Rosella, although hollow-bearing trees were not observed.

Sedimentation and bank erosion are currently impacting riparian vegetation, and the assessment also identified a predominance of invasive weeds – 33 species of weeds were identified, including declared and environmental weeds.

There is a need to rehabilitate this section of Brown Hill Creek to improve the creek function, biodiversity, amenity and community interaction at the reserve.

Description of Proposed Works

The delivery approach seeks to achieve channel naturalisation and biodiversity outcomes with a focus on protection of significant trees, improved water quality and habitat for native species, and opportunities for increased amenity and community interaction.

This approach is cognisant of the existing features of the reserve by:

- Retaining and protecting existing significant, regulated and native trees in preference to weed and exotic species in the watercourse corridor.
- Retaining and protecting the existing heritage stone channel base.
- Improving the existing pedestrian and cycle access at the culvert crossing in the reserve.
- Retaining the existing culvert crossing at Mitchell Street.

The cross-section of the watercourse needs to vary through the reserve to satisfy these objectives and site constraints.

While some trees are required to be removed for the upgrades, most of these are weed and exotic species, and on completion of the channel works an extensive revegetation program will be undertaken to plant new trees, shrubs and groundcovers along the creek corridor.

Once the works are completed this rehabilitated section of watercourse will convey the 1% Annual Exceedance Probability (or 1-in-100 year) design flow, as defined in the Brown Hill Keswick Creek Catchment Stormwater Management Plan.

This project is funded by the Cities of Adelaide, Burnside, Mitcham, Unley and West Torrens, the Stormwater Management Authority and the Australian Government's Urban Rivers and Catchments Program .

Upper Brown Hill Creek

Area 5: Cross Road to Hampton Street, Hawthorn



Description of Proposed Works

The delivery approach seeks to achieve the required flow capacity while integrating the channel wall selections of adjoining property owners and otherwise minimizing the land that is impacted by the works.

The new channel walls will include a range of treatments from the BHKC Design Guide, including vertical concrete block walls, stacked rock walls and rock landscape walls. New safety fences will be installed along the channel walls through private property and the existing cobble base of Brown Hill Creek will be retained and replenished with new stones.

There is also an opportunity for property owners to contribute funds that would enable the amenity of the channel and landscape reinstatement to be further enhanced. Examples include the cladding of vertical concrete block walls with natural stone and the installation of alternative fencing styles.

While some trees are required to be removed for the upgrades, most of these are weed and exotic species, and on completion of the channel works an extensive revegetation program will be undertaken in consultation with property owners to plant new trees, shrubs and groundcovers along the creek corridor but outside of the main channel.

The new culvert crossing at Hampton Street will include the relocation of some existing utility services and new footpaths on both sides of the road.

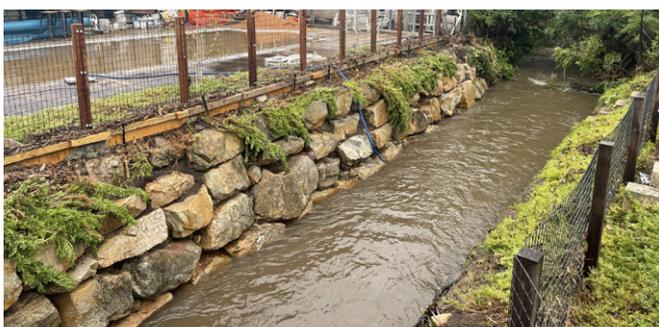
Once the works are completed this upgraded section of watercourse will convey the 1% Annual Exceedance Probability (or 1-in-100 year) design flow as defined in the Brown Hill Keswick Creek Catchment Stormwater Management Plan.

Existing Conditions

The section of Brown Hill Creek that runs through private properties between Cross Road and Hampton Street in Hawthorn is a known flooding hotspot – multiple properties at this location have been inundated by high flow events in 2005, 2016 and 2023 and remain vulnerable to flooding.

The condition of the existing watercourse varies along this section. For some properties, the watercourse bisects their backyard and represents an asset of high intrinsic value that is fully integrated with landscaping. For other properties, the watercourse is less maintained and delineated from useable yard areas by fences or walls.

There is an urgent need to upgrade this section of Brown Hill Creek to improve flow capacity and flood protection to private properties, while reinstating the land that is impacted by the works.



Existing Channel - November 2023

This project is funded by the Cities of Adelaide, Burnside, Mitcham, Unley and West Torrens, the Stormwater Management Authority and the Australian Government's Disaster Ready Fund.

Upper Brown Hill Creek

Area 6: Betty Long Gardens, Torrens Park



Existing Conditions

The condition of the existing Brown Hill Creek watercourse through Betty Long Gardens and adjacent private property has been significantly impacted by high flow events in 2005, 2016 and 2023 which have caused erosion of the creek bed and undermining of the channel banks.

An arborist assessment for this section of watercourse identified various tree species, including both native and invasive types, and some high value significant trees that are in good health.

An ecological assessment identified only nine bird species and no native mammals at the project site, with no hollow-bearing trees limiting the nesting opportunities for fauna. The assessment also identified a predominance of invasive weeds – 38 species of weeds were identified, including declared and environmental weeds.

There is an urgent need to rehabilitate this section of Brown Hill Creek to protect the significant Kauri trees that are located along the top of the western bank and to improve the creek function, biodiversity, amenity and community interaction at the reserve.

Description of Proposed Works

The delivery approach seeks to achieve channel naturalisation and biodiversity outcomes with a focus on protection of significant trees, improved water quality and habitat for native species, and opportunities for increased amenity and community interaction.

New gabion walls will be constructed for the channel banks. The gabion baskets can be installed with limited disturbance to the existing channel banks and will be filled with sandstone quartzite stones to prevent erosion. The baskets are durable and flexible and will tolerate future ground movements.

A new 1,200mm high 'open style' safety fence will be installed along the top of the gabion walls in Betty Long Gardens Reserve and the existing cobble base of Brown Hill Creek will be retained and replenished with new stones.

While some trees are required to be removed for the upgrades, most of these are weed and exotic species, and on completion of the channel works an extensive revegetation program will be undertaken to plant new trees, shrubs and groundcovers along the creek corridor but outside of the main channel.

Once the works are completed this rehabilitated section of watercourse will convey the 1% Annual Exceedance Probability (or 1-in-100 year) design flow, as defined in the Brown Hill Keswick Creek Catchment Stormwater Management Plan.

This project is funded by the Cities of Adelaide, Burnside, Mitcham, Unley and West Torrens, the Stormwater Management Authority and the Australian Government's Urban Rivers and Catchments Program .

Tuesday, 17 February 2026

**City Finance and
Governance Committee**

Program Contact:

Anthony Spartalis, Chief
Operating Officer

Approving Officer:

Michael Sedgman, Chief
Executive Officer

Public

EXECUTIVE SUMMARY

Section 90(2) of the *Local Government Act 1999 (SA)* (the Act), states that a Council may order that the public be excluded from attendance at a meeting if the Council considers it to be necessary and appropriate to act in a meeting closed to the public to receive, discuss or consider in confidence any information or matter listed in section 90(3) of the Act.

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

For the following Reports for Recommendation to Council seeking consideration in confidence

- 10.1** Delegation to Award Contracts (Christmas Tree Lighting and Structure Renewal; and Flagstone Pavers) [section 90(3) (b) & (d) of the Act]

The Order to Exclude for Item 10.1:

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

ORDER TO EXCLUDE FOR ITEM 10.1

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE:

1. Having taken into account the relevant consideration contained in section 90(3) (b) & (d) and section 90(2) & (7) of the *Local Government Act 1999 (SA)*, this meeting of the City Finance and Governance Committee dated 17 February 2026 resolves that it is necessary and appropriate to act in a meeting closed to the public as the consideration of Item 10.1 [Delegation to Award Contracts (Christmas Tree Lighting and Structure Renewal; and Flagstone Pavers)] listed on the Agenda in a meeting open to the public would on balance be contrary to the public interest.

Grounds and Basis

These Items contain commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to identify the proponent and to confer a commercial advantage on a person with whom the council is conducting business and prejudice the commercial position of the council, with the potential to confer a commercial advantage to a third party competitor of a person with whom the council is conducting business.

Public Interest

The Committee is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of this information may result in release of information prior to the finalisation of 'commercial in confidence' negotiation with the proponent and because the disclosure of Council's commercial position may severely prejudice Council's ability to discuss/participate or influence a proposal for the benefit of the Council and the community in this matter and in relation to other contract negotiations.

2. Pursuant to section 90(2) of the *Local Government Act 1999 (SA)* (the Act), this meeting of the City Finance and Governance Committee dated 17 February 2026 orders that the public (with the exception of members of Corporation staff and any person permitted to remain) be excluded from this meeting to enable this meeting to receive, discuss or consider in confidence Item 10.1 [Delegation to Award Contracts (Christmas Tree Lighting and Structure Renewal; and Flagstone Pavers)] listed in the Agenda, on the grounds that such item of business, contains information and matters of a kind referred to in section 90(3) (b) & (d) of the Act.
-

DISCUSSION

1. Section 90(1) of the *Local Government Act 1999 (SA)* (the Act) directs that a meeting of Council must be conducted in a place open to the public.
2. Section 90(2) of the Act, states that a Council may order that the public be excluded from attendance at a meeting if Council considers it to be necessary and appropriate to act in a meeting closed to the public to receive, discuss or consider in confidence any information or matter listed in section 90(3) of the Act.
3. Section 90(3) of the Act prescribes the information and matters that a Council may order that the public be excluded from.
4. Section 90(4) of the Act, advises that in considering whether an order should be made to exclude the public under section 90(2) of the Act, it is irrelevant that discussion of a matter in public may -
 - (a) *cause embarrassment to the council or council committee concerned, or to members or employees of the council; or*
 - (b) *cause a loss of confidence in the council or council committee; or*
 - (c) *involve discussion of a matter that is controversial within the council area; or*
 - (d) *make the council susceptible to adverse criticism.*
5. Section 90(7) of the Act requires that an order to exclude the public:
 - 5.1 Identify the information and matters (grounds) from section 90(3) of the Act utilised to request consideration in confidence.
 - 5.2 Identify the basis – how the information falls within the grounds identified and why it is necessary and appropriate to act in a meeting closed to the public.
 - 5.3 In addition identify for the following grounds – section 90(3) (b), (d) or (j) of the Act - how information open to the public would be contrary to the public interest.
6. Section 83(5) of the Act has been utilised to identify in the Agenda and on the Report for the meeting, that the following report is submitted seeking consideration in confidence.
 - 6.1 Information contained in Item 10.1 – Delegation to Award Contracts (Christmas Tree Lighting and Structure Renewal; and Flagstone Pavers)
 - 6.1.1 Is not subject to an existing Confidentiality Order.
 - 6.1.2 The grounds utilised to request consideration in confidence is section 90(3) (b) & (d) of the Act
 - (b) information the disclosure of which –
 - (i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or prejudice the commercial position of the council; and
 - (ii) would, on balance, be contrary to the public interest.
 - (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
 - (ii) would, on balance, be contrary to the public interest.

ATTACHMENTS

Nil

- END OF REPORT -

Document is Restricted