

Recommendations of the City Finance and Governance Committee – 18 May 2023

Tuesday, 23 May 2023
Council

Strategic Alignment - Enabling Priorities

Public

Approving Officer:
Michael Sedgman, Chief
Operating Officer

EXECUTIVE SUMMARY

The City Finance and Governance Committee considered the following Item at its Special meeting held on 18 May 2023 and resolved to present to Council the following recommendation for Council determination:

- Item 3.1 – Adoption of Draft Business Plan & Budget for Consultation

RECOMMENDATION

That Council:

1. Approves the 2023/24 Draft Business Plan and Budget document set out in Attachment A to Item 3.1 on the Agenda for the meeting of the City Finance and Governance Committee held 18 May 2023 for the purpose of public consultation commencing at 9.00am on Friday 26 May 2023 and concluding at midnight Sunday 18 June 2023, subject to the following changes:
 - The complete removal of the Park 21 West Plan (page 69)
 - Also from page 69, the complete removal of the King William Street South Revitalisation budget, the removal of the Gouger Street Revitalisation project except for the current allocation of \$500,000 for design and the removal of the Hindley Street Revitalisation except for the 2.4 million dollars allocated for design and other actions and a sum of 12.6 million dollars for future years (ie for construction).
 - In place of the King William Street South and Gouger Street Revitalisation would be a forward commitment for 15 million dollars, including design, for each of three Precincts not named (but to be determined by Council in the coming months) to be funded over the next three budgets, with an allocation for each for design in the preceding year and for development in the following year.
 - In respect of the AEDA budget, note that in the 22/23 budget, “reignite” programs funded last year totalling 1.6 million dollars have not been sought by the Agency, along with 813,000 dollars for the expansion of city events and 662,000 for sponsorship of new events.
 - Reduction in the budget for promotion of the City during the Adelaide 500 to \$75,000.
 - Invites AEDA to submit to Council for consideration the objectives and the details of its proposal for a new allocation of 600,000 dollars for a proposed strategic events fund.
 - \$100k be allocated to the concept plan and detailed design for Vincent Street
 - \$30k be allocated to Hamilton Place for concept plan and detailed design.
2. Notes the Operating service and expenditure changes from 2022/23 provided in Attachment B, to Item 3.1 on the Agenda for the meeting of the City Finance and Governance Committee held 18 May 2023.
3. Notes the 2023/24 Budget delivers a surplus of \$1.92 million from our core operating budget.
4. Notes the 2023/24 Budget projects borrowings of \$29.7 million at the end of 2023/24.

5. Notes the 2023/24 Business Plan & Budget for Council's Subsidiary Adelaide Economic Development Agency provided as Attachment C to Item 3.1 on the Agenda for the meeting of the City Finance and Governance Committee held 18 May 2023, which will be available as a reference document for the public consultation period commencing 9.00am on Friday 26 May 2023 and concluding at midnight Sunday 18 June 2023.
 6. Notes the 2023/24 Business Plan & Budget for Council's Subsidiary Adelaide Central Market Authority provided as Attachment D to Item 3.1 on the Agenda for the meeting of the City Finance and Governance Committee held 18 May 2023, which will be available as a reference document for the public consultation period commencing at 9.00am on Friday 26 May 2023 and concluding at midnight Sunday 18 June 2023.
 7. Notes the 2023/24 Business Plan & Budget for Council's Subsidiary Kadaltilla / Park Lands Authority provided as Attachment E to Item 3.1 on the Agenda for the meeting of the City Finance and Governance Committee held 18 May 2023, which will be available as a reference document for the public consultation period commencing at 9.00am on Friday 26 May 2023 and concluding at midnight Sunday 18 June 2023.
 8. Authorises the Chief Executive Officer to make any necessary changes to the draft 2023/24 Business Plan & Budget document arising from this meeting, together with any editorial amendments and finalisation of the document's formatting and graphic design.
-

DISCUSSION

1. The City Finance and Governance Committee met on Thursday 18 May 2023. The Agenda with a report for the Special meeting can be viewed [here](#). Following the special meeting, amendments were made to the Draft 2023/24 Business Plan and Budget, in **Attachment A** and to the Draft 2023/24 Operating Service and Expenditure Changes in **Attachment B**, which can be found at the end of this report.
2. The following matter was the subject of deliberation:

- 2.1. Adoption of Draft Business Plan & Budget for Consultation

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL:

That Council:

1. Approves the 2023/24 Draft Business Plan and Budget document set out in Attachment A to Item 3.1 on the Agenda for the meeting of the City Finance and Governance Committee held 18 May 2023 for the purpose of public consultation commencing at 9.00am on Friday 26 May 2023 and concluding at midnight Sunday 18 June 2023, subject to the following changes:
 - The complete removal of the Park 21 West Plan (page 69)
 - Also from page 69, the complete removal of the King William Street South Revitalisation budget, the removal of the Gouger Street Revitalisation project except for the current allocation of \$500, 000 for design and the removal of the Hindley Street Revitalisation except for the 2.4 million dollars allocated for design and other actions and a sum of 12.6 million dollars for future years (ie for construction).
 - In place of the King William Street South and Gouger Street Revitalisation would be a forward commitment for 15 million dollars, including design, for each of three Precincts not named (but to be determined by Council in the coming months) to be funded over the next three budgets, with an allocation for each for design in the preceding year and for development in the following year.
 - In respect of the AEDA budget, note that in the 22/23 budget, “reignite” programs funded last year totalling 1.6 million dollars have not been sought by the Agency, along with 813, 000 dollars for the expansion of city events and 662, 000 for sponsorship of new events.
 - Reduction in the budget for promotion of the City during the Adelaide 500 to \$75, 000.
 - Invites AEDA to submit to Council for consideration the objectives and the details of its proposal for a new allocation of 600, 000 dollars for a proposed strategic events fund.
 - \$100k be allocated to the concept plan and detailed design for Vincent Street
 - \$30k be allocated to Hamilton Place for concept plan and detailed design.
2. Notes the Operating service and expenditure changes from 2022/23 provided in Attachment B, to Item 3.1 on the Agenda for the meeting of the City Finance and Governance Committee held 18 May 2023.
3. Notes the 2023/24 Budget delivers a surplus of \$1.92 million from our core operating budget.
4. Notes the 2023/24 Budget projects borrowings of \$29.7 million at the end of 2023/24.
5. Notes the 2023/24 Business Plan & Budget for Council’s Subsidiary Adelaide Economic Development Agency provided as Attachment C to Item 3.1 on the Agenda for the meeting of the City Finance and Governance Committee held 18 May 2023, which will be available as a reference document for the public consultation period commencing 9.00am on Friday 26 May 2023 and concluding at midnight Sunday 18 June 2023.
6. Notes the 2023/24 Business Plan & Budget for Council’s Subsidiary Adelaide Central Market Authority provided as Attachment D to Item 3.1 on the Agenda for the meeting of the City Finance and Governance Committee held 18 May 2023, which will be available as a reference document for the public consultation period commencing at 9.00am on Friday 26 May 2023 and concluding at midnight Sunday 18 June 2023.
7. Notes the 2023/24 Business Plan & Budget for Council’s Subsidiary Kadaltilla / Park Lands Authority provided as Attachment E to Item 3.1 on the Agenda for the meeting of the City Finance and Governance Committee held 18 May 2023, which will be available as a reference document for the public consultation period commencing at 9.00am on Friday 26 May 2023 and concluding at midnight Sunday 18 June 2023.

8. Authorises the Chief Executive Officer to make any necessary changes to the draft 2023/24 Business Plan & Budget document arising from this meeting, together with any editorial amendments and finalisation of the document's formatting and graphic design.

DATA AND SUPPORTING INFORMATION

Link 1 – City Finance and Governance Committee Agenda

ATTACHMENTS

Attachment A – Draft 2023/24 Draft Business Plan and Budget

Attachment B - Draft 2023/24 Operating Service and Expenditure Changes

- END OF REPORT -