

Recommendations of the City Finance and Governance Committee – 21 May 2024

Tuesday, 28 May 2024
Council

Strategic Alignment – Our Corporation

Program Contact:
Kathryn Goldy, Acting Manager
Governance

Public

Approving Officer:
Anthony Spartalis, Acting Chief
Operating Officer

EXECUTIVE SUMMARY

The City Finance and Governance Committee considered the following Items at its meeting held on 21 May 2024 and resolved to present to Council the following recommendations for Council determination:

- Item 7.1 – 2023/24 BP&B Quarter 3 Update
- Item 7.2 – 2024/25 Business Plan & Budget Update
- Item 7.3 - 2024/2025 Business Plan and Budget – Review of Fees and Charges
- Item 7.4 - Council representatives on AEDA Board Selection Panel
- Item 7.5 - Civic Recognition and Protocol Policy
- Item 7.6 - Live Streaming of Public Meetings

RECOMMENDATION

1. **Recommendation 1** – Item 7.1 - 2023/24 BP&B Quarter 3 Update

THAT COUNCIL:

1. Receives the City of Adelaide 2023/24 Quarter 3 Progress Report and updated Long Term Financial Plan projections as provided in Attachment A to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024, and notes the highlights of deliverables, status updates and risks and opportunities provided for Projects, Portfolios and Subsidiaries.
2. Approves adjustments for the 2023/24 Business Plan and Budget as identified in this report and reflected in Attachment A to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024.
3. Notes the year-to-date Operating (Financial Performance) for the quarter ending 31 March 2024, which includes:
 - 3.1. Total operating income of \$176.175m
 - 3.2. Total Operating expenses (including depreciation) of \$161.668M
 - 3.3. An operating surplus of \$14.507m
 - 3.4. Total Capital Expenditure of \$60.147m
 - 3.5. Net cash surplus position of \$20.475m.
4. Approves the budgeted year end Operating Position, which includes:
 - 4.1. Total operating income of \$234.470m
 - 4.2. Total operating expenses (including depreciation) of \$227.655m
 - 4.3. An operating surplus of \$6.815m.

5. Approves total capital expenditure of \$99.556m for 2023/24 year.
6. Approves total borrowings of \$23.593m projected to 30 June 2024.
7. Receives the Council Subsidiary Quarter 3 updates as provided as Attachments B, C, D and E to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024.

2. **Recommendation 2** – Item 7.2 - 2024/25 Business Plan & Budget Update

THAT COUNCIL

1. Notes the savings identified from the draft 2024/25 budgets for grant, sponsorship and strategic partnerships (Attachment A to Item 7.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024), proposed strategic projects and operating savings, as requested by Council in Item 12.1 of the Agenda for the meeting of the Council held 23 April 2024 meeting.
2. Notes the Committee feedback regarding the savings that have been proposed including the desire to retain funding in areas supporting AEDA, heritage and homelessness and the request for administration to identify additional operational savings to achieve the desired savings targets.

3. **Recommendation 3** – Item 7.3 - 2024/2025 Business Plan and Budget – Review of Fees and Charges

THAT COUNCIL

1. Adopts the schedule of Fees and Charges set by Council for the 2024/25 Business Plan and Budget as included in Attachment A to Item 7.3 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024.
2. Notes the schedule of Fees and Charges set under delegation by Council for the 2024/25 Business Plan and Budget as included in Attachment B to Item 7.3 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024.
3. Adopts the schedule of Fees and Charges set by Council for the Adelaide Economic Development Agency for the 2024/25 Business Plan and Budget as included in Attachment C to Item 7.3 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024.
4. Notes the schedule of General Fees and Charges set by Statute included in Attachment D to Item 7.3 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024. These fees will be updated in June/July 2024 once gazetted by State Government.
5. Notes the schedule of Commercial Business Fees and Charges set under delegation by Council for the 2024/25 Business Plan and Budget as included in Attachment E to Item 7.3 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024.
6. Notes the base level increase of 3.25% being applied to most fees and charges, which is a reflection of the most recent forecast for 2024/25 CPI from South Australian Centre for Economic Studies (SACES).

4. **Recommendation 4** – Item 7.4 - Council representatives on AEDA Board Selection Panel

THAT COUNCIL

1. Notes the amendments to the Adelaide Economic Development Agency Charter relating to Item 12 Recommendation 2 on the Agenda for Council Meeting held 28 November 2023, approved by Council and subsequently published in the South Australian Government Gazette on 30 November 2023. This includes reducing the number of Council Members appointed to the Adelaide Economic Development Agency Board Selection Panel from three to two.
2. Appoints Councillor _____ and Councillor _____ to the Adelaide Economic Development Agency Board Selection Panel for the remainder of the 2022-2026 Council term.

5. **Recommendation 5** – Item 7.5 - Civic Recognition and Protocol Policy

THAT COUNCIL:

1. Adopts the Civic Recognition and Protocol Policy as contained in Attachment A to Item 7.5 on the City Finance and Governance Committee Agenda on 21 May 2024.
2. Revokes Part 8 of the City of Adelaide Standing Orders and the residual remainder as adopted by Council in June 2022.

3. Notes that the City Community Services and Culture Committee will consider and make recommendations for items that require a decision of Council under the Civic Recognition and Protocol Policy.
4. Notes that at the next committee structure review a report will be provided regarding the feasibility of establishing a committee under section 41 of the *Local Government Act 1999* (SA) for the purposes of Civic Recognition.
5. Notes that the Civic Recognition Working Group will be disbanded upon adoption of the Civic Recognition and Protocol Policy as contained in Attachment A to Item 7.5 on the Agenda of the City Finance and Governance Committee on 21 May 2024.
6. Authorises the Acting Chief Executive Officer or delegate to make minor editorial typographical or syntactical updates as required to finalise the Civic Recognition and Protocol Policy as contained in Attachment A to Item 7.5 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024.

6. **Recommendation 6** – Item 7.6 - Live Streaming of Public Meetings

THAT COUNCIL

1. Receives the report.
2. Notes that City of Adelaide Committees established under section 41 and 126 of the *Local Government Act 1999* (SA) will consider the inclusion of a provision within their Terms of Reference to enable live streaming of their public meetings at the next scheduled review.
3. Notes that Administration will work with the Kadaltilla/ Adelaide Park Lands Authority Board to consider the inclusion of a provision to enable live streaming of their public meetings within the Kadaltilla / Adelaide Park Lands Authority Charter.
4. Notes that Administration will work with the Council Assessment Panel to consider the inclusion of a provision to enable live streaming of their public meetings within their Terms of Reference.

DISCUSSION

1. The City Finance and Governance Committee met at a meeting of the Committee on Tuesday 21 May 2024. The Agenda with public reports for the meeting can be viewed [here](#).
2. Where the resolution of the Committee differs from the recommendation published in the Committee agenda, the Committee's recommendation to the Council is listed first, with the original recommendation provided in grey and italics.
3. The following matters were the subject of deliberation:

3.1. Item 7.1 – 2023/24 BP&B Quarter 3 Update

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL:

1. Receives the City of Adelaide 2023/24 Quarter 3 Progress Report and updated Long Term Financial Plan projections as provided in Attachment A to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024, and notes the highlights of deliverables, status updates and risks and opportunities provided for Projects, Portfolios and Subsidiaries.
2. Approves adjustments for the 2023/24 Business Plan and Budget as identified in this report and reflected in Attachment A to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024.
3. Notes the year-to-date Operating (Financial Performance) for the quarter ending 31 March 2024, which includes:
 - 3.1. Total operating income of \$176.175m
 - 3.2. Total Operating expenses (including depreciation) of \$161.668M
 - 3.3. An operating surplus of \$14.507m
 - 3.4. Total Capital Expenditure of \$60.147m
 - 3.5. Net cash surplus position of \$20.475m.
4. Approves the budgeted year end Operating Position, which includes:
 - 4.1. Total operating income of \$234.470m
 - 4.2. Total operating expenses (including depreciation) of \$227.655m
 - 4.3. An operating surplus of \$6.815m.
5. Approves total capital expenditure of \$99.556m for 2023/24 year.
6. Approves total borrowings of \$23.593m projected to 30 June 2024.
7. Receives the Council Subsidiary Quarter 3 updates as provided as Attachments B, C, D and E to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024.

For ease, Attachments A, B, C, D & E relating to Recommendation 1, Item 7.1, have been included at the end of this recommendation report.

3.2. Item 7.2 – 2024/25 Business Plan & Budget Update

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL:

1. Notes the savings identified from the draft 2024/25 budgets for grant, sponsorship and strategic partnerships (Attachment A to Item 7.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024), proposed strategic projects and operating savings, as requested by Council in Item 12.1 of the Agenda for the meeting of the Council held 23 April 2024 meeting.
2. Notes the Committee feedback regarding the savings that have been proposed including the desire to retain funding in areas supporting AEDA, heritage and homelessness and the request for administration to identify additional operational savings to achieve the desired savings targets.

Original Recommendation as Printed in the CFG Committee Agenda

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL:

1. *Notes the savings identified from the draft 2024/25 budgets for grant, sponsorship and strategic partnerships (Attachment A to Item 7.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024), proposed strategic projects and operating savings, as requested by Council in Item 12.1 of the Agenda for the meeting of the Council held 23 April 2024 meeting.*
2. *Endorses the identified savings and notes that these will be applied to the final 2024/25 Annual Business Plan and Budget to be presented to Council for adoption in June 2024.*

For ease, Attachment A relating to Recommendation 2, Item 7.2, has been included at the end of this recommendation report.

3.3. Item 7.3 – 2024/2025 Business Plan and Budget – Review of Fees and Charges

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL:

1. Adopts the schedule of Fees and Charges set by Council for the 2024/25 Business Plan and Budget as included in Attachment A to Item 7.3 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024.
2. Notes the schedule of Fees and Charges set under delegation by Council for the 2024/25 Business Plan and Budget as included in Attachment B to Item 7.3 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024.
3. Adopts the schedule of Fees and Charges set by Council for the Adelaide Economic Development Agency for the 2024/25 Business Plan and Budget as included in Attachment C to Item 7.3 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024.
4. Notes the schedule of General Fees and Charges set by Statute included in Attachment D to Item 7.3 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024. These fees will be updated in June/July 2024 once gazetted by State Government.
5. Notes the schedule of Commercial Business Fees and Charges set under delegation by Council for the 2024/25 Business Plan and Budget as included in Attachment E to Item 7.3 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024.
6. Notes the base level increase of 3.25% being applied to most fees and charges, which is a reflection of the most recent forecast for 2024/25 CPI from South Australian Centre for Economic Studies (SACES).

For ease, Attachments A, B, C, D & E relating to Recommendation 3, Item 7.3, have been included at the end of this recommendation report.

3.4. Item 7.4 – Council representatives on AEDA Board Selection Panel

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL:

1. Notes the amendments to the Adelaide Economic Development Agency Charter relating to Item 12 Recommendation 2 on the Agenda for Council Meeting held 28 November 2023, approved by Council and subsequently published in the South Australian Government Gazette on 30 November 2023. This includes reducing the number of Council Members appointed to the Adelaide Economic Development Agency Board Selection Panel from three to two.
2. Appoints Councillor _____ and Councillor _____ to the Adelaide Economic Development Agency Board Selection Panel for the remainder of the 2022-2026 Council term.

3.5. Item 7.5 – Civic Recognition and Protocol Policy

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL:

1. Adopts the Civic Recognition and Protocol Policy as contained in Attachment A to Item 7.5 on the City Finance and Governance Committee Agenda on 21 May 2024.
2. Revokes Part 8 of the City of Adelaide Standing Orders and the residual remainder as adopted by Council in June 2022.
3. Notes that the City Community Services and Culture Committee will consider and make recommendations for items that require a decision of Council under the Civic Recognition and Protocol Policy.
4. Notes that at the next committee structure review a report will be provided regarding the feasibility of establishing a committee under section 41 of the Local Government Act 1999 (SA) for the purposes of Civic Recognition.
5. Notes that the Civic Recognition Working Group will be disbanded upon adoption of the Civic Recognition and Protocol Policy as contained in Attachment A to Item 7.5 on the Agenda of the City Finance and Governance Committee on 21 May 2024.
6. Authorises the Acting Chief Executive Officer or delegate to make minor editorial typographical or syntactical updates as required to finalise the Civic Recognition and Protocol Policy as contained in Attachment A to Item 7.5 on the Agenda for the meeting of the City Finance and Governance Committee held on 21 May 2024.

For ease, Attachment A relating to Recommendation 5, Item 7.5, has been included at the end of this recommendation report.

3.6. Item 7.6 – Live Streaming of Public Meetings

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL:

1. Receives the report.
2. Notes that City of Adelaide Committees established under section 41 and 126 of the Local Government Act 1999 (SA) will consider the inclusion of a provision within their Terms of Reference to enable live streaming of their public meetings at the next scheduled review.
3. Notes that Administration will work with the Kadaltilla/ Adelaide Park Lands Authority Board to consider the inclusion of a provision to enable live streaming of their public meetings within the Kadaltilla / Adelaide Park Lands Authority Charter.
4. Notes that Administration will work with the Council Assessment Panel to consider the inclusion of a provision to enable live streaming of their public meetings within their Terms of Reference.

DATA AND SUPPORTING INFORMATION

Link 1 – City Finance and Governance Committee Agenda

ATTACHMENTS

- END OF REPORT -