

Councillor Siebentritt - QoN - Budget Allocated to supporting Business in the City

Tuesday, 25 June 2024
Council

Council Member
Councillor Dr Mark Siebentritt

Public

Contact Officer:
Anthony Spartalis, Acting Chief
Operating Officer

QUESTION ON NOTICE

Councillor Dr Mark Siebentritt will ask the following Question on Notice:

'What percentage of Council operating and capital budget is allocated to supporting businesses in the City, inclusive of general services and assets such as in relation to roads, waste services, green space in the City in areas in close proximity to areas of key business activity such as main streets?'

REPLY

1. Council's finance system does not currently allocate expenditure between business support vs community supporting services. It is allocated to the service or function, with no distinction made between community or business. For example street cleaning benefits both community and businesses, but no specific allocation is made to either. Accordingly the percentages below have been calculated based on the following assumptions:
 - 1.1. The allocation includes identifiable direct service provision only and excludes Corporate Service functions such as Finance, Information Management etc which indirectly support programs and services.
 - 1.2. All Streets and Transportation service delivery, including operating maintenance, have been included, as it can be argued that the majority of streets and transportation support businesses in some way (noting it is not possible in most cases to distinguish capital renewal expenditure on a residential versus commercial road renewal and upgrade without costly comprehensive auditing).
2. Based on these assumptions:
 - 2.1. 51% of the 2024/25 draft consolidated operating budget (excluding depreciation) is allocated to support businesses.
 - 2.2. 70% of the total draft capital program for 2024/25 is allocated to supporting businesses.
3. These are broad estimates with only expenditure that is clearly and directly targeted towards business support being captured.
4. To note, significant City of Adelaide expenditure provides overlapping benefit to many stakeholder groups. An example would be funding for major events which has benefits for businesses, residents and visitors.
5. Estimating the proportional costs would involve complex modelling and interpretation, which is not possible within existing resources.

Staff time in receiving and preparing this reply	To prepare this reply in response to the question on notice took approximately 4 hours.
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