

Recommendations of the City Finance and Governance Committee – 18 June 2024

Tuesday, 25 June 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 18 June 2024 and resolved to present to Council the following recommendations for Council determination:

- Item 7.1 – Adoption of the 2024/25 Business Plan and Budget
- Item 7.2 – Council Member Mid-Term Training and Development

RECOMMENDATION

1. **Recommendation 1** – Item 7.1 - Adoption of the 2024/25 Business Plan and Budget

THAT COUNCIL:

1. Adopts for rating purposes for 2024/25, the valuations of land within the Council's area based on Annual Value, pursuant to Section 167 (2) of the Local Government Act 1999 (SA) (the Act). The Annual Value comprised within the Assessment Record amount to a total of \$1,424,444,685 of which \$1,137,206,870 represents the total value of the rateable land within the area of the Corporation of the City of Adelaide.
2. Having considered and taken into account the general principles of rating outlined in Section 150 of the Act, and in accordance with Section 153 (2) of the Act issues of consistency and equity across Council areas in the imposition of rates on various sectors of the business and wider community, the Council pursuant to sections 152(1)(a), 153(1)(b) and 156(1)(a) of the Act and Regulation 14 of the Local Government (General) Regulations 2013, declares the following differential general rates for the year ending 30 June 2025, to apply to all rateable land within the Council area
 - a. 0.111646 in the dollar of the \$326,034,700 value for all rateable land with a Category 1 (residential land) use within the City of Adelaide for the financial year ending 30 June 2025.
 - b. 0.223293 in the dollar of the \$4,401,000 value for all rateable land with a Category 8 (vacant land) use within the City of Adelaide for the financial year ending 30 June 2025.
 - c. 0.136813 in the dollar of the \$806,771,170 value for all rateable land use with category 2 (commercial shop), category 3 (commercial office), category 4 (commercial other), category 5 (industry light) and category 6 (industry other), category 7 (primary production), and category 9 (other) land uses within the City of Adelaide for the financial year ending 30 June 2025.
3. Grants pursuant to Section 166 (1)(l)(i) of the Act, a 'Discretionary Rate Rebate' in 2024/25 to land with a vacant land use of 100% of the difference between the amount payable and what would be payable if the land was of a non-residential land use subject to the following conditions applying as at the date of this resolution:
 - a. that land has not been vacant for 5 years or more; and
 - b. the land has been owned by the same owner for less than 5 years.

4. Declares pursuant to Section 69 of the Landscape South Australia Act 2019 and Section 154 of the Act, a separate rate of 0.001727 in the dollar on the \$1,137,206,870 value of all land within the City of Adelaide, which falls within the Green Adelaide Region, so as to reimburse the Council for the amount contributed or to be contributed by the Council to the Green Adelaide Board.
5. Declares pursuant to Sections 154 (1), (2)(a) and (7) of the Act, a separate rate of 0.031743 in the dollar (to be known as the Rundle Mall separate rate) for the period 1 July 2024 to 30 June 2025, on the annual value of all rateable land within the Rundle Mall Precinct, (except land within the Rundle Mall Precinct which has a residential land use) being the area bounded by the:
 - a. Southern alignment of North Terrace between Pulteney and King William Streets.
 - b. Eastern alignment of King William Street between North Terrace and Grenfell Street.
 - c. Northern alignment of Grenfell Street between King William and Pulteney Streets.
 - d. Western alignment of Pulteney Street between Grenfell Street and North Terrace.
6. Notes that the Rundle Mall differential separate rate will generate approximately \$4.066 million in 2024/25.
7. Determines pursuant to Section 153 (3) of the Act, that it will not apply a maximum increase on general rates on rateable land that constitutes the principal place of residence of a principal ratepayer, given the rate relief to be provided under Section 166 through a 'Special Discretionary Rate Rebate' in accordance with Council's Rating Policy.
8. Approves pursuant to the provisions of Section 181 of the Act, all rates and charges which have been imposed for the financial year ending 30 June 2025 will fall due in four equal instalments on the following days or if these days fall on a weekend or public holiday on the next business day: 2 September 2024; 2 December 2024; 3 March 2025; 2 June 2025.
9. Approves the Rating Policy as provided in Attachment A to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held 18 June 2024, and notes it is consistent with the general principles of rating as outlined in Section 150 of the Act.
10. In accordance with Section 123 of the Act and Regulation 6 of the Local Government (Financial Management) Regulations 2011 (the Financial Management Regulations), having considered in accordance with Section 123(6) of the Act:
 - a. all submissions made to the Council during the public consultation period; and
 - b. any new or revised information in the possession of the Council that is relevant to the material contained in the Draft Business Plan and Budget,
 noting that there are no significant changes to the 2024/25 Business Plan and Budget following internal review and public consultation of the Draft document throughout April and June 2024, adopts the 2024/25 Business Plan set out in Attachment B to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held 18 June 2024.
11. In accordance with Section 123 of the Act and Regulation 7 of the Financial Management Regulations, adopts the 2024/25 Budget set out in Attachment B to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held 18 June 2024 which the Council determines to be consistent with the Council's Business Plan.
12. Approves the 2024/25 Budget delivering an operating surplus of \$9.367 million.
13. Approves the 2024/25 Budget projected borrowings of \$53.677 million at the end of 2024/25.
14. Approves the 2024/25 Budget delivering a capital program of \$112.831 million of which \$56.022 million will deliver an Asset Renewal Funding Ratio of 92.5%.
15. Approves the 2024/25 Business Plan & Budget for Council's Subsidiary Adelaide Central Market Authority provided as Attachment C to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held 18 June 2024.
16. Approves the 2024/25 Business Plan & Budget for Council's Subsidiary Adelaide Economic Development Agency provided as Attachment D to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held 18 June 2024.
17. Approves the 2024/25 Business Plan & Budget for Council's Subsidiary Kadaltilla / Adelaide Park Lands Authority provided as Attachment E to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held 18 June 2024.

18. Authorises the Chief Executive Officer to make any necessary changes to the 2024/25 Business Plan & Budget document arising from this meeting, together with any editorial amendments and finalisation of the document's formatting and graphic design.

2. **Recommendation 2** – Item 7.2 - Council Member Mid-Term Training and Development

THAT COUNCIL:

1. Notes the Training and Development update provided in this report, Item 7.2, Council Member Mid-Term Training and Development presented to the City Finance and Governance Committee on 18 June 2024.
2. Notes that Administration will finalise the mid-term refresher mandatory training sessions which include the following modules:
 - 2.1. Leadership Workshop Refresher
 - 2.2. Mid-term Legal Refresher
 - 2.3. Mid-term Council Meetings and Procedures Refresher
 - 2.4. Mid-term Financial Management Refresher

DISCUSSION

1. The City Finance and Governance Committee met at a meeting of the Committee on Tuesday 18 June 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 – Adoption of the 2024/25 Business Plan and Budget

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL:

1. Adopts for rating purposes for 2024/25, the valuations of land within the Council's area based on Annual Value, pursuant to Section 167 (2) of the Local Government Act 1999 (SA) (the Act). The Annual Value comprised within the Assessment Record amount to a total of \$1,424,444,685 of which \$1,137,206,870 represents the total value of the rateable land within the area of the Corporation of the City of Adelaide.
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 - a. that land has not been vacant for 5 years or more; and
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6. Notes that the Rundle Mall differential separate rate will generate approximately \$4.066 million in 2024/25.
7. Determines pursuant to Section 153 (3) of the Act, that it will not apply a maximum increase on general rates on rateable land that constitutes the principal place of residence of a principal ratepayer, given the rate relief to be provided under Section 166 through a 'Special Discretionary Rate Rebate' in accordance with Council's Rating Policy.
8. Approves pursuant to the provisions of Section 181 of the Act, all rates and charges which have been imposed for the financial year ending 30 June 2025 will fall due in four equal instalments on the following days or if these days fall on a weekend or public holiday on the next business day: 2 September 2024; 2 December 2024; 3 March 2025; 2 June 2025.
9. Approves the Rating Policy as provided in Attachment A to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held 18 June 2024, and notes it is consistent with the general principles of rating as outlined in Section 150 of the Act.
10. In accordance with Section 123 of the Act and Regulation 6 of the Local Government (Financial Management) Regulations 2011 (the Financial Management Regulations), having considered in accordance with Section 123(6) of the Act:
 - a. all submissions made to the Council during the public consultation period; and
 - b. any new or revised information in the possession of the Council that is relevant to the material contained in the Draft Business Plan and Budget,
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12. Approves the 2024/25 Budget delivering an operating surplus of \$9.367 million.
13. Approves the 2024/25 Budget projected borrowings of \$53.677 million at the end of 2024/25.
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18. Authorises the Chief Executive Officer to make any necessary changes to the 2024/25 Business Plan & Budget document arising from this meeting, together with any editorial amendments and finalisation of the document's formatting and graphic design.

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 – Council Member Mid-Term Training and Development

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL:

1. Notes the Training and Development update provided in this report, Item 7.2, Council Member Mid-Term Training and Development presented to the City Finance and Governance Committee on 18 June 2024.

2. Notes that Administration will finalise the mid-term refresher mandatory training sessions which include the following modules:
 - 2.1. Leadership Workshop Refresher
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 - 2.3. Mid-term Council Meetings and Procedures Refresher
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DATA AND SUPPORTING INFORMATION

Link 1 – City Finance and Governance Committee Agenda

ATTACHMENTS

- END OF REPORT -