

Recommendations of the City Finance and Governance Committee – 20 August 2024

Tuesday, 27 August 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 20 August 2024 and resolved to present to Council the following recommendations for Council determination:

- Item 7.1 – 2023/24 Business Plan and Budget Quarter 4 update
- Item 7.2 – By-law Review - Consultation Feedback and Endorsement
- Item 7.3 - 2024/25 Q1 Forward Procurement Report

RECOMMENDATION

1. **Recommendation 1** – Item 7.1 - 2023/24 Business Plan and Budget Quarter 4 update

THAT COUNCIL:

1. Notes the progress against Council's Priorities in the 2023/24 Annual Business Plan and Budget.
2. Notes the 2023/24 Preliminary Financial Position as presented in Attachment A to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024, which includes:
 - 2.1. Total operating income of \$238.598 million (\$234.470 million estimated in Q3)
 - 2.2. Total operating expenditure (including depreciation) of \$229.614 million (\$227.655 million estimated in Q3)
 - 2.3. An operating surplus of \$8.984 million (\$6.815 million estimated in Q3)
3. Notes results presented are subject to external audit, and therefore are estimates at this stage.
4. Notes the Capital Works Quarter 4 update as presented in Attachment A to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024, which includes:
 - 4.1. Major Projects expenditure of \$27.338 million (\$28.551 million estimated in Q3)
 - 4.2. New and Upgrades expenditure of \$9.343 million (\$16.862 million estimated in Q3)
 - 4.3. Renewals expenditure of \$54.085 million (\$54.143 million estimated in Q3)
 - 4.4. Capital Program expenditure of \$90.766 million (\$99.556 million estimated in Q3)
 - 4.5. Grant funding to support capital expenditure on new/upgraded assets of \$5.524 million (\$7.152 million estimated in Q3)
5. Receives the Council Subsidiary Quarter 4 updates as provided as Attachments B, C, and D to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024.
6. Notes that at the end of this Quarter, 83% of Projects were capitalised within 10 weeks, exceeding the 70% target proposed by the Audit and Risk Committee at its meeting on 5 February 2021.

7. Notes the annual financial statements will be audited by the external auditors and presented to the Audit and Risk Committee meeting to be held on 27 September 2024.
8. Authorises the Chief Executive Officer and Lord Mayor to sign the audited financial statements following the Audit and Risk Committee meeting of 27 September 2024.
9. Notes the audited financial statements will be presented to the City Finance and Governance Committee at its meeting scheduled for 15 October 2024 and the Council at its meeting scheduled for 22 October 2024.

2. **Recommendation 2** – Item 7.2 - By-law Review - Consultation Feedback and Endorsement

THAT COUNCIL:

1. Notes the public consultation submissions and recommendations received on the draft by-laws, as included in Attachment A, and the Dog and Cat Management Board's endorsement provided in Attachment B to Item 7.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024.
2. Notes the requirements of the National Competition Policy and the Reports prepared on the National Competition Policy with respect to the by-laws, included in Attachment C to Item 7.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024.
3. Makes, pursuant to Section 246 of the *Local Government Act 1999* (SA), in exercise of the powers and taking into account the requirements under the *Acts Interpretation Act 1915*, *City of Adelaide Act 1998*, *Dog and Cat Management Act 1995* and *Local Government Act 1999* (SA) and regulations, the following by-laws as contained in Attachments D-L to Item 7.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024:
 - 3.1 *Permits and Penalties By-law 2024*
 - 3.2 *Moveable Signs By-law 2024*
 - 3.3 *Local Government Land By-law 2024*
 - 3.4 *Roads By-law 2024*
 - 3.5 *Waste Management By-law 2024*
 - 3.6 *Rundle Mall By-law 2024*
 - 3.7 *Dogs By-law 2024*
 - 3.8 *Cats By-law 2024*
 - 3.9 *Lodging Houses By-law 2024*
4. Authorises the Chief Executive Officer to sign the by-laws as made by Council.
5. Authorises the Chief Executive Officer to publish notice of the making of the by-laws in the Advertiser newspaper.
6. Authorises the Chief Executive Officer to arrange for the by-laws as made by Council to be published in the Government Gazette.
7. Adopts the reports to the Legislative Review Committee on each of the by-laws included at Attachment M to Item 7.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024 and authorises the Chief Executive Officer to sign on Council's behalf.
8. Authorises the Chief Executive Officer to arrange for the by-laws and all other necessary documentation to be provided to the Legislative Review Committee.

3. **Recommendation 3** – Item 7.3 - 2024/25 Q1 Forward Procurement Report

THAT COUNCIL:

1. Notes the Procurements set out in Attachment A to Item 7.3 on the Agenda for the meeting of City Finance and Governance Committee held on 20 August 2024, which will be released to the market during Quarter 1 of the 2024/2025 financial year.

DISCUSSION

1. The City Finance and Governance Committee met at a meeting of the Committee on Tuesday 20 August 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 Business Plan and Budget Quarter 4 update

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL:

1. Notes the progress against Council's Priorities in the 2023/24 Annual Business Plan and Budget.
2. Notes the 2023/24 Preliminary Financial Position as presented in Attachment A to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024, which includes:
 - 2.1. Total operating income of \$238.598 million (\$234.470 million estimated in Q3)
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4. Notes the Capital Works Quarter 4 update as presented in Attachment A to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024, which includes:
 - 4.1. Major Projects expenditure of \$27.338 million (\$28.551 million estimated in Q3)
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 - 4.3. Renewals expenditure of \$54.085 million (\$54.143 million estimated in Q3)
 - 4.4. Capital Program expenditure of \$90.766 million (\$99.556 million estimated in Q3)
 - 4.5. Grant funding to support capital expenditure on new/upgraded assets of \$5.524 million (\$7.152 million estimated in Q3)
5. Receives the Council Subsidiary Quarter 4 updates as provided as Attachments B, C, and D to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024.
6. Notes that at the end of this Quarter, 83% of Projects were capitalised within 10 weeks, exceeding the 70% target proposed by the Audit and Risk Committee at its meeting on 5 February 2021.
7. Notes the annual financial statements will be audited by the external auditors and presented to the Audit and Risk Committee meeting to be held on 27 September 2024.
8. Authorises the Chief Executive Officer and Lord Mayor to sign the audited financial statements following the Audit and Risk Committee meeting of 27 September 2024.
9. Notes the audited financial statements will be presented to the City Finance and Governance Committee at its meeting scheduled for 15 October 2024 and the Council at its meeting scheduled for 22 October 2024.

For ease, Attachments A, B, C & D relating to Recommendation 2, Item 7.1, have been included at the end of this recommendation report.

3.2. Item 7.2 – By-law Review - Consultation Feedback and Endorsement

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL:

1. Notes the public consultation submissions and recommendations received on the draft by-laws, as included in Attachment A, and the Dog and Cat Management Board's endorsement provided in Attachment B to Item 7.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024.
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 - 3.6 *Rundle Mall By-law 2024*
 - 3.7 *Dogs By-law 2024*
 - 3.8 *Cats By-law 2024*
 - 3.9 *Lodging Houses By-law 2024*
4. Authorises the Chief Executive Officer to sign the by-laws as made by Council.
5. Authorises the Chief Executive Officer to publish notice of the making of the by-laws in the Advertiser newspaper.
6. Authorises the Chief Executive Officer to arrange for the by-laws as made by Council to be published in the Government Gazette.
7. Adopts the reports to the Legislative Review Committee on each of the by-laws included at Attachment M to Item 7.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024 and authorises the Chief Executive Officer to sign on Council's behalf.
8. Authorises the Chief Executive Officer to arrange for the by-laws and all other necessary documentation to be provided to the Legislative Review Committee.

For ease, Attachments A - M relating to Recommendation 3, Item 7.2, have been included at the end of this recommendation report.

3.3. Item 7.3 – 2024/25 Q1 Forward Procurement Report

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL:

1. Notes the Procurements set out in Attachment A to Item 7.3 on the Agenda for the meeting of City Finance and Governance Committee held on 20 August 2024, which will be released to the market during Quarter 1 of the 2024/2025 financial year.

For ease, Attachment A relating to Recommendation 4, Item 7.3, has been included at the end of this recommendation report.

4. The Committee also participated in a On site contamination Policy and Operating Guidelines workshop.

5. Prior to the meeting losing quorum, the Committee had commenced the LTFP Update – Workshop 3. The confidential item on the agenda - Delegation to Award Contract, was not considered due to the loss of quorum.

DATA AND SUPPORTING INFORMATION

Link 1 – City Finance and Governance Committee Agenda

ATTACHMENTS

- END OF REPORT -