

2024/25 LTFP update - draft report

Strategic Alignment - Our Corporation

Public

Tuesday, 15 October 2024

**City Finance and Governance
Committee**

Program Contact:

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Approving Officer:

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EXECUTIVE SUMMARY

A draft 2024/25 Long Term Financial Plan (LTFP) was approved by Council on 24 September 2024 for 21 days public consultation. The consultation period started 30 September 2024, and closes on 20 October 2024.

This report provides a summary as of 9 October 2024 of consultation responses.

A further update will be provided to Council, with any proposed changes based on feedback to the draft LTFP for Council approval on 22 October 2024.

RECOMMENDATION

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE:

1. Notes feedback received from public consultation on the 2024/25 Long Term Financial Plan, as at 9 October 2024, summarised in Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 15 October 2024.
 2. Notes that Council will be provided a further consultation update at its meeting of 22 October 2024.
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IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	Strategic Alignment – Our Corporation The LTFP is one of the City of Adelaide's key Strategic Management Plans. It is a ten year Plan, revised annually to ensure a ten year view is maintained. It is the plan for the long term financial sustainability of the City of Adelaide.
Policy	The <i>Local Government Act SA (1999)</i> requires Council to develop a LTFP within two years of being elected, and review it annually.
Consultation	A draft LTFP was approved by Council for 21 days public consultation on 24 September 2024. The consultation period closes on 20 October 2024, and this report provides a summary to date of consultation responses.
Resource	Not as a result of this report
Risk / Legal / Legislative	The <i>Local Government Act SA (1999)</i> requires Council to develop a LTFP within two years of being elected, and review it annually.
Opportunities	Not as a result of this report
24/25 Budget Allocation	Not as a result of this report
Proposed 25/26 Budget Allocation	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	The LTFP covers the ten-year period 2024/25 – 2033/34
24/25 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	Not as a result of this report

DISCUSSION

1. A draft LTFP for public consultation was approved by Council on 24 September 2024. The consultation period of 21 days started 30 September 2024, and closes on 20 October 2024.
2. This report summarises consultation responses received to 9 October 2024. These results are preliminary and indicative only as consultation is still open until 20 October 2024.
3. A further update will be provided to Council, with any proposed changes based on feedback on the draft LTFP for Council approval on 22 October 2024.
4. Participation in the consultation via OurAdelaide has been steady:
 - 4.1. 539 views, 367 visits, and 310 visitors
 - 4.2. 103 downloads of the Draft LTFP document; 82 downloads of the Draft LTFP Summary (in English); 14 downloads of the Draft LTFP Summary (in Mandarin)
 - 4.3. 29 consultation contributions had been made.
5. 76% of all respondents were City of Adelaide ratepayers; 28% of all respondents own a business, and 44% reside in the city.
6. In broad terms 62% were in agreement or neutral to the overall financial approach proposed in the LTFP, and 38% disagreed.
7. Propositions in the LTFP which drew strong agreement (numerically) include:
 - 7.1. The current condition of our assets are good to excellent (95.8% agreed, 4.2% disagreed)
 - 7.2. Investments in significant upgrades to be funded through debt not rates (71% agreed, 10% disagreed)
 - 7.3. Share debt cost between current and future ratepayers (74%) rather than expect future generations to fund costs (8%)
8. Propositions in the LTFP which elicited moderate agreement (numerically) include:
 - 8.1. Support for Council's proposal to upgrade the five Main Streets (56% agreed, 36% disagreed)
 - 8.2. Support to fund Main Street upgrades through \$62m debt (56% agreed, 36% disagreed)
 - 8.3. Spreading increased renewal investment over 8 rather than 4 years (58% agreed, 42% disagreed)
 - 8.4. That 1.5% of rates revenue be directed to Park Lands community buildings (68% agreed or neutral, 32% disagreed)
9. Propositions in the LTFP which elicited unclear or divergent views (numerically) include:
 - 9.1. Options for delivering Main Street enhancements – over 4 years (33%), 8 years (38%) or other approaches (29%).
 - 9.2. Options for funding the Asset Renewal Repair Fund – to fund in one year from rates only (24%), debt only (12%), or both rates increase and debt over three years (44%).
10. No proposition in the LTFP created a strongly negative response (numerically).
11. Based on the feedback to date, no significant changes are flagged as necessary to the draft LTFP. However if further feedback suggests changes may be warranted these will be presented to Council in a final draft for approval.
12. An analysis of how different groups (visitors, residents, business owners, rate payers etc) viewed specific elements of the LTFP will be included in the final summary of feedback once the consultation is completed.
13. The LTFP public consultation period finishes on 20 October 2024, and a final summary of the feedback received will be provided to Council at its meeting on 22 October 2024, and where necessary incorporated into the final draft LTFP for Council approval at that meeting.

ATTACHMENTS

Attachment A – Preliminary summary LTFP consultation as at 9 October 2024

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