

2026/27 to 2035/36 Long Term Financial Plan – Final Adoption

Tuesday, 20 October 2026
City Finance and Governance Committee

Strategic Alignment - Our Corporation

Program Contact:
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Public

Approving Officer:
Anthony Spartalis, Chief
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EXECUTIVE SUMMARY

This report recommends that Council adopts the 2026/27 to 2035/36 Long Term Financial Plan (LTFP) and the updated Asset Management Plans, and note the 2026 CEO Sustainability Report.

The LTFP sets out Council's projected financial performance, position and cash flows over the next ten years. It provides a financially sustainable pathway for delivering Council services, renewing and upgrading community assets, and progressing strategic city-shaping initiatives. The Plan forecasts ongoing operating surpluses, approximately \$850 million in asset renewal expenditure and \$142 million in expenditure on new and upgraded assets, with borrowings remaining within Council's adopted prudential limits.

Asset renewal funding progressively improves over the planning period, with the Asset Renewal Funding Ratio forecast to reach 100% by 2031/32. Significant asset renewals, including Adelaide Bridge, Torrens Weir and Rundle UPark, remain the most material long-term financial challenge. The LTFP adopts a conservative approach by assuming these projects will be funded by Council unless external funding is secured, while recognising that advocacy for State and Federal Government contributions remains a priority.

Public consultation on the Draft LTFP was undertaken from 31 August to 20 September 2026 in accordance with Council's Community Engagement Policy. Three survey responses were received, with no verbal submissions or submissions from organisations or stakeholder groups. The feedback did not identify any material concerns with the proposed financial strategy or suggest substantive alternative approaches. Accordingly, no changes to the LTFP financial projections are recommended as a result of the consultation.

Council's Asset Management Plans have also been updated to reflect recent asset revaluations, audited asset data and the 2025/26 capital works program. The updates ensure that asset lifecycle forecasts, renewal requirements and future investment needs remain current and aligned with the LTFP.

Overall, the recommended LTFP provides a balanced approach to service delivery, infrastructure investment, affordability and financial resilience, while supporting Council's ongoing long-term financial sustainability. The accompanying CEO Sustainability Report provides the Chief Executive Officer's assessment of Council's long-term financial performance and position.

RECOMMENDATION

The following recommendation will be presented to Council on 27 October 2026 for consideration

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL
THAT COUNCIL

1. Adopts the 2026/27 to 2035/36 Long Term Financial Plan document in Attachment A to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 October 2026.
2. Adopts the 2026 updates to the Asset Management Plans in Attachment B to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 October 2026.
3. Notes the 2026 CEO Sustainability Report in Attachment C to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 October 2026.

4. Authorises the Chief Executive Officer to make any necessary changes to the updated Asset Management Plans and 2026/27 to 2035/36 Long Term Financial Plan document arising from this meeting, together with any editorial amendments and finalisation of the document's formatting and graphic design.

IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	Strategic Alignment – Our Corporation The Long Term Financial Plan is one of the City of Adelaide's legislatively required Strategic Management Plans. It is a fundamental part of responsible management and reporting of City finances and underpins the City's financial sustainability.
Policy	The community consultation was conducted in accordance with Council's <i>Community Engagement Policy</i> . The update of the Asset Management Plans was undertaken in accordance with Council's <i>Asset Management Policy</i> .
Consultation	A public consultation on the Draft Long Term Financial Plan 2026/27 to 2035/36 ran from Wednesday Monday 31 August 2026 to Sunday 20 September 2026. A report on the result of the consultation was presented to Council at its meeting held Tuesday 13 October 2026.
Resource	Not as a result of this report
Risk / Legal / Legislative	Inadequate long-term financial planning may impact Council's ability to achieve and demonstrate ongoing financial sustainability and meet its legislative obligations under the <i>Local Government Act 1999</i> .
Opportunities	The Long Term Financial Plan provides Council with the opportunity to proactively plan for future service delivery and infrastructure investment while maintaining long-term financial sustainability.
26/27 Budget Allocation	Not as a result of this report
Proposed 27/28 Budget Allocation	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	The Long Term Financial Plan covers the ten-year period from 2026/27 to 2035/36.
26/27 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

Background

1. The Long Term Financial Plan (LTFP) is one of Council's key Strategic Management Plans. The LTFP projects Council's financial performance, position and cashflows over a ten-year period and assists Council in evaluating the affordability and sustainability of future decisions.
2. The Draft LTFP was prepared based on Council's adopted strategic priorities, current service levels, asset management requirements and a range of economic and financial assumptions relating to inflation, growth, workforce costs and interest rates.
3. The Draft LTFP continued Council's focus on maintaining financial sustainability and building upon the improvements achieved through previous budget repair initiatives. The Draft LTFP adopts a long-term approach to balancing operating performance, infrastructure investment, debt affordability and service delivery requirements.
4. At its meeting on 25 August 2026, Council approved the Draft 2026/27 to 2035/36 LTFP [\[Link 1\]](#) for the purpose of public consultation, which commenced 31 August and concluded 20 September 2026.

Public Consultation Results – Draft LTFP

5. The public consultation sought feedback from City of Adelaide ratepayers, businesses, residents, community and key stakeholders.
6. Council undertook consultation in accordance with its Community Engagement Policy, using a range of methods including public notices, targeted communications to ratepayers and subscribers, online engagement, direct access to Council staff, and community drop-in sessions to ensure stakeholders had the opportunity to provide feedback on the Draft 2026/27 to 2035/36 Long Term Financial Plan.
7. During the consultation period, the project page on Our Adelaide received 202 page views from 114 unique visitors and the Draft Long Term Financial Plan was downloaded 94 times. Three (3) survey responses were received through Our Adelaide, with no verbal submissions and no submissions received from organisations or stakeholder groups.
8. A report on the consultation results was presented to Council at its 13 October 2026 meeting.
9. The feedback received did not identify any material concerns with the proposed financial strategy or suggest substantive alternative approaches. Accordingly, no amendments to the financial projections contained within the Draft LTFP are recommended as a result of the consultation process.

Audit and Risk Committee – Draft LTFP

10. Prior to the commencement of community consultation, the Draft LTFP was considered by the Audit and Risk Committee at its meeting on 14 August 2026 [\[Link 2\]](#).
11. The Audit and Risk Committee provided the following feedback:
 - 11.1. That the key financial indicators over the life of the plan are within appropriate target ranges.
 - 11.2. That borrowings peak in 2034/35, reflecting the planned investment required to deliver the renewal of Adelaide Bridge, Torrens Weir Structure and Rundle UPark.
 - 11.3. That maintaining financial discipline throughout the life of the Plan will be critical to achieving long-term financial sustainability, including through project prioritisation, affordability assessments and prudent debt management.
 - 11.4. That Council consider an amendment to the operating surplus ratio range from 0% - 20% to a revised target of 3% – 20% (a recommendation which has been incorporated into the recommended LTFP).

Key Outcomes of Recommended LTFP

12. The recommended 2026/27 - 2035/36 Long Term Financial Plan demonstrates that the City of Adelaide can maintain long-term financial sustainability while continuing to invest in critical infrastructure, community assets and strategic city-shaping initiatives. The LTFP has been developed in alignment with Council's Strategic Plan, Infrastructure and Asset Management Plans, 2026/27 Annual Business Plan and Budget, and adopted financial principles.
13. Key outcomes of the recommended LTFP include:
 - 13.1. Financial sustainability is maintained over the ten-year planning period through ongoing operating surpluses, responsible expenditure management and sustainable revenue growth.

- 13.2. Asset renewal funding progressively improves, with the Asset Renewal Funding Ratio increasing to 100% by 2031/32, ensuring infrastructure is renewed at the rate it is consumed and reducing the risk of future asset deterioration.
- 13.3. Approximately \$849 million in asset renewal expenditure is forecast over the life of the Draft LTFP, together with approximately \$142 million in new and upgraded assets, supporting community services, economic activity and city growth.
- 13.4. Borrowings remain within Council's adopted prudential limits throughout the planning period and continue to be used appropriately to fund long-lived assets that deliver benefits across multiple generations.
- 13.5. Significant asset renewals remain the most material long-term financial challenge, including Adelaide Bridge, Torrens Weir and Rundle UPark. The Draft LTFP adopts a conservative position by assuming these projects are funded by Council unless external funding is secured.
- 13.6. Advocacy for State and Federal funding remains a priority, recognising the regional and state significance of several major infrastructure assets and the substantial benefits external contributions could deliver to Council's long-term financial position.
- 13.7. Opportunities to strengthen financial resilience are actively being pursued, including strategic property initiatives, investment through the Future Fund, growth in the city rate base, and productivity improvements through digital transformation and artificial intelligence.
14. Overall, the recommended LTFP provides a balanced and sustainable pathway that supports the ongoing delivery of services, responsible stewardship of community assets, and investment in Adelaide's future while maintaining affordability, financial flexibility and resilience.

Updated Asset Management Plans

15. Asset Management Plans provide a strategic framework for managing, maintaining, renewing and replacing Council's infrastructure and assets over their lifecycle. They help ensure assets continue to meet community needs in a cost-effective, sustainable and financially responsible manner.
16. Council has six (6) legislated Asset Management Plans: Transport, Urban Elements, Buildings, Parklands and Open Space, Public Lighting and Electrical Infrastructure, and Water Infrastructure.
17. The Asset Management Plans have been reviewed and updated (**Attachment B**) to reflect the outcomes of recent asset revaluations, audited asset data, and the 2025/26 capital works program. These updates ensure that asset lifecycle forecasts, renewal requirements and future investment needs remain current and aligned with Council's Long Term Financial Plan.
18. The LTFP has also been amended to reflect these updated Asset Management Plans.

CEO Sustainability Report

19. Council's Chief Executive Officer is required under s122 of the *Local Government Act 1999* (SA) to provide a report on the sustainability of Council's long-term financial performance and position.
20. The 2026 CEO Sustainability Report is attached at **Attachment C**.

DATA AND SUPPORTING INFORMATION

Link 1 – [City Finance and Governance Committee Agenda Item 7.2 2026/27 to 2035/36 Long Term Financial Plan Draft for Consultation](#)

Link 2 – [Minutes of Audit and Risk Committee Meeting 14 August 2026](#)

ATTACHMENTS

Attachment A – 2026/27 to 2035/36 Long Term Financial Plan

Attachment B – Asset Management Plans

Attachment C – 2026 CEO Sustainability Report