

QUESTION ON NOTICE

Councillor Couros will ask the following Question on Notice:

'Can the CEO please provide an update to Council on the following:

- How the City of Adelaide has changed its financial reporting and whether/how this is providing greater transparency to ratepayers?
- What measures the City of Adelaide has made to improve transparency in its reporting?'

REPLY

1. As part of its Strategic Plan 2020-2024, Council has committed to transparent decision-making based on data and evidence, and robust financial management as key enabling priorities.
2. Strong leadership and sensible financial management have seen us steadily improve our financial position, while continuing to deliver value for money for our ratepayers by not increasing rates for nine consecutive years and freezing most fees and charges. Additionally, we have invested more than \$20 million in City support programs to reignite our city – directly assisting businesses across the CBD and North Adelaide and creating compelling reasons for people to return to our streets, offices, venues, and park lands.
3. The following table demonstrates the significant improvement in our financial position during the term of Council, with a surplus budget being delivered for FY22.

Operating Surplus / Deficit During This Term of Council

\$'000s	2018-19	2019-20	2020-21	2021-22 Preliminary
Operating Surplus / (Deficit)	(21,177)	(19,540)	(6,933)	88

4. Over this period we have been consistently open and transparent about our financial position and have worked closely with our Audit and Risk Committee to ensure Council receives timely and accurate reports to support the best decision making to achieve financial sustainability.
5. We have reinforced the importance of committing to a surplus / break even budget to fund services and city shaping projects for our City residents, ratepayers, businesses, and visitors to our city.

6. To improve transparency in financial reporting we have revised the quarterly financial and performance reports for greater clarity and ease of understanding to now include capital works, subsidiary progress updates and financial reports, and commercial reports now consolidated into one report presented in public. The expansion of the Long Term Financial Plan also assists with transparency and decision making by making our long term assumptions clear.
7. We recently conducted 6 weeks extensive public consultation on the Rating Policy in excess of the minimum of the 3 weeks required.
8. Commercial fees and charges are now also considered on the public agenda.
9. All Council items are now assessed with the objective of ensuring transparency to ratepayers, while adhering to strict legislative provisions, such as those outlined in Section 90(3) of the *Local Government Act 1999 SA*, and honouring all contractual requirements.
10. In addition to increased transparency in financial reporting, procurement contracts and Board appointments have recently been included on the public agenda.
11. The following table summarises the number of times that confidentiality provisions have been used during this term of Council, 2018-2022. It shows a year-on-year improvement in the number of items being considered on the public agenda.

Number of times Confidentiality Provisions Used During This Term of Council

	2021/22 FY		2020/21 FY		2019/20 FY		2018/19 FY	
	Section 90(2)	Section 91(7)	Section 90(2)	Section 91(7)	Section 90(2)	Section 91(7)	Section 90(2)	Section 91(7)
	<i>Order to Exclude</i>	<i>Confidentiality Order</i>	<i>Order to Exclude</i>	<i>Confidentiality Order</i>	<i>Order to Exclude</i>	<i>Confidentiality Order</i>	<i>Order to Exclude</i>	<i>Confidentiality Order</i>
Council	38	36	53	53	49	56	59	67
The Committee	17	17	25	25	40	39	37	37
Audit Committee	3	3	13	13	14	14	8	8
Audit & Risk Committee	4	4	<i>renamed in 2021/22 FY</i>					
CEO Performance Review Committee	1	1	<i>established in 2021/22 FY</i>					
Total	63	61	91	91	103	109	104	112

Staff time in receiving and preparing this reply	To prepare this reply in response to the question on notice took approximately 5 hours.
--	---

- END OF REPORT -

New Income Generating Assets

Tuesday, 9 August 2022

Council

Council Member
Councillor Martin

Public

Contact Officer:
Amanda McIlroy, Chief
Operating Officer

QUESTION ON NOTICE

Councillor Martin will ask the following Question on Notice:

'Could the Administration list the items and the contribution each will make to revenue referred to at Item 4.1 (page 44) for the Special Meeting of Council on June 28th, 2022 under the heading of Expenditure at "New Income Generating Assets \$13.4 million" and "New Community Assets \$39.7 million"?'

REPLY

1. The detailed information of the projects that make up the list of all asset expenditure for 2022-23 is provided in pages 46 to 51 of the 2022-23 Business Plan and Budget.
2. The \$13.4 million of new income generating assets relate to the Central Market Arcade Redevelopment (Market Square), of which \$11.4 million is planned to be expended in 2022-23. The remaining \$2 million relates to the development of Mini Golf (subject to engagement and business case development, construct a fairway style mini golf course).
3. The income in relation to Market Square is consistent with information provided to Council in the Prudential review and is included in the Long Term Financial Plan, starting at \$3.3 million net income in the first year increasing to over \$3.8 million in future years. This income relates to the generation of lease and rate revenue once Market Square is complete.
4. Income in relation to Mini Golf has not been included in the Business Plan and Budget or Long Term Financial Plan, as the business case is yet to be finalised. Once this is finalised, Council will be consider a business case outlining the full financial implications of an investment in Mini Golf.

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

- END OF REPORT -

QUESTION ON NOTICE

Councillor Martin will ask the following Question on Notice:

'Could the administration confirm that of the approximate 700 students to be accepted by the new Frome Street Botanic High extension is completed only 123 will be accepted from the City of Adelaide local government area?'

REPLY

1. The Department for Education (DfE) and its representatives made a presentation on the proposed expansion of the Adelaide Botanic High School to the Strategic Discussion Forum of the Committee on 17 May 2022.
2. The DfE subsequently provided responses to questions taken on notice at the 17 May 2022 meeting which was shared with Council Members on 9 June 2022.
3. DfE advised that 700 student places are needed at Adelaide Botanic High School of which approximately 123 student places are forecast to be from the City of Adelaide local government area.
4. This is an estimated figure based on forecasts which will likely vary.

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

- END OF REPORT -

QUESTION ON NOTICE

Councillor Martin will ask the following Question on Notice:

'Could the administration advise;

1. Did the City of Adelaide have any representation on the State Government established "Community Reference Group" whose final meeting was last month and which was "responsible for making recommendations to government for consideration" with regard to the preferred location and nature of the new State operated aquatic facility in the Park Lands?
2. If so, who were those representatives and did the City of Adelaide present a submission or put a position?
3. If so, will that submission or position be made available to elected members and/or to ratepayers?
4. If there was no representation on the Group, then what mechanism or mechanisms exist for the City of Adelaide to negotiate with the State Government on the location and nature of the new aquatic facility or is there none?
5. Has the Administration entered into any negotiation with the State Government to extract full compensation for the City of Adelaide's \$21 million dollar asset that will be bulldozed in the wake of the State Government decision to build and operate a new Aquatic Centre in the City?
6. Has the Administration determined less than full compensation of \$21 million is more likely or that no compensation at all is likely?'

REPLY

1. The Community Reference Group (CRG) membership established by the State Government was selected to represent the broad interests and views of a wide cross-section of the community including local residents, existing aquatic centre users, environmental associations, local businesses, cultural and community groups and other local interest groups. CRG representatives were selected from nominations received on the basis of achieving a broad community representation. The City of Adelaide did not have representation on the CRG.
2. The City of Adelaide did not present a submission to the State Government during the consultation period.
3. The City of Adelaide is working closely with the State Government to support their planning and delivery of the new Aquatic Centre through a working group which includes representatives from the Department for Infrastructure (DIT) and Transport and the Office for Sport, Recreation and Racing (ORSR). Established 27 June 2022, the working party is meeting regularly, and provides a mechanism for direct engagement and to inform future works.
4. The City of Adelaide has not entered into any formal negotiation processes, nor has it signed any legal or contractual documents such as Memoranda of Understanding.

5. The State Government is yet to provide the City of Adelaide with details of the outcome of its recent consultation and its official decision on the location for development of the new facility.
6. Once these details are communicated, consideration will be given to how this impacts any existing infrastructure, key stakeholders and users, future master planning, remediation or reinstatement works, and any financial implications.
7. Council will be briefed prior to the commencement of any formal negotiations. It will be a decision of the next term of Council to resolve its approach in these matters.
8. The Long-Term Financial Plan accounts for asset disposal and removal of operating expenses as follows:
 - 8.1. The March 2022 South Australian state election has created a change in assumption for the purposes of the LTFP with regards to the ongoing operation of the Adelaide Aquatic Centre.
 - 8.2. In June 2022 the incoming Labour Government announced that it will deliver on its election commitment and is investing \$82.4 million to build, own and operate a modern, fit-for-purpose Aquatic Centre on Adelaide's northern Park Lands – to be completed by March 2026. This facility will replace the existing City of Adelaide Aquatic Centre. Link: <https://www.premier.sa.gov.au/media-releases/news-items-2022/have-your-say-on-the-location-of-the-new-adelaide-aquatic-centre>.
 - 8.3. We have a responsibility to ensure that this information, as is best known to date, is incorporated into the LTFP.
 - 8.4. This has been done for this purpose only and the impact is an estimate of cost and timing which should be used for high level projections only and not a definitive resolution of State or Council.
9. Overall, the financial impact is:
 - 9.1. A reduction in the asset value in 2025/26 year as a result of the expected timing of the opening of the new facility.
 - 9.2. Reduction in asset renewals leading up to a level to enable the City of Adelaide Adelaide Aquatic Centre facility to continue to operate in a safe manner.
 - 9.3. Removal of all operating income and expenses post 2025/26.

Staff time in receiving and preparing this reply	To prepare this reply in response to the question on notice took approximately 5.5 hours.
--	---

- END OF REPORT -

QUESTION ON NOTICE

Councillor Martin will ask the following Question on Notice:

'Noting News Limited publications have reported that the City of Adelaide made a submission in 2020 to the Licencing Court advocating against an Adelaide Oval Stadium Management Authority proposal to reintroduce the sale of cans of alcohol to the Oval and then did not oppose the sale of cans of alcohol when the matter recently returned to the Licencing Court, could the Administration advise;

1. When the issue was raised with the elected body prior to 2020 and after 2020?
2. What informed the various positions taken by the Administration?
3. Whether the sale of cans will include the sale of mixed drinks such as gin and tonic and rum and coke and soft drink?'

REPLY

1. In 2019/2020, the legislation of that time provided Council with the formal opportunity to support or object in the liquor licensing application process.
2. In response to the Stadium Management Authority's (SMA) 2019/20 application to vary their liquor license conditions to allow sale via aluminium cans, we provided input that we did not support the application on the basis of an increased risk to public health and safety.
3. The SMA's liquor license has been raised over time with Council, with the focus of consultation on designated zones and times. These did not specifically address the sale of alcoholic beverages in cans.
4. Council's position was formed by an assessment of issues including safety, alignment with relevant legislation and policies and engagement with relevant stakeholders.
5. Subsequent liquor licensing reforms have diminished Council's formal role and influence in the liquor license application process. We are currently engaging with Consumer Business Services on ways to ensure Council's position is considered for future applications.
6. The varied condition on the licence refers to liquor sold or supplied in aluminium cans and does not distinguish between types of alcohol. The conditions require aluminium cans to be opened by the licensee at point of sale.
7. Note that while liquor licensing does not govern sale of non-alcoholic beverages, part of rationale for moving to cans is the push away from plastics towards more sustainable options. This is seen with the shift in water being sold in cans at such venues rather than plastic bottles.

Staff time in receiving and preparing this reply	To prepare this reply in response to the question on notice took approximately 5.5 hours.
--	---

- END OF REPORT -

Council Member
Councillor Martin

Public

Contact Officer:
Tom McCready, Director City Services

QUESTION ON NOTICE

Councillor Martin will ask the following Question on Notice:

'For the years ending June 30th, 2020, June 30th, 2021 and June 30th, 2022, could the Administration provide a list of public realm services and maintenance, including but not limited to such services as street sweeping and cleansing, stormwater drain maintenance, leaf blowing etc that have been reduced in frequency?'

REPLY

1. The only service modification was during the height of the COVID-19 pandemic in 2020 when we reduced the requirement for temporary labour/casual staff. A reduced number of people in the city meant that service levels adapted to the changing needs and focus on keeping people safe.
2. As previously responded at the 12 July 2022 Council meeting:
 - 2.1. City Operations provides a large range of services in the city across all assets and public realm. There have been no services discontinued during the period in question.
 - 2.2. All services are scalable to increase and/or decrease based on an assessment of current and future needs. The COVID-19 global pandemic is just one case study of how services may need to increase, adjust or adapt, based on external environmental factors. The commitment of the City Operations team during this period to ensuring our City assets were clean, well presented and maintained, contributed to Adelaide being one of the first cities in the world to safely open up again after the public health restrictions.
 - 2.3. The City Operations team presented a comprehensive overview of its vision, purpose and services at the 17 May 2022 meeting of the [Committee](#) (Strategic Discussion Forum) which provides more detail and insights into service provision.
 - 2.4. The budgets for public realm services and maintenance over the last three years are provided below:

City Operations	2019 / 2020 (actual)*	2020 / 2021 (actual)**	2021 / 2022 (budget)**
Total Waste & Cleansing	\$8,320,550	\$7,257,205	\$7,873,725
Total Trade & Facilities Services	\$10,521,020	\$8,326,626	\$9,896,424
Total Infrastructure Maintenance	\$4,927,355	\$3,450,286	\$4,260,480
Total Horticulture Maintenance	\$9,944,678	\$10,115,707	\$11,259,012
Total	\$33,713,603	\$29,149,823	\$33,289,641

*COVID-19 Outbreak March 2020

** COVID-19 Restrictions in place

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

- END OF REPORT -

Council Member
Councillor Martin

Public

Contact Officer:
Tom McCready, Director City
Services

QUESTION ON NOTICE

Councillor Martin will ask the following Question on Notice:

'Noting the Administration has erected signage in Frome Street anticipating the completion of the North South bikeway works in Frome Street by now, could the Administration advise when it expects to start and when it expects to complete those works?'

REPLY

1. The project timeline (April to June 2022) has not been able to be delivered due to low contractor availability and the signs on Frome Road between Victoria Drive and Albert Bridge have been removed.
2. This has allowed us to undertake a further review of the bikeway design along this section to address the heritage of Albert Bridge, several traffic concerns which aligns to works being undertaken in Lot 14, the Botanic High School expansion and the bus stops along Frome Road.
3. Following the design review, we will continue with procurement of these sections of the North-South Bikeway.
4. Through the Department for Infrastructure and Transport, we have extended the deed until 30 June 2023.
5. The intent is to finalise the design for the remaining sections of the North-South Bikeway and commence procurement in early 2023 to advance the delivery and/or have the projects under contract by 30 June 2023.

Staff time in receiving and preparing this reply	To prepare this reply in response to the question on notice took approximately 4.5 hours.
--	---

- END OF REPORT -