

# 2020-21 ANNUAL BUSINESS PLAN



# Contents

Background .....	3
How Council measures its performance .....	3
Strategies behind the Annual Business Plan .....	3
Executive Summary .....	4
Significant Influences for the 2018-19 Budget .....	5
Other Influences for the 2018-19 Budget .....	5
Services provided to the Community.....	6
Annual Objectives and Key Projects .....	8
Project Priorities proposed for the Year .....	10
Operating Projects .....	10
Capital Projects .....	11
Financial Policy Context .....	13
Financial Planning Framework .....	13
Infrastructure and Asset Management Plans .....	15
Funding the Business Plan .....	15
Rates Context .....	15
Rate Statistics.....	16
Rates Modelling .....	16
Valuation Method .....	16
Minimum Rate .....	16
Differential Rates .....	17
Separate Rate for Main Street Trader Associations.....	17
Natural Resource Management Levy.....	18
Fees and Charges Context.....	18
Consultation .....	20
Appendix 1 – 2018-19 Proposed New Operating Projects .....	31
Appendix 2 – 2018-19 Proposed New Capital .....	35
Appendix 3 - 2018-19 Proposed Capital Renewal Program by Asset Class .....	38
Appendix 4 – Rates Assistance Available .....	44
Appendix 5 - Proposed Operating Budget by Program.....	46

## Background

Under Section 123 of the *Local Government Act 1999*, Council is required to have a budget for each financial year. The budget must be considered as part of the Council's Annual Business Plan.

Before a council adopts its Annual Business Plan it must prepare a draft Annual Business Plan and undertake a public consultation process. The consultation for this plan was undertaken between 30 April and 21 May 2020. This year due to public health reasons all consultation was undertaken through electronic means by email, online website submissions or by mail.

All feedback collected during this period was distributed and considered by the Elected Members of Council at Budget Workshops held in June 2020 in order to finalise Council's 2020-21 Annual Business Plan and Budget.

## How Council measures its performance

Council measures its achievements and financial performance through the following processes:

- Regular financial reporting to Executive and Council
- Quarterly corporate performance report to Executive and Council
- Budget Reviews in accordance with legislation
- Annual review of the Long-Term Financial Plan
- Review and input from Council's Audit Committee
- Production of an Annual Report including audited financial statements
- Community Engagement.

## Strategies behind the Annual Business Plan

The purpose of the Annual Business Plan is to impart an understanding of:

- Annual objectives for the year in the context of Council's long-term objectives
- Overview of the activities and services provided by Council
- Key financial information relating to revenue and expenditure
- Proposed new initiatives and projects
- Rating context and impact of rates for 2020-21, and
- Council's Financial Planning Framework including Long-Term Financial Plan and Asset Management Plans.

## Executive Summary

The Annual Business Plan for 2020-21 has been prepared in accordance with the priorities of Unley's Community Plan 2033 and 4 Year Delivery Plan 2017-2021, with due consideration of its key financial indicators.

Key financial information for 2020-21 is summarised below. The information excludes the impact of Council's equity accounted businesses, namely the Centennial Park Cemetery Authority and the Brown Hill Keswick Creek Stormwater Board.

General Rate Increase	0.00%
Rates Growth (new rateable properties and improvements)	0.71%

<b>Budget Summary</b>	<b>\$'000</b>
General Rates Income	42,248
All Other Operating Income	7,468
<b>Total Operating Income</b>	<b>49,716</b>
Operating Expenses	47,727
New Operating Project Initiatives (Net)	673
<b>Operating Surplus (excluding equity accounted businesses)</b>	<b>1,316</b>
Net Capital Renewal Program Expenditure	7,593
Net New Capital Expenditure	2,680
<b>Total Net Capital Expenditure</b>	<b>10,273</b>
<b>Estimated New Borrowings</b>	<b>0</b>
<b>Repayment of Fixed &amp; CAD Borrowings (Principal)</b>	<b>1,201</b>

Council will raise sufficient income to cover its operating expenses and undertake repayment of its debt. Notwithstanding an allowance for rates growth, general rates have not been increased for 2020-21.

### Key Financial Targets

<b>Indicator</b>	<b>Adopted Target</b>	<b>2020-21 Budget</b>
Operating Surplus Ratio (excluding equity accounted businesses)	> 5.0%	2.6%
Net Financial Liabilities Ratio	< 80%	50%
Asset Sustainability Ratio	= > 100%	80%

## Impact on ratepayers

Council will not seek an increase in its rates revenue, other than that which will be achieved through natural growth in the assessment book. It is proposed that the overall amount existing ratepayers will pay in general rates will be minimal. For a residential property of average value, this will equate to an increase of approximately \$9.60 for the year. Rate increases may vary from the average where there has been new development, capital improvements or other significant changes to the value of the property.

## Significant Influences for the 2020-21 Budget

A number of significant projects and external environmental changes have influenced the preparation of the Council's 2020-21 Annual Business Plan and Budget. These include:

- Commitments to continued long-term major projects including Unley Oval, Goodwood Oval, Wilberforce Walk and Brown Hill Keswick Creek.

The most significant impacts however are emanating from the extraordinary circumstances due to the global pandemic COVID-19.

The Council is being guided by information and current directives from our federal and state governments, peak health agencies and medical experts to inform decisions.

A number of business decisions impacting on the 2020-21 financial year focus on Council's management of the following activities:

- Rate revenue for 2020-21 – keeping the general rate increase to 0%.
- Rate and Sundry Debtors – suspension of debt collection activities and the waiving of overdue fines and interest.
- Annual review of Fees and Charges – keeping increases to a minimum
- Executive and Management salaries – waiving CPI increases for the year

In recognition of the financial difficulties being experienced by the community Council has directed that for the purposes of drafting this year's budget it will absorb the cost of the decisions referred to above and all proposed operating projects within its existing financial capacity. In doing so Council will not seek an increase in its rates revenue, other than that which will be achieved through natural growth in the assessment book.

The decisions around these business operations are likely to have a material impact on Council's 2020-21 Annual Business Plan and Budget. Unfortunately the extent of the financial impact is almost impossible to predict as it is unknown how long it will take our community and economy to recover.

In addition, the impact of an uncertain economy may effect many of the statutory charges that Council collects for processing items such as Development and Building applications, property searches, administering parking and health related matters etc. The financial impact on these revenue items is unquantifiable at this point in time. Furthermore, the impact of decisions around potential debt deferment for ratepayers is also unquantifiable.

The impact of these matters should they materialise would see a reduction in operating surplus for the 2020-21 financial year and a corresponding reduction in the operating surplus ratio.

## Other Influences for the 2020-21 Budget

There are also other annual items that we consider when setting rates and deciding on council's program of works. These include:

- Local Government Price Index increases on relevant goods and services, which in recent years has tracked close to CPI.
- Provision for Enterprise Bargaining Agreements for most staff, which determine conditions of employment and provide for annual salary and wages increases.
- Maintaining asset management (renewal) expenditure at a sufficient level to ensure long-term maintenance of Council infrastructure, property and IT assets
- Additional maintenance costs due to increased capital works, and the construction of new assets over recent years.
- Regional Landscape Levy increase 1.6%.
- Waste Levy increase of approximately \$244k.
- Finalisation of the Daily Moves Program.

Council has continued its review of service sustainability to minimise the burden on ratepayers.

Savings identified as part of 2020-21 Budget Preparation include:

- Reduction in the staffing component in Customer Services Experience Project \$66k
- Savings in the contract cost of Immunisation \$56k
- Reduction in Planning survey costs \$49k
- Increase in property rental revenues \$40k.

The total proposed capital expenditure on new assets for 2020-21 is expected to be \$2.7m. The extent of these works can be met from existing financial resources without the need to borrow funds.

## Services provided to the Community

The *Local Government Act 1999* (the Act) prescribes a system of local government to enable councils to govern and manage areas at a local level.

All councils have basic responsibilities under the Act and other relevant legislation. These include:

- Regulatory activities, including voters' roll maintenance and Elected Members' support
- Determining longer-term strategic management and management plans, financial plans, infrastructure and asset management plans and policies and procedures
- Setting rates, preparing an Annual Business Plan and Budget
- Management and maintenance of basic infrastructure including roads, footpaths, parks, public open space, playgrounds, street lighting and stormwater drainage

- Street cleaning and rubbish collection
- Development planning and control, including building safety assessment
- Provision of various environmental health services
- Management and maintenance of Councils urban forest in streets and parks, and
- Management and maintenance of Council owned Community Centres and other buildings.

In response to community needs, Council also provides the following services and programs, over and above those listed above:

- |                               |                             |
|-------------------------------|-----------------------------|
| • Aged and Social Care        | • Economic Development      |
| • Animal Management           | • Environmental Management  |
| • Arts & Cultural Development | • Library Services          |
| • Community Centres           | • Museum                    |
| • Community Development       | • Open Space Management     |
| • Community Engagement        | • Parking Control           |
| • Community Event Programs    | • Sport and Recreation      |
| • Community Services          | • Sustainable Landscapes    |
| • Community Transport         | • Volunteers                |
| • Community Grants            | • Urban Policy and Planning |
| • Corporate Services          | • Youth Development         |

The Council also maintains a number of facilities and services on a fee for service basis, some of which are subsidised and include:

- |  |   |
|--|---|
| • Unley Swimming Centre                    | • Community Bus Service                       |
| • Commonwealth Home Support Program (CHSP) | • Halls for hire                              |
|  | • Ovals, courts, parks and reserves for hire. |

## Annual Objectives and Key Projects

The four key themes of our Community Plan and 4 Year Delivery Plan guides how our City develops. The key projects for 2020-21 have been listed under the agreed themes

### Community Living

#### Objectives

1. Our Community is active, healthy and feels safe
2. Our Community participates in community activities, learning opportunities and volunteering
3. Our City meets the needs of all generations
4. Our Community is proud to be part of our City
5. Our City is connected and accessible.

#### Key Projects 2020-21

- Undertake designs for future construction works on three of the Cottages located on Edmund Avenue
- Implementation of the Local Area Traffic Management works as highlighted in previous studies (Bartley Crescent, East Avenue, Mills Street and Oxford Terrace
- Undertake detailed design work and documentation for the redevelopment of the Millswood Croquet Club
- Walking Cycling Plan continuation – King William Road, George/Young Streets intersection and Weller Street/Simpson Parade Cycleway
- Continuation of the Living Streets Program – Richards Terrace
- Place activation and community development through staging of major events including Tour Down Under, Public Arts and a diverse Community Events Program including the commencement of the celebration of Unley Council's Sesquicentenary
- Implementing Council's Tree Strategy in order to increase canopy cover across the district through planting of new trees
- Delivery of initiatives relating to Council's Age Friendly Strategy endorsed by Council on December 2015 and informed by research undertaken in 2016-17.

## **Economic Prosperity**

### **Objectives**

1. Unley is recognised as an easy place to do business.
2. Thriving main streets and other business activities operate across out City.

### **Key Projects 2020-21**

- Trader event sponsorships.
- Production of Infrastructure and Public Realm design guidelines for Unley Road.

## **Environmental Stewardship**

### **Objectives**

1. Unley's urban forest is maintained and improved.
2. Excellence in waste management is achieved through avoidance, re-use and diversion.
3. The energy efficiency of the City is increased and our carbon footprint reduced.
4. Efficient, effective and sustainable water management is ensured.
5. The City's resilience to climate change is increased.

### **Key Projects 2020-21**

- Council's contribution to the Brown Hill Keswick Creek regional project works.
- Conduct a Significant Tree List Survey in preparation for a Planning and Design Code Amendment process.
- Continuation of ongoing environmental initiatives and programs including second generation street tree implementation, greening of verges, implementation and water well installation, Hazard (Flood) Planning Policy Update.

## Civic Leadership

### Objectives

1. We have strong leadership and governance.
2. Council provides best value services to the community.
3. Our business systems are effective and transparent.

### Key Projects 2020-21

- Implementation of Digital Services Program to enhance and modernise existing online functionality and add new delivery and self-help functions

### Project Priorities proposed for the Year

Council's proposed project priorities for 2020-21 stem from the themes outlined in Council's Community and 4 Year Delivery Plan.

Council has undertaken a methodical and considered approach to determine its priorities for the upcoming financial year. These are the steps that were taken to determine the proposed projects for consultation:

- The Capital Works Program was guided by Council's Asset Management Plans;
- Council proposed projects that aim to assist in achieving the Strategic Themes in Council's Community Plan and 4 Year Delivery Plan;
- Elected Members submitted projects based on perceived community need;
- Projects were divided into three broad categories: Operating Projects (including change to service), New Capital and Capital Renewal Program;
- Elected Member workshops were used to further prioritise, refine and finalise the proposed project list for community consultation.

### Operating Projects

These types of projects are either one-off, short term projects or a request to change the level of service. The request to change the level of service may also impact future budgets.

This Budget proposes to fund a net amount of \$673k of operating projects.

These projects are to be funded by Council's rates income and would ordinarily affect the level of rates increase being considered. The 2020-21 Budget however is being developed under extraordinary circumstances due to the global pandemic COVID-19.

In recognition of the financial difficulties being experienced within the community Council has elected for the 2020-21 financial year to absorb the cost of these operating projects within its existing financial capacity. Council will not seek an increase in its rates revenue, other than that which will be achieved through natural growth in property valuations.

Key project items for 2020-21 include:

- Continuation of ongoing environmental initiatives and programs including:
  - accelerated tree planting program \$160k
  - greening of verges \$50k
  - street tree water well installation \$40k
  - development of a climate energy plan \$40k
  - undertaking a significant tree survey 30k
  - undertaking a hazard (flood) Planning Policy update \$20k
- Activities in the order of \$278k, that showcase the City of Unley including:
  - Tour Down Under Stage Start
  - Commencement of the Council’s sesquicentenary celebrations
  - Annual community events program and related activities.

The proposed projects are detailed in Appendix 4.

## **Capital Projects**

The City of Unley is responsible for a large portfolio of assets with a current value of approximately \$693m. It is important that Council engage in practices that optimise the assets “useful lives” for the benefit of the whole community.

Like many other councils, the City of Unley is faced with increasing demand to provide services in an environment of ageing assets, increased liability and continual constraints on funding.

New capital projects are expected to be funded from existing financial capacity without the need for further borrowings. The proposed new capital projects total \$2.7m net and include:

- Council’s Brown Hill Keswick Creek project contribution of \$1.2m
- Local Area Traffic Management program \$215k
- Design and documentation of future development of the cottages in Edmund Avenue \$180k
- Implementation of the Walking and Cycling Plan \$95k
- Design and documentation for development of Millswood Croquet Club \$75k
- Living Streets \$70k
- Pocket Parks \$50k
- RCLIP funded road and transport based projects \$463k

The proposed Capital Renewal Program of \$7.593m net has been based on current asset information and asset management plans. Items include:

- \$1.4m for roads
- \$1.13m for buildings
- \$940k for drains and storm water
- \$900k for kerb and water table, and
- \$466k for reserves, recreation and open space projects.

Details of the proposed Capital Works Program are provided in Appendices 5 and 6.

### **Borrowings for the 2020-21 Financial Year**

Borrowings are an important funding source, especially for expenditure relating to the New Capital. The key objective is to manage the finances of the Council holistically and ensure financial sustainability.

An independent local government report on financial sustainability encourages the use of debt to promote intergenerational equity. This involves spreading costs in relation to significant capital expenditure based on the pattern of benefits over time so that one generation is not excessively subsidising another.

Where there is a persuasive argument relating to intergenerational equity, Council will consider the appropriate use of borrowings. This is managed within financial targets to ensure future cash flows are sufficient to repay borrowings with minimal impact on general operations over the medium term.

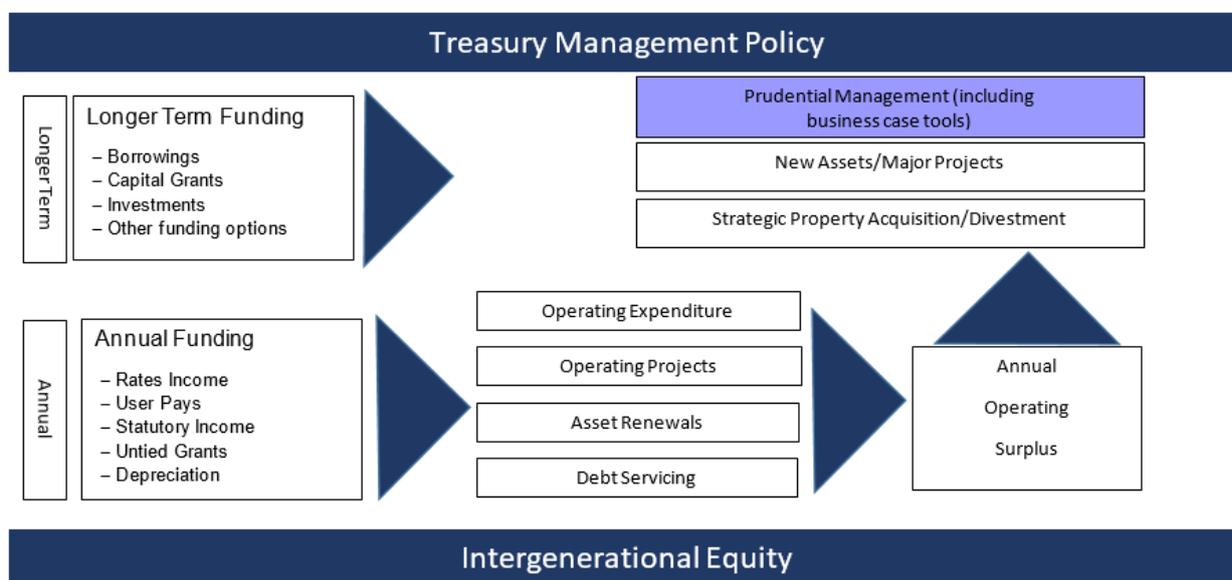
Council undertook a heavier borrowing program in the 2019-20 financial year to complete a larger than usual capital works program. As part of finalising the 2020-21 Budget, Council considered those Capital Projects with short term benefits to determine if the 2020-21 capital works should be funded by rates or borrowing. The capital works program for 2020-21 can be funded from internal resources which will also allow for paydown of some of the current debt.

<b>Borrowing Summary</b>	<b>\$'000</b>
Forecast Opening Balance of Borrowings July 2020	14,318
Estimated Borrowing for 2020-21	0
Repayment of principal repayments for 2020-21	(1,201)
Forecast Closing Balance of Borrowings June 2021	<b>\$13,117</b>

# Financial Policy Context

## Financial Planning Framework

The following diagram illustrates the overall funding framework for the City of Unley and the use of the Annual Operating Surplus and longer-term funding sources including strategic property divestment.



## Long Term Financial Plan (LTFP)

Council uses a LTFP to guide its financial decisions to ensure it is prudent in its financial management and considers a longer-term view. The LTFP has been reviewed and updated to reflect the most current information available.

The key components of the plan are:

- Assessment of Council's current financial position and achieving longer-term financial sustainability
- Ensuring Financial Targets are met
- Consideration of Council's appropriate role and responsibilities
- Ensuring alignment with the Community Plan and 4 Year Delivery Plan and maintenance of high priority strategies
- Ensuring all proposed strategies are costed before adoption
- Ensuring alignment with agreed service provision and delivery standards
- Ensuring alignment with Asset Management Plans and Maintenance Standards
- Ensuring alignment with internal support strategies
- Ensuring alignment with Funding and Treasury principles as well as intergenerational equity (rating stability, Treasury Policy, fees and charges, external funding and investments).

## Target Financial Indicators

Under the requirements of Regulation 5(c) of the *Local Government (Financial Management) Regulations 2011*, there is a requirement for Council's LTFP as well as the Annual Financial Statements and Budget must include:

- An Operating Surplus ratio
- A Net Financial Liabilities ratio, and
- An Asset Renewal Funding ratio.

These ratios are to be presented in a manner consistent with the Financial Indicators required in the Model Financial Statements.

Council has adopted the following key financial targets relating to these ratios to guide the direction of the LTFP and Annual Business Plan and Budget. These targets were adopted by Council at its February 2017 meeting and have since been reviewed by the Audit Committee as a part of the 2020-21 Budget and long term financial planning.

<b>Financial Indicator</b>	<b>Adopted Target</b>
Operating Surplus Ratio (excluding equity accounted businesses)	Greater of 5% or 100% of principal repayments
Net Financial Liabilities Ratio	<80% of Total General Rate Revenue
Asset Renewal Funding Ratio (rolling 10-year average)	>=100%

### Operating Surplus Ratio – Estimated 3.1%

In recognition of the difficulties being faced by the community due to the COVID-19 pandemic and the decision to not raise rate revenue in 2020-21, Council will not achieve its Targeted Operating Surplus Ratio of > 5.0% for the financial year. This is considered to be a relatively short term impact which will not jeopardise Council's long term sustainability. Council can reconsider its position through budget reviews during 2020-21 or in future budgets.

### Net Financial Liabilities – Estimated 50%.

The Net Financial Liabilities Ratio of less than 80% is the key target indicator for Council to assess its capacity to borrow in the medium to long term. The Net Financial Liabilities Ratio is calculated by expressing net financial liabilities at the end of the year as a percentage of General Rate Revenue for the year.

Council borrowed to undertake a significant capital works program during 2019-20 which will see total borrowings increase to approximately \$15.5m. Council's capital works program is proposed to be significantly lower in 2020-21, coupled with a measured capital renewal program and an operating surplus Council is not proposing to borrow in 2020-21. This will result in an acceptable Net Financial Liabilities Ratio of 50%.

## Assets Renewal Funding Ratio – Estimated 78%.

The Asset Renewal Funding Ratio represents the level of capital expenditure on the renewal of assets relative to the level of such expenditure identified as warranted in a council's infrastructure and asset management plan.

The Asset Management Plans are currently being reviewed. In the absence of this information the level of renewal of its existing assets is being compared to depreciation. The forecast level of expenditure is low when compared to depreciation. It is expected that the level of renewal spending will increase next year.

### **Infrastructure and Asset Management Plans**

The City of Unley is responsible for the management, operation and maintenance of a diverse asset portfolio that provides services and facilities for City users. Infrastructure and Asset Management Plans were developed some time ago and are currently undergoing review to ensure Council continues to provide effective and comprehensive management of its assets.

The development of the Infrastructure and Asset Management Plans indicate Council's ongoing commitment to operate and maintain its asset portfolio efficiently to both meet strategic and legislative requirements, and to deliver the required levels of service for the community.

Asset management is driven from a service perspective. Council has implemented an agreed level of service for property, bridge, road and footpath asset classes.

The asset system will collect real time data coupled with ongoing regular condition audits, to allow more accurate predictive modelling in regard to treatments and life expectancy of each asset class. Over the next few years the management of assets will balance the target levels of service for each specific asset with the long-term costs.

The Asset Management Plans provide the basis for the Capital Renewal Program included in Council's LTFP and is refined as part of the Annual Business Plan and Budget process. In 2020-21 the Capital Renewal Program has a projected net expenditure of \$7,953k.

## **Funding the Business Plan**

Over 87% of Council's funding is generated from rates with the balance largely relating to fees and charges set by Council or statutory fees.

### **Rates Context**

In setting the rates for 2020-21 Council proposes to continue with its current method of rating, which involves three differential rates with the application of a minimum rate, applied against the capital value of properties. Council considers this to be a fair and equitable method of rating for the City of Unley.

Rates income is used to deliver services. Rates are a form of property taxation, and property values determine how much each property contributes. This system of taxation means that the rates paid may not directly relate to the services used by each ratepayer.

In recognition of the difficulties facing the community due to the COVID-19 pandemic Council will not seek an increase in its rates revenue, other than that which will be achieved through natural growth in property valuations. This is expected to be 0.71%.

Growth represents new development, capital improvements to existing properties and changes to property values as a result of land divisions and will be confirmed by the Valuer General as part of completing the valuation of the Council area.

Refer to Appendix 7 for details on Rates Assistance Available.

## **Rate Statistics**

Council has approximately 18,900 assessments with 17,070 being residential, over 920 assessments within non-residential Category 2 (including commercial shops, industrial, and vacant) and 910 non-residential Category 3 (commercial offices and commercial – other). There are approximately 177 non-rateable assessments.

## **Rates Modelling 2020-21**

The preliminary valuation for the Council area has been completed by the Valuer General. The report reflects an increase of 0.51% in valuation for existing properties.

Analysis indicates that:

- Residential properties, representing 90% of the overall rateable valuation, had an average valuation growth of 0.55%
- Non residential properties, including commercial and vacant land, had an average increase of 0.22%.

The Budget has been formulated based on retaining differential residential and non-residential property at the appropriate rate in the dollar to restrict the general rates to a 0% increase.

## **Valuation Method**

The Council uses the *capital value* method of valuing properties. This method values the land and all improvements on the land. It is the most widely used method across South Australian councils.

Council considers this valuation method the most equitable method to spread the rates burden across the measure of wealth within the City. It equates to the taxation principle that people should contribute to community, social and physical infrastructure in accordance with their capacity to pay as measured by property wealth.

In determining how rates are applied, and in determining the rate in the dollar, Council uses the following options.

## **Minimum Rate**

In accordance with S158 of the Act, Council has decided that there will be a minimum rate on every rateable property. Council, in adopting a minimum rate, considers it appropriate that all rateable properties make a contribution to the cost of administering the Council's activities and creating and maintaining the physical infrastructure that supports each property. The Council has raised the minimum rate from \$850 to \$855 for 2020-21.

There are currently 2,865 assessments paying the minimum rate with residential properties comprising 2,779 of these assessments.

## Differential General Rates

In accordance with Section 153 of the Act 1999, Council will declare three differential General Rates according to the land use category. The land use categories are as follows:

Group 1	Non-residential Category 2	Non-residential Category 3
Residential	Commercial Shop Industry Light Industry Other Primary Production Vacant Land Other	Commercial Office Commercial Other

Council considers the principle of rate stability when assessing the rates distribution across the above categories. The change in capital value across the land use categories and the rates income provided by each category will also be considered.

It is estimated that the:

- Residential Differential General Rate will raise net rate revenue of \$32.3m in 2020-21;
- Non Residential Differential General Rates will raise net rate revenue of \$8.7m in 2020-21.

## Separate Rate for Main Street Trader Associations

Council proposes to continue to raise a separate rate for the promotion of businesses and traders along major shopping strips (excluding Glen Osmond Road). Council collects the separate rate and contracts with the Main Street Trader Associations for the provision of marketing and promotion activities.

The separate rates listed in the table below adopted by Council at its meeting held on 27 April 2020.

### 2020-21 Separate Rate for Trader Associations

Main Street Trader Associations	Separate Rate raised 2019-20	Recommended Separate Rate 2020-21	% Increase (Decrease)
Unley Road	\$113,395	\$69,835	(38.4) %
King William Road	\$147,400	\$92,280	(37.4) %
Goodwood Road	\$57,225	\$57,225	Nil
Fullarton Road	\$13,000	\$13,000	Nil

## **Unley Road**

Currently 461 ratepayers with a land use of Commercial Shop, Commercial Office and Commercial Other pay the separate rate.

## **King William Road**

Currently 130 ratepayers with a land use of Commercial Shop with addresses along King William Road between Greenhill Road and Commercial Road pay the separate rate.

## **Goodwood Road**

Currently 96 ratepayers with a land use of Commercial Shop, Commercial Office and Commercial Other, with addresses along Goodwood Road between Leader Street / Parsons Street to the north and Mitchell Street / Arundel Avenue to the south pay the separate rate.

## **Fullarton Road**

Currently 55 ratepayers with a land use of Commercial Shop, Commercial Office and Commercial Other, with addresses along Fullarton Road between Cross Road and Fisher Street pay the separate rate.

Fullarton Road Traders pay a fixed amount of \$240.

## **Regional Landscape Levy**

(Formerly the Natural Resources Management Levy)

From 1 July 2020 the new *Landscape South Australia Act 2019* has replaced the *Natural Resources Management Act (NRM) 2004* as the new framework for managing the states land, water, pest animals and plants and biodiversity.

The new Act creates nine landscape management regions with NRM boards being replaced by eight new regional landscape boards and a metropolitan landscape board, namely Green Adelaide. The landscape levy collection process will remain largely the same as previous arrangements under the NRM Act. The levies to be raised for 2020-21 will be based on the existing NRM boundaries, but are likely to change in future years.

The Green Adelaide Board has advised Council that the amount to be paid to them by Council in 2020-21 is \$1.414m compared to \$1.391m in 2019-20. This represents an increase of 1.6%.

Council does not retain this revenue, nor determine how the revenue is spent.

## **Expected Impact on Ratepayers**

To deliver the outcomes of the Annual Business Plan for 2020-21, the total General Rates Income required is \$42.03m. This equates to an average general rate increase of 0%

plus 0.71% rates growth. Rate growth is defined as added value for new development including improvements to existing properties and change in value as a result of land divisions.

Council will apply the following rates in the dollar to determine the total rate levied against an individual property;

<b>Financial Year</b>	<b>Residential</b>	<b>Commercial Shop et al</b>	<b>Commercial Office/Other</b>
	<i>Category One</i>	<i>Category Two</i>	<i>Category Three</i>
2018-19	0.002459	0.004959	0.005968
2019-20	0.002411	0.004820	0.005705
2020-21	0.002420	0.004845	0.005736

Council has sought to apply the rate increase as equitably as possible across the three categories.

## **Fees and Charges Context**

Section 188 of the Act provides the legal context:

- fees and charges are determined by resolution of Council either as a direct resolution, via by-law or via delegation
- a council is unable to fix or vary fees or charges prescribed under other Acts
- in respect of fees for the use of facilities, services or works requests a council need not fix fees or charges by reference to the cost of the council
- council is required to keep the schedule of fees and charges on public display and provide updates where fees and charges are varied during the year.

Council reviews its fees and charges each year, in conjunction with the development of the annual budget. As in previous years, a comprehensive review has been undertaken to ensure that the fees proposed:

- reflect (or move progressively toward) the cost of the services given
- are comparable with market rates, where appropriate
- take into account benefit derived by users of community facilities
- are consistent with Council directions articulated through existing policy or plans
- are consistent with Council's LTFP assumptions.

Generally, this has resulted in proposed fee increases that are in line with CPI or the Local Government Price Index, insofar as this is practicable.

## Conclusion

The 2020-21 Annual Business Plan and Budget is developed in line with the strategic directions for the City as endorsed by Council. The Plan and Budget reflects Council's continuing focus on ensuring that physical infrastructure is fit for purpose and maintained in a cost effective way.

The aim of this year's Annual Business Plan and Budget is to deliver a well-managed, sustainable environment for current and future generations whilst being mindful of the financial difficulties being experienced by many due to the current pandemic event.

## **Appendix 1 – 2020-21 Budgeted General Purpose Financial Statements**

Budgeted Uniform Presentation of Finances

Budgeted Statement of Comprehensive Income

Budgeted Statement of Financial Position

Budgeted Statement of Cash Flows

Budgeted Statement of Changes in Equity

Budgeted Financial Indicators

## Proposed Budgeted Uniform Presentation of Finances

### For the year ended 30 June 2021

\$ '000	2021	2020
Income	49,716	49,770
less Expenses	(49,045)	(47,934)
<b>Operating Surplus / (Deficit)</b>	<b>671</b>	<b>1,836</b>
<b>less Net Outlays on Existing Assets</b>		
Capital Expenditure on Renewal and Replacement of Existing Assets	(7,593)	(8,735)
less Depreciation, Amortisation and Impairment	9,500	9,400
less Amounts Received Specifically for Replacement of Existing Assets	-	169
less Proceeds from Sale of Replaced Assets	195	391
<b>Subtotal</b>	<b>2,102</b>	<b>1,225</b>
<b>less Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets	(2,680)	(11,437)
less Amounts Received Specifically for New and Upgraded Assets	463	4,417
less Proceeds from Sale of Surplus Assets	-	-
<b>Subtotal</b>	<b>(2,217)</b>	<b>(7,020)</b>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>556</b>	<b>(3,959)</b>
<b>Net Financial Liabilities at Beginning of Year</b>	<b>(26,047)</b>	<b>(12,843)</b>
Decrease / (increase) in Other	645	(78)
<b>Net Financial Liabilities at End of Year</b>	<b>(24,846)</b>	<b>(16,880)</b>

*The figures in this report have been rounded and consequently individual sub-totals, whilst being correct, may differ slightly from the sum of the rounded amounts.*

Proposed Budgeted Statement of Comprehensive Income  
For the year ended 30 June 2021

\$ '000	2021	2020
<b>Income</b>		
Rates	42,248	42,529
Statutory charges	1,492	1,578
User charges	1,945	1,653
Grants, subsidies and contributions	2,952	2,656
Investment income	12	48
Reimbursements	307	521
Other income	761	633
Operating Projects	-	74
Net gain - joint ventures & associates	-	78
<b>Total Income</b>	<b>49,716</b>	<b>49,770</b>
<b>Expenses</b>		
Employee Costs	18,544	18,112
Materials, contracts & other expenses	19,179	18,838
Depreciation, amortisation & impairment	9,500	9,400
Finance costs	504	415
Net loss - joint ventures & associates	645	-
Operating Projects	673	1,169
<b>Total Expenses</b>	<b>49,045</b>	<b>47,934</b>
<b>Operating Surplus / (Deficit)</b>	<b>671</b>	<b>1,836</b>
Asset disposal & fair value adjustments	(162)	(16)
Amounts received specifically for new, upgraded assets or replacement assets	463	4,585
Physical resources received free of charge	-	-
Operating result from discontinued operations	-	-
<b>NET SURPLUS / (DEFICIT)</b>	<b>972</b>	<b>6,405</b>
<b>Other Comprehensive Income</b>		
Share of other comprehensive income - joint ventures and associates	-	-
<b>Total Other Comprehensive Income</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income</b>	<b>972</b>	<b>6,405</b>

Proposed Budgeted Statement of Financial Position  
For the year ended 30 June 2021

\$ '000	2021	2020
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	2,771	2,771
Trade & other receivables	2,681	2,681
Other financial assets	2	2
<b>Total Current Assets</b>	<b>5,454</b>	<b>5,454</b>
<b>Non Current Assets</b>		
Financial Assets	8	8
Equity accounted investments in Council businesses	16,285	16,930
Infrastructure, Property, Plant & Equipment	530,825	530,410
<b>Total Non-current Assets</b>	<b>547,118</b>	<b>547,348</b>
<b>TOTAL ASSETS</b>	<b>552,572</b>	<b>552,802</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade & Other Payables	13,104	13,104
Future Commitment in regards to Grant Funding	-	-
Borrowings - Short Term Draw Down	-	-
Borrowings Fixed Term	256	242
Provisions	3,730	3,730
Other Current Liabilities	-	-
<b>Total Current Liabilities</b>	<b>17,090</b>	<b>17,076</b>
<b>Non-current Liabilities</b>		
Trade & Other Payables	-	-
Borrowings	12,861	14,076
Provisions	357	357
Liability- Equity accounted Council businesses	-	-
Other Non-current Liabilities	-	-
<b>Total Non-current Liabilities</b>	<b>13,218</b>	<b>14,433</b>
<b>TOTAL LIABILITIES</b>	<b>30,308</b>	<b>31,509</b>
<b>Net Assets</b>	<b>522,265</b>	<b>521,293</b>
<b>EQUITY</b>		
Accumulated Surplus	156,298	155,326
Asset Revaluation Reserves	365,711	365,711
Available for sale Financial Assets	-	-
Other Reserves	256	256
<b>TOTAL EQUITY</b>	<b>522,265</b>	<b>521,293</b>
<b>NET FINANCIAL LIABILITIES</b>	<b>24,846</b>	<b>26,047</b>

## Proposed Budgeted Statement of Cash Flows

For the year ended 30 June 2021

\$ '000	2021	2020
<b>Cash Flows from Operating Activities</b>		
<b>Receipts</b>		
Operating Receipts	49,704	49,569
Investment Receipts	12	16
<b>Payments</b>		
Operating payments to suppliers & employees	(38,396)	(38,057)
Finance Payments	(504)	(693)
<b>Net Cash provided by (or used in) Operating Activities</b>	<b>10,816</b>	<b>10,835</b>
<b>Cash Flows from Investing Activities</b>		
<b>Receipts</b>		
Amounts specifically for new or upgraded assets	463	4,860
Amounts received specifically for Replacement of Existing Assets		198
Proceeds from Sale of Surplus Assets	-	53
Sale of replaced assets	195	390
Repayments of loans by community groups		-
<b>Payments</b>		
Expenditure on renewal/replacement of assets	(7,593)	(5,015)
Expenditure on new/upgraded assets	(2,680)	(23,127)
Loans made to Community Groups	-	-
<b>Net Cash provided by (or used in) Investing Activities</b>	<b>(9,615)</b>	<b>(22,641)</b>
<b>Cash Flows from Financing Activities</b>		
<b>Receipts</b>		
Proceeds from borrowings	(311)	11,805
<b>Payments</b>		
Repayments of borrowings	(891)	-
<b>Net Cash provided by (or used in) Financing Activities</b>	<b>(1,201)</b>	<b>11,805</b>
<b>Net Increase/ (Decrease) in cash held</b>	<b>-</b>	<b>(1)</b>
plus: <b>Cash &amp; cash equivalents at beginning of period</b>	<b>2,771</b>	<b>2,771</b>
<b>Cash &amp; cash equivalents at end of period</b>	<b>2,771</b>	<b>2,770</b>

## Proposed Budgeted Statement of Changes in Equity

For the year ended 30 June 2021

\$ '000	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	Total Equity
<b>2021</b>				
<b>Balance at end of previous reporting period</b>	155,326	365,711	256	<b>521,293</b>
<b>a. Net Surplus / (Deficit) for Year</b>	972	-	-	<b>972</b>
<b>b. Other Comprehensive Income</b>				
- Gain (Loss) on revaluation of I,PP&E	-	-	-	-
- Share of OCI - Equity Accounted Council Businesses	-	-	-	-
<b>Other Comprehensive Income</b>	-	-		-
<b>Total Comprehensive Income</b>	<b>972</b>	<b>-</b>		<b>972</b>
<b>Balance at end of period</b>	<b>156,298</b>	<b>365,711</b>	<b>256</b>	<b>522,265</b>

## Proposed Budgeted Financial Indicators

For the year ended 30 June 2021

\$ '000	2021	2020
<b>Operating Surplus Ratio</b>	<b>2.6%</b>	<b>3.7%</b>
<b>Net Financial Liabilities Ratio</b>	<b>50%</b>	<b>52%</b>
<b>Asset Sustainability Ratio - Current Year based on Depreciation</b>	<b>80%</b>	<b>93%</b>

## Appendix 2 – Budgeted Funding Statement

### Proposed Budgeted Funding Statement For the year ended 30 June 2021

\$ '000	Proposed Budget 2020-21	Current Budget 2019-20
<b>Operating Income</b>		
Rates	40,602	40,806
Other Rates - Special Rates	232	331
NRM Levy	1,414	1,391
Statutory Charges	1,492	1,578
User Charges	1,945	1,653
Grants, subsidies & contributions	2,952	2,656
Investment Income	12	48
Reimbursements	307	521
Other Income	761	633
Net gain - joint ventures & associates	0	78
Operating Projects	0	74
<b>Total Operating Income</b>	<b>49,716</b>	<b>49,770</b>
<b>Operating Expenditure</b>		
Employee Costs	18,544	18,112
Materials, Contracts & Other Expenditure	19,179	18,838
Finance Costs	504	415
Depreciation, amortisation & impairment	9,500	9,400
Operating Projects	673	1,169
Net loss - joint ventures & associates	645	(78)
<b>Total Operating Expenditure</b>	<b>49,045</b>	<b>47,934</b>
<b>Funding Surplus/(Deficit) before Capital Revenue</b>	<b>671</b>	<b>1,836</b>
<b>Net Outlays on Existing Assets</b>		
Capital Expenditure on Renewal & Replacement of Existing Assets	(7,593)	(8,735)
Depreciation, Amortisation and Impairment	9,500	9,400
Amounts received specifically for Renewal & Replacement of Existing Assets	0	169
Proceeds from Sale of Replaced Assets	195	391
	2,102	1,225
<b>Net Outlays on New &amp; Upgraded Assets</b>		
Capital Expenditure on New & Upgraded Assets	(2,680)	(11,437)
Amounts received specifically for New & Upgraded Assets	463	4,417
Proceeds from Sale of Surplus Assets	0	0
	(2,217)	(7,020)
<b>Funding Result for Financial Year</b>	<b>556</b>	<b>(3,959)</b>

## **Appendix 3 – Budget Framework and Financial Summary**

### **City of Unley 2020-21 Budget**

The income and expenditure forecast in the Annual Business Plan and Budget for the financial year ending 30 June 2021, have been set at a level that meets statutory requirements and provides accountability to the community to achieve the Council's goals and objectives.

### **2020-21 Budget Framework**

The Budget Framework formalises changes in respect to the approved Annual Business Plan and Budget as a result of responding to opportunities, emergencies or other unforeseen events at the time of setting the budget.

For Core Operating Services, the Operating Budget has been adopted by total operating revenue and expenditure as referenced in Appendix 1 Uniform Presentation of Finances. Council approval will be required where total operating expenditure varies from its approved budget.

### **Operating Projects**

Operating Projects and programs have been developed in consultation with Council. The individual project listing has been included as Appendix 4 of this document.

Council approval will be required where a change in individual project expenditure is required unless the projects are linked to an identical outcome and delivered by the same budget program. For these projects a relocation between projects can be undertaken without the need for separate Council approval.

In addition, where a Project has been approved by Council and the Project is allocated to sub projects, the budget can be reallocated across sub projects without Council approval. However, Council approval is required to increase or reduce the overall budget previously approved.

Where a new Operating Project is to be considered or an Operating Project deferred, this will require Council approval.

### **New Capital Works**

A list of New Capital Works Projects has been developed in consultation with the Council. The individual project listing has been included as Appendix 5 of this document.

Where changes to the individual New Capital Project expenditure budget is necessary, Council approval is required. Further, where a new project is to be considered or an existing project deferred, this will also require Council approval.

## Capital Replacement

These programs and the list of priority projects have been developed by reference to Council's Asset Management Plans based on condition, levels of service and Council's ongoing commitment to operate and maintain its asset portfolio.

Where changes to the relevant Asset Category expenditure budget is necessary, Council approval is required.

The individual program summary for Capital Replacement has been included as Appendix 6.

## Capital Replacement

When grant funding is received with equivalent income and expenditure, the budget can be adjusted to account for the grant without the need for separate Council approval.

In situations where grant funding requires matching or additional funding from Council, this represents an increase in net expenditure and Council approval is required.

## Accounting Reclassification

Where a project requires reclassification between the Operating and Capital Budget to reflect accounting principles the reclassification will occur when practical and the relevant details will be provided to Council at the following Budget Review.

It is noted that transfers between Operating and Capital Budget have no cash impact on the overall budget.

## Financial Summary

	<b>Core Operating Budget</b>	<b>Net Operating Projects</b>	<b>Net New Capital</b>	<b>Net Capital Replacements</b>
	\$'000	\$'000	\$'000	\$'000
<b>Income</b>	49,716	0	463	195
<b>Expenditure</b>	47,727	673	2,680	7,593
<b>Net Surplus/(Net Expenditure)</b>	<b>1,989</b>	<b>(673)</b>	<b>(2,217)</b>	<b>(7,398)</b>

Expenditure totals do not include the Net Loss from equity accounted businesses of \$645k.



## Appendix 4 – 2020-21 Proposed Operating Projects

Title	Net Expenditure	Community Living Outcome	Economic Prosperity Outcome	Environmental Stewardship Outcome	Civic Leadership Outcome
Welcoming Cities	\$ 5,000	X			
All Connections to Unley Art Prize	\$ 30,000	X			
Active Ageing Project	\$ 10,000	X			
Sesquicentenary 2021	\$ 50,000	X			
2021 Santos Tour Down Under Stage Start & Street Party	\$ 123,000	X	X		
Ignite Unley Outdoor Cinema Program	\$ 10,000	X			
Fringe in Unley	\$ 10,000	X			
Trader Event Sponsorship	\$ 40,000	X	X		
Significant Tree List - Stage 1	\$ 30,000			X	
Hazard (Flood) Planning Policy Update	\$ 20,000			X	
Water Wells	\$ 40,000			X	
Tree Strategy Expanding Canopy Target Public Land	\$ 160,000	X			
City Wide Greening Verges	\$ 50,000	X		X	
Resilient East (Climate Ready Projects)	\$ 10,000			X	
Climate Energy Plan	\$ 40,000	X		X	
Ridge Park Master Plan (Stage 1)	\$ 10,000	X			X
Corporate/Promotional Images and Videos	\$ 10,000	X			X
Canopy Action Plan - Private Trees	\$ 25,000	X		X	
<b>Proposed Operating Projects</b>	<b>\$ 673,000</b>				

Further details of these projects provided in the following pages:

## Proposed New Operating Projects - Detail

Title	Net Expenditure \$
<b>4 Year Plan Elected Member Priorities</b>	
<p><b>Welcoming Cities</b></p> <p>In December 2018, Council committed to participate as an "Active" member of the Welcoming Cities network at no cost. The next level of membership (paid level) is defined as "Established" whereby Council undertakes a four step self assessment audit process. This would build on and recognise existing activities that Council is already undertaking that are aligned to the Welcoming Cities Standards.</p>	\$5,000
<p><b>All Connections to Unley Art Prize</b></p> <p>The City of Unley Art Prize is delivered on a two year cycle with a major prize offered every second year. Year 2020-21 is scheduled for the Art Prize. A single prize category would be offered , and open, to all artists at any stage of their career and could be for any medium, continuing the theme of All Connections to Unley</p>	\$30,000
<p><b>Active Ageing Project</b></p> <p>Delivery of initiatives relating to Council's Age Friendly Strategy endorsed by Council in December 2015 and informed by research undertaken in 2016-17. As well as the continuation of existing initiatives, the proposed 2020-21 program includes:</p> <ul style="list-style-type: none"> <li>• Addressing Loneliness</li> <li>• Start up At Any Age Entrepreneur Program</li> <li>• Continuation of Active Ageing Alliance</li> </ul>	\$10,000
<p><b>Sesquicentenary 2021</b></p> <p>Based upon the ideas presented by the Elected Member Working Group, the Administration have developed a program of activities with costs assigned to each, organised into four main themes: promotional activities, history, community events and 150th theme incorporated into existing activities.</p>	\$50,000
<p><b>2021 Santos Tour Down Under Stage Start &amp; Street Party</b></p> <p>Subject to the impacts of COVID-19 pandemic , staging of the Tour in late January 2021 followed by a street party featuring local dining and entertainment.</p>	\$123,000
<p><b>Ignite Unley Outdoor Cinema Program</b></p> <p>Now in its seventh year, Ignite Unley is a neighbourhood initiative aimed at encouraging local residents to embrace the opportunity to get together and enjoy a night of free entertainment. Typically held in parks and reserves across the City it is proposed to hold an event involving live music, childrens activities and food trucks.</p>	\$10,000

Title	Net Expenditure \$
<b>4 Year Plan Elected Member Priorities</b>	
<b>Fringe in Unley</b> In its fifth year, the program will bring a taste of the Fringe to residents in aged care facilities. The funds are used to secure a suitable act to provide four private performances and one free public performance at a community centre.	\$10,000
<b>Trader Event Sponsorship</b> The project proposes the provision of financial support of \$10,000 to each of the four Mainstreet Trader Associations to stage an event with economic objectives. This is additional to funds provided through the Separate Rate Levy and Council's Event Sponsorship program. (subject to a suitable proposal)	\$40,000
<b>Significant Tree List - Stage 1</b> An original Significant Tree survey was conducted in the 1990's but the data has not been reviewed since. Stage 1 of a two Stage process will be to audit the existing tree listings, update the details and explore potential additional listings. This information will then provide the basis for Stage 2 involving a Planning and Design Code Amendment process in 2021-22.	\$30,000
<b>Hazard (Flood) Planning Policy Update</b> Stage 1 of a two Stage project provides for an audit of the latest flood risk mapping available that could form the updated Code Overlay and review of related tailored policy for effective development management, in accordance with State Planning Commission requirements. This would provide the basis for a Stage 2 Code Amendment process to follow in 2021-22.	\$20,000
<b>Water Wells</b> This project seeks to continue delivery of Council's water wells initiative for 2020-21 whereby wells are installed in verges across the City to capture roadway water flows to assist with greening and establishment of new tree plantings.	\$40,000
<b>Tree Strategy Expanding Canopy Target Public Land</b> It is proposed to allocate these funds to plant 440 new trees on public land to increase the canopy cover across the City. A combination of Depot Operations staff and contractors will be used to plant the trees.	\$160,000
<b>City Wide Greening Verges</b> This initiative relates to a key outcome of Council's endorsed Environmental Sustainability Strategy to have a minimum of 400 street verges within the City of Unley converted from dolomite to loam and planted by 2020-21.	\$50,000
<b>Resilient East (Climate Ready Projects)</b> In order to increase our communities resilience to climate change this project aims to deliver community engagement and awareness raising activities, input to the urban planning reforms process, assess financial and legal risks of climate change to councils, support implementation of Canopy and Green Cover Mission Statement, and support emergency management planning.	\$10,000

Title	Net Expenditure \$
<b>4 Year Plan Elected Member Priorities</b>	
<b>Climate &amp; Energy Plan</b> This project proposes to develop a Climate and Energy Plan for the City of Unley to better track, manage and reduce Council's operational carbon and energy footprint. The Plan would include an implementation strategy which would prioritise works, timing and provide a first order cost estimate.	\$40,000
<b>Ridge Park Master Plan (Stage 1)</b> Council endorsed the development of a master plan for Ridge Park in 2017. The scope of stage 1 will involve a site engineering survey, community engagement, stakeholder engagement, current and future usage survey and development of the planning and design brief for stage 2 master plan.	\$10,000
<b>Corporate/Promotional Images and Videos</b> The City of Unley has a strong and well-respected brand that is identifiable through its use of images, both photographic and videos. This project encompasses two components, an update to stock photography, and creation of videos for promotion/community engagement.	\$10,000
<b>Canopy Action Plan - Private Trees</b> The funding will provide for several initiatives including a promotion of the benefits of trees, an historic trees bus tour, the provision of approximately 2,400 discount vouchers being made available to residents towards the cost of a new tree, provision of feedback regarding management and retention of trees, and implementation of a new Living with Trees pilot program.	\$25,000
<b>New Operating Projects</b>	<b>\$673,000</b>

## Appendix 5 – 2020-21 Proposed New Capital

Title	Net Expenditure	Community Living Outcome	Economic Prosperity Outcome	Environmental Stewardship Outcome	Civic Leadership Outcome
Digital Services Program	\$ 55,000				X
Brown Hill Keswick Creek (BHKC)	\$ 1,184,100			X	
Edmund Avenue Cottages	\$ 180,000	X	X		
Unley Road Infrastructure & Public Realm Design	\$ 50,000	X	X		
Millswood Croquet Club - Planning, Design &	\$ 75,000	X			
Local Area Traffic Management (LATM) Implementation	\$ 215,000	X			
Walking & Cycling Plan Implementation	\$ 95,000	X			
Pocket Park Program (Fairford Street)	\$ 50,000	X		X	
Living Streets Program (Richards Terrace)	\$ 70,000	X		X	X
Local Road & Community Infrastructure Program - TBA	\$ 462,672				
Capitalised Project Delivery Costs including Overheads	\$ 243,000				
<b>Capital Projects</b>	<b>\$ 2,679,772</b>				

Further details of these projects are provided in the following pages:

## Proposed New Capital Projects - Detail

Title	Net Expenditure \$
<b>4 Year Delivery Plan Elected Members Priorities</b>	
<p><b>Digital Services Program</b></p> <p>Key objectives for year 3 of this multiyear strategy to digitise paper based processes enabling the community to access services via the Council website will include:</p> <ul style="list-style-type: none"> <li>• Temporary parking permits</li> <li>• Rates (Section 7) Searches</li> <li>• Asset maintenance requests</li> <li>• Online Community Facilities Hire and Events Bookings</li> </ul>	\$55,000
<p><b>Brown Hill Keswick Creek (BHKC)</b></p> <p>The City of Unley together with the Cities of Burnside, Mitcham, West Torrens and the Corporation of the City of Adelaide have collaborated to develop a catchment based approach to mitigating flood risk and use of stormwater where feasible in the Brown Hill and Keswick Creek catchment. The City of Unley contributes 21% of the BHKC Board's capital costs as identified in its Stormwater Management Plan.</p>	\$1,184,100
<p><b>Edmund Avenue Cottages - Design &amp; Documentation</b></p> <p>Following the development and endorsement of a concept design in 2019-20, it is proposed to undertake the detailed design and documentation for the construction works on the cottages located at 72, 74 and 76 Edmund Avenue, seek development approval and award the tender in 2020-21. Subject to the outcomes of community consultation, works are anticipated to commence in 2021-22.</p>	\$180,000
<p><b>Unley Road Infrastructure &amp; Public Realm Design Guidelines</b></p> <p>The project proposes the preparation of a strategic guide to inform the development of infrastructure and the public realm along Unley Road to support better partnerships with business owners, traders, planned infrastructure upgrades and new developments. The Guidelines will nominate a range of improvements that could be considered at local conditions, including improved safety, accessibility, greening, lighting, art, outdoor dining, parking signage, paving, street furniture and other amenities.</p>	\$50,000
<p><b>Millswood Croquet Club - Planning, Design &amp; Documentation</b></p> <p>The objectives of stage 2 of a three stage strategy proposes the development of the detailed design and documentation for the redevelopment of the Millswood Croquet Club to provide a fit for purpose clubhouse. The concept design was undertaken in 2019-20 as stage 1. The concept design was developed to meet Council's expectations of a stage 3 construction cost of approximately \$485,000.</p>	\$75,000
<p><b>Local Area Traffic Management (LATM) Implementation</b></p> <p>In 2020/21 the focus is on delivering two medium priority projects from LATM 3 and two recommendations from LATM 1 and LATM 2:</p> <ul style="list-style-type: none"> <li>• Bartley Crescent/Greenhill Road Intersection Improvements (LATM 1) - \$55,000</li> <li>• East Avenue Pedestrian Refuge (LATM 3) - \$50,000</li> <li>• Mills Street Integrated Design (LATM 3) - \$70,000</li> <li>• Oxford Terrace Pedestrian Crossing (LATM 2) - \$40,000</li> </ul>	\$215,000

Title	Net Expenditure \$
<b>4 Year Delivery Plan Elected Members Priorities</b>	
Walking & Cycling Plan Implementation	
The project proposes to implement a number of priorities contained in Council's Walking and Cycling Plan as adopted in 2016:	
• King William Road Shared Path Upgrade - \$40,000	\$95,000
• George Street/Young Street Intersection - \$20,000	
• Weller Street/Simpson Parade Cycleway - Albert Street to King William Road - \$35,000	
Pocket Park Program (Fairford Street)	
The project proposes to implement the Fairford Street/Duthy Street Pocket Park, the second recommendatoin of Council's Pocket Park Program. The work builds on the community engagement process undertaken in 2019.	\$50,000
Living Streets Program (Richards Terrace)	
The Program, adopted in 2019, aims to create safer, greener and shared streets within the City of Unley. This project will see the implementation of the Program on Richards Terrace and will be partially funded by the State Government's Greener Neighbourhood Program to the value of \$11,000.	\$70,000
Local Road & Community Infrastructure Program	
The City of Unley has been advised that it will receive this funding under the Program as a part of the Federal Government's wider economic response to COVID-19. The funding is to be used on eligible local road projects yet to be determined.	\$462,672
Capitalised Project Delivery Costs including Overheads	
These are internal project management costs to deliver the projects listed	\$243,000
<b>New Capital</b>	<b>\$2,679,772</b>

## Appendix 6 - 2020-21 Proposed Capital Renewal Program

<b>Asset Category</b>	<b>Expenditure \$</b>	<b>Income \$</b>
Bus Shelters	\$40,000	
Drains and Stormwater	\$940,000	
Footways	\$510,000	
IT Equipment	\$550,000	
Kerb and Water table	\$900,000	
Plant and Equipment	\$840,000	
Property including: <ul style="list-style-type: none"> <li>• Buildings</li> <li>• Public Toilets</li> <li>• Swimming Facility</li> <li>• Office Furniture and Equipment</li> </ul>	\$1,127,000	
Reserves / Recreation and Open Space	\$466,000	
Roads	\$1,400,000	
Signs	\$32,000	
Street lighting	\$20,000	
Streetscape	\$117,000	
Traffic Facilities	\$29,000	
Project Delivery Costs including Corporate Overhead	\$622,000	
<b>Total</b>	<b>\$7,593,000</b>	
<b>Net Capital Renewal Program</b>		<b>\$7,593,000</b>

<b>BUS SHELTERS</b>	
<b>Compliance &amp; Seating</b>	
Replacement plastic tactile indicators with concrete tactiles (various locations)	
Upgrade existing tactiles with compliant tactiles to DDA compliance (various locations)	
Replacement of old seating at bus stops (various locations)	
<b>Total</b>	<b>\$40,000</b>

<b>DRAINS AND STORMWATER</b>	
Francis Street/William Street/ Birkdale Avenue, Clarence Park – stormwater drainage upgrade	
Parklands Creek (Robert Street to Palmerston Road) – concrete channel upgrade	
Unley Road, Unley, (Young Street to Greenhill Road) – stormwater drainage upgrade	
Mills Street, Clarence Park – stormwater drainage upgrade (design and stage 1)	
Young Street, Parkside and Unley – stormwater drainage upgrade	
SEP Replacement Program, CCTV inspections & bridges condition audit (various locations)	
<b>Total</b>	<b>\$940,000</b>

<b>FOOTWAYS</b>	
Unley Road; Greenhill Road, Parkside & Unley – new paving and DDA pram ramps	
Dunks Street, Parkside; Thomas Street Unley and Nichols Street Forestville - lift and relay existing paving	
King William Road: Arthur Street to Union Street – new paving	
King William Road – lift and relay existing paving at various locations	
DDA compliant pram ramps, survey and design works at various locations	
<b>Total</b>	<b>\$510,000</b>

<b>IT EQUIPMENT</b>	
Replacement of ICT assets including server room equipment, network hardware and user devices. Enhancement of corporate software applications and implementation of new and expansion of cloud technology solutions	
<b>Total</b>	<b>\$550,000</b>

**KERB AND WATER TABLE**

Construction of spoon drains, kerbing, kerb patching for reseals and footpaths, kerb condition audit and survey /designs at various locations

**Total**      **\$900,000**

**PLANT & EQUIPMENT**

	<b>Gross \$</b>	<b>Income \$</b>	<b>Net \$</b>
Small Plant			25,000
Light Fleet	350,000	100,000	250,000
Major Plant	660,000	95,000	565,000
<b>Total</b>			<b>\$840,000</b>

**Plant items include:**

Tipplers x 3	Change-over of 6 light fleet vehicles	Community Bus
Footpath Sweeper	New light fleet vehicle	

**PROPERTY**

<b>Property Classification</b>	<b>Facilities</b>	<b>Cost \$</b>
Civic Community	Mechanical Services Upgrade – Town Hall and Library Fullarton Park Community Centre – concertina door replacement Access Control System upgrade – Fullarton Park Community Centre & Clarence Park Community Centre Swim Centre works Clarence Park Community Centre – Hall floor resurfacing Civic Centre visitors – bathroom upgrade and carpet replacement Town Hall – salt damp remediation	\$329,000
Civic Operations	Public Toilets refurbishment – Village Green, Unley Oval, Heywood Park, King William Road, Goodwood Library Unley Oval - Seating upgrade Depot – Access control upgrade Landfill site management	\$220,000

<b>PROPERTY</b>		
<b>Property Classification</b>	<b>Facilities</b>	<b>Cost \$</b>
Lease Community	Minor works – various sites identified from 2017/18 condition assessment Broughton Art – ceiling replacement Goodwood Community Centre – repoint southern wall Adelaide Potters – rear structure repairs Tennis SA – wall crack repairs Fairmont Tennis Club – fence repairs UPSA – timer facia replacement Sturt Lawn Tennis – crack repairs Millswood Bowls – Air-conditioning replacement	\$146,500
Lease Commercial	Trimmer Terrace – fence upgrade  166 Unley Road – partial roof sheet replacement	\$29,000
Multi Category works	Paint Program Asbestos removal Access control management upgrade Project management	\$261,500
LED Lighting installations across Council facilities		\$100,000
Office Equipment		\$41,000
<b>Total</b>		<b>\$1,127,000</b>

Property includes the categories of Buildings, Office Furniture and Equipment, Public Toilets and Swimming Facility.

<b>RESERVES / RECREATION AND OPEN SPACES</b>	
<b>Location</b>	<b>Description</b>
Unley Oval	Softfall upgrade
Heywood Park Playground	Playground upgrade
Princess Margaret Reserve	Softfall upgrade
Soutar Park Playground	Playground upgrade
Page Park	Irrigation upgrade

Henry Codd Reserve	Shade structure
Leicester Playground	Shade structure
Drinking fountains	Various locations
Other Irrigation	Various locations
<b>Total</b>	<b>\$466,000</b>

<b>ROADS</b>			
<b>Street</b>	<b>From</b>	<b>To</b>	<b>Suburb</b>
Greenhill Lane	Clark Street	Joslin Street	Wayville
Hone Lane	Hone Street	Collins Street	Parkside
Roberts Lane	Roberts Street	End	Unley
Seaview Street	Wattle Street	Fisher Street	Fullarton
Enterprise Street	Park Street	Esmond Street	Hyde Park
Enterprise Lane	Enterprise Street North	Enterprise Street South	Hyde Park
Dunks Street	Unley Road	Porter Street	Parkside
Nichols Street	Leah Street	Ethel Street	Forestville
Oakfield Avenue	Cross Road	Langdon Avenue	Clarence Park
Rosslyn Avenue	Oakfield Avenue	Ripon Road	Clarence Park
Whistler Avenue	Cross Road	End	Unley Park
Marion Street	Unley Road	Cambridge Terrace	Unley
Audley Court	Kenilworth Road	End	Fullarton
Richards Terrace	Leader Street	Bend	Goodwood
Milton Avenue	Wattle Street	Fisher Street	Fullarton
Tennant Street	Wattle Street	Osmond Terrace	Fullarton
Raldon Grove	Fullarton Road	Boulderstone Road	Myrtle Bank
Kelvin Avenue	Parker Terrace	East Avenue	Clarence Park
Kelvin Avenue	East Avenue	Frederick Street	Clarence Park
Hammond Street	Francis Street	Bend	Clarence Park
Musgrave Street	Albert Street	Railway Terrace	Goodwood
Birkdale Avenue	Churchill Avenue	William Street	Clarence Park
Newman Street	Victoria Street	Aroha Terrace	Forestville

<b>ROADS</b>			
<b>Street</b>	<b>From</b>	<b>To</b>	<b>Suburb</b>
East Avenue, Black Forest – various hotmix patches between Aroha Terrace and Railway Crossing			
Crack sealing, pavement testing, survey and design work across various locations.			
<b>Total</b>			<b>\$1,400,000</b>

<b>SIGNS</b>	
Replacement and renewal of signage across the City.	
<b>Total</b>	<b>\$32,000</b>

<b>STREET LIGHTING</b>	
Replacement and renewal of lights across the City, as and when identified in conjunction with the LED capital works program.	
<b>Total</b>	<b>\$20,000</b>

<b>STREETSCAPE</b>	
Replacement and renewal of streetscape across the City	
Key locations include:	
Short Street, Wayville	
Whittam Street, Parkside	
Parker Terrace, Clarence Park	
Allen Grove, Unley	
Charra Street, Hyde Park	
<b>Total</b>	<b>\$117,000</b>

<b>TRAFFIC FACILITIES</b>	
Replacement and renewal of traffic management infrastructure.	
<b>Total</b>	<b>\$29,000</b>

<b>PROJECT MANAGEMENT &amp; DELIVERY COSTS (INCLUDING CORPORATE OVERHEAD)</b>	
Project Delivery	
<b>Total</b>	<b>\$622,000</b>

## Appendix 7 – Rates Assistance Available

*Rebate of Rates – Under Sections 159-165 of the Local Government Act 1999*

A rebate of rates in respect of any rateable land in the Council area will be available only when the applicant satisfies the requirements under the Act.

### **Discretionary Rebate of Rates – Under Section 166 of the *Local Government Act 1999***

A key principle within Council's Rate Rebate Policy is that all ratepayers should contribute an amount towards basic service provision. As such the Policy proposes a maximum discretionary rebate of 75%.

Applications for discretionary rebates for the 2020-21 rating year will need to be received by 31 May 2020 to be considered in accordance with the statutory provisions of Section 166 of the *Local Government Act 1999*. Further information should be obtained from Council's Rate Rebate Policy.

### **State Government Pensioner and Seniors Concessions**

The State Government previously funded concessions on Council rates but abolished such concessions with effect from 30 June 2015.

From 1 July 2015, the State Government has elected to replace these concessions with a single "cost-of-living payment" provided directly to those entitled. This payment may be used for any purpose, including offsetting Council rates.

To check eligibility, contact the Department for Communities and Social Inclusion (DCSI) Concessions Hotline 1800 307 758 or at [www.sa.gov.au/](http://www.sa.gov.au/)

### **Public Health Crisis – COVID-19**

Council is very much aware of the financial stress being caused by the COVID-19 pandemic being experienced across the community. In recognition of these circumstances Council has elected to waive all late payment fines and interest from April 2020 to August 2020. Council will also consider flexible rate payments in order to reduce the financial stress being experienced by many ratepayers.

### **Alternative Payment Arrangements**

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard rate payment arrangements should contact the Council to discuss options for alternative payment arrangements. Such enquiries are treated confidentially and are assessed on a case-by-case scenario.

### **Postponement of Rates in Cases of Hardship**

In accordance with Section 182 of the Act, a postponement of rates may be granted if Council is satisfied that the payment of these rates would cause hardship. Council may, on application and subject to the ratepayer substantiating the hardship, consider granting a postponement of payment of rates in respect of an assessment on the condition that the ratepayer agrees to pay interest in the amount affected by the postponement at the cash advance debenture rate calculated monthly and if the ratepayer satisfies the following criteria:

- The property is the principal residence of the ratepayer and is the only property owned by the ratepayer, and

- The property has been owned by the ratepayer and has been their principal residence for more than five years, and
- The ratepayer is able to produce one of the following identification cards
  - Pensioner Concession Card – Centrelink
  - Pensioner Concession Card – Veterans Affairs
  - TPI Card – Veterans Affairs, or
- Can demonstrate to Council they are a self-funded retiree with a household income of less than \$30 000 per year.

All applications for postponement of rates will be assessed on a case-by-case basis and are not contingent on the level of increase in rates payable. All such enquiries and submissions will be treated confidentially.

Further information is available on Council's website [www.unley.sa.gov.au](http://www.unley.sa.gov.au)

### **Postponement of Rates for Seniors**

In accordance with Section 182A of the Act, a person may apply to Council for a postponement of the payment of the prescribed proportion of rates for the current or future financial year. Council may, on application and subject to the ratepayer meeting the criteria, postpone payment of a proportion of rates in respect of an assessment on the condition that the ratepayer agrees to pay interest on the amount affected by the postponement at the cash advance debenture rate calculated monthly and if the ratepayer satisfies the following criteria:

The person is a prescribed ratepayer, or is the spouse or domestic partner of a prescribed ratepayer, and

- The ratepayer or their spouse hold a State Seniors Card, and
  - The property is owned and is the principal place of residence of the State Seniors Card holder and/or spouse (that is, the property is lived in most of the time), and
  - If the ratepayer has a registered mortgage on the property prior to 25 January 2007, or has over 50% equity in the property, and
  - That no person other than the Seniors Card holder and/or his/her spouse has an interest as an owner in the property.
- If a person has applied for the benefit of a postponement of rates under section 182A and an entitlement to a postponement ceases to exist, the owner of the land must, within 6 months from the day in which the entitlement ceased, inform the council in writing of that fact (unless the liability to the relevant rates has been discharged). Failure to do so could lead to a maximum penalty of \$5 000
- Where an amount is not paid in accordance with the general rate notice but is capable of being the subject of a postponement (e.g. in excess of the prescribed amount \$500) under section 182A of the Local Government Act it will be taken to be subject to postponement under that section
- Prescribed interest is applied to the amount of rates postponed, which is charged and compounded monthly on the total amount postponed, until the debt is paid.

All applications for seniors' postponement of rates will be assessed on a case-by-case basis. All such enquiries and submissions will be treated confidentially.

## Appendix 5 - Proposed Operating Budget by Program

(includes operating projects but excludes equity accounted businesses)

Budget Program	Program Description	Draft 2020-21		
		Operating Income \$000s	Operating Expenditure \$000s	Net Expenditure / (Revenue) \$000s
Active Ageing	Coordination, administration and support for community based services and projects aimed at facilitating independence and promoting social inclusion	1,176	1,602	425
Animal Management	Promote community safety through education, awareness and compliance with the legislation relating the Dog and Cat Management Act and Local Government Act	150	244	94
Arts & Cultural Development	Provision of Art and Cultural Development programs to support a vibrant and active community	0	160	160
Business Support & Improvement	Provides general management, executive support and leadership to the services provided by Business Support & Improvement Division and supports Elected Members	0	492	492
Business Systems & Solutions	Manages and maintains Council's Information Communication Technology infrastructure, applications and supporting systems to provide high levels of secure service that supports business operations and performance	0	2,443	2,443
City Development Management	Provides general management, executive support and leadership to the services provided by City	0	493	493
City Services Management	Provide general management, executive support and leadership on the services and programs provided by City Services and to Elected Members	0	485	485
Community Bus Program	A community transport service within the City of Unley provided by fully trained and accredited volunteer drivers, aimed at improving mobility plus connection to more City Services	11	122	110
Community Centres	Management and provision of a thriving network of Community Centres that promote social inclusion, belonging and connection	380	887	507
Community Development	Provide management, support and leadership of the projects, programs and services provided by the Community Development & Wellbeing Team.	0	0	0
Community Development & Wellbeing Management	Provide management, support and leadership of the projects, programs and services provided by the Community Development & Wellbeing Team.	0	254	254
Community Events	Efficient and effective coordination of Council-run community and cultural events and activities, as well as the successful facilitation and attraction of external events into the City of Unley to encourage place activation, cultural celebration & vibrancy	0	220	220
Community Grants	Funding for community organisations, groups and individuals to implement programs and initiatives that promote community connectivity, belonging, participation and cultural diversity	0	129	129
Corporate Activities	The accumulation of corporate costs including leave on-costs, treasury management, levy and taxes and insurances	2,262	2,933	672
Culture & Business Capability	This service supports the continuous improvement of overall business capability focused on the provision of 'best value' services to customers. Critical to improved business capability and customer experience is having the best organisational culture possible	0	41	41
Customer Experience	Coordinate and manage the City of Unley brand through customer service, provision of frontline customer service plus resolve customer enquiries and build goodwill within the City of Unley community	1	582	581
Development Services	Planning and building control within the City in accordance with the Development Act and Regulations and other legislative requirements	394	2,028	1,634
Economic Development	Manage the implementation, monitoring and evaluation of economic development activities and strategic initiatives within the City of Unley	241	485	244
Environmental Initiatives	Drive improved environmental sustainability through policies, strategies, programs and projects.	0	133	133
Finance & Procurement	Delivers accounting, financial, procurement and treasury management services required to support Council's operations, including statutory and financial reporting obligations	40,686	1,461	(39,225)

Budget Program	Program Description	Draft 2020-21		
		Operating Income \$000s	Operating Expenditure \$000s	Net Expenditure / (Revenue) \$000s
Governance & Risk	Undertakes administration of legislative and corporate governance requirements, and maintains robust controls through risk management and internal audit oversight	3	1,071	1,068
Human Resources	Provides support in recruitment, change management, employee relations, injury management, Occupational Health Safety and Welfare	54	1,268	1,214
Library Services	Provision of Library services, programs and facilities to encourage literacy, lifelong learning and social inclusion and connection	358	2,148	1,790
Marketing & Communications	Coordinate and manage the City of Unley reputation and brand in digital and printed communications and media relations	12	521	509
Office of the CEO	Organise and manage the good governance of the City of Unley, including support for Elected Members and Civic Functions	319	1,390	1,071
Operational Services	Provides maintenance services to Council's infrastructure, property, open space, street and park trees, plant and equipment assets	1,222	13,029	11,807
Parking Enforcement	Promote community safety through education, awareness and compliance with the legislation relating to the Road Traffic Act and Local Government Act and Council By Laws	977	720	(256)
Property Services	Provides sustainable strategic management of Council's building and property asset portfolio	557	3,983	3,426
Public & Environmental Health	Promote community health and safety through education, awareness and compliance with the legislation relating to the Environment and Protection Act and the Local Government Act	46	386	340
Recreation & Sport Planning	Supporting a healthy and active community through the provision of structured and unstructured recreation, sport and leisure programs and facilities	0	111	111
Strategic Asset Management	Provides sustainable strategic management of Council's asset portfolio	0	651	651
Strategic Projects	Facilitating delivery of major strategic initiatives from 4 Year Delivery Plan and Community Plan	0	180	180
Transportation & Traffic	Coordination, administration and support to provide an effective, safe and equitable management of transport spaces for all modes, ratepayers and visitors to improve local accessibility and safety	14	744	730
Unley Museum	Provision of the Unley Museum to showcase the cultural heritage and history of the area through the provision of collection, exhibitions and programs	5	140	135
Unley Swimming Centre	Provision of a premier outdoor swimming facility, encouraging community health, wellbeing and water safety	817	1,056	240
Urban Design	Development and management of high quality public realm and open space. Coordination, administration and support to provide an effective, safe and equitable management of movement spaces for all modes, ratepayers and visitors to improve local accessibility and safety	0	285	285
Urban Policy Planning	Investigate and prepare Council planning strategy, policy and Development Plan Amendments and review State Government strategic, policy and operations directions	0	139	139
Volunteer Development	Coordination, administration and support for community based volunteer services and projects.	0	101	101
Waste Management	Collection and disposal of general waste, kerbside recycling, green waste and the hard rubbish collection service	31	4,504	4,472
Youth Development	Engage and empower young people in the community by identifying, developing and providing activities, programs and events	0	106	106
Operating Projects		0	673	673
<b>Total</b>		<b>49,716</b>	<b>48,400</b>	<b>(1,316)</b>