



# 2023/24 DRAFT LONG TERM FINANCIAL PLAN AND ANNUAL BUSINESS PLAN

# Public Consultation



## To make a submission

If you wish to make a submission or comment on the Draft Long Term Financial Plan and Annual Business Plan and Budget (LTFP & ABP) as currently presented, please send via email to [financial.services@salisbury.sa.gov.au](mailto:financial.services@salisbury.sa.gov.au) or by post to:

The General Manager, Business Excellence  
City of Salisbury  
PO Box 8  
Salisbury SA 5108.

Alternatively, please call Hayley on (08) 8406 8340.

All submissions or comments need to be received by no later than Wednesday 24 May 2023 in order for them to be given due consideration. Any submissions received after this date may not be considered as part of this current budget process. Submissions may influence decisions not only for the current ABP but for future years as well.

## Verbal Representation

If you wish to make a verbal representation regarding the Draft LTFP & ABP there will be an opportunity to do so at the commencement of the May Council meeting on Monday 22 May 2023 in the Council Chamber at 6.30pm.

If you would like to have a say on Council's plans, budget and rates please register your interest by contacting Hayley on 8406 8340 or by using the above email (see contact details above).

# Acknowledgement of Country

The City of Salisbury acknowledges that we are on the traditional Country of the Kaurna people of the Adelaide Plains and pays respect to Elders past and present. We recognise and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kaurna people living today.



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# Executive Summary

## Purpose

This document contains the Annual Business Plan (ABP) together with the Long Term Financial Plan (LTFP). City of Salisbury takes the approach of bringing these two plans together into a single document so that there is alignment, and that the impacts of decisions taken through the annual budget process can be understood in a long term financial context. This year the document also provides commentary on the recent Essential Services Commission of South Australia (ESCOSA) Local Government Advice report as it relates to the City of Salisbury.

## Long Term Financial Plan

The LTFP is required by s122 of the *Local Government Act*, and the purpose is to monitor the financial sustainability of councils. Financial sustainability is defined by the sector nationally:

*A Council's long-term financial performance and position is sustainable where planned long-term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services.*

Based on this definition the elements of being financially sustainable are having ongoing service provision, infrastructure is provided and renewed to support service provision and that rate increases are stable.

### The Planning Process

Year one of the LTFP is set to the proposed 2023/24 budget in the ABP. Then through careful consideration of changes that will occur in our asset base, changes in service provision and assumptions, we project Council's financial position for a 10 year period.

Unpredictable and unexpected events and changes mean that reality will be different to what we are currently forecasting.

### Why Plan if Reality will be different?

The intent is to undertake a health check on Council's financial position given the best information we have at the time. The purpose is to ensure that there is capacity to continue to provide existing services, that our assets are well maintained and that new and improved assets can be funded as required to meet community needs. All of this needs to be achieved within sustainable rate increases.

Over the long term average rates are planned to increase by CPI+0.6% with the actual rate increase being determined by Council each year and consulted with the community through the Draft LTFP & ABP.

We refer to CPI in our plans as it is an index understood by the community, however, as it represents a basket of goods typically purchased by households it does not represent the mix of goods and services purchased by Council.

The City of Salisbury has approximately \$1.8 billion in infrastructure assets that it provides to the community and has an obligation to maintain and renew. This is a key consideration in our plans, with the LTFP being aligned to the renewal requirements of the Strategic Asset Management Plan (SAMP), which is also being consulted with the community in May 2023 and can be located on the Council website.

## Financial Sustainability

Being financially sustainable means having:

- The ability to provide consistent services into the future
- Infrastructure, like roads, continuing to be maintained at an appropriate level
- Current ratepayers pay the costs associated with the services consumed
- New infrastructure provided to meet community expectations, balanced against increases in costs

We measure financial sustainability through three indicators. The LTFP, pages 14 to 19, shows that Council remains financially sustainable in the long term and continues to operate within target measurement ranges.

Ratio	Target	23/24 Budget	
Operating Surplus	0.5% - 5%	1.96%	✓
Asset Renewal Funding	90% - 110%	100%	✓
Net Financial Liabilities	<70%	65.10%	✓

The LTFP does not replace the need for detailed annual budgeting as it uses a range of assumptions to forecast future revenue and expenditure. Each year the Council prepare the ABP which details the budget and services being provided, with the LTFP being recast so that year one matches the proposed budget.

# Executive Summary continued

## Annual Business Plan

The ABP describes Council's services, including new services and projects, together with their financial impacts. The purpose of the ABP is to provide comprehensive information so that the community can consider the budget and how it aligns to the City Plan 2035. The Executive Summary provides a snapshot of the ABP, and provides guidance as to where more detailed information is available in this document.

### Rate Increase

The LTFP & ABP is based on a proposed 7.9% average rate increase as resolved by Council, with rates growth from the increase in the number of assessments anticipated at 0.50% and the rate revenue increase from other development activity estimated to be 0.50%. Further information about rates is contained in the Rating Strategy and Policy, pages 120 to 123.

Average Increase	22/23 Actual	23/24 Budget
Residential	3.50%	7.90%
Commercial and Industrial	3.90%	7.90%

### Service Provision

Service provision increases to be delivered in 2023/24 include additional events and community activities that will activate and enliven the region, additional funding for a bigger Christmas Carol event, an expanded mosquito control program and funding for the Polaris Business and Innovation Centre to enable delivery of targeted business networking opportunities.

### Operating Surplus

This year, Council has budgeted for an Operating Surplus of \$2.888M or 1.96% Operating Surplus Ratio. Further information is provided in the Budgeted Financial Statements and Analysis on pages 43 to 47.

### Projects and Additional Services

All of Council's projects and additional services (Budget Bids) are detailed in the LTFP & ABP by category of spending, and can be found on pages 24 to 41. Funds of \$30.7M are provided for asset updates/renewal in line with our SAMP, with significant items being:

- Road Reseal Service Continuity Program \$9.8M
- Building Renewal Program \$3.7M
- Pratt Avenue Bridge, Pooraka \$3.4M
- Drainage & Waterways Program \$1.1M
- Salisbury Water Asset Renewal \$1.1M
- Irrigation Controller Renewal \$1M

New and upgraded infrastructure funding of \$11.9M includes a number of new and large-scale projects, some of which are delivered over multiple years.

Council's **Transportation Program** will deliver new School & Pedestrian Crossings and Footpath & Kerb Ramps and improvements to the City's Bicycle Network.

The redevelopment of the **Salisbury Aquatic Centre** is progressing in accordance with the construction program with completion anticipated in April 2024. This \$28.4 million project is made possible with the assistance of \$7.2 million funding provided by State Government. Final portion funding of Council of \$2M is provided in 2023/24.



The **City Wide Trails** Program aims to deliver a network of "off road" linked shared use paths, with projects scheduled in 2023/24 costing \$0.9M.

Key initiatives of the **Salisbury Water Business** scoped for delivery in 2023/24 include upgrading of pump stations, distribution of water to drought impacted reserves, growing the network to provide recycled water into more Schools and enabling regulatory groundwater monitoring and reporting.

**Drainage & Waterways** focus for the 2023/24 financial year includes planning and design works for the Greater Edinburgh Parks drainage infrastructure systems, and design and construction of flood mitigation and drainage works to address localised flood risk.

**Street Tree Planting** within the Streetscape Program is focused on improving the amenity of the City by replacing and upgrading existing street trees with species more appropriate to the space provided within our streets. Council will spend \$0.6M in 2023/24 in this area.

In 2023/24 Council increases the pool of grant funds to \$500k and individual grant amounts available (upon application) to **Clubs and Sporting Facilities** for clubs to initiate minor improvements to buildings, facilities and equipment. A three-tier program provides maximum funding per grant of \$75k Category A, \$35k Category B and \$10k Category C.

**Major Traffic Improvements Program** expenditure of \$1.2M includes measures to address identified, specific major traffic network deficiencies with funding in 2023/24 of \$0.5M allocated to complete key projects.

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# Mayor's Message



## A progressive, sustainable and connected community

Council is looking ahead to an exciting 2023/24 and I invite you to review this plan and gain insight into how we are managing our resources, in order to provide the best possible services and support for our community, and how we plan continue to invest in new community assets for the future.

The 2023/24 Long Term Financial Plan and Annual Business Plan (Annual Business Plan) continues the exciting development of the Salisbury Recreation Precinct, which is scheduled for completion in the first half of the 2024 calendar year and reflects the extensive feedback we received from our community.

Examples of the important initiatives that will be delivered during the 2023/24 Financial Year include:

### Community Spaces

Council has increased its commitment to events and community activities that activate and enliven our shared spaces and increase participation and connectedness across the district. A \$3.7m investment in 2023/24 across Council sporting, recreation and community facilities, will refresh public facilities for ongoing amenity and enjoyment now and into the future.

### City Amenity

The Little Para Catchment Native Forest project will increase natural habitat and amenity along this valuable natural corridor. Council's Streetscape Program vibrantly transforms the City's streetscape, improving its overall attractiveness and accessibility. Planned new School & Pedestrian Crossings and Footpath & Kerb Ramps will provide additional safety and access for everyone.

### Water Management

The City of Salisbury is a leader in the capture and management of stormwater through the Salisbury Water Business Unit, reclaiming stormwater and managing it for reuse across Council. In addition, in 2023/24 Council will place significant attention on the management and improvement of local and major flooding in areas including Paralowie, Parafield Gardens, Burton, and Salisbury Park and regional drainage of the Greater Edinburg Parks drainage and infrastructure systems.

### Traffic Improvements

Pooraka's Pratt Avenue Bridge redevelopment costing \$3.4m will see this asset renewed, ensuring this key road and bus route linking Main North Road and Bridge Road remains a safe and reliable connector. Council's Major Traffic Improvements Program will address identified, specific major traffic network deficiencies, which in 2023/24 include the Helps Road/Edinburgh Road, Direk roundabout modifications.

Through the 2023/24 Annual Business Plan, Council maintains its delivery of the City Plan 2035 vision, while remaining mindful of and committed to long-term financial sustainability to ensure we are best placed to support our community in the coming years.

Our vision of a progressive, sustainable and connected community serves to improve and enhance our City for the benefit of all.

A handwritten signature in black ink that reads "Gillian Aldridge". The signature is written in a cursive, flowing style.

Mayor, Gillian Aldridge OAM

## MAYOR



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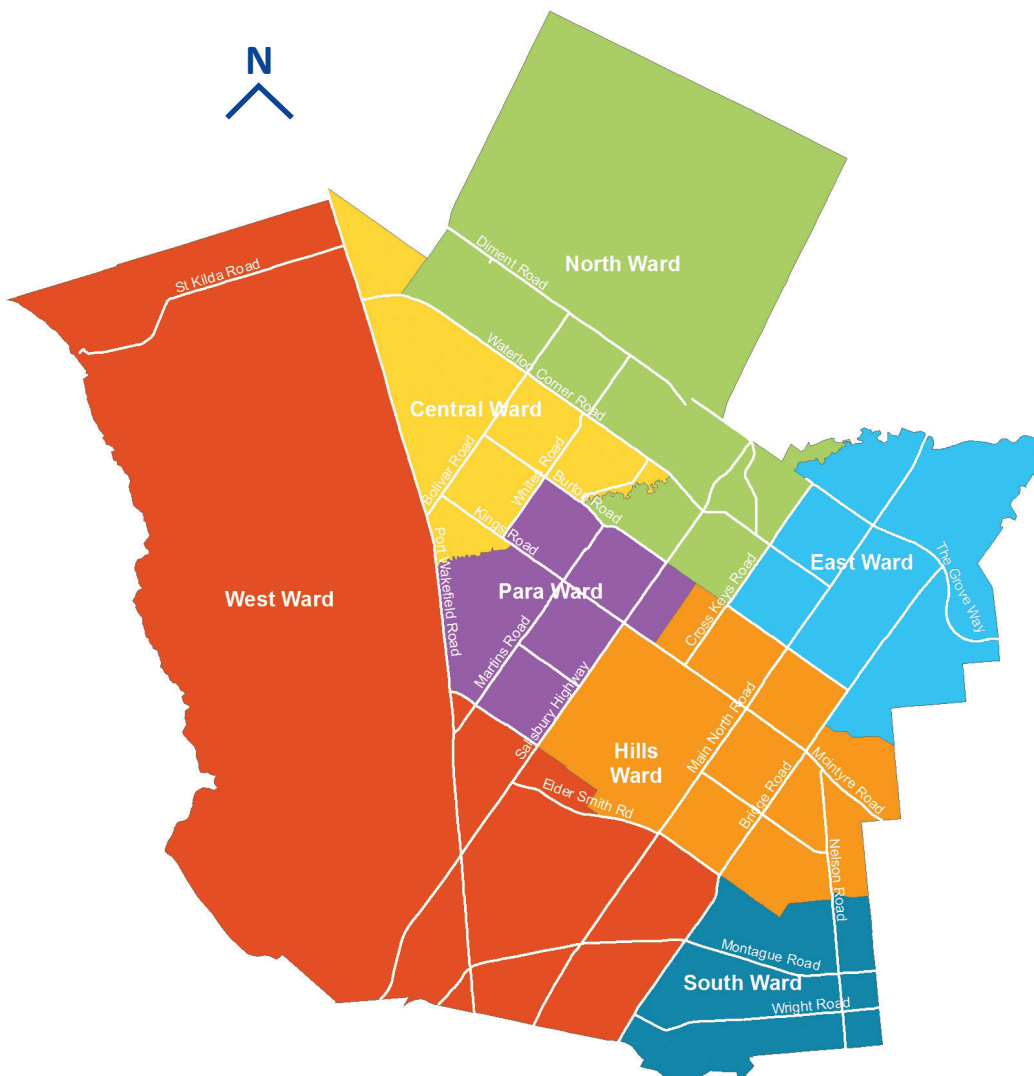
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# Elected Members

The Council of the City of Salisbury consists of the Mayor and 14 Councillors who represent the interests of the people of Salisbury. They are elected every four years during the South Australian Local Government elections. The Council is supported by administration staff who are led by the Chief Executive Officer.

The Council makes decisions about the governing and management of the City of Salisbury.

The Council sets the strategic directions, and makes decisions about allocation of the budget and the services and infrastructure that are provided within the boundaries for the City of Salisbury.

The administration, under the direction of the Chief Executive Officer, is responsible for providing advice, implementing the Council's agenda and strategic directions, delivering the services and undertaking the required works on behalf of the Salisbury community.

The Members of Council also vote on what action will be taken with regard to issues brought before the Council.

Elected members are volunteers who want to be involved in making the City a better place in which to live, work and do business. They do not get paid for the work they do for Council. They do receive an allowance to support them in discharging their duties as a Councillor, for expenses incurred and time spent in undertaking their role as Councillors, often making difficult decisions about complex and important matters.

The geographic area of the City of Salisbury is divided into seven parts, known as wards. Each ward has two Councillors who pay particular attention to what happens in the area they represent and advocate on its behalf.

Councillors are elected by the voters within the ward.

The Mayor of the City of Salisbury is the 'principal' member of the Council and is elected by all voters in the Council area.

Elected Members can be contacted to discuss any matter relating to Council.

# Our Vision

# Salisbury

a progressive, sustainable  
and connected community

**Council's vision is for Salisbury to be a progressive, sustainable and connected community.**

Council's Elected Members developed this vision after they considered the factors that characterise successful cities and their aspirations for Salisbury.

Successful communities are **progressive**. They embrace change as essential if they are to be liveable and competitive in a changing environment and economy. At the same time, successful communities take pride in their heritage and use their history as the foundation for identifying and creating opportunities and for understanding how to respond to challenges.

Successful cities think about the long term while making decisions today – this is the essence of **sustainability**. They care about the environment, their people and the legacy they leave for future generations. Internally, they are financially responsible, have excellent systems in place and promote a culture that values enduring outcomes.

**Connections** abound and take many forms. Some connections are social, such as friendships formed through community groups or with neighbours. Some are environmental, including the connections people have with nature or the biodiversity corridors that support wildlife. Other connections are economic, such as the links between residents, jobs and businesses. Salisbury is a diverse community and we value connections between our many cultures. For connections to prosper, there must be appropriate infrastructure that enables people to move and connect with places further afield.


The Salisbury community consists of the 145,806 people who live in our 32 suburbs, whether they have been here all their lives or are new arrivals; the 7,200 businesses and 53,000 workers that make Salisbury the state's fourth largest economy; and the community groups, schools, churches and sporting clubs that bring people together.

Salisbury has many of the building blocks in place to achieve its vision. The City Plan outlines the actions that Council will prioritise over the next four years to enable Salisbury to achieve it. The City Plan can be viewed at [www.salisbury.sa.gov.au](http://www.salisbury.sa.gov.au)



# Key Directions

This Annual Plan contains four key directions. Each direction includes a statement of what we want to aspire to achieve during the life of the annual plan, how we will achieve it and the indicators that will tell us how our City is progressing.



A welcoming and liveable City

Encompasses issues that affect the liveability of the City and the health and wellbeing of its people, including safety, social connections, the look and feel of our neighbourhoods, and the facilities and programs available to support our community's aspirations.



A sustainable City

Includes protecting and conserving our diverse natural environment to support biodiversity, reducing Council's environmental footprint, ensuring we make the most of our resources and enabling our community, environment and infrastructure to be resilient to a changing climate.



A growing City that creates new opportunities

This focuses on how we support the success and growth of local businesses, job opportunities for our residents, attracting investment, quality urban planning and providing infrastructure that supports economic activity.



Innovation and Business Development

Outlines how Council will work to provide exceptional experiences, deliver quality outcomes and be recognised as a great place to work.

# Long Term Financial Plan 23/24 to 32/33

## CEO Sustainability Report

In accordance with Section 122 (4)(b) the information contained within pages 14 to 19 of this document and Appendix A are to be taken as the CEO's sustainability report. The content of these pages sets out the practices of the City of Salisbury to seek to operate in a financially sustainable way with all indicators within the target ranges endorsed by Council, and with the intent of continuing to manage rate increases to CPI+0.6%, which is discussed further under "Assumptions".

### Context

While seeking to achieve its City Plan vision, Council is mindful of its responsibility to be financially sustainable. Being financially sustainable means having a financial position capable of meeting long term service and infrastructure levels and standards, acceptable to the community, without substantial increases in rates or disruptive cuts to services.

Financial sustainability implies equity between generations. That is, each generation of ratepayers should pay for the services they consume. Future generations should not have to pay more as a result of decisions made by earlier generations to delay maintaining and renewing assets. Also, future generations should not benefit at the expense of the current generation of ratepayers.

Maintaining services implies that infrastructure assets (roads, drains etc.) are also appropriately maintained and renewed, and that there is investment in new assets. Two significant costs associated with infrastructure assets are depreciation, which is the decline in value of assets through their use, and borrowing costs to fund new assets. Depreciation and borrowing costs both support intergenerational equity

### The Planning Process

Year one of the LTFP is set to the proposed 2023/24 budget in the Annual Business Plan. Then through careful consideration of changes that will occur in our asset base, changes in service provision and assumptions we project council's financial position for a 10 year period.

There have been a number of unpredictable events in recent years including the COVID-19 pandemic and more recently the increase in inflation with potential impacts into future years. Unexpected events and other unplanned movements in Council's financials will occur in the future and consequently reality will be different to what we are currently forecasting.

### Why Plan if Reality will be different?

The intent is to undertake a health check on Council's financial position given the best information we have at the time. We want to ensure that there is capacity to continue to provide existing services and ensure our assets are well maintained and that new and improved assets can be funded as required to meet community needs, and that this can be achieved within reasonable rate increases.



# Long Term Financial Plan 23/24 To 32/33

## Assumptions Table

Year Ending 30 June	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Consumer Price Index (CPI)	7.9%	3.8%	2.6%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Salary & Wages	3.5%	3.5%	3.7%	3.0%	3.1%	3.2%	3.2%	3.2%	3.3%	3.3%
Superannuation Guarantee Charge	11.0%	11.5%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%
Interest Rate	7.3%	7.0%	6.8%	6.5%	6.4%	6.3%	6.0%	5.9%	5.9%	5.9%
Average Rate Increase	7.9%	4.4%	3.2%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%
Number of Assessments	61,725	62,034	62,344	62,344	62,656	62,656	62,656	62,656	62,969	62,969
Rates Growth from Increase in Number of Rate Assessments	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Rate Revenue Increase from Other Development Activity	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

## Assumptions

The LTFP is underpinned by a number of key assumptions. The primary data source for the 2023/24 LTFP is Deloitte Access Economics data Business Outlook December 2022, being the most up to date information available at the time of developing this plan. Assumptions are also informed by Reserve Bank forecasts, the Australian Bureau of Statistics, and general sector knowledge. These assumptions are at a point in time and the future will vary, however they represent the best information at the time of preparing the plan.

We refer to CPI in our plans as it is an index understood by the community, however, as it represents a basket of goods typically purchased by households it does not represent the mix of goods and services purchased by council.

### Consumer Price Index

Forecast Consumer Price Index (CPI), has been based on Deloitte Access Economics Business Outlook December 2022, and in later years from 2027, the midpoint of the RBA target CPI, being a range of 2%-3%.

### Salary and Wages

The current enterprise agreement covering most staff will expire 30 June 2023, meaning that the percentage for 2024 is relatively uncertain. In future years Salary and Wages increases have been set based on Deloitte Access Economics Business Outlook December 2022. Also impacting are employee oncosts which can vary over time, and the skills of staff engaged by Council.

### Superannuation Guarantee Charge

The Superannuation Guarantee Charge has been separately disclosed from the general Salary and Wages assumption as this is a legislated increase and is a step change in costs over the coming three year period.

### Interest Rates

Interest rates have been based on Deloitte Access Economics Business Outlook December 2022.

### Average Rate Increase

Over the long term average rates are planned to increase by CPI+0.6% with the actual rate increase being determined by Council each year and consulted with the community through the Draft LTFP & ABP. The 0.6% above CPI reflects that there are a number of costs that move out of sync with CPI. It also reflects the funding required to provide expanded services and the ongoing costs of new infrastructure being higher depreciation, interest and maintenance costs.

As the 2023/24 inflation is based on CPI of 7.9% the average rate increase under the approach of plus 0.6% would be 8.5%, however Council is proposing a 7.9% average rate increase. The March Adelaide CPI is 7.9%.

### Rates Growth

Rate revenue increases as a result of the increase in rate assessments, and this is projected to be 0.5% over the 10 year forecast. This level of growth is relatively low and represents primarily infill development and small subdivisions of vacant land.

### Rate Revenue Increase from Other Development Activity

Just as Rate revenue increases as a result of the increase in rate assessments, it also increases through construction of new homes and commercial properties, and extensions to existing properties. This revenue increase is projected to be 0.5% over the life of the plan.

Both Rates Growth and rate revenue increases from other development activity help to contain the increase in average rates, meaning that expanded services and improved and new infrastructure can be provided with a lower impact to existing ratepayers.

# Long Term Financial Plan 23/24 To 32/33

## Initiative Funding

Year Ended 30 June	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Renewal Capital Expenditure	\$30.7M	\$30.7M	\$27.3M	\$27.1M	\$32.0M	\$30.2M	\$30.3M	\$31.6M	\$30.3M	\$32.3M
New & Upgrade Capital Expenditure	\$11.4M	\$13.2M	\$6.3M	\$7.0M	\$4.7M	\$5.8M	\$4.7M	\$5.8M	\$4.6M	\$5.8M
Uncommitted New Capital Funds		\$6.0M	\$6.0M	\$6.0M	\$6.0M	\$6.0M	\$6.0M	\$6.0M	\$6.0M	\$6.0M
Operating Bids / Expansion in Services		\$1M	\$1M	\$1M	\$1M	\$1M	\$1M	\$1M	\$1M	\$1M

\* Nominal Dollars - not adjusted for inflation

### Renewal Capital Expenditure

The City of Salisbury has approximately \$1.8 billion in infrastructure assets provided to the community and has an obligation to maintain and renew these assets. This is a key consideration in our plans, with the LTFP being aligned to the renewal requirements of the Strategic Asset Management Plan (SAMP), which is also being consulted with the community in May 2023 and can be located on the Council website.

### New & Upgrade Capital Expenditure

Expenditure on new assets and upgrade of existing assets is contained within the SAMP, with current year detailed in pages 30 to 41. The new and upgraded infrastructure assets expenditure for 2023/24 has been set at \$11.4M. This is reflective of a return to a more typical level of infrastructure expenditure following the expansion in the program in the past few years following higher expenditure to support recovery during COVID-19. Another significant change has been the approach taken to asset management, and a shift to service based asset expenditure rather than conditioned based. This has resulted in significant increases in asset renewal expenditure and has required a reduction in new asset expenditure.

### Uncommitted New Capital Funds

In addition to new and upgrade expenditure defined in the SAMP, unallocated funds have been provided from 2024 onwards as there will be further projects to be delivered to better serve the community, with these projects yet to be adequately defined and costed to be able to be included in the SAMP, however the inclusion of these uncommitted funds is necessary to support the delivery of the City Plan.

### Operating Bids / Expansion in Services

Approximately \$1M is provided each year to expand services. Details of the 2023/24 bids are detailed in pages 24 to 28. It should be noted that the Salisbury Aquatic Centre swimming pool will reopen in late 2023/24, and provision for its operations have been included in the forecast.



## Other Considerations

Each year Council are required to revalue its assets, which resets the value that must be depreciated and contributes to increasing costs, and ensures that the usage of those assets is funded by the current generation of ratepayers.

Property development projects will continue to provide significant cash injections over the 10 year plan. Returns are based on land feasibility and have been discounted reflecting that further detailed work is required to finalise financial returns on a project by project basis.

Salisbury Water business returns are kept constant into the future, as our aim is to be financially sustainable without these returns.

The Statement of Comprehensive Income (see next page) shows the Operating Surplus/(Deficit) before Infrastructure (Capital) Amounts followed by graphs of the resulting financial sustainability indicators on pages 18 to 19.



# Long Term Financial Plan 23/24 To 32/33

## Estimated Statement of Comprehensive Income

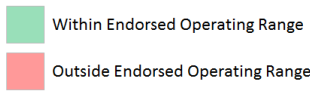
YEAR ENDING 30 JUNE	2024 Budget Year 1 \$000's	2025 Plan Year 2 \$000's	2026 Plan Year 3 \$000's	2028 Plan Year 5 \$000's	2033 Plan Year 10 \$000's
<b>INCOME</b>					
Rates Revenues	121,955	128,541	133,940	145,148	177,445
Statutory Charges	3,019	3,134	3,215	3,378	3,822
User Charges	5,994	8,928	9,490	10,301	11,655
Grants, Subsidies & Contributions	14,652	14,951	15,178	15,631	16,749
Investment Income	77	80	82	86	95
Reimbursements	289	300	308	324	366
Other Income	992	1,029	1,056	1,110	1,256
<b>Total Income</b>	<b>146,978</b>	<b>156,963</b>	<b>163,269</b>	<b>175,978</b>	<b>211,388</b>
<b>EXPENSES</b>					
Employee Costs	44,891	47,763	49,750	53,168	62,857
Materials, Contracts & Other Expenses	61,079	66,635	69,718	75,981	94,462
Depreciation, Amortisation & Impairment	33,641	35,011	36,431	39,704	48,130
Finance Costs	3,740	3,902	3,860	2,799	677
<b>Total Expenses</b>	<b>144,090</b>	<b>153,311</b>	<b>159,759</b>	<b>171,652</b>	<b>206,126</b>
<b>OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS</b>	<b>2,888</b>	<b>3,652</b>	<b>3,510</b>	<b>4,326</b>	<b>5,262</b>
Asset Disposal & Fair Value Adjustments	2,199	748	2,652	1,999	4,612
Amounts Received Specifically for New or Upgraded Assets	957	1,434	1,748	1,477	1,477
Physical Resources Received Free of Charge	1,000	1,000	1,000	1,000	1,000
<b>NET SURPLUS/(DEFICIT)</b>	<b>7,044</b>	<b>6,834</b>	<b>8,910</b>	<b>8,802</b>	<b>12,351</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in Revaluation Surplus - I,PP&E	50,254	47,313	47,808	48,951	23,226
<b>Total Other Comprehensive Income</b>	<b>50,254</b>	<b>47,313</b>	<b>47,808</b>	<b>48,951</b>	<b>23,226</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>57,298</b>	<b>54,147</b>	<b>56,718</b>	<b>57,753</b>	<b>35,577</b>

The full ten year Long Term Financial Plan Budgeted Financial Statements are contained within Appendix A.

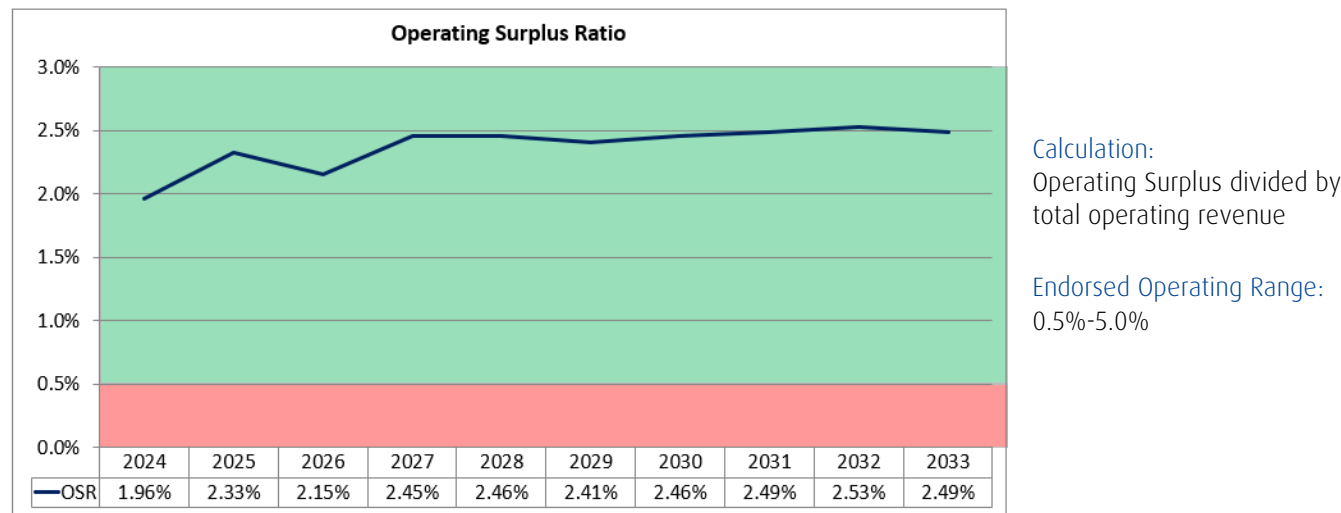
# Long Term Financial Plan 23/24 To 32/33

## Financial Indicators

As part of monitoring the financial sustainability of councils, standardised indicators have been developed. These indicators compliment the financial detail contained within the Long Term Financial Plan, and highlight our projected success at maintaining being a financially sustainable Council.



## Operating Surplus Ratio

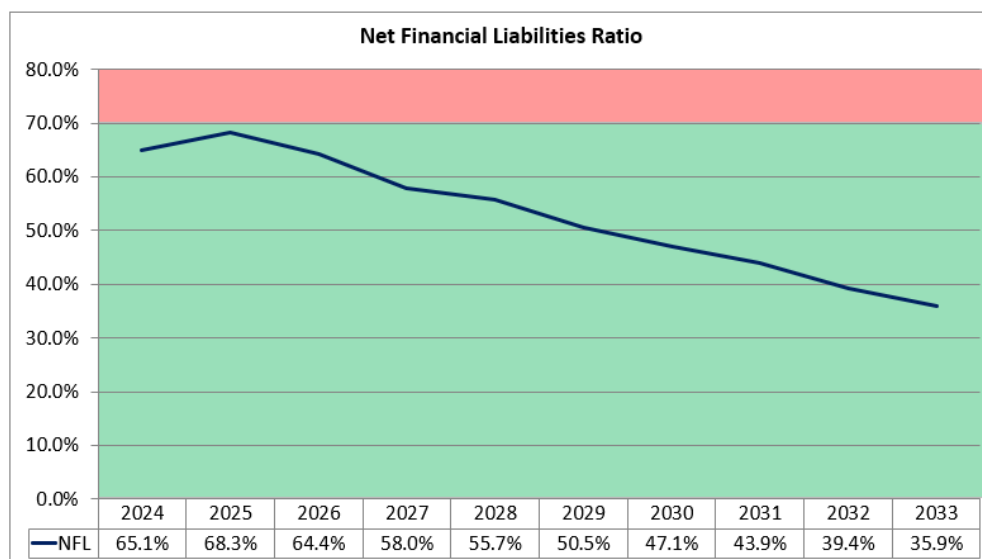


Councils with a positive Operating Surplus Ratio have current rate payers meeting the costs of the services that they are consuming. The larger the ratio the more revenue that is available to fund unforeseen expenditure requirements and the operating surplus can be directed to infrastructure expenditure, which results in lower levels of debt. The Operating Surplus Ratio is the primary indicator of financial sustainability.

City of Salisbury is within the Council endorsed operating range of this indicator over the life of the plan.

# Long Term Financial Plan 23/24 To 32/33

## Net Financial Liabilities Ratio



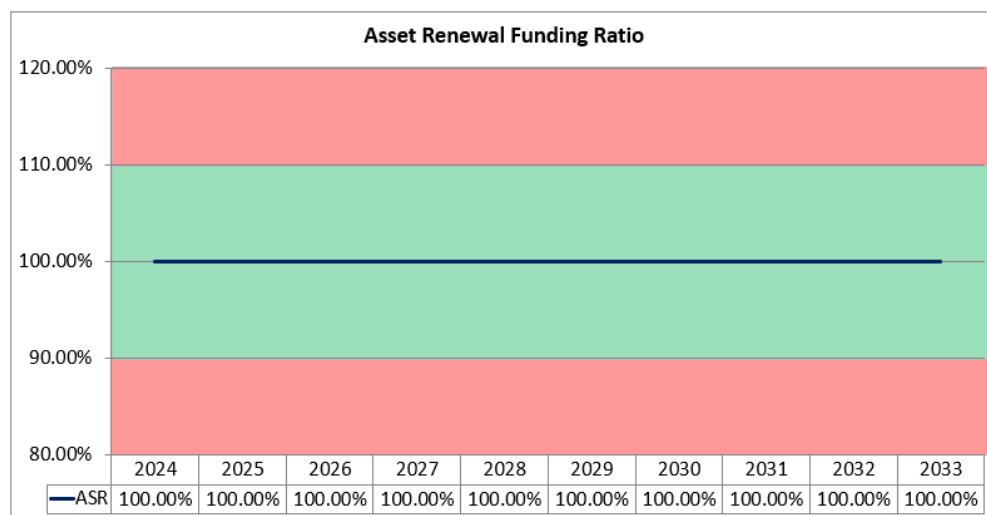
Calculation:  
Net Financial Liabilities  
divided by Operating  
Revenue

Endorsed Operating Range:  
<70%

This ratio indicates the extent that Council can meet its net financial liabilities out of a single year's operating revenue. Councils with a lower ratio are stronger in their capacity to meet their financial obligations.

City of Salisbury has a relatively low debt position. The Council endorsed a large infrastructure program in 2021 and 2022 financial years to support the community through the impacts of COVID-19. Consequently, debt drops over the life of the plan as infrastructure spending returns to normal levels, and this is reflected in the Net Financial Liabilities ratio.

## Asset Renewal Funding Ratio



Calculation:  
Asset Renewal Expenditure  
divided by Asset  
Management Plan Renewal  
Expenditure

Endorsed Operating Range:  
90%-110%

This ratio indicates whether infrastructure assets are being renewed in line with the Strategic Asset Management Plan (SAMP). A ratio of 100% means that Council is planning to renew assets in line with the SAMP, and as SAMP details the optimum timing for the renewal and replacement of assets, a ratio of 100% means that infrastructure assets are maintained, as are service levels, at the lowest cost to the community.

As the SAMP is a long-term plan, Councils will vary expenditure from time to time based on updated asset information, and also to time new and renewal works together to achieve better outcomes, and reduce the cost with these changes reflected in future updates to the SAMP.

# ESCOSA Advice – Salisbury Action Plan

The Strategic Management Plan Advice Scheme commenced in April 2022 following changes to section 122 of the Local Government Act and requires councils to provide information to ESCOSA relating to the Long Term Financial Plan (LTFP) and Strategic Asset Management Plan (SAMP) once every four years, with City of Salisbury being a first tranche council, and ESCOSA reviewing its strategic management plan in the 2022/23 financial year.

Councils are required to submit various information to ESCOSA by the end of September in their relevant financial year. ESCOSA must then provide 'advice' back to council, by the end of the following February, on the appropriateness of:

- material amendments made, or proposed to be made, to the LTFP and/or SAMP;
- the revenue sources outlined in the funding plan (contained within the LTFP); and
- may also provide advice on any other aspect of the council's LTFP and/or SAMP.

Councils are required to include a copy of ESCOSA's advice (contained in Appendix C) and also included are City of Salisbury's comments in response to various assertions made by ESCOSA within the Advice.

From Appendix C it is evident that much of the Advice is pitched as overarching statements that add little value. Many of the specific Action Items within the Advice are already in place. This calls into the question the approach taken by ESCOSA in undertaking this review process, which was essentially a desktop review with no direct or detailed discussions had with the City of Salisbury to help inform ESCOSA's perspectives.

The cost to ratepayers of this advice was \$40,000.

There are 9 Action items within the ESCOSA Advice, and these are subject to the Action Plan below and on the page opposite. This information will be published each year in the draft and adopted Annual Business Plan, until the next ESCOSA review, which is scheduled for 2026/27.

It should be noted that City of Salisbury is not required to accept and/or act upon ESCOSA's Advice.

ESCOSA Advice or Comment	Council Comment or Proposed Action	Implementation Timeframe	Status
1. Continue to review its inflation forecasts in its budget and forward projections, given the potential for higher short-term outcomes before a return to long-run averages.	Inflation assumptions are reviewed each review of the LTFP, and reliance is placed on reputable external sources for these assumptions which is detailed within the pages of the LTFP.	N/A	No further action required as already in place
2. Focus on controlling cost growth in its budgeting, including by reviewing its projected capital expenditure allocations (in consultation with the community, as required) to remove those which are not yet tied to defined and costed projects, and reduce the need for further rate increases.	Capital expenditure allocations are required by the strategic asset management plan, or to support delivery of the City Plan. Rate increases are driven by operating impacts, with the new unallocated capital having a relatively small impact on the operation budget. Any operating impact of capital projects is carefully considered by Council during the budget formation.	N/A	No action will be taken
3. Ensure that it publishes relevant reports regarding community consultation outcomes about large infrastructure projects which are to be significantly rate-funded.	City of Salisbury provides access to consultation outcomes associated with large infrastructure projects. Council will continue to take such action as required.	N/A	No further action required as already in place
4. Report its actual and projected cost savings in its annual budget, to provide evidence of controlling cost growth and achieving efficiency across its operations and service delivery.	This is a resource intensive suggestion as there are many elements to the development of the budget, and not all savings are visible through the ledger as many are cost avoidance, or freeing up capacity that is reinvested into service provision. Council reports material savings in its budget process.	N/A	No action will be taken



# ESCOSA Advice – Salisbury Action Plan

ESCOSA Advice or Comment	Council Comment or Proposed Action	Implementation Timeframe	Status
5. Develop and publish a risk management plan for the Salisbury Aquatic Centre, which incorporates an annual review of the requirements for recurrent spending (given demand estimates and outcomes), and the associated impact on the Council's operating capacity and quantum of rate contributions.	Council has in place the appropriate risk management framework that it applies for all major projects. The annual budget process will consider any budget impact from the Salisbury Aquatic Centre and any resulting rate impact should it be required. This will be reflected in the Annual Budget and Business Plan so there is no value in adding further reporting for the Salisbury Aquatic centre.	N/A	No action will be taken
6. Review its projected borrowing repayment plans in its long-term financial plan projections with a view to spreading the repayments over a longer time period, if possible, to reduce the extent of the required financial contributions from ratepayers to meet repayments in the short to medium term.	Rates are driven by the need to maintain a small operating surplus, not from the need to repay debt. Borrowing repayments are determined by cashflow as borrowings are in the form of Cash Advance Debentures (that can be repaid at any time). Cashflow is supported by depreciation which is covered in operating expenditure and is a non-cash item, and also property development proceeds.	N/A	No action will be taken
7. Review the assumptions underpinning its asset management plans to ensure those plans incorporate a more accurate picture of required asset expenditure and better align with the allocations in its long-term financial plan as necessary, including the estimates of asset lives and valuations feeding into the forecast rates of asset consumption and depreciation expenses.	Assumptions of lives and valuations are reviewed annually which flow into depreciation expenses. Also, the SAMP updated regularly, currently annually in alignment with the LTFP  As this practice is already in place, no further action is proposed.	N/A	No further action required as already in place
8. Review the new and upgraded asset expenditure projections (as per Finding 2) with consideration of the service levels desired by the community.	New and upgrade asset expenditure is detailed in the SAMP or is provided to enable the delivery of the City Plan which sets the strategic direction for the City.	N/A	No action will be taken
9. Review and consider limiting future minimum rate and average rate increases above inflation, particularly on rate categories which have lower capacity to pay, to help minimise affordability risk in the community.	Any change in the structure of rates will increase rates charged to others in the community, and can only occur through a rate review and community consultation. This is a decision of Council and will be made based on their assessment of the desire to change rate structures. The recommendation also does not recognise that Council considers the feedback from its community on the services and infrastructure it requires. Depending on this, Council may be required to rate above CPI to sustainably fund the initiatives	N/A	Any action will be a decision of Council based on their assessment of the need to review its rating strategy and its delivery of projects or services required by its community

# Annual Business Plan Overview 2023/24

The City of Salisbury’s Long Term Financial Plan and Annual Business Plan (LTFP & ABP) is an important part of our planning; one that links our overarching long term City Plan with our budget, the services delivered and rate levels.

## Key Directions

Sustainable Futures - Salisbury City Plan outlines four Key Directions which guide our objectives and strategies over the long term:

- A welcoming and liveable City
- A sustainable City
- A growing City that creates new opportunities
- Innovation and Business Development

## Budget Pressures

Council continues to monitor closely its financial position and especially long-term financial sustainability. Inflationary pressures, the demand for increased services and the delivery of new initiatives are carefully considered and managed so that Council is able to deliver sustainable long-term financial outcomes.

## Sound Financial Management

The budget delivers an operating surplus to ensure our financial position is sustainable and equitable between generations of ratepayers, and builds capacity for the future. The 2023/24 budget delivers:

- An operating surplus of \$2.888M
- Gross infrastructure investment of \$37.9M (including \$25.1M of asset renewal) and a net cost of \$37.0M considering funding from grants.
- Moderate and sustainable levels of debt, with net financial liabilities of \$95.7M or 65% of total operating revenue.

## Rate Increase

The 2023/24 proposed average rate increase is 7.9% with a further increase in rate revenue of 1% from the increase in the number of assessments and from development activity. Actual Adelaide Annualised CPI at March 2023 was 7.9%, and whilst some Local Government costs move in line with CPI, council’s purchase a different “basket of goods” to households, and consequently CPI is not fully reflective of Local Government cost increases.

More detail regarding rates is contained within the Rating Strategy and Policy section of this document.

## Operating Budget Bids

Key projects within the \$1.1M of new operating bids included in the budget are:

Expanded Events Program	\$170k
City Plan 2040	\$50k
Little Para Catchment Native Forest	\$100k
Building Safety - Residual Current Devices	\$100k
Home and Community Transport Network Expansion	\$100k

Full details of Council’s operating bids are provided from page 24.

## Expanded Events Program

Feedback received from the community at existing events over the past 3 calendar years has informed an expanded program of events designed to entice a broader range of age demographics and cultures.

## City Plan 2040

Council’s existing City Plan 2035 will be reviewed in accordance with the Local Government Act 1999 (section122(4)(b)) and a renewed Plan developed out to 2040. The review process will ensure members of the public are given a reasonable opportunity to be involved in the development and review of this key Strategic Management Plan.

## Little Para Catchment Native Forest

The Little Para Catchment Native Forest project has increased natural habitat and canopy cover where possible, and maintains the natural amenity of the corridor over time. The program follows on from the planting of 10,000 trees in 2021/22, with additional planting in 2022/23 and planned for 2023/24.

## Building Safety – Residual Safety Devices

The second and final year of the rollout of Residual Current Device installations across Council’s buildings to mitigate risk from the impacts of electrical fault, and ensure Council’s buildings comply with the South Australian WHS Regulations.

## Home and Community Transport Network Expansion

The Salisbury Home and Community Transport Network Expansion initiative, initially funded in 2015/16, continues funding that ensures the fleet of vehicles available for this crucial community service remains able to meet the demand for transport services provided through Salisbury Home and Community Services.

# Annual Business Plan Overview 2023/24

## Infrastructure Program

### Asset Renewal (Infrastructure)

Council manages community assets valued at \$1.8 Billion in the form of roads, footpaths, drains, buildings, parks etc. Many were created as the city developed rapidly in the 1960's, '70's and '80's. Our Strategic Asset Management Plan sets our forward plan for how to most economically manage, maintain and renew our assets.

In 2023/24 Council will spend \$25.1M on infrastructure renewal, with major items being:

- Road Reseal \$9.8M
- Building Renewal \$3.7M
- Pratt Avenue Bridge, Pooraka \$3.4M
- Drainage & Waterways Program \$1.1M
- Salisbury Water Asset Renewal \$1.1M
- Irrigation Controller Renewal \$1M

### Major Infrastructure Works (New and Upgraded)

The infrastructure program includes a number of large scale projects, some of which are delivered over multiple years. 2023/24 expenditure for these projects is detailed below:

Transportation	\$1.4M
Salisbury Aquatic Centre Redevelopment	\$2.0M
City Wide Trails Program	\$0.9M
Salisbury Water Business	\$0.8M
Drainage & Waterways	\$1.1M
Streetscape Program	\$0.6M
Clubs and Sporting Facilities Minor Infrastructure Grants	\$0.5M
Major Traffic Improvements Program	\$0.5M

Full details of Council's four-year Infrastructure program is provided from page 30.

### Transportation

In addition to the City-Wide Trails and Major Traffic Improvement programs that are commented on separately in this section, the Transportation program will deliver new School & Pedestrian Crossings and Footpath & Kerb Ramps, improvements to the City's Bicycle Network and a Community Bus service.

### Salisbury Aquatic Centre Redevelopment

The redevelopment of the Salisbury Aquatic Centre is transforming Happy Home Reserve at Salisbury North into a modern, regionally significant aquatic, health and wellness precinct. This project has a total budget of \$28.4 million with the final funding of \$2 million in 2023/24, and is made possible with the assistance of \$7.2 million funding provided by State Government. The Salisbury Aquatic Centre is expected to be completed in 2024.

### City Wide Trails Program

The City-Wide Trails Program aims to deliver a network of 37km of "off road" linked shared use paths. Proposed development for the 2023/24 financial year (subject to a successful funding application) will be Dry Creek, Valley View, including trail lighting, following the completion of the Pauls Drive upgrade which includes a shared use path underpass.

### Salisbury Water Business

Salisbury Water provides recycled non-drinking water that is distributed to our parks, reserves, schools, industry and some new residential sub-divisions. Salisbury Water is primarily recycled water and native groundwater which is treated to a standard fit for purpose as defined in the National Stormwater Guidelines. Funds are provided in the 2023/24 budget to upgrade pump stations, distribute water to reserves that are being "reactivated" following cessation of watering during the last drought, growing the network to provide recycled water into more Schools and enabling regulatory groundwater monitoring and reporting. Council receives an income stream for the supply of recycled water.

### Drainage & Waterways

Council's Drainage & Waterways Management Program incorporates the design and maintenance of localised minor flood mitigation, and the implementation of major flood mitigation projects. A key focus in 2023/24 is the planning and design works required to effectively manage the Greater Edinburgh Parks drainage and infrastructure systems. Funding is also provided for the design and construction of flood mitigation and drainage works to address localised flood risk of properties located in the Paralowie, Parafield Gardens and Burton, and to a lesser extent, Salisbury Park areas.

### Streetscape Program

The Streetscape Program is focused on improving the amenity of the City by replacing and upgrading existing street trees with species more appropriate to the space provided within our streets, and the renewal of verges to complete a more holistic transformation of the streetscape amenity.

### Clubs and Sporting Facilities Minor Infrastructure Grants

Council provides the opportunity for sporting and similar clubs to apply for funding to enable clubs to initiate minor improvements (buildings facilities and equipment) based on club needs. A three-tier program provides maximum funding per grant of \$75k Category A, \$35k Category B and \$10k Category C.

### Major Traffic Improvements Program

The Major Traffic Improvements Program includes measures to address identified, specific major traffic network deficiencies. Proposed for delivery via this program in 2023/24 is the Edinburgh/Helps Road, Direk intersection modification.



# Operating Budget Bids



# Operating Budget Bids

	2023/24			2024/25	2025/26	2026/27
	Exp	Funding	Net	\$000's Net	\$000's Net	\$000's Net
<b>A welcoming and liveable City</b>						
<b>Operating Bids</b>						
<b>Mosquito Control Program</b> New sites have been included in the treatment schedule and ongoing adult trapping is required to monitor the span and spread of adult mosquitos.	64	0	64	65	67	0
<b>Reconciliation</b> The City of Salisbury has laid a strong foundation in Reconciliation with First Nations communities, however further steps are needed to create community impact. Such actions will also allow us to be part of the positive change and move with national growth.	50	0	50	51	53	0
<b>Revision of the Ability Inclusion Strategic Plan (AISP)</b> Consulting for disability access and inclusion to review the current plan and develop a new Ability Inclusion Strategic Plan (AISP) for the City of Salisbury. The Disability Inclusion Act 2018 (SA) requires that Council Disability Access and Inclusion Plans (DAIPs) be renewed every 4 years.	38	0	38	0	0	0
<b>Expanded Events Program</b> The endorsed calendar of events for years 2024-2026 includes new events that will activate and enliven our region, by expanding our event types and increase the participation and connectedness with our community.	170	0	170	150	154	0
<b>Home and Community Services Transport Expansion</b> Continuation of funding to maintain the level of transport services provided through Salisbury Home and Community Services.	100	12	88	90	93	95
<b>Mobile CCTV Strategy</b> Support the mobile CCTV strategy and execution in the 2023/24 financial year and ongoing.	50	0	50	51	53	54
<b>Christmas Carols</b> Additional funding to supplement existing event funding to enable a City of Salisbury Community Christmas carols event.	20	0	20	0	0	0
<b>Operating Components of Capital Bids</b>						
Clubs/Sporting Facilities (Minor Infrastructure Grants)	40	0	40	41	42	43
Building Renewal Program	135	0	135	138	142	145
Dog Parks for Small Dogs	0	0	0	5	5	5
Major Entry Sites Landscape Enhancements Program	0	0	0	0	0	5
Community Use Sports Court Lighting Program	0	0	0	0	5	5
Dog Park Program	0	0	0	5	5	5
Bus Shelter and Bus Stop Renewal Program	11	0	11	15	16	16
Unity Park - Railway Corridor Landscaping	50	30	20	20	20	20
Community and Public Art Program	20	0	20	21	21	0
Confidential Item	0	25	(25)	(51)	(53)	(54)
Ingle Farm Sporting Club Rowe Park Ingle Farm Unisex Facilities	0	0	0	0	30	31
Lighting at Jacaranda Grove	0	0	0	1	1	1
Confidential Item	(121)	0	(121)	(289)	(300)	(306)
Community Bus	285	0	285	312	320	328
CCTV Network	0	0	0	33	33	34
<b>TOTAL - A welcoming and liveable City</b>	<b>912</b>	<b>67</b>	<b>845</b>	<b>659</b>	<b>706</b>	<b>428</b>



# Operating Budget Bids

	2023/24			2024/25	2025/26	2026/27
	Exp	Funding	Net	\$000's Net	\$000's Net	\$000's Net
<b>A sustainable City</b>						
<b>Operating Bids</b>						
<b>Salisbury Water - Integrated Environmental Monitoring and Reporting</b>						
Implement a Council-wide system to manage water environmental monitoring data and reporting to ensure legislative compliance and that potential risks e.g. algae blooms, are identified and actioned in a timely manner in order to deliver quality outcomes for the community.	50	0	50	25	25	25
<b>Little Para Catchment Native Forest</b>						
To enhance the natural open space and vegetation along the Little Para River and Catchment through continued planting of native trees and shrubs along the corridor as a succession plan for the large existing gums and vegetation.	100	0	100	103	105	108
<b>Operating Components of Capital Bids</b>						
<b>Bellchambers Managed Aquifer Recharge (MAR) Scheme</b>	0	0	0	0	0	(160)
<b>Local Flooding Program</b>	115	0	115	118	121	124
<b>Jones Road - Bolivar - Site Rehabilitation for Future Clean Fill Disposal</b>	32	0	32	33	34	35
<b>Environmental Open Space Land Management Program</b>	71	0	71	73	75	77
<b>Public Lighting Program</b>	51	0	51	52	54	55
<b>Recycled Water Supply to Reactivated Reserves</b>	20	20	0	0	0	0
<b>Salisbury Water - Sustainable Schools Program</b>	0	0	0	(114)	(184)	(184)
<b>Integrated Urban Water Management – Greenfields Education Centre Upgrade</b>	(35)	0	(35)	(35)	(35)	(35)
<b>TOTAL - A sustainable City</b>	<b>404</b>	<b>20</b>	<b>384</b>	<b>254</b>	<b>194</b>	<b>43</b>

# Operating Budget Bids

	2023/24			2024/25	2025/26	2026/27
	Exp	Funding	Net	\$000's Net	\$000's Net	\$000's Net
<b>A growing City that creates opportunities</b>						
<b>Operating Bids</b>						
<b>City Plan 2040 Renewal</b>						
Legislated review of the City Plan 2035 in accordance with the Local Government Act 1999 (Section 122(4)(b)) to comply with the need for Council to adopt a process to ensure members of the public are given a reasonable opportunity to be involved in the development and review of its Strategic Management Plans under Section 122(6).	50	0	50	0	0	0
<b>West of Port Wakefield Road – Council-led Code Amendment</b>						
The project entails the preparation of a Council-led Code Amendment in accordance with the Planning, Development and Infrastructure Act 2016, to rezone land from Summer Road south to Ryans Road in accordance with the recommendations of the Strategic Growth Framework.	50	0	50	0	0	0
<b>Supporting Business Networking</b>						
Funding to provide for the Polaris Business and Innovation Centre to deliver targeted networking opportunities.	30	15	15	15	16	16
<b>Operating Components of Capital Bids</b>						
Minor Traffic Improvements Program	59	0	59	61	62	64
New Footpath and Kerb Ramps Program	22	0	22	23	23	24
Road Reseal Program	870	0	870	892	914	937
Amenity Improvement at Technology Industry Parks at Mawson Lakes & Edinburgh	0	0	0	0	15	30
<b>TOTAL - A growing City that creates opportunities</b>	<b>1,081</b>	<b>15</b>	<b>1,066</b>	<b>990</b>	<b>1,030</b>	<b>1,070</b>

# Operating Budget Bids

	2023/24			2024/25	2025/26	2026/27
	Exp	Funding	Net	\$000's Net	\$000's Net	\$000's Net
<b>Innovation and Business Development</b>						
<b>Operating Bids</b>						
<b>Dog and Cat Subsidised Desexing</b> All dogs and cats born after July 2018 must be desexed unless the owner is a breeder. Subsidised low cost desexing for dogs and cats for eligible concession card holders can assist in increasing compliance rates in the Salisbury community and lead to reductions in unwanted litters and impounded cats and dogs.	10	5	5	0	0	0
<b>IT Security Specialist - Level 7</b> Cybersecurity is all about keeping technology systems and data safe from outside forces. A specialist in cybersecurity is required to work with the IT Team and vendors to develop strategies for protecting devices, systems and data from cyber attacks, balancing risk, security and system usability.	136	0	136	135	138	142
<b>Residual Current Devices (RCD) Building Safety</b> As a safety and compliance initiative, works commenced in 2022/23 to install Residual Current Device (RCD) safety devices across various Council high risk sites within the City such as the Operations Centre, Jack Young Centre, Twelve25 and Libraries, followed by other buildings such as Community Centres, Recreation Centres and some Public Toilets. This bid is the second and final stage which includes all the sporting and community buildings for completion in 2023/24.	100	0	100	0	0	0
<b>Confidential Item</b> Confidential	75	108	(33)	0	0	0
<b>Operating Components of Capital Bids</b>						
IT Asset Renewal	49	0	49	716	41	33
Expansion of Centrally Managed Wi-Fi	36	0	36	0	0	0
<b>TOTAL - Innovation and Business Development</b>	<b>405</b>	<b>113</b>	<b>292</b>	<b>851</b>	<b>180</b>	<b>175</b>
<b>Total Operating Budget Bids</b>	<b>2,802</b>	<b>215</b>	<b>2,587</b>	<b>2,754</b>	<b>2,109</b>	<b>1,716</b>

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# Infrastructure Budget Bids



# Infrastructure Budget Bids

	2023/24			2024/25	2025/26	2026/27
	Exp	Funding	Net	\$000's Net	\$000's Net	\$000's Net
<b>A welcoming and liveable City</b>						
<b>Renewal</b>						
<b>Building Renewal Program</b> This bid allows for service continuity of various elements for buildings either owned or under the care and control of Council.	3,700	0	3,700	3,793	3,887	3,985
<b>Buildings Planning Program</b> Provide the Property and Buildings division with funds for the planning and development of subsequent years building renewal programs, including various asset condition data and function capacity audits.	300	0	300	103	105	108
<b>Dog Park Program</b> Renewal and upgrade of existing dog parks based on age, condition, function and service level.	138	0	138	120	123	129
<b>Playground Program</b> The management of playground assets based on age, condition and function to maintain continuity of service in accordance with the endorsed service level as defined within the Strategic Asset Management Plan.	1,000	0	1,000	1,128	1,471	1,615
<b>Outdoor Sports Court Program</b> Renewal of existing outdoor sports courts inclusive of court surface base material sub-grade backstop fencing, lighting and associated infrastructure based on asset data.	385	0	385	395	105	431
<b>Fitness Equipment Program</b> Renewal of fitness equipment assets based on age, condition, function and service level.	0	0	0	0	63	65
<b>Outdoor Furniture Program</b> Renewal of existing outdoor furniture based on age, condition, function. The scope of this bid includes park benches, picnic settings shelters, bike racks, drinking fountains and barbecues.	50	0	50	51	53	54
<b>Reserve Signage Program</b> Renewal of reserve and information signage based on age, condition and function. This includes reserve signs wayfinding information and interpretive signage.	10	0	10	51	53	54
<b>Sport Lighting Program</b> Sport lighting renewal based on age, condition, function and service level as defined within the Asset Management Operation Plan for Urban Built Assets.	350	0	350	359	420	0
<b>Bus Shelter and Bus Stop Renewal Program</b> Ongoing renewal of bus shelters owned by the City of Salisbury including the upgrade of bus stop pads where required to ensure universal design and Disability Discrimination Act (DDA) criteria are met.	220	0	220	226	231	237
<b>Signalised Pedestrian Crossing Program</b> Renewal based on age, condition, function and service level. This includes lighting and controller upgrades and annual programming and audit of signalised pedestrian crossings.	30	0	30	31	32	32
<b>Total Renewal</b>	<b>6,183</b>	<b>0</b>	<b>6,183</b>	<b>6,255</b>	<b>6,542</b>	<b>6,710</b>



# Infrastructure Budget Bids

	2023/24			2024/25	2025/26	2026/27
	Exp	Funding	Net	\$000's Net	\$000's Net	\$000's Net
<b>New</b>						
<b>Clubs/Sporting Facilities (Minor Infrastructure Grants)</b>						
Funding for the Minor Capital Works Grants Program to enable sporting and similar clubs to initiate minor improvements (buildings facilities and equipment).	460	0	460	472	483	495
<b>Dog Parks for Small Dogs</b>						
The establishment of dog parks for small dogs co-located with existing dog parks.	84	0	84	0	0	0
<b>Major Entry Sites Landscape Enhancements Program</b>						
Creation of new entry statements and feature landscape enhancements at key entry locations in the City.	0	0	0	41	158	43
<b>Community Use Sports Court Lighting Program</b>						
Lighting to sports courts located within a district or regional playspace, located on a main road or adjacent to a lit carpark.	10	0	10	154	11	162
<b>Salisbury Aquatic Centre</b>						
Redevelopment and upgrade to deliver a modern indoor/outdoor aquatic precinct at Happy Home Reserve, Salisbury North.	1,950	0	1,950	0	0	0
<b>Bicycle Network Improvements Program</b>						
Improvements to the on and off road cycling network across the City to ensure continuity of travel across the City.	200	50	150	155	185	153
<b>City Wide Trails Program</b>						
Continued development and upgrade of the 'Green Trails' network that follows key open space corridors and waterways.	880	300	580	602	625	648
<b>Unity Park - Railway Corridor Landscaping</b>						
Improve the landscape of the Unity Park railway corridor to create a cohesive linkage between Unity Park open space, wetlands, the new State Centre of Football and State Sports Park.	250	125	125	0	0	0
<b>Community and Public Art Program</b>						
Continuation of our public art program to beautify and promote arts and culture within our region.	30	0	30	31	32	0
<b>Confidential Item</b>						
Confidential	410	110	300	0	0	0
<b>Ingle Farm Sporting Club Rowe Park Ingle Farm Unisex Facilities</b>						
The delivery of new and upgraded unisex players change rooms, toilet facilities and umpires change rooms as per Council's Place Activation Strategy and the National Construction Code, Building Code of Australia to the Ingle Farm Sporting Club, Rowe Park, Ingle Farm.	0	0	0	750	0	0
<b>Lighting at Jacaranda Grove</b>						
To provide path lighting to the pedestrian walkway through Brookside Lineal Wetland Mawson Lakes.	80	0	80	0	0	0
<b>Confidential Item</b>						
Confidential	447	0	447	0	0	0
<b>Community Bus</b>						
Funds to continue the community bus service in the City of Salisbury to link residents to shopping precincts and Council services.	480	0	480	0	0	0
<b>Hausler Reserve, Paralowie - New Changeroom Facility</b>						
Development of a new uni-sex change room facility at Hausler Reserve, Paralowie.	600	0	600	0	0	0
<b>Total New</b>	<b>5,881</b>	<b>585</b>	<b>5,296</b>	<b>2,204</b>	<b>1,493</b>	<b>1,501</b>
<b>TOTAL - A welcoming and liveable City</b>	<b>12,065</b>	<b>585</b>	<b>11,480</b>	<b>8,459</b>	<b>8,035</b>	<b>8,210</b>

# Infrastructure Budget Bids

	2023/24			2024/25	2025/26	2026/27
	Exp	Funding	Net	\$000's Net	\$000's Net	\$000's Net
<b>A sustainable City</b>						
<b>Renewal</b>						
<b>Watercourse Management Program</b>						
Renewal and upgrade Council's waterways including major waterways within the City include Dry Creek, Little Para River and Edinburgh and Helps Road Drainage corridor and the minor water catchments of Cobbler Creek and the Para Escarpment as well as open stormwater drains, wetlands and basins across the City.	800	0	800	820	840	862
<b>Drainage and Waterways Planning Program</b>						
Provide existing Drainage and Waterways category programs with funds for planning and development of the subsequent years programs including asset condition audits.	160	0	160	164	168	172
<b>Dam Service Rectification Program</b>						
Provides funding for civil rectification works of the 21 dams within the City.	75	0	75	77	79	81
<b>Environmental Open Space Land Management Program</b>						
The environmental management of specific lands within Council's open space areas to comply with legislative requirements.	100	0	100	103	105	108
<b>St Kilda Breakwaters Program</b>						
Ongoing program of renewal of the St Kilda Breakwater (sides of the Boat Channel).	50	0	50	205	210	215
<b>Irrigation Program</b>						
This program is for the replacement of irrigation systems within the City's parks and reserves which have reached end of serviceable life.	400	0	400	410	420	431
<b>Feature Landscapes Program</b>						
The installation of renewed and upgraded plantings at nominated profile locations to enhance and promote the City of Salisbury through appropriate landscaping.	0	0	0	123	0	129
<b>Tree Screen Renewal</b>						
The Tree Screen Renewal Program is to rejuvenate and improve tree and shrub screens found along road and other transport corridors.	0	0	0	513	137	140

# Infrastructure Budget Bids

	2023/24			2024/25	2025/26	2026/27
	Exp	\$000's Funding	Net	\$000's Net	\$000's Net	\$000's Net
<b>Parks and Streetscapes Service Program</b> Provide parks and streetscape programs with funds for planning and development of future years programs.	200	0	200	205	210	108
<b>Fences and Bollards Program</b> Renewal of existing fencing bollards and gates to reduce unauthorised access and anti-social behaviour such as illegally dumped rubbish and turf damage.	0	0	0	52	54	55
<b>Sound Attenuation Walls</b> Renewal of the sound attenuation walls adjacent to the railway corridors in Mawson Lakes and Edinburgh.	0	0	0	103	158	0
<b>Public Lighting Program</b> This program is for the renewal of public lighting infrastructure on a priority/business case basis including both street lighting and reserve lighting but excluding sportsfield lighting.	450	0	450	461	473	485
<b>Salisbury Water Asset Renewal Program</b> Renewal of Water Business Unit assets in accordance with the Salisbury Water Asset Management Plan.	1,103	0	1,103	893	1,100	1,013
<b>Irrigation Controller Renewal</b> This bid is for the replacement of irrigation controllers and cabinets within the City's parks and reserves which have reached end of serviceable life.	1,016	0	1,016	1,034	0	0
<b>Major Drainage Program</b> This is a renewal program of critical assets required to manage and maintain watercourse Major Flood level of service.	30	0	30	31	347	248
<b>Total Renewal</b>	<b>4,384</b>	<b>0</b>	<b>4,384</b>	<b>5,193</b>	<b>4,300</b>	<b>4,046</b>

# Infrastructure Budget Bids

	2023/24			2024/25	2025/26	2026/27
	Exp	Funding	Net	\$000's Net	\$000's Net	\$000's Net
<b>New</b>						
<b>Bellchambers Managed Aquifer Recharge (MAR) Scheme</b> Capacity expansion of Salisbury's Managed Aquifer Recharge Scheme to deliver an additional 800 ML/year of recycled water from the Adams Creek Catchment to supply to customers in the northern regions of Salisbury & Playford council areas.	0	0	0	0	0	0
<b>Local Flooding Program</b> Design and construction of localised minor flood mitigation works as a result of flooding reports and miscellaneous minor drainage works not funded elsewhere.	110	0	110	113	116	119
<b>Major Flooding Mitigation Projects</b> This program is generated from Council's Integrated Water Management Strategy which identifies a number of projects for major flood mitigation.	270	0	270	410	420	431
<b>Jones Road - Bollivar - Site Rehabilitation for Future Clean Fill Disposal</b> Funding to rehabilitate Jones Road as an Environment Protection Authority approved fill containment site to replace the previous Swan Alley/Whites Rd site at Globe Derby.	55	0	55	56	58	59
<b>Greater Edinburgh Parks Regional Drainage</b> Planning and design works required to effectively manage the Greater Edinburgh Parks drainage and infrastructure systems.	230	0	230	0	0	0
<b>Streetscape Program</b> Improving the amenity of streetscapes through the programmed renewal of street with more appropriate species for the spaces available within our streets.	600	0	600	1,015	1,051	1,077
<b>Pump Station Upgrade Program</b> The continuation of the existing program to upgrade tank and booster pump station systems at a number of key distribution locations across the Salisbury Water network to maintain required service levels during peak irrigation demand periods.	120	0	120	120	170	0
<b>Recycled Water Supply to Reactivated Reserves</b> Extension of the Salisbury Water distribution network to supply recycled water to various reserves across the City of Salisbury.	200	0	200	250	250	250
<b>Salisbury Water - Sustainable Schools Program</b> Construct new Salisbury Water distribution mains to provide connections to schools.	340	0	340	200	0	0
<b>Regulatory Groundwater Monitoring and Reporting</b> The continuation of existing program to install new groundwater level sensors in all City of Salisbury Water owned and operated wells (operational & observation) to improve the monitoring of aquifer pressures and artesian groundwater conditions. This is required to meet Department for Environment and Water regulatory reporting guidelines from the new Adelaide Plains Water Allocation Plan.	120	0	120	0	0	0
<b>Integrated Urban Water Management – Greenfields Education Centre Upgrade</b> To fund an increase of in-house water quality testing at the Greenfields Education Centre which will provide further engagement with the community and school groups who visit the Centre.	15	0	15	0	0	0
<b>Greenfields Education Centre Upgrade</b> Provide an exceptional community educational experience at Greenfields Wetlands to support the Sustainable Salisbury vision of excellence in water and environmental sustainability.	200	100	100	0	0	0
<b>New Drainage Networks</b> To fund the design and construction of flood mitigation and drainage works to address localised flood risk of properties located in the Paralowie, Parafield Gardens and Burton, and to a lesser extent, Salisbury Park areas.	145	0	145	400	480	400
<b>Total New</b>	<b>2,405</b>	<b>100</b>	<b>2,305</b>	<b>2,564</b>	<b>2,544</b>	<b>2,336</b>
<b>TOTAL - A sustainable City</b>	<b>6,789</b>	<b>100</b>	<b>6,689</b>	<b>7,757</b>	<b>6,844</b>	<b>6,381</b>

# Infrastructure Budget Bids

	2023/24			2024/25	2025/26	2026/27
	Exp	Funding	Net	\$000's Net	\$000's Net	\$000's Net
<b>A growing City that creates opportunities</b>						
<b>Renewal</b>						
<b>Carpark Renewal/Upgrade</b>						
Resealing and upgrade of carparks including unsealed carparks.	410	0	410	205	210	215
<b>Bridge Program</b>						
The renewal upgrade and replacement program for road bridges, footbridges and boardwalks that provide critical transport links across the City where owned by Council.	330	0	330	338	347	355
<b>Transportation Planning Program</b>						
Provide funding for the planning and development of the subsequent years 'Transportation' Category programs including various asset condition audits.	150	0	150	308	158	162
<b>Bituminous Footpaths Program</b>						
Programmed renewal of existing asphalt footpaths within reserves.	200	0	200	205	210	215
<b>Road Reseal Program</b>						
Maintain road surfaces, surface treatments and road pavements to deliver service continuity.	9,800	0	9,800	10,250	10,506	10,769
<b>Footpath and Kerb Program</b>						
Renewal of footpath and kerb ramps to provide continuous paths of travel within the City. The program of works are based upon age, condition, function and service level as defined within the Strategic Asset Management Plan. This includes block paved, concrete and asphalt footpaths but excludes trails and shared use paths.	160	0	160	164	841	862
<b>Pratt Avenue Bridge, Pooraka</b>						
Pratt Avenue, Pooraka is a key collector road and bus route linking Main North Road and Bridge Road. The bridge across Dry Creek, forming part of this collector, is in poor condition with a series of structural elements requiring urgent replacement.	3,424	0	3,424	1,983	0	0
<b>Total Renewal</b>	<b>14,474</b>	<b>0</b>	<b>14,474</b>	<b>13,453</b>	<b>12,271</b>	<b>12,578</b>



# Infrastructure Budget Bids

	2023/24			2024/25	2025/26	2026/27
	Exp	Funding	Net	\$000's Net	\$000's Net	\$000's Net
<b>New</b>						
<b>Miscellaneous Land Acquisitions</b>						
Provision for the purchase of minor parcels of land to facilitate the construction of infrastructure.	55	0	55	56	58	59
<b>Minor Traffic Improvements Program</b>						
Implementation of minor traffic control improvement works such as local area traffic management, pedestrian facilities, parking improvements and minor traffic control devices.	160	0	160	164	168	172
<b>Major Traffic Improvements Program</b>						
A consolidated program to undertake major traffic improvements to the road network that require specific and significant traffic control measures.	450	0	450	630	53	692
<b>School Zones and Pedestrian Crossings Program</b>						
Installation of new or upgraded school zones and pedestrian crossing facilities.	250	0	250	256	263	269
<b>New Footpath and Kerb Ramps Program</b>						
Construction of new footpath and kerb ramps based on community requests, audit outcomes and feedback.	250	0	250	308	315	323
<b>Developer Funded Program</b>						
Undertake a program of works for which Council has received contributions from Developers to deliver, including but not limited to, planting of trees building footpaths and parking bays within developments where developers choose not to undertake the works as part of the development.	200	200	0	0	0	0
<b>Footpath Trading Pedestrian Protection</b>						
The supply and installation of infrastructure to ensure safety for footpath trading areas that have been identified as part of applications and permit conditions.	25	12	13	14	14	15
<b>Amenity Improvement at Technology Industry Parks at Mawson Lakes &amp; Edinburgh</b>						
A program to engage with industry to improve the amenity of Technology/Industry Parks at Mawson Lakes and Edinburgh Parks to assist in enticing new industry to these precincts.	0	0	0	150	200	200
<b>Total New</b>	<b>1,390</b>	<b>212</b>	<b>1,178</b>	<b>1,578</b>	<b>1,071</b>	<b>1,731</b>
<b>TOTAL - A growing City that creates opportunities</b>	<b>15,864</b>	<b>212</b>	<b>15,652</b>	<b>15,031</b>	<b>13,342</b>	<b>14,309</b>
<b>Innovation and Business Development</b>						
<b>Renewal</b>						
<b>SAMP: Building Furniture and Equipment Service Continuity Program</b>						
Renewal of inside ergonomic furniture and equipment across all Council facilities.	75	0	75	77	79	81
<b>Total Renewal</b>	<b>75</b>	<b>0</b>	<b>75</b>	<b>77</b>	<b>79</b>	<b>81</b>
<b>TOTAL - Innovation and Business Development</b>	<b>75</b>	<b>0</b>	<b>75</b>	<b>77</b>	<b>79</b>	<b>81</b>
<b>Total Capitalised Employee Expenses</b>	<b>3,152</b>	<b>0</b>	<b>3,152</b>	<b>3,231</b>	<b>3,312</b>	<b>3,394</b>
<b>Total Renewal</b>	<b>25,116</b>	<b>0</b>	<b>25,116</b>	<b>24,979</b>	<b>23,192</b>	<b>23,414</b>
<b>Total New</b>	<b>9,676</b>	<b>897</b>	<b>8,779</b>	<b>6,346</b>	<b>5,107</b>	<b>5,567</b>
<b>Total Infrastructure Program</b>	<b>37,944</b>	<b>897</b>	<b>37,047</b>	<b>34,555</b>	<b>31,611</b>	<b>32,376</b>

# Information Technology Budget Bids



# Information Technology Budget Bids

	2023/24			2024/25	2025/26	2026/27
	Exp	\$000's Funding	Net	\$000's Net	\$000's Net	\$000's Net
<b>Innovation and Business Development</b>						
<b>IT Asset Renewal</b>						
Programmed asset refresh of desktop and end user equipment across all City of Salisbury operating locations.	551	0	551	1,283	478	342
<b>Expansion of Centrally Managed Wi-Fi</b>						
To facilitate a roll-out of corporate grade Wi-Fi at community centres to align with the solution provided in the Salisbury Community Hub. This is the second year of the expansion approved initially in the 2022/23 budget bid.	65	0	65	0	0	0
<b>The Care Manager (TCM) System Replacement</b>						
The City of Salisbury provides services for 2,200 NDIS and Commonwealth Home Support Program (CHSP) clients. The Care Manager (TCM) currently used to manage and report on services will no longer be developed or meet the needs of the new Support at Home Program. The replacement of the existing system with a new solution must be completed prior to 1 July 2024 when the new Support at Home program is scheduled to commence.	66	0	66	0	0	6
<b>Library IT Infrastructure Renewal - Kiosks</b>						
Programmed asset refresh of library infrastructure across all library locations.	102	0	102	13	80	12
<b>TOTAL - Innovation and Business Development</b>	<b>784</b>	<b>0</b>	<b>784</b>	<b>1,296</b>	<b>558</b>	<b>360</b>
<b>Total IT Budget Bids</b>	<b>784</b>	<b>0</b>	<b>784</b>	<b>1,296</b>	<b>558</b>	<b>360</b>



# Plant, Furniture and Equipment Budget Bids



# Plant, Furniture and Equipment Budget Bid

	2023/24			2024/25	2025/26	2026/27
	Exp	Funding	Net	\$000's Net	\$000's Net	\$000's Net
<b>A welcoming and liveable City</b>						
<b>CCTV Upgrade Renewal Program</b>						
Renewal and upgrade of CCTV equipment to ensure the continued success of the City of Salisbury Public Safety CCTV network due to the end of life of products installed in 2015/16.	130	0	130	133	137	140
<b>CCTV Network</b>						
To provide funding for the supply and installation of suitable permanent CCTV surveillance solutions for 3 playground areas and surrounds. Brown Terrace, Salisbury; Paddocks, Para Hills and Fairbanks Drive, Paralowie.	105	0	105	0	0	0
<b>TOTAL - A welcoming and liveable City</b>	<b>235</b>	<b>0</b>	<b>235</b>	<b>133</b>	<b>137</b>	<b>140</b>
<b>A sustainable City</b>						
<b>Upgrade of 6T Tipper Truck to a Large Compactor</b>						
Upgrade of existing fleet truck to improve the dumped rubbish service delivery and accommodate higher dumped rubbish pickups and response times.	140	0	140	0	0	0
<b>TOTAL - A sustainable City</b>	<b>140</b>	<b>0</b>	<b>140</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Innovation and Business Development</b>						
<b>Plant &amp; Fleet Replacement Program</b>						
Deliver plant and fleet replacement in alignment with the Fleet Asset Management Plan.	2,696	928	1,768	2,052	1,579	1,858
<b>TOTAL - Innovation and Business Development</b>	<b>2,696</b>	<b>928</b>	<b>1,768</b>	<b>2,052</b>	<b>1,579</b>	<b>1,858</b>
<b>Total PFE Budget Bids</b>	<b>3,071</b>	<b>928</b>	<b>2,143</b>	<b>2,185</b>	<b>1,716</b>	<b>1,998</b>



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# Budgeted Financial Statements and Analysis



# Budgeted Financial Statements and Analysis 2023/24

This section of the report analyses the changes in budgeted operating revenues and expenses for the 2023/24 year.

## 1.0 Summary

Details	Adopted Budget 2022/23 \$000's	Draft Budget 2023/24 \$000's	Variance Inc/(Dec) \$000's	Variance %
Operating Income	135,926	146,978	11,052	8.13%
Operating Expenditure	134,697	144,090	9,393	6.97%
<b>Operating Surplus/(Deficit)</b>	<b>1,229</b>	<b>2,888</b>	<b>1,659</b>	<b>135.02%</b>

## 1.1 Operating Income

Income Type	Reference	Adopted Budget 2022/23 \$000's	Draft Budget 2023/24 \$000's	Variance Inc / (Dec) \$000's	Variance %
Rates Revenue	1.1.1	112,010	121,955	9,945	8.88%
Statutory Charges	1.1.2	2,849	3,019	170	5.97%
User Charges	1.1.3	5,410	5,994	584	10.79%
Operating Grants & Subsidies	1.1.4	14,317	14,647	330	2.31%
Investment Income	1.1.5	71	77	6	8.61%
Reimbursements	1.1.6	289	289	0	0.08%
Other Revenue	1.1.7	980	997	16	1.64%
<b>Total Operating Revenue</b>		<b>135,926</b>	<b>146,978</b>	<b>11,052</b>	<b>8.13%</b>

### 1.1.1 Rates Revenue (\$9.9M Increase)

The anticipated Rates Revenue in 2023/24 is \$122M which when compared to 2022/23 of \$112M, represents an increase of \$9.9M or 8.88%. This reflects the proposed average residential rate increase of 7.9% with rates revenue growth from the increase in the number of assessments anticipated at 0.5% and rate revenue increase from development activity of a further 0.5%.

### 1.1.2 Statutory Charges (\$170k Increase)

Statutory Charges relate to fees and fines levied in accordance with legislation and include Dog Registrations, Health Act Regulations, Development Act fees and Parking Expiations. Statutory Charges are forecast to increase by 5.97% or \$170k compared to 2022/23.

This incorporates an increase in Development Fees of \$20k associated with higher volumes and Dog fees of \$162k associated with an increase in fees.

### 1.1.3 User Charges (\$584k Increase)

User Charges represent the recovery of service delivery costs through the charging of fees to the users of the Council's services. These charges are forecast to be \$6M in 2023/24, which is an increase of 10.79% or \$584k compared to 2022/23, with significant contributors to this increase coming from increases in Water Sales of \$106k and Cemetery Fees of \$104k, both predominately associated with higher volumes.

### 1.1.4 Operating Grants & Subsidies (\$330k Increase)

Operating Grants and Subsidies for 2023/24 are forecast to be \$14.6M, which is an increase of \$330k or 2.31% as compared to the budgeted amount of \$14.3M in 2022/23.

The forecast increase in Operating Grants & Subsidies is primarily the result of \$534k increase in Grants Commission funding offset by the conclusion of the Family and Community Development Program (F&CD) and associated funding of \$246k.

# Budgeted Financial Statements and Analysis 2023/24

## 1.1.5 Investment Income (\$6k Increase)

The Council earns Investment Income primarily in the form of interest from the investment of cash surpluses throughout the financial year.

Investment Income for 2023/24 is forecast to generate \$77k which is an increase of \$6k compared to 2022/23.

## 1.1.6 Reimbursements

From time to time the Council enters into commercial arrangements under which it performs services on behalf of third parties, and seeks reimbursement for undertaking those services.

During 2023/24 it is estimated that the Council will receive \$289k from Reimbursements which is offset by cost of providing these services.

## 1.1.7 Other Revenue (\$16k Increase)

Other Revenue comprises all the miscellaneous items of revenue which do not fall into any of the other revenue categories.

During 2023/24 Other Revenue is forecast to increase to \$1M as compared to \$980k in 2022/23. This represents an increase of \$16k or 1.64%.





# Budgeted Financial Statements and Analysis 2023/24

## 1.2 Operating Expenditure

Expense Type	Reference	Adopted Budget 2022/23 \$000's	Draft Budget 2023/24 \$000's	Variance Inc / (Dec) \$000's	Variance % %
Employee Costs	1.2.1	42,534	44,885	2,351	5.53%
Materials, Contracts & Other Expenses	1.2.2	58,862	61,084	2,223	3.78%
Finance Costs	1.2.3	1,444	3,740	2,296	158.96%
Depreciation, Amortisation & Impairment	1.2.4	31,857	33,641	1,785	5.60%
Net Loss - Equity Accounted Council Businesses	1.2.5	0	739	739	100.00%
<b>Total Operating Expenses</b>		<b>134,697</b>	<b>144,090</b>	<b>9,393</b>	<b>6.97%</b>

### 1.2.1 Employee Costs (\$2.4M Increase)

Employee Costs include Salary and Wages together with all associated labour related on-costs such as allowances, leave entitlements and the Superannuation Guarantee Charge (SGC). It also includes the impact of Enterprise Bargaining Agreements, general salary increments, the impact of changing employee numbers and associated costs resulting from changes in grant funding.

During 2023/24 Employee Costs are forecast to increase to \$44.9M as compared to \$42.5M in 2022/23, which is an overall increase of \$2.4M or 5.53%. In addition to enterprise agreement wage increases this increase includes a legislated increase to the SGC of 0.5% in 2023/24, outcomes from organisational structural changes, and changes in capitalisation levels of staff time.

### 1.2.2 Materials, Contracts & Other Expenses (\$2.2M Increase)

Materials, Contracts and Other Expenses include purchases of consumables that are used throughout the Council for the provision of services. It includes utility costs and works and services which the Council sources externally so as to allow the Council to perform its operations. It encompasses a broad range of expense items including contributions to community groups, advertising, insurance, legal advice, motor vehicle registrations and numerous other miscellaneous expenses.

The budgeted amount for materials, contracts and other expenses is forecast for 2023/24 at \$61.1M as compared to \$58.9M in 2022/23. This is an increase of \$2.2M or 3.78%. Major movements in expenditure include increased Verge Mowing \$465k, Waste Management \$420k and Building Maintenance – Sport and Community Facilities of \$186k.

# Budgeted Financial Statements and Analysis 2023/24

## 1.2.3 Finance Costs (\$2.3M Increase)

Borrowing costs relate to interest charged by financial institutions on funds that have been borrowed by the Council.

The interest costs of \$3.7M forecast for 2023/24 reflect an increase of \$2.3M or 158.96% as compared with \$1.4M in 2022/23. The increased cost of borrowings is the result of several interest rate rises over the past 12 months.

## 1.2.4 Depreciation, Amortisation & Impairment (\$1.8M Increase)

Depreciation is an accounting measure which measures the usage of the Council's infrastructure (such as roads and drains), property, plant and equipment over the estimated effective useful life of the assets.

In 2023/24 the forecast amount of depreciation is \$33.6M compared to \$31.9M for 2022/23. This is an overall increase of \$1.8M or 5.6%, which reflects the impacts of new assets coming on stream and the revaluation of existing assets with road valuation having increased significantly from 2022/23, which has been largely offset by increase in the useful life for drainage assets.

## 1.2.5 Net Loss – Equity Accounted Council Businesses (\$739k Increase)

Net loss – Equity Accounted Council Businesses is the recognition of the City of Salisbury's share of the budgeted deficit that the Northern Adelaide Waste Management Authority (NAWMA) Regional Subsidiary is budgeting for 2023/2024.





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# Functional Presentation of the Budget

In this section of the Draft Long Term Financial Plan and Annual Business Plan the Operating Budget has been presented using a Functional View.

## Full Cost

The City of Salisbury has a legislative obligation, under the Local Government (Financial Management Regulations) 2011 that requires Councils to ensure that externally provided financial information is made available on a full cost basis.

Full cost attribution is effectively a system under which all costs, including indirect and overhead costs, are allocated to a function, activity or program on a reliable and consistent basis. In other words full cost attribution seeks to determine the true cost of any function of Council by allocating indirect costs, including administration and management costs, to Council services.

The most prevalent reason to provide financial information on a full cost basis is that knowing and understanding the full cost of a service is essential information required in order for Council to continue to effectively manage and administer the City of Salisbury's budget.

## Functional Presentation of the Budget

The presentation of the Budget has been aligned with the City of Salisbury's Planning Framework; that is the City Plan 2035. This Planning Framework is structured around four Key Directions, A welcoming and liveable City, A sustainable City, A growing City that creates new opportunities and Innovation and Business Development.

The various Council services are presented in accordance with the Key Direction they are related to. This has the effect of demonstrating the contribution each service area will achieve in working towards the goals outlined under each direction, as well as presenting key service levels and costs associated with the performance of these services.



# Budget Summary by Full Cost

## 2022/23 Budget

OPERATING BUDGET by KEY DIRECTION	2022/23				
	Direct Cost \$000's	Attributed Cost \$000's	Full Cost \$000's	Funding \$000's	Net \$000's
<b>A welcoming and liveable City</b>					
Community Development	2,432	(190)	2,242	15	2,227
Library Services	4,654	3,591	8,245	610	7,635
Community Centres	1,880	1,136	3,016	339	2,678
Recreation Services	1,614	175	1,789	126	1,663
Community Sport and Club Facilities	2,217	2,010	4,227	-	4,227
Community Health and Wellbeing	4,662	2,375	7,036	3,618	3,418
Cemetery	482	112	594	507	87
Food and Health Regulation	872	401	1,273	253	1,020
Community Compliance Services	714	415	1,130	289	841
Dog and Cat Management	1,382	565	1,947	1,012	935
Crime Prevention and Repair	437	-	437	-	437
Street Lighting	3,496	438	3,934	-	3,934
<b>Total A welcoming and liveable City</b>	<b>24,843</b>	<b>11,027</b>	<b>35,870</b>	<b>6,769</b>	<b>29,101</b>
<b>A sustainable City</b>					
City Infrastructure	5,103	(3,416)	1,687	1,151	537
Water Management	4,477	6,634	11,111	2,737	8,374
Waste Management	18,984	-	18,984	426	18,558
Parks and Landscapes	19,715	13,176	32,891	124	32,767
<b>Total A sustainable City</b>	<b>48,279</b>	<b>16,394</b>	<b>64,673</b>	<b>4,437</b>	<b>60,236</b>
<b>A growing City that creates new opportunities</b>					
Economic Development	1,155	441	1,595	59	1,537
Development Services	3,432	1,795	5,226	1,640	3,587
Urban Planning and Development	1,288	584	1,872	-	1,872
Roads	3,138	10,659	13,797	3,332	10,465
Footpaths	882	2,313	3,195	-	3,195
<b>Total A growing City that creates new opportunities</b>	<b>9,894</b>	<b>15,792</b>	<b>25,686</b>	<b>5,030</b>	<b>20,656</b>
<b>Innovation and Business Development</b>					
Innovation and Business Development	18,505	(15,054)	3,451	735	2,716
Council	2,689	(40)	2,650	2	2,648
Sundry *	30,487	(28,121)	2,367	7,762	(5,395)
<b>Total Innovation and Business Development</b>	<b>51,681</b>	<b>(43,214)</b>	<b>8,467</b>	<b>8,499</b>	<b>(32)</b>
Rates Revenue				111,191	(111,191)
<b>TOTAL OPERATING SURPLUS / (DEFICIT)</b>	<b>134,697</b>		<b>134,697</b>	<b>135,926</b>	<b>1,229</b>

\* Sundry expenditure is primarily depreciation, with income being untied grant funding.

# Budget Summary by Full Cost

## 2023/24 Budget

OPERATING BUDGET by KEY DIRECTION	2023/24				
	Direct Cost \$000's	Attributed Cost \$000's	Full Cost \$000's	Funding \$000's	Net \$000's
<b>A welcoming and liveable City</b>					
Community Development	2,321	(296)	2,025	28	1,997
Library Services	4,793	3,649	8,442	610	7,833
Community Centres	1,841	1,125	2,966	116	2,850
Recreation Services	1,881	173	2,053	136	1,918
Community Sport and Club Facilities	2,506	2,134	4,640	-	4,640
Community Health and Wellbeing	4,781	2,321	7,101	3,824	3,277
Cemetery	511	106	617	592	25
Food and Health Regulation	925	379	1,304	248	1,055
Community Compliance Services	751	462	1,213	308	905
Dog and Cat Management	1,431	536	1,967	1,184	783
Crime Prevention and Repair	282	-	282	-	282
Street Lighting	3,594	357	3,951	-	3,951
<b>Total A welcoming and liveable City</b>	<b>25,615</b>	<b>10,946</b>	<b>36,561</b>	<b>7,046</b>	<b>29,516</b>
<b>A sustainable City</b>					
City Infrastructure	3,728	(2,251)	1,477	1,097	380
Water Management	5,014	6,905	11,919	2,842	9,077
Waste Management	19,361	-	19,361	261	19,100
Parks and Landscapes	21,582	12,667	34,249	124	34,125
<b>Total A sustainable City</b>	<b>49,685</b>	<b>17,321</b>	<b>67,006</b>	<b>4,324</b>	<b>62,682</b>
<b>A growing City that creates new opportunities</b>					
Economic Development	1,136	348	1,485	94	1,391
Development Services	3,525	1,700	5,225	1,659	3,566
Urban Planning and Development	1,361	553	1,914	-	1,914
Roads	2,339	11,190	13,530	3,460	10,070
Footpaths	854	2,457	3,311	-	3,311
<b>Total A growing City that creates new opportunities</b>	<b>9,216</b>	<b>16,248</b>	<b>25,464</b>	<b>5,213</b>	<b>20,251</b>
<b>Innovation and Business Development</b>					
Innovation and Business Development	18,078	(14,624)	3,454	742	2,712
Council	3,260	(21)	3,239	2	3,237
Sundry *	35,435	(29,870)	5,565	8,307	(2,742)
<b>Total Innovation and Business Development</b>	<b>56,772</b>	<b>(44,515)</b>	<b>12,257</b>	<b>9,051</b>	<b>3,207</b>
Rates Revenue				121,130	(121,130)
Operating Budget Bids	2,802		2,802	215	2,587
<b>TOTAL OPERATING SURPLUS / (DEFICIT)</b>	<b>144,090</b>		<b>144,090</b>	<b>146,978</b>	<b>2,888</b>

\* Sundry expenditure is primarily depreciation, with income being untied grant funding.



**A welcoming and liveable City**





# Foundations

- ✓ Our City is attractive and well maintained
- ✓ The health and wellbeing of our community is a priority
- ✓ People are valued and they feel safe, included and connected
- ✓ We are proud of our strengths, achievements and cultural diversity
- ✓ Our community is resilient and adaptive to change



## Council's commitment to develop a welcoming and liveable City

### Council will:

- > deliver and support programs that promote active living, health and wellbeing throughout the community
- > provide community and sporting facilities that cater for a diverse range of interests and needs
- > support clubs and community groups to increase participation
- > connect people to information, people and programs that help them achieve their goals
- > celebrate our community's diversity
- > design services, places and programs that are safe and welcoming for all
- > inform, connect and empower people and neighbourhoods to increase self-reliance
- > provide experiences that make our places lively and interesting
- > facilitate housing choices
- > encourage businesses to become more involved in our community



# CRITICAL ACTIONS

## Strategic Projects

## Budget Context

Upgrade community hubs at Burton and Ingle Farm

The Burton Community Hub was successfully launched in July 2022 and a variety of programs and services are currently being delivered on site providing direct community benefit to the local area. Upgrades to the Ingle Farm Community Hub are currently in the early planning and feasibility stage.

Implement St Kilda and Paddocks masterplans

St Kilda Master Plan works were completed in 2021 with the delivery of the new boat ramp and launch structures. Delivery of The Paddocks Masterplan continues with the completion of a New Regional Playspace during the second quarter of 2022 and delivery of new fitness equipment nodes, viewing mound, clearing of reeds from the pond, and installation of a viewing deck. A new shared clubroom facility is also being constructed, with the expected completion date in mid-2023. Upgrades to site access trails and the netball courts have also been completed as have renewal maintenance works for the Para Hills Knights club rooms.

Complete the Bridgestone athletics facility and maximise its use

Bridgestone Athletics Centre will continue to provide a state-of-the-art home to three local athletics clubs, supporting increased participation in physical activity. The Centre will continue to host large scale events and will broaden its reach to further activate the Centre.

Provide at least 15% affordable housing through Council's development projects

All City of Salisbury future development sites will include a minimum of 15% affordable housing. The development application has been lodged for the Lake Windemere project which will deliver well over 15% affordable housing.

Implement the regional public health plan and wellbeing agenda

The new Regional Public Health Plan will be delivered this financial year and the Reconciliation Action Plan will be renewed, including a program to commemorate Sorry Day and celebrate National Reconciliation Week and NAIDOC.

Enhance the visual appearance and amenity of public space through an expanded verge maintenance program, appropriate lighting and more greening of reserves

Lighting activation programs that enhance spaces throughout the city are continuing. These projects include: Carisbrooke shared use path lighting; Davey Oval sports field; and Mawson Lakes lake edge lighting. A verge revitalisation program, in association with the Streetscape Renewal Program, is being implemented in 2022/23 for the greening of the City, these streets include Boyara Crescent and Golden Court, Paralowie and Jolsen Street, Salisbury Downs.

Improve our playgrounds and sporting facilities and cycle paths

Council continues to deliver the Reserve Upgrade and Renewal Playspace programs with an increase in levels of service. The extension of the Green Trails project along Little Para trail, east of Main North Road Salisbury Heights and sections of Gawler Greenway through Parafield Gardens have been completed to north of Mawson Lakes with additional stages to be completed, with State government support, over the next 3 years connecting the City of Salisbury to the Gawler Greenway. Council is delivering Reserve Upgrades and New Playgrounds infrastructure in alignment with the agreed levels of service. Projects commenced or completed within the last 12 months include: Peppercorn Circuit Reserve Mawson Lakes, Barker Gully Reserve Gulfview Heights, Middleton Green Reserve, Salisbury and Carney Close Reserve, Salisbury Plains. Construction will commence shortly on Yalumba Reserve, Paralowie and Camelot Reserve, Paralowie.

Implement the 'Ability Inclusion Strategic Plan', including providing more equipment in our playgrounds that is able to be used by people with different abilities

The Ability and Inclusion Strategic Plan is being implemented with a particular focus on developing SA's first Universal Design Guidelines for Local Communication Access (CA). Resources have been finalised for Salisbury staff as well as Disability Inclusion Training workshops. Council is renewing its collaboration agreement with Purple Orange which will support the Northern PEERS peer network development strategy and provide more workshops on NDIS plans and community connections.

## CRITICAL ACTIONS

Operational Focus	Budget Context
Improve quality and cleanliness of residential areas	Council increased its verge maintenance program to 8 times a year and continues to improve the landscaping of selected streets, such as major collector roads.
Promptly remove rubbish dumped on public land	City of Salisbury has a target of 100% compliance to 10 days service response. There continues to be a large volume of dumped rubbish across the city, with over 1200 dumped rubbish litter jobs during the past financial year. Council has recently invested in a new compactor to improve the efficiency and effectiveness of this service.
Implement Council's community safety strategy, including CCTV coverage	Council's community safety plan deliverables include finalisation of the Community and Special Circumstances CCTV programs in 2023; development and delivery of a White Ribbon event and maintaining Council's White Ribbon accreditation; public lighting upgrades and public realm improvements; Community safety awareness campaigns and localised responses to antisocial behaviour to support amenity and community connections; John St/Church St renewal project including community safety improvements and activations and regular stakeholder engagement meetings with SAPOL and other key community safety groups.
Ensure public places are accessible and sporting facilities are maintained	Access to public spaces and sporting facilities is an ongoing consideration and is undertaken across Council's planning and design phases. Council continues to increase the number of pieces of equipment fully accessible with rubber pour through the renewal program and has developed a Universal Design Policy/Framework that is to be applied to all projects.
Provide support and grants to sporting and community groups	Minor Capital Works and Community Development Grants will be distributed to support local organisations to deliver meaningful outcomes for the community.
Work closely with Community and Senior Centres to provide effective and well received programs	Council continues to deliver high quality programs that promote active living, health and wellbeing programs that meet the needs of the community. Council continues to focus on the design and delivery of programs that are inclusive and accessible. Consultation with community members will continue to occur to ensure the programs delivered address the needs of the community.
Deliver Council's intercultural Strategic Plan to build connections and increase collaboration among community groups and service providers	The Intercultural Strategic Plan is being implemented with particular attention to the updated action plan. Annual progress is reported to Council and a recent update of achievements reported to the new Intercultural Partnerships Sub-committee.

# CRITICAL ACTIONS

## Future Planning

## Budget Context

Develop a place activation strategy

The framework for the consideration of place activation by use, per destination has been endorsed by Council and continues to be updated in line with user requirements, sports associations guidelines and financial affordability.

Assess future social infrastructure needs

Both the Place Activation Strategy – Community Facilities and Community Centre Governance Review will be delivered and provide direction on Council's community assets.

Update the 'City Pride' strategy

The first phase to establish key data sets across a series of quality-of-life measures has commenced. Community consultation has been undertaken which identified priority areas of focus. This, in partnership with broader population data and research, will inform the development of a new strategy to be recommended to Council in 2023.

## Advocacy Priorities

## Budget Context

Increased resourcing and services to make our community a safer place

Council continues to deliver Neighbour Day and encourage other neighbourhood level initiatives with the aim to increase local connections and build community resilience.

Improve public transport options

We continue to work with the State Government on a major amenity uplift to the Salisbury Interchange, including new public toilets and landscaping. This work has included an upgrade to the Salisbury Interchange and relocation of some bus stops in the City Centre. Delivery of the Gawler Greenway project, in conjunction with the State Government, is progressed as funding becomes available. Support is provided to the State Government Gawler Electrification Project and Council will deliver revegetation works following completion of the project. Council continues to refurbish bus shelters across the city.

Improved infill development policies and urban design

A free internal design review process for developers at pre-lodgement stage (also used during development assessment phase) is available from Council. Infill guidelines for narrow frontage homes and verge reinstatement development have also been made available to the public. Council also monitors selected infill development to check compliance with approved plans.

Programs and services to address mental health, housing and income inequity issues

City of Salisbury continues to collaborate with The Northern Homelessness Alliance to re-establish services in the north. A commitment has been provided by the Alliance to develop a service model that will provide a Rough Sleep Protocol to assist homeless people. Council continues to develop a range of partnerships with local agencies including North Eastern Alliance for the Mentally Ill (NEAMI) and St Vincent de Paul to provide spaces and services that address mental health, housing and income inequality.

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# Community Development



## Key Partners:

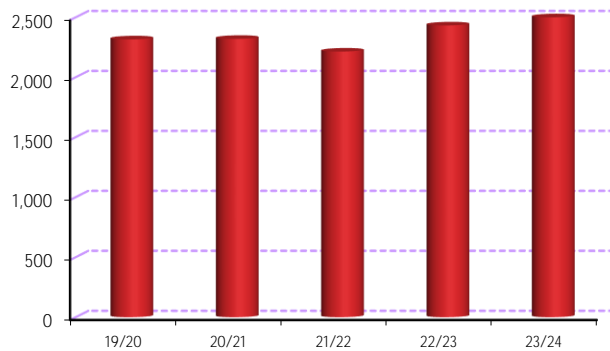
- Community Centres SA
- Community Centre Associations
- Department of Health
- Department for Education and Child Development
- Northern Adelaide State Secondary Schools Alliance
- Department of Communities and Social Inclusion Human Services (SA)
- Reconciliation Australia
- Public Library Service of South Australia
- University of SA
- Alcohol and Drug Foundation
- Northern Adelaide Local Health Network
- Anglicare SA
- White Ribbon
- SAPOL
- Relationships SA
- Northern Mental Alliance
- Adelaide North West Homelessness Alliance (ANWHA)

Community Development contains the following Service Areas, Activities and Service Levels

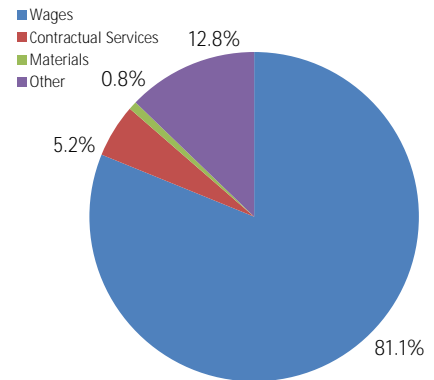
SERVICE AREAS	ACTIVITIES SERVICE LEVELS
<b>Community Development Administration</b> Provides for Executive Management and associated support for the overall management and leadership of the Community Development Department.	<ul style="list-style-type: none"> <li>• Leadership of the Community Development department and accountability for outcomes assigned to the department</li> </ul>
<b>Community Grants</b> Management and allocation of the Community Grants Program which provides grants for community and sporting organisations undertaking projects of benefit to the local community.	<ul style="list-style-type: none"> <li>• Applications received: approximate average 32pa</li> </ul>
<b>Community Planning</b> <i>Sport and Recreation</i> Undertakes research and develops policy and program delivery in relation to open space, recreation, leisure and sports development for the City for community wellbeing. Programs focus on increasing the physical activity levels within the City.	<ul style="list-style-type: none"> <li>• Review community recreation and open space needs</li> <li>• Provide support to sporting club development</li> <li>• Provide advice related to sport and recreation facility development</li> <li>• Contribute to the development of the Place Activation Strategy</li> <li>• Contract management of the operation of Council recreation facilities</li> <li>• Provide advice and lead stakeholder engagement for sport and recreation facility development</li> <li>• Management of the athletics centre at Bridgestone Reserve</li> </ul>
<i>Cultural Development</i> Researches, develops and implements policy and program delivery that responds to the cultural development needs of the community that lives, works and studies within the City.	<ul style="list-style-type: none"> <li>• Deliver a cultural program of events, exhibitions and celebrations</li> <li>• Collaborate with organisations and businesses to support cultural activities</li> <li>• Place curation to activate spaces</li> <li>• 10 exhibitions organised in the John Harvey Gallery</li> <li>• Administration of Watershed Creative Prize, as part of the Writers Week festivities, staging of Vietnam Veterans and Asbestos Victims ceremonies, other place activations and Salisbury Fringe Carnival</li> </ul>
<i>Social Policy</i> Undertakes research and develops policy, strategy, programs and partnerships in relation to implementation of the Reconciliation Action Plan, Community Safety, Public Health, Homelessness and Social Infrastructure.	<ul style="list-style-type: none"> <li>• Liaise with SAPOL, agencies and businesses on community safety</li> <li>• Regional partnerships in local drug action, homelessness, domestic violence, reconciliation and coordination of Regional Public Health Plan</li> <li>• Provide statistical analysis to social service delivery and social infrastructure provision</li> <li>• Coordination of activities that respond to homelessness</li> <li>• Community bus coordination</li> <li>• Planet Youth drug and alcohol primary prevention program</li> </ul>

# Community Development

**Budgeted Community Development Operating Expenditure**  
(\$'000)



**Community Development (Expenditure)**



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
<b>EXPENDITURE</b>		
Community Development Administration	1,142	1,153
Community Grants	185	185
Community Planning	1,105	982
<b>DIRECT EXPENDITURE</b>	<b>2,432</b>	<b>2,321</b>
<b>FULL COST ATTRIBUTION</b>	<b>(190)</b>	<b>(296)</b>
<b>TOTAL EXPENDITURE</b>	<b>2,242</b>	<b>2,025</b>

<b>INCOME</b>		
Community Planning	15	28
<b>TOTAL INCOME</b>	<b>15</b>	<b>28</b>

<b>NET IMPACT TO COUNCIL</b>		
Community Development Administration	1,142	1,153
Community Grants	185	185
Community Planning	1,090	954
<b>FULL COST ATTRIBUTION</b>	<b>(190)</b>	<b>(296)</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>2,227</b>	<b>1,997</b>



# Library Services



## Key Partners:

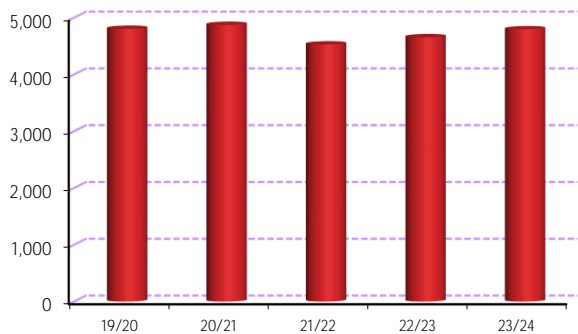
- Public Library Services (PLS)
- Libraries Board of South Australia
- State Library of South Australia (SLSA)
- Public Libraries SA (PLSA)
- Australian Library and Information Association (ALIA)
- Department for Innovation and Skills

Library Services contains the following Service Areas, Activities and Service Levels

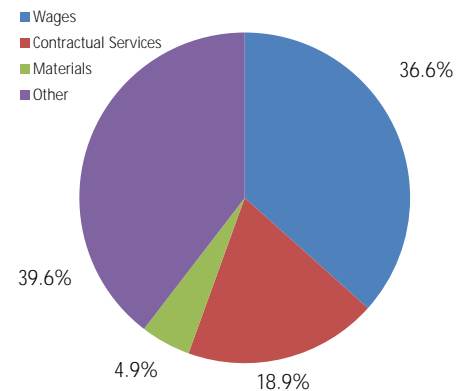
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<b>Building Maintenance Libraries</b> The maintenance of library buildings.	
<b>Library Administration and Policy</b> Provides for the management and associated support staff for the function of the library services.	<ul style="list-style-type: none"> <li>• Manage library branch services, library information and access and collections effectively in line with arrangements through the Libraries Board of South Australia</li> </ul>
<b>Library Branch Services</b> Services are offered at five key locations across Salisbury LGA. Services to the community include a wide-ranging collection and reference collection, public internet and wi-fi, sporting and toy libraries, Justice of the Peace, Local and Family History, and Home Library. Our sites have a variety of spaces for community use include quiet study areas, bookable meeting rooms, youth and children's areas.	<ul style="list-style-type: none"> <li>• 44,710 PC bookings per annum</li> <li>• 26,277 library members</li> <li>• 499,600 visits per annum</li> <li>• 280 Home Library members</li> <li>• 25,666 Justice of the Peace visits per annum</li> </ul>
<b>Library Information and Access</b> Overseeing the strategic and operational management of library specific technologies including the library management system and online content to support Library services and programs. Manage and develop library collections, including e-resources, to ensure the provision of, and access to, resources in a variety of formats that meet the educational, information, recreational and cultural needs of the Community. Manage the local history collection which supports the Salisbury community to understand its local identity.	<ul style="list-style-type: none"> <li>• 3,400 Facebook followers</li> <li>• 123,100 physical items</li> <li>• 494,550 physical loans per annum</li> <li>• 78,916 eBook, eAudio, eMagazine loans per annum</li> </ul>
<b>Community Learning Programs</b> Learning programs include literacy and reading, digital literacy, STEM, health & wellbeing and employment skills. Services include a range of formal and informal engagement opportunities for people of all ages and abilities including local schools and community groups. Many of the programs are delivered on line or face to face. All programs and services are specifically designed to build capacity within our community to achieve positive outcomes that support their learning, employment and health and wellbeing needs. Strategic partnerships are actively initiated to attract and secure relevant grant funding.	<ul style="list-style-type: none"> <li>• 3,790 attended early childhood (0-5) programs</li> <li>• 1,394 attended children/young adult (6-17) programs</li> <li>• 832 attended adult programs</li> <li>• 4,826 attended Literacy and Lifelong Learning programs</li> <li>• 642 attended Digital Inclusion programs</li> <li>• 548 attended Personal Development and Wellbeing programs</li> </ul>

# Library Services

**Budgeted Library Services Operating Expenditure**  
(\$'000)



**Library Services (Expenditure)**



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
<b>EXPENDITURE</b>		
Building Maintenance Libraries	77	95
Library Administration and Policy	441	420
Library Branch Services	2,714	2,844
Library Information and Access	874	851
Community Learning Programs	547	583
<b>DIRECT EXPENDITURE</b>	<b>4,654</b>	<b>4,793</b>
<b>FULL COST ATTRIBUTION</b>	<b>3,591</b>	<b>3,649</b>
<b>TOTAL EXPENDITURE</b>	<b>8,245</b>	<b>8,442</b>

<b>INCOME</b>		
Library Administration and Policy	379	419
Library Branch Services	108	100
Library Information and Access	80	88
Community Learning Programs	43	3
<b>TOTAL INCOME</b>	<b>610</b>	<b>610</b>

<b>NET IMPACT TO COUNCIL</b>		
Building Maintenance Libraries	77	95
Library Administration and Policy	62	1
Library Branch Services	2,606	2,744
Library Information and Access	794	764
Community Learning Programs	504	580
<b>FULL COST ATTRIBUTION</b>	<b>3,591</b>	<b>3,649</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>7,635</b>	<b>7,833</b>

# Community Centres



## Key Funding Providers and Partners:

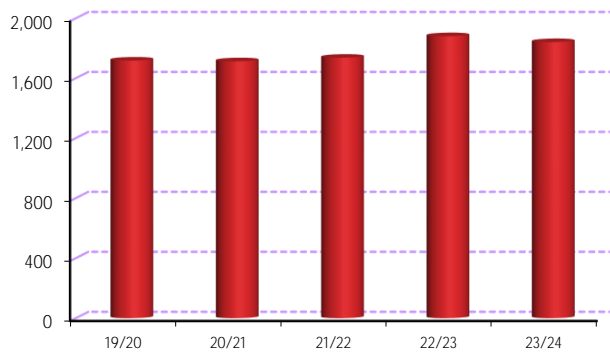
- Community Centres SA
- Non-Government Organisations
- Department of Human Services
- Department of Industry and Skills
- Department of Education and Child Development
- University of South Australia

As part of Community Participation and Partnerships Division Community Centres contain the following Service Areas, Activities and Service Levels

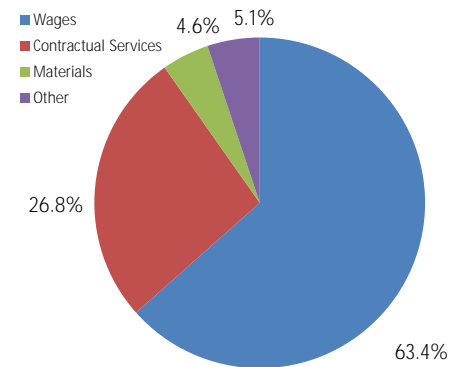
SERVICE AREAS	ACTIVITIES SERVICE LEVELS
<b>Building Maintenance Community Centres</b> The maintenance of Community Centre buildings.	
<b>Community Centres</b> Deliver learning and engagement activities for all ages across Community Centres in Salisbury North (Bagster Road), Parafield Gardens (Morella), Pooraka (Pooraka Farm) and Salisbury East; Hub sites at the Mawson Centre, Para Hills and Burton Community Hubs; and at the Twelve25 Youth Centre, Salisbury.  Services and programs delivered on site foster resilience and wellbeing, promote health and fitness, enhance social connections, develop language, literacy and digital skills as well as celebrate and entertain.  Funding from Government grants and volunteer contributions are key to the success of program delivery. Strategic partnerships and working collaboratively continue to be strong drivers for successful, responsive and cost-effective service delivery.	In the 2021/22 financial year the number of activities and services provided were as follows: <ul style="list-style-type: none"> <li>• Personal Development and Wellbeing programs total visits – 51,936</li> <li>• Strong and More Creative Communities programs total visits – 19,141</li> <li>• Informed and Connected Citizens programs total visits – 16,676</li> <li>• Literacy and Lifelong Learning programs total visits – 8,750</li> <li>• Economic and Workforce Development programs total visits – 2,678</li> <li>• Digital Inclusion program total visits – 64</li> <li>• 250 Volunteers, who contribute approximately 20,000 hours per annum to City of Salisbury</li> </ul>

# Community Centres

**Budgeted Community Centres Operating Expenditure**  
(\$'000)



**Community Centres (Expenditure)**



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
<b>EXPENDITURE</b>		
Building Maintenance Community Centres	439	479
Community Centres	1,442	1,362
<b>DIRECT EXPENDITURE</b>	<b>1,880</b>	<b>1,841</b>
<b>FULL COST ATTRIBUTION</b>	<b>1,136</b>	<b>1,125</b>
<b>TOTAL EXPENDITURE</b>	<b>3,016</b>	<b>2,966</b>
<b>INCOME</b>		
Community Centres	339	116
<b>TOTAL INCOME</b>	<b>339</b>	<b>116</b>
<b>NET IMPACT TO COUNCIL</b>		
Building Maintenance Community Centres	439	479
Community Centres	1,103	1,247
<b>FULL COST ATTRIBUTION</b>	<b>1,136</b>	<b>1,125</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>2,678</b>	<b>2,850</b>

# Recreation Services



## Key Partners:

- Service Delivery – Belgravia Leisure
- Netball SA
- Squash SA
- Tennis SA
- Council of the Aging (COTA)
- Recreation SA
- AustSwim
- Swimming Australia
- Dept. Education and Children's Services
- Office for Recreation, Sport and Racing
- University of SA
- Basketball Australia
- Adelaide Community Basketball Association

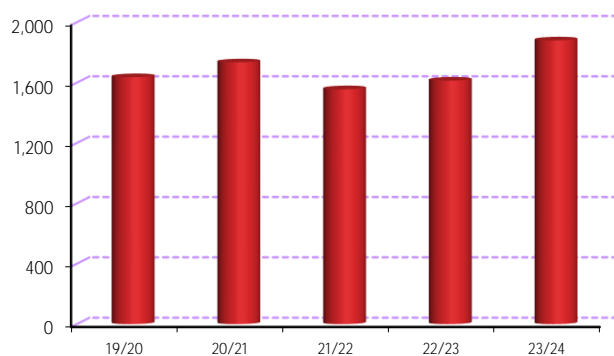
Recreation Services contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<b>Building Maintenance</b> The maintenance cost of recreation buildings.	
<b>Recreation Services Contract</b> City of Salisbury provides recreation services through an outsourced business model. Services are provided as follows:  <i>Ingle Farm Recreation Centre</i> The Centre consists of 3 multi-sport courts, 4 squash courts, training rooms, offices and a function room with a fully equipped catering kitchen. The Centre offers a wide variety of recreational activities such as basketball, netball, roller skating, kindigym, archery, squash and birthday parties. The Centre also accepts payments for rates, fines and dog registration on behalf of Council.  <i>Gardens Recreation Centre</i> Is a multi-purpose sporting complex providing opportunities for activities such as basketball, netball, kindigym, Futsal and community events such as the annual Craft Fair and Hobby Fair. Also providing access opportunities for organisations such as table tennis, martial arts, Comrec, Novita Children's Services and Helping Hand. The Centre also plays hosts to many national, state and local sporting events and shows.  <i>Salisbury Recreation Precinct</i> The Salisbury Aquatic Centre swimming pool is currently closed so that a major refurbishment of the centre can be completed. The works are partially funded through a State Government grant. The project will cost in the vicinity of \$28.4M. Details of this can be found in our infrastructure bids section commencing page 30. The SRP continues to provide tennis facilities in a parkland setting including 8 tennis courts (4 of which are Australian Open standard).  <i>Little Para Golf Course</i> Located at Martins Road, Paralowie, the Little Para Golf Course is a 9-hole, par 3 course. The course winds through the Little Para River and is accompanied by an 8-bay driving range, a clubhouse, pro-shop and a BBQ alfresco area undercover.	<ul style="list-style-type: none"> <li>• Work in partnerships with the recreation services provider to oversee delivery of sport and recreation programs and services of Council's:                             <ul style="list-style-type: none"> <li>- Ingle Farm Recreation Centre</li> <li>- Parafield Gardens Recreation Centre</li> <li>- Little Para Golf Course</li> </ul> </li> <li>• Direct customer visits: approx. 175,000pa</li> <li>• Average teams registered: 80pa</li> <li>• Customer visits: 121,000pa</li> <li>• Teams registered: 180pa</li> <li>• Previous Customer visits: approx. 68,500pa</li> <li>• Rounds: approx. 17,700pa</li> <li>• Driving range buckets: approx. 6,000</li> </ul>
<b>Bridgestone Athletics Centre</b> The Bridgestone Athletics Centre is the home venue for 3 athletics clubs and is equipped with a synthetic eight-lane 400m track, long jump pits, throwing cages, high jump, steeple chase and pole vault equipment. The indoor area comprises a function space, changeroom facilities, bar and kiosk facilities, officials' room and first aid area. The Centre also hosts a range of school athletics carnivals.	<ul style="list-style-type: none"> <li>• Attendances: approx. 15,000pa</li> </ul>

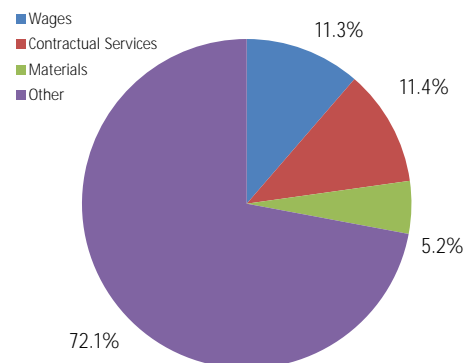


# Recreation Services

**Budgeted Recreation Services Operating Expenditure**  
(\$'000)



**Recreation Services (Expenditure)**



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
<b>EXPENDITURE</b>		
Building Maintenance	57	88
Recreation Services Contract	1,158	1,383
Bridgestone Athletics Centre	399	409
<b>DIRECT EXPENDITURE</b>	<b>1,614</b>	<b>1,881</b>
<b>FULL COST ATTRIBUTION</b>	<b>175</b>	<b>173</b>
<b>TOTAL EXPENDITURE</b>	<b>1,789</b>	<b>2,053</b>
<b>INCOME</b>		
Bridgestone Athletics Centre	126	136
<b>TOTAL INCOME</b>	<b>126</b>	<b>136</b>
<b>NET IMPACT TO COUNCIL</b>		
Building Maintenance	57	88
Recreation Services Contract	1,158	1,383
Bridgestone Athletics Centre	273	274
<b>FULL COST ATTRIBUTION</b>	<b>175</b>	<b>173</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>1,663</b>	<b>1,918</b>

# Community Sport and Club Facilities



## Key Partners:

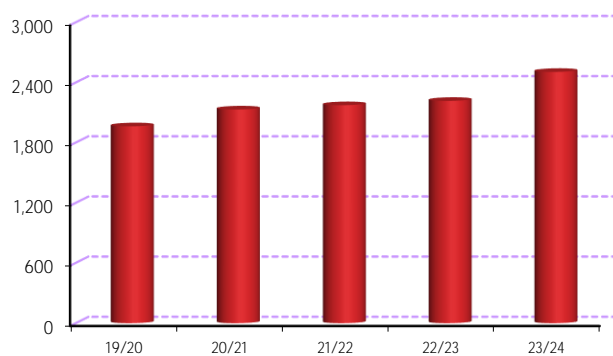
- Sporting and Community Clubs

Community Sport and Club Facilities contains the following Service Areas, Activities and Service Levels

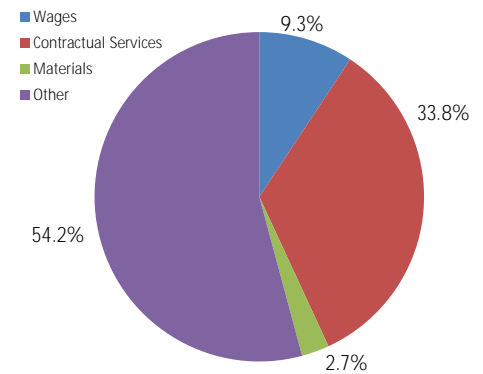
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<b>Building Maintenance Sport and Community Facilities</b> Council's building maintenance program ensures that our sporting and community facilities are pro-actively maintained as well as providing timely repair works as required.	Maintenance of the clubroom and change room structures including general repairs and programmed maintenance <ul style="list-style-type: none"> <li>• Electrical and Plumbing Service: <ul style="list-style-type: none"> <li>- Priority 1 - Emergency within 2 hours</li> <li>- Priority 2 - within 24 hours</li> <li>- Priority 3 - General seven days (maximum)</li> </ul> </li> </ul>
<b>Sportsfield Cutting</b> Council's sportsfield cutting program ensures that the required turf service levels are maintained across the City.	Maintained to standards to ensure the grounds are 'fit for use' for the sport being played <ul style="list-style-type: none"> <li>• 30 sites comprising 54 fields</li> <li>• Turf renovation and mowing, turf cricket wicket preparation, covering and uncovering of concrete wickets, goal post installation, maintenance and removal</li> </ul>

# Community Sport and Club Facilities

**Budgeted Community Sport and Club Facilities Operating Expenditure**  
(\$'000)



**Community Sport and Club Facilities (Expenditure)**



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
<b>EXPENDITURE</b>		
Building Maintenance Sport and Community Facilities	545	771
Sportsfield Cutting	1,672	1,735
<b>DIRECT EXPENDITURE</b>	<b>2,217</b>	<b>2,506</b>
<b>FULL COST ATTRIBUTION</b>	<b>2,010</b>	<b>2,134</b>
<b>TOTAL EXPENDITURE</b>	<b>4,227</b>	<b>4,640</b>
<b>NET IMPACT TO COUNCIL</b>		
Building Maintenance Sport and Community Facilities	545	771
Sportsfield Cutting	1,672	1,735
<b>FULL COST ATTRIBUTION</b>	<b>2,010</b>	<b>2,134</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>4,227</b>	<b>4,640</b>

# Community Health and Wellbeing



## Key Partners:

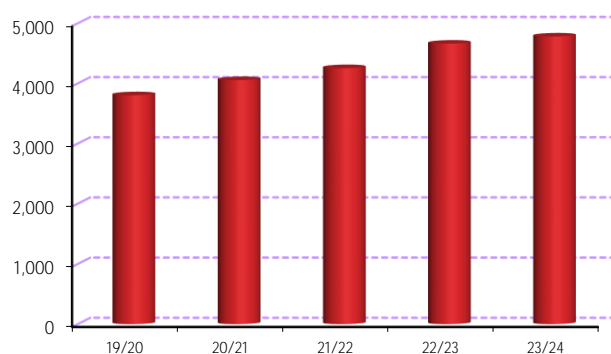
- Commonwealth Department of Health; State Department of Human Services; Department for Premier and Cabinet; Department of Home Affairs
- COTA SA – Council on the Ageing SA ; Volunteering SA & NT; Northern Volunteering; Local Government Volunteer Managers Network; Local Government Ageing Well Network; Local Government Access and Inclusion Network; Multicultural Aged Care; Multicultural Affairs; Active Ageing Australia; Aged and Community Care Providers Association (ACCPA); Aged Rights Advocacy Service (ARAS); Office for Ageing Well; Welcoming Cities Australia; Council of Europe Intercultural Cities Network; Australian Refugee Association; AMES Australia; Multicultural Communities Council of SA; Purple Orange; Red Cross; Multifaith SA; E Heart Foundation SA; PBA FM, Carers

Community Health and Wellbeing contains the following Service Areas, Activities and Service Levels

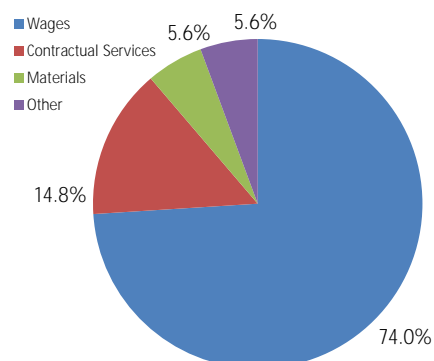
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<b>Aged Care Policy, Planning and Coordination</b> Service development, management of human and financial resources, co-ordination of consultation and collaborative processes and promotion of positive images of ageing. Promotion of an Age Friendly Salisbury where all have the opportunity to be involved in community life.	<ul style="list-style-type: none"> <li>• 170 volunteers</li> <li>• Panel of contractors: 40-50</li> <li>• 5,250 Salisbury Seniors Magazines distributed (3 editions) p.a.</li> <li>• Monthly communication updates including a wellbeing newsletter, special and upcoming events publication, Salisbury Seniors Facebook; radio announcements and a bi-monthly wellbeing newsletter</li> </ul>
<b>Volunteer Services</b> Responsible for the development and management of Council's volunteer practices and systems to ensure they meet audit, legislative, funding and policy requirements. Also responsible for the recruitment, registration and recognition of Council's volunteers.	Data for 2021/22 <ul style="list-style-type: none"> <li>• 447enquiries (of which 20.13% were from people seeking pathway to employment)</li> <li>• 87 new volunteers</li> <li>• 317 active volunteers contributing 45,945.85 hours and \$1,948,104.04 economic value</li> <li>• Met health and safety and funding audit requirements</li> </ul>
<b>Disability programs</b> The Shed; Fun on Friday; Salisbury Social Group; STARS Group activities designed collaboratively with participants and have social and recreational focus with a number of participants engaged in specific interest and everyday skills activities. Promotion of positive community engagement and participation.	<ul style="list-style-type: none"> <li>• Participants: 47 pa</li> </ul>
<b>Health and Inclusion</b> Undertakes research, community and stakeholder engagement, projects, policy and strategy development in relation to community health and wellbeing; access and inclusion; mental wellbeing and resilience; aged friendly cities and intercultural communities.	<ul style="list-style-type: none"> <li>• Community needs, trends and expectations identified and translated into Council direction.</li> <li>• Strategic partnerships developed</li> <li>• Salisbury Seniors Alliance</li> <li>• Salisbury Intercultural Community Alliance</li> <li>• Salisbury Intercultural Strategic Alliance</li> <li>• Disability Access and Inclusion Network</li> <li>• Develop, implement, report, evaluate and renew the City of Salisbury's Framework and Strategic Plans, i.e. Age-Friendly Strategic Plan 2022-2027, Intercultural Strategic Plan 2017-2027, Ability and Inclusion Strategic Plan 2020-24 including mandatory annual reporting on progress to SA Department of Human Services and 4-yearly review of the Plan</li> <li>• Accreditation as to Council of Europe Intercultural Cities Network and Welcoming Cities Network</li> </ul>
<b>Salisbury Home and Community Services and Care Finder Housing Support Program</b> Funded by of Commonwealth and Council to provide support services with frail older people to help them live independently at home and in the community. Support includes household maintenance, transport and support with shopping and community participation. Activities and opportunities at the three Seniors Centres include socialisation, ongoing learning, wellness and culturally specific groups and meals. The Care Finder Housing Support Program supports older people to find secure accommodation.	<ul style="list-style-type: none"> <li>• Number of individual residents receiving support: 2,500pa</li> <li>• Domestic assistance: 7,430 hours pa</li> <li>• Social Support Groups 76,000 hours pa</li> <li>• Social support individual: 500 hours pa</li> <li>• Number of meals: 20,000pa</li> <li>• Number of transport trips: 7,000pa</li> <li>• Home modifications: \$110,000pa</li> <li>• Hours of home maintenance: 3,500pa</li> <li>• Number of people assisted by the Housing Support program: 180pa</li> </ul>

# Community Health and Wellbeing

**Budgeted Community Health and Wellbeing  
Operating Expenditure**  
(\$'000)



**Community Health and Wellbeing  
(Expenditure)**



	2022/23 Budget \$000's	2023/24 Budget \$000's
<b>EXPENDITURE</b>		
Aged Care Policy Planning and Coordination	213	219
Volunteer Services	231	231
Disability Programs	218	213
Health and Inclusion	407	416
Salisbury Home and Community Services and Housing Support Program (CSHSP)	3,593	3,703
<b>DIRECT EXPENDITURE</b>	<b>4,662</b>	<b>4,781</b>
<b>FULL COST ATTRIBUTION</b>	<b>2,375</b>	<b>2,321</b>
<b>TOTAL EXPENDITURE</b>	<b>7,036</b>	<b>7,101</b>
<b>INCOME</b>		
Disability Programs	290	306
Health and Inclusion	167	170
Salisbury Home and Community Services and Housing Support Program (CSHSP)	3,161	3,348
<b>TOTAL INCOME</b>	<b>3,618</b>	<b>3,824</b>
<b>NET IMPACT TO COUNCIL</b>		
Aged Care Policy Planning and Coordination	213	219
Volunteer Services	231	231
Disability Programs	(72)	(94)
Health and Inclusion	239	246
Salisbury Home and Community Services and Housing Support Program (CSHSP)	432	354
<b>FULL COST ATTRIBUTION</b>	<b>2,375</b>	<b>2,321</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>3,418</b>	<b>3,277</b>

# Cemetery



- Key Partners:
- Chapel of the Holy Family Mausoleum
  - Garner Memorials
  - Arrow Bronze
  - Mattiske Funerals
  - Simplicity Funerals
  - Australasian Cemeteries and Crematoria Association
  - Cemeteries and Cremation Association of South Australia
  - Italian Monumental Art

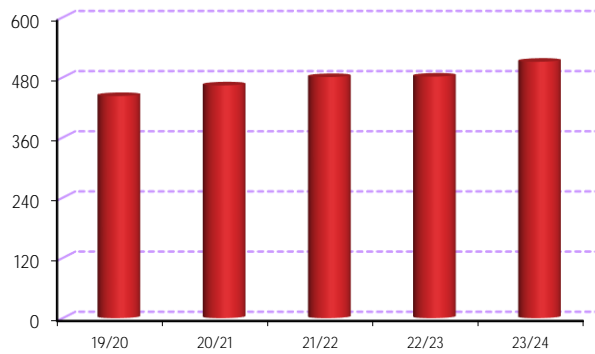
Cemetery contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p><b>Salisbury Memorial Park Cemetery</b> Administer the Salisbury Memorial Park in accordance with the Burial and Cremation Act 2013</p> <p><i>Lawn Burials</i> In ground burial services.</p> <p><i>Vault Burials</i> Below ground burial with concrete walls surrounding the burial plot preventing any contact with the earth (as preferred by a variety of religious denominations).</p> <p><i>Inurnments</i> The burial of cremated remains within the Rose Garden, Shrub Garden, Rotunda, Water Feature or sealed in one of the cemetery's niche walls.</p> <p><i>Licences</i> Licences for burial/inurnment are required under the Local Government Act and can be purchased on an as needed or pre-need basis.</p>	<ul style="list-style-type: none"> <li>• Provide exceptional and empathetic customer service to those requiring a final resting place for loved ones</li> <li>• Oversee the lease of the Chapel of the Holy Family Mausoleum</li> </ul> <ul style="list-style-type: none"> <li>• Standard burials: 100pa</li> </ul> <ul style="list-style-type: none"> <li>• Vault burials: 3pa</li> </ul> <ul style="list-style-type: none"> <li>• Inurnments: 80pa</li> </ul> <ul style="list-style-type: none"> <li>• Licence sales: 90pa</li> </ul>

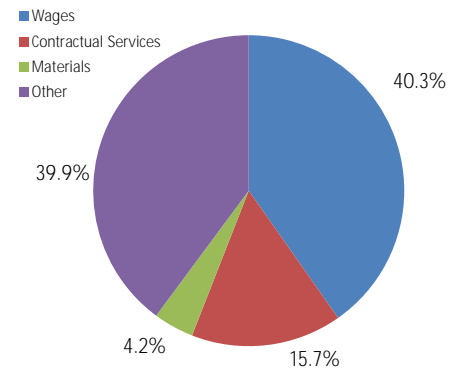


# Cemetery

**Budgeted Cemetery Operating Expenditure**  
(\$'000)

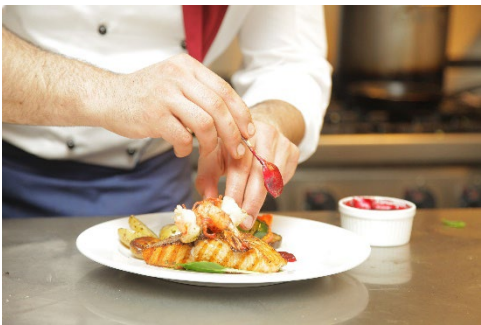


**Cemetery (Expenditure)**



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
<b>EXPENDITURE</b>		
Salisbury Memorial Park Cemetery	482	511
<b>DIRECT EXPENDITURE</b>	<b>482</b>	<b>511</b>
<b>FULL COST ATTRIBUTION</b>	<b>112</b>	<b>106</b>
<b>TOTAL EXPENDITURE</b>	<b>594</b>	<b>617</b>
<b>INCOME</b>		
Salisbury Memorial Park Cemetery	507	592
<b>TOTAL INCOME</b>	<b>507</b>	<b>592</b>
<b>NET IMPACT TO COUNCIL</b>		
Salisbury Memorial Park Cemetery	(25)	(81)
<b>FULL COST ATTRIBUTION</b>	<b>112</b>	<b>106</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>87</b>	<b>25</b>

# Food and Health Regulation



Key Partners:

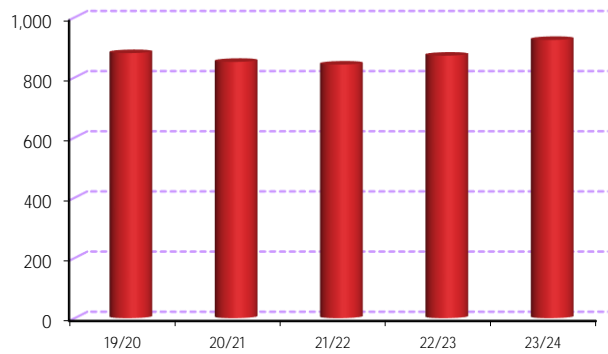
- Department of Health
- Environment Protection Authority
- Environmental Health Australia
- Local Government Association

Food and Health Regulations contains the following Service Areas, Activities and Service Levels

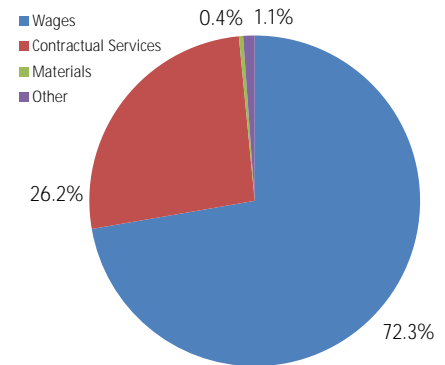
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<b>Food and Health Act Administration</b> Council provides a range of services that aim to protect and promote a high standard of public and environmental health, through the administration and enforcement of provisions under the following legislation: <ul style="list-style-type: none"> <li>• SA Public Health Act</li> <li>• Food Act</li> <li>• Environment Protection Act</li> <li>• Local Nuisance and Litter Control Act</li> <li>• Supported Residential Facilities Act</li> </ul>	<ul style="list-style-type: none"> <li>• Food premises inspection: 800pa</li> <li>• Food safety audits: 80pa</li> <li>• Food complaint investigations: 100pa</li> <li>• Health premises inspections: 75pa</li> <li>• Enforcements under public and environmental health legislation and Local Nuisance and Litter Control Act: 800pa</li> <li>• High Risk Manufactured Water System Registrations: 60pa</li> <li>• Licensing of Supported Residential Facilities.</li> </ul>
<b>Immunisation</b> Council provides an immunisation program so as to prevent the occurrence and spread of notifiable diseases, as required under the SA Public Health Act.	<ul style="list-style-type: none"> <li>• Vaccines administered at free clinics: 700pa</li> <li>• Vaccines including Meningococcal B and HPV administered through schools program: 6,000pa</li> <li>• Target of 95% immunisation rate by 63 months old consistent with State/Federal aspirational targets</li> </ul>

# Food and Health Regulation

**Budgeted Food and Health Regulation Operating Expenditure**  
(\$'000)



**Food and Health Regulation**  
(Expenditure)



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
<b>EXPENDITURE</b>		
Food and Health Act Administration	699	723
Immunisation	173	202
<b>DIRECT EXPENDITURE</b>	<b>872</b>	<b>925</b>
<b>FULL COST ATTRIBUTION</b>	<b>401</b>	<b>379</b>
<b>TOTAL EXPENDITURE</b>	<b>1,273</b>	<b>1,304</b>
<b>INCOME</b>		
Food and Health Act Administration	130	96
Immunisation	124	153
<b>TOTAL INCOME</b>	<b>253</b>	<b>248</b>
<b>NET IMPACT TO COUNCIL</b>		
Food and Health Act Administration	570	627
Immunisation	50	49
<b>FULL COST ATTRIBUTION</b>	<b>401</b>	<b>379</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>1,020</b>	<b>1,055</b>

# Community Compliance Services



### Key Partners:

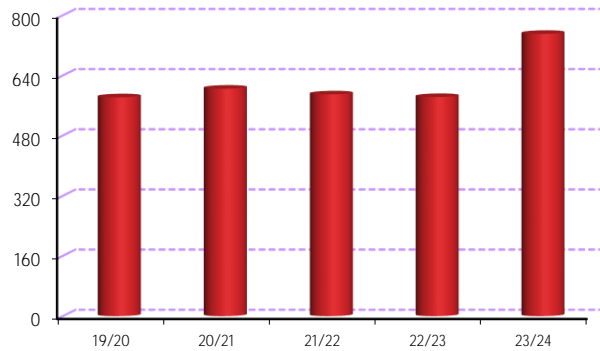
- Local Government Association
- Authorised Persons Association
- Bushfire Management Committee
- Country Fire Service

Community Compliance Services contains the following Service Areas, Activities and Service Levels

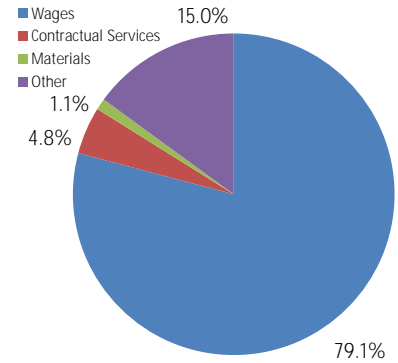
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p><b>Community Compliance Services</b></p> <p>Regular patrols of streets and public car parks to ensure that community members are complying with applicable parking and road rules legislation so as to:</p> <ul style="list-style-type: none"> <li>• enhance and protect the safety of pedestrians and road users,</li> <li>• minimise traffic congestion, and</li> <li>• ensures adequate and equitable car parking is available for customers in shopping precincts by ensuring turnover of parking.</li> </ul> <p>Aims to improve the safety and amenity of the area through the effective enforcement of the relevant sections of the Local Government Act, Bylaws and Local Nuisance and Litter Control Act applicable to the section.</p> <p>Undertake activities required for the development and effective operations of the responsibilities for Bushfire Management and Planning.</p> <p>Improve the safety and amenity of the area through the effective enforcement and administration of the relevant sections of the Fire and Emergency Services Act required for the effective control and reduction of risks from fuel hazards on private properties. Issue burning and hot works permits and ensure all applicants take appropriate action to burn as per permit conditions.</p>	<ul style="list-style-type: none"> <li>• Parking, expiations and warnings: 2,000pa</li> <li>• Abandoned vehicles: 400pa</li> <li>• Backyard burning: 100pa</li> <li>• Footpath trading permits: 25pa</li> <li>• Other animal and bird nuisances: 180pa</li> <li>• Littering: 600pa</li> <li>• Noise and environmental nuisances: 160pa</li> <li>• Fuel hazard (overgrown properties) inspections: 3,300pa</li> <li>• Burning permits: 50pa</li> </ul>

# Community Compliance Services

**Budgeted Community Compliance Services Operating Expenditure**  
(\$'000)



**Community Compliance Services (Expenditure)**



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
<b>EXPENDITURE</b>		
Community Compliance Services	714	751
<b>DIRECT EXPENDITURE</b>	<b>714</b>	<b>751</b>
<b>FULL COST ATTRIBUTION</b>	<b>415</b>	<b>462</b>
<b>TOTAL EXPENDITURE</b>	<b>1,130</b>	<b>1,213</b>
<b>INCOME</b>		
Community Compliance Services	289	308
<b>TOTAL INCOME</b>	<b>289</b>	<b>308</b>
<b>NET IMPACT TO COUNCIL</b>		
Community Compliance Services	425	443
<b>FULL COST ATTRIBUTION</b>	<b>415</b>	<b>462</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>841</b>	<b>905</b>

# Dog and Cat Management



- Key Partners:
- Dog and Cat Management Board
  - Animal Welfare League
  - Local Government Association
  - Authorised Persons Association

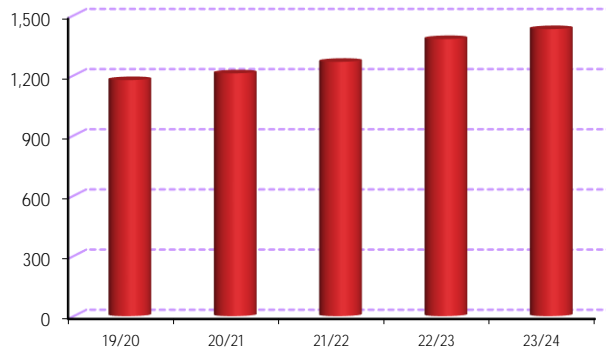
Dog and Cat Management contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<b>Animal Control</b> Administering the Dog and Cat Management Act to ensure that community members are complying with legislative requirements and implementing strategies and actions that encourage responsible dog and cat ownership, increase public safety and enhance the amenity and environment, reduce public and environment nuisances from dogs and cats and to ensure Council delivers effective and efficient dogs and cats management services.	<ul style="list-style-type: none"><li>• Registered dogs: 25,000pa</li><li>• Dogs wandering at large: 850pa</li><li>• Dogs impounded: 380pa</li><li>• Dog attack investigations: 50pa</li><li>• Dog noise and nuisance complaints: 150pa</li><li>• Property visits as part of a dog registration survey: 5,000pa</li><li>• Inspections of premises with guard dogs: 30pa</li><li>• Bylaw exemptions for keeping more than two dogs: 200pa</li><li>• Provision of ten dog friendly parks and seven small dog parks</li><li>• Cat nuisance investigations and trapping: 130pa</li></ul>

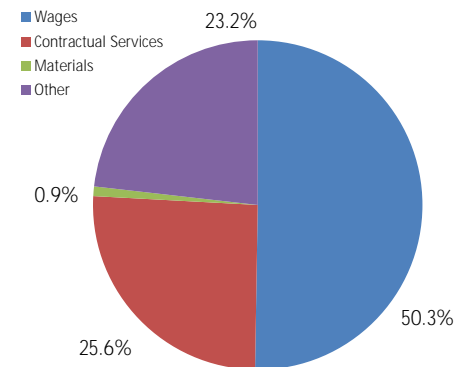


# Dog and Cat Management

**Budgeted Dog and Cat Management Operating Expenditure (\$'000)**



**Dog and Cat Management (Expenditure)**



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
<b>EXPENDITURE</b>		
Animal Control	1,382	1,431
<b>DIRECT EXPENDITURE</b>	<b>1,382</b>	<b>1,431</b>
<b>FULL COST ATTRIBUTION</b>	<b>565</b>	<b>536</b>
<b>TOTAL EXPENDITURE</b>	<b>1,947</b>	<b>1,967</b>
<b>INCOME</b>		
Animal Control	1,012	1,184
<b>TOTAL INCOME</b>	<b>1,012</b>	<b>1,184</b>
<b>NET IMPACT TO COUNCIL</b>		
Animal Control	370	247
<b>FULL COST ATTRIBUTION</b>	<b>565</b>	<b>536</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>935</b>	<b>783</b>

# Crime Prevention and Repair



Key Partners:

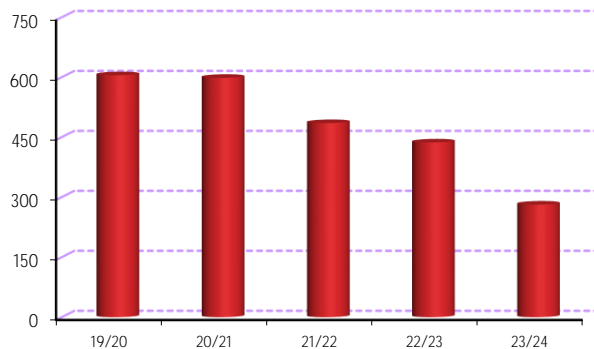
- Residents
- Police
- Volunteers

Crime Prevention and Repair contains the following Service Areas, Activities and Service Levels

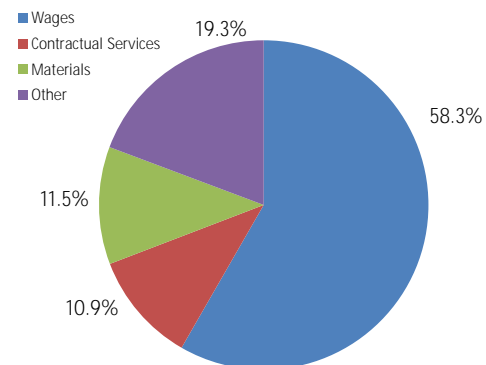
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p><b>Building Maintenance Graffiti</b></p> <p>Council’s building maintenance program provides for the removal of graffiti from all Council owned buildings and infrastructure. This initiative uses both Council staff and volunteers.</p> <p>Graffiti is also removed from the frontages of residential properties. Council provides a volunteer service to assist with graffiti removal.</p>	<ul style="list-style-type: none"><li>• Priority 1 – Offensive: Removal within 24 hours</li><li>• Priority 2 – Removal within 14 days</li><li>• Priority 3 – 4-6 weeks</li></ul>

# Crime Prevention and Repair

**Budgeted Crime Prevention and Repair Operating Expenditure**  
(\$'000)



**Crime Prevention and Repair**  
(Expenditure)



	2022/23 Budget \$000's	2023/24 Budget \$000's
EXPENDITURE		
Building Maintenance Graffiti	437	282
DIRECT EXPENDITURE	437	282
FULL COST ATTRIBUTION		
TOTAL EXPENDITURE	437	282
NET IMPACT TO COUNCIL		
Building Maintenance Graffiti	437	282
FULL COST ATTRIBUTION		
TOTAL NET IMPACT TO COUNCIL	437	282

# Street Lighting



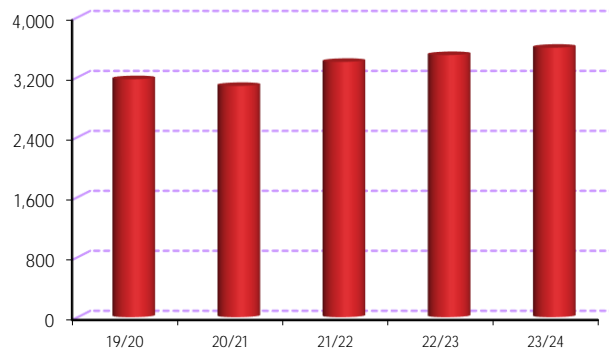
- Key Partners:
- SA Power Networks
  - Local Government Association
  - Department of Transport, Energy & Infrastructure

Street Lighting contains the following Service Areas, Activities and Service Levels

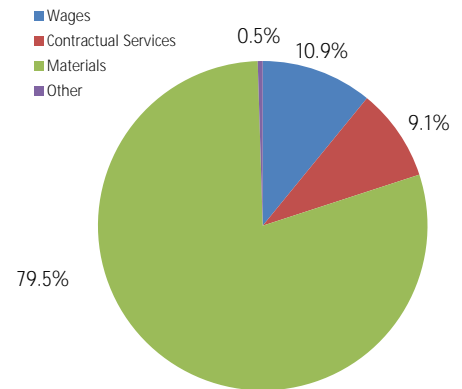
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p><b>Lighting</b></p> <p>There are over 16,000 street lights within the City that are maintained by SA Power Networks.</p> <p>There are 4,400 Council owned street lights in suburbs that include Mawson Lakes, Walkley Heights, Gulfview Heights, Springbank Waters and John Street Salisbury. Council is responsible for the maintenance of these lights. Council also owns and is responsible for the maintenance of 830 mains powered lights in total and a further 120 solar lights.</p> <p>Power for public lighting is purchased as part of a combined contract with State and other Local Government agencies.</p>	<ul style="list-style-type: none"><li>• Ongoing reviews occur on the adequacy of existing street lighting to identify needs for upgrading of infrastructure with respect to on ground lux levels and associated classification</li><li>• Ensure Public Lighting is of suitable type, with the General Classification of PR5 for pedestrian access on street and PP5 for new shared use paths</li><li>• Replacement of defective lights and repairs of damaged infrastructure is undertaken on a yearly cyclical inspection basis or upon community request through SAPN</li><li>• Council completed the LED Street Light Replacement program, costing \$6M in 2023, reducing energy use by 40% and providing a safer street environment</li></ul>

# Street Lighting

**Budgeted Street Lighting Operating Expenditure**  
(\$'000)



**Street Lighting (Expenditure)**



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
EXPENDITURE		
Lighting	3,496	3,594
<b>DIRECT EXPENDITURE</b>	<b>3,496</b>	<b>3,594</b>
<b>FULL COST ATTRIBUTION</b>	<b>438</b>	<b>357</b>
<b>TOTAL EXPENDITURE</b>	<b>3,934</b>	<b>3,951</b>
NET IMPACT TO COUNCIL		
Lighting	3,496	3,594
<b>FULL COST ATTRIBUTION</b>	<b>438</b>	<b>357</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>3,934</b>	<b>3,951</b>



# A sustainable City





# Foundations

- ✓ Salisbury has a balance of green spaces and natural environments that support biodiversity
- ✓ We make the most of our resources including water, waste and energy
- ✓ Our community, environment and infrastructure are adaptive to a changing climate



## Council's commitment to develop a sustainable City

### council will:

- > manage the impacts of increased heat, flooding, intense storms and bushfires
- > work with our community so they are better prepared for extreme weather events
- > encourage our community to be actively involved in caring for our environment
- > enhance our natural spaces, including our coast, hills and creeks
- > support the establishment of a circular economy
- > improve the energy efficiency of Council's operations
- > help the community and businesses reduce waste, water and energy and associated costs

# CRITICAL ACTIONS

## Strategic Projects

## Budget Context

Replace all Council-owned street lights with energy efficient lighting

A major project to replace over 8,000 of Council's streetlights with energy efficient LEDs has been completed.

Improve the environmental performance of Council buildings

The environmental performance of buildings is considered in all future building renewal and upgrade projects and will continue to be considered as new technologies and practices develop. An audit of Council buildings was completed to identify a range of actions to improve their environmental performance. A number of short-term improvements have been completed over the last 6 months. The consumption and solar generation of the systems installed at club rooms across the Council area is monitored and this data is used to validate and calculate cost sharing across sites, as well as providing valuable insights into the energy performance and peak consumption times across the City. Council also monitors the demand and power factor indicators at recreation and community centres.

Enhance our biodiversity corridors along Dry Creek and Little Para River and other environmentally sensitive areas such as coastal mangroves

City of Salisbury has an ongoing program focused on the many watercourses across the City to enhance the biodiversity value and environment benefit of these environmentally sensitive areas. We work closely with State Government departments in relation to the management of the St Kilda mangroves and the coastal areas of the City and we will continue to work with the State Government to secure funding and deliver works that identify, buffer and enhance known sensitive areas within this corridor. In the last 12 months we have completed works in open swale corridors which lead to the Dry Creek and Little Para River corridors, to reduce the likelihood of flooding in urban areas. Works will occur within Cobbler Creek to strengthen the biodiversity and environmental value of this drainage corridor and will also continue along priority areas of the Little Para River corridor to buffer and enhance the high biodiversity and environmental value of this corridor.

Involve people and use sensors to better understand and improve our environment's health

The City has sensors at numerous locations to monitor water quality. This data is reviewed quarterly. Numerous community planting events are held throughout the year to improve the environment health of the City.

Develop markets for recyclable materials through the Northern Adelaide Waste Management Authority

Council works with industry partners to innovate and use recycled material in projects, with recycled materials being sourced from the Northern Adelaide region where possible.

# CRITICAL ACTIONS

## Operational Focus

Use recycled or re-used materials where possible in construction and maintenance programs

Maintain weekly rubbish collection for residents and promote initiatives that reduce waste to landfill

Adopt practices and infrastructure that make the City cooler in an increasingly warm climate

Stabilise major creek lines and banks to improve biodiversity and reduce scour and silting

Manage and plan assets so they are resilient to a changing climate

Work with and educate our community on ways to improve the environmental performance of households and our City

## Budget Context

Council's new Road Reseal contract stipulates that recycled materials be used as appropriate. Our existing civil projects use recycled materials where possible, with some projects able to incorporate 90% of recycled materials. The household Kitchen Caddy's initiative and increased promotion of Food Organics Green Organics bins aim to ensure that waste is dealt within its appropriate stream.

Northern Area Waste Management Authority (NAWMA) continues to deliver services in line with the agreed levels of service and agreement, including Council's continued rollout of green bins to the majority of residents.

Council is increasing canopy cover in reserves through the Native Forest project and is significantly increasing the number of irrigated spaces, which includes the reactivation of irrigated spaces throughout the City. Council continues to investigate new innovations and practices to improve the heat island effect in partnership with universities.

An annual program of works for Watercourse Management continues, with watercourse management works typically scheduled for January – March. Works occur within each riverine corridor with works scheduled in the Little Para River, Dry Creek and Cobbler Creek corridors within the next financial year. Design work has almost been completed on the replacement of the Pratt Avenue Bridge, Pooraka and the creek channel works in the near vicinity.

Work is continuing on the development of a storm water management plan for the Dry Creek catchment. Flood mapping has been updated in line with recent climate change data and rainfall modelling. Predicted changes to high tide levels along the coast are also being examined.

A communications strategy, developed in consultation with the NAWMA and Council's Sustainability Strategy aims to increase awareness of environmental practices to increase the resilience of households and our City.

## Future Planning

Review Council's sustainability strategy to include waste and energy management, cooler suburbs, biodiversity and water

Complete the Dry Creek Stormwater Management Plan to protect the City from flooding

Develop a business case to showcase good design techniques that improve the environmental performance of housing and streets

## Budget Context

A revision of Council's Sustainability Strategy will be completed and the delivery of the strategy will commence.

Work has continued on the development plan for the lower sections of the Dry Creek catchment.

Design guidelines are being developed that will incorporate good design techniques and improved environmental performance which will be incorporated into future Strategic Development Projects.

## Advocacy Priorities

Investment in programs that reduce waste to landfill such as incentives to increase recycling and 'circular economy' initiatives

Integrate urban water planning and funding for catchment programs

## Budget Context

In partnership with Green Industries SA, Council has significantly increased the number of households with Kitchen Caddies and Green Waste Bins. In conjunction with Northern Adelaide Waste Management Authority, Council has raised awareness of the 3 waste streams and their correct use to significantly reduce waste to landfill within the City.

Ongoing review of wetland and waterway function, maintenance and management are considered as part of the Watercourse Management Plan across the City. The Greater Edinburgh Park Stormwater Management Plan is on hold pending further discussions with the City of Playford. The Dry Creek Stormwater Management Plan is underway with water harvesting and wetland management being reviewed as part of future considerations for this network.

# City Infrastructure



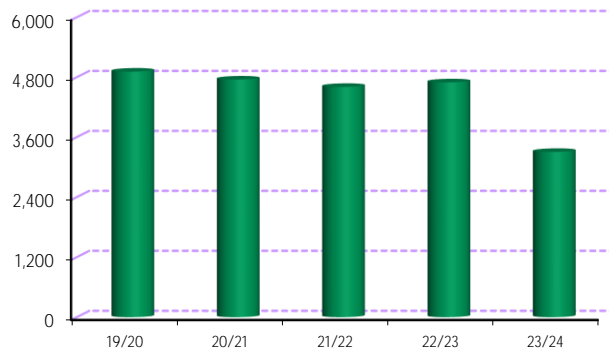
City Infrastructure contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<b>Infrastructure Delivery</b> Provides for building, civil and landscape infrastructure design and construction.	<ul style="list-style-type: none"> <li>• Complete building, civil and landscape projects within approved timelines and budgets</li> <li>• Deliver Council's annual Infrastructure program</li> <li>• Projects delivered in line with Capital Delivery Framework</li> </ul>
<b>City Infrastructure Administration</b> Provides for the overall management and leadership of the City Infrastructure Department.	<ul style="list-style-type: none"> <li>• Deliver overall departmental support and governance in delivering Corporate objectives</li> </ul>
<b>Infrastructure Management</b> Provides for strategic infrastructure management, including asset management, infrastructure planning and landscape / engineering program and project development.	<ul style="list-style-type: none"> <li>• Complete and manage seven asset management plans for the City's \$1.8 Billion of physical assets including the development of KPIs, service levels and community consultation</li> <li>• Planning and Program development for the City's infrastructure.</li> <li>• Traffic management planning and review</li> <li>• Deliver biodiversity programs</li> <li>• Deliver energy efficiency program</li> <li>• Planning and development of Stormwater Management Plans including major and minor flood mitigation programs</li> <li>• Planning and development of Council's public realm, reserves and open spaces including reserve and playground upgrade and renewal programs</li> <li>• Managing Council's waste management services</li> <li>• Responds to approximately 10,000 community requests annually</li> </ul>
<b>Property and Buildings</b> Core functions include management of Council's building assets; property acquisition and disposal, sporting and community club leasing, casual hire of Council's reserves, leasing of community land, negotiation of easements and security services.	<ul style="list-style-type: none"> <li>• 50 Sporting and Community Club Rental Agreements</li> <li>• 116 Commercial Lease Agreements</li> <li>• 2 Residential Rental Agreements</li> <li>• Land acquisition and disposal as required</li> <li>• Asset management of Council's building infrastructure</li> </ul>

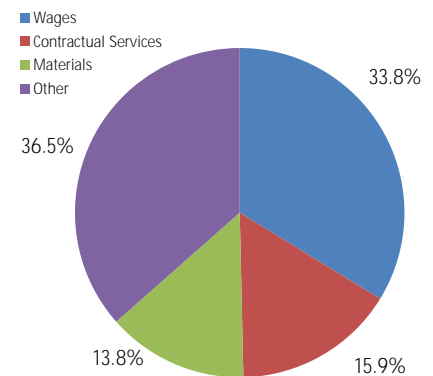


# City Infrastructure

**Budgeted City Infrastructure Operating Expenditure**  
(\$'000)



**City Infrastructure (Expenditure)**



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
<b>EXPENDITURE</b>		
Infrastructure Delivery	1,431	326
City Infrastructure Administration	440	455
Infrastructure Management	405	344
Property and Buildings	2,828	2,603
<b>DIRECT EXPENDITURE</b>	<b>5,103</b>	<b>3,728</b>
<b>FULL COST ATTRIBUTION</b>	<b>(3,416)</b>	<b>(2,251)</b>
<b>TOTAL EXPENDITURE</b>	<b>1,687</b>	<b>1,477</b>
<b>INCOME</b>		
Infrastructure Delivery	100	
Infrastructure Management		
Property and Buildings	1,051	1,097
<b>TOTAL INCOME</b>	<b>1,151</b>	<b>1,097</b>
<b>NET IMPACT TO COUNCIL</b>		
Infrastructure Delivery	1,331	326
City Infrastructure Administration	440	455
Infrastructure Management	405	344
Property and Buildings	1,777	1,506
<b>FULL COST ATTRIBUTION</b>	<b>(3,416)</b>	<b>(2,251)</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>537</b>	<b>380</b>

# Water Management



## Key Partners:

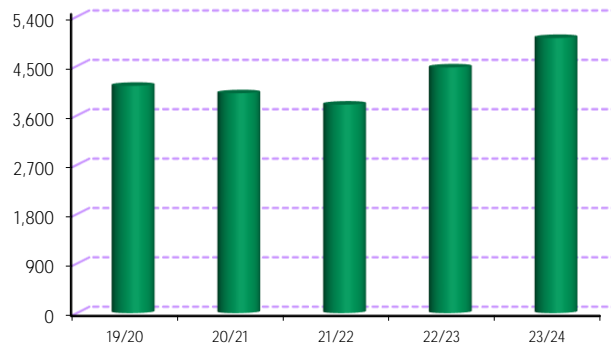
- State Government
- Australian Government Department of Agriculture, Water and the Environment
- Department for Environment and Water (DEW)
- Renewal SA
- SA Water
- Tea Tree Gully Council
- Playford Council
- Department of Defence
- CSIRO
- UniSA
- Flinders University

Water Management contains the following Service Areas, Activities and Service Levels

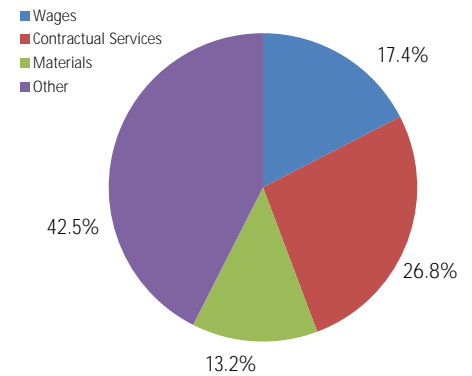
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<b>Drainage Systems</b> The Drainage Asset Management Plan includes maintenance and cleaning rubbish collection devices, on a continual basis. The maintenance of drains includes the clearing of underground pipes from obstructions such as siltation and root penetration and the desilting, rubbish removal and repair of open drains and river reaches. The servicing of flood retention dam penstocks, the cleaning of all road side entry pits, the desilting of blocked drains and the inspection and maintenance of the City's flood control dams are also included.	<ul style="list-style-type: none"> <li>• Maintain over 140 rubbish collection devices at less than 25% full of rubbish</li> <li>• Service 14,000 Side Entry Pits and Junction Boxes on a 5 year cycle</li> <li>• Ongoing inspection and cleanout of underground drains when necessary</li> <li>• Annual inspection of all open drains/river reaches with desilting, root and tree removal and repair where necessary</li> <li>• Water Quality is monitored to ensure Council continues to improve Waterways to minimise pollutants into the Barker Inlet</li> <li>• Ongoing inspection of all flood control dams, including servicing and checking the operation of all penstocks</li> </ul>
<b>Salisbury Water (Business Unit)</b> Implementation of the Recycled Water Risk Based Management Plan and implementation of the Salisbury Water Business Plan to facilitate operation as a licenced water retailer under the Water Industry Act, harvesting, cleansing and reticulating recycled water across the city.	<ul style="list-style-type: none"> <li>• Operate 9 Managed Aquifer Recharge (MAR) schemes with 32 MAR wells</li> <li>• Operate 22 Groundwater bores</li> <li>• Licenced monitoring and reporting on all operational sites and associated groundwater monitoring points</li> <li>• Harvest, cleanse and store up to 5GL/year of stormwater</li> <li>• Retail, on average, 2.5GL/year of recycled water to over 1,000 internal and external customers</li> </ul>
<b>Water Systems</b> Preparation and implementation of Stormwater Management Plan and implementation of Watercourse Management Plans.	<ul style="list-style-type: none"> <li>• Council is continuing with the delivery of Major Flood Mitigation Strategy to increase the number of homes and businesses not affected by a large flood event (greater than 100mm/hr).</li> <li>• Council currently has a focus on Escarpment Dams and the Pooraka Dry Creek area</li> <li>• Environmental Watercourse monitoring including water quality is enabling Council to improve the Terrestrial Zones of waterways, with a focus on in stream wetland development and natural creek plantings to reduce erosion along the corridors and improvements to Biodiversity in the waterways</li> <li>• Council is currently undertaking the Stormwater Management Plan for Dry Creek, which will be used to prioritise Flood Mitigation Works, Harvesting Opportunities and Water Quality Improvements for the Creek</li> </ul>
<b>Wetlands and Biodiversity</b> Planning and Asset Management of wetlands, watercourses and habitat reserves.	<ul style="list-style-type: none"> <li>• Council continues to develop, enhance and renew its 46 wetlands, total area exceeding 300ha as part of the Watercourse Management Program</li> </ul>

# Water Management

**Budgeted Water Management Operating Expenditure**  
(\$'000)



**Water Management (Expenditure)**



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
<b>EXPENDITURE</b>		
Drainage Systems	1,207	1,271
Salisbury Water	2,352	2,854
Water Systems	469	477
Wetlands and Biodiversity	449	412
<b>DIRECT EXPENDITURE</b>	<b>4,477</b>	<b>5,014</b>
<b>FULL COST ATTRIBUTION</b>	<b>6,634</b>	<b>6,905</b>
<b>TOTAL EXPENDITURE</b>	<b>11,111</b>	<b>11,919</b>
<b>INCOME</b>		
Salisbury Water	2,511	2,617
Water Systems	225	225
<b>TOTAL INCOME</b>	<b>2,737</b>	<b>2,842</b>
<b>NET IMPACT TO COUNCIL</b>		
Drainage Systems	1,207	1,271
Salisbury Water	(160)	237
Water Systems	244	252
Wetlands and Biodiversity	449	412
<b>FULL COST ATTRIBUTION</b>	<b>6,634</b>	<b>6,905</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>8,374</b>	<b>9,077</b>

# Waste Management

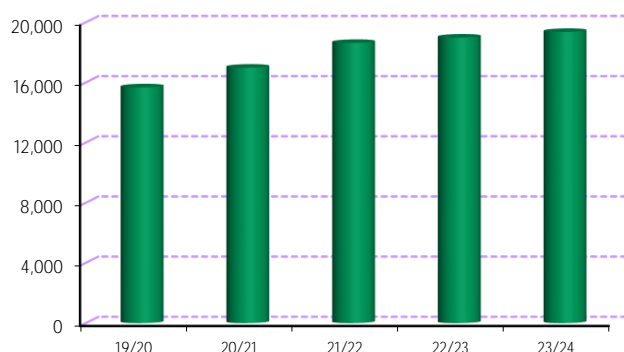


Waste Management contains the following Service Areas, Activities and Service Levels

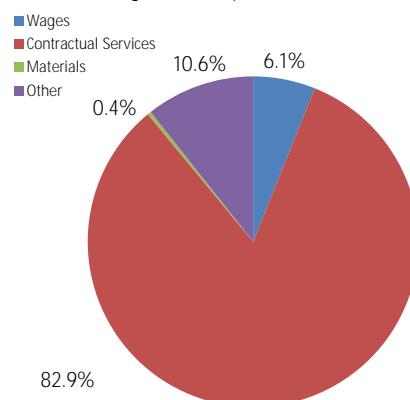
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<b>Coleman Road Landfill</b> Following closure in 1997 Council is continuing to rehabilitate the site, with ongoing monitoring and capping	<ul style="list-style-type: none"> <li>• Monitoring of gas extracted from the landfill site</li> <li>• Annual monitoring of groundwater within the site</li> <li>• Increasing the Cap over the landfill</li> </ul>
<b>Domestic Hard Waste Collection</b> Managed by Northern Area Waste Management Authority (NAWMA) with all hard waste collection services provided through a booking arrangement. Residents may also receive a voucher for free disposal of prescribed materials at the Pooraka Transfer Station in lieu of property collection.	<ul style="list-style-type: none"> <li>• Council provides the option of either two hard waste home collection services or two vouchers for use at the Pooraka Resource Recovery Centre or a combination of one of each</li> <li>• About 7,000 tonnes of waste are collected each year by the property collection service and the voucher service</li> </ul>
<b>Domestic Refuse Collection</b> Council provides a weekly domestic refuse collection service operated by NAWMA for residents using a 140 litre bin.	<ul style="list-style-type: none"> <li>• Weekly to residential properties (140L bin)</li> <li>• Domestic Refuse: 29,000 tonnes pa</li> </ul>
<b>Green Waste Kerbside Service</b> Council provides a collection service run by NAWMA for all residents who wish to participate and purchase a 240 litre bin for the purpose. This program has seen an additional 10,000 bins brought in service with an estimated extra 2000 tonnes of waste diverted from landfill each year.	<ul style="list-style-type: none"> <li>• Fortnightly to residential properties (240L bin)</li> <li>• Green waste conversion: 18,000 tonnes pa</li> </ul>
<b>Kerbside Recycling</b> Council provides a 240 litre bin recycling collection service and all recyclables are processed at the NAWMA Materials Recovery Facility (MRF).	<ul style="list-style-type: none"> <li>• Fortnightly to residential properties (240L bin)</li> <li>• Kerbside recycling: 10,000 tonnes pa</li> </ul>
<b>Loose Litter</b> Provides for the collection and disposal of rubbish dumped on Council reserves and roads. Also the collection of waste from public rubbish bins. The Department of Correctional Services provide litter collection to arterial and collector roads.	<ul style="list-style-type: none"> <li>• Programmed loose litter and litter bin collection</li> <li>• 3 day cycle for high traffic locations</li> <li>• Ad-hoc collection of dumped rubbish on verges/road reserves</li> <li>• Cyclic collection of litter from collector/distributor for roads</li> <li>• Removal of dead animals from public places</li> </ul>
<b>Pooraka Resource Recovery Centre</b> The Pooraka Resource Recovery Centre (formerly Research Road Waste Transfer Station) is externally operated by NAWMA on Council's behalf. The Centre is available seven days per week except Christmas Day, New Year's Day, Good Friday & ANZAC Day.	<ul style="list-style-type: none"> <li>• Visits: 40,000pa</li> <li>• Annual disposal of: General waste 6,200t, Green waste 3,700t, Concrete 2,100t, Oil 42,000L, Tyres 2,300, Metals 500t and E-waste 400t</li> </ul>

# Waste Management

**Budgeted Waste Management Operating Expenditure**  
(\$'000)



**Waste Management (Expenditure)**



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
<b>EXPENDITURE</b>		
Coleman Road Landfill	109	78
Domestic Hard Waste Collection	1,646	1,715
Domestic Refuse Collection	10,919	11,126
Green Waste Kerbside Service	2,252	2,346
Kerbside Recycling	1,185	1,235
Loose Litter	2,814	2,733
Pooraka Resource Recovery Centre	59	129
<b>DIRECT EXPENDITURE</b>	<b>18,984</b>	<b>19,361</b>
<b>FULL COST ATTRIBUTION</b>		
<b>TOTAL EXPENDITURE</b>	<b>18,984</b>	<b>19,361</b>

<b>INCOME</b>		
Domestic Refuse Collection	236	66
Pooraka Resource Recovery Centre	190	194
<b>TOTAL INCOME</b>	<b>426</b>	<b>261</b>

<b>NET IMPACT TO COUNCIL</b>		
Coleman Road Landfill	109	78
Domestic Hard Waste Collection	1,646	1,715
Domestic Refuse Collection	10,683	11,060
Green Waste Kerbside Service	2,252	2,346
Kerbside Recycling	1,185	1,235
Loose Litter	2,814	2,733
Pooraka Resource Recovery Centre	(131)	(65)
<b>FULL COST ATTRIBUTION</b>		
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>18,558</b>	<b>19,100</b>

# Parks and Landscapes



## Key partners:

- Department of Environment and Water
- Green Adelaide

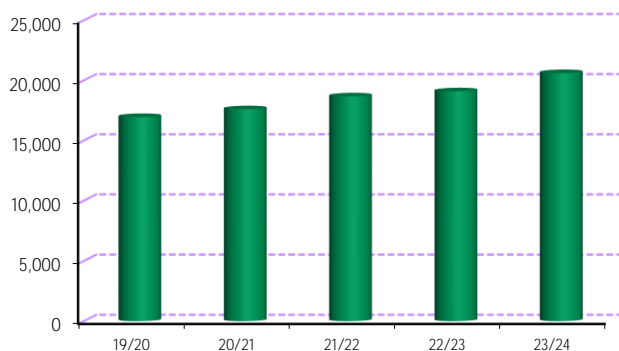
Parks and Landscapes contain the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<b>Field Services Administration</b> The Parks and Streetscapes Asset Management Plan provides direction to focus services and service levels across the division.  <i>Field Services</i> Provides pre-emptive and reactive maintenance services to all public reserves across the City.	<ul style="list-style-type: none"> <li>• Maintenance program ensures delivery of fit for purpose parks that are safe, functional and provide community amenity value</li> </ul>
<b>Landscapes</b> Consists of feature gardens and lawns which surround Council buildings, entry statements and roundabouts, with a focus on sustainable landscapes throughout the City.	<ul style="list-style-type: none"> <li>• Civil maintenance related to roads, creeks and stormwater assets</li> <li>• 15,000 resident requests actioned annually</li> <li>• Maintenance of local reserves, parks and landscapes</li> <li>• Care of biodiversity sites</li> </ul>
<b>Mangrove Trail</b> Provision and maintenance of St Kilda Mangrove Trail.	<ul style="list-style-type: none"> <li>• Council is working with State Government to improve the Service Level and access to the Mangrove Trail</li> </ul>
<b>Pest and Weed Control</b> Control of nuisance pests and weeds on Council reserves, verges and around buildings.	<ul style="list-style-type: none"> <li>• Programmed and reactive pest and weed control services, with Council the front line in managing the elimination of pest species in the region, such as coolati</li> </ul>
<b>Public Toilets</b> Maintenance and cleaning of public toilets throughout the City.	<ul style="list-style-type: none"> <li>• Daily cleaning of all public toilets within the City</li> <li>• Sharps containers emptied fortnightly or more frequent if required</li> </ul>
<b>Reserves and Playgrounds</b> Maintenance of reserves and open space including grass cutting, litter removal, turf maintenance, irrigation maintenance, park furniture maintenance, fencing and reserve signage. Maintenance of play spaces, shade structures and fitness equipment throughout the City.	<ul style="list-style-type: none"> <li>• Total areas managed: 1,900ha of reserves</li> <li>• 10 Dog parks and 6 BMX Tracks</li> <li>• 163 play spaces have weekly, fortnightly and monthly audits of play equipment depending on classification</li> <li>• Council has a hierarchy of playspaces which includes, regional, district, local and irrigated reserve.</li> <li>• Frequency based mowing and reserve maintenance depending on reserve classification</li> </ul>
<b>Tree Management</b> Tree planting and establishment, tree pruning, tree removal and tree inspections on verges and Council reserves.	<ul style="list-style-type: none"> <li>• Programmed street tree pruning on a 5 yearly cycle, reactive tree pruning, responsive tree assessment processes and risk based inspection regimes</li> </ul>
<b>Verges (Road Reserves)</b> Council provides for grass mowing of un-maintained residential verges and collector road verges.	<ul style="list-style-type: none"> <li>• Residential verges and collector roads: 8 services pa</li> <li>• Litter collection, blow down of paths and driveways, edging of paths, weed control, bush and tree debris</li> <li>• Street sweeping within 24 hours of verge mowing</li> <li>• Occur mostly in the growing season from February to December</li> </ul>

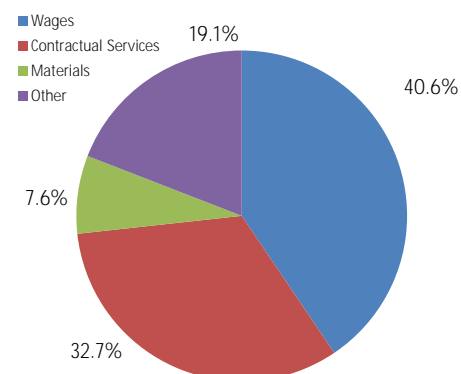


# Parks and Landscapes

**Budgeted Parks and Landscapes Operating Expenditure**  
(\$'000)



**Parks and Landscapes (Expenditure)**



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
<b>EXPENDITURE</b>		
Field Services Administration	3,986	5,798
Landscapes	923	874
Mangrove Trail	74	61
Pest and Weed Control	562	540
Public Toilets	556	541
Reserves and Playgrounds	8,193	8,219
Tree Management	3,210	2,871
Verges ( Road Reserves )	2,212	2,677
<b>DIRECT EXPENDITURE</b>	<b>19,715</b>	<b>21,582</b>
<b>FULL COST ATTRIBUTION</b>	<b>13,176</b>	<b>12,667</b>
<b>TOTAL EXPENDITURE</b>	<b>32,891</b>	<b>34,249</b>
<b>INCOME</b>		
Field Services Administration	64	64
Tree Management	60	60
<b>TOTAL INCOME</b>	<b>124</b>	<b>124</b>
<b>NET IMPACT TO COUNCIL</b>		
Field Services Administration	3,922	5,734
Landscapes	923	874
Mangrove Trail	74	61
Pest and Weed Control	562	540
Public Toilets	556	541
Reserves and Playgrounds	8,193	8,219
Tree Management	3,150	2,811
Verges ( Road Reserves )	2,212	2,677
<b>FULL COST ATTRIBUTION</b>	<b>13,176</b>	<b>12,667</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>32,767</b>	<b>34,125</b>

A growing City that creates new opportunities





# Foundations

- ✓ Salisbury's businesses are successful and part of our community
- ✓ Salisbury is a place of choice for businesses to start, invest and grow
- ✓ Our infrastructure supports investment and business activity
- ✓ Our urban growth is well planned and our centres are active



## Council's commitment to develop a growing city that creates new opportunities

### Council will:

- > support and deliver initiatives to create jobs and increase investment
- > build work readiness in our community so residents are aware of and can pursue job opportunities
- > be business friendly
- > provide services and infrastructure that support entrepreneurs and emerging industry sectors
- > provide a safe transport network that enables efficient freight and commuter movement
- > ensure Salisbury's activity centres are interesting places to visit, attractive places to invest and great locations to work
- > have modern, well-maintained commercial areas
- > ensure new housing developments enhance our community

## CRITICAL ACTIONS

### Strategic Projects

Enhance the Salisbury City Centre by upgrading Church and John Streets and attracting investment by the private sector into surplus Council sites

Attract firms to Salisbury, providing job opportunities for residents

Link Technology Park with other innovation precincts in Adelaide

Deliver a residential development program by using surplus Council land

### Budget Context

The revitalisation of the Salisbury City Centre has taken a major step forward with the completion of Church and John Streets upgrades, including both Sexton and Judd Laneways. Council is currently seeking interest from the private sector in the redevelopment of a number of major Council landholdings in the city centre.

Orderly development of new employment land will continue to be a priority. Promotion of Salisbury as a great investment destination will continue and will be enhanced by the development of a new Invest Salisbury brand that includes a refreshed website and investment attraction campaign. This will be underpinned by the support the Polaris Centre provides to new and existing businesses.

Conversations with key stakeholders, including State Government, are ongoing to enhance the role of Technology Park in the innovation ecosystem. Research is being conducted on potential paths moving forward.

A successful builder partner has been engaged to develop the Lake Windemere project following the Expression of Interest that was released to the market seeking innovative, affordable partnerships with builders and community housing providers. Walkleys Road Corridor stage 3 of community engagement is underway which will aim to update the community on the concept plan and seek input into a new District level playground on Baloo Street.

### Operational Focus

Support new and existing businesses and industries to grow and create jobs

Improve infrastructure, signage, safety, streetscapes and upkeep of commercial and industrial areas to support economic sustainability and growth

Improve parking in Salisbury City Centre and Mawson Lakes Central, business and recreation precincts

Streamline processes to improve how Council works with businesses

### Budget Context

The Polaris Centre will enhance its networking program through partnerships, with a focus on key challenges and opportunities facing business today, such as talent retention and attraction, transition into a low carbon economy or digitalisation of our economy. This will compliment new mentoring programs that will be developed.

Council is reviewing its maintenance programs to ensure that services meet community expectations and support economic growth across the City.

Mawson Lakes on street parking and controls are reviewed annually. Parking in the City Centre was a key part of the John Street, Church Street upgrade and included spaces for electric vehicle parking and refinement of Sexton and Judd Lane carparks. The expression of interest for the redevelopment of some of Council's key landholdings in the city centre include consideration of the provision of major new carparks.

Council adopts a case management approach through the City Shaping Team for development and investment by new and existing businesses, supported by efficient and timely development assessment processes. A "Business Friendly" agenda is being progressed across the organisation to embed practices that assist and support businesses in their interactions with Council.

## CRITICAL ACTIONS

### Future Planning

Develop a structure plan for the land west of Port Wakefield Road to open up new development opportunities while preserving the existing character of Globe Derby and St Kilda

Review the existing economic growth strategy

Review Council's 'Growth Action Plan'

Develop guidelines and policies to improve the quality of infill development, starting with Ingle Farm

Develop plans to progress economic activity in Technology Park and Edinburgh Parks

### Budget Context

A detailed Strategic Growth Framework for the land west of Port Wakefield has been approved by Council. It will guide the land use and infrastructure planning for potential for future rezoning. The framework will be updated as new information is gathered and more details on infrastructure requirements are obtained.

A new City Shaping Strategy that encompasses economic development will be developed.

The Growth Action Plan is being reviewed and the outcomes will be reflected in the new City Shaping Strategy.

The development of the Ingle Farm Improvement Plan has included a range of draft principles that will form the basis of the final Ingle Farm Neighbourhood Improvement Plan, and which are potentially applicable to guide improved infill outcomes in other neighbourhoods.

Ongoing discussions with State and Federal Governments regarding development of Technology Park and Edinburgh Parks. There is strong interaction with Renewal SA in relation to sale of land in both precincts. Upgrade of Technology Drive to improve access has been finalised.

### Advocacy Priorities

Redevelopment of the Salisbury and Mawson Lakes interchanges

Improvements to the east-west roads including increasing the capacity and safety of Kings Road and Waterloo Corner Road, duplication and extension of Elder Smith Road and road/rail grade separation of Park Terrace & Kings Road

Appropriate and well planned development of the Dry Creek Salt Fields

Edinburgh Parks to be business ready as a modern industrial area with efficient freight routes to the Northern Connector, fast digital connectivity and access to alternative energy sources and recycled water

### Budget Context

The City of Salisbury continues to advocate to the State and Federal Government for investment in critical infrastructure projects. In 2022, 15 key partnership projects from the City Plan 2035 were identified in an advocacy document, Partnership Projects 2022 and presented to the State and Federal Government to seek opportunities for collaboration and joint investment. One key priority in the document is the revitalisation of Salisbury City Centre which includes the upgrade of the Salisbury Interchange to enhance northern Adelaide's public transport offering and provide improved facilities and safety for commuters. The anticipated cost of this work is in the order of \$15M.

Conversations continue with the State Government on improvements to the arterial road network through the city including upgrades to Kings Road, Park Terrace and Waterloo Corner Road. The extension of Elder Smith Road is part of the planning of the residential development in Dry Creek.

Council is working with the State Government on this major residential project as part of a working group brought together by Renewal SA.

Council continues to advocate to State Government on the importance of Edinburgh Parks as a jobs growth and investment generator, and is in discussions with potential developers and investors promoting Edinburgh Parks as an investment destination as part of Council's investment attraction activities. The road network continues to be progressively upgraded through the area to improve key freight routes. Discussions are continuing with Department of Infrastructure and Transport representatives and relevant Ministers on required upgrades to the western end of Waterloo Corner, Diment and Heaslip Roads.

# Economic Development



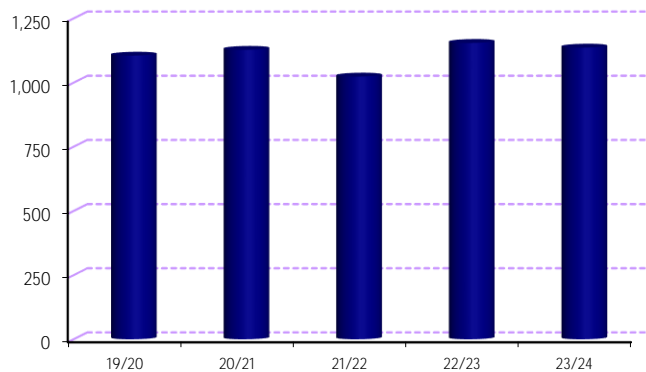
Economic Development contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p><b>Business Advisory Services (The Polaris Centre)</b> Council supports people considering starting a business or who are already in business by providing information, advice, workshops and mentoring.</p>	<ul style="list-style-type: none"> <li>• Provide support and training to businesses: over 500pa</li> <li>• Provide mentoring services to business owners: over 40pa</li> <li>• Increase the rate of new business formation in the region by providing start up programs</li> <li>• Provide support services to businesses including workshops (6pa), advisory (50 people pa)</li> <li>• Support firms to build their capacity to diversify into international markets: at least 10pa</li> <li>• Provide networking opportunities to business owners and entrepreneurs in Northern Adelaide</li> </ul>
<p><b>Economic Development</b> <i>Investment Attraction</i> Actively promote Salisbury as an investment location of choice through Invest Salisbury activity and actively work with firms considering relocating to Salisbury or expanding their operations within our City. This includes progressing Council's approach to business growth.</p> <p>Actively promote and position the City of Salisbury as a location of choice for business investment and expansion.</p> <p><i>Policy and Advice</i> Provide economic advice and input to Council and external bodies regarding economic issues and opportunities.</p> <p><i>Salisbury City Centre</i> Contribute to, and, where appropriate, drive initiatives to progress Council's objectives for Salisbury City Centre Revitalisation, and liaison with businesses.</p>	<ul style="list-style-type: none"> <li>• Case management of investment leads</li> <li>• Continual delivery of Invest in Salisbury and work with at least 3 partner organisations to raise Salisbury's economic profile in key sectors</li> <li>• Develop and commence implementation of a future economic strategy for Salisbury</li> <li>• Implementation of Salisbury City Centre investment attraction, business engagement and activation initiatives.</li> </ul>

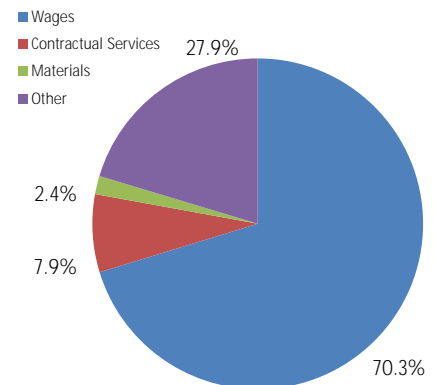


# Economic Development

**Budgeted Economic Development Operating Expenditure**  
(\$'000)



**Economic Development (Expenditure)**



	2022/23 Budget \$000's	2023/24 Budget \$000's
<b>EXPENDITURE</b>		
Business Advisory Services	315	591
Economic Development	840	545
<b>DIRECT EXPENDITURE</b>	<b>1,155</b>	<b>1,136</b>
<b>FULL COST ATTRIBUTION</b>	<b>441</b>	<b>348</b>
<b>TOTAL EXPENDITURE</b>	<b>1,595</b>	<b>1,485</b>
<b>INCOME</b>		
Business Advisory Services	59	94
<b>TOTAL INCOME</b>	<b>59</b>	<b>94</b>
<b>NET IMPACT TO COUNCIL</b>		
Business Advisory Services	256	498
Economic Development	840	545
<b>FULL COST ATTRIBUTION</b>	<b>441</b>	<b>348</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>1,537</b>	<b>1,391</b>

# Development Services

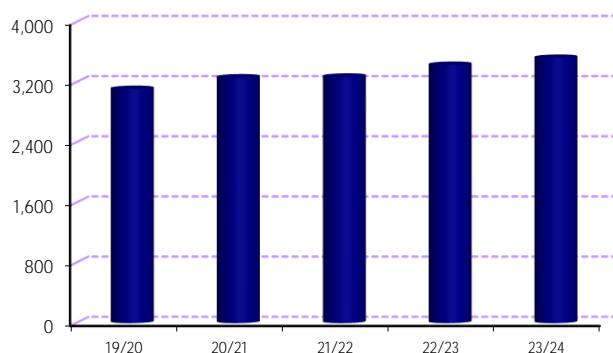


Development Services contains the following Service Areas, Activities and Service Levels

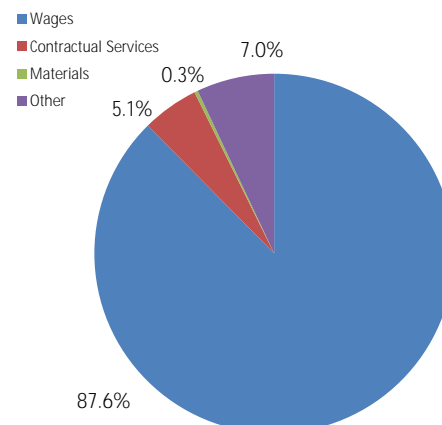
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<b>Building</b> Assessment of applications, provide general advice to community regarding building matters, respond to complaints, and inspect approved developments.	<ul style="list-style-type: none"> <li>• General Advice: 2,100pa</li> <li>• Applications: 2,800pa</li> <li>• Building Compliance: 100pa</li> <li>• Building Application Inspections: 600pa</li> </ul>
<b>City Development Business Services</b> Responsible for administration support services and the overall management and leadership of the City Development Department.	<ul style="list-style-type: none"> <li>• Section 7 Statements: 3,000pa</li> <li>• Rates Certificates: 3,100pa</li> <li>• Plan searches: 110pa</li> </ul>
<b>Corporate Signage</b> Provide and promote corporate directional signage primarily on main roads, to assist visitors to find business locations. The program aim is to be self-funding.	<ul style="list-style-type: none"> <li>• 35 signs located across the City</li> </ul>
<b>Development Engineering</b> Processes applications and the provision of advice to ensure new roads, footpaths and stormwater drains meet Council standards and engineering for major developments (e.g. traffic and stormwater) meet relevant standards.	<ul style="list-style-type: none"> <li>• Engineering Assessment Approval and Bonding of land divisions: 8pa</li> <li>• Construction Compliance Inspections: 50pa</li> <li>• Engineering advice: 520pa</li> </ul>
<b>Planning</b> Assessment of applications, provide general advice to community regarding planning matters and ensure compliance with legislative requirements.	<ul style="list-style-type: none"> <li>• Applications: 2,000pa</li> <li>• Planning Application Inspections: 650pa</li> <li>• Planning Compliance: 120pa</li> <li>• General Advice: 4,000pa</li> </ul>

# Development Services

**Budgeted Development Services Operating Expenditure**  
(\$'000)



**Development Services (Expenditure)**



	2022/23 Budget \$000's	2023/24 Budget \$000's
<b>EXPENDITURE</b>		
Building	1,018	1,053
City Development Business Services	1,075	1,056
Corporate Signage	7	7
Development Engineering	278	265
Planning	1,054	1,144
<b>DIRECT EXPENDITURE</b>	<b>3,432</b>	<b>3,525</b>
<b>FULL COST ATTRIBUTION</b>	<b>1,795</b>	<b>1,700</b>
<b>TOTAL EXPENDITURE</b>	<b>5,226</b>	<b>5,225</b>

<b>INCOME</b>		
Building	946	966
City Development Business Services	263	260
Corporate Signage	1	3
Planning	430	430
<b>TOTAL INCOME</b>	<b>1,640</b>	<b>1,659</b>

<b>NET IMPACT TO COUNCIL</b>		
Building	72	87
City Development Business Services	812	796
Corporate Signage	6	4
Development Engineering	278	265
Planning	624	714
<b>FULL COST ATTRIBUTION</b>	<b>1,795</b>	<b>1,700</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>3,587</b>	<b>3,566</b>

# Urban Planning and Development

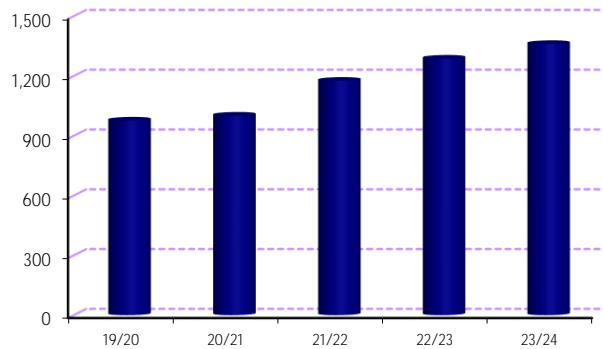


Urban Planning and Development contains the following Service Areas, Activities and Service Levels

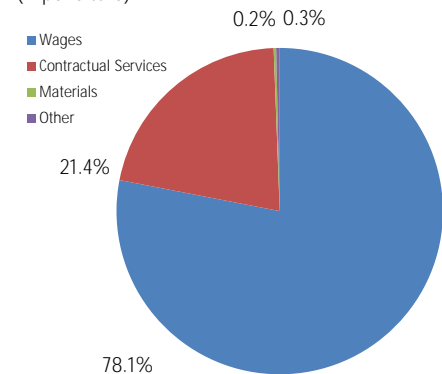
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p><b>Strategic Development Projects</b> Oversees Council's strategic development projects from inception through to completion including:</p> <ul style="list-style-type: none"> <li>• Identification and development of surplus Council land.</li> <li>• Preparation of project feasibilities and business cases for identified potential future developments.</li> <li>• Investigating opportunities and coordinating key development projects to contribute to the renewal of the Salisbury City Centre.</li> </ul>	<ul style="list-style-type: none"> <li>• Close out the Tranche 2 project Boardwalk at Greentree, which has included the delivery of 122 residential allotments including 15% affordable housing</li> <li>• Progress due diligence and concept feasibility studies on priority sites identified in the Strategic Land Review Short Term Action Plan</li> <li>• Development approval granted for the Salisbury Oval site (portion of former St Jays and Salisbury Bowling Club land)</li> <li>• Construction begins on the Lake Windemere site which will include affordable housing product and partnership opportunities in the low-cost housing sector</li> <li>• Undertake further investigations on the Walkley's Road corridor site</li> <li>• Progress negotiations as a result of the Salisbury City Centre Expression of Interest</li> </ul>
<p><b>Strategic Planning</b> Research and develop policies in relation to land use planning, environmental sustainability and growth (industry and residential). Ongoing policy review of the Planning and Design Code and preparation and advice on private Code Amendments.</p>	<ul style="list-style-type: none"> <li>• City Shaping Strategy, prepare investigations and draft spatial planning component, including internal and community engagement.</li> <li>• Re-zonings, undertake Council led re-zonings, provide advice on private led re-zonings including co-ordination of Council responses.</li> <li>• Undertake planning specific investigations and Spatial master planning of sites. i.e local heritage assessments &amp; Salisbury North Oval.</li> <li>• Implementation of the West of Port Wakefield Road Structure Plan and Strategic Growth Framework (including government liaison, managing investigations, internal coordination, landowner consultation, private and Council led code amendments.)</li> <li>• Planning Advice - Provide Strategic and Planning advice on Strategic Development Projects</li> <li>• Dry Creek Saltfields - Provide planning advice on land use and urban design planning related matters</li> <li>• Sustainability - Complete the Sustainability Strategy and deliver actions i.e Emissions Reduction Plan and the Climate Change Risk Assessment. Follow up indicators of success.</li> <li>• City Plan - Review the current City Plan and prepare the revised City Plan 2040 in consultation with the Community.</li> <li>• Develop infrastructure contributions policy, a process for the costing, allocating costs and the method of collection.</li> <li>• City Plan contribute to Critical Actions</li> <li>• Continue to work closely with the State Government on future reviews of the Planning and Design Code (including State led Code Amendments - i.e Statewide Flood Code Amendment), the Planning System (including revision of legislation).</li> <li>• Collaborate with the State Government during the preparation of the new Regional Plan for Greater Adelaide.</li> </ul>

# Urban Planning and Development

**Budgeted Urban Planning and Development Operating Expenditure**  
(\$'000)



**Urban Planning and Development (Expenditure)**



	2022/23 Budget \$000's	2023/24 Budget \$000's
<b>EXPENDITURE</b>		
Strategic Development Projects	739	795
Strategic Planning	549	566
<b>DIRECT EXPENDITURE</b>	<b>1,288</b>	<b>1,361</b>
<b>FULL COST ATTRIBUTION</b>	<b>584</b>	<b>553</b>
<b>TOTAL EXPENDITURE</b>	<b>1,872</b>	<b>1,914</b>
<b>NET IMPACT TO COUNCIL</b>		
Strategic Development Projects	739	795
Strategic Planning	549	566
<b>FULL COST ATTRIBUTION</b>	<b>584</b>	<b>553</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>1,872</b>	<b>1,914</b>



# Roads



## Key Partners:

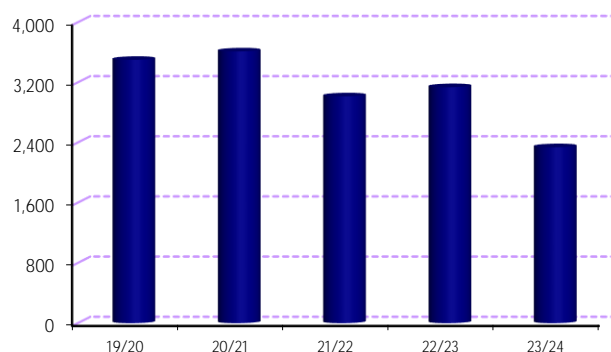
- State Government
- Department of Infrastructure & Transport (DIT)
- Department of Education
- Adelaide Metro
- Federal Government
- Developers
- South Australian Police
- Australian Rail Transport Corporation

## Roads contains the following Service Areas, Activities and Service Levels

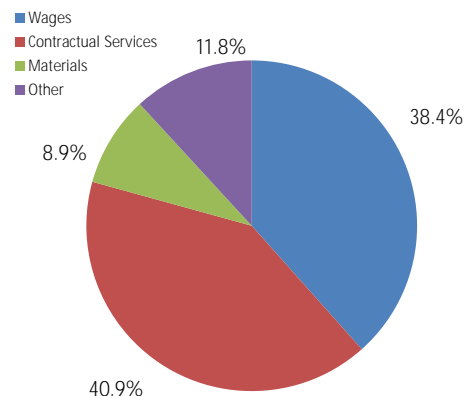
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p><b>Road and Car Park Maintenance</b> Maintenance of kerb and gutter, road maintenance and repair damage due to storms and traffic loads. There is 1,800km of kerbing and 810km of road in the city. Service levels are determined by Asset Management Plans and audit processes.</p> <p><i>Road Safety Maintenance</i> Traffic signal/pedestrian and school crossing maintenance is reviewed on an annual cycle, with faults repaired on a weekly basis.</p> <p><i>Road Sweeping</i> Provision of clean and tidy streetscape and prevention of debris entering drainage system. Council undertakes Road Sweeping on a cyclical basis with additional sweeping as required after storm events, and prior to flood events as required.</p> <p><i>Bridge and Boardwalk Maintenance</i> There are 214 footbridges/boardwalks and 29 major road bridges within the Council area.</p>	<ul style="list-style-type: none"> <li>• Roads are maintained on average across the City to Road Pavement Condition Index rating of 3.0, with higher priority and Condition expected for Collector &amp; Arterial Roads and Bus Routes</li> <li>• Council repairs road failures throughout the year on a cyclical basis</li> <li>• Council has a \$9.5M asset management program for road resealing and renewal that forms part of the Capital Works program</li> <li>• Line marking is carried out throughout the city over a 12-24 month interval</li> <li>• Car parks are maintained with checks on surface and linemarking</li> <li>• Pot holes are repaired on a responsive basis within 5 days of notification for high risk and 24 hours for dangerous potholes</li> <li>• Council Maintains 13 pedestrian/school crossings, 13 Emu Crossings, 16 Koala Crossings and 5 Wombat Crossings</li> <li>• Street sweeping is conducted on a six week cycle for nine months of the year meeting EPA guidelines cycle, reduced to 3-4 weeks during the summer months to manage additional leaf litter</li> <li>• A program of formal audits are undertaken every one to two years for bridges</li> <li>• Regular inspections and maintenance is undertaken six monthly and repairs completed as required</li> </ul>
<p><b>Road Safety Engineering</b> Project management of design and receipt of customer complaints regarding traffic design issues.</p>	<ul style="list-style-type: none"> <li>• The traffic data shows that 50km/h speed limits are being adhered to by road users. However, hoon driving is an ongoing challenge with the Council's traffic staff liaising with SAPOL to address</li> </ul>
<p><b>Signs and Street Furniture</b> <i>Street Signs and Linemarking:</i> Maintenance and replacement of 4,000 street signs and 37,000 other road signage including suburb, warning, regulatory and information signs.</p> <p><i>Street Furniture:</i> 1200 seats/benches and shelters are maintained.</p> <p><i>Bus Shelter &amp; Surround Maintenance:</i> Council has over 300 bus shelters. Bus shelters and bus stops are made universally accessible through the renewal program.</p>	<ul style="list-style-type: none"> <li>• All signage is repaired on an as needs basis</li> <li>• All linemarking is renewed every 2 years</li> <li>• Maintenance of seats/benches and various shelters throughout the City including repainting/sealing, graffiti removal, vandalism and repairs is undertaken on a cyclical basis</li> <li>• Program of inspection and condition auditing is undertaken every 5 years</li> <li>• Maintenance of bus shelters throughout the City including repainting/graffiti removal, vandalism and pavement repair is on a needs basis</li> <li>• Council has a \$300k Bus Shelter Renewal Program</li> </ul>

# Roads

**Budgeted Roads Operating Expenditure**  
(\$'000)



**Roads (Expenditure)**



	2022/23 Budget \$000's	2023/24 Budget \$000's
<b>EXPENDITURE</b>		
Road and Car Park Maintenance	2,340	1,547
Road Safety Engineering	542	552
Signs and Street Furniture	255	241
<b>DIRECT EXPENDITURE</b>	<b>3,138</b>	<b>2,339</b>
<b>FULL COST ATTRIBUTION</b>	<b>10,659</b>	<b>11,190</b>
<b>TOTAL EXPENDITURE</b>	<b>13,797</b>	<b>13,530</b>
<b>INCOME</b>		
Road and Car Park Maintenance	3,332	3,460
<b>TOTAL INCOME</b>	<b>3,332</b>	<b>3,460</b>
<b>NET IMPACT TO COUNCIL</b>		
Road and Car Park Maintenance	(992)	(1,914)
Road Safety Engineering	542	552
Signs and Street Furniture	255	241
<b>FULL COST ATTRIBUTION</b>	<b>10,659</b>	<b>11,190</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>10,465</b>	<b>10,070</b>

# Footpaths



## Key Partners:

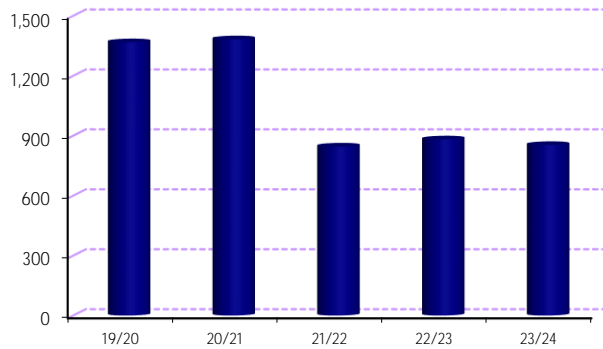
- Department of Infrastructure and Transport who assist with in-kind funding for the Green Trails Project

Footpaths contains the following Service Areas, Activities and Service Levels

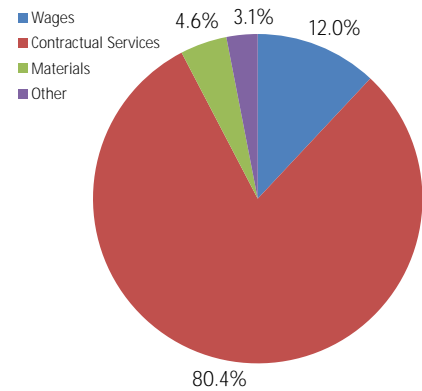
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p><b>Footpath Maintenance</b></p> <p>A program of footpath auditing is conducted every three years to gather data which is used to quantify the overall condition of the network. This data is also used to identify priority areas for maintenance works based on proximity to critical pedestrian generating activities.</p> <p>Community requests for additional footpaths are investigated by the multidisciplinary Footpath Request Evaluation Team, and prioritised based on the destination of the path and the additional inclusion opportunities the footpath would give. Council also maintains footpaths and shared use paths through public reserves, with Council continuing to build the Green Trails network across the City.</p> <p><i>Shared Use Paths</i></p> <p>Council continues to construct the Green Trails network that currently links Salisbury to Mawson Lakes.</p>	<ul style="list-style-type: none"> <li>• Provision of a footpath on one side of a road/street where appropriate as a minimum service standard with provision for a footpath on a high profile and collector streets, around schools &amp; aged care facilities</li> <li>• Council minimum width of new footpaths is 1.5m</li> <li>• Council repairs faults based on the risk assessment associated with the destination. For example, Council has a focus on prioritising faults around Schools and Retirement Villages</li> <li>• Council repairs footpath failures throughout the year based on a program of priority works and on customer requests where appropriate</li> </ul> <ul style="list-style-type: none"> <li>• Council is continuing to extend the 2.4m wide Green Trail with additional upgrades to be completed in 2023 to Salisbury Heights with the next stage to be completed from Pooraka to Walkleys Heights over the next 2 to 3 years.</li> <li>• Council renewal program now includes the upgrade of lighting along the existing shared use path to P3 Category</li> </ul>

# Footpaths

**Budgeted Footpaths Operating Expenditure**  
(\$'000)



**Footpaths (Expenditure)**



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
EXPENDITURE		
Footpath Maintenance	882	854
<b>DIRECT EXPENDITURE</b>	<b>882</b>	<b>854</b>
<b>FULL COST ATTRIBUTION</b>	<b>2,313</b>	<b>2,457</b>
<b>TOTAL EXPENDITURE</b>	<b>3,195</b>	<b>3,311</b>
NET IMPACT TO COUNCIL		
Footpath Maintenance	882	854
<b>FULL COST ATTRIBUTION</b>	<b>2,313</b>	<b>2,457</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>3,195</b>	<b>3,311</b>







# Foundations

The delivery of these foundations will be underpinned by Council's values of respect, accountability, collaboration and helpfulness.

- ✓ Members of our community receive an exceptional experience when interacting with Council
- ✓ We deliver quality outcomes that meet the needs of our community
- ✓ The City of Salisbury is recognised as a great place to work
- ✓ We plan effectively to address community needs and identify new opportunities
- ✓ We engage meaningfully and our community is aware of Council initiatives



## Council's commitment to develop an organisation that is innovative and develops our business

Council will:

- > place the needs of our community first
- > meaningfully engage with our community and stakeholders as we plan and make decisions
- > consider the long term when we plan and innovate
- > use data to inform decision-making and understand community needs and expectations
- > seek partnerships to deliver facilities, services, programs and infrastructure to address community needs
- > promote Salisbury and advocate for its priorities
- > strengthen and promote the Salisbury brand
- > embed our organisational values in all we do
- > invest in the development of our staff and elected members
- > maintain sound financial management within a transparent and accountable organisation



## CRITICAL ACTIONS

### Strategic Projects

- Use technology so people can better access Council services
- Implement a change plan so Council provides an exceptional community experience, delivers quality outcomes and is a great place to work
- Upgrade Council's Operations Centre at Cross Keys Road to support business transformation
- Provide opportunities for staff to be innovative and shape the next generation of Council business, investment and services
- Deliver Council's COVID-19 response package

### Budget Context

- Council has engaged a third-party provider to deliver a new enterprise system focussed on transforming not only our technology but our business processes to ensure we deliver an exceptional community experience as to how Council delivers its services and engages with the community.
- A Business Transformation team has been established to develop and drive various initiatives aimed at achieving the three success factors of exceptional community experience, quality outcomes and a great place to work.
- The upgrade of Council's Operations Centre on Cross Keys Road has been completed, including Administration Centre, Workshop and Stores.
- Staff are encouraged to provide input into Council service delivery aimed at ensuring our services not only align with community needs but seek to provide innovative and more contemporary ways to deliver the services.
- Although the landscape has changed since Council implemented various initiatives to support the community and ensure services continue to be delivered to our community during the COVID-19 pandemic, Council continues to review and adapt its support and services to ensure the continuity of these services.

### Operational Focus

- Improve how we use data to better inform decision making
- Buy locally and sustainability with an emphasis on reuse and recycled materials
- Deliver the commitments in our Annual Plan
- Continuous Improvement Program
- Meaningfully engage with our community so we better anticipate and respond to needs and opportunities
- Improve communication with community members to increase awareness of Council initiatives
- Acknowledge and celebrate the achievements of staff and our community

### Budget Context

- We have continued to work on enhancing reporting of data through the use of dashboards with real time data. The next phase of dashboard reporting will be delivered through the implementation of the new enterprise system.
- We continue to look at ways to increase spend with Salisbury LGA (and wider Northern Region) suppliers, which has been supported by a revised Procurement Policy to embed these practices into the organisation. Work will continue with the industry to support delivery of a circular economy.
- Council continues to monitor projects and initiatives identified in the Annual Business Plan.
- The organisation has adopted the Agile methodology in its Business Transformation initiative to ensure we are successful in delivering the project outcomes as agreed with the various stakeholders.
- An emphasis this year, following the upgrade to the corporate website, has been on enhancing our Discover Salisbury website and digital mediums. We are also scheduled to engage with our community in the bi-annual Community Perception Survey planned to occur in late 2023 that will give us further insights into opportunities for improvement and reinforcing existing good practises.
- We continue to enhance how we engage with the community to make the community aware of the many projects and initiatives that Council delivers to improve the community's wellbeing. We continue to see an increase in the number of people accessing our social media platforms which will be used as the predominant medium to communicate with our community. Council has also approved a new delivery model for Salisbury Aware which will further enhance our engagement with the Community.
- Council holds various events throughout the year that aim to acknowledge and celebrate staff and community achievements.

## CRITICAL ACTIONS

### Future Planning

Develop a digital strategy and framework to implement technology- based initiatives to improve the management of the City

Review our community engagement strategy so the needs of diverse groups in our community are recognised at an early stage of planning

Review Council's 'Strategic Asset Management Plan'

Enable the community to monitor Council's progress in implementing this Plan and compare performance with that of other Councils

Identify opportunities to increase non-rates revenue

Council governance and practices

### Budget Context

The focus of this year is to engage with the community around Digital Salisbury and seek feedback on the strategy and also inform on the activities being undertaken by Council.

This is an action that is still requiring further work and will form part of work being undertaken to deliver exceptional community experience.

A revised strategic Asset Management Plan was endorsed by Council in April for community consultation. This included updates to the level of service of four key asset classes, namely roads, buildings, playspaces and drainage systems.

A number of City Plan indicators have been published on a static dashboard on Council's website. An online dynamic dashboard that will display the latest data on corporate and City Plan indicators is currently under development.

The organisation has for some time ensured it maintains a strong financial position so it is able to meet emerging community needs. Work continues where appropriate to identify alternate revenue streams to support the ongoing financial sustainability of services to the community.

The Audit and Risk Committee continues to provide assurance in context of its statutory function as per s126 of the Local Government Act 1999 (the Act) and the Audit function is conducted as per s129 of the Act.

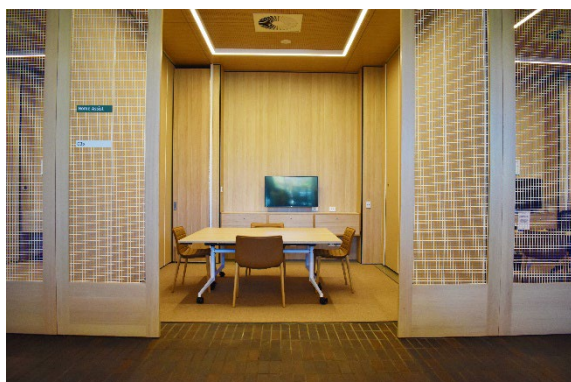
### Advocacy Priorities

Develop deeper and more effective relationships with government agencies and other organisations to progress the priorities identified in this City Plan and its supporting strategies

### Budget Context

The City of Salisbury will continue to advocate to the State and Federal Government for investment in critical projects and programs. In 2022, 15 key partnership projects from the City Plan 2035 were identified in the document, Partnership Projects 2022 and presented to the State and Federal Government to seek opportunities for collaboration and joint investment. The City of Salisbury continues to follow up on these priority projects and work collaboratively to progress outcomes for the community via various forms in a formal and informal manner.

# Innovation and Business Development



Innovation and Business Development contains the following Service Areas, Activities and Service Levels

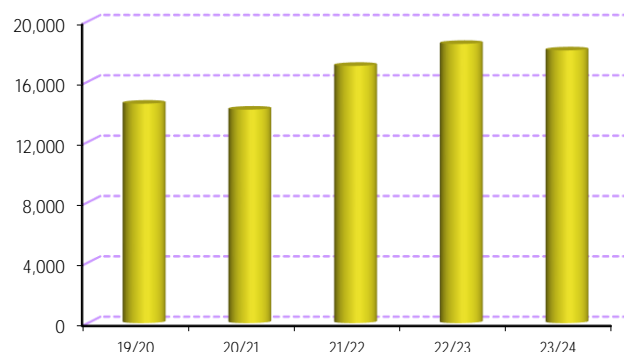
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<b>Accounting Services</b> Provides for business support, management accounting, financial accounting, tax compliance, external and statutory reporting. Reporting services to all departments/divisions of the organisation, the Executive Management and Council, including the preparation of the Council Budget and Annual Plan. Provides specialised accounting services for infrastructure and other assets, particularly with respect to valuation and depreciation. Provides financial support to Council projects as required and delivers the Accounts Payable service.	<ul style="list-style-type: none"> <li>• Annual Business Plan and Budget</li> <li>• Annual Financial Statements</li> <li>• Long Term Financial Plan</li> <li>• Quarterly Budget Reviews and Monthly Reporting</li> <li>• Grant Acquittals</li> <li>• Divisional and Departmental Planning support</li> <li>• Provide financial advice and support for Salisbury Water</li> <li>• Valuation and Depreciation for \$1.8 billion of Council assets</li> <li>• Invoices processed: 30,000pa</li> </ul>
<b>Business Excellence Administration</b> Provides for the Executive Management and associated support for the overall management and leadership of the Business Excellence Department.	<ul style="list-style-type: none"> <li>• Leadership of the Business Excellence department and accountability for outcomes assigned to the department</li> </ul>
<b>Business Intelligence and Data</b> Oversee the flow of corporate information in to and out of the organisation, ensuring information management legislation is complied with.	<ul style="list-style-type: none"> <li>• Compliance with organisational information management framework and South Australian Government information retention requirements</li> </ul>
<b>Business Systems and Solutions</b> Information Technology Services are responsible for the delivery, management and enhancement of information technology solutions within the organisation.  <i>Service Desk</i> Responsible for the delivery and support of productivity, mobility and audio-visual solutions.	<ul style="list-style-type: none"> <li>• Solutions meet organisational availability and performance metrics</li> <li>• Agreed services and solutions are under relevant maintenance and support contracts</li> <li>• Responsive service ensuring community facing service availability as required</li> <li>• Provision and distribution of productivity tools and services</li> </ul>
<b>Business Transformation</b> Advocate and promote the use of improvement and transformation techniques and methodologies.  <i>Planning and Business Engagement Services</i> Responsible for the alignment of information technology solutions with organisational and Community needs. This also includes the transformational shift of the organisation to a digital and community centric approach, with technology to better support service delivery, and greater community activation.	<ul style="list-style-type: none"> <li>• Organisational Business Transformation using Agile principles</li> <li>• Organisational reporting on improvement and business transformation initiatives</li> <li>• Lead the development of a Data Framework Policy</li> <li>• Digital and information technology related strategy, frameworks and standards</li> </ul>

# Innovation and Business Development continued

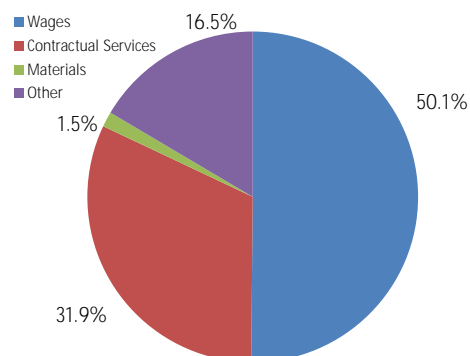
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<b>Community Experience and Relationships</b> Drives strategic outcomes by strengthening Council's relationship with the community and other key audiences, through proactive communications, via various media platforms and events.	<ul style="list-style-type: none"> <li>• Communications and Community Experience (Customer Service)</li> <li>• Media liaison, press release preparation and public relations management</li> <li>• Proactive communications</li> <li>• Digital communications via social media platforms</li> <li>• External website management</li> <li>• Corporate publications</li> <li>• Corporate brand custodian</li> </ul>
<b>Customer Centre</b> Provides a central point of contact for the Community and aims to assist customers to conduct their business with the Council efficiently and, where appropriate, links them to other Government and community services.	<ul style="list-style-type: none"> <li>• Call volume: 61,366pa</li> <li>• Receipt numbers: 13,994pa</li> <li>• Counter enquiries: 15,236pa</li> <li>• Customer requests via email/website/post: 17,651pa</li> </ul>
<b>Insurance</b> This area provides for the management of corporate insurance policies and associated claims.	<ul style="list-style-type: none"> <li>• Administration of organisational insurance needs including processing of insurance claims and liaison with the LGA insurance service provider (Local Government Risk Services)</li> </ul>
<b>People and Culture</b> Provide a range of people management services including general human resources and employment relations services, payroll, wellbeing and work health and safety, organisational development, learning and development and strategic workforce development and planning. This includes providing policies, systems and processes used to manage the employment life cycle, guide decision-making and manage risk.	<ul style="list-style-type: none"> <li>• Organisational development programs – change management, culture development, leadership development, team development, and individual capability and commitment programs</li> <li>• Workforce planning and succession planning, HR Services including recruitment, induction, policy advice, payroll, workplace Health and Safety and wellbeing programs</li> </ul>
<b>Rate Collection &amp; Property Data</b> This area involves the maintenance of the property data for rating and electoral purposes and the collection of rate and other revenue.	<ul style="list-style-type: none"> <li>• Rateable Properties: 61,418</li> <li>• Total Rate Notices: 194,608pa, Overdue Notices: 36,642pa</li> <li>• Changes to Property Data: 14,033pa</li> <li>• Maintenance of voters roll</li> </ul>
<b>Strategic Procurement</b> Management of contract and purchasing policies, procedures and delegations. Provision of support and advisory services as well as monitoring compliance.	<ul style="list-style-type: none"> <li>• Benefit Target: capture, measure and monitor the tangible value added by Strategic Procurement (value for money)</li> <li>• Northern Region Economic Benefit: Focus on supporting northern region business where it represents value for money</li> <li>• Environmental Preference: promote the procurement of environmentally friendly goods and services that satisfy value for money criteria, as well as fostering the development of products and processes of low environmental and climatic impact</li> <li>• Support the achievement of circular economy outcomes</li> </ul>

# Innovation and Business Development

**Budgeted Innovation and Business Development Operating Expenditure (\$'000)**



**Innovation and Business Development (Expenditure)**



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
<b>EXPENDITURE</b>		
Accounting Services	1,757	1,817
Business Excellence Administration	475	491
Business Intelligence and Data	692	664
Business Systems and Solutions	7,395	6,468
Business Transformation	1,047	1,419
Community Experience and Relationships	1,964	1,974
Customer Centre	939	976
Insurance	599	594
People and Culture	2,294	2,287
Rate Collection and Property Data	966	1,022
Strategic Procurement	377	367
<b>DIRECT EXPENDITURE</b>	<b>18,505</b>	<b>18,078</b>
<b>FULL COST ATTRIBUTION</b>	<b>(15,054)</b>	<b>(14,624)</b>
<b>TOTAL EXPENDITURE</b>	<b>3,451</b>	<b>3,454</b>
<b>INCOME</b>		
Community Experience and Relationships	12	12
People and Culture	704	708
Rate Collection and Property Data	19	22
<b>TOTAL INCOME</b>	<b>735</b>	<b>742</b>



# Innovation and Business Development continued

	2022/23 Budget \$000's	2023/24 Budget \$000's
NET IMPACT TO COUNCIL		
Accounting Services	1,757	1,817
Business Excellence Administration	475	491
Business Intelligence and Data	692	664
Business Systems and Solutions	7,395	6,468
Community Experience and Relationships	1,952	1,962
Customer Centre	939	976
Insurance	599	594
People and Culture	1,589	1,579
Rate Collection and Property Data	947	1,000
Strategic Procurement	377	367
<b>FULL COST ATTRIBUTION</b>	<b>(15,054)</b>	<b>(14,624)</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>1,669</b>	<b>1,293</b>

# Council

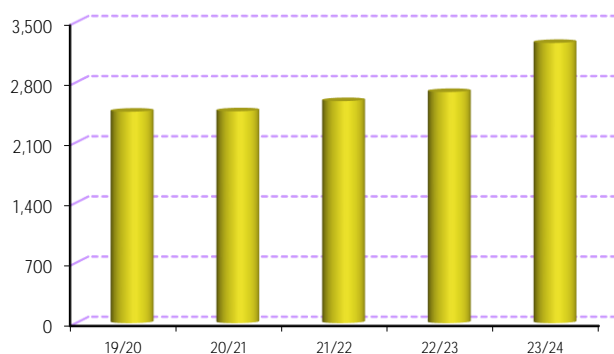


Council contains the following Service Areas, Activities and Service Levels

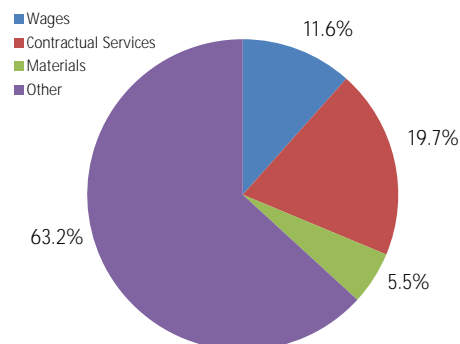
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<b>Civic and Ceremonial</b> Funds civic and ceremonial responsibilities of Council, including citizenship ceremonies.	<ul style="list-style-type: none"> <li>• Organisation of civic events and citizenship ceremonies</li> </ul>
<b>Corporate Memberships</b> Funds corporate memberships for required bodies.	<ul style="list-style-type: none"> <li>• Local Government Association membership</li> </ul>
<b>Council</b> Funds the management and administration of the Elected Member governance responsibilities.	<ul style="list-style-type: none"> <li>• Production and distribution of business papers and minutes</li> <li>• Facilitation of CEO Briefing Sessions</li> <li>• Administrative support to Council, 8 Committees, 4 Sub-Committees, and the Council Assessment Panel</li> <li>• Monitor and review of the City's compliance with legislation</li> <li>• Elected Member training and development</li> <li>• Administration of Elected Member Allowances and Benefits and statutory disclosures</li> </ul>
<b>Elections</b> Provides resources for elections within the City.	<ul style="list-style-type: none"> <li>• Manage the Local Government election for over 90,000 eligible voters</li> </ul>
<b>Executive Management</b> Funds the Chief Executive Officer and executive support function that is responsible for the management of the organisation, the support of and accountability to Council and facilitation of meetings with various stakeholders including State and Federal Government representatives.	<ul style="list-style-type: none"> <li>• Chief Executive Officer and Mayor support</li> </ul>
<b>Governance</b> A resource supporting Elected Members and Administration in the decision making processes of Council. The team provides information, advice and assistance to ensure obligations under legislation and policy frameworks are reflected in City of Salisbury work practices.	<ul style="list-style-type: none"> <li>• Support Council and organisational governance processes</li> <li>• Risk management, internal audit and insurance</li> <li>• Coordinate Business Continuity Planning</li> <li>• Facilitate the LGA insurance scheme's risk review</li> <li>• Provide advice and support to ensure strategic and operational risks are identified and managed</li> <li>• Support the Audit and Risk Committee of Council</li> <li>• Facilitate the annual external audit</li> <li>• Undertake and co-ordinate internal audit</li> <li>• Council meeting administration and support, and facilitation of public participation</li> <li>• Elected Member support &amp; communications</li> <li>• Delegations and Authorisations</li> <li>• Support Information Management and State Records Act compliance</li> <li>• Application and monitoring - Policy and procedure framework</li> <li>• Coordination of legal advice and oversight of Legal Services</li> <li>• Facilitate Freedom of Information</li> <li>• Administer Council Grievances and External Agency Reviews</li> </ul>

# Council

**Budgeted Council Operating Expenditure**  
(\$'000)



**Council (Expenditure)**



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
<b>EXPENDITURE</b>		
Civic and Ceremonial	44	78
Corporate Memberships	362	392
Council	722	772
Elections	197	150
Executive Management	818	1,318
Governance	547	549
<b>DIRECT EXPENDITURE</b>	<b>2,689</b>	<b>3,260</b>
<b>FULL COST ATTRIBUTION</b>	<b>(40)</b>	<b>(21)</b>
<b>TOTAL EXPENDITURE</b>	<b>2,650</b>	<b>3,239</b>
<b>INCOME</b>		
Council	2	2
<b>TOTAL INCOME</b>	<b>2</b>	<b>2</b>
<b>NET IMPACT TO COUNCIL</b>		
Civic and Ceremonial	44	78
Corporate Memberships	362	392
Council	721	771
Elections	197	150
Executive Management	818	1,318
Governance	547	549
<b>FULL COST ATTRIBUTION</b>	<b>(40)</b>	<b>(21)</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>2,648</b>	<b>3,237</b>

# Sundry



Sundry contains the following Service Areas, Activities and Service Levels

## SERVICE AREAS

### **Accommodation**

The operating costs of Council's municipal offices

### **Grants Commission**

Represents the general purpose Financial Assistance Grant provided by the Federal Government via the Grants Commission. The quantum is determined by population and "effort neutral" needs assessment

### **Infrastructure Depreciation**

Provides for depreciation of public infrastructure where not provided for within functional cost centres

### **Rates**

Provide for rates revenue, fines and penalties and rebates

### **Treasury**

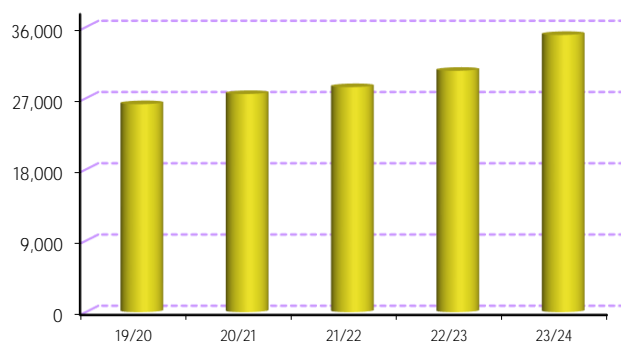
Provides for the transactions associated with borrowing and lending funds and the associated interest received or paid

### **Wages and Salary Provision**

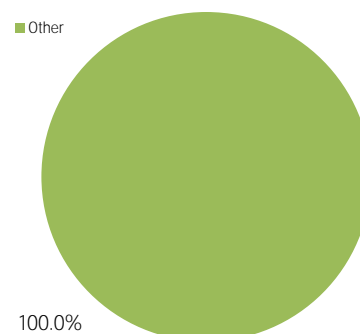
An allocation to provide for variations in remuneration as a result of agreements, contracts and reclassifications

# Sundry

**Budgeted Sundry Operating Expenditure**  
(\$'000)



**Sundry (Expenditure)**



	2022/23 Budget \$'000's	2023/24 Budget \$'000's
<b>EXPENDITURE</b>		
Accommodation	386	419
Infrastructure Depreciation	26,595	28,224
Rates	2,325	2,467
Treasury	1,182	3,012
Wages and Salaries Provision		574
<b>DIRECT EXPENDITURE</b>	<b>30,487</b>	<b>35,435</b>
<b>FULL COST ATTRIBUTION</b>	<b>(28,121)</b>	<b>(29,870)</b>
<b>TOTAL EXPENDITURE</b>	<b>2,367</b>	<b>5,565</b>
<b>INCOME</b>		
Grants Commission	6,871	7,405
Rates	820	825
Treasury	71	77
<b>TOTAL INCOME</b>	<b>7,762</b>	<b>8,307</b>
<b>NET IMPACT TO COUNCIL</b>		
Accommodation	386	419
Grants Commission	(6,871)	(7,405)
Infrastructure Depreciation	26,595	28,224
Rates	1,505	1,642
Treasury	1,111	2,935
Wages and Salaries Provision		574
<b>FULL COST ATTRIBUTION</b>	<b>(28,121)</b>	<b>(29,870)</b>
<b>TOTAL NET IMPACT TO COUNCIL</b>	<b>(5,395)</b>	<b>(2,742)</b>



# Rating Strategy and Policy

## What are Rates?

Rates are the principal source of funding for Council services, representing approximately 83.0% of the total operating revenue. Rates are levied as a tax on property in accordance with the provisions of the Local Government Act. They are not a service or user charge. Consequently, some property owners may choose not to use various council services but nevertheless make a contribution, through their rates. As rates are levied on the value of property as determined by the Valuer-General, those in higher valued properties pay more than those in lower valued properties, noting the higher value property adjustment detailed on page 123 to minimise this impact.

## Capital Value as a basis for Rating

The Council has adopted the capital value method to value properties in its area, in common with most other Adelaide metropolitan councils. This method values the land and all of the improvements on the land.

While no valuation method is considered perfect the capital value method is considered the most equitable because:

- It is the most appropriate measure of relative wealth in the community
- As a measure of wealth it most closely reflects property owners capacity to pay
- It accords with the taxation principle, that people should contribute to community social and physical infrastructure, in accord with their capacity to pay, as measured by property wealth.

Other valuation methods available are site value (value of land only) and annual value (value of rental potential of property). These are not considered appropriate in Salisbury's situation.

## Strategic Focus

In setting its rates for the 2023/24 financial year the Council considered its City Plan 2035, and other strategic planning documents including the Strategic Asset Management Plan and the Long Term Financial Plan.

## Setting Rates

Apart from the need to ensure sufficient revenue to meet its expenditure needs, Council is always mindful of the impact and affordability of rates to the community, both residential and business, and regularly makes comparison of its rates across council areas.

In 2022/23 Salisbury's average residential rate was the 4<sup>th</sup> lowest of the metropolitan Councils.

The first action in setting the new rate is to adjust for the impact of the average increase or decrease in market property values over the past year so that the rate increase is not compounded by property value increases.

Market Movement of Property Values	
Land Use	Market Movement
Residential	17.4%
Commercial and Industrial	14.6%

Secondly, Council considers the appropriate average rate increase to apply taking into account a number of factors. Council consider current service levels, and the community's current and future needs, and the methods by which services are provided. Council each year consider the budget in detail, and reviews requests for new expenditure and how it contributes to the delivery of the City Plan. Consideration is also given to having capacity to respond to the community's changing needs.

# Rating Strategy and Policy

After critically reviewing expenditure priorities and income from other sources Council propose to increase residential rates by an average of 7.9% for properties not on the minimum rate. The minimum rate is also proposed to increase by 7.9% from \$1,081 to \$1,166 for 2023/24. Noting that in 2020/21 Council determined a zero percent increase in rates to support the community in responding to the COVID-19 pandemic, and forecast inflation at June 2023 is 7.9% per Deloitte Access Economics Business Outlook December 2022.

Also, for 2022/23 Council had consulted on an average rate increase of 3.9% for all rate categories, and due to the impacts of increasing interest rates and cost pressures determined a lower average rate increase for residential properties of 3.5%, with this increase also applying to minimum rates across all land use categories.

Council has maintained surplus operating budgets since 2008/09 which is a significant achievement. This has resulted from maintaining existing assets and avoiding escalating costs that can result through neglect, by reviewing and refining service provision, and utilising property development proceeds to reduce debt levels resulting in lower interest costs.

## Categories of Rates

### General Rates

General rates are levied on capital values according to the differential rating system outlined below. Property valuations are performed independently by the Valuer-General on an annual basis and an owner has up to 60 days from notification in which to object.

A minimum rate applies to all properties where the value falls below a certain level as detailed in the table below. The minimum rate is imposed to ensure all properties make a fair contribution to general community facilities.

Maximum Capital Value for Minimum Rates	
Land Use	Maximum Value
Residential	\$354,084
Commercial and Industrial	\$205,209
Vacant Land	\$272,366

No more than 35% of properties can be subject to the minimum rate. The minimum rate is proposed to increase to \$1,166 from \$1,081 for the 2023/24 year.

### Differential Rating

Differential rates may be applied according to land use. A differential loading is applied to commercial and industrial properties and to vacant land. Residential and other properties pay the base rate.

a. The purpose of the differential on commercial and industrial properties is to:

- Recover from the business sector a greater share of costs relating to:
  - Economic development and promotion
  - City amenities which enhance retailing
  - More intensive road and traffic requirements
  - Extra capacity requirements for drainage
- Partially recognise the benefit of tax deductibility available to business
- Maintain the revenue contribution from this sector given inconsistent changes in property values as compared with residential properties

b. The purpose of the differential on vacant land is to:

- Provide a disincentive to withholding land from development
- Recognise the cost of surrounding infrastructure

The differential rate for vacant land is 30% higher than for residential properties. This is consistent with the previous year which was also 30%.

# Rating Strategy and Policy

## Separate Rates

Council uses its separate rating powers to collect rates for three existing purposes:

### *Salisbury Business Association*

Rates are collected for the Salisbury Business Association, from commercial and industrial properties within the Salisbury City Centre to enable it to market and promote the Centre. All funds collected are passed on to the association.

### *Globe Derby Community Club Inc.*

Rates are collected for and passed on to the community club based on a fixed amount per share in common land, so that the club can maintain an area of common land.

### *Landscape Administration Fund*

The Council acts as agent for the collection of rates for the Regional Landscape Levy (formerly the Natural Resource Management Levy). The level of increase is not determined by Council and these funds are passed to State Government.

## Residential Impact Statement

Council propose a 7.9% average rate increase to residential rates in the 2023/24 year. However, the actual increase for an individual property will vary depending on the actual changes in valuation above or below the average valuation increase.

In order to achieve the proposed average rate increase of 7.9% the rate (cents in the \$) will decrease from 0.3583 to 0.3293, which accounts for the increased valuation

An assessment of the resulting rate increases suggests the following impact on residential property owners:

Percentage Rate Increase	Number of Properties
< or = 0%	112
0.1 - 1.0%	12
1.1 - 2.0%	321
2.1 - 3.0%	2,012
3.1 - 4.0%	3,315
4.1 - 5.0%	2,082
5.1 - 6.0%	1,136
6.1 - 7.0%	2,236
7.1 - 8.0%	14,593
8.1 - 9.0%	7,454
9.1 - 10.0%	10,739
10.1 - 12.5%	10,329
>12.5%	1,447
<b>Total Number of Properties</b>	<b>55,788</b>

# Rating Strategy and Policy

## Payment of Rates

### Quarterly Billing

Rates are payable in quarterly instalments due in September, December, March and June each year. Rate notices will be issued prior to each quarterly instalment.

Payment methods are described on the reverse of the rate notice.

### Advance Payments

Ratepayers may choose to make fortnightly or monthly payments in advance towards their rates if this suits their budgetary circumstances. No interest is paid on these amounts due to the additional transaction processing costs associated with this service.

### Seniors Postponement of Rates

Residential property owners with a Seniors Card may apply to postpone payment of rates until the property is sold. Seniors who opt to postpone rates are required by the Local Government Act to pay \$500 in rates each year, with the balance being postponed. Postponed rates are a charge on the land and statutory interest continues to be charged on postponed rates and will be payable on sale of the property.

## Adjustments and Rebates

### High Value Property Adjustment

Council has recognised that higher value residential properties are subject to unreasonably high rates, due to the relatively low average value of properties in Salisbury, compared to some other Local Government areas. Council is also concerned to ensure there is a proper mix of development within the city.

To overcome this problem Council has endorsed an adjustment for residential properties with a value over \$700,000 provided the property is not used for commercial purposes, consists of multiple dwellings or is entitled to a mandatory rebate:

\$700,001 to \$780,000: a reduction of 10% of the general rates payable on the value above \$700,000 up to and including \$780,000, which is an increase on the 2022/23 tier of \$610,001-\$675,000.

\$780,001 to \$900,000: a reduction of 20% of the general rates payable on the value above \$780,000 up to and including \$900,000, which is an increase on the 2022/23 tier of \$675,001-\$814,000 which had a reduction of 15% rather than 20% proposed for 2023/24.

\$900,001+: a reduction of 35% of the general rates payable on the value above \$900,000, with the 2022/23 tier being \$814,001.

### Discretionary Rebates

The Local Government Act 1999 enables Council to grant discretionary rebates up to 100% for land used for the purposes of a community benefit.

Council has adopted a policy concerning such rebates, a copy of which is available from our Rates Section (Telephone 08 8406 8255).

### Rate Capping Rebate

Council has a policy to cap rate increases in the following circumstance:

- **Market Valuation Increase Cap** - for residential property which is the ratepayers principal residence, and the ratepayer is a natural person, the maximum increase in the general rate will be 12.5% of that paid in the previous year where that increase is as a result of significant valuation movements but not as a result of improvements, a change to the land use or zoning, a change in ownership, or a correction of the property value. There is an application process associated with this rebate.

### Disclaimer

A rate cannot be challenged on the basis of non-compliance with this policy and rates must be paid in accordance with the required payment provisions.

### Financial Hardship

Council is committed to providing support to ratepayers experiencing financial hardship with further information available on the City of Salisbury website.

# Appendix A: Long Term Financial Plan Statements

YEAR ENDING 30 JUNE	2024 Budget Year 1 \$000's	2025 Plan Year 2 \$000's	2026 Plan Year 3 \$000's	2027 Plan Year 4 \$000's	2028 Plan Year 5 \$000's	2029 Plan Year 6 \$000's	2030 Plan Year 7 \$000's	2031 Plan Year 8 \$000's	2032 Plan Year 9 \$000's	2033 Plan Year 10 \$000's
<b>INCOME</b>										
Rates Revenues	121,955	128,541	133,940	139,431	145,148	151,099	157,294	163,743	170,457	177,445
Statutory Charges	3,019	3,134	3,215	3,295	3,378	3,462	3,549	3,637	3,728	3,822
User Charges	5,994	8,928	9,490	10,066	10,301	10,559	10,823	11,094	11,371	11,655
Grants, Subsidies & Contributions	14,652	14,951	15,178	15,402	15,631	15,856	16,085	16,318	16,556	16,749
Investment Income	77	80	82	84	86	88	90	91	93	95
Reimbursements	289	300	308	316	324	332	340	348	357	366
Other Income	992	1,029	1,056	1,083	1,110	1,137	1,166	1,195	1,225	1,256
<b>Total Income</b>	<b>146,978</b>	<b>156,963</b>	<b>163,269</b>	<b>169,677</b>	<b>175,978</b>	<b>182,533</b>	<b>189,347</b>	<b>196,426</b>	<b>203,787</b>	<b>211,388</b>
<b>EXPENSES</b>										
Employee Costs	44,891	47,763	49,750	51,473	53,168	54,984	56,860	58,798	60,731	62,857
Materials, Contracts & Other Expenses	61,079	66,635	69,718	72,873	75,981	79,409	82,946	86,609	90,530	94,462
Depreciation, Amortisation & Impairment	33,641	35,011	36,431	37,918	39,704	41,383	43,058	44,681	46,350	48,130
Finance Costs	3,740	3,902	3,860	3,249	2,799	2,361	1,828	1,447	1,025	677
Net loss - Equity Accounted Council Businesses	739	-	-	-	-	-	-	-	-	-
<b>Total Expenses</b>	<b>144,090</b>	<b>153,311</b>	<b>159,759</b>	<b>165,513</b>	<b>171,652</b>	<b>178,137</b>	<b>184,692</b>	<b>191,535</b>	<b>198,636</b>	<b>206,126</b>
<b>OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS</b>	<b>2,888</b>	<b>3,652</b>	<b>3,510</b>	<b>4,164</b>	<b>4,326</b>	<b>4,396</b>	<b>4,655</b>	<b>4,891</b>	<b>5,151</b>	<b>5,262</b>
Asset Disposal & Fair Value Adjustments	2,199	748	2,652	6,351	1,999	6,166	1,451	3,530	2,916	4,612
Amounts Received Specifically for New or Upgraded Assets	957	1,434	1,748	1,477	1,477	1,477	1,477	1,477	1,477	1,477
Physical Resources Received Free of Charge	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
<b>NET SURPLUS/(DEFICIT)</b>	<b>7,044</b>	<b>6,834</b>	<b>8,910</b>	<b>12,992</b>	<b>8,802</b>	<b>13,039</b>	<b>8,583</b>	<b>10,898</b>	<b>10,544</b>	<b>12,351</b>
<b>OTHER COMPREHENSIVE INCOME</b>										
Changes in Revaluation Surplus - I,PP&E	50,254	47,313	47,808	48,314	48,951	49,499	50,064	50,600	51,153	23,226
<b>Total Other Comprehensive Income</b>	<b>50,254</b>	<b>47,313</b>	<b>47,808</b>	<b>48,314</b>	<b>48,951</b>	<b>49,499</b>	<b>50,064</b>	<b>50,600</b>	<b>51,153</b>	<b>23,226</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>57,298</b>	<b>54,147</b>	<b>56,718</b>	<b>61,306</b>	<b>57,753</b>	<b>62,538</b>	<b>58,647</b>	<b>61,498</b>	<b>61,697</b>	<b>35,577</b>

# Appendix A: Long Term Financial Plan Statements

## ESTIMATED STATEMENT OF FINANCIAL POSITION

YEAR ENDING 30 JUNE	2024 Budget Year 1 \$000's	2025 Plan Year 2 \$000's	2026 Plan Year 3 \$000's	2027 Plan Year 4 \$000's	2028 Plan Year 5 \$000's	2029 Plan Year 6 \$000's	2030 Plan Year 7 \$000's	2031 Plan Year 8 \$000's	2032 Plan Year 9 \$000's	2033 Plan Year 10 \$000's
<b>ASSETS</b>										
<b>Current Assets</b>										
Trade & Other Receivables	6,621	7,169	7,471	7,738	8,009	8,292	8,585	8,890	9,207	9,532
Inventories	1,762	1,793	1,810	1,827	1,844	1,863	1,883	1,903	1,925	1,946
<b>Total Current Assets</b>	<b>8,383</b>	<b>8,962</b>	<b>9,281</b>	<b>9,565</b>	<b>9,853</b>	<b>10,155</b>	<b>10,468</b>	<b>10,793</b>	<b>11,132</b>	<b>11,478</b>
<b>Non-Current Assets</b>										
Financial Assets	47	50	52	54	56	59	61	63	66	69
Equity Accounted Investments in Council Businesses	5,310	5,310	5,310	5,310	5,310	5,310	5,310	5,310	5,310	5,310
Infrastructure, Property, Plant & Equipment	1,903,563	1,969,149	2,023,792	2,078,353	2,135,730	2,192,440	2,247,976	2,306,539	2,362,256	2,393,414
Intangible Assets	210	210	210	210	210	210	210	210	210	210
Other Non-Current Assets	31,097	31,097	31,097	31,097	31,097	31,097	31,097	31,097	31,097	31,097
<b>Total Non-Current Assets</b>	<b>1,940,227</b>	<b>2,005,816</b>	<b>2,060,461</b>	<b>2,115,024</b>	<b>2,172,403</b>	<b>2,229,116</b>	<b>2,284,654</b>	<b>2,343,219</b>	<b>2,398,939</b>	<b>2,430,100</b>
<b>TOTAL ASSETS</b>	<b>1,948,610</b>	<b>2,014,778</b>	<b>2,069,742</b>	<b>2,124,589</b>	<b>2,182,256</b>	<b>2,239,271</b>	<b>2,295,122</b>	<b>2,354,012</b>	<b>2,410,071</b>	<b>2,441,578</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Cash Advance Debentures	65,635	76,069	72,486	63,532	60,913	52,714	47,160	41,698	33,053	25,885
Trade & Other Payables	19,814	21,454	22,415	23,397	24,370	25,436	26,534	27,675	28,890	30,115
Borrowings	1,504	635	36	38	39	41	42	22	-	1
Provisions	10,264	11,461	12,702	13,980	15,298	16,658	18,061	19,510	21,006	22,551
<b>Total Current Liabilities</b>	<b>97,217</b>	<b>109,619</b>	<b>107,639</b>	<b>100,947</b>	<b>100,620</b>	<b>94,849</b>	<b>91,797</b>	<b>88,905</b>	<b>82,949</b>	<b>78,552</b>
<b>Non-Current Liabilities</b>										
Borrowings	2,841	2,204	2,168	2,130	2,091	2,050	2,008	1,986	1,986	1,986
Provisions	2,302	2,555	2,818	3,089	3,368	3,657	3,954	4,261	4,578	4,906
<b>Total Non-Current Liabilities</b>	<b>5,143</b>	<b>4,759</b>	<b>4,986</b>	<b>5,219</b>	<b>5,459</b>	<b>5,707</b>	<b>5,962</b>	<b>6,247</b>	<b>6,564</b>	<b>6,892</b>
<b>TOTAL LIABILITIES</b>	<b>102,360</b>	<b>114,378</b>	<b>112,625</b>	<b>106,166</b>	<b>106,079</b>	<b>100,556</b>	<b>97,759</b>	<b>95,152</b>	<b>89,513</b>	<b>85,444</b>
<b>NET ASSETS</b>	<b>1,846,250</b>	<b>1,900,400</b>	<b>1,957,117</b>	<b>2,018,423</b>	<b>2,076,177</b>	<b>2,138,715</b>	<b>2,197,363</b>	<b>2,258,860</b>	<b>2,320,558</b>	<b>2,356,134</b>
<b>EQUITY</b>										
Accumulated Surplus	388,422	395,256	404,167	417,159	425,961	439,000	447,582	458,481	469,026	481,377
Asset Revaluation Reserves	1,410,976	1,458,290	1,506,097	1,554,412	1,603,363	1,652,862	1,702,927	1,753,526	1,804,679	1,827,905
Other Reserves	46,852	46,853	46,851	46,851	46,852	46,851	46,852	46,852	46,852	46,852
<b>TOTAL EQUITY</b>	<b>1,846,250</b>	<b>1,900,399</b>	<b>1,957,115</b>	<b>2,018,422</b>	<b>2,076,176</b>	<b>2,138,713</b>	<b>2,197,361</b>	<b>2,258,859</b>	<b>2,320,557</b>	<b>2,356,134</b>



# Appendix A: Long Term Financial Plan Statements

## ESTIMATED STATEMENT OF CASH FLOWS

YEAR ENDING 30 JUNE	2024 Budget Year 1 \$000's	2025 Plan Year 2 \$000's	2026 Plan Year 3 \$000's	2027 Plan Year 4 \$000's	2028 Plan Year 5 \$000's	2029 Plan Year 6 \$000's	2030 Plan Year 7 \$000's	2031 Plan Year 8 \$000's	2032 Plan Year 9 \$000's	2033 Plan Year 10 \$000's
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Operating Receipts	146,430	156,570	163,063	169,506	175,806	182,356	189,167	196,241	203,599	211,198
Investment Receipts	78	80	82	84	86	88	90	91	93	95
<b>Payments</b>										
Operating Payments to Suppliers and Employees	(105,112)	(111,575)	(117,199)	(122,016)	(126,783)	(131,898)	(137,231)	(142,747)	(148,480)	(154,474)
Finance Payments	(3,740)	(3,902)	(3,860)	(3,249)	(2,799)	(2,361)	(1,828)	(1,447)	(1,025)	(677)
<b>Net Cash provided by (or used in) Operating Activities</b>	<b>37,656</b>	<b>41,173</b>	<b>42,086</b>	<b>44,325</b>	<b>46,310</b>	<b>48,185</b>	<b>50,198</b>	<b>52,138</b>	<b>54,187</b>	<b>56,142</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Amounts Received Specifically for New/Upgraded Assets	957	1,434	1,748	1,477	1,477	1,477	1,477	1,477	1,477	1,477
Sale of Replaced Assets	928	748	886	792	792	792	792	792	792	792
Sale of Real Estate Developments	1,271	-	1,766	5,559	1,207	5,374	659	2,738	2,124	3,820
<b>Payments</b>										
Expenditure on Renewal/Replacement of Assets	(30,651)	(31,474)	(28,849)	(29,244)	(35,371)	(34,205)	(35,176)	(37,579)	(36,946)	(40,303)
Expenditure on New/Upgraded Assets	(11,371)	(20,810)	(13,417)	(13,921)	(11,759)	(13,388)	(12,354)	(14,066)	(12,967)	(14,759)
<b>Net Cash Provided by (or used in) Investing Activities</b>	<b>(38,866)</b>	<b>(50,102)</b>	<b>(37,866)</b>	<b>(35,337)</b>	<b>(43,654)</b>	<b>(39,950)</b>	<b>(44,602)</b>	<b>(46,638)</b>	<b>(45,520)</b>	<b>(48,973)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds from CAD	2,620	10,433	-	-	-	-	-	-	-	-
<b>Payments</b>										
Repayments of CAD	-	(4,165)	(4,323)	(8,910)	(2,025)	(11,274)	(10,430)	(10,557)	(11,088)	(11,988)
Repayments of Borrowings	(1,410)	(1,504)	(636)	(36)	(38)	(39)	(41)	(42)	(22)	-
<b>Net Cash provided by (or used in) Financing Activities</b>	<b>1,210</b>	<b>4,764</b>	<b>(4,959)</b>	<b>(8,946)</b>	<b>(2,063)</b>	<b>(11,313)</b>	<b>(10,471)</b>	<b>(10,599)</b>	<b>(11,110)</b>	<b>(11,988)</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>-</b>	<b>(4,165)</b>	<b>(739)</b>	<b>42</b>	<b>593</b>	<b>(3,078)</b>	<b>(4,875)</b>	<b>(5,099)</b>	<b>(2,443)</b>	<b>(4,819)</b>
<b>Cash &amp; Cash Equivalents at Beginning of Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash &amp; Cash Equivalents/Movements in Borrowings at End of Period</b>	<b>-</b>	<b>(4,165)</b>	<b>(739)</b>	<b>42</b>	<b>593</b>	<b>(3,078)</b>	<b>(4,875)</b>	<b>2,847</b>	<b>13,935</b>	<b>25,922</b>

# Appendix A: Long Term Financial Plan Statements

## SUMMARY STATEMENT OF CHANGES IN EQUITY

YEAR ENDING 30 JUNE	2024 Budget Year 1 \$000's	2025 Plan Year 2 \$000's	2026 Plan Year 3 \$000's	2027 Plan Year 4 \$000's	2028 Plan Year 5 \$000's	2029 Plan Year 6 \$000's	2030 Plan Year 7 \$000's	2031 Plan Year 8 \$000's	2032 Plan Year 9 \$000's	2033 Plan Year 10 \$000's
Opening Balance	1,788,952	1,846,250	1,900,398	1,957,116	2,018,423	2,076,176	2,138,715	2,197,361	2,258,860	2,320,557
Net Surplus / (Deficit) for Year	7,044	6,834	8,911	12,992	8,801	13,040	8,582	10,899	10,545	12,351
Other Comprehensive Income										
- Gain (Loss) on Revaluation of I,PP&E	50,254	47,313	47,808	48,314	48,951	49,499	50,064	50,600	51,153	23,226
Other Comprehensive Income	50,254	47,313	47,808	48,314	48,951	49,499	50,064	50,600	51,153	23,226
Total Comprehensive Income	57,298	54,147	56,719	61,306	57,752	62,539	58,646	61,499	61,698	35,577
Balance at end of period	1,846,250	1,900,397	1,957,117	2,018,422	2,076,175	2,138,715	2,197,361	2,258,860	2,320,558	2,356,134

# Appendix A: Long Term Financial Plan Statements

## UNIFORM PRESENTATION OF FINANCES

YEAR ENDING 30 JUNE	2024 Budget Year 1 \$000's	2025 Plan Year 2 \$000's	2026 Plan Year 3 \$000's	2027 Plan Year 4 \$000's	2028 Plan Year 5 \$000's	2029 Plan Year 6 \$000's	2030 Plan Year 7 \$000's	2031 Plan Year 8 \$000's	2032 Plan Year 9 \$000's	2033 Plan Year 10 \$000's
Income	146,978	156,963	163,269	169,677	175,979	182,533	189,346	196,428	203,787	211,389
less Expenses	(144,090)	(153,311)	(159,759)	(165,513)	(171,654)	(178,138)	(184,693)	(191,535)	(198,636)	(206,128)
<b>Operating Surplus / (Deficit)</b>	<b>2,888</b>	<b>3,652</b>	<b>3,510</b>	<b>4,164</b>	<b>4,325</b>	<b>4,395</b>	<b>4,653</b>	<b>4,893</b>	<b>5,151</b>	<b>5,261</b>
<b>Less: Net Outlays on Existing Assets</b>										
Capital Expenditure on Renewal/Replacement of Existing Assets	(30,651)	(31,474)	(28,849)	(29,244)	(35,371)	(34,205)	(35,176)	(37,579)	(36,946)	(40,303)
less Depreciation, Amortisation & Impairment	33,641	35,011	36,431	37,918	39,704	41,383	43,058	44,681	46,350	48,130
less Proceeds from Sale of Replaced Assets	928	748	886	792	792	792	792	792	792	792
	<b>3,918</b>	<b>4,285</b>	<b>8,468</b>	<b>9,466</b>	<b>5,125</b>	<b>7,970</b>	<b>8,674</b>	<b>7,894</b>	<b>10,196</b>	<b>8,619</b>
<b>Less: Net Outlays on New and Upgraded Assets</b>										
Capital Expenditure on New/Upgraded Assets	(11,371)	(20,810)	(13,417)	(13,921)	(11,759)	(13,388)	(12,354)	(14,066)	(12,967)	(14,759)
less Amounts Specifically for New/Upgraded Assets	957	1,434	1,748	1,477	1,477	1,477	1,477	1,477	1,477	1,477
less Proceeds from Sale of Surplus Assets	1,271	-	1,766	5,559	1,207	5,374	659	2,738	2,124	3,820
	<b>(9,143)</b>	<b>(19,376)</b>	<b>(9,903)</b>	<b>(6,885)</b>	<b>(9,075)</b>	<b>(6,537)</b>	<b>(10,218)</b>	<b>(9,851)</b>	<b>(9,366)</b>	<b>(9,462)</b>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>(2,337)</b>	<b>(11,439)</b>	<b>2,075</b>	<b>6,745</b>	<b>375</b>	<b>5,828</b>	<b>3,109</b>	<b>2,936</b>	<b>5,981</b>	<b>4,418</b>

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Appendix B: Uniform Presentation of Rates Revenue Public Consultation

Proposed Rates Revenue				
	2022/23 (as adopted)	2023/24 (Public Consultation)	Change	Comments
General Rates Revenue				
General Rates (existing properties)		\$120,574,291 (a)		For 2023/24, total General Rates revenue has increased 8.9%, reflecting a proposed average rate increases of 7.9%, growth (refer k) of 0.5% from new properties that have been created over the last year, and a further 0.5% of revenue made up of new construction that will be rated for the first time in 2023/24
General Rates (new properties)		\$556,159 (b)		
General Rates (GROSS)	\$111,231,664	\$121,130,449 (c)		
Less: Mandatory Rebates	(\$1,290,000)	(\$1,371,300) (d)		
Less: Tier Remissions and Capping	(\$491,000)	(\$546,000) (e)		
General Rates (NET)	\$109,450,664	\$119,213,149 (f)	8.9%	
(f)=(c)+(d)+(e)				
Other Rates (inc. service charges)				
Regional Landscape Levy	\$2,139,763	\$2,289,374 (g)		The Regional Landscape Levy is <b>not retained</b> by Council. Separate rates are collected on behalf of the Salisbury Business Association and Globe Derby Community Club. These funds are not retained by Council
Separate and Special Rates	\$171,400	\$177,878 (h)		
	\$2,311,163	\$2,467,252		
Less: Discretionary Rebates	(\$40,000)	(\$42,000) (i)		
Total Rates Revenue	\$107,099,501	\$116,703,897 (j)	9.0%	Excluding the Regional Landscape Levy, separate rates, and minus Mandatory & Discretionary Rebates.
(j)=(f)-(g)-(h)+(i)				

Growth in number of rateable properties				
Number of rateable properties	61,405	61,725	(k)	0.5%
	Actual	Estimate		
'Growth' is defined in the regulations as where new properties have been created which has added rateable properties to Council's ratepayer base. Growth can also increase the need and expenditure related to infrastructure, services and programs which support these properties and residents.				Growth of 0.5% has accounted for 0.5% the increase in General Rates to be collected (refer b).

Average General Rates per rateable property				
Average per rateable property	\$1,811	\$1,962	(l)	8.3%
(l)=(c)/(k)				
<p>Councils use property valuations to calculate each rateable property’s contribution to the required rate revenue total. Councils do not automatically receive more money because property values increase but this may alter how rates are apportioned (or divided) across each ratepayer (ie. some people may pay more or less rates, this is dependent on the change in value of their property relative to the overall valuation changes across the Council area). The total rates paid by all rateable properties will equal the amount adopted in the budget.</p>				
<p>These 'averages' are based on the <b>total of all rateable properties</b> and are therefore not indicative of either the rate or change in rates that all ratepayers will experience. The proposed average rate increase is 7.9%, with the balance resulting from new assessments and construction that will be rated for the first time in 2023/24.</p>				

Notes

(d) Councils are <b>required</b> under the Local Government Act to provide a rebate to qualifying properties under a number of categories: Health Services - 100 per cent Community Services - 75 per cent The rates which are foregone via Mandatory Rebates are redistributed across the ratepayer base (ie. all other ratepayers are subsidising the rates contribution for those properties who receive the rebate).	Religious purposes - 100 per cent Public Cemeteries - 100 per cent	Royal Zoological Society of SA - 100 per cent Educational purposes - 75 per cent
(f) Presented as required by Regulation 6(1)(ea) of the <i>Local Government (Financial Management) Regulations 2011</i> . <b>Please Note:</b> The percentage figure in (f) relates to the change in the total amount of General Rates revenue to be collected from <u>all</u> rateable properties, not from <u>individual</u> rateable properties (ie. individual rates will not necessarily change by this figure).		
(g) Councils are required under the <i>Landscape South Australia Act 2019</i> to collect the levy on all rateable properties on behalf of the State Government. The Regional Landscape Levy is <b>not retained</b> by Council.		
(i) A council <b>may</b> grant a rebate of rates or service charges in a number of circumstances. The rates which are foregone via Discretionary Rebates are redistributed across the ratepayer base (ie. all other ratepayers are subsidising the rates contribution for those properties that receive the rebate).		
(k) 'Growth' as defined in Regulation 6(2) of the <i>Local Government (Financial Management) Regulations 2011</i> . <b>Please note:</b> The 2023/24 number of rateable properties is an estimate based on the most current information available at the time of going out to consultation on the LTFP&ABP. This information is updated regularly and therefore may be subject to change at the time of adoption of LTFP&ABP.		

# Appendix B: Uniform Presentation of Rates Revenue Public Consultation

## Differential Rates

	Total expected revenue			No. of rateable properties		Average per rateable property			Cents in the \$	
	2022/23	2023/24	Change	2022/23	2023/24	2022/23	2023/24	Change	2023/24	
Land Use (General Rates - GROSS)										
Residential	\$84,609,121	\$91,795,496	8%	57,006	57,293	\$1,484	\$1,602	(m)	\$118	0.329300
Commercial - Shop	\$4,612,043	\$4,795,064	4%	744	744	\$6,199	\$6,445	(m)	\$246	0.568200
Commercial - Office	\$1,205,796	\$1,286,207	7%	204	204	\$5,911	\$6,305	(m)	\$394	0.568200
Commercial - Other	\$11,730,647	\$13,103,421	12%	1,538	1,579	\$7,627	\$8,299	(m)	\$671	0.568200
Industry - Light	\$1,041,392	\$1,185,294	14%	323	325	\$3,224	\$3,647	(m)	\$423	0.568200
Industry - Other	\$4,568,293	\$4,979,273	9%	272	275	\$16,795	\$18,106	(m)	\$1,311	0.568200
Primary Production	\$465,646	\$606,343	30%	201	205	\$2,317	\$2,958	(m)	\$641	0.329300
Vacant Land	\$1,979,250	\$2,406,205	22%	955	942	\$2,073	\$2,554	(m)	\$482	0.428100
Other	\$1,019,480	\$973,146	-5%	162	158	\$6,293	\$6,159	(m)	-\$134	0.329300
GRAND TOTAL (GROSS)	\$111,231,667	\$121,130,449	8.9%	61,405	61,725	\$1,811	\$1,962	(m)	\$151	

Council uses a differential rating system, using Land Use Codes as the factor to apply such differential rates. In applying differential general rates, Council has considered and is satisfied that the rating system addresses the issue of consistency and comparability across all council areas, particularly as it relates to the various sectors of the business and wider community.

## Minimum Rate

	Properties to which rate will apply		Rate		
	2023/24	% of total rateable properties	2022/23	2023/24	Change
Minimum Rate	10,911	17.7%	\$1,081	\$1,166	(n) \$85

The Minimum Rate provides a mechanism where lower valued properties do not pay less than a minimum amount as determined by the Council. Typically, only a small number of all properties (with no more than 35%) pay a minimum amount. Council proposes to set a minimum rate of \$1,166 which shall be applied to all rateable properties. This will affect 17.7% of rateable properties.

## Adopted valuation method

### Capital Value

Council has the option of adopting one of three valuation methodologies to assess the properties in its area for rating purposes:

**Capital Value** – the value of the land and all improvements on the land;

**Site Value** – the value of the land and any improvements which predominantly affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements (Note: Site Value will cease to be an option from 1 Sept 2023); or

**Annual Value** – a valuation of the rental potential of the property.

Council continues to use **Capital Value** as the basis for valuing land within the Council area. Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- The equity principle of taxation requires that taxpayers of greater wealth pay more tax than those of lesser wealth.
- Property value is a relatively good indicator of wealth and capital value, which closely approximates the market value of a property, provides the best indicator of overall property value.

### Notes

(m) Average per rateable property calculated as General Rates for category, including minimum rates but excluding any separate rates, <i>divided</i> by number of rateable properties within that category in the relevant financial year.
(n) Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer.



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# Appendix C: Essential Services Commission of South Australia (ESCOSA) Advice and City of Salisbury Comments

## Council's Response

ESCOSA have undertaken a review of the City of Salisbury's Strategic Management Plans and have prepared the Advice contained on the pages that follow. This Advice was finalised by ESCOSA 28 February 2023.

The ESCOSA framework does not provide Council the opportunity to respond to the advice prior to it being finalised, or to provide additional context that would assist in better informing the Advice provided.

The City of Salisbury has responded to these constraints by providing additional context to aid readers of the report to make a more informed assessment of the operations of the City of Salisbury.

The approach taken has been to insert pages where needed throughout the Advice. These pages can be distinguished from the ESCOSA Advice by the header on the page.

## Action Plan

Additionally, Council will be developing an Action Plan in relation to the 9 items of Advice that ESCOSA have provided. This Action Plan appears on Page 20.

As required by S122(1h) ESCOSA Advice and Council's Action Plan will be included in each Annual Plan and Budget for the coming four years, with progress against the action plan also reported.

OFFICIAL



Advice

# Local Government Advice

City of Salisbury

February 2023

OFFICIAL

Enquiries concerning this advice should be addressed to:

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## Glossary of terms

ABS	Australian Bureau of Statistics
AMP	Asset management plan (also called an IAMP)
Commission	Essential Services Commission, established under the <i>Essential Services Commission Act 2002</i>
CPI	Consumer Price Index (Adelaide, All Groups)
Council	City of Salisbury
CWMS	Community Wastewater Management System
ESC Act	<i>Essential Services Commission Act 2002</i>
F&A	<a href="#">Local Government Advice: Framework and Approach – Final Report</a>
FTE	Full Time Equivalent
IAMP	Infrastructure and asset management plan (also called an AMP)
LG Act	<i>Local Government Act 1999</i>
LGA SA Financial Indicators Paper	Local Government Association of South Australia, Financial Sustainability Information Paper 9 - Financial Indicators Revised May 2019
LGGC	Local Government Grants Commission
LGPI	Local Government Price Index
LTFP	Long-term financial plan
Regulations	<i>Local Government (Financial Management) Regulations 2011</i>
RBA	Reserve Bank of Australia
SACES	The South Australian Centre for Economic Studies
SEIFA	Socio-Economic Indexes for Areas
SMP	Strategic management plan
SG	Superannuation Guarantee
The scheme or advice	Local Government Advice Scheme



# 1 The Commission's key advice findings for the City of Salisbury

The Essential Services Commission (Commission) finds the City of Salisbury's (Council's) current financial outlook sustainable with conservative operating surpluses projected from the forecast growth in operating income marginally outpacing forecast cost growth. The Council expects to continue to renew its asset base at appropriate levels. However, its future financial position remains reliant on continued rate increases above inflation to help fund the current period of high infrastructure and service investment where there are cost risks.

Acknowledging this outlook, the Commission suggests the following steps to ensure that it budgets prudently, prioritises its capital spending in a transparent fashion, manages its cost base efficiently, considers spreading its borrowing repayments over a longer time period, plans its asset needs appropriately and ultimately, constrains the extent of further rate increases:

## Budgeting and consultation considerations

1. Continue to review its inflation forecasts in its budget and forward projections, given the potential for higher short-term outcomes before a return to long-run averages.
2. Focus on controlling cost growth in its budgeting, including by reviewing its projected capital expenditure allocations (in consultation with the community, as required) to remove those which are not yet tied to defined and costed projects, and reduce the need for further rate increases.
3. Ensure that it publishes relevant reports regarding community consultation outcomes about large infrastructure projects which are to be significantly rate-funded.

## Providing evidence of ongoing cost efficiencies

4. Report its actual and projected cost savings in its annual budget, to provide evidence of controlling cost growth and achieving efficiency across its operations and service delivery.

## Managing operating cost risk

5. Develop and publish a risk management plan for the Salisbury Aquatic Centre, which incorporates an annual review of the requirements for recurrent spending (given demand estimates and outcomes), and the associated impact on the Council's operating capacity and quantum of rate contributions.

## Borrowing repayment considerations

6. Review its projected borrowing repayment plans in its long-term financial plan projections with a view to spreading the repayments over a longer time period, if possible, to reduce the extent of the required financial contributions from ratepayers to meet repayments in the short to medium term.

# ESCOSA Advice – City of Salisbury Comments



## Service Expansion and Cost Risk

The City Plan 2035 is a S122 Plan which has been consulted with the community and endorsed by Council. This document sets the strategic direction for the City of Salisbury’s service delivery to the community. It is not possible to deliver on this strategy without infrastructure and service investment. Further, Local Government cost structures differ to those of households, and the underlying assumption in the ESCOSA framework is that Council rates should be maintained at or below inflation, from 2011/12 and into the future. This would require that the service provision from 2011/12 would need to have been reduced and continue to reduce into the future, which would not meet the service expectations of the community.



## Budgeting Prudently

The City of Salisbury is committed to continuing its robust budgeting practices and striking a balance between service provision and infrastructure investment, and maintaining affordable rates.



Advice: These specific advice items are responded to in Council’s Action Plan, contained in Pages 20 to 22


## Refinements to asset management planning

7. Review the assumptions underpinning its asset management plans to ensure those plans incorporate a more accurate picture of required asset expenditure and better align with the allocations in its long-term financial plan as necessary, including the estimates of asset lives and valuations feeding into the forecast rates of asset consumption and depreciation expenses.
8. Review the new and upgraded asset expenditure projections (as per Finding 2) with consideration of the service levels desired by the community.

## Containing rate levels

9. Review and consider limiting future minimum rate and average rate increases above inflation, particularly on rate categories which have lower capacity to pay, to help minimise affordability risk in the community.

# ESCOSA Advice – City of Salisbury Comments



Advice: These specific advice items are responded to in Council’s Action Plan, contained in Pages 20 to 22

## 2 About the advice

The Essential Services Commission (Commission), South Australia's independent economic regulator and advisory body, has been given a role by the State Government to provide advice on material changes proposed by local councils in relation to elements of their strategic management plans (SMPs) and on the proposed revenue sources, including rates, which underpin those plans.<sup>1</sup>

One of the main purposes of the Local Government Advice Scheme (advice or the scheme) is to support councils to make 'financially sustainable' decisions relating to their annual business plans and budgets in the context of their long-term financial plans (LTFPs) and infrastructure and asset management plans (IAMPs)<sup>2</sup> – both required as part of a council's SMP.<sup>3</sup> Financial sustainability is considered to encompass intergenerational equity,<sup>4</sup> as well as program (service level) and rates stability in this context.<sup>5</sup> The other main purpose is for the Commission to consider ratepayer contributions in the context of revenue sources, outlined in the LTFP.<sup>6</sup> In addition, the Commission has discretion to provide advice on any other aspect of a council's LTFP or IAMP it considers appropriate, having regard to the circumstances of that council.<sup>7</sup>

The first cycle of the scheme extends over four years from 2022-23 to 2025-26, and the Commission has selected 15 councils for advice in the first scheme year (2022-23), including the City of Salisbury (Council).

This report provides the Local Government Advice for the City of Salisbury in 2022-23.

The Council is obliged under the *Local Government Act 1999* (LG Act) to publish this advice and its response, if applicable, in its 2023-24 Annual Business Plan (including any draft Annual Business Plan) and subsequent plans until the next cycle of the scheme.<sup>8</sup> It does not need to publish the attachment to the advice (these will be available with the advice on the Commission's website<sup>9</sup>), nor is it compelled under the LG Act to follow the advice. The Commission thanks the City of Salisbury for providing relevant information to assist the Commission in preparing this advice.

### 2.1 Summary of advice

The Commission finds the City of Salisbury's current financial outlook sustainable with conservative operating surpluses resulting from its forecast income growth, led by rates growth, marginally exceeding the forecast operating cost growth associated with its service expansion plans. In the past 10 years, the Council has run relatively large operating surpluses, suggesting a period of service consolidation amidst moderate growth, while the community paid higher rate levels in real terms.

The Council has entered a period of service expansion with the Salisbury Aquatic Centre project and other capital enhancement plans. The Council's LTFP projections from 2022-23 forecast:

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<sup>1</sup> Amendments to the *Local Government Act 1999* (s122(1c) to (1k) and (9)) specify the responsibilities for the Commission and local councils for the Local Government Scheme Advice. The Commission must provide advice to each council in accordance with the matters outlined in s122(1e), (1f) and (1g).

<sup>2</sup> Commonly referred to as asset management plans.

<sup>3</sup> The objectives of the advice with reference to a council's LTFP and IAMPs are presented under LG Act, s122(1g). LG Act s122(1) specifies the requirements of a council's SMP, including the LTFP and IAMPs.

<sup>4</sup> 'Intergenerational equity' relates to fairly sharing services and the revenue generated to fund the services between current and future ratepayers.

<sup>5</sup> Commission, *Framework and Approach – Final Report*, August 2022, pp. 2-3, available at [www.escosa.sa.gov.au/advice/advice-to-local-government](http://www.escosa.sa.gov.au/advice/advice-to-local-government).

<sup>6</sup> LG Act s122(1f)(a) and (1g)(a)(ii).

<sup>7</sup> LG Act s122(1f)(b) and (1g)(b).

<sup>8</sup> LG Act s122(1h).

<sup>9</sup> The Commission must publish its advice under LG Act s122(1i)(a).

# ESCOSA Advice – City of Salisbury Comments



## Legislative Requirements

The City of Salisbury provided feedback on the draft framework proposed by ESCOSA, together with many other Councils and the Local Government Association, with ESCOSA adopting their originally proposed framework without change.

Our submission can be found at the ESCOSA website <https://www.escosa.sa.gov.au/ArticleDocuments/21900/20220729-Advice-LocalGovernment-DraftFrameworkApproachSubmission-CityOfSalisbury.pdf.aspx?Embed=Y>

Our submission highlighted our concerns with the approach that ESCOSA proposed, which was granular analysis over a 20+ year period. Section 122 of the Local Government Act does not require this granular approach. The Act requires ESCOSA to have regard to Council's objectives of having ratepayers make appropriate financial contributions for services and facilities. It is evident from the Advice that ESCOSA has had little regard to the City Plan, which sets the strategic direction for the City of Salisbury and is a S122 plan together with the Long Term Financial Plan and Strategic Asset Management Plan.



## Historical Operating Surpluses & Salisbury Aquatic Centre

The City of Salisbury has achieved higher operating surpluses than budgeted due to a range of factors, including inconsistency in the payment of the Financial Assistance Grant, with some years having six quarterly payments needing to be brought to account as required by Accounting Standards.

Other factors include timing of the delivery of the capital works program, which when delays occur results in lower depreciation costs and interest costs than budget.

Surpluses were also bolstered from the impact of property development proceeds which at the time were quarantined for budgeting purposes to ensure that Council remained financially sustainable without these "abnormal" returns.

City of Salisbury has provided a swimming pool at the Salisbury Recreation Precinct since the '60's. This ageing asset was not meeting community expectations with limited attraction for families, and being open air was only operational during warmer months. Construction of a new pool is underway in this same location following external expert advice regarding the need to provide a pool and the location of other facilities to determine the viability. Community consultation resulted in a larger scale investment in the facility, and while this results in higher depreciation, overall it improved the operating result of the facility, and reduced the impact on ratepayers.

There is modest provision in the Long Term Financial Plan for construction of new assets and the provision of new or expanded services. This provision is appropriate given the public were consulted on the City Plan 2035 which sets the strategic direction for Council and has a number of projects on the horizon which are not yet sufficiently scoped to plan in a more detailed financial year at this time. We have also been shifting from Asset Management based on asset condition to continuity of service and with uncertainty regarding the financial impact it is important to "stress test" the financial forecast to determine the level of capacity for funding new and upgraded infrastructure.



- higher average cost increases than it has experienced over the past 10 years (and higher than projected inflation)
- the continued prioritisation of its asset expenditure on renewal and rehabilitation works, as well as higher spending on new and upgraded assets, and
- continued rate increases on the community, above the rate of inflation.

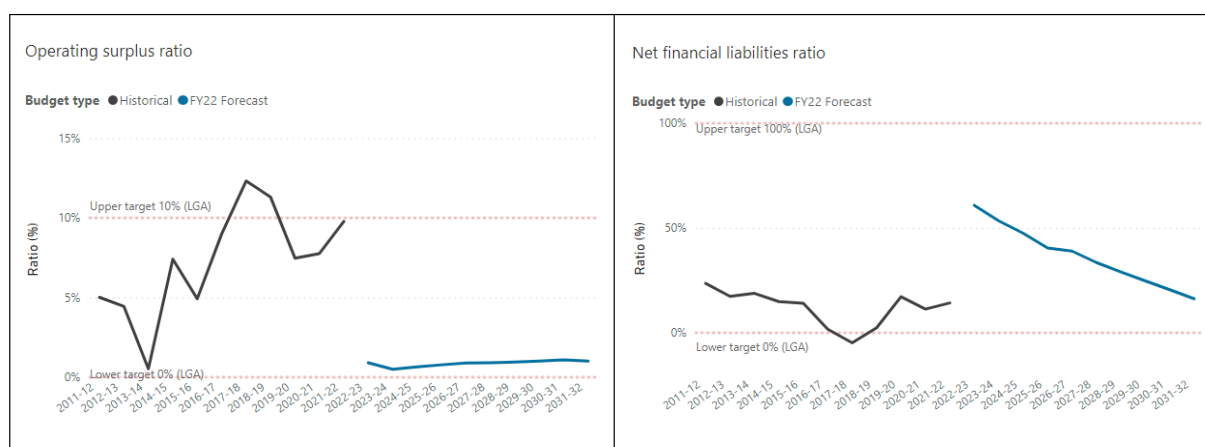
There are current risks to its financial sustainability arising from the extent of funding it has allocated for undefined capital projects in its forward projections, noting that the Salisbury Aquatic Centre project costs and associated service offerings have increased considerably from those originally planned. The Commission encourages the City of Salisbury to review these spending allocations critically and to publish community consultation outcomes on future spending priorities. The Commission has also observed that the Council's AMPs were last updated in 2015, which raises questions as to the current knowledge of the condition and the cost implications of maintaining or renewing the existing assets.

To finance the infrastructure projects, the Council has also borrowed more (with projected debt amounts still well within acceptable limits) and there might be an opportunity to reduce annual repayments with a longer loan payback period. This would then reduce the need for higher rate increases in the short to medium term.

The Commission considers that there may also be opportunities to continue to achieve savings and efficiencies in its recurrent budget and encourages the Council to review and report on this. This includes a review of the asset-related assumptions feeding into its estimated depreciation expenses.

The charts below of the City of Salisbury's past and projected operating surplus ratio, net financial liabilities ratio, asset renewal funding ratio and average rate revenue per property, together support these findings.

The 'heat map' diagram (over the page) summarises the Commission's findings with reference to whether the Council has met the suggested Local Government Association (LGA) target ranges for the three main financial sustainability indicators<sup>10</sup> and the level of cost control and affordability risk identified for the Council over time.



<sup>10</sup> The suggested LGA target range for the ratios are discussed in more detail in the attachment.

# ESCOSA Advice – City of Salisbury Comments

## Assertion that there are Risks to Financial Sustainability

The City of Salisbury has operated in a financially sustainable way since 2008/09, and it was at this time that Local Government commenced the recognition of assets and associated depreciation. Other levels of Government do not recognise depreciation in their cost structures. Over the past decade with improved asset understanding we have now recognised over \$2.3bn of assets with annual depreciation of over \$30M, which is an operating cost, and primarily funded through rates. During this period there has also been significant cost shifting from State Government including the Solid Waste Levy increasing from \$35 per tonne in 2011/12 to \$149 per tonne in 2022/23, equivalent to a 426% increase, Regional Landscape Levy 33% increase from 2011/12 to 2022/23 and Supported Housing accommodation rebates which were \$275k in 2011/12 increasing to \$677k in 2022/23, being an equivalent of 246% increase. Despite these challenges City of Salisbury has remained financially sustainable, carried out a series of service reviews to recalibrate its service offering and continues to deliver services expected by the community as determined by our strategic City Plan document.

## Council's AMPs

AMPs (Asset Management Operational Plans) are technical internal documents. The service levels associated with Assets are contained in the Strategic Asset Management Plan, which is a S122 Plan, **consulted with the community and approved by Council**. City of Salisbury is reaching maturity in our asset management planning with each asset class being comprehensively reviewed at a minimum of every four years, with the condition data and valuations from these reviews being utilised to reset renewal programs, and used to inform asset lives.

## Debt

The City of Salisbury has \$1.8bn in infrastructure assets (excluding land), with the 2022/23 LTFP forecasting debt peaking at \$59.1M in 2022/23. This results in a Net Financial Liabilities ratio of 60.82% which is within Council's endorsed operating range for this indicator. The payback period for this debt is not a driver of rate levels. The LTFP is based on sound treasury management practices of ensuring that cash holdings are minimised and surplus funds are directed to lowering debt levels to minimise interest costs. The operating surpluses across the LTFP are at a low level, where if the intention was to have higher rate levels to repay debt more quickly this would result in higher operating surpluses. It should be noted that there is \$28.9M of sales proceeds from property development over the 10 year horizon of the LTFP that contributes to keeping debt levels at a lower level.

## LGA Target Ranges

The LGA have not and should not establish target ranges for indicators, as this is a decision for Council.

## Actual and Planned Results

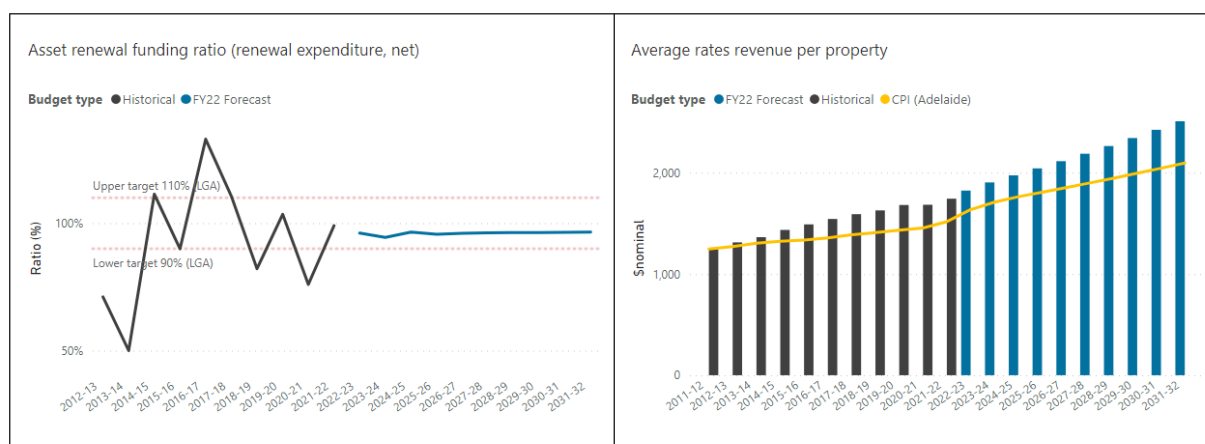
City of Salisbury has continued to budget and plan to operate within Council approved operating ranges for financial sustainability indicators. When actual results have varied to budget, these have been subject to extensive reporting at end of financial year, with these reports having been approved by Council's Audit Committee and Council.

### Operating Surplus Ratio

The City of Salisbury has achieved higher operating surpluses than budgeted due to a range of factors, including inconsistency in the payment of the Financial Assistance Grant, with some years having six payments needing to be brought to account as required by Accounting Standards, rather than the four that are due in any one year.

### Net Financial Liabilities Ratio

The Net Financial Liabilities Graph shows a result below zero, which means that Council's financial assets were greater than financial liabilities. This is not operating in a financially unsustainable way, and the approved range for this indicator is less than 70%, not between 0% and 70%.



## Summary of the City of Salisbury's financial sustainability performance and the Commission's risk assessment

Financial sustainability indicators:	Last 10 years from 2011-12 (Actual performance)	2021-22 estimate	Next 10 years from 2022-23 (Council forecasts)
Operating surplus ratio (target 0-10%)	Operating surpluses and target range generally met to 2021-22 (with high surpluses in two years) —————>		Ratio forecast to be met with continued operating surpluses —————>
Net financial liabilities ratio (target 0-100%)	Ratio met historically (apart from negative result 2017-18) and in forecast period —————>		
Asset renewal funding ratio (target 90-110%)	Below target range	Some volatility but ratio generally within target range, on average —————>	Asset renewal spending in line with AMPs over LTFP projections —————>
<b>Identified Risks:</b>			
Cost control risk	Operating expenses per property average growth 1.9% p.a. to 2021-22 (CPI 2.0%) —————>		Cost pressures to 2024-25 Projected operating expenses per property average growth 3.1% p.a. (7 years to 2031-32)
Affordability risk	Rate revenue per property average growth 3.4% p.a. to 2021-22 (CPI 2.0%) —————>		Rate revenue per property forecast average growth 3.6% p.a. to 2031-32 (CPI 2.8%), with lower capacity to pay indicators —————>

- Ratio outside suggested LGA target range or higher risk
- Ratio close to suggested LGA target range or medium risk
- Ratio within suggested LGA target range or lower risk

The affordability risk for higher rate levels for the community could also be managed by:

- ▶ continuing community engagement on further rate increases and associated service level outcomes, to ensure continued support for any further increases, especially related to subsidising new capital initiatives, and
- ▶ reviewing the Council's rating policy to ensure the equitable sharing of the revenue requirement and consider minimising increases on more vulnerable groups of the community where the affordability risk is higher.

# ESCOSA Advice – City of Salisbury Comments

## Asset Renewal Funding Ratio

This graph is not accurate as it reports the Asset Sustainability Ratio in 2012/13 and 2013/14. Ignoring this inaccuracy in the graph, and focusing on 2014/15 onwards, City of Salisbury have planned for a ratio of 100%. Actual results have varied as reported in our end of financial year analysis reports, with the primary reason being delivery of the capital program with planned works being delivered in subsequent years, leading to a rolling average result of 100%, which given the scale of works and the complexity of our capital programs is reasonable.

## Average Rate Revenue per Property

The calculation of average rates is not consistent with the methodology of the Local Government Sector, and the calculation of ESCOSA includes revenue increases from property development, which does not aid ratepayers in understanding how rate increases have applied. The Local Government Sector applies a rate in the dollar to the valuation data provided by the Valuer General. The current rate in the dollar is discounted for the average property movement for the Council area. For City of Salisbury, the average market movements for residential are determined separately from average market movement for commercial and industrial rates as different rates in the dollar apply to these different categories. By discounting the rate in the dollar Councils do not gain additional revenue from property market increases. Council then determine the average rate increase that will apply through consideration of the budget and Long Term Financial Plan, and it is this increase that is the average rate increase as defined by the sector. Each year there is land that is subdivided, and additional properties constructed, or additions to existing buildings. There is additional rate revenue that flows from these activities that helps to offset the costs of providing services to these new ratepayers, and also offset existing costs which keeps rates lower for all ratepayers and allows for service changes without the full impact of those changes flowing through to existing ratepayers.

## Heat Map

### Asset Renewal Funding Ratio

Last 10 years has a yellow region at the start of that period “Below Target Range”. This region represents the asset sustainability ratio which is calculated as asset renewal expenditure divided by depreciation, which is not consistent with the calculation of the Asset Renewal Funding Ratio. Please refer to content above titled “Asset Renewal Funding Ratio”.

### Cost Control & Affordability Risk

The average rate increase over the past 11 years (2011/12-2021/22) is 3.0% not 3.4%, and over the past 5 years (2017/18 to 2021/22) the average annual rate increase was 2.1%, compared with CPI of 1.8% over this period, which demonstrates Council’s ongoing commitment to manage the organisation sustainably, with a focus on service provision, balanced against affordability. For 2022/23 average residential rates increased by 3.5% and Commercial and Industrial Rates by 3.9% compared to CPI to June 2022 of 6.1%. The Long Term Financial Plan is not a 10 year budget. It is a health check on Council’s financial sustainability, and as each annual budget is considered there will be a number of factors at play which will result in the actual budget varying to LTFP forecasts.

## Long Term Financial Plan and Annual Business Plan (LTFP&ABP) Consultation

The LTFP&ABP is open for consultation each year, and will continue to be. Additionally, the community elect Council members to represent them and make decisions regarding services, and rates, amongst a myriad of other things. The performance over the past decade, highlighted above under the heading “Cost Control & Affordability Risk”, demonstrates that Council has been effective at balancing the needs of the community and containing cost increases, noting that Council’s cost structures differ from the basket of goods purchased by households as measured by the Consumer Price Index.

## Rating Policy

Having differential rates in place is a mechanism that councils can use to share the rate liability based on capacity to pay. City of Salisbury has differential rating in place, with commercial and industrial properties having a higher rate in the dollar than residential, which is typically around 50% higher, and noting that for businesses rates are a tax deduction. Likewise, vacant land has a higher rate in the dollar, being 30% higher than residential properties to act as a dis-incentive to “land bank” and continue to have new housing stock entering the market. It should be noted that City of Salisbury Council must provide mandatory rebates of \$1.3M in 2022/23, with \$677k being for supported housing accommodation. This rebate increased from 25% to 50% in 2011/12 and then 75% in 2012/13, and that combined with the SA Housing Trust divesting its stock to Supported Housing Associations has been an ongoing impact for City of Salisbury’s other ratepayers, who are cross subsidising this impact. This has the largest impact for Councils like City of Salisbury which have lower average property values where SA Housing and Community Housing Associations tend to hold housing stock.

## 2.2 Detailed advice findings

The next sections summarise the Commission's more detailed observations and advice findings regarding the City of Salisbury's material changes to its 2022-23 plans (compared with the previous year's plans), its financial sustainability (in the context of its long-term operating performance, net financial liabilities, and asset renewals expenditure) and its current and projected rate levels.

In providing this advice, the Commission has followed the approach it previously explained in the Framework and Approach – Final Report (F&A). The attachment explores these matters further.<sup>11</sup>

### 2.2.1 Advice on material plan amendments in 2022-23

The Commission has compared the City of Salisbury's projections in its 2022-23 LTFP with those from its 2021-22 LTFP and focused on the aggregate of the nine overlapping years' statistics: 2022-23 to 2030-31 to ensure a comparable analysis of material amendments.

The City of Salisbury's 2022-23 LTFP includes increases to its projected income, operating expenses, and capital expenditure estimates to 2030-31, compared with the 2021-22 forecasts.<sup>12</sup> Its operating position amendments are as follows:

- ▶ An additional \$82.1 million or 6 percent in total operating income. This includes an additional \$26.5 million or 50 percent due to higher user charges, mainly relating to the new Salisbury Aquatic Centre, which is currently expected to be operational by mid-2024.<sup>13</sup> The Council stated in its 2022-23 LTFP that rates revenue estimates were also increased by an average of 0.6 percentage points per annum above inflation.<sup>14</sup>
- ▶ An additional \$88.1 million or 6 percent in total operating expenses. This includes an additional \$41.6 million or 7 percent for 'materials, contracts and other' expenses, and an additional \$38.0 million or 9 percent in 'employee costs'. Much of that increase is due to the expanded scope of the Salisbury Aquatic Centre, noting that higher inflation will also have an impact across all years of the LTFP.

Based on the Council's assumptions in its 2022-23 LTFP, an increase in its costs and revenue estimates by around 6 percent over the 2022-23 to 2030-31 forecast period<sup>15</sup> would account for higher inflation, compared with same estimates in its 2021-22 LTFP.

The Council has assumed Consumer Price Index (CPI) inflation growth of 3.3 percent in 2022-23, then 2.8 percent in 2023-24 and 2.5 percent per annum from 2024-25. The Commission notes that compared with Reserve Bank of Australia (RBA) estimates the Council's stated assumptions for indexation in the short term could be low in the current inflationary environment, but that its assumptions thereafter are consistent with a return to long-run averages.<sup>16</sup> Notwithstanding the need

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<sup>11</sup> The attachment will be available on the Commission's website with the advice.

<sup>12</sup> The overlapping forecast period in both LTFPs (2021-22 to 2030-31 and 2022-23 to 2031-32).

<sup>13</sup> City of Salisbury, *Media Release: "Exciting plans released for new Salisbury Aquatic Centre"*, 23 December 2022, available at: <https://www.salisbury.sa.gov.au/>

<sup>14</sup> City of Salisbury, *2022/23 Long Term Financial Plan and Annual Business Plan*, June 2022, p. 17, available at <https://www.salisbury.sa.gov.au/assets/downloads/Council/22-23-Long-Term-Financial-Plan-and-Annual-Business-Plan.pdf>. The Commission notes that the projected average rates per property increase above the Council's projected CPI inflation growth to 2031-32 (in the Council's LTFP projections) is higher by 0.6 percent each year.

<sup>15</sup> The set of nine years forecast in both the 2021-22 and 2022-23 LTFP projections.

<sup>16</sup> RBA, *Forecast Table - February 2023*, available at <https://www.rba.gov.au/publications/smp/2023/feb/forecasts.html>. The CPI (Australia-wide) is forecast to increase by 6.7 percent in the year to the June 2023 quarter, by 3.6 percent in the year to the June 2024 quarter and by 3.0 percent in the year to the June 2025 quarter. Beyond June 2025, the RBA has not published inflation

# ESCOSA Advice – City of Salisbury Comments



## LTFP 2021/22 compared with 2022/23

There are two primary changes in the LTFP year on year. The biggest impact was the review of inflation from a 9 year average (2022/23 to 2030/31) of 2.02% to 2.62% across the common years which increase the expenditure budget by \$32.8M and was also reflected in rate revenue required. The other impact was the potential to insource the operations of the Salisbury Aquatic Centre (SAC), rather than paying a contract management fee. This impact was across user charges and materials, contract and other costs. As the 2021/22 plan had factored in the outsourced model, and depreciation of the asset, SAC was not a significant overall variance year on year, but did impact on the detail of the operating budget with these changes largely offsetting each other.



## LTFP 2021/22 & 2022/23 Average Rate Increase

The 2022/23 LTFP stated the average rate increase would be 0.6% above CPI, which is consistent with the 2021/22 LTFP. It should be noted that this is not a change in assumption which could be inferred from the ESCOSA Advice, further this assumption is not the same as “rate revenue estimates were also increased by an average of 0.6 percent” as stated in the ESCOSA Advice. The revenue increase also results from new rateable properties and development activity such as constructing new dwellings and commercial properties, as detailed in the LTFP Assumptions.



## LTFP Assumptions

All LTFP Assumptions are reviewed each year, with sources of data being primarily Access Economics.



## CPI / Inflation Growth

CPI is reviewed each budget when the Long Term Financial Plan is updated. Council had consulted with the community based on inflation of 3.3% in the 2022/23 draft Annual Business Plan, and with so much variability and economic uncertainty decided to remain with this forecast inflation rate. Council responded to the challenging economic conditions by reducing the average residential rate increase from 3.9% to 3.5% on adoption of the budget.



## City of Salisbury LTFP CPI / Inflation Forecast

The City of Salisbury refers to CPI in the LTFP&ABP as this is an index that is known by many in the community, however, it is not reflective of the cost base of Council. The LTFP has an assumption that rates will increase on average over the plan by 0.6% above CPI, however, the real increase will only be determined when each budget is formed. Council are charged with the responsibility of determining the level of service that the community requires and balancing that with the cost to the community.



## RBA Forecast

CPI forecast February 2023 was not available in March 2022 when the LTFP was being formed. The CPI in the LTFP will be updated as part of developing the LTFP for 2023/24 and each subsequent year.



for the Council to endeavour to find savings and reduce any inflationary impact on its community, the Commission has found that it would be appropriate for it to:

1. Continue to review its inflation forecasts in its budget and forward projections, given the potential for higher short-term outcomes before a return to long-run averages.

The City of Salisbury's LTFP 2022-23 also incorporates an increase of \$52.9 million or 35 percent for capital expenditure on new and upgraded assets, over the period 2022-23 to 2030-31. Much of the increase is driven by the expanded scope of the Salisbury Aquatic Centre (from \$15.5 million to \$28.4 million), the carryover and retiming of part of the Council's prior years' infrastructure recovery program (which was not spent previously), and an increase in funding for new and upgraded assets by \$19.0 million over the period from 2025-26 to 2030-31.

The additional capital expenditure factored into the forward projections is being funded in large part by additional rate contributions, but much of the allocations are general without specific projects yet defined. The Commission notes that the Council generally demonstrates good governance related to its capital enhancement projects and the regular consultation of its community on service priorities and funding requirements. However, an implication of the Council 'locking in' significant funding allocations in its 2022-23 LTFP for undefined future projects is that it must also plan for further rate increases above inflation to help fund them.

The Salisbury Aquatic Centre<sup>17</sup> was not in the Council's City Plan 2035 nor a particularly high priority in its 2020 community survey results;<sup>18</sup> it also brings potentially significant upfront and ongoing costs in terms of subsidising its operation.<sup>19</sup> The Council has not yet published the report containing the community consultation results specifically related to the facility.<sup>20</sup>

The Commission notes that it is for the Council to determine the service level enhancements it wishes to provide to its community but, for the reasons identified above, it has also found that it would be appropriate to the City of Salisbury to:

2. Focus on controlling cost growth in its budgeting, including by reviewing its projected capital expenditure allocations (in consultation with the community, as required) to remove those which are not yet tied to defined and costed projects, and reduce the need for further rate increases.
3. Ensure that it publishes relevant reports regarding community consultation outcomes about large infrastructure projects which are to be significantly rate-funded.

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forecasts, but a return to the long-term average (of 2.5 percent based on the midpoint of the RBA's target range of 2 and 3 percent) is a reasonable assumption.

<sup>17</sup> The Council will receive grant funding of \$7.2 million for the aquatic centre from the South Australian Government. City of Salisbury, *2022/23 Long Term Financial Plan and Annual Business Plan*, June 2022, p. 7.

<sup>18</sup> McGregor Tan, *City of Salisbury Community Perceptions*, December 2020, p 28, available at [https://www.salisbury.sa.gov.au/assets/files/assets/public/general\\_documents/council/have\\_your\\_say/community\\_perceptions\\_2020\\_-\\_final\\_for\\_website.pdf](https://www.salisbury.sa.gov.au/assets/files/assets/public/general_documents/council/have_your_say/community_perceptions_2020_-_final_for_website.pdf). The survey results showed that 7 percent of respondents felt there was 'more things to do' by the Council related to recreation services and youth activities. Three service areas were identified as higher priority for improvement (the rest lower).

<sup>19</sup> As identified in Dean Newbery, *Prudential Report, Salisbury Recreation Precinct Project*, November 2021 and discussed further in section C.1.

<sup>20</sup> This refers to consultation undertaken by UPRS in 2021, as referenced in Dean Newbery, *Prudential Report, Salisbury Recreation Precinct Project*, November 2021, p. 6. The Council's website otherwise provides consultation outcomes for its key infrastructure projects.

# ESCOSA Advice – City of Salisbury Comments

Advice: These specific advice items are responded to in Council's Action Plan, contained in Pages 20 to 22

## New and Upgraded Assets Forecast Expenditure

Both the 2021/22 and 2022/23 Long Term Financial Plans (LTFP) had provision for new capital from year 3, which in nominal terms is \$15Mp.a and \$16.2Mp.a. respectively, with a greater level of new and upgrade being identified in the 2022/23 SAMP based on ongoing improvements in our asset management practices. Also impacting is the 2022/23 capital expenditure, with the 2021/22 LTFP including \$39.8M carryover to the 2022/23 financial year, which increased the capital program to \$70.1m in the 2022/23 LTFP. The majority of the difference was not additional capital expenditure, but rather capital expenditure planned for 2021/22 that was retimed into 2022/23, totalling \$37.3M.

## Salisbury Aquatic Centre

Additional funds were also provided for the Salisbury Aquatic Centre (SAC). The 2021/22 budget included capital expenditure of \$18.7M with \$7.185m of funding, being a net \$11.515m, noting at this time the project was not fully scoped and costed, and as Council worked through this process it was determined that an additional \$3.8m would be required. Council through consideration of public consultation feedback and financial modelling of operating impacts associated with varying project scopes, decided to expand the scope of SAC to total expenditure of \$28.4M with \$7.185M of grant funding, being a net cost of \$21.2M, an increase in net cost of \$9.7m on the 2021/22 bid, but only \$5.9m to deliver a scope aligned to community expectations given the increase expenditure required to deliver the initial scope. The expanded scope decreased the cross subsidisation of the facility and consequently the impact on rates by over 40% inclusive of depreciation, and when considering the previous facility operating cost, the impact of the new facility expanded scope has an expected impact on rates of a one-off rate increase of 0.4%, and equates to \$5.33 on the 2022/23 average residential rate account.

## Consultation Outcomes

Item 5.4.1 to the Community Wellbeing and Sports Committee 21 September 2021 was initially a confidential report, with confidentiality being removed February 2022. The results of community consultation have been publicly available since that time. ESCOSA flagged in broad terms that their report would cover SAC, we offered that if ESCOSA could be more specific we may have other relevant information to provide. This was declined. Key findings from consultation were:

- 93% of 'non-users' of the existing pool indicated that it was a result of the pool not being open at times of preferred use, or that they didn't know where it was/how to get there.
- Top facilities requested were indoor warm water pool (78%), water slide (70%), café (67%), picnic area (65%), water play (63%).
- Over 50% of respondents indicated they would use an outdoor pool for lap swimming, with 37% preferring a 50-metre pool, compared to 11% preferring a 25-metre outdoor lap pool.
- Top 3 responses to why people would visit the new aquatic centre are to swim for fun, swim for fitness and swimming lessons.
- Entry cost (48%), safety (47%), entertainment options (42%) and cleanliness (39%) were identified as the most important visitation considerations.

The consultation report is available for public review at [Salisbury Aquatic Centre • City of Salisbury](#)

Advice: These specific advice items are responded to in Council's Action Plan, contained in Pages 20 to 22

## Community Survey

In terms of community survey results, Recreation Services and Youth Activities were ranked in 4<sup>th</sup> place for improvement to quality of life in the City of Salisbury. Council is capable of addressing feedback across multiple services, 4<sup>th</sup> spot is not insignificant in terms of community response, and a decision was needed regarding the ageing pool asset which was constructed in the 1960's, to either close the pool and cease providing the service, or provide a pool with a modern service standard.

## 2.2.2 Advice on financial sustainability

### Operating performance

The City of Salisbury has had operating surpluses from 2011-12 to 2020-21 and, in the last five years (to 2020-21), it achieved an operating surplus averaging \$11.9 million per annum (mainly used to repay borrowings and to support funding an increasing capital expenditure program). Its operating surplus ratio is forecast to reduce to more conservative levels and will remain within the suggested LGA target range over the forecast period to 2031-32 (when it will average 0.9 percent or \$1.5 million per annum).<sup>21</sup>

The Council generated operating income growth of 2.8 percent per annum from 2011-12 to 2020-21, compared with operating expense growth of 2.4 percent per annum.<sup>22</sup> This exceeded the average rate of CPI inflation (1.7 percent per annum) over that period.<sup>23</sup> Rate revenue growth of 4.0 percent led the income growth, with offsetting reductions in user charges and grants income. Expense growth was led by higher depreciation expenses (4.4 percent) and 'materials, contracts and other' expenses (2.7 percent).<sup>24</sup> The Council's 'employee costs' increased by an average of 1.4 percent annum (reflecting a decrease of approximately six Full Time Equivalents (FTEs) per year).

Looking ahead, the estimated average growth in operating expenses over the next 10 years of 4.1 percent per annum<sup>25</sup> (which is higher than RBA-based forecast inflation growth of 2.8 percent),<sup>26</sup> combined with higher growth from rates and user charges, is expected to maintain the Council's operating performance. The Council is projecting average annual rates revenue growth of 4.2 percent (to 2031-32), which assumes average growth in rateable property numbers of 0.6 per annum (the impact on ratepayers is discussed further below).

To minimise cost and ultimately, rate pressures, it is important that the Council finds opportunities for tangible savings in its budget, where possible. The Council noted that it had implemented an energy efficiency program in its 2022-23 budget.<sup>27</sup> However, it does not appear to have identified the quantum of the savings generated nor shown any other tangible savings. Given the extent of the Council's increase in operating expenses forecast over the next 10 years, the Commission considers that it would be important for the City of Salisbury to:

4. Report its actual and projected cost savings in its annual budget, to provide evidence of constraining cost growth and achieving efficiency across its future operations and service delivery.

The Council has estimated that the Salisbury Aquatic Centre will also contribute to a lower operating surplus ratio, with net operating losses forecast, over the first five years of operation, totalling \$5.4 million (including depreciation and excluding debt servicing costs). Thereafter annual losses are

<sup>21</sup> The operating surplus ratio is defined as: Operating Surplus (Deficit) ÷ Total Operating Income. The general target is to achieve, on average over time, an operating surplus ratio of between zero and 10 percent (Local Government Association of South Australia, *Financial Sustainability Information Paper 9 - Financial Indicators Revised*, May 2019 (LGA SA Financial Indicators Paper), p. 6).

<sup>22</sup> Based on the compound average annual growth rate formula (which is the adopted approach to calculating average annual growth rates throughout the Commission's advice).

<sup>23</sup> CPI Adelaide (All groups). Average annual growth in the LGPI published by the South Australian Centre for Economic Studies was similar (at 1.9 percent), available at <https://www.adelaide.edu.au/saces/economic-and-social-indicators/local-government-price-index>.

<sup>24</sup> The Commission notes the impact of the increase in the solid waste levy on councils' waste management costs.

<sup>25</sup> This does not include the initial budgeted increase in total operating expenses of 9.1 percent in 2022-23.

<sup>26</sup> The forecast average annual growth in the CPI from 2022-23 to 2031-32 is estimated to be 2.8 percent based on the RBA forecasts for the CPI (Australia-wide) to June 2025 (and the Commission's calculations of average annual percentage growth) and the midpoint of the RBA's target range (2.5 percent) from 2025-26.

<sup>27</sup> City of Salisbury, *2022/23 Long Term Financial Plan and Annual Business Plan*, June 2022, pp. 88 and 90.

# ESCOSA Advice – City of Salisbury Comments

## Operating Surpluses

Average operating surpluses 2016/17 – 2020/21 were \$8.7M above budget expectations, with these impacts not being evident during the budget setting process. The main factors contributing to this favourable result include Grant revenue with \$5.4M Grant income received ahead of time and additional grant revenue including Roads to Recovery \$2.2M, Financial Assistance and Untied Local Roads grants \$6.7M and Other of \$2.2M, with no communication regarding any of these grant impacts being provided during the budget setting process. During this period there were property development proceeds which were quarantined to assist funding the Salisbury Community Hub, together with earnings on these proceeds. Our treasury management practices had a total impact of \$4.8M, with a smaller proportion of this saving result from the timing of the delivery of capital works. Additionally, there was \$7.8M favourable depreciation expenditure over the 5 year period with the most significant impacts resulting from review of asset components and lives of \$7.0M with these impacts being factored in immediately and then built into subsequent budgets and reflected into lower subsequent rate increases. Given the nature of these impacts it is reasonable that operating surpluses exceeded budget expectations.

## Operating Income

Average rate increases were not at 4.0% over this period, as the 4.0% quoted by ESCOSA reflects rates on new subdivisions and new building construction, with this activity also increasing costs to maintain infrastructure and provide services. User charges income dropped over this period with the outsourcing of recreation services and rather than receiving income and paying the costs of operating these facilities, Council paid a management fee instead, with this model providing savings to the community. This statement by ESCOSA is misleading as it reads as though rates were increased and offsetting reductions in user charges.

## Cost Minimisation

The budgeting and cost management practices within the City of Salisbury are complex, with the organisation adapting to increased customer expectations and changes in the external environment, often with the cost of the adaption being absorbed. An example is the resource taken in relation to the ESCOSA review process, with this being a significant impost on Council in providing feedback on the draft framework, with ESCOSA the finalising framework without any of the changes suggested by the industry being adopted, and providing detailed comments in relation to the resulting report to ensure that a balanced and comprehensive view is available to the community. To monitor savings and cost increase avoidance is a complex task and resource intensive.

**Advice:** These specific advice items are responded to in Council's Action Plan, contained in Pages 20 to 22

## Salisbury Aquatic Facility

The annual impact of the new aquatic facility compared to the old facility is approximately \$0.4M, which is the equivalent of a one-off rate increase of 0.4%, and equates to \$5.33 on the 2022/23 average residential rate account. This compares with the following paid directly or indirectly to State Government: Regional Landscape Levy which for the 2022/23 financial year is a cost of \$33.88 to the average residential ratepayer, and the Solid Waste Levy \$3.7M which equates to \$49 per average residential rate account. Further mandatory rebates total \$1.3M for 2022/23 and are funded by other ratepayers, and equates to \$17.23 on the average residential rate account.

estimated to be up to around \$1 million per annum (once the facility reaches 100 percent capacity). This means that all ratepayers will be expected to subsidise the operations of the aquatic centre over the life of the investment, through their rates.

The average annual net loss annually equates to around \$16 per ratepayer but there are additional risks to the cost estimates. The Commission notes that, as for all major capital projects of this nature, it will be important for the Council to focus on post-construction ownership and operating risks and to have regard to competitive neutrality obligations.<sup>28</sup>

To manage risks related specifically to the new aquatic facility, the Commission has found that it would be appropriate for the Council to:

5. Develop and publish a risk management plan for the Salisbury Aquatic Centre, which incorporates annual review of the requirements for recurrent spending (given demand estimates and outcomes), and the associated impact on the Council's operating capacity and quantum of rate contributions.

#### Net financial liabilities

Despite the Council's large operating surpluses from 2011-12 (including depreciation expenses), its net cash flows after operating and investing (that is, capital-related) activities has averaged \$2.5 million per annum between 2011-12 and 2020-21. This reflects the Council's repayment of borrowings, as well as secured grant funding specifically for new and upgraded assets to support its increasing capital expenditure program.

The Council has consistently used borrowings and other financing options (such as cash and leases) to fund its assets as required, and over time, this has been within the suggested LGA target range for the net financial liabilities ratio.<sup>29</sup>

It will continue to meet the suggested LGA target range under its 2022-23 forecasts and has projected a reduction in the ratio from a peak of 60 percent in 2022-23 to an average of 25 percent in the five years to 2031-32. The additional borrowings (of \$32 million) will help fund the Council's Salisbury Aquatic Centre for \$25.5 million (its largest capital expenditure item in 2022-23). The Council will also receive grant funding of \$7.2 million for the aquatic centre from the South Australian Government under the Local Government Infrastructure Partnership Program.

The reduction from 2022-23 onwards is projected to come from progressive repayment of total borrowings (of \$24.3 million over the next five years to 2026-27) and higher operating income growth. This indicates that the Council may be accelerating the payback of its new loans relative to the lifespan of its assets (for example the aquatic centre), and it may be appropriate for it to review these financing assumptions in its LTFF, so the loan costs are spread across a longer period.

For this reason, the Commission considers that it would be appropriate for the City of Salisbury to:

6. Review its projected borrowing repayment plans in its long-term financial plan projections with a view to spreading the repayments over a longer time period, if possible, to reduce the extent of the required financial contributions from ratepayers to meet repayments in the short to medium term.

<sup>28</sup> Dean Newbery, *Prudential Report, Salisbury Recreation Precinct Project*, November 2021, pp. 15 and 26.

<sup>29</sup> The net financial liabilities ratio is defined as: Net financial liabilities ÷ Total operating income. This ratio measures the extent to which a council's total operating income covers, or otherwise, its net financial liabilities. The suggested LGA target range is between zero and 100 percent of total operating income, but possibly higher in some circumstances (LGA SA Financial Indicators Paper, pp. 7-8).

# ESCOSA Advice – City of Salisbury Comments



**Salisbury Aquatic Facility**  
The Salisbury Aquatic Facility does not result in a \$1M additional cost to the budget, as the cost of the current facility has not been factored into this comment. Please refer to comment on the previous page for further information.  
The cost for the average residential ratepayer is a one-off rate increase of 0.4% and equates to \$5.33 based on 2022/23 rates.



**Advice:** These specific advice items are responded to in Council’s Action Plan, contained in Pages 20 to 22



**Treasury Management and Borrowing Strategy**  
City of Salisbury takes a wholistic approach to Treasury Management. Cash Advanced Debentures are the primary facility that has been used for financing activities over the past decade. These facilities act like an overdraft, meaning that cash can be directed to reducing debt levels and then facilities redrawn as required. The comment that cash is not utilised to fund assets is not correct. Leasing has been a less desirable option for funding assets due to higher interest costs that are charged through leases, than can be obtained by Council borrowing directly. Borrowings are not taken out for specific projects, but rather the net borrowing requirements to deliver Council’s infrastructure program.



**Loan Repayments**  
Operating Income growth is not a driver in debt repayment. Operating income increases are required to fund operating expenditure growth, with modest forecast surplus. Debt is in the form of Cash Advance Dentures which operate like an overdraft. When surplus funds are available the debt is repaid, and this is achieved primarily as a result of unanticipated favourable budget impacts whether they be timing or permanent, which in turn reduces interest costs and further increases funds available to reduce the debt position. Repayment of debt more slowly will result in higher interest costs, which will have a negative impact on rates if the organisation continues to operate with a budgeted operating surplus. Rate increases are not driven by the desire to repay debt.



**Advice:** These specific advice items are responded to in Council’s Action Plan, contained in Pages 20 to 22



## Asset renewals expenditure

Between 2011-12 and 2020-21, the City of Salisbury's spending on new or upgraded assets averaged \$20.4 million per annum, compared with \$16.2 million on the renewal of its asset base. However, the overall amount of spending on asset renewals has been within the requirements the Council identified in its AMPs. The asset renewal funding ratio (IAMP-based) was within the suggested LGA target range (90 percent to 110 percent) across years,<sup>30</sup> including an average of 90 percent between 2018-19 and 2020-21.

From 2022-23, the Council is increasing both asset renewal and new and upgraded asset expenditure, and its asset renewal funding ratio (IAMP-based) is expected to trend around the mid-point of the suggested LGA target range (with an average annual renewal expenditure of \$17.1 million, in nominal terms). This also coincides with higher forecast spending by the Council on new or upgraded assets (estimated to average \$22.6 million per annum to 2031-32). This reflects the Council's relatively large capital budget in 2022-23, which includes the spend on Salisbury Aquatic Centre Redevelopment (of \$25.5 million in 2022-23).

The Commission encourages the Council to continue to focus on prioritising renewal of its assets in line with its AMP requirements.

With the Council's projected higher capital expenditure, the depreciation expenses are projected to be significantly higher than renewal spending. Renewal spending is forecast to account for 56 percent of depreciation expenses on average to 2031-32.<sup>31</sup> One area that might be leading to higher depreciation expense forecasts, relative to annual asset renewal expenditure needs, is the Council's recent accumulation of new assets following its capital expenditure projects. Another risk that arises when depreciation expenses exceed spending on asset renewals is that the asset lives are assumed to be shorter (in the depreciation calculation) than occurs in practice. The implication of projecting higher than necessary depreciation expenses is that higher operating income (and potentially higher rates income) is required to generate an operating surplus for the Council.

In general, it would be prudent for the Council to re-examine the key drivers of its depreciation modelling (such as average asset lives and asset valuations), but also its projected increase in new and upgraded capital expenditure over the period of its LTFP.

The Commission has also observed the Council's individual AMPs were last updated in 2015, and the information may include dated assessments of asset condition, service levels, asset renewal requirements and community expectations. In addition, the Council's 2022-23 LTFP includes significantly more expenditure on new and upgraded assets than has been originally projected in the AMPs.

For these reasons, it would be appropriate for the City of Salisbury to:

7. Review the assumptions underpinning its asset management plans to ensure those plans incorporate a more accurate picture of required asset expenditure and better align with the allocations in its long-term financial plan as necessary, including the estimates of asset lives

<sup>30</sup> The IAMP-based method is the current industry standard whereby asset renewal/replacement expenditure is divided by the recommended expenditure in the IAMP (or AMP). Ideally, this will show the extent to which a council's renewal or replacement expenditure matches the need for this expenditure, as recommended by the plan. The suggested LGA target range for the ratio is 90 to 110 percent (LGA SA Financial Indicators Paper, p. 9).

<sup>31</sup> The Council's asset renewal funding ratio by the depreciation-based method (where asset renewal/replacement expenditure is divided by depreciation expenses) is forecast to average 53 percent to 2031-32. This ratio shows the extent to which capital expenditure on the renewal and replacement of assets matches the estimated rate at which these assets are used or consumed.

# ESCOSA Advice – City of Salisbury Comments

## Renewal v New Expenditure

The level of renewal is appropriate if it is delivering on the requirements of the Strategic Asset Management Plan, which it does, as Council always budgets to fully fund the SAMP renewal program. At times Council determine to replace ageing assets with new modern assets which provide a significantly improved service to the community. An example is the Salisbury Community Hub, with a budgeted cost of \$43M. This expenditure is treated as new, although replacing the old civic centre on James St, and the library on John St. If this had been treated as renewal, the average renewal expenditure over this period would have been \$20.5M compared with new of \$16.1M. Salisbury Aquatic Centre is another example of this approach, which is wholly focused on providing an appropriate, modern level of service to the community.

## Renewal Expenditure compared with Depreciation

Renewal expenditure is determined by asset condition and service standards, and is detailed in Council's Strategic Asset Management Plan. Council have continued to fund 100% of the SAMP renewal. New assets have an impact on depreciation, but more significant is the need to revalue assets to take into account market increases, so that assets are always valued at fair value rather than at historical cost. Typically, the average indexation for assets is higher than CPI, e.g. concrete prices impact the values of some of Council's Drainage Assets like Junction Boxes and Side Entry Pits, which increased at a minimum of 9.3% in 2020/21 compared to the Adelaide CPI of 2.8%. Assets owned by Councils have long lives, for example around 25% (\$524M) of Council's infrastructure assets are drainage assets, which are depreciated over 100 years, with annual depreciation for these assets being \$5.3M, and renewal expenditure averaging \$933k over the last 5 years which only represents around 18% of the drainage asset depreciation. Likewise, kerbing assets have lives extending up to 250 Years in some locations (such as on local roads). Kerbing assets are worth \$173M with annual depreciation of \$970k and renewal expenditure averaging \$376k over the last 5 years, or only around 39% of the kerbing depreciation, noting that renewal for some components will be decades if not centuries away. Finally, under Australian Accounting Standards, we are required to depreciate assets based on an assessment of lives, which when long life assets are involved, can be difficult to determine, and must be set conservatively. Asset lives are reviewed annually and as new information is available, lives are adjusted accordingly. It is illogical to assert that renewal expenditure in the short term (decades) should equal depreciation expense.

## Asset Management

The City of Salisbury uses up to date asset condition information to inform the Strategic Asset Management Plan which was last reviewed in the 2021/22 financial year, with the renewal program and LTFP reflecting this information. The focus of the SAMP is renewal, rather than new capital expenditure, with new capital expenditure determined through Council's City Plan. As projects aligned to the City Plan are developed and progressed through Council they are incorporated into the Budget and Long Term Financial Plan and the provision for new capital expenditure reduced accordingly. This approach has not been acknowledged by ESCOSA, and is fundamental to continue to deliver infrastructure aligned to community expectations as determined by the City Plan.

**Advice:** These specific advice items are responded to in Council's Action Plan, contained in Pages 20 to 22

## Asset Renewal Funding Ratio

The Asset Renewal Funding ratio is calculated as renewal expenditure divided by that required by the **Strategic Asset Management Plan**. Where Strategic Asset Management Plans are in place it is inappropriate to calculate this ratio with depreciation being the denominator as there is recognition that the ratio so calculated is not particularly meaningful when you have long lived assets that were all constructed within over just a few decades, as renewal of these assets will be several decades, and at times centuries into the future. We are also required to depreciate all assets, whether they will be renewed or not. For example, drainage pipes can be lined to provide a further period of life. The cost of lining pipes is a cheap intervention and can extend the life by 50 to 100 years, but we are not able to take this intervention and extension of life into account when setting the depreciation for the initial installed pipe network. The \$435M of pipe network is depreciated over 100 years, and as we get closer to the end of this life we will have better information about the life and its accuracy.

and valuations feeding into the forecast rates of asset consumption and depreciation expenses.

8. Review the new and upgraded asset expenditure projections (as per Finding 2) with consideration of the service levels desired by the community.

### 2.2.3 Advice on current and projected rate levels

The City of Salisbury's rate revenue per property growth has averaged 3.4 percent or \$49 per annum for each property over the past 10 years<sup>32</sup> and equated to \$1,744 per property in 2021-22. This is double the rate of CPI inflation over this period (averaging 1.7 percent per annum).

The Council implemented a 4.6 percent increase to its rates revenue per property in 2022-23,<sup>33</sup> which is higher than previously forecast in its 2021-22 LTFP. The increase is due to the Council's estimate of higher inflation, and to maintain financial sustainability while also increasing funding to provide expanded services and the ongoing costs of new infrastructure.<sup>34</sup> Its 2022-23 LTFP forecasts an average increase of 3.6 percent annum or \$685 in total to existing rates to 2031-32 (to \$2,509), which represents an increase of \$224 above the Council's assumed inflation growth.<sup>35</sup>

Affordability risk among the community for the further rate increase appears moderate based on a range of factors including the existing rate levels<sup>36</sup> and the projected increases (above the forecast rate of inflation), an assessment of the economic resources available to the community<sup>37</sup> and the Council's increasing expenditure forecasts (for example related to new and upgraded assets or new service provision) which risks further increases to its general rate levels.

For these reasons, it would be appropriate for the City of Salisbury to:

9. Review and consider limiting future minimum rate and average rate increases above inflation, particularly on rate categories which have lower capacity to pay, to help minimise affordability risk in the community.

## 2.3 The Commission's next advice and focus areas

In the next cycle of the scheme, the Commission will review and report upon the City of Salisbury's:

- ▶ ongoing performance against its LTFP estimates
- ▶ review of capital expenditure allocations for undefined projects

<sup>32</sup> From 2011-12 to 2021-22.

<sup>33</sup> Based on the Council's Excel template submitted to the Commission.

<sup>34</sup> City of Salisbury, *2022/23 Long Term Financial Plan and Annual Business Plan*, June 2022, p. 17.

<sup>35</sup> The Council's projected CPI inflation is 3.3 percent in 2022-23, 2.8 percent in 2023-24, and then 2.5 percent thereafter (City of Salisbury, *2022/23 Long Term Financial Plan and Annual Business Plan*, June 2022, p. 17). This is broadly consistent to the CPI line in charts throughout this Advice which are based on RBA forecasts and then, a return to long-run averages from 2025-26 (with growth of 2.5 percent per annum).

<sup>36</sup> Refer to the Councils in Focus website available at [https://councilsinfocus.sa.gov.au/councils/city\\_of\\_salisbury](https://councilsinfocus.sa.gov.au/councils/city_of_salisbury) for 2019-20 rates data by council.

<sup>37</sup> The City of Salisbury area is ranked 17 among 71 South Australian 'local government areas' (including Anangu Pitjantjatjara and Maralinga Tjarutja Aboriginal community areas and 'unincorporated SA') on the Australian Bureau of Statistics socio-economic indexes for areas Index of Economic Resources (2016), where a lower score (eg, 1) denotes relatively lower access to economic resources in general, compared with other areas, available at <https://www.abs.gov.au/ausstats/subscriber.nsf/log?openagent&2033055001%20-%20lga%20indexes.xls&2033.0.55.001&Data%20Cubes&5604C75C214CD3D0CA25825D000F91AE&0&2016&27.03.2018&Latest>.

# ESCOSA Advice – City of Salisbury Comments

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## Average Rate Revenue per Property

The calculation of average rates is not consistent with the methodology of the Local Government Sector, and the calculation of ESCOSA includes revenue increases from property development, which does not aid ratepayers in understanding how rate increases have been applied. Further information about how Local Government calculates average rate increases can be found on pages 120 to 123. Over the 10 year period 2013/14 to 2022/23 the average rate increase was 2.77% for residential properties and 2.81% for commercial and industrial rate payers, not 3.4%.

## Average Rate Increase 2022/23

The 4.6% quoted by ESCOSA is not the average rate increase. The 2021/22 LTFP was based on inflation in 2022/23 of 1.7% which was based on Access Economics forecast. With significant economic upheaval post COVID-19 and with the Russian invasion of the Ukraine, CPI forecasts changed dramatically after the adoption of the 2021/22 LTFP. When setting the 2022/23 LTFP, forecast CPI was 4.25%, however, Council worked to contain costs, and implemented average rate increases of 3.5% for residential rates, and 3.9% for commercial rates, with the minimum rate also increasing by 3.5%. Given the changes in economic circumstances City of Salisbury delivered an average rate increase below CPI to try to contain the impacts for the community. Council's role is to balance the various needs and wants from the community with the community's capacity to pay.

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## Advice and Focus Areas

It is Council's decision what actions to take in relation to the advice provided by ESCOSA, and so whilst ESCOSA has highlighted the next Advice and focus areas, which are aligned to the Advice provided (highlighted in blue comment boxes through-out the ESCOSA report), a focus on these areas disregards the action plan that Council will develop in response to the Advice, and that choices Council is entitled to take.

## Council's Excel Template

This template is not a template of the City of Salisbury, it is a template that ESCOSA require to be completed as part of their review process

## ABS Socio-Economic Index

We acknowledge that City of Salisbury is a community of lower economic means than some other communities. Unfortunately, with relatively low levels of grant funding City of Salisbury is reliant on rate revenue funding approximately 80% of its operating expenditure. In other states the relevant State Governments provide significantly more grant funding to fund operational expenditure and this enables lower reliance on rate revenue in these states. The expectation of ESCOSA that rates should be limited to CPI will result in a contraction of services provided by Councils and this will not meet community expectations. It should be noted that despite SA Housing Trust stocks being primarily located in areas of lower socio-economic capacity, the State Government still decided to increase the mandatory rebate on Supported Accommodation from 25% to 75%, and divest housing stock to Community Housing Associations – this lost revenue then impacts on other ratepayers through higher rate increases and impacts on people that are in a similar financial situation to those in social housing. This resulted despite the strong advocacy of the local government sector.

- ▶ achievement of cost savings and efficiencies, and its reporting of these achievements
- ▶ its risk management progress related to the Salisbury Aquatic Centre
- ▶ progress in reviewing and updating the AMPs and its depreciation expenses, and
- ▶ how it has sought to minimise any affordability risks.



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