



AGENDA

FOR BUDGET AND FINANCE COMMITTEE MEETING TO BE HELD ON 19 AUGUST 2019 AT CONCLUSION OF POLICY AND PLANNING COMMITTEE IN THE COUNCIL CHAMBER, 12 JAMES STREET, SALISBURY

MEMBERS

Cr B Brug (Chairman)
Mayor G Aldridge
Cr M Blackmore
Cr L Braun (Deputy Chairman)
Cr C Buchanan
Cr A Duncan
Cr K Grenfell
Cr N Henningsen
Cr D Hood
Cr P Jensen
Cr S Ouk
Cr D Proleta
Cr S Reardon
Cr G Reynolds
Cr J Woodman

REQUIRED STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
General Manager Community Development, Ms P Webb
General Manager City Infrastructure, Mr J Devine
Manager Governance, Mr M Petrovski
Governance Support Officer, Ms K Boyd

APOLOGIES

LEAVE OF ABSENCE

Leave of absence for this meeting was previously granted to Cr A Duncan.

PRESENTATION OF MINUTES

Presentation of the Minutes of the Budget and Finance Committee Meeting held on 15 July 2019.

REPORTS

Administration

- 6.0.1 Future Reports for the Budget and Finance Committee..... 9
- 6.0.2 Minutes of the Innovation and Business Development Sub Committee meeting held on Monday 12 August 2019 11

Finance

- 6.1.1 2018-2019 Carried Forward Funds 17
- 6.1.2 Treasury Report for Year Ended 30 June 2019..... 55
- 6.1.3 Event Management Framework and Room Booking Fees & Charges - Salisbury Community Hub..... 65

Rating Matters

- 6.6.1 Discretionary Rate Rebate Application - Commercial Shops on Diment Road, Salisbury North SA 5108 89

OTHER BUSINESS

CONFIDENTIAL ITEMS

6.9.1 Bridgestone Reserve Athletics Facility

Pursuant to section 83(5) of the *Local Government Act 1999* the Chief Executive Officer has indicated that, if Council so determines, this matter may be considered in confidence under Part 3 of the *Local Government Act 1999* on that grounds that:

1. *Pursuant to Section 90(2) and (3)(b)(i) and (b)(ii) and (d)(i) and (d)(ii) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:*
 - *it relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and*
 - *information the disclosure of which would, on balance, be contrary to the public interest; and*
 - *commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and*
 - *commercial information of a confidential nature (not being a trade secret) the disclosure of which would, on balance, be contrary to the public interest.*
2. *In weighing up the factors related to disclosure,*
 - *disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations*
 - *Report contains information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom Council is conducting, or proposing to conduct, business, or to prejudice the commercial position of Council.*

*On that basis the public's interest is best served by not disclosing the **Bridgestone Reserve Athletics Facility** item and discussion at this point in time.*
3. *Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.*

CLOSE



**MINUTES OF BUDGET AND FINANCE COMMITTEE MEETING HELD IN THE
COUNCIL CHAMBER, 12 JAMES STREET, SALISBURY ON**

15 JULY 2019

MEMBERS PRESENT

Cr B Brug (Chairman)
Mayor G Aldridge
Cr L Braun (Deputy Chairman)
Cr C Buchanan
Cr A Duncan
Cr K Grenfell
Cr N Henningsen
Cr D Hood
Cr P Jensen
Cr S Ouk
Cr D Proleta
Cr S Reardon
Cr G Reynolds
Cr J Woodman

STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
A/General Manager Community Development, Ms V Haracic
General Manager City Infrastructure, Mr J Devine
A/Manager Governance, Ms J Crook
Governance Coordinator, Ms J Rowett
Governance Support Officer, Ms K Boyd

The meeting commenced at 6.49 pm.

The Chairman welcomed the members, staff and the gallery to the meeting.

APOLOGIES

An apology was received from Cr M Blackmore.

LEAVE OF ABSENCE

Nil

PRESENTATION OF MINUTES

Moved Mayor G Aldridge
Seconded Cr D Proleta

The Minutes of the Budget and Finance Committee Meeting held on 03 June 2019, be taken and read as confirmed.

CARRIED

REPORTS

Administration

6.0.1 Future Reports for the Budget and Finance Committee

Moved Cr J Woodman
Seconded Cr P Jensen

1. The information be received.

CARRIED

Finance

6.1.1 Council Finance Report - June 2019

Moved Cr L Braun
Seconded Mayor G Aldridge

1. The information be received.

CARRIED
UNANIMOUSLY

6.1.2 Certification of the 2019 Annual Financial Statements

Moved Cr L Braun
Seconded Cr K Grenfell

1. The information be received.
2. The Mayor and the Chief Executive Officer be authorised by Council to sign the Council Certificate certifying the Annual Financial Statements for the financial year ended 30 June 2019, following the Audit Committee's review of these Statements on 15 October 2019.

CARRIED
UNANIMOUSLY

6.4.1 Proposed amendment to the NAWMA 2019/20 Service Agreement.

Cr C Buchanan declared a perceived conflict of interest on the basis of being President of a Club and Chair of a community centre which are eligible to use the service offered by Council. Cr Buchanan managed the conflict by remaining in the meeting and voting in the best interest of all residents.

Cr J Woodman declared a perceived conflict of interest on the basis of being a member of the NAWMA Board. Cr Woodman managed the conflict by remaining in the meeting and voting in the best interest of the community.

Cr G Reynolds declared a perceived conflict of interest on the basis of being a member of the NAWMA Board. Cr Reynolds managed the conflict by remaining in the meeting and voting in the best interest of the community.

Cr K Grenfell declared a perceived conflict of interest on the basis of being a deputy member of the NAWMA Board. Cr Grenfell managed the conflict by remaining in the meeting and voting on the item.

Cr D Hood declared a perceived conflict of interest on the basis of being a board member of a sporting club in Salisbury North. Cr Hood managed the conflict by remaining in the meeting and voting in the best interest of the community.

Cr S Reardon declared a perceived conflict of interest on the basis of being a deputy member of the NAWMA Board. Cr Reardon managed the conflict by remaining in the meeting and voting in the best interest of the community.

Moved Cr C Buchanan

Seconded Cr L Braun

1. Council amend the NAWMA Service Agreement to include two annual kerbside hard waste collections for sporting clubs. Collections will have the same rules applied as residential collections.
2. Council note an estimated additional cost of \$18,000 to deliver the new expanded Kerbside Hard Waste service, and should the budget not be sufficient a budget review bid be considered within six months (Budget Review 3).

CARRIED

The majority of members present voted IN FAVOUR of the MOTION.

Cr C Buchanan voted IN FAVOUR of the MOTION.

Cr J Woodman voted IN FAVOUR of the MOTION.

Cr G Reynolds voted IN FAVOUR of the MOTION.

Cr K Grenfell voted IN FAVOUR of the MOTION.

Cr D Hood voted IN FAVOUR of the MOTION.

Cr S Reardon voted IN FAVOUR of the MOTION.

Rating Matters

6.6.1 Discretionary Rate Rebate Application - Adelaide Benevolent Society

Moved Mayor G Aldridge
Seconded Cr D Proleta

1. The Budget and Finance Committee recommends to Council that:
 - (a) No rate rebate should be granted in respect of Units 1 to 25 (inclusive), 64 -68 Spains Road, Salisbury Downs SA 5108; and
 - (b) The rate rebate application lodged by the Adelaide Benevolent Society dated 21 May 2019 should be dismissed.

CARRIED

OTHER BUSINESS

Nil

The meeting closed at 7.03 pm.

CHAIRMAN.....

DATE.....

ITEM	6.0.1
	BUDGET AND FINANCE COMMITTEE
DATE	19 August 2019
HEADING	Future Reports for the Budget and Finance Committee
AUTHOR	Michelle Woods, Projects Officer Governance, CEO and Governance
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	This item details reports to be presented to the Budget and Finance Committee as a result of a previous Council resolution. If reports have been deferred to a subsequent month, this will be indicated, along with a reason for the deferral.

RECOMMENDATION

1. The information be received.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 Historically, a list of resolutions requiring a future report to Council has been presented to each committee for noting.

2. CONSULTATION / COMMUNICATION

- 2.1 Internal
 - 2.1.1 Report authors and General Managers.
- 2.2 External
 - 2.2.1 Nil.

3. REPORT

3.1 At the time of preparing this report, there are currently no resolutions of Council requiring a further report to be presented to the Budget and Finance Committee.

4. CONCLUSION / PROPOSAL

3.2 Future reports for the Budget and Finance Committee have been reviewed and at this point in time there are none that require a subsequent report to be presented.

CO-ORDINATION

Officer: Executive Group

Date: 12/08/2019

ITEM	6.0.2
	BUDGET AND FINANCE COMMITTEE
HEADING	Minutes of the Innovation and Business Development Sub Committee meeting held on Monday 12 August 2019
AUTHOR	Mechelle Potter, Administrative Coordinator - Business Excellence, Business Excellence
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	The minutes and recommendations of the Innovation and Business Development Sub Committee meeting held on Monday 12 August 2019 are presented for Budget and Finance Committee's consideration.
RECOMMENDATION	
1.	The information contained in the Innovation and Business Development Sub Committee Minutes of the meeting held on 12 August 2019 be received and noted and that the following recommendations contained therein be adopted by Council:
	IBDSC1 Future Reports for the Innovation and Business Development Sub Committee
1.	The information be received.
	IBDSC2 Performance Excellence Program - local government benchmarking
1.	That the information be received.
2.	That the data for all seven categories of the data matrix used for local government benchmarking be provided to Council for information.
	IBDSC3 Reforming Local Government in South Australia Discussion Paper - Released by State Government
1.	The information contained in this report be received.
2.	Council make a formal submission to State Government on the <i>Reforming Local Government in South Australia Discussion Paper</i> .
3.	Subject to recommendation 2 above, approve the process suggested in this report for Council to consider the proposed reforms and inform the preparation of a formal submission to State Government, to be submitted for Council approval at its meeting in October 2019.
	IBDSC-OB1 State Government's Increase to the Solid Waste Levy
1.	Council note the negative impact of the State Government's increase of the Solid Waste Levy for the 2019/20 financial year.
2.	Council acknowledge the net financial impact on its operating budget for 2020/21 is likely to be \$1.3 million.

3. A report be prepared, with advice from NAWMA and other constituent Councils, that provides options for Council to consider ways of reducing the impact of the Solid Waste Levy on our operating budget for the 2020/21 financial year.

IBDSC-OB2 Customer Review Dashboard

1. That, in order to regularly monitor customer service performance, an update report on the “Customer Review Dashboard” be a standing item on the agenda for the Innovation and Business Development Sub Committee, and be provided at each meeting.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Minutes Innovation and Business Development Sub Committee - 12 August 2019

CO-ORDINATION

Officer: GMBE
Date: 15/08/2019

4.



**MINUTES OF INNOVATION AND BUSINESS DEVELOPMENT SUB COMMITTEE
MEETING HELD IN COMMITTEE ROOMS, 12 JAMES STREET, SALISBURY ON**

12 AUGUST 2019

MEMBERS PRESENT

Cr K Grenfell (Chairman)
Mayor G Aldridge (ex officio)
Cr L Braun
Cr C Buchanan (Deputy Chairman)
Cr D Hood
Cr P Jensen
Cr J Woodman

OBSERVERS

Cr N Henningsen
Cr D Proleta

STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
Manager Governance, Mr M Petrovski
Continuous Improvement Specialist, Mr W Gearey
Governance Support Officer, Ms K Boyd

The meeting commenced at 6.40pm.

The Chairman welcomed the members, staff and the gallery to the meeting.

APOLOGIES

There were no Apologies received.

LEAVE OF ABSENCE

Leave of absence for this meeting was previously granted to Cr A Duncan.

PRESENTATION OF MINUTES

Moved Cr J Woodman

Seconded Cr P Jensen

The Minutes of the Innovation and Business Development Sub Committee Meeting held on 13 May 2019, be taken and read as confirmed.

CARRIED

REPORTS

IBDSC1 Future Reports for the Innovation and Business Development Sub Committee

Moved Cr C Buchanan

Seconded Cr P Jensen

1. The information be received.

CARRIED
UNANIMOUSLY

IBDSC2 Performance Excellence Program - local government benchmarking

Continuous Improvement Specialist, Mr Warren Gearey gave a presentation on the Performance Excellence Program.

Moved Cr C Buchanan

Seconded Cr P Jensen

1. That the information be received.
2. That the data for all seven categories of the data matrix used for local government benchmarking be provided to Council for information.

CARRIED
UNANIMOUSLY

IBDSC3 Reforming Local Government in South Australia Discussion Paper - Released by State Government

Moved Cr C Buchanan

Seconded Cr P Jensen

1. The information contained in this report be received.
2. Council make a formal submission to State Government on the *Reforming Local Government in South Australia Discussion Paper*.
3. Subject to recommendation 2 above, approve the process suggested in this report for Council to consider the proposed reforms and inform the preparation of a formal submission to State Government, to be submitted for Council approval at its meeting in October 2019.

CARRIED
UNANIMOUSLY

OTHER BUSINESS

IBDSC-OB1 State Government’s Increase to the Solid Waste Levy

Moved Cr C Buchanan
Seconded Cr L Braun

1. Council note the negative impact of the State Government’s increase of the Solid Waste Levy for the 2019/20 financial year.
2. Council acknowledge the net financial impact on its operating budget for 2020/21 is likely to be \$1.3 million.
3. A report be prepared, with advice from NAWMA and other constituent Councils, that provides options for Council to consider ways of reducing the impact of the Solid Waste Levy on our operating budget for the 2020/21 financial year.

CARRIED
UNANIMOUSLY

IBDSC-OB2 Customer Review Dashboard

Moved Cr C Buchanan
Seconded Cr P Jensen

1. That, in order to regularly monitor customer service performance, an update report on the “Customer Review Dashboard” be a standing item on the agenda for the Innovation and Business Development Sub Committee, and be provided at each meeting.

CARRIED
UNANIMOUSLY

The meeting closed at 7.38pm.

CHAIRMAN.....

DATE.....

ITEM	6.1.1
	BUDGET AND FINANCE COMMITTEE
DATE	19 August 2019
HEADING	2018-2019 Carried Forward Funds
AUTHORS	Kate George, Manager Financial Services, Business Excellence Leigh Daddow, Senior Management Accountant, Business Excellence Christy Martin, Team Leader Project Support, City Infrastructure
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	This report and the associated attachments summarise the operating and infrastructure budgets that are required to be carried forward from the 2018/19 Financial Year to the 2019/20 Financial Year.

RECOMMENDATION

1. The information be received.
2. The 2019/20 budget be adjusted with \$12,719,500 funds carried forward to be applied as detailed in Schedule of Funds Carried Forward from 2018/19 to 2019/20 in Attachment 1 to this report (Item No. 6.1.1, Budget and Finance Committee, 19/8/2019).
3. The 2018/19 project expenditure budgets be reduced to reflect returned funds of \$4,545,700, as per Schedule of Funds Returned to Council 2018/19 in Attachment 2 to this report (Item No. 6.1.1, Budget and Finance Committee, 19/8/2019)
4. Council approve the following budget adjustments associated with unsuccessful grant funding applications, and lower levels of contributions, which result in a decrease in both income and expenditure budgets.
 - PR21558 Sportsfield Lighting Assistance Program no contributions required in the year to support sporting clubs with provision of matching funds for grant application for lighting, resulting in a \$50,000 decrease in income and a \$100,000 decrease in expenditure budgets.
 - PR14804 Bicycle Network Improvement Program, unsuccessful grant funding associated with bicycle direction signage resulting in \$10,000 decrease in income and expenditure budgets
 - PR13725 Traffic Improvement Program reduction in grant funding due to Wright & Dulkara Road T-Junction traffic improvement project delivered below budget estimates resulting in \$34,900 reduction income and expenditure.
 - PR25437 Footpath Trading Pedestrian Protection, no Council contributions were required to match business contributions in the year resulting in a \$35,000 decrease in income and a \$70,000 decrease in expenditure budgets.

- PR22512 Drainage and Waterways Preplanning, unsuccessful grant funding resulting in decrease in income and expenditure budgets of \$60,000
 - PR20787 Tuflow Modelling reduction in income budget \$187k and \$110k reduction in the expenditure budget.
 - PR20995 Salisbury Escarpment Stormwater Management Plan reduction in income budget of \$35k and reduction in expenditure budget of \$5k.
 - PR20996 Cobbler Creek Stormwater Management Plan reduction in income budget of \$10k, and an increase in the expenditure budget of \$110k to enable the project to be closed (completed in 2016).
 - PR23921 Salisbury Oval Masterplan Implementation unsuccessful grant funding associated with CCTV Salisbury Oval resulting in a \$25,000 decrease in income and a \$50,000 decrease in expenditure budgets.
 - PR25017 Smart City Initiatives, unsuccessful grant funding resulting in a \$250,000 decrease in income and expenditure budgets.
5. Council approve the following budget over expenditures to be offset within 2019/20 Program budget allocations.
- PR12000 Road Reseal / Reconstruction Program - \$155,800 (operating component)
 - PR25042 Greater Edinburgh Parks Regional Drainage (Capital) - \$70,300
6. To balance completed programs and projects, and appropriately align budgets for carry forward purposes Council approves the following 2018/19 Budget Transfers:
- From PR21478 Public Lighting Program to PR17754 Sportsfield Lighting Program \$10,700
 - From PR12000 Road Reseal / Reconstruction Program to PR22515 Transportation Program Area \$20,900
 - From PR22159 Salisbury Water Disinfection System \$119,100 to PR24996 Distribution Main Kentish Green \$104,800 and PR25173 Groundwater Community Bores Program \$14,300.
 - Transfer \$20,700 from PR22256 Salisbury Community Hub Feasibility Project and \$152,000 from PR25000 Salisbury Community Hub, to PR23890 SCH Land Acquisition for the total amount of \$172,700
 - Transfer \$10,000 from operating to capital within the PR25000 Salisbury Community Hub, associated with art installation, with no change to in the overall budget.
 - Transfer \$76,000 from Capital to Operating within PR23140 Salisbury Oval Residential and PR23921 Salisbury Oval Masterplan Implementation
 - Transfer \$109k from City Infrastructure Admin Contractual Services and \$17k from City Infrastructure Admin Consulting Services being operating budgets, to PR23476 Asset Management Improvement Project with \$79k being allocated to operating components, and \$48k to capital.

7. Council approve the following budget adjustments associated with successful grant funding applications:-
- City Wide Trails PR17190 - creation of income of \$1,000,000 and expenditure budgets of \$208,000 in the 2018/19 financial year, and the carry forward of the expenditure budget, noting that income budgeted in 2019/20 of \$652,000 will be declared as an income loss in the first quarter budget review, and the 2019/20 expenditure budget of \$1,040,000 will be combined with the \$208,000 carried forward to result in an expenditure budget of \$1,248,000.
 - PR13600 Minor Traffic Program (East Para Primary School project) creation of income budget of \$6,900
 - Confidential Item PR25444 - creation of income budget of \$162,500 and expenditure budgets of \$325,000 in the 2018/19 financial year, and the carry forward of the expenditure budget.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Schedule of Funds Carried Forward from 2018/19 to 2019/20
2. Schedule of Funds Returned to Council 2018/19

1. BACKGROUND

- 1.1 Each year as part of the End of Financial Year process there is a need to review budgets to identify funds to be carried forward, to provide budgets in the following year for completion of projects in progress or delayed due to unforeseen circumstances.

2. CONSULTATION / COMMUNICATION

2.1 Internal

- 2.1.1 As part of the 2018/19 end of financial year processes Financial Services call for and receive requests from staff that outline any funds that are being requested to be carried forward from the 2018/19 Financial Year into the 2019/20 Financial Year. As appropriate and when needed Financial Services meet with the relevant managers and review the request in line with the guidelines for carry forward funds.

- 2.1.2 Team Leader Project Support has liaised extensively across the City Infrastructure Department in supporting the carry forward process.

2.2 External

- 2.2.1 No external communication has occurred.

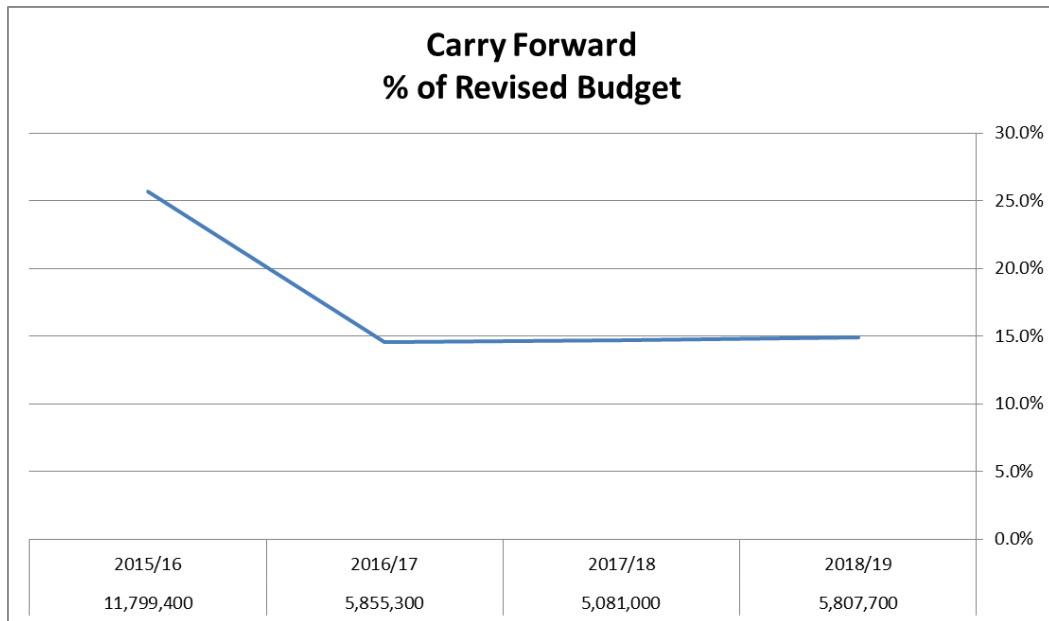
3. REPORT

- 3.1 The schedule of funds carried forward from 2018/19 into 2019/20 is attached as Attachment 1. The schedule details the nature of the budgets and also whether any of the projects are externally funded. The total level of carry forwards from 2018/19 of \$12.7M (highlighted in blue in the table below) is a slight increase of \$0.4M when compared with the prior year of \$12.3M. The main movements within this total relate to increases within the Salisbury Community Hub of \$2.7M and Major Flood Mitigation Program – Pauls Drive of \$1.1M, which is largely offset by Strategic Property reducing from \$2.2M in 2017/18 to \$75k in 2018/19.
- 3.2 Total Capital: In the 2018/19 year the original infrastructure budget (inclusive of Information Technology and Plant, Office Furniture and Equipment) was \$47.4M, which was increased as a result of carry forwards of \$9.7M from 2017/18 and further increased to \$69.3M as a result budget review items, including reinstatement of timing of projects. Detailed in the table below highlighted in red.

2018/19 Project Delivery & Carry Forward Summary

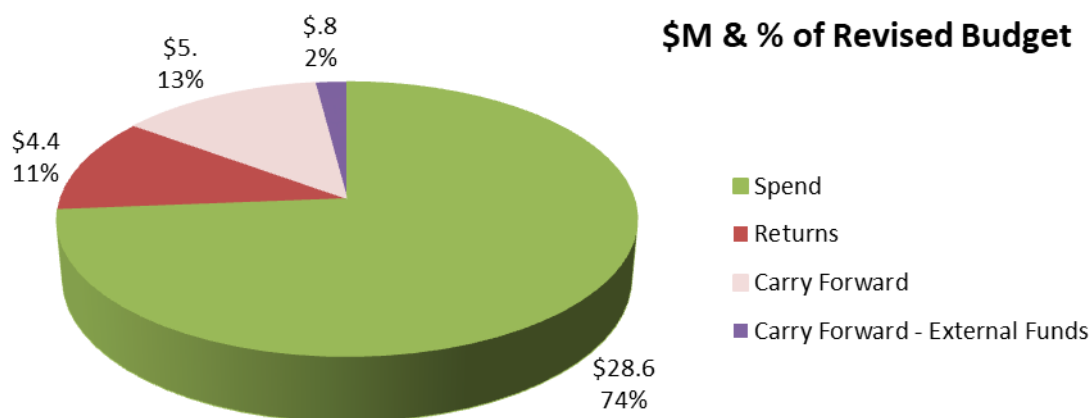
Budget Category	2018/19 Original Budget	2017/18 Carry Forward	Budget Reviews	2018/19 Revised Budget	Requested Carry Forward		External Funds	Committed	Returned Funds
Infrastructure Capital									
Infrastructure Capital	26,761,890	3,169,300	744,889	30,676,079	4,766,300	16%	656,900	3,402,801	3,701,000
PF&E	3,420,700	1,102,800	698,662	5,205,462	626,800	12%	-	766,748	301,800
Strategic Projects -Other	3,983,000	808,900	(1,818,837)	2,973,063	414,600	14%	133,000	339,984	406,200
Sub Total of Infrastructure	34,165,590	5,081,000	(375,286)	38,854,604	5,807,700	14.9%	789,900	4,509,533	4,409,000
Other									
Strategic Projects - Community Hub	12,080,000	1,630,400	10,520,004	24,230,404	3,778,500	16%	-	14,032,521	-
Strategic Property	-	2,245,100	1,525,089	3,770,189	75,500	2%	-	414,363	75,700
Information Services	1,146,000	726,400	599,946	2,472,346	782,800	32%	-	215,987	43,800
Sub Total of Other	13,226,000	4,601,900	12,645,039	30,472,939	4,636,800	15.2%	-	14,662,871	119,500
Total of Capital	47,391,590	9,682,900	12,269,753	69,327,543	10,444,500	15.1%	789,900	19,172,404	4,528,500
Operating									
Operating Components of Capital	1,039,200	219,300	-	1,258,500	1,030,300	82%	-	-	17,200
Other Operating	113,746,027	2,432,600	(135,650)	116,042,977	1,244,700	1%	389,100	-	-
Total of Operating	114,785,227	2,651,900	(135,650)	117,301,477	2,275,000	1.9%	389,100	-	17,200
Total	162,176,817	12,334,800	12,134,103	186,629,020	12,719,500	6.8%	1,179,000	19,172,404	4,545,700

- 3.3 **Infrastructure Capital:** Infrastructure committed funds total \$4.5M (highlighted in orange in the table above). The Requested Carry Forward Amount is \$5.8M or 14.9%. Including Commitments within the actual spend reduces the Requested Carry Forward Amount to \$1.3M or 3.3% of the Revised Budget.



- 3.4 The graph above provides a summary of infrastructure project carry forwards including infrastructure strategic projects. Including 2018/19, the carry forward level achieved has been below 15% for the past three years which is a significant achievement from 2015/16 where the level was \$11.8M which equated to 25.7% of the Revised Budget.
- 3.5 The primary difference in carry forward value of \$5,081,000 in 2017/18 to \$5,803,700 can be attributed to external funding increasing from \$79,900 in 2017/18 to \$789,900 in 2018/19.
- 3.6 **Operating:** Carry forwards total \$2.3M, which is slightly lower than last financial year's figure of \$2.6M, and represents 1.9% of the revised operating budget, with \$389k relating to external grant funding. Further analysis is provided in paragraph 3.12.
- 3.7 Summary financial information by asset category is detailed below. It should be noted that operating components of infrastructure projects are included in these summaries. Each section highlights key achievements and explanations for the need for carry forward funds.

3.8 Infrastructure Capital Expenditure



Budget Category	2018/19 Original Budget	2017/18 Carry Forward	Budget Reviews	2018/19 Revised Budget	Requested Carry Forward	External Funds	Committed	Returned Funds
Infrastructure Capital								
Infrastructure Capital	26,761,890	3,169,300	744,889	30,676,079	4,766,300	16%	656,900	3,402,801
PF&E	3,420,700	1,102,800	698,662	5,205,462	626,800	12%	-	766,748
Strategic Projects -Other	3,983,000	808,900	(1,818,837)	2,973,063	414,600	14%	133,000	339,984
Sub Total of Infrastructure	34,165,590	5,081,000	(375,286)	38,854,604	5,807,700	14.9%	789,900	4,509,533
End of 2017/18				34,594,906	5,081,000	14.7%	<i>(0.2% increase in % carry forward)</i>	

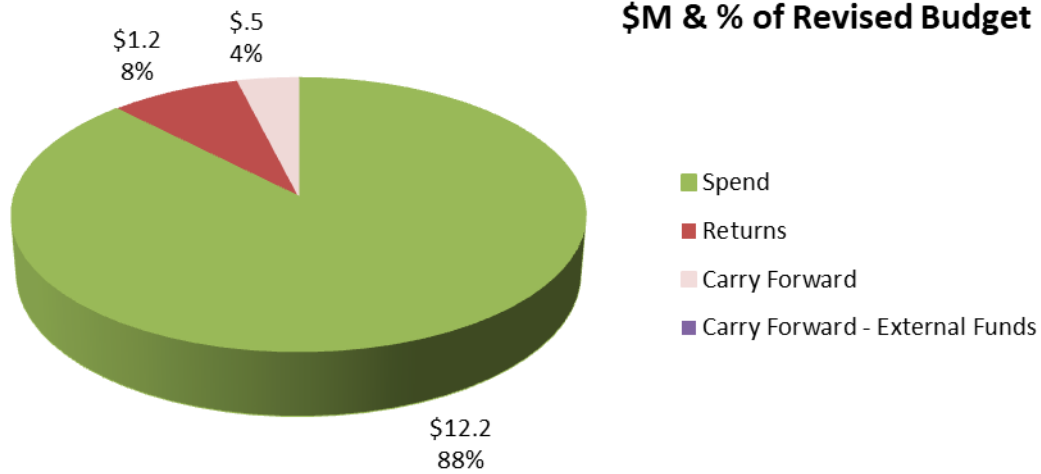
There is the need to balance delivery and with the need for ongoing programs of works irrespective of financial year considerations. For this reason we anticipate that there will be a level of carry forwards from one year to the next, with a target of not more than 15% of the infrastructure revised budget. The 2018/19 year has followed the trend of the past two years, being below 15%, with the result being 14.9%. With process and system improvements continuously implemented, the management of programs is more streamlined. Noteworthy projects undertaken this year include the opening of Para Hills Hub in August 2018, construction of new female friendly change room facilities at Salisbury Oval, upgrade to Robinson Road, St Kilda, and the construction of the first dog park for small dogs within the City at Kingswood Crescent Reserve, Paralowie. (Noting that the Salisbury Community Hub is reported under paragraph 3.9)

As part of this annual review, savings of \$4.4M have been identified for return, which have been achieved through efficiencies, careful budget management and favourable tenders.

Level of commitments has decreased to 11.6% in comparison to 17.3% this time last year. The main movement is associated with a reduction in commitments with PF&E from \$2.3M in 2017/18 to \$0.8M in 2018/19, reflecting that the majority of plant budgeted in 2018/19 has been delivered during the financial year. The level of commitments supports the level of works already in progress and provides continuity of work.

The paragraphs below (numbered 3.8.1 to 3.8.7) provide further detail per asset category.

3.8.1 Transportation



Asset Category	2018/19 Original Budget	2017/18 Carry Forward	Budget Reviews	2018/19 Revised Budget	Requested Carry Forward		External Funds	Committed	Returned Funds
Transportation - Capital	13,966,890	865,100	(1,072,994)	13,758,996	541,300	4%	-	394,289	1,159,400
Transportation - Operating Components	104,000	16,500	-	120,500	-	0%	-	-	13,600
Total	14,070,890	881,600	(1,072,994)	13,879,496	541,300	3.9%	-	394,289	1,173,000

Key Achievements



Major Traffic Improvements Program

Full program delivery was achieved in 2018/19. As part of this, various types of traffic improvements were constructed at the following intersections;

- Malinya, Wildwood and Riversdale Drives, Salisbury Park
- Mawson Lakes Boulevard and Main Street, Mawson Lakes
- Saints Road, Terrigal and Carlingford Drives, Salisbury Park


In addition, with co-funding via State Government, a new right turn treatment was constructed at the intersection of Wright and Dulkara Roads, Ingle Farm.


Road Reseal Program


The Road Reseal Program delivered renewal to roads across the City. With significant renewal works achieved at Winara and Dulkara Roads, Ingle Farm, Robinson Road, St Kilda, and O'Loughlin Road, Valley View. Whilst completing these works, various roads underwent preparatory works such as crack sealing and minor kerb realignments in preparation for renewal in 2019/20.

Carpark Renewal Program

As part of this program carparks at Creaser Park, Parafield Gardens, Salisbury Recreation Precinct, Salisbury North and The Strand, Brahma Lodge.

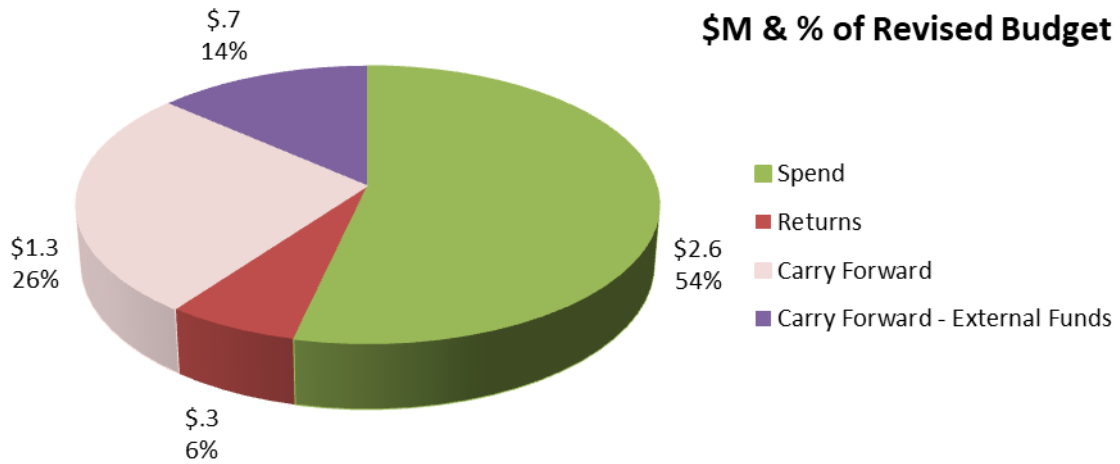
<u>Carry Forward Funds</u> 	
<p><u>Salisbury City Centre Revitalisation</u></p> <p>2018/19 design development work commenced to explore options to revitalise Church Street and Park Terrace. This work is continuing with construction scheduled to commence in 2019/20 to complement the Salisbury Community Hub.</p>	\$165k
<p><u>Sportsfield Lighting Program</u></p> <p>The upgrade of sportsfield lighting at Rowe Park Upper, Ingle Farm, has commenced. With lead time for supply of items associated with this project, it will be completed early 2019/20.</p>	\$103k
<p><u>Other</u> – Refer Attachment 1</p>	\$273k

<u>Returned Funds</u> 	
<p>Returned funds for this category are a combination of various programs. Main achievements include the preparation of St Kilda Master Plan Stage 2 documentation with a \$189k of savings. This was able to be achieved by utilising internal and external resources, and with a competitive market savings were achieved.</p> <p>Following the completion of the new footpath Elder Smith Road, Mawson Lakes, the Council Funded Footpath Program successfully delivered various new connections within the City, based upon requests from the Community which were approved by Footpath Request Evaluation Team (FRET). The balance of program funds \$192k has been included within the returns as a new allocation was approved for 2019/20.</p>	Total: \$1,159k

<u>Other Adjustments</u> 	
<p><u>Unsuccessful Grant Funding & Reductions in Contributions (Recommendation 4)</u></p> <ul style="list-style-type: none"> PR21558 Sportsfield Lighting Assistance Program is an allocation to support sporting clubs who are wanting to upgrade their lighting, by providing 50% funding from Council with 50% provided by the sports club. During the 2018/19 year no projects progressed. There is an allocation for the 2019/20 budget so this budget is not required, and has been included as a recommendation to decrease income of \$50k and associated expenditure of \$100k. Bicycle network improvements grant request was unsuccessful, noting that significantly more funds for City Wide Trails have been secured (refer below “Successful Grant Funding”), which incorporates cycle networks and signage. As a result PR14804 Bicycle Network Improvement Program budget no longer required, with a recommendation to decrease income and expenditure budgets by \$10k. 	\$100k \$10k

<ul style="list-style-type: none"> • PR13725 Wright & Dulkara Road traffic improvement project scope was delivered below budget estimate and therefore the contribution from State Government was reduced by \$34,900, with a reduction to income and expenditure included in the recommendations of this report. • PR25437 Footpath Trading Pedestrian Protection was a budget created late in the 2018/19 financial year at the third quarter budget review. There are applications in progress however, there is also a further budget provided in 2019/20, resulting in the recommendation to decrease the income budget of \$35k and expenditure of \$70k, noting that the cost is shared 50/50 with traders. 	<p>\$35k</p> <p>\$70k</p>
<p><u>Offset within 2019/20 Program Budget Allocations (Recommendation 5)</u></p> <ul style="list-style-type: none"> • The ongoing program for Road Reseal PR12000 does not strictly adhere to financial year conventions, and consequently can be over or underspent at the end of financial year, with unspent funds either handed back or carried forward depending on the delivery of the program, and overspent funds offset against the future year budget, reflecting the program running slightly ahead of plan. For the 2018/19 year the operating component has been overspent by \$156k, and which represents preparatory work for the coming year, and consequently is recommended to offset against the 2019/20 budget. 	<p>\$156k</p>
<p><u>Budget Transfers (Recommendation 6):</u></p> <ul style="list-style-type: none"> • To cover a minor overspend on the PR17754 Sportsfield Lighting Program of \$10,700, it is recommended to transfer from PR21478 Public Lighting Program • The planning for the future Road Program has been slightly overexpended, and consequently a transfer of \$21k from PR12000 Road Reseal / Reconstruction Program to PR22515 Transportation Program Area \$21k is recommended 	<p>\$32k</p>
<p><u>Successful Grant Funding (Recommendation 7)</u></p> <ul style="list-style-type: none"> • Council received \$1,000,000 PR17190 City Wide Trail funding on 27 June 2019 relating to 2019/20 financial year and exceed the endorse budget of \$652,000. Due to the timing of the receipt the 2018/19 budget is recommended to increase by \$1,000,000 received noting there will be an income loss of \$652,000 included in the First Quarter Budget Review. We are able to utilize existing budgeted projects in acquitting some of the additional funding and consequently only require an increase in the expenditure budget of \$208,000 which will need to be carried forward into 2019/20 (as reflect in the recommendation), and combined with the 2019/20 Budget Bid Expenditure of \$1,040,000. • Within PR13600 Minor Traffic Improvement Program Council received \$6,900 from the State Government to improve pedestrian movements around East Para Primary School. The project has been delivered within existing budgets, and consequently only the income budget has been recommended to be adjusted. 	<p>\$208k</p> <p>\$7k</p>

3.8.2 Drainage and Waterways



Asset Category	2018/19 Original	2017/18 Carry Forward	Budget Reviews	2018/19 Revised	Requested Carry Forward	External Funds	Committed	Returned Funds	
Drainage & Waterways - Capital	3,788,000	220,300	733,884	4,742,184	1,752,700	37%	656,900	596,128	317,200
Drainage & Waterways - Operating Components	105,000	-	-	105,000	180,800	172%	-	-	-
Total	3,893,000	220,300	733,884	4,847,184	1,933,500	39.9%	656,900	596,128	317,200

Key Achievements



Watercourse Management Works Program


Approximately \$980k was spent in 2018/19 to aid in the management of the City’s waterways. This included work such as installation of gabions, plants and other erosion mitigation treatments, also realignment of waterways to aid in the management of water flow.


Local Flooding Program


11 Local Flooding Projects, to the value of \$668k, reached final completion in 2018/19 assisting to address localised drainage issues within the City.

Major Flood Mitigation Projects

City of Salisbury was successfully awarded \$711k of grant funding from the State Government to aid in the delivery of Pauls Drive, Valley View, flood mitigation project. The design for the construction of a new bridge across Dry Creek adjacent the current roadway was designed and documented in 2018/19 in preparation for construction in the drier climate, late 2019.

<u>Carry Forward Funds</u> 	
<p><u>Major Flood Mitigation Projects</u></p> <p>City of Salisbury was successfully awarded grant funding towards Pauls Drive, Valley View, Flood Mitigation project. This project will progress to construction during the dry season of 2019/20. In addition the works which have been occurring at Coomurra Gully, Salisbury Heights, and Yalumba Drive Reserve, Paralowie, will be closed out in the first quarter of 2019/20 pending weather conditions.</p>	\$1,049k
<p><u>Dry Creek Stormwater Management Plan</u></p> <p>\$470k was allocated in 2018/19 to commence stormwater modelling and planning associated with Dry Creek, this will help inform future priorities and responsibilities. Due to competing priorities, this work is now scheduled for completion in 2019/20.</p>	\$470k
<p><u>Other</u> – Refer Attachment 1</p>	\$234k

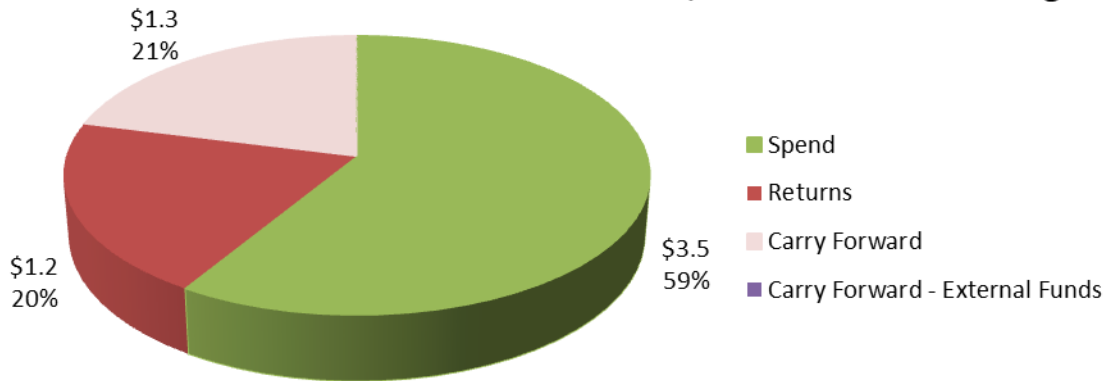
<u>Returned Funds</u> 	
<p>Returned funds are a combination of successful tender savings and project efficiencies.</p>	\$317k

<u>Other Adjustments</u> 	
<p><u>Unsuccessful Grant Funding & Reductions in Contributions (Recommendation 4)</u></p> <ul style="list-style-type: none"> We approached the State Government for grant funding for PR22512 Drainage and Waterways Preplanning, and have been unsuccessful. The project had income of \$60k and expenditure of \$120k budgeted, and it is recommended that the income and expenditure budgets be reduced by \$60k, effectively retaining Councils funds allocated to the project. PR20787 Tuflow Modelling has been delivered over 8 years for Little Para River, Little Para Overflow and Lower Helps Road Drain Flood Mapping and Dry Creek (Updated for Northern Connector). The project included an assessment of Damages across the City as a result of major flooding, which allowed Council to prioritise the \$15 Million of flood works throughout the City. It also enabled Council to understand the impacts on homes and businesses that would result from a 1 in 100 year flood event. The project budget included income of \$514k, with contributions received from the City of Playford \$187k (as the project included upstream modelling), the Stormwater Management Authority \$140k, resulting in a \$187k funding shortfall. The expenditure budget of \$674k was not fully expended with a saving of \$110k. It is recommended that the income and expenditure budgets be aligned to reflect the level of funding achieved and the costs incurred in delivering the project, noting that the project is completed. 	<p>\$60k</p> <p>\$77k</p>

<ul style="list-style-type: none"> • PR20995 Salisbury Escarpment Stormwater Management Plan project was delivered over a 5 year period and involved updating the hydrological and hydraulic modelling with a particular focus on the Escarpment Dams and the Paddocks/Bennett Road drain. This informed the design and construction of \$3M of Weirs and Major detention basins in the eastern section of the City including Bridgestone, Bennett Road Drain Weir and the upgrade to the Paddocks, which is currently under construction. The project had included budgeted income of \$70k, however only \$35k was received, however, the expenditure budget was required to deliver the project, with a minor saving of \$5k. It is recommended that the income and expenditure budgets be aligned to the level of funding achieved, and the cost incurred in delivering the project, noting that the project is completed. • PR20996 Cobbler Creek Stormwater Management Plan project reviewed the Cobblers Creek catchment and recommended a Civil works program to improve flood management and water quality downstream and informed \$1M of erosion control works in the lower section of Cobblers Creek. These management plan and the associated works have been completed in prior years, however costs allocated to the project were above budget by \$109k. Additionally, the State Government contribution was below budget by \$10k, resulting in a total budget shortfall of \$119k. Due to the age of this project it is recommended to make the necessary budget adjustments to enable the project to be closed out. 	<p>\$30k</p> <p>\$119k</p>
<p><u>Offset within 2019/20 Program Budget Allocations (Recommendation 5)</u></p> <ul style="list-style-type: none"> • PR25042 Greater Edinburgh Parks Regional Drainage – these works are being completed by DPTI, and works have been overexpended by \$70k in 2018/19, noting that there are further works and budget allocated in 2019/20. The project budget and actuals will continue to be monitored over the coming period. 	<p>\$70k</p>

3.8.3 Property and Buildings

\$M & % of Revised Budget



Asset Category	2018/19 Original	2017/18 Carry Forward	Budget Reviews	2018/19 Revised	Requested Carry Forward	External Funds	Committed	Returned Funds
Property & Buildings - Capital	3,784,000	767,800	933,655	5,485,455	1,165,800	21%	-	727,117
Property & Buildings - Operating Components	355,000	176,100	-	531,100	101,800	19%	-	-
Total	4,139,000	943,900	933,655	6,016,555	1,267,600	21.1%	-	727,117

Key Achievements



Building Upgrade Program

Consultation and design concept work was successfully initiated and managed in 2018/19 in preparation for the upgrade to the Operations Centre in 2019/20.

Noteworthy is also the opening of the Para Hills Hub in August 2018 following the successful construction of this new facility.


Additional Solar Installs


Across 50 Council owned buildings, additional solar panels were installed in an effort to reduce operating costs for these facilities. One site requires final completion but the others were all successfully completed in 2018/19.


In addition to this program, four other sites received their first lot of solar panels installed in 2018/19.

CCTV Community Buildings

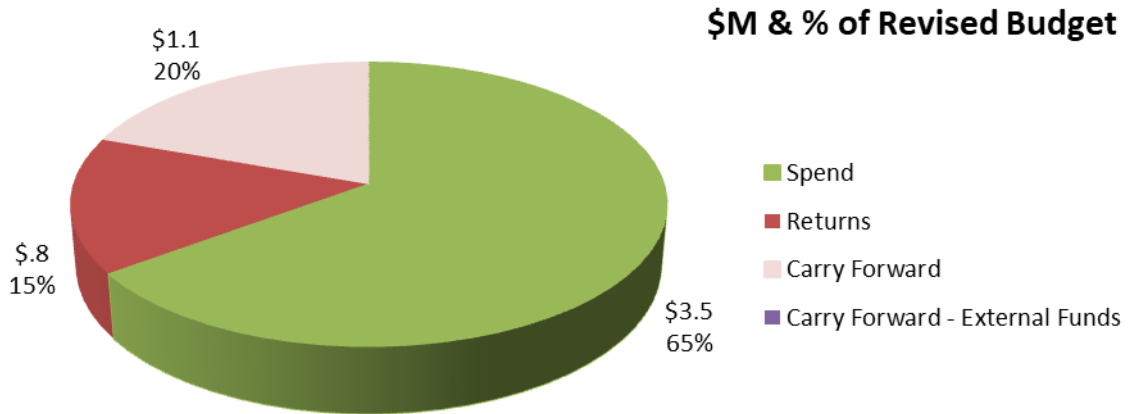
As part of this program, new CCTV equipment was installed at Pooraka Farm Community Centre, Pine Lakes Centre, Salisbury West Library and the Jack Young Centre. This program received co-funding from the Attorney Generals Department for the Pooraka Farm Community Centre project.

<u>Carry Forward Funds</u> 	
<p><u>Building Upgrade Program</u></p> <p>The \$500k associated with the upgrade to the Operations Centre Upgrade is proposed to be carried forward into 2019/20 to align with the expected period of construction.</p> <p>The upgrade works being facilitated at Jack Young Centre and the Salisbury Recreation Precinct are expected to be completed in the first half of 2019/20 with the \$131k required carrying forward to fund the completion.</p>	\$631k
<p><u>Confidential Item - Land Acquisition</u></p> <p>As endorsed May 2019, approval was given to acquire a parcel of land to aid in flood mitigation works. This acquisition is expected to settle in 2019.</p>	\$324k
<p><u>Building Renewal Program</u></p> <p>Whilst the Building Renewal Program is approximately 90% complete, various sites have ongoing works prior to close out. These will be finalised in the first quarter of 2019/20.</p>	\$117k
<p><u>Other</u> – Refer Attachment 1</p>	\$93k

<u>Returned Funds</u> 	
<p>The returned funds for Property and Buildings are combined savings from various programs including \$200k from the Club/Sport Facilities Minor Capital Grants where a new allocation in 2019/20 has been provided, \$209k associated with the Salisbury Oval Grandstand where renewal and upgrade works are now near complete, and preplanning funds of \$150k noting there is a further allocation in 2019/20, and multiple other programs.</p>	\$1,214k

<u>Other Adjustments</u> 	
<p><u>Successful Grant Funding (Recommendation 7)</u></p> <ul style="list-style-type: none"> Council have been successful in securing funding associated with a yet to be reported Confidential Item PR23444. At this time we are recommending that income budget of \$162,500 and expenditure budget of \$325,000 be created in the 2018/19 financial year, and that the expenditure budget be carried forward. 	\$325k

3.8.4 Parks and Streetscapes



Asset Category	2018/19 Original	2017/18 Carry Forward	Budget Reviews	2018/19 Revised	Requested Carry Forward		External Funds	Committed	Returned Funds
Parks & Streetscapes - Capital	4,402,000	848,300	150,540	5,400,840	1,058,200	20%	-	1,193,252	837,600
Parks & Streetscapes - Operating Components	13,000	-	-	13,000	-	0%	-	-	3,600
Total	4,415,000	848,300	150,540	5,413,840	1,058,200	19.5%	-	1,193,252	841,200

Key Achievements

Playground / Play Space Program

The renewal of playgrounds at the following locations were all successfully completed within the 2018/19 financial year;



- Andrew Smith Drive Reserve, Parafield Gardens
- Pines Grove Reserve, Paralowie
- Roper Street Reserve, Salisbury
- Rowe Park Lower, Ingle Farm

Outdoor Furniture Program

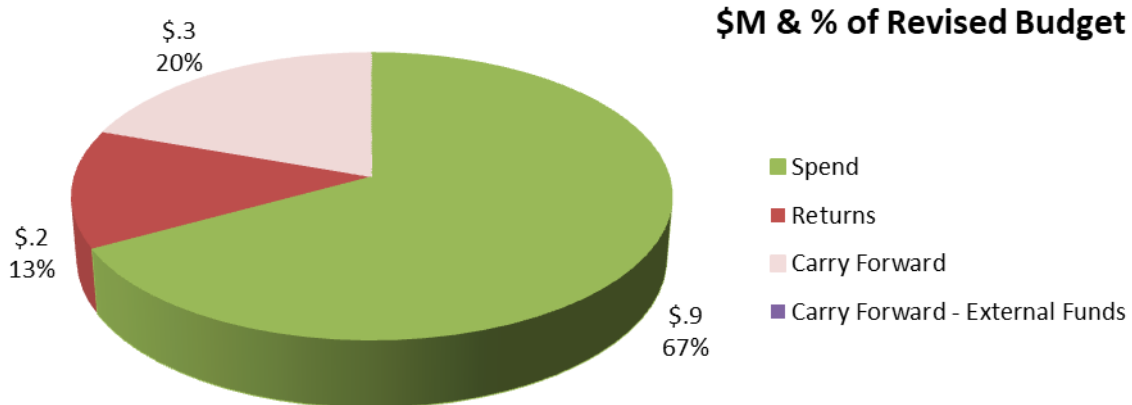
As part of this program bike racks were installed across seven new locations within the City. In addition new picnic shelters were installed at Lake Windemere, Salisbury North, and Mobarra Park, Mawson Lakes.

Fitness Equipment Program

The Fitness Equipment Program was a new program of works established formally in 2018/19. As part of this program new equipment was installed within AGH Cox Reserve, Parafield Gardens. New sites to follow in 2019/20 as part of this program will be Settlers Park, Paralowie, Unity Park, Pooraka, and Springbank Boulevard Reserve, Burton.

<u>Carry Forward Funds</u> 	
<p><u>Reserve Upgrade Program</u></p> <p>With the completion of a new playground at Andrew Smith Drive Reserve, Parafield Gardens, further upgrade to the reserve will occur in 2019/20. Settlers Park, Paralowie, is in construction and expected to be completed by August 2019.</p>	\$345k
<p><u>Playground / Play Space Program</u></p> <p>As part of the Playground / Play Space Program, an application for grant funding to build a new autism friendly playground adjacent Para Hills Hub was submitted. Advice was received late June that this application for grant funding was unsuccessful. The Council contribution for this project has been included within this report to carry forward. Staff have provided a subsequent report regarding this via Works and Services Committee, 19th August 2019.</p> <p>In addition, the renewal of the playground at Kiekebusch Road Reserve, Gulfview Heights, was deferred pending the acquisition of a portion of land which has now occurred, therefore the playground will be completed in 2019/20.</p>	\$321k
<p><u>Street Trees Program</u></p> <p>The Street Tree Program is a continuous program of works which is delivered to make best use of weather conditions and planting seasons. Progressive delivery will continue into 2019/20 and in addition the completion of the audit commenced in 2018/19 will be finalised in late 2019. Significant time has been required to undertake the completion of this audit which has included tracking size, species and locations of Street Trees across the entire City.</p>	\$129k
<p><u>Other</u> – Refer Attachment 1</p>	\$263k
<u>Returned Funds</u> 	
<p>Through program savings and efficiencies there were various opportunities to return funds including \$585k associated with Street Tree Program where plant establishment costs will now be funded via future years budget in alignment with the timing of the actual expenditure.</p>	\$838k

3.8.5 Salisbury Water



Asset Category	2018/19 Original	2017/18 Carry Forward	Budget Reviews	2018/19 Revised	Requested Carry Forward		External Funds	Committed	Returned Funds
Salisbury Water Business - Capital	821,000	467,800	(196)	1,288,604	248,300	19%	-	492,015	173,200
Salisbury Water Business - Operating Components	5,000	-	-	5,000	5,000	100%	-	-	-
Total	826,000	467,800	(196)	1,293,604	253,300	19.6%	-	492,015	173,200

Key Achievements



Groundwater Community Bores – Tank & Booster Pump





New booster tank systems at Adams Oval and Salisbury North Oval were constructed and commissioned in 2018/19. These tank and booster pump systems will contribute towards improved operational efficiencies for the groundwater bores and can be used to provide additional water security in the future to other customers via the city wide distribution main.

Salisbury Water Distribution Linkages

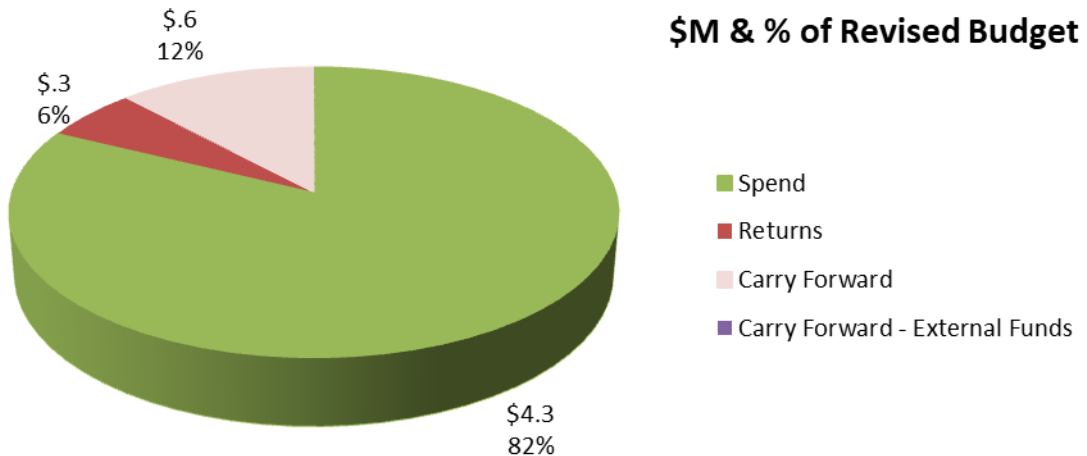
A new distribution main linkage from Rowe Circuit Reserve to Coondoo Avenue, Para Vista was completed and commission in 2018/19. This linkage will provide greater operational functionality so that water can be directed and supplied from other schemes in the event of any complications with a single scheme. This linkage will secure minor users (eg. playgrounds) in an area which is currently unserved.

Emergency Backup Supply Program


As planned a further 2 of our 12 distribution pump stations have been retrofitted during the year, bringing the total to 6, with future year allocations for the remainder. The retro fitting facilitates emergency power supply to ensure that we can continue to supply recycled water to customers during periods where power supply is interrupted due to faults in the electricity distribution network. This will enable rented transportable generators to be connected rapidly (without electricians) in order to ensure ongoing water supply to key Salisbury Water residential and non-residential customers.


<u>Key Achievements</u> 	
<u>Council Reserve Upgrades – Recycled Water Connection</u>	
A new distribution main was constructed to connected recycled water supply to Kingswood Crescent Reserve, Paralowie in conjunction with Council reserves/playgrounds upgrade program.	
<u>Carry Forward Funds</u> 	
<u>Salisbury Water Pump Stations New / Upgrade</u>	
Construction of a new booster pump station at Brahma Lodge reserve was deferred to 2019/20 to reassess the location for the pump station following initial improvements to distribution performance after completion of the new Salisbury South distribution main linkage in completed in 2017/18. This reassessment will be completed early in Quarter 1 of 2019/20 with the site finalised and construction completed in 2019/20.	\$113k
<u>Other</u> – Refer Attachment 1	\$135k
<u>Returned Funds</u> 	
Returned funds for the Salisbury Water Business Unit are combination of minor budget savings across various programs, with \$100k of savings associated with no viable water licence allocations being available to purchase during 2018/19.	\$173k
<u>Other Adjustments</u> 	
<u>Budget Transfers (Recommendation 6):</u>	
<ul style="list-style-type: none"> During the Kentish Greens Distribution mains project the contractor encountered rock where they were drilling which resulted in the project being over expended by \$105k. Also the Groundwater Community Bores program was slightly overspent by \$14.3k due to additional earth works required to level the site for tank foundations at Salisbury North Oval. It is recommended to transfer from PR22159 Salisbury Water Disinfection System to offset these overspends. Funds are available on this project as there were cost savings achieved in the rollout of the chlorination system, and feasibility of additional customer supply treatments are being assessed with external factors complicating the issue and causing delays. The remaining minor balance of the unspent funds on this project will be returned and when a preferred solution is identified a new budget bid will be submitted. 	\$119k


3.8.6 PF&E



Asset Category	2018/19 Original	2017/18 Carry Forward	Budget Reviews	2018/19 Revised	Requested Carry Forward		External Funds	Committed	Returned Funds
Plant, Furniture & Equipment - Capital	3,404,000	1,102,800	698,662	5,205,462	626,800	12%	-	766,748	301,800
Plant, Furniture & Equipment - Operating Components	16,700	-	-	16,700	-	0%	-	-	-
Total	3,420,700	1,102,800	698,662	5,222,162	626,800	12.0%	-	766,748	301,800

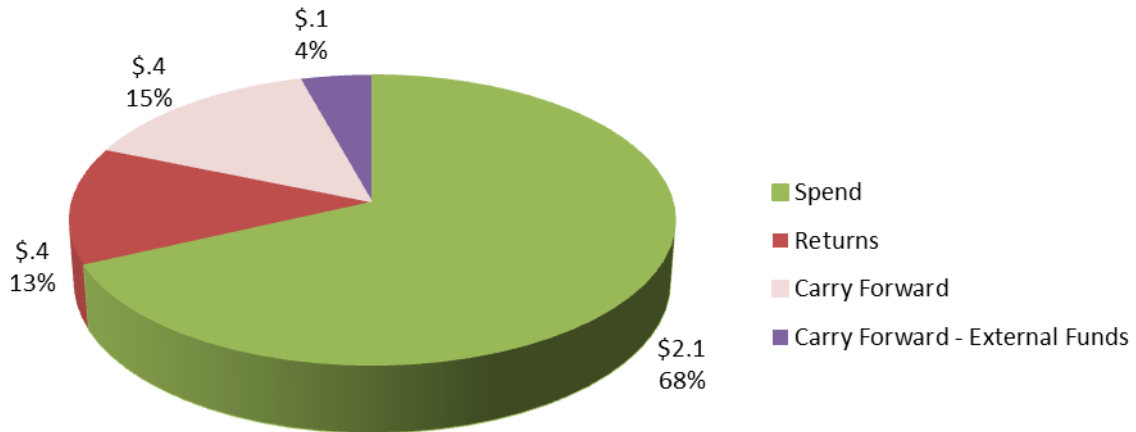
 Key Achievements
<p><u>Plant & Fleet Programs</u></p> <p>67 items of plant and fleet were successfully delivered and rolled out into the work place.</p>

Carry Forward Funds 	
<p><u>Plant & Fleet Programs</u></p> <p>The primary requirement to carry forward funds is due to the delay in a large plant item (sweeper) pending delivery from overseas to the value of \$254k. Other carry forward requirements can be attributed to similarly lead time on supply of times which then resulted in vehicle fit outs not yet completed.</p>	\$627k

Returned Funds 	
<p>Balance of program funds are nominated for return. Vehicle replacement prices were able to be achieved within original budget estimates.</p>	\$302k

3.8.7 Strategic Projects - Other

\$M & % of Revised Budget



Asset Category	2018/19 Original	2017/18 Carry Forward	Budget Reviews	2018/19 Revised	Requested Carry Forward		External Funds	Committed	Returned Funds
Strategic Projects Other - Capital	3,983,000	808,900	(1,818,837)	2,973,063	414,600	14%	133,000	339,984	406,200
Strategic Projects - Operating Components	100,000	21,700	-	121,700	165,400	136%	-	-	-
Total	4,083,000	830,600	(1,818,837)	3,094,763	580,000	18.7%	133,000	339,984	406,200

Key Achievements



Salisbury Oval Master Plan Implementation




The construction of new female friendly change rooms and amenities at Salisbury Oval was completed in 2018/19. This project was jointly funded with grant funding from the State Government via the Round 2 Female Facilities Program. Work to convert the change rooms below the renewed grandstand is near complete which was in addition to the renewal of the existing clubroom facilities.

Paddocks Master Plan Implementation

The implementation of the vision of the Paddocks Master Plan commencing in 2018/19 by way of clearing of vegetation, establishment of paths and wetlands realignment, viewing from Kesters Road these changes are clearly evident. This program will continue into the next financial year with planning and works improving the wetlands area.

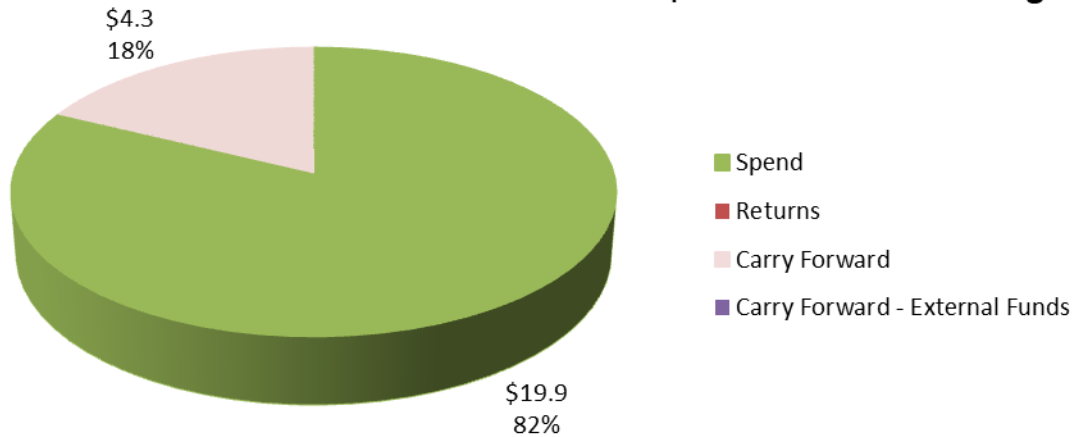
Bridgestone Regional Athletic Facility

Staff have been working effectively with community groups and industry experts to document the requirements for the new athletics facility proposed for Bridgestone Reserve, Salisbury South. This enabled the project to be released for tender.

<u>Carry Forward Funds</u> 	
<p><u>Strategic Projects - Other</u></p> <p>Paddocks Master Plan Implementation program of works will continue into 2019/20, with this \$155k has been included within the carry forward. In addition, \$127k associated with the completion of building works, consultation and design for the redevelopment of Salisbury Oval, forms the remainder of the carry forward for this asset category.</p>	\$415k
<u>Returned Funds</u> 	
<p>With the completion of the new change rooms and amenities at Salisbury Oval, and the revised direction in scope with roundabout not progressing at this time, and no residential development, \$277k is able to be returned. It should be noted that if the scope of work increases significantly, through further project planning, additional funds may be requested at a future budget review, but this is not anticipated at this time. Other minor program savings have also been included.</p>	\$406k
<u>Other Adjustments</u> 	
<p><u>Unsuccessful Grant Funding & Reductions in Contributions (Recommendation 4)</u></p> <ul style="list-style-type: none"> • Our application for State Government funding for CCTV at Salisbury Oval (part of PR23921 Salisbury Oval Master Plan Implementation) was partially successful with 50% of the requested funding being approved, and as a result a recommendation to decrease income of \$25k and expenditure of \$50k has been included in this report. 	\$50k

3.9 Strategic Projects – Community Hub

\$M & % of Revised Budget



Asset Category	2018/19 Original	2017/18 Carry Forward	Budget Reviews	2018/19 Revised	Requested Carry Forward		External Funds	Committed	Returned Funds
Strategic Projects Community Hub - Capital	12,080,000	1,630,400	10,520,004	24,230,404	3,778,500	16%	-	14,032,521	-
Strategic Projects - Operating Components	-	-	-	-	536,200		-	-	-
Total	12,080,000	1,630,400	10,520,004	24,230,404	4,314,700	17.8%	-	14,032,521	-

Key Achievements



Salisbury Community Hub

Across 2018/19 the Salisbury Community Hub construction has been substantially completed by Hansen Yuncken generally in line with the construction program with completion, handover and opening of the facility on schedule for late 2019.


Carry Forward Funds



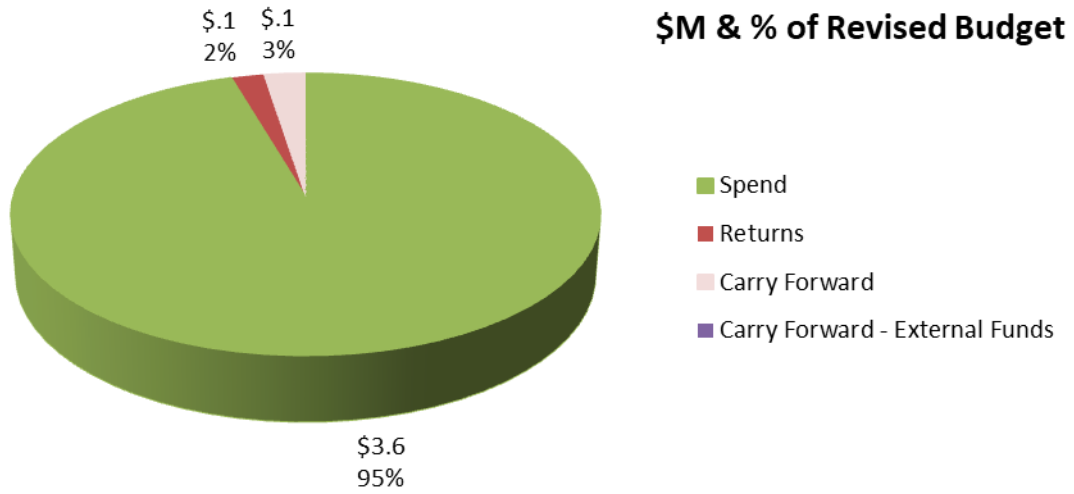
Salisbury Community Hub

Overall the project is currently proceeding on program with practical completion forecast for second half of 2019. The proposed original budget timing estimates were revised, following consultation with Contractors and Staff, and a timing adjustment of \$6,900k was recognised at the Third Quarter Budget Review with the balance of the project budget to be carried forward to the 2019/20.

\$3,779k

<u>Other Adjustments</u> 	
<p><u>Budget Transfers (Recommendation 6):</u></p> <ul style="list-style-type: none"> The original project budget for the PR25000 Salisbury Community Hub included an amount of \$460k that was transferred to Land Acquisition project budget, for the relocation of electrical infrastructure (transformer) and it was also reported to Council the potential for a further transfer of up to \$190k from this budget following completion of the works and the final project position. The electrical infrastructure works are now complete, as is the land acquisition, resulting in a total overspend against budget of \$173k. Whilst it was reported that a further transfer would be required from the Salisbury Community Hub budget a reconciliation of other related projects has been undertaken and it is recommended that budgets from PR22256 Salisbury Community Hub Feasibility Project \$20,700 (being opex and capex) and from PR25000 Salisbury Community Hub \$152,000, be transferred to PR23890 SCH Land Acquisition project. These transfers realign the budgets with no net increase in overall budget, and is lower than the \$190k initially reported. To align PR25000 Salisbury Community Hub budget it is recommended to transfer \$10k from operating (associated with art installation) to capital with no change in the overall budget. 	\$173k

3.10 Strategic Property



Asset Category	2018/19 Original	2017/18 Carry Forward	Budget Reviews	2018/19 Revised	Requested Carry Forward		External Funds	Committed	Returned Funds
Strategic Property - Capital	-	2,245,100	1,525,089	3,770,189	75,500	2%	-	414,363	75,700
Strategic Property - Operating Components	-	-	-	-	21,400		-	-	-
Total	-	2,245,100	1,525,089	3,770,189	96,900	2.6%	-	414,363	75,700

Key Achievements 

Civil and landscape construction is complete on the first of the Tranche 2 projects, Boardwalk at Greentree with 85% of the project site now sold. The remaining Tranche 1 projects are complete, with all sales and settlements completed. Feasibility work to inform the balance of the Tranche 2 business cases has commenced.

Carry Forward Funds 


The nature and complexity of Strategic Property projects results in timelines extending over multiple financial years from initial feasibility through to full project completion. Funds carried forward on the Tranche 2 projects predominantly relate to expenditure relating to cost of sales and project commissions for unsold/settled allotments on Boardwalk. Timing for completion of sales is subject to overall residential market performance.

\$75k

Returned Funds 

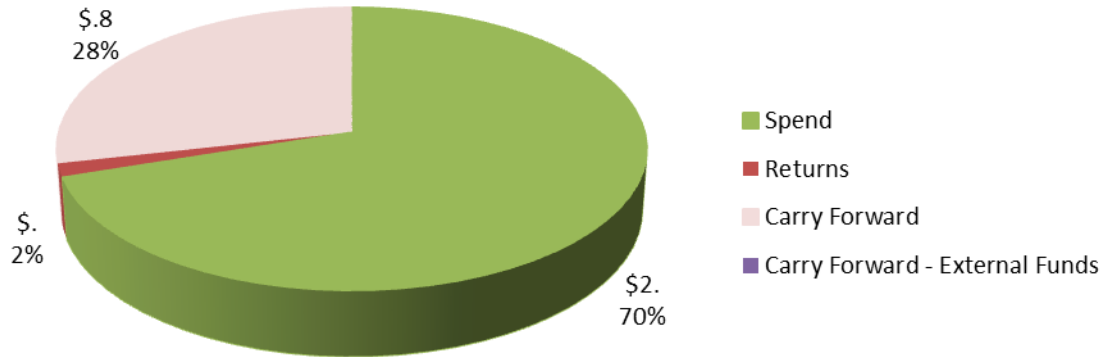
Balance of project funds not required have been included within the returns.

\$76k

<u>Other Adjustments</u> 	
<p><u>Budget Transfers (Recommendation 6)</u></p> <ul style="list-style-type: none"> During the 2018/19 financial year various costs were incurred in relation to the Salisbury Oval Project, and with Council's decision in April 2019 (Resolution 0157/2019), the costs have been reviewed and as a result in the change of scope of the projects, costs of \$76k will be written off as an operating expense as part of the end of financial year asset take-up. It is recommended that the budget for the project be realigned to reflect these costs as needing to be expensed and therefore transfer \$76k from the capital budget to an operating budget within the project. 	\$76k

3.11 Information Services

\$M & % of Revised Budget



Asset Category	2018/19 Original	2017/18 Carry Forward	Budget Reviews	2018/19 Revised	Requested Carry Forward		External Funds	Committed	Returned Funds
Information Technology - Capital	1,146,000	726,400	599,946	2,472,346	782,800	32%	-	215,987	43,800
Information Technology - Operating Components	340,500	5,000	-	345,500	19,700	6%	-	-	-
Total	1,486,500	731,400	599,946	2,817,846	802,500	28.5%	-	215,987	43,800

Key Achievements



Asset Management Improvement Project (AMIP)


The allocation of tablets and implementation of mobile asset management tools into the field was successfully achieved in 2018/19. This enables the delivery of a more efficient way of completing work and a robust Asset Management process that addresses legislative and financial requirements. This project has provided City infrastructure the tools needed to deliver a more proactive, cost effective and time efficient response to customer concerns and continuity between contractors and the City of Salisbury.


Lease to Buy Laptops


In preparation for transition to the Salisbury Community Hub, desktop infrastructure has been progressively updated to mobile devices to enable staff to work fluidly within the new environment. With this being an ongoing transition from leasing, there will be adjustments in future budget reviews, as resolved by Council, to continue to realign budget to this change in funding strategy.

Project & Contract Management System Improvements

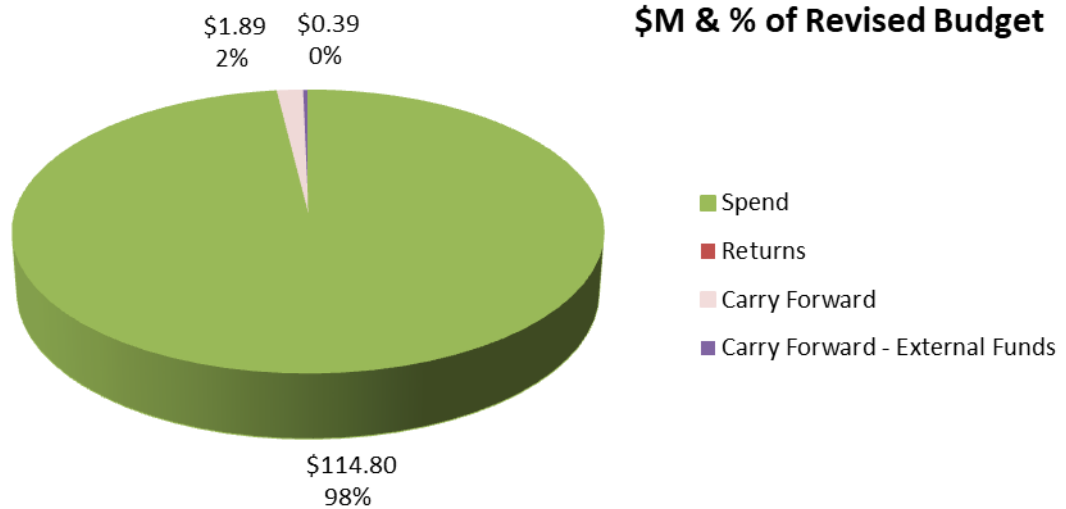
Within an existing core system, development occurred to aid in the management of projects, resulting in Project Brief information being captured within a corporate system. Further project initiatives have been identified to streamline processes and assist with managing information with this work continuing into 2019/20.

<u>Carry Forward Funds</u> 	
<p><u>Smart City Projects</u></p> <p>A modified Smart Salisbury Precinct project scope is required to define how to introduce smart city technology into the city centre and the broader Salisbury area to support the transformation to a vibrant, modern precinct and a place for all to experience and enjoy.</p> <p>The City of Salisbury was unsuccessful in obtaining grant funding from the Smart Cities and Suburbs program to contribute to the proposed Smart Salisbury Precinct Project, as noted within the recommendation of this report.</p>	\$250k
<p><u>Time, Recording, Attendance Process</u></p> <p>This project was established to implement a solution to capture all City of Salisbury employees' time and attendance. The contract has been awarded to an existing vendor with the implementation planned to be completed in late 2019. Implementation has been delayed due to the requirement for moving from an on premise solution to a fully hosted solution by the vendor, clarification of user requirements and allocation of devices to all staff.</p>	\$199k
<p><u>Salisbury Community Hub - Technology & Applications</u></p> <p>This budget has been established as part of the operational readiness strategy to ensure smooth transition to our new operating model, to implement technology to support staff in their community interactions and responding to community needs.</p>	\$100k
<u>Other</u> – Refer Attachment 1	\$234k

<u>Returned Funds</u> 	
Balance of project funds from successfully delivered projects have been included within the returns.	\$44k

<u>Other Adjustments</u> 	
<u>Unsuccessful Grant Funding & Reductions in Contributions (Recommendation 4)</u> <ul style="list-style-type: none"> We were unsuccessful in obtaining Smart Cities funding for PR25017 Smart City Initiatives, and a recommendation to decrease income and expenditure budgets by \$250k has been included in the report recommendations, noting the retention of \$250k of Council funds. 	\$250k
<u>Budget Transfers (Recommendation 6):</u> <ul style="list-style-type: none"> To deliver PR23476 Asset Management Improvement Project and associated improvements expenditure has been costed to the project and notionally funded from operating budgets for consulting and contractual services. To enable the budgets to be reflected appropriately against the AMIP project a recommendation to transfer \$109k from City Infrastructure Admin contractual services and \$17k from City Infrastructure consulting services to PR23476 with \$79k being allocated to operating components within the project, and the balance to capital. 	\$126k

3.12 Operating



Budget Category	2018/19 Original	2017/18 Carry Forward	Budget Reviews	2018/19 Revised	Requested Carry Forward	External Funds	Committed	Returned Funds
Operating Expenditure	113,746,027	2,432,600	(135,650)	116,042,977	1,244,700	1%	389,100	
Operating Components of Capital	1,039,200	219,300	-	1,258,500	1,030,300	82%	-	17,200
Total	114,785,227	2,651,900	(135,650)	117,301,477	2,275,000	1.9%	389,100	17,200

3.12.1 Operating Expenditure Carry Forward is \$2,275k, which is 1.9% of the revised operating budget. Major items include:

Operating Carry Forwards 2018/19	
Economic Development – Including External Funds <i>Business advisor (digital) role funding is requested to be carried forward, noting that the role is partially funded by Tea Tree Gully Council, and the role was filled in the second half of 2018/19 financial year.</i>	\$194k
People & Culture – Special Distribution OHS & Injury Management <i>Various projects are in progress to expend these funds including roof audit, field staff wellbeing program, and Ergonomic assessments with new equipment coming on stream.</i>	\$167k
Organisational Development Initiative - Culture and Effectiveness Interventions <i>To enable LSI / OCI / ABEF and other assessment of the organisational culture and effectiveness interventions, funds are budgeted every year, and carried forward to match timing and expenditure of these period assessments.</i>	\$120k

Innovation & Business Development Sub Committee <i>To support the ongoing program of work of the subcommittee these funds are recommended to be carried forward.</i>	\$94k
Economic Development - Strategic Planning Urban Analyst <i>To support contracted period it is recommended to carry forward these funds.</i>	\$61k
People and Culture - Training & Development Program <i>Training plan has been established for the 2018/19 budget with some delivery to occur in 2019/20 to ensure linkages with other corporate deliverable such as new organisational values.</i>	\$60k
Other – refer Attachment 1	\$549k
Total Operating (not associated with Capital)	\$1,245k
Operating Components of Capital – <i>As detailed in Attachment 1, (including \$536k for Operational Readiness)</i>	\$1,030k
Total Operating	\$2,275k

- 3.12.2 Elected Member Training of \$25k has been carried forward in line with council policy being that the balance of training budget not expended in the immediate proceeding year be carried forward for one year.

4 CONCLUSION / PROPOSAL

- 4.1 The level of carry forward funds at the completion of 2018/19 is consistent with previous financial years with the total carry forward funds increasing slightly from \$12.3M in 2017/18 to \$12.7M in 2018/19.
- 4.2 Following endorsement of the recommendation in this report these amounts will be included into the revised budget for 2019/20, and also be included in the 2018/19 Financial Statements as a Reserve.

CO-ORDINATION

Officer: Executive Group
Date: 12/08/2019

SCHEDULE OF FUNDS CARRIED FORWARD FROM 2018/19 TO 2019/20

ACC NO	DESCRIPTION	FUNDS C/FWD TO 2019/20		
		COUNCIL	EXTERNAL	TOTAL
WORKS IN PROGRESS				
CAPITAL WORKS				
INFRASTRUCTURE CAPITAL WORKS				
Transportation				
13952	School Zones and Pedestrian Crossing Program	52,800		52,800
17754	Sportsfield Lighting Program	102,700		102,700
20548	Bridge Renewal Program	67,100		67,100
21478	Public Lighting Program	57,000		57,000
22118	Bituminous Footpaths & Shared Use Paths	23,000		23,000
23435	ML Interchange - Pedestrian & Cycle	18,800		18,800
25027	St Kilda Master Plan Stage 2 Implementation	55,000		55,000
25035	Salisbury City Centre Revitalisation	164,900		164,900
	Sub-Total	541,300	-	541,300
Total Revised Budget for Transportation				13,758,996
Carry Forward Percentage of Revised Budget for Transportation				4%
Property & Buildings				
18097	Building Renewal Program *	117,300		117,300
20017	Building Upgrade Program *	630,900		630,900
21389	Priority Access Upgrades - Buildings	18,600		18,600
24867	Energy Management Plan	3,300		3,300
25041	Pooraka Men's Shed Improvement	31,300		31,300
24209	Confidential Item - Land Acquisition	324,400		324,400
24940	Sport Clubs Additional Solar Installations	10,000		10,000
25077	Public & Community Artwork Program *	30,000		30,000
	Sub-Total	1,165,800	-	1,165,800
Total Revised Budget for Property & Buildings				5,485,455
Carry Forward Percentage of Revised Budget for Property & Buildings				21%
Drainage & Waterways				
16999	Local Flooding Program	91,100		91,100
22229	Major Flood Mitigation Projects	391,900	656,900	1,048,800
22805	Coleman Road Site Management *	54,700		54,700
24871	Dry Creek Stormwater Management Plan	470,000		470,000
25010	Automated Flood Release Gates	88,100		88,100
	Sub-Total	1,095,800	656,900	1,752,700
Total Revised Budget for Drainage & Waterways				4,742,184
Carry Forward Percentage of Revised Budget for Drainage & Waterways				37%

* These Infrastructure Projects have Operating Components that are also requested carry forwards

** These Operating Components of Infrastructure Projects related to projects that do not have a Infrastructure Project carry forward

ACC NO	DESCRIPTION	FUNDS C/FWD TO 2019/20		
		COUNCIL	EXTERNAL	TOTAL
Parks & Streetscape				
17055	Outdoor Furniture Program	25,800		25,800
17103	City Pride Renewal of Feature Landscapes	57,500		57,500
17147	Tree Screen Renewal Program	16,600		16,600
20018	Play Space/ Playground Renewal Program	321,400		321,400
21456	Reserve Upgrade Program	345,400		345,400
21515	Street Trees Program	129,100		129,100
24754	Greenfields Wetlands Kayak Access	25,000		25,000
25026	Dog Parks for Small Dogs	10,700		10,700
25044	Inclusive Play Spaces Program	126,700		126,700
	Sub-Total	1,058,200	-	1,058,200
Total Revised Budget for Parks & Streetscape				5,400,840
Carry Forward Percentage of Revised Budget for Parks & Streetscape				20%
Salisbury Water				
22159	Salisbury Water Disinfection System	81,000		81,000
25007	Salisbury Water Council Reserve Upgrades	4,000		4,000
25172	Salisbury Water Water Quality Monitoring *	50,000		50,000
25174	Salisbury Water Pump Stations New/Upgrade	113,300		113,300
	Sub-Total	248,300	-	248,300
Total Revised Budget for Salisbury Water				1,288,604
Carry Forward Percentage of Revised Budget for Salisbury Water				19%
Strategic Projects				
21461	Strategic Project Preplanning *	85,000		85,000
23921	Salisbury Oval Master Plan Implementation	126,500		126,500
24797	Bridgestone Reserve Athletics Facility		133,000	133,000
25000	Salisbury Community Hub *	3,778,500		3,778,500
25058	Paddocks Master Plan Implementation	70,100		70,100
	Sub-Total	4,060,100	133,000	4,193,100
Total Revised Budget for Strategic Projects				27,203,467
Carry Forward Percentage of Revised Budget for Strategic Projects				15%
TOTAL - INFRASTRUCTURE CAPITAL WORKS		8,169,500	789,900	8,959,400
Total Revised Budget for Infrastructure Capital Works				57,879,546
Carry Forward Percentage of Revised Budget for Infrastructure Capital Works				15%

* These Infrastructure Projects have Operating Components that are also requested carry forwards

** These Operating Components of Infrastructure Projects related to projects that do not have a Infrastructure Project carry forward

ACC NO	DESCRIPTION	FUNDS C/FWD TO 2019/20		
		COUNCIL	EXTERNAL	TOTAL
STRATEGIC PROPERTY				
18001	Hoyle Green, Para Hills	3,900		3,900
19743	Lake Windemere, Salis Nth	67,200		67,200
23140	Salisbury Oval Residential *	400		400
24575	Mallee Road, Paralowie Infrastructure	4,000		4,000
TOTAL - STRATEGIC PROPERTY		75,500	-	75,500
Total Revised Budget for Strategic Property				3,770,189
Carry Forward Percentage of Revised Budget for Strategic Property				2%
TOTAL - INFRASTRUCTURE CAPITAL WORKS				
		8,245,000	789,900	9,034,900
Total Revised Budget for Infrastructure Capital Works				61,649,735
Carry Forward Percentage of Revised Budget for Infrastructure Capital Works				15%
INFORMATION TECHNOLOGY				
11877	Integration Projects	30,000		30,000
20003	Organisational and Usage of Dataworks	25,600		25,600
20815	Time, Recording, Attendance Process	198,800		198,800
25217	SCH Technology & Applications	100,000		100,000
23917	eServices Upgrade	14,100		14,100
25017	Smart City Projects	250,000		250,000
25018	Information Security & Disaster Recovery Planning	22,000		22,000
25019	Migration of Websites from CMS Platform to Open Cities Platform	80,000		80,000
25142	Project & Contract System Improvements	62,300		62,300
TOTAL - INFORMATION TECHNOLOGY		782,800	-	782,800
Total Revised Budget for Information Technology				2,472,346
Carry Forward Percentage of Revised Budget for Information Technology				32%
FLEET				
22843	Plant & Fleet Replacement Program	333,500		333,500
20864	Fleet Purchase	33,300		33,300
94999	Major Plant Expenditure - City Infrastructure	260,000		260,000
TOTAL - FLEET		626,800	-	626,800
Total Revised Budget for FLEET				5,205,462
Carry Forward Percentage of Revised Budget for FLEET				12%

* These Infrastructure Projects have Operating Components that are also requested carry forwards

** These Operating Components of Infrastructure Projects related to projects that do not have a Infrastructure Project carry forward

ACC NO	DESCRIPTION	FUNDS C/FWD TO 2019/20		
		COUNCIL	EXTERNAL	TOTAL
OPERATING				
	Capital Projects Operating Component			
18097	Building Renewal Program *	69,900		69,900
20017	Building Upgrade Program *	27,000		27,000
25077	Public & Community Artwork Program *	4,900		4,900
25141	Walpole Development Groundwater Monitoring **	120,700		120,700
22805	Coleman Road Site Management *	60,100		60,100
21461	Strategic Projects Preplanning *	165,400		165,400
25000	Operation Readiness *	536,200		536,200
25060	Disaster Recovery Planning 18/19 **	17,000		17,000
25064	Mobile Tablets for General Inspectorate **	2,700		2,700
25172	Salisbury Water Water Quality Monitoring *	5,000		5,000
23140	Salisbury Oval Residential *	21,400		21,400
	Sub-Total	1,030,300	-	1,030,300

* These Infrastructure Projects have Operating Components that are also requested carry forwards

** These Operating Components of Infrastructure Projects related to projects that do not have a Infrastructure Project carry forward

ACC NO	DESCRIPTION	FUNDS C/FWD TO 2019/20		
		COUNCIL	EXTERNAL	TOTAL
	Operating			
301-100-3450	Vietnamese Boat People Memorial	20,000		20,000
303-986-3221	Social Planning - Drug and Alcohol Framework	10,000	6,500	16,500
324-100-1849	Inclusive Directions - The Lab	500		500
326-234-3221	Community Capacity and Learning - Local History	55,700		55,700
328-129-3102	Library Community Learning Program - Fostering Integration		49,400	49,400
328-767-3221	Library Community Learning Program - Digital Literacy Program	4,000		4,000
328-831-3221	Library Community Learning Program - MS Bootcamp	8,200		8,200
341-389-3451	Community Grants - St Kilda Tram Museum	5,200		5,200
355-100-3221	Home and Community Support Program		40,900	40,900
357-100-3221	Development of Ability and Inclusion Strategic Plan	2,200		2,200
363-104-3221	Home and Community Support - NDIS Program		5,300	5,300
388-122-3221	Social Planning - Project Funds for Signage	2,000		2,000
420-100-3200	Strategic Projects - SDP Procurement Panel	56,500		56,500
420-100-3221	Strategic Development Project Website Development	25,000		25,000
420-455-3221	Strategic Land Review - Feasibilities	46,300		46,300
460-844-3221	Parking Technology Trials	10,000		10,000
501-845-3221	Innovation & Business Development	93,500		93,500
510-475-3554	Elected Member Training and Development	24,600		24,600
529-131-3200	Accounting Services - Technology One	27,400		27,400
560-219-3221	Special Distribution Income - Preventative Safety		167,000	167,000
565-283-3227	Training & Development - Leading Worker Capability Program	60,000		60,000
565-996-3200	Organisational Development Initiative - Culture and Effectiveness Interventions	120,000		120,000
581-522-3221	Discover Salisbury Kiosk Project	15,000		15,000
581-880-3221	Shaping the Future - Economic Development Campaign	13,300		13,300
651-347-3221	Economic Development - Strategic Planning Urban Analyst	61,000		61,000
651-348-3221	Economic Development - Urban Policy - Rural Aircraft Noise DPA	26,000		26,000
651-886-3221	Economic Development - Economic Vision / Direction for Salisbury	40,000		40,000
651-994-3221	Economic Development - Northern Economic Plan	55,000		55,000
653-821-3221	Economic Development - Tea Tree Gully Business Advisory Services	74,200	120,000	194,200
	Sub-Total	855,600	389,100	1,244,700
TOTAL - OPERATING		1,885,900	389,100	2,275,000
TOTAL FUNDS CARRIED FORWARD FROM 2018/2019 TO 2019/2020		11,540,500	1,179,000	12,719,500

* These Infrastructure Projects have Operating Components that are also requested carry forwards

** These Operating Components of Infrastructure Projects related to projects that do not have a Infrastructure Project carry forward

ACCOUNT NO	DESCRIPTION	FUNDS RETURNED TO COUNCIL 2018/19			
		COUNCIL-001	EXTERNAL	Operating-750	TOTAL
CAPITAL WORKS					
12000	Road Reseal Program	98,300			98,300
13600	Minor Traffic Improvements	59,900			59,900
13725	Major Traffic Improvements	99,700			99,700
14498	Council Funded Footpath Program	192,200		13,600	205,800
14804	Bicycle Network Improvement Program	50,000			50,000
17190	City Wide Trails Program	27,100			27,100
21412	Kerb Ramp Construction / Upgrade Program	137,700			137,700
21413	Carpark Renewal Program	26,500			26,500
21478	Public Lighting Program	139,900			139,900
22118	Bituminous Footpaths & Shared use Paths	39,300			39,300
22852	Bus Shelter Renewal & Stop Improvement Program	700		2,000	2,700
23473	Sound Wall Renewal	50,000			50,000
23114	Btn Park Precinct	22,500			22,500
25197	Pedestrian Bridge East to West	16,300			16,300
25027	St Kilda Master Plan Stage 2	199,300			199,300
24867	Energy Management Plan	3,400			3,400
17598	Club/Sport Facilities Minor Capital Grants	199,900		33,000	232,900
18097	Building Renewal Program	140,000		56,700	196,700
19799	Land Acquisitions Miscellaneous	54,000			54,000
20017	Building Upgrade Program	196,300			196,300
24765	Building & Furniture Program 18/19	55,400			55,400
21389	Priority Access Upgrades - Buildings	47,000			47,000
22518	Property & Buildings Preplanning	149,900			149,900
23914	CCTV Community Development Blgs	10,700		10,000	20,700
23872	25-29 Kiekebusch Rd Land Acquisition	11,800			11,800
25257	Pump Replacement & Refurb	9,300			9,300
25146	Salisbury Bowling Club Land Acquisition	27,300			27,300
25037	Additional Solar	15,700			15,700
23016	Salisbury Oval Grandstand	209,200			209,200
24940	Sport Club Add Solar Installs	83,700			83,700
16999	Local Flooding Program	53,000			53,000
17205	Watercourse Management Works	38,100			38,100
22229	Major Flood Mitigation	174,500			174,500
22512	Drainage & Waterways Preplanning	34,700			34,700
25010	Automated Flood Release Gates	16,900			16,900
17040	Irrigation Renewal Program	5,400			5,400
17055	Outdoor Furniture Program	42,000			42,000
17080	Information Signage	78,000			78,000
17103	Renewal of Feature Landscape	13,300			13,300
20018	Playground Renewal Program	46,200			46,200
21456	Reserve Upgrade Program	24,300		3,600	27,900
21515	Street Tree Program	585,000			585,000
22120	Reserve Fencing Program	3,300			3,300
25026	Dog Parks for Small Dogs	7,000			7,000
25046	Fitness Equipment Program	6,300			6,300
24754	Greenfields Wetlands Kayak Access	10,700			10,700
25048	Sir Douglas Mawson Lake Drink Fountain	5,200			5,200
25140	Parks & Streetscape Preplanning	10,900			10,900
22676	Major Plant Sweeper 14/15	13,400			13,400
20864	Fleet Lease to Purchase	74,400			74,400
22843	Plant & Fleet Replacement Program	214,000			214,000
21461	Strategic Preplanning Program	26,900			26,900
23921	Salisbury Oval Master Plan Implementation	227,300			227,300
25058	Paddocks Master Plan Implementation	152,000			152,000
21543	AP Automation	4,800			4,800
11877	Integration Projects	17,000			17,000
23441	The Care Manager (TCM) Enhancement	22,000			22,000
24575	Mallee Road, Paralowie Infrastructure	28,800			28,800
19612	Shoalhaven, Mawson Lakes	46,900			46,900
22159	Salisbury Water Disinfection System	4,700			4,700
24463	Salisbury Water Council Reserve Upgrades	4,700			4,700
24992	Salisbury Water - Licence Purchase 18/19	100,000			100,000
24995	Salisbury Water New / Renewal Signage	1,300			1,300
25172	Salisbury Water - Water Quality Monitoring	62,500			62,500
	Total	4,528,500	0	118,900	4,647,400

ITEM	6.1.2
	BUDGET AND FINANCE COMMITTEE
DATE	19 August 2019
HEADING	Treasury Report for Year Ended 30 June 2019
AUTHORS	Kate George, Manager Financial Services, Business Excellence Tim Aplin, Senior Accountant, Business Excellence
CITY PLAN LINKS	4.4 Embed long term thinking, planning and innovation across the organisation.
SUMMARY	This report, in accordance with the Local Government Act 1999 and Council's Treasury Management Policy, provides Council with a summary of the investment performance and loan facilities for the 2019 Financial Year.

RECOMMENDATION

1. Information be received.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Treasury Policy

1. BACKGROUND

- 1.1 In accordance with Section 140 *Local Government Act 1999* and the Treasury Policy this report details the investment performance of Council funds for the year ended 30 June 2019.
- 1.2 Members may wish to note that Local Government in South Australia is in the unique position of having its own finance authority the Local Government Finance Authority (LGFA), with State Government guaranteeing its operation.

2. CONSULTATION / COMMUNICATION

2.1 External

- 2.1.1 Information has been sourced from the Local Government Finance Authority (LGFA) with respect to an estimate of the yearly applicable to all deposits in interest rate terms.

3. REPORT

3.1 Borrowings

3.1.1 Council's borrowings are a mix of fixed term borrowings with the choice of fixed or variable interest rates, and variable term borrowings in the form of cash advance facilities (CAD's), all of which are held with LGFA.

3.2 Fixed Term Borrowings

3.2.1 The table below details Councils Fixed Term Borrowings at the year ended 30 June 2019. It shows an overall net decrease in fixed term borrowings of \$2.12M from 30 June 2018, with no additional fixed term borrowings established during the 2019 Financial Year.

Reference	Amount Borrowed	Date Established	Maturity	Interest Rate	Principal Balance 30/6/2019	Principal Balance 30/6/2018	Reduction in Principal	Annual Repayment Amount	Interest Paid
LGFA 0256	\$ 2,829,000	15/06/2004	15/06/2019	6.77%	\$ -	\$ 288,487	\$ 288,487	\$ 303,217	\$ 14,729
LGFA 0258	\$ 3,218,000	15/06/2005	15/06/2020	6.26%	\$ 318,854	\$ 618,648	\$ 299,794	\$ 333,902	\$ 34,108
LGFA 0259	\$ 1,463,000	15/06/2006	15/06/2021	6.70%	\$ 287,735	\$ 417,990	\$ 130,255	\$ 156,115	\$ 25,859
LGFA 0260	\$ 4,811,000	15/06/2007	15/06/2022	7.01%	\$ 1,394,490	\$ 1,798,844	\$ 404,354	\$ 523,489	\$ 119,135
LGFA 0263	\$ 9,000,000	15/06/2010	15/06/2025	6.58%	\$ 4,662,523	\$ 5,278,282	\$ 615,759	\$ 953,104	\$ 337,346
LGFA 0264	\$ 5,889,000	15/06/2011	15/06/2026	6.80%	\$ 3,476,279	\$ 3,852,961	\$ 376,682	\$ 632,387	\$ 255,705
Total	\$ 27,210,000				\$ 10,139,880	\$ 12,255,212	\$ 2,115,332	\$ 2,902,214	\$ 786,882

3.2.2 Not included in the above loan schedule is a \$500,000 debenture loan that was secured in November 2016 for special purpose borrowings; however this is offset by a corresponding \$500,000 loan receivable. The current balance of this loan and the receivable is \$433,860.

3.3 Variable Term Facilities – CAD's

3.3.1 As detailed in the below table, Council's CAD's had no outstanding balances as at 30 June 2019, nor at 30 June 2018. Further, at the time of preparation of this report there were no outstanding amounts on any CAD facilities.

3.3.2 Members may wish to note that the interest rate applicable to CAD's at the time of the preparation of this report is 2.95% (2018 3.60%). Further the extent of any draw down on our CADs is correlated to the delivery of the infrastructure program, receipts of grant funding, and timing of rate revenue receipts.

Reference	Facility Amount	Date Established	Expiry Date	Rate	Outstanding 30/6/2019	Outstanding 30/6/2018	Movement
LGFA 0235	\$ 2,130,000	15/06/2009	15/06/2024	Variable	\$ -	\$ -	\$ -
LGFA 0261	\$ 2,850,000	16/06/2008	16/06/2023	Variable	\$ -	\$ -	\$ -
LGFA 0262	\$ 570,000	15/06/2010	15/06/2025	Variable	\$ -	\$ -	\$ -
LGFA 0265	\$ 11,367,000	17/06/2013	17/06/2028	Variable	\$ -	\$ -	\$ -
Total	\$ 16,917,000				\$ -	\$ -	\$ -

- 3.3.3 Not included in the above table is the \$12M CAD facility that Council approved in May 2019, to enable the delivery of the 2018/19 and 2019/20 budgets, and there have been no significant impacts that necessitate a revision of these borrowing requirements at this time. The \$12M CAD settled on the 15 July 2019 and as such is not part of the June 2019 end of financial year borrowing facilities, noting that the level of CAD facilities at the time of preparing this report is \$28,917,000.
- 3.3.4 In accordance with the current Treasury Policy we balance the mix of fixed and variable borrowings so that neither fixed debt or variable facilities represent less than 30% of our total facilities. For the year ended 30 June 2019, fixed term facilities represented 37%, and variable term facilities represented 63% of the total facilities, which is in line with the current Treasury Policy.
- 3.3.5 It should be noted that with the establishment of the additional \$12M CAD facility (endorsed via the May 2019 Loan Borrowings Report), these percentages become 26% and 74% respectively for fixed and variable, which is below the percentage floor contained within the Policy, which will be reviewed in the coming months, and will be considered by the Budget and Finance committee via the Audit Committee in October 2019.
- 3.3.6 In preparing for this review of the Treasury Policy we have sought advice from the LGFA, who are unlike other financial institutions as they do not have a profit motive, with their profits being distributed via bonuses back to Councils, and also used to fund the LGA research and development scheme.
- 3.3.7 The LGFA have expressed the view that given the historically low interest rate environment and the relatively low debt level of the City of Salisbury, that reducing the fixed and variable percentage floor to 20%, would be appropriate and we will consider this advice in revising the Treasury Policy, for Council consideration.
- 3.3.8 Should Council wish to maintain the current floor of 30%, then consideration can be given to fixing some portion of the CAD facilities so that the borrowings fit within the Policy constraints, prior to the review of treasury performance at the 2019/20 financial year end.

3.4 Investments – At Call and Fixed Term Deposits

- 3.4.1 Council holds two types of investments, 24 hour at call funds and fixed term deposits, with the funds being held either with the LGFA or the National Australia Bank (NAB).
- 3.4.2 24 Hour at Call - The table below shows the respective balances as at 30 June 2019 and 2018. These funds are held to cover cash disbursements planned to occur over the coming month.

Investment Type	30/06/2019		30/06/2018	
	Interest Rate *	Balance	Interest Rate *	Balance
24 Hour At Call LGFA	1.60%	\$ 99,858	1.85%	\$ 708,140
NAB Professional Funds	1.75%	\$ 17,621,698	2.00%	\$ 18,648,423
Total At Call		\$ 17,721,556		\$ 19,356,563

- 3.4.3 Fixed Term Deposits - The fixed term deposits are made for a period of 30, 60, or 90 days, and are based on predicted cash inflows and outflows over the period. All term deposits are held with the LGFA.

Investment Type	Maturity Date	Interest Rate *	Balance 30/6/2019	Balance 30/6/2018
Fixed	18/07/2018	1.80%	\$ -	\$ 1,200,000
Fixed	9/07/2018	1.65%	\$ -	\$ 1,200,000
Fixed	23/07/2018	1.65%	\$ -	\$ 3,100,000
Fixed	21/08/2018	1.80%	\$ -	\$ 1,000,000
Fixed	23/07/2018	1.65%	\$ -	\$ 4,000,000
Fixed	25/07/2018	1.65%	\$ -	\$ 3,800,000
Fixed	30/08/2019	2.25%	\$ 10,000,000	\$ -
Total			\$ 10,000,000	\$ 14,300,000

* The LGFA interest rate includes an additional 0.35% (0.35% for the 2018 Financial Year) which the LGFA has advised is a estimate of the likely value of the yearly bonus in interest rate terms applicable to all deposits for 2019. The actual percentage will not be known until October 2019, however the LGFA has advised it should be similar to the 2018 amount.

- 3.4.4 It should be noted that consistent with the 2018 financial year, the Federal Government made the decision to pay two quarters of the 2018/19 Financial Assistance Grant and Untied Local Roads Funding in advance totaling \$4,555,783 which was recognised on 19 June 2019. Further the Federal Government also prepaid 2 financial years' worth of Special Local Roads Funding \$1,580,714 recognised on 27 June 2019.
- 3.4.5 These advance payments in combination with the impact of returned funds identified as part of the carry forward process offset in part the higher than normal level of cash outflows associated with the timing of the infrastructure projects, which has resulted in an overall \$6M decrease in our cash holdings year on year.
- 3.4.6 The \$17.7M cash at call at 30 June 2019 is needed as payments during July and into August are traditionally very high with delivery of infrastructure projects necessitating higher creditor payments and also once off yearly payments such WorkCover and Insurance Premiums. Further, our cash receipts in July and August are very low with the first installment of rates not due until early September. Cash outgoings in July 2019 totalled \$21.21M, with \$19.01M paid to creditors, and \$2.2M in payroll and on cost payments.

4. CONCLUSION / PROPOSAL

- 4.1 Council investments and borrowings have been managed in accordance with Council's Treasury Policy, and the information provided is as required by the policy.

CO-ORDINATION

Officer: Executive Group
Date: 12/08/2019



Treasury Policy

Policy Type:	Policy		
Approved By:	Council	Decision No:	2010/2128, 2011/327, 2013/1927, 1026/2016, 2173/2017
Approval Date:	23 March 2010	Last Reapproval Date:	27 November 2017
Review Date:	November 2019	Internal Reference No.:	
Department:	Business Excellence	Division:	Financial Services
Function:	7 - Financial Management	Responsible Officer:	Manager, Financial Services

A - PREAMBLE

1. This policy provides clear direction to management, staff and Council in relation to the treasury function. It underpins Council's decision-making regarding the financing of its operations as documented in its annual budget and long-term financial plan and associated projected and actual cash flow receipts and outlays.
2. Council is committed to adopting and maintaining a Long-term Financial Plan and operating in a financially sustainable manner.
3. Section 3 of the Local Government Act, 1999, requires Councils to act in a way that is effective, efficient and accountable. This is especially important when managing monies acquired by Council in order to benefit the Community.

C – POLICY PURPOSE/OBJECTIVES

1. This Treasury Management Policy establishes a decision framework to ensure that:
 - Funds are available as required to support approved outlays;
 - Interest rate and other risks (e.g. liquidity and investment credit risks) are acknowledged and responsibly managed;
 - The net interest costs associated with borrowing and investing are reasonably likely to be minimised on average over the longer term.
 - Further it clarifies the treatment of surplus funds, identified through Budget Reviews

E - POLICY STATEMENT

1. **Treasury Management Strategy**
 - 1.1. Council's operating and capital expenditure decisions are made on the basis of:
 - Identified community need and benefit relative to other expenditure options;

- Cost effectiveness of the proposed means of service delivery; and,
 - The affordability of proposals having regard to Council's long-term financial sustainability (including consideration of the cost of capital and the impact of the proposal on Council's Net Financial Liabilities and Interest Cover ratios).
- 1.2. Council manages its finances holistically in accordance with its overall financial sustainability strategies and targets. This means Council will:
- Maintain target ranges for its Net Financial Liabilities ratio;
 - Generally only borrow funds when it needs cash and not specifically for particular projects;
 - Apply any funds that are not immediately required to meet approved expenditure (including funds that are required to be expended for specific purposes but are not required to be kept in separate bank accounts) to reduce its level of borrowings or to defer and/or reduce the level of new borrowings that would otherwise be required.
 - Apply surplus contained within the Sundry Projects Fund, following adjustments for variations to existing estimates, to a reduction in borrowings. Any new bids/projects arising through the year are to be referred to the budget planning process for the subsequent year, unless they are of sufficient urgency, in which case Council may finance such projects by reducing/cancelling an existing budgeted project, or approving an increase to the borrowing requirement.
- 2. Interest Rate Risk Exposures**
- 2.1. Council has set range limits for both fixed and variable interest rate borrowings in order to minimise net interest costs on average over the longer term and at the same time manage interest rate movement risks within acceptable limits.
- 2.2. **Fixed Interest Rate Borrowings**
- To ensure an adequate mix of interest rate exposures, Council will structure its portfolio of borrowings to maintain on average in any year, not less than 30% of its facilities in the form of fixed interest rate borrowings.
 - In order to spread its exposure to interest rate movements, Council will aim to have a variety of maturity dates on its fixed interest rate borrowings over the available maturity spectrum.
- 2.3. **Variable Interest Rate Borrowings**
- Council will structure its portfolio of borrowings to maintain not less than 30% of its facilities in any year in the form of variable interest rate borrowings.
 - Council will utilize long-term variable interest rate borrowing facilities, such as the LGFA's Cash Advance Debenture, that require interest payments only and that enables any amount of principal to be repaid or redrawn at call. The redraw facility will provide Council with access to liquidity when needed.
- 3. Investments**
- 3.1. Council funds that are not immediately required for operational needs and cannot be applied to either reduce existing borrowings or avoid the raising of new borrowings will be invested. The balance of funds held in any operating bank account that does not provide investment returns at least consistent with 'at call' market rates shall be kept at a level that is no greater than is required to meet immediate working capital requirements.

- 3.2. Council funds available for investment will be lodged 'at call' or, having regard to differences in interest rates for fixed term investments of varying maturity dates, may be invested for a fixed term. In the case of fixed term investments the term should not exceed a point in time where the funds otherwise could be applied to cost-effectively either defer the need to raise a new borrowing or reduce the level of Council's variable interest rate borrowing facility.
- 3.3. When investing funds, Council will select the investment type which delivers the best value, having regard to investment returns, transaction costs, and other relevant and objectively quantifiable factors.
- 3.4. Council management may from time to time invest surplus funds in:
 - Deposits with the Local Government Finance Authority; and/or
 - Bank interest bearing deposits
 - Bank accepted/endorsed bank bills
 - State/ Commonwealth Government Bonds
- 3.5. Any other investment requires the specific approval of Council.

4. Reporting

- 4.1. During the year Council will receive a report detailing total fixed borrowings and variable fixed borrowings at the end of the preceding month, together with all investments held, their term and interest rate. Timing of these reports will be November, February, May, unless there is an opportunity to report earlier, with the end of year reported as soon as practicable as part of our end of year reporting. (*Council Resolution, Item No. 734 dated 28 November 2011*)
- 4.2. At least once a year Council shall receive a specific report regarding treasury management performance relative to this Policy. The report shall highlight:
 - For each of Council's borrowings and investments - the quantum of funds, its interest rate and maturity date, and changes in the quantum since the previous report; and,
 - The proportion of fixed interest rate and variable interest rate borrowings at the end date of the reporting period along with key reasons for significant variances compared with the targets specified in this policy.

F - LEGISLATION

For Borrowings

Local Government Act, 1999 (Sections 44, 122 and 134)
Local Government (Financial Management) Regulations 2011

For Investments

Local Government Act, 1999 (Sections 47, 139 and 140)

Document Control

Document ID	Treasury Policy
Prepared by	Kate George
Release	1.00
Document Status	Endorsed
Date Printed	13/08/2019

ITEM	6.1.3
	BUDGET AND FINANCE COMMITTEE
DATE	19 August 2019
HEADING	Event Management Framework and Room Booking Fees & Charges - Salisbury Community Hub
AUTHOR	Charles Mansueto, General Manager Business Excellence, Business Excellence
CITY PLAN LINKS	3.1 Be an adaptive community that embraces change and opportunities. 3.2 Have interesting places where people want to be. 3.3 Be a connected city where all people have opportunities to participate.
SUMMARY	<p>This report provides Council with an overview of the proposed Event and Room Booking Frameworks and seeks consideration and endorsement of the key components of the framework, namely</p> <ul style="list-style-type: none"> • Room booking Policy • Prioritisation Parameters • Fee Structure
RECOMMENDATION	<ol style="list-style-type: none"> 1. That the components of the Room Booking Policy as provided in Attachment 3 is endorsed and staff finalise the components into the standard policy template. 2. That the Prioritisation Parameters as listed in section 7.3 of this report (Item No. 6.1.3, Budget & Finance Committee, 19/08/2019) are endorsed. 3. That the Fee structure for room bookings and event bookings as provided in Attachment 5 is endorsed and updated into Council's Fees and Charges register. 4. That the Manager Community Experience and Relationships is delegated authority to exercise discretion as to applying the proposed Room Booking Policy 5. That a report on the operation of the Event and Room Booking Framework be brought back to Council following 12 months of operation from the opening of the Salisbury Community Hub
ATTACHMENTS	<p>This document should be read in conjunction with the following attachments:</p> <ol style="list-style-type: none"> 1. Attachment 1 - Events and the Room Booking Framework 2. Attachment 2 - Events and the Room Booking Framework 3. Attachment 3 - Room Booking Policy 4. Attachment 4 - Available rooms and capacities 5. Attachment 5 - Proposed fee structure

1. BACKGROUND

- 1.1 The Salisbury Community Hub will bring the opportunity for the community to access the public spaces in a variety of ways for programs, private functions, conferences and larger public events.
- 1.2 To ensure that the facility is appropriately managed so that there is a balanced mix of programs and events, an Event and Room Booking Framework has been developed for consideration by Council.
- 1.3 The key elements of the framework include:
 - 1.3.1 Event Management Framework
 - 1.3.2 Room Booking Framework
 - 1.3.3 Responsibilities
 - 1.3.4 Room Booking Policy
 - 1.3.5 Prioritisation Parameters
 - 1.3.6 Fees & Charges Structure
- 1.4 The other component of the proposed structure to manage the Salisbury Community Hub is the Facilities Management Model that looks at how the facility will be maintained. It also has strong linkages with the event management framework through supporting such events in providing services like cleaning, setup and pack down, catering etc...
- 1.5 The Facilities Management Model is not part of this report but noted as to the relationship with the Event and Room Booking Frameworks.
- 1.6 This report aims to provide the necessary information to Council to consider the various components of the framework and seek endorsement of the framework to allow the booking of spaces within the Salisbury Community Hub to commence.

2. CITY PLAN CRITICAL ACTION

The Salisbury City Centre Community Hub project relates directly to the following City Plan critical actions:

- i. Progress the revitalisation of the Salisbury City Centre including:
 - resourcing place management and activation; and
 - encouraging and supporting private sector investment.

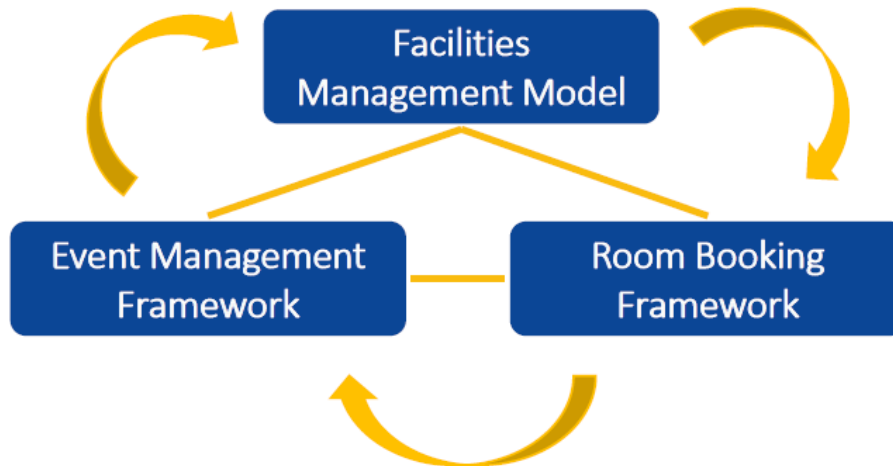
Deliver a new community hub in the Salisbury City Centre incorporating library, civic facilities, offices and commercial space to stimulate investment opportunities.

3. CONSULTATION / COMMUNICATION

- 3.1 Internal
 - 3.1.1 Staff involved in facilities management, events and program delivery
- 3.2 External
 - 3.2.1 KPMG who assisted in developing the framework

4. REPORT

- 4.1 Both the Event Management Framework and the Room Booking Framework have been developed holistically to ensure a robust framework exists that will not only maximise the use of the Salisbury Community Hub but balance Council's risk.
- 4.2 The aim is to inform the management, operations and space utilization of the Salisbury Community Hub in the most effective and efficient way possible in an integrated approach.



- 4.3 The objectives of the overall framework are:
- 4.3.1 Clearly define process flows and relationships between each model to create a holistic approach to facilities and event management at the Community Hub
- 4.3.2 Operate more effectively, efficiently, and deliver services to the community in new and exciting ways
- 4.4 The outcomes are:
- 4.4.1 Three new frameworks that are interlinked to deliver facilities and event management in the Community Hub
- 4.4.2 Smooth and coordinated process execution and delivery
- 4.4.3 Community and staff expectations and requirements are met
- 4.4.4 Strategic objectives are met.
- 4.5 Provided as Attachments 1 and 2 are the overarching components of the Events and the Room Booking Frameworks.

5. RESPONSIBILITIES

- 5.1 A clear responsibility framework is required to be in place to ensure the effective and efficient operation of the Salisbury Community Hub.
- 5.2 This section summarises the areas of responsibility, noting the Facilities Management Model responsibilities are included for completeness of the interdependencies.

- 5.2.1 Event Management Responsibilities
 - Oversee the planning, management and execution of an event or program
 - Operate and execute tasks under the Event Management Framework
- 5.2.2 Facilities Management Responsibilities
 - Ensuring rooms are setup in accordance with booking requirements and reset after each booking (or event)
 - Providing support to achieve building curation
 - Responding to any Facilities Management related requests across the entire Community Hub
 - Planning for the execution of facility management tasks in accordance with the Facilities Management Model including services such as catering and security
- 5.2.3 Room Booking Responsibilities (managed by the new function within the newly formed division of Community Experience and Relationships)
 - Receiving and organising booking requests from community or staff, and scheduling spaces on Ground/Level 1 whilst managing the customer experience at the Community Hub.
 - Executing the process listed in the Room Booking Framework, in accordance with the Room Booking Parameters and Policy
 - Ensuring that all necessary stakeholders have been involved in the booking, including Events Managers or Facilities Management where their assistance will be required for the booking.

6. ROOM BOOKING POLICY

- 6.1 An overarching policy is required to support the effective and efficient management of bookings and ensuring the use of the Salisbury Community Hub aligns to the agreed outcomes.
- 6.2 Provided as Attachment 3 is the key components of the Room Booking Policy that subject to endorsement by Council will be presented in the normal policy template.
- 6.3 Key elements of the policy include:
 - 6.3.1 Pre-Booking Assessment
 - 6.3.2 Booking Confirmations
 - 6.3.3 Terms and Conditions
- 6.4 Supporting the ability for community members to be able to book online, a new process will be implemented online that allows a community member to request a booking, which will then be assessed against the available space and intended use.
- 6.5 Following the initial assessment the booking will be confirmed and scheduled into the calendar of programs and events.

- 6.6 The system is yet to be installed so subject to endorsement of the recommendations in this report, initial requests for bookings will be administered directly with the community.

7. PRIORITISATION PARAMETERS

- 7.1 A key outcome of the use of the spaces in the Salisbury Community Hub is to ensure there is a good mix of uses but also aim to maximize the use of community spaces.
- 7.2 This section details the proposed parameters that will govern the allocation of spaces to programs, events, private functions etc..
- 7.3 Proposed Parameters
- 7.3.1 50% of the first floor (including the terrace) will be allocated for commercial use
- 7.3.2 80% of Community Hall use will be allocated to the community for events and programs
- 7.3.3 Priority will be given to six 500 person events on the ground floor per year
- 7.3.4 One to two small meeting rooms should be available at any given time to allow for walk-in bookings.
- 7.3.5 Priority should be given to (approximately) 50 training events per year, most likely to be held in training rooms.
- 7.3.6 Priority should be given to (approximately) 5 Polaris business events per year.
- 7.3.7 Ongoing scheduled programming will not exceed 65% of total space usage at any given time.
- 7.4 These parameters will continually be reviewed and will initially form a set of targets to guide the use of the Salisbury Community Hub. Provided as Attachment 4 is the available rooms and capacities which will be considered when booking requests are received.

8. FEES AND CHARGES

- 8.1 The proposed fees structure has been derived after market research on similar venues.
- 8.2 The fee structure has also been structured around three categories:
- 8.2.1 Community – an open gathering, inclusive of all members of the community to attend and does not require any payment to attend. It is also proposed that some of the smaller community groups that may need access to a meeting room may be considered within this group
- These bookings will be free of charge
- 8.2.2 Private – a closed group, club or family gathering. It may also involve a payment for entry to the event
- These bookings will have a discounted rate applied

- 8.2.3 Commercial – a business or government department (noting some consideration may be given to a local business to a discounted rate as part of Council’s Business Friendly agenda)
- Full commercial rate will be charged (noting local business discount where applicable)
- 8.3 The fees structure is also structured into room hire which attracts an hourly charge.
- 8.4 For events a more structured fee approach is taken to provide flexibility in assessing risk but also ensuring it is a viable fee for the event organisers.
- 8.4.1 Baseline fee for the use of the space
- 8.4.2 A levy is added (as a percentage of the baseline) to account for any room set up an pickup time needed for event bookings
- 8.4.3 A discount or value add is considered
- 8.4.4 Bond payment calculated separately as a base then amended to reflect any risk profile.
- 8.5 As with implementation of any new model, some refinement will be required as we implement the model. Example of where this may occur is in determining what category a booking request falls under.
- 8.6 The categories are broad so as to not risk excluding some potential users but being broad also creates some judgement in assessing which category a request falls in/
- 8.7 For example a public school wanting to book for a school event can be either considered as a Commercial booking and attract the commercial rate. It could also be considered to be a Private booking.
- 8.8 Flexibility is required in implementing the new model with a report presented to Council after 12 months of operating the new model. This ability to consider discretion as to the relevant category is delegated to the Manager Community Experience and Relationships.
- 8.9 Provided as Attachment 5 is the proposed fee structure.

9. CONCLUSION / PROPOSAL

- 9.1 The Salisbury Community Hub has been designed for increased access by the community.
- 9.2 To support the achievement of this outcome a structured approach to managing bookings is required with a holistic framework developed for consideration by Council.
- 9.3 It is proposed that endorsement of the framework components is provided by Council and subject to any changes requested, the framework be implemented and trialled for a 12 month period, after which a report is presented to Council on its operation and any changes required to optimize the use of the Salisbury Community Hub.

- 9.4 To assist with the transition of the new framework it is also recommended that larger events (not already in Councils events schedule) are not scheduled until the second quarter of 2020, noting that a curation strategy has been developed to activate the Salisbury Community Hub for the first three months of operation and the larger Council events, like Salisbury Secret Garden will be delivered in the first quarter of 2020.

CO-ORDINATION

Officer: Executive Group
Date: 12/08/2019

Complete Room Bookings Framework



Complete Event Management Framework



5.4 Room Bookings Policy

All room booking activities must be undertaken in accordance with this policy – applicable to internal or external parties.

Section 1: Pre-Booking Assessments

The following assessment will be undertaken by the Facilities Promotion Team prior to a booking being confirmed. For simple bookings including meetings and video conferences, less rigour will be needed around these assessments. For more complicated and larger bookings, a more rigorous assessment may be needed, including engaging other specialists within the organisation where needed such as WHS, Risk, and other Divisional Managers.

(1.1) Banned Parties

Where a room booking is requested, an upfront assessment is made to determine if the room booking is permitted. The following groups will not be allowed to book spaces in the Community Hub:

- Political groups or affiliations
- Anyone associated with racial motivation, cults, weapons and violence
- Religious groups requesting space for services

(1.2) Room Location

An assessment will be undertaken to determine the best room location of the booking in relation to the following criteria:

- Other events and bookings that will be held in adjacent or neighbouring rooms at the same time as the requested booking. A booking request will not be accepted if it is deemed to affect another confirmed booking in an adjacent or neighbouring room due to expected high levels of noise or disruption.
- Amenities or facilities needed for the booking (i.e. Kitchen spaces, tea stations, bathrooms). Bookings may need to be located as close as possible to the required amenities or facilities.

- The purpose of the booking, and the needs of the individual or group making the booking which may impact room setup requirements, catering, space required, etc. A room will be selected that would be an appropriate fit for the type of booking and its requirements.
- The amount of people attending to ensure that the proposed room is in alignment to Room Parameters, outlined on page 30-31. In the case where a minimum requirement is not met, the space will only become bookable to that individual or group 5 business days in advance if no one else has booked the space. Maximum requirements cannot be exceeded due to Health and Safety requirements.

(1.3) Risk Management

A third assessment will be made in relation to the risks associated with the booking. The Risk and Governance Team, the WHS Team, and Security may be consulted prior to acceptance of the booking if there is ambiguity or belief that the booking will create hazards or pose a risk or threat to other people, or the building (including carpets and flooring, walls, IT or AV equipment, etc.). The outcome of this assessment will determine if the booking can be accepted, and if any preventative controls or measures will be implemented for the booking. At this time proof of, or arrangement for indemnity insurance may be required prior to booking acceptance if deemed necessary by the City of Salisbury. See Section 3.7 of this policy for more details.

Section 2: Booking Confirmations

The following applies once a booking has been confirmed internally, and confirmed with the customer (internal staff, or external user). In the first instance, a customer **must agree to the terms of hire upon confirmation.**

*Continued on next page*₄₀

(2.1) Fees and Charges

If fees apply, the customer will be invoiced upon booking confirmation in accordance with Appendix 1 – Fees and Charges. Any applicable fees and bond payments for room bookings are required to be collected at a minimum of 72 hours prior to the booking. Payments for catering and security services will be requested at point of confirmation - full payment must be received prior to City of Salisbury booking these services.

(2.2) Cancellations

A booking may be cancelled at anytime subject to the following conditions:

- If a room booking fee has been charged to the booking owner, cancellation fees may apply in accordance with Appendix 1 – Fees and Charges
- Any additional fees charged relating to catering, security, or an outsourced service will be non-refundable once it has been received and confirmed by the vendor, or can no longer be cancelled.
- Once a booking has been cancelled, the booking slot can not be reclaimed if it has been allocated to a new user.

(2.3) Changes to Bookings

Changes to bookings are subject to the following conditions:

- Room location changes are subject to the discretion of the City of Salisbury, including the availability of other spaces and Room Parameters
- A change of room may incur additional fees that will be invoiced to the booking owner upon re-confirmation
- A change of room may result in a fee reduction that will be refunded to the booking owner if the change to the booking is made 72 hours prior to the booking time
- Additional service requests relating to catering, security or outsourced services may incur additional fees that will be invoiced to the booking owner upon reconfirmation

- Reductions made to catering, security or other outsourced services will not be refunded to the booking owner once it has been received and confirmed by the vendor, or can no longer be cancelled
- Additions to the number of booking attendees must be confirmed with the City of Salisbury. The request for additional guests may be denied if it does not meet Room Parameters, outlined on pages 30-31.

(2.4) Post Confirmation

The following applies for bookings that have been confirmed internally, and with the customer:

- Changes to requested services and room setup can only be made after direct request from the booking owner
- Room location may be changed at the discretion of City of Salisbury. A change in room location will only be made if the requirements for the booking can still be met.

Section 3: Terms and Conditions(3.1) Use of Kitchen Spaces

Kitchen spaces may be available to book in addition to a room booking. Kitchen hire incurs an additional fee as part of the bond in accordance with Appendix 1 - Fees and Charges. The use of kitchen spaces requires the booking owner, and anyone else who will be using the kitchen, to undertake an induction to the space on the day of the booking.

(3.2) Use of Personal Equipment

The use of personal equipment and appliances are prohibited unless direct approval is received from the City of Salisbury, and all items are tested and tagged prior to use in the Community Hub. This excludes the use of personal electronics devices such as Laptops and tablets.

(3.3) Room Decoration and Fixtures

No permanent fixtures will be allowed in any case for a room booking.

The following decorative items are permitted for use:

- Balloons
- The use of blu-tac or non-adhesive sticky tape
- Streamers

The following decorative items will not be permitted for use:

- Party poppers
- Confetti or glitter
- The use of adhesives tapes, including duct tape
- Smoke machines

Any breach of this policy may impact the return of the bond, or result in an invoice issued to the Hirer to cover additional cleaning or repair charges.

(3.4) Engaging Vendors

Permitted vendors used for services during room bookings are predetermined by the City of Salisbury. City of Salisbury retain responsibility for engaging with vendors, and do not permit customers to engage with vendors directly. Customers are not permitted to utilise an outsourced vendor without prior consent from the City of Salisbury.

(3.5) Cleaning and Waste Removal

Basic cleaning services are included with each room booking, including vacuuming, sweeping, wiping down tables and countertops. Unless advised by the City of Salisbury, no cleaning fees will be applicable for the booking based on the following assumptions:

- The room is left in tidy condition at the end of the booking
- No spills or messes are left that require additional cleaning effort
- There is not an excessive amount of waste left behind that must be disposed of at additional effort or cost to the Council

In the case where additional cleaning is required (i.e. beyond standard service levels), City of Salisbury reserves the right to issue an invoice for the additional labour that was required or deduct funds from any bond held for the booking. Refer to Sections 3.6 and 3.7 for more details.

(3.6) Damage to Facilities

Any damage caused to the Facility (Room, space, amenities) during a room booking will be expensed to the user through an invoice, or through a bond deduction. If an invoice is not actioned by the Hirer within 30 days of issuance, the City of Salisbury reserves the right to issue a claim to their insurance provider.

(3.7) Insurance and Liability

Council reserves the right to determine if the Hirer must affect and maintain for the period of the use, a policy of insurance for public liability. If it is determined by the Council that the Hirer shall affect a public liability policy, the Centre User must maintain the policy for the full period of the use of the Centre.

(3.8) Code of Behaviour

Behaviour in the form of drug use, violence, excessive noise, display of sexual content, or any other behaviour deemed illegal by the City of Salisbury may result in eviction from the premises, police investigation or other penalties.

(3.9) Non-bookable spaces

City of Salisbury reserves the right to maintain a number of rooms and spaces as non-bookable within the Community Hub.

(3.10) Liquor Licencing

The City of Salisbury will require the room booking user to hold a temporary liquor licence for any event or booking where alcohol will be served. There may be additional security requirements required where alcohol is served, and the City of Salisbury may request the booking user to have (additional) security resources for the length of the booking.

(3.11) Use of outdoor spaces

The use of outdoor spaces such as the Civic Square must comply with the following:

- Public access to the building must not be prevented
- Any work zone in the Civic Square (or in areas surrounding the Community Hub) must be cordoned off from public access. All applicable safety standards must be adhered to
- Applicable stakeholders are to be contacted and consulted prior to any event or works occurring in the Civic Square, where:
 - it is deemed this may impinge on the ability to carry out or impact business,
 - impact on access to certain parts of the building,
 - or other impingements.
- Private or custom use of the big screen must receive approval from the GM Business Excellence prior to use in any case.

(3.12) Breach of Policy

If it is deemed any part of this policy, or other council policies have the potential to be broken during the booking, it may be immediately terminated before or during the booking without notice. Any breach of policy during a booking will result in immediate termination and potential for bond deductions or fines imposed by the City of Salisbury. City of Salisbury reserves the right to evict any persons who are in breach of this policy.

Location	Joinery Plan Name	Approved Room Name	Min Capacity	Max Capacity
L00.01	Community Hall Room 1	John Harvey Community Hall 1	35	150
L00.02	Community Hall Room 2	John Harvey Community Hall 2	35	150
L00.17	Meeting Room 1	Meeting Room 1 (unnamed)	4	8
Space	SCH Ground Floor South	Children's Information Learning	-	10 children per 1 staff member*
L00.31	Meeting Room 5	Meeting Room 5 (unnamed)	2	4
L00.32	Meeting Room 4	Meeting Room 4 (unnamed)	2	4
L00.33	Meeting Room 3	Meeting Room 3 (unnamed)	2	4
L00.34	Meeting Room 2	Meeting Room 2 (unnamed)	2	4
L00.43	Flexible Space 1	Kurna Room 1	4	8
L00.44	Flexible Space 2	Kurna Room 2	4	8
L01.01	Conference Room 1	Little Para Conference Room 1	10	50**
L01.02	Conference Room 2	Little Para Conference Room 2	10	50**
L01.03	Meeting Room 7	Dr Ruby Davy Room	8	18
L01.04	Meeting Room 6	Wittber Room	6	14

*Aligned to the National Quality Framework

**This is variable based on room setup

30

Location	Joinery Plan Name	Approved Room Name	Min Capacity	Max Capacity
L01.05	Meeting Room 8	Meeting Room 8 (unnamed)	2	6
L01.07	Meeting Room 9	Meeting Room 9 (unnamed)	2	4
L01.20	Training Room (2 rooms)	Helen Barnes Training Room	4	18 (combined)
L01.40	Multipurpose Room	Phoebe Wanganeen Room A	6	14
L01.40	Multipurpose Room	Pedler Room B	6	14
L01.43	Meeting Room 10	Meeting Room 10 (unnamed)	2	4
L01.45	Terrace 1	Outdoor Terrace 1 (unnamed)	4	14
L01.08	Event Kitchen	Event Kitchen (unnamed)	N/A	N/A
-	Civic Square	Civic Square	N/A	N/A

Hourly Room Hire Payments

The following fees apply to the hire of rooms (per hour of use), excluding any additional services or requests such as catering or security.

Location	Joinery Plan Name	Approved Room Name	Private Fee (\$)	Commercial Fee (\$)
L00.01	Community Hall Room 1	John Harvey Community Hall 1	50	120
L00.02	Community Hall Room 2	John Harvey Community Hall 2	50	120
L00.17	Meeting Room 1	Meeting Room 1 (unnamed)	15	30
L00.31	Meeting Room 5	Meeting Room 5 (unnamed)	10	20
L00.32	Meeting Room 4	Meeting Room 4 (unnamed)	10	20
L00.33	Meeting Room 3	Meeting Room 3 (unnamed)	10	20
L00.34	Meeting Room 2	Meeting Room 2 (unnamed)	10	20
L00.43	Flexible Space 1	Kaurna Room 1	15	30
L00.44	Flexible Space 2	Kaurna Room 2	15	30
L01.01	Conference Room 1	Little Para Conference Room 1	30	60
L01.02	Conference Room 2	Little Para Conference Room 2	30	60
L01.03	Meeting Room 7	Dr Ruby Davy Room	20	45
L01.04	Meeting Room 6	Wittber Room	20	45
L01.05	Meeting Room 8	Meeting Room 8 (unnamed)	10	20
L01.07	Meeting Room 9	Meeting Room 9 (unnamed)	10	20

Location	Joinery Plan Name	Approved Room Name	Private Fee (\$)	Commercial Fee (\$)
L01.20	Training Room	Helen Barnes Training Room	20	45
L01.40	Multipurpose Room	Phoebe Wanganeen Room A	15	40
L01.40	Multipurpose Room	Pedler Room B	15	40
L01.43	Meeting Room 10	Meeting Room 10 (unnamed)	10	20
L01.45	Terrace 1	Outdoor Terrace 1 (unnamed)	15	30
L01.08	Event Kitchen	Event Kitchen (unnamed)	40	80

Extra Costs

Item	Cost
Tea, Coffee and Biscuits	\$3.00 per person
Staff Call-Out Fee	\$50.00
Security Call-Out Fee	Up to \$150.00
Cleaning Charges	Up to \$500.00
Damages	Variable

Event Mode Fees and Charges – Overview

The fees and charges for event modes provides pricing for half and full day fees for both private and commercial uses. This fee structure incorporates the hire fees for all rooms used in the event mode, and an additional setup/packup levy to incorporate the time needed to setup the space, and reset it once the event is over. The levy percentage varies across the event modes to cater for the differing amounts of time needed to setup and reset each space.

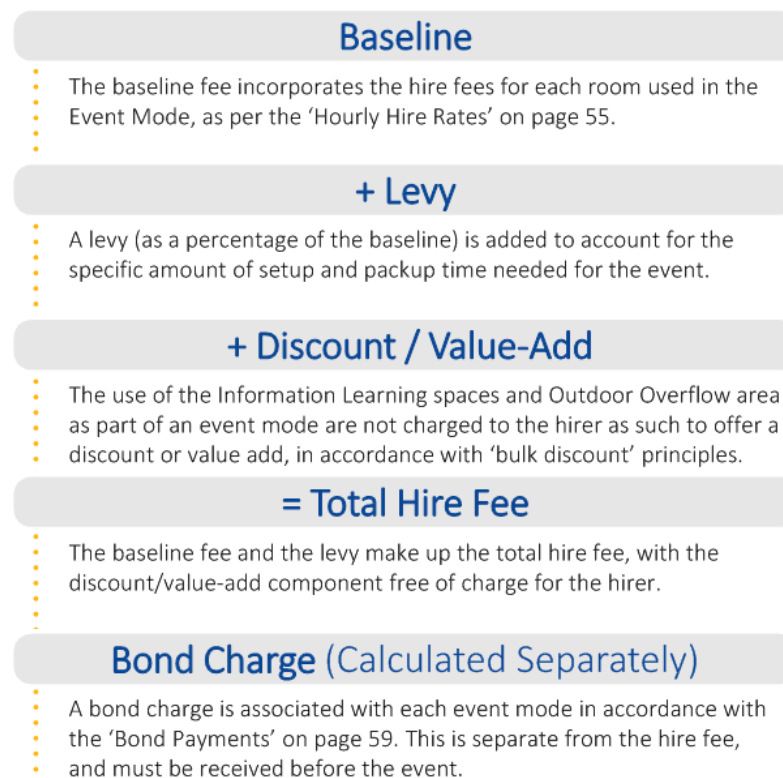
The rooms used in the event mode space utilise the same fees outlined in the ‘hourly room hire payments’ table. The information learning spaces and the outdoor overflow are not associated with a fee. Usually, half and full day bookings in other facilities will incur a discounted hourly rate due to the length of a booking (bulk discount). In effect, this model applies the same theory by offering the information learning spaces and outdoor overflow areas at no extra cost to the hirer, acting as the discounted portion of the booking charge (or value-add component).

Due to the amount of effort required to setup these spaces, half and full day bookings are the only suitable booking slots that should be available. The half day booking is based on a 4 – 5 hour timeslot, and the full day booking is based on an 8 – 10 hour timeslot – both excluding the setup and packup times. The setup and packup times will need to be added to the booking slot in the scheduling phase.

The setup and packup times for each event mode are not currently known, but after a few event modes have been run in the Community Hub this data should be recorded. As a result, this information can be utilised by the Facilities Promotion Team to assist with incorporating the setup/packup times into booking slots based on real data.

Event Mode Fee Structure

The following diagram outlines the fee structure for event modes:



Event Mode and Levy	Rooms and Spaces Utilised	Private Fee (\$)	Commercial Fee (\$)
Standing Community Event 15% Setup/Packup Levy	<ol style="list-style-type: none"> 1. Ground Floor Community Rooms 1 & 2 2. Outdoor overflow 3. Ground Floor Information Learning Space 2 4. Ground Floor Amenities 5. Catering Preparation in Flexible Spaces 1 & 2 	<ul style="list-style-type: none"> - \$600 Half Day - \$1150 Full Day 	<ul style="list-style-type: none"> - \$1375 Half Day - \$2750 Full Day
Seated Event (500p) 50% Setup/Packup Levy Only full day booking available	<ol style="list-style-type: none"> 1. Ground Floor Library Space and Foyer 2. Ground Floor Amenities 3. Outdoor Overflow 4. Catering Preparation in Flexible Spaces 1 & 2 	<ul style="list-style-type: none"> - \$1800 Full Day 	<ul style="list-style-type: none"> - \$4000 Full Day
Large Scale Event 30% Setup/Packup Levy	<ol style="list-style-type: none"> 1. Level 1 Conference Rooms 1 & 2 2. Level 1 Terrace 3. Level 1 Event Kitchen 4. Level 1 Amenities 5. Level 1 Info Learning Spaces 4 & 5 	<ul style="list-style-type: none"> - \$750 Half Day - \$1500 Full Day 	<ul style="list-style-type: none"> - \$1500 Half Day - \$3000 Full Day
Civic Square Festival 20% Setup/Packup Levy	<ol style="list-style-type: none"> 1. Small Event Space (Adjacent Community Hall) 2. Large Event Space (Main Civic Square Area) 3. Combined Spaces (1 & 2) <i>Discounted by 15% if both areas are booked simultaneously by the same party</i> 	<ul style="list-style-type: none"> - \$375 Half Day (1) - \$750 Full Day (1) - \$650 Half Day (2) - \$1300 Full Day (2) - \$875 Half Day (Combined) - \$1750 Full Day (Combined) 	<ul style="list-style-type: none"> - \$750 Half Day (1) - \$1500 Full Day (1) - \$1300 (2) - \$2600 (2) - \$1750 Half Day (Combined) - \$3500 Full Day (Combined)

Bond Payments

The following bond payments apply to all room bookings in the Community Hub and must be received by the City of Salisbury prior to the booking. The baseline risk level is determined by the number of guests attending the room booking, and the associated rate is the minimum bond charge for the booking. Additional risks (as outlined) are a percentage figure of the baseline rate, and will be added to the bond charge if applicable. This enables the organisation to utilise a dynamic pricing model that protects the organisation from damages associated with a specific risk(s).

Baseline Risk Level

Risk Level	Number of Guests	Baseline Rate (\$)
Low 1 + Risk Free	1 – 25	Nil
Low 1 + Risk	1 – 25	50
Low 2	25 – 50	150
Medium 1	50 – 100	300
Medium 2	100 – 150	750
High 1	150 – 250	1200
High 2	250+	1500

Additional Risks (Added to Baseline Rate)

Risk	Percentage of Baseline Rate
Alcohol being served	35%
Catering	25%
Use of paint or art supplies	20%
Use of kitchen	35%
Use of decorations	10%
Use of CoS equipment*	20%
Miscellaneous	Determined by the City of Salisbury

**i.e. crockery, cutlery, kettle, etc.*

Bond Charge Example

In this example, the baseline risk is medium 2 (\$750), with additional risks of catering (25%) and use of CoS equipment (20%). The fee would equate to:

$$\text{Baseline fee} + \text{Risk 1} + \text{Risk 2} = (\$750) + (\$750 * 0.25) + (\$750 * 0.2) = \mathbf{\$1,087.50}$$

Variable Bond Charges

Where booking criteria does not fully align to that above, The City of Salisbury reserves the right to request a bond payment at a value determined by reasonable assessment of the booking and what is necessary to protect the organisation against potential damages. These rates are determined by the City of Salisbury.

Additional Fees

Any additional vendor services engaged through the City of Salisbury including catering and security will be invoiced to the booking user. This charge must be paid in full to confirm the services for the booking. These charges are set by the vendor, not the City of Salisbury, and 100% of the vendor fee will be transferred to the booking user.

Cancellation Fees and Refunds

Date of Cancellation	Fee
More than 14 days prior to the booking	Nil
Less than 14 days prior to the booking	25% of hire fee
Between 7 – 14 days prior to the booking	50% of hire fee
Less than 7 days prior to the booking	100% of hire fee

Funds will be refunded with receipt to the booking user within 7 days after cancellation. Vendor services such as security and catering will not be refunded if an invoice has been received from the vendor, or it is no longer possible to cancel the requested service.

Damages and Bond Deductions

The City of Salisbury reserves the right to deduct funds from applicable bonds, or charge the booking user for any damages or breaches of policy and/or legislation that has occurred during the booking time slot. This applies to damages or breaches of policy/legislation conducted by any event or booking attendees. If damages exceed the value of the bond, the City of Salisbury reserves the right to invoice the booking user the remainder of damage or liabilities fees, or refer the matter to the organisation’s insurance agency for recovery.

ITEM	6.6.1
	BUDGET AND FINANCE COMMITTEE
DATE	19 August 2019
HEADING	Discretionary Rate Rebate Application - Commercial Shops on Diment Road, Salisbury North SA 5108
AUTHOR	Kathryn Goldy, Team Leader Revenue, Business Excellence
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	<p>An application for Council to consider a 49% Discretionary Rate Rebate has been received from Mr Pegoli who is one of the owners of the seven commercial shops located at 1-7/116 Diment Road, Salisbury North SA 5108. The application is requesting Council consider providing a 49% Discretionary Rate Rebate on each of the commercial shops.</p> <p>The rebate is being requested under Section 166 (1) (b) of the Local Government Act. This request follows the previous request from Mr Pegoli that a 75% rate rebate be provided in relation to these commercial shops that was not supported by Council.</p>
RECOMMENDATION	<ol style="list-style-type: none">1. The Budget and Finance Committee recommends to Council that:<ol style="list-style-type: none">(a) No rate rebate should be granted in respect of the commercial premises known as Shops 1 to 7 (inclusive), 116 Diment Road, Salisbury North SA 5108; and(b) The rate rebate application lodged by Mr John Pegoli dated 12 July 2019 should be dismissed.
ATTACHMENTS	<p>This document should be read in conjunction with the following attachments:</p> <ol style="list-style-type: none">1. Attachment 1 - City of Salisbury Rate Rebate Policy2. Attachment 2 - Discretionary Rate Rebate Application Form, dated 12 July 2019
1. BACKGROUND	<ol style="list-style-type: none">1.1 In March 2019, an application was presented to the Budget and Finance Committee to consider a 75% Discretionary Rate Rebate from Mr Pegoli who is one of the owners of the seven commercial shops located at 1-7/116 Diment Road, Salisbury North SA 5108. The decision by Council at this time was not to provide any Discretionary Rate Rebate in relation to these properties (Resolution Number: 0119/2019).

ITEM 6.6.1

- 1.2 Following the decision by Council the applicant chose to lodge a Section 270 Internal Review under the Local Government Act (the Act). An independent review of the matter was conducted by Minter Ellison.
- 1.3 The Section 270 Internal Review was considered by Council on 24 June 2019. At this meeting Mr Pegoli was provided with the opportunity to address Council directly. The final determination at this time was not to grant a discretionary rate rebate on these commercial properties. (Resolution Number: 0204/2019)
- 1.4 Council endorsed a Rate Rebate Policy in February 2019 (0103/2019) (Attachment 1) along with the endorsement of Discretionary Rebates for 2019/20 and 2020/21.
- 1.5 At this time details of all mandatory and discretionary rate rebates were provided to Council. In 2019/2020 Council has provided rebates of \$1,214,619 with \$1,185,690 being mandatory. The Council endorsed discretionary rebates in total \$28,928 for 2019/20 for the following entities:

Facilities & Service for Young Children/Youth	Address	Rebate %	Value of Rebates 2019/20
Salisbury Lutheran Church Kindergarten Inc.	6-10 Waterloo Corner Road , Salisbury SA 5108	100%	1,836.10
Salisbury Occasional Child Care Centre Inc.	25-27 Ann Street , Salisbury SA 5108	100%	2,391.20
St Francis Community Child Care Inc.	306 Waterloo Corner Road, Paralowie SA 5108	100%	2,356.20
Minister For Economic Development (NFP Kindy) Mawson Lakes Park Way Child Care Centre	5 Park Way , Mawson Lakes SA 5095	100%	3,287.90
Guides Association SA Inc.	5 Guerin Lane , Salisbury SA 5108	100%	1,473.15
Scouts SA	1909-1911 Main North Road , Salisbury Heights SA 5109	100%	1,216.95
Scouts SA	18 Canna Road , Ingle Farm SA 5098	100%	1,016.00
Scouts SA	7 Kalimna Crescent , Paralowie SA 5108	100%	1,016.00
Scouts SA	20 Jackson Street , Parafield Gardens SA 5107	100%	1,016.00
Guides Association SA Inc.	21 Melville Road , Salisbury East SA 5109	100%	1,195.60
Mawson Lakes Garden Terrace Child Care Centre	12-28 Garden Terrace , Mawson Lakes SA 5095	100%	3,476.85
TOTAL			20,281.95

Council Endorsed Discretionary Rebates	Rationale	Rebate %	Value of Rebates 2019/20
Meals on Wheels SA Inc.*receives a 75% mandatory rebate as well. In total 100%	Provides a benefit or service to the Local Community	25%	254.00
John Street Salisbury Pty Ltd (Northern Volunteering SA Inc.)	Provides a benefit or service to the Local Community	100%	1,016.00
SA Water (St Kilda Tram Museum Depot)	Preservation of buildings or places of historic significance	100%	1,456.55
Military Vehicle Preservation Society of SA Inc. (National Military Vehicle Museum)	Preservation of buildings or places of historic significance	100%	1,302.35
Australian Migrant Resource Centre	Provides a benefit or service to the Local Community	100%	2,407.90
Marra Murrangga Kumangka Inc.	Provides a benefit or service to the Local Community	100%	2,209.75
TOTAL			8,646.55

1.6 Council has the power to provide a Discretionary Rate Rebate under Section 166 (1) (b) of the Act where the rebate is desirable for the purpose of assisting or supporting a business in its area.

In considering such applications Council needs to take into account (Section 166 (1a))

- (a) *the nature and extent of Council services provided in respect of land for which the rebate is sought in comparison to similar services provided elsewhere in its area; and*
- (b) *the community need that is being met by activities carried out on the land for which the rebate is sought; and*
- (c) *the extent to which activities carried out on the land for which the rebate is sought provides assistance or relief to disadvantaged persons, and may take into account other matters considered relevant by the council.*

2. REPORT

2.1 The following application has been received for a discretionary rate rebate from one of the owners being G D Pegoli for the commercial shops listed below:

- Shop 1 / 116 Diment Road , Salisbury North SA 5108
- Shop 2 / 116 Diment Road , Salisbury North SA 5108
- Shop 3 / 116 Diment Road , Salisbury North SA 5108
- Shop 4 / 116 Diment Road , Salisbury North SA 5108
- Shop 5-7 / 116 Diment Road , Salisbury North SA 5108

These shops are owned in full by D Rugari and S Rugari and G D Pegoli and M B Pegoli and A Pegoli.

ITEM 6.6.1

- 2.2 Following the arson attack on the commercial shops the Office of the Valuer General (OVG) has re-assessed the capital value for the shops for the 2019/20 financial year. This has resulted in 2019/20 rates being set at a lower level reflecting the revised valuation, and the property owners will have lower rates until the properties are reinstated.
- 2.3 The overall capital value of the commercial shops in 2018/19 was \$1.1M and following the revised valuation the total valuation is now \$890k for 2019/20. The decrease in the total capital value of these shops has meant that the total rates bill has already reduced from \$8,571.35 in 2018/19 to \$6,804.45 (20.6% reduction) for this financial year.
- 2.4 As part of the review in valuation undertaken by the OVG the shops which were damaged by fire have been combined into a single assessment (shops 5, 6 and 7) with the rates on these assessments being reduced from \$2,961 to \$1,016, being a reduction of \$1,945 this financial year, which is equal to a 66% reduction in rates for the fire damaged shops (refer table below). The total reduction in rates from 2018/19 to 2019/20 is \$1,766.90, rather than an approximate increase of \$249 had the average rate increase of 2.9% applied.

	18/19 CV	19/20 CV	18/19 Rates	19/20 Rates
Shop 1 / 116 Diment Road , Salisbury North SA 5108	221,100	226,043	\$ 1,419.25	\$ 1,466.10
Shop 2 / 116 Diment Road , Salisbury North SA 5108	345,400	353,121	\$ 2,217.10	\$ 2,290.35
Shop 3 / 116 Diment Road , Salisbury North SA 5108	106,700	109,085	\$ 987.00	\$ 1,016.00
Shop 4 / 116 Diment Road , Salisbury North SA 5108	106,700	109,085	\$ 987.00	\$ 1,016.00
Shop 5 / 116 Diment Road , Salisbury North SA 5108	106,700	92,666	\$ 987.00	\$ 1,016.00
Shop 6 / 116 Diment Road , Salisbury North SA 5108	106,700		\$ 987.00	
Shop 7 / 116 Diment Road , Salisbury North SA 5108	106,700		\$ 987.00	
	1,100,000	890,000	\$ 8,571.35	\$ 6,804.45

- 2.5 When reviewing the application for the discretionary rate rebate it is noted that Shop 1/116 Diment Road, Salisbury North is currently a vacant shop, as under S166(1a) rebates are provided giving consideration to the services undertaken and the associated benefit to the community. For this shop no service is being provided to the community, and consequently a rebate should not be provided in relation to shop 1.
- 2.6 Mr Pegoli has confirmed that all of the commercial premises were insured and that he anticipates that it may take at least 12 months to repair.
- 2.7 Mr Pegoli has advised as part of his application that the owners have reduced the rent for a period of time to assist the occupants/tenants of the commercial shops. Which is a commercial decision that the owners have made, and is part of managing risks of property ownership.
- 2.8 Mr Pegoli has applied for a discretionary rate rebate under Section 166 (1) (b) of the Act. Under S166 of the Act Council has the power to provide a Discretionary Rate Rebate for:

(b) *where the rebate is desirable for the purpose of assisting or supporting a business in its area;*

2.9 Further in considering such applications Council needs to take into account S166 (1a):

- (a) *the nature and extent of Council services provided in respect of land for which the rebate is sought in comparison to similar services provided elsewhere in its area; and*
- (b) *the community need that is being met by activities carried out on the land for which the rebate is sought; and*
- (c) *the extent to which activities carried out on the land for which the rebate is sought provides assistance or relief to disadvantaged persons,*

and may take into account other matters considered relevant by the council.

2.10 Council may wish to consider that these commercial shops are not in significantly different financial circumstances than many others in our community, who find themselves under financial hardship due to circumstances outside of their control. Any commercial activity has financial benefits associated with risks being taken, also for commercial property rates are a tax deduction, and these aspects should be taken into account when considering this application.

2.11 The Rate Rebate Policy endorsed by Council in February 2019 (0103/2019) details in paragraph 3.1.1 other matters that Council may wish to consider and take into account, as detailed below, with response in the right hand column:

Matters for Consideration	Points for consideration
(i) why there is a need for financial assistance through a rebate;	<p>Mr Pegoli is requesting Council exercise their discretion to provide a 49% rate rebate to all of the commercial shops, which following an arson attack has experienced a reduction in trade and has resulted in 3 shops being unable to operate currently to the severe fire damage.</p> <p>As anticipated in the report considered by Council March 2019, the OVG has reviewed the valuation of these commercial shops. The 3 shops unable to trade have been amalgamated into one rating assessment and this has resulted in a reduction in the rates which are due and payable for this financial year. The reduction is from \$2,961 to \$1,016 being a reduction of \$1,945.</p>
(ii) the level of rebate (percentage and dollar amount) being sought and why it is appropriate	Mr Pegoli is seeking a 49% rate rebate, which based on 2019/20 rates means that the annual rates bill will be reduced from \$6,804.45 to an amount of

ITEM 6.6.1

Item 6.6.1

	<p>\$3,470.27 for the total of the commercial shops. Consideration can be given to a lower rebate, or to only apply the rebate for some of the shops rather than all.</p>
<p>(iii) the extent of financial assistance, if any, being provided to the applicant and/or in respect of the land by Commonwealth or State agencies</p>	<p>Staff are not aware of the extent of financial assistance that the owners or the tenants are possibly entitled to from other avenues.</p> <p>However, staff are aware that all of the commercial shops had insurance though discussion with Mr Pegoli. Further, rates are a tax deduction for business, and taking on the benefits of commercial activities means that risk is also undertaken.</p> <p>The capital value has been adjusted by the OVG for 2019/20. The owners will have this benefit for the full 12 months, even if the property is fully reinstated prior to the end of the financial year.</p> <p>Therefore financial assistance through the mechanism of rates has already been provided to the owners of these commercial properties. The overall capital value has reduced from \$1.1M to \$890K. This has impacted the annual rates liability for all of the commercial shops from the sum of \$8,571.35 to \$6,804.45.</p>
<p>(iv) whether the applicant has made/intends to make applications to another Council</p>	<p>Council is asked to consider this application based on the information provided to the City of Salisbury (Attachment 2) and if the rebate is granted, the outcomes and effects of granting such a discretionary rate rebate would have on our community including that other commercial activities may also request Council to consider similar applications in the future</p>
<p>(v) whether, and if so to what extent, the applicant is or will be providing a service within the Council area</p>	<p>The benefit provided is to only 5 rating assessments which are classified as commercial activity under the Local Government and Land Use codes.</p>

(vi) whether the applicant is a public sector body, a private not for profit body or a private for profit body	The applicant is one of the owners of the commercial premises
(vii) whether there are any relevant historical considerations that may be relevant for all or any of the current Council term	<p>A Discretionary Rate Rebate application was considered by the Budget and Finance Committee in March 2019. At this time the recommendation to Council was not to provide a Discretionary Rate Rebate to any of the commercial shops. (Resolution Number: 0119/2019) This recommendation was upheld.</p> <p>Mr Pegloi then requested that an internal Section 270 review be conducted. This review was independently completed by Minter Ellison. The outcome of the Section 270 Internal Review was considered by Council on 24 June 2019, at which time Mr Pegoli was also provided with the opportunity to discuss his application with Council directly. The final determination at this time was not to grant a discretionary rate rebate on any of these commercial properties. (Resolution Number: 0204/2019)</p>
(viii) the desirability of granting a rebate for more than one year in those circumstances identified at Clause 4.2 of this policy	<p>Mr Pegoli is seeking a discretionary rate rebate and while his application does not specify an exact time frame for the rebate to be granted. Council is reminded that the Rate Rebate Policy provides a maximum period of two years, so should Council determine to provide a rebate it should do so only until June 2021.</p> <p>In previous discussions with Mr Pegoli he has confirmed that it is possible that the properties will be reinstated and fully operational within 12 months, given this if Council does decide to grant a rebate the rebate should not be provided beyond June 2020.</p> <p>Further rates have been lowered in 2019/20 due to the revaluation by the OVG.</p>

ITEM 6.6.1

Item 6.6.1

<p>(ix) consideration of the full financial consequences of the rebate for the Council</p>	<p>Based on the rates for the 2019/20 if a 49% rebate was granted the annual rates bill would be reduced from \$6,804.45 to an amount of \$3,470.27.</p> <p>Council is also reminded that the annual rates bill has already been reduced given the re-valuation of the commercial premises from \$1.1M to \$890k for the 2019/20 rates.</p> <p>The full financial consequences for Council will possibly increase further over time with additional ratepayers seeking a discretionary rate rebates under Section 166 (1) (b)</p>
<p>(x) the time the application is received</p>	<p>The Rate Rebate Policy ask all persons who, or bodies which, wish to apply to the Council for a rebate of rates must do so on or before 31 August in the year of application. This application was received on 12 July 2019</p>
<p>(xi) the availability of any community grant to the person or body making the application</p>	<p>No further information is available in regards to the availability of a community grant. A discussion was had with the Manager Economic Development & Urban Policy prior to the Discretionary Rate Rebate application in March 19 being heard and it was confirmed at that time there is no other community grant was available</p>
<p>(xii) whether the applicant is in receipt of a community grant</p>	<p>We have received no information to verify if the owner Mr Pegoli currently receives a community grant</p>
<p>(xiii) any other matters, and policies of the Council, which the Council considers relevant</p>	<p>Council may also wish to consider:</p> <p>Shop 1 should not be provided with a rate rebate under S166(1a) as it is vacant, and therefore is not providing any service to the community.</p> <p>This is a commercial activity and as such the risk and return sit with the owners, rather than with the community</p> <p>Rates are a tax deduction for businesses</p> <p>Rates in 2019/20 have been reduced given the fire damage and the overall</p>

	<p>capital value on the commercial premises has been reduced from \$1.1M to \$890k. This has resulted in less rates due and payable as the annual rates bill has been lowered from \$8,571.35 to \$6,804.45.</p> <p>The owners have insurance in place</p> <p>The properties are expected to be reinstated within 12 months, and the ratepayers will received lower rates for a 12 month period, potentially longer should the OVG not revisit immediately after reinstatement.</p> <p>Approving this rebate would set a precedent, which warrants careful consideration.</p> <p>Approving this rebate effectively passes some of the commercial risk from the property owners to the general community.</p>
--	--

- 2.12 While commercial shops provide a service to our community, it is limited in the number of community members that can benefit from this service. Council should continue to take a balanced approach in assisting or supporting any local businesses. Council are asked to be mindful that when granting a discretionary rebate on these grounds that each rebate granted shifts the rate burden to other ratepayers who also may be in similar financial circumstances.

3. CONCLUSION / PROPOSAL

- 3.1 In considering this matter the primary concern is the need for financial sustainability of the Council’s rate base – which all properties should contribute to the cost of services provided by Council. While noting the service local shops provide to the community, Council is asked to be mindful of the impacts of providing a discretionary rate rebate in these circumstances, including that it may result in further applications for other commercial businesses who find themselves in similar financial circumstances
- 3.2 The City of Salisbury has limited capacity to grant a 49% discretionary rebate across these commercial premises without indirectly impacting on the remainder of our ratepayers with higher rates. This is compounded by the potential for other similar requests, that would need to be given due consideration as Council will have set a precedent. This could lead to a number of our ratepayers being further pressured with their own financials and further supports the recommendation not to grant a discretionary rate rebate at any level.

ITEM 6.6.1

- 3.3 This is a commercial activity and as such the risk and return sit with the owners. Approving this rebate effectively passes some of the commercial risk from the property owners to the general community. Further the owners have insurance in place and rates are a tax deduction.
- 3.4 For these reasons the recommendation is to not grant a 49% rate rebate or any rebate at any level, and that the application be dismissed.

CO-ORDINATION

Officer:

Date:



RATE REBATE POLICY

Policy Type:	Policy	Decision No:	1566, 2015/0386, 2017/1872, 0103/2019
Approved By:		Last Reapproval Date:	25 February 2019
Approval Date:		Internal Reference No.:	
Review Date:	February 2021	Division:	Financial Services
Department:	Business Excellence	Responsible Officer:	Manager, Financial Services
Function:	7 - Financial Management		

A – Preamble

1. The *Local Government Act 1999* (“the Act”) provides for Mandatory and Discretionary rebates of rates. The City of Salisbury will act in accordance with the Act in providing Mandatory Rebates. In relation to Discretionary Rebates, this policy will be applied to determine whether a rate rebate will be provided.

B – Scope

1. This Policy applies to all rateable land in the council area.

C – Policy Purpose/Objectives

1. Council has adopted a Rate Rebate Policy to assist it in its decision making functions relative to the operation of the rate rebate provisions contained within Chapter 10, Division 5 (Sections 159 to 166) of the Act.
2. This Policy provides guidance to the community, Council and Staff as to the grounds upon which a person or body is, or may be, entitled to receive a rebate of rates and the matters Council will take into account in determining an application for a rate rebate.
3. In accordance with the rebate of rates provisions contained in the Act, this Policy sets out the type of use in respect of land which the Council must grant a rebate of rates and the amount that rebate must be, and those types of land use where the Council has a discretion to grant a rebate of rates.

D – Definitions

Definitions as per the *Local Government Act 1999*

E – Policy Statement**1. Local Government Act 1999**

1.1. Section 159(3) of the Act provides that the Council may grant a rebate of rates under the Act if it is satisfied that it is appropriate to do so.

2. Mandatory Rebates

2.1. The Act stipulates that Council must grant a rebate of rates and the percentage of that rebate for specified land uses. These are set out below.

2.2. Mandatory 100% Rebate of Rates:**2.2.1. *S160—Rebate of rates – health services***

The rates on land being predominantly used for service delivery or administration by a hospital or health centre incorporated under the South Australian Health Commission Act 1976 will be rebated at 100 per cent.

2.2.2. *S162 – Rebate of rates – religious purposes*

The rates on land containing a church or other building used for public worship (and any grounds), or land solely used for religious purposes, will be rebated at 100 per cent.

2.2.3. *S163 – Rebate of rates – public cemeteries*

The rates on land being used for the purposes of a public cemetery will be rebated at 100 per cent.

2.2.4. *S164 – Rebate of rates – Royal Zoological Society of SA*

The rates on land (other than land used as domestic premises) owned by, or under the care, control and management of, the Royal Zoological Society of South Australia Incorporated will be rebated at 100 per cent.

2.3. Mandatory 75% Rebate of Rates:**2.3.1. *S161—Rebate of rates – community services***

*(1) The rates on land being predominantly used for service delivery or administration (or both) by a community service organisation will be rebated at 75 per cent (or, at the discretion of the council, at a higher rate)**

...

(3) For the purposes of this section, a community services organisation is a body that—

(a) is incorporated on a not-for-profit basis for the benefit of the public; and

(b) provides community services without charge or for a charge that is below the cost to the body of providing the services; and

(c) does not restrict its services to persons who are members of the body.

(4) For the purposes of subsection (3)—

(c) any of the following are community services:

(i) the provision of emergency accommodation;

- (ii) *the provision of food or clothing for disadvantaged persons;*
- (iii) *the provision of supported accommodation;*
- (iv) *the provision of essential services, or employment support, for persons with mental health disabilities, or with intellectual or physical disabilities;*
- (v) *the provision of legal services for disadvantaged persons;*
- (vi) *the provision of drug or alcohol rehabilitation services;*
- (vii) *the conduct of research into, or the provision of community education about, diseases or illnesses, or the provision of palliative care to persons who suffer from diseases or illnesses;*

(d) *Disadvantaged persons are persons who are disadvantaged by reasons of poverty, illness, frailty, or mental, intellectual or physical disability*

It is necessary for a community service organisation to satisfy all of the criteria contained in the Act to be entitled to the mandatory 75% rebate.

* subject to submission of a discretionary rate rebate application

2.3.2. ***S165—Rebate of rates – educational purposes***

(1) *The rate on land –*

- (a) *occupied by a government school under a lease or licence and being used for educational purposes; or*
- (b) *occupied by a non-government school registered under the Education and Early Childhood Services (Registration and Standards) Act 2011 and being used for educational purposes,*

Will be rebated at 75 per cent (or, at the discretion of council, at a higher rate)

(2) *The rates on land being used by a university or university college to provide accommodation and other forms of support for students on a not-for-profit basis will be rebated at 75 per cent (or, at the discretion of the council, at a higher rate).*

- 2.4. Where a person or body is entitled to a rebate of 75% the Council may, pursuant to Section 159(4) of the Act, increase the rebate up to a further 25%. The Council may grant the further 25% rebate upon application or on its own initiative. In either case the Council will take into account those matters set out at Clause 3.1 of this Policy.
- 2.5. Where an application is made to the Council for a rebate of up to a further 25% the application will be made in accordance with Clause 4.1 of this Policy and the Council will provide written notice to the applicant of its determination of that application.
- 2.6. Where Council is satisfied from its own records or from other sources that a person or body meets the necessary criteria for a mandatory 100% or 75% rebate, Council will grant the rebate of its own initiative. Where Council is not so satisfied it will require the person or body to apply for the rebate in accordance with Clause 4.1 of this Policy.

2.7. The Council delegate the determination of entitlement to mandatory rebates to the CEO.

3. **Discretionary Rebate of Rates:**

3.1. The Act gives Council the power to grant discretionary rebates for a broad range of purposes and the percentage of that rebate.

3.1.1. ***S166—Discretionary rebate of rates***

- (1) *A council may grant a rebate of rates or service charges in any of the following cases (not being cases that fall within a preceding provision of this Division):*
- (a) *where the rebate is desirable for the purpose of securing the proper development of the area (or a part of the area);*
 - (b) *where the rebate is desirable for the purpose of assisting or supporting a business in its area;*
 - (c) *where the rebate will conduce to the preservation of buildings or places of historic significance;*
 - (d) *where the land is being used for educational purposes;*
 - (e) *where the land is being used for agricultural, horticultural or floricultural exhibitions;*
 - (f) *where the land is being used for a hospital or health centre;*
 - (g) *where the land is being used to provide facilities or services for children or young persons;*
 - (h) *where the land is being used to provide accommodation for the aged or disabled;*
 - (i) *where the land is being used for a residential aged care facility that is approved for Commonwealth funding under the Aged Care Act 1997 (Cwlth) or a day therapy centre;*
 - (j) *where the land is being used by an organisation which, in the opinion of the council, provides a benefit or service to the local community;*
 - (k) *where the rebate relates to common property or land vested in a community corporation under the Community Titles Act 1996 over which the public has a free and unrestricted right of access and enjoyment;*
 - (l) *where the rebate is considered by the council to be appropriate to provide relief against what would otherwise amount to a substantial change in rates payable by a ratepayer due to—*
 - (i) *a redistribution of the rates burden within the community arising from a change to the basis or structure of the council's rates; or*
 - (ii) *a change to the basis on which land is valued for the purpose of rating, rapid changes in valuations, or anomalies in valuations;*
- (1a) *A council must, in deciding whether to grant a rebate of rates or charges under subsection (1)(d), (e), (f), (g), (h), (i) or (j), take into account—*

- (a) the nature and extent of council services provided in respect of the land for which the rebate is sought in comparison to similar services provided elsewhere in its area; and*
- (b) the community need that is being met by activities carried out on the land for which the rebate is sought; and*
- (c) the extent to which activities carried out on the land for which the rebate is sought provides assistance or relief to disadvantaged persons, and
may take into account other matters considered relevant by the council.*

The Council may take into account, but are not limited to, the following:

- (i) why there is a need for financial assistance through a rebate;
- (ii) the level of rebate (percentage and dollar amount) being sought and why it is appropriate;
- (iii) the extent of financial assistance, if any, being provided to the applicant and/or in respect of the land by Commonwealth or State agencies;
- (iv) whether the applicant has made/intends to make application to another Council(s);
- (v) whether, and if so to what extent, the applicant is or will be providing a service within the Council area;
- (vi) whether the applicant is a public sector body, a private not for profit body or a private for profit body;
- (vii) whether there are any relevant historical considerations that may be relevant for all or any part of the current Council term;
- (viii) the desirability of granting a rebate for more than one year in those circumstances identified at Clause 4.2 of this policy;
- (ix) consideration of the full financial consequences of the rebate for the Council;
- (x) the time the application is received;
- (xi) the availability of any community grant to the person or body making the application;
- (xii) whether the applicant is in receipt of a community grant; and
- (xiii) any other matters, and policies of the Council, which the Council considers relevant.

3.2. The Council has an absolute discretion –

- 3.2.1. to grant a rebate of rates or service charges in the above cases; and
- 3.2.2. to determine the amount of any such rebate, to a maximum of 100% of the relevant rate or service charges

3.3. Discretionary rebates granted under this policy will be reviewed at the time of reviewing the policy (Section E, Clause 6.1), so consequently are granted for a maximum of two years.

3.4. Persons who, or bodies which, seek a discretionary rebate will be required to submit an application form to Council and provide to Council such information as stipulated on the application form and any other information that Council may reasonably require. Further information about the application process can be found in section 4.

- 3.5. As a matter of policy Council will provide a 100% discretionary rebate on:
- 3.5.1. Not for profit Kindergartens/Child care Centres
 - 3.5.2. Guides and Scouts Groups
- and Council delegate the determination of the application of this discretionary rebate to the CEO.
- 3.6. Council have determined that discretionary rebates under S166 will not be granted for:
- 3.6.1. Provision of support services or direct financial support of low income families
 - 3.6.2. Private residential properties
 - 3.6.3. Private and not for profit residential aged care facilities.

4. **Rebate Applications**

- 4.1. Persons or bodies who seek a rebate of rates (and/or service charges) must make written application. Forms are available online [http://www.salisbury.sa.gov.au/Services/Rates/Rate Rebate Policy and Application Form](http://www.salisbury.sa.gov.au/Services/Rates/Rate_Rebate_Policy_and_Application_Form) or can be obtained from Council Offices located at James Street Salisbury, or by contacting the Customer Centre 8406 8222.
- 4.2. All persons who, or bodies which, wish to apply to the Council for a rebate of rates must do so on or before 31 August in the year of application. However, applicants which satisfy the criteria for a mandatory 100% rebate will be granted the rebate at any time.
- 4.3. There are penalties for making false statements and for failing to advise Council of changes in circumstances which would remove the entitlement to a rebate. Relevant sections of the legislation are:

4.3.1. **S159—Preliminary**

...

(2) *A person or body must not –*

- (a) *Make a false or misleading statement or representation in an application to be made (or purporting to be made) under this Division; or*
- (b) *Provide false or misleading information or evidence in support of an application made (or purporting to be made) under this Division*

Maximum penalty: \$5,000

4.3.2. **S159—Preliminary**

...

(7) *If a person or body has the benefit of a rebate of rates under this Division and the grounds on which the rebate has been granted cease to exist, the person or body must immediately inform the council of that fact and (whether or not the council is informed) the entitlement to a rebate ceases.*

- (8) *If a person or body fails to comply with subsection (7), the person or body is guilty of an offence.
Maximum penalty: \$5,000*

4.4. Council may determine that rebates no longer apply, and can recover rates as follows:

4.4.1. ***S159—Preliminary***

...

(10) *A council may, for proper cause, determine that an entitlement to a rebate of rates in pursuance of this Division no longer applies*

(11) *If an entitlement to a rebate of rates ceases or no longer applies during the course of a financial year, the council is entitled to recover rates, or rates at the increased level (as the case may be), proportionate to the remaining part of the financial year.*

4.5. Council will, in writing, advise an applicant for a rebate of its determination of that application within sixty days of receiving the application or of receiving all information requested by Council. The advice will state:

4.5.1. if the application has been granted, the amount of the rebate; or

4.5.2. if the application has not been granted, the reasons why.

4.6. A person or body that is aggrieved by a determination of Council in respect of an application for a rate rebate may seek a review of that determination by written application to the Council within three months of the making of the determination (in accordance with Council's Internal Review of Decisions procedure).

5. **Community Grants**

5.1. If an application for a rebate is unsuccessful, the Council has an absolute discretion to then treat the application as one for a community grant and to determine it in accordance with the Council's Community Grants Policy.

6. **Policy Review & Availability**

6.1. Council will review this policy in the twelve months following an election, and every two years thereafter.

6.2. This Policy is available for inspection at Council offices and persons may obtain a copy of this Policy without charge.

F – Delegation

1. The Council has delegated its power, pursuant to Section 44 of the Act, to grant applications for mandatory rebates which meet the requirements of the Act (sections 161- 165) to the Chief Executive Officer.
2. All discretionary rebates shall be determined by the Council with the exception of those categories identified in clause 3.5 and 3.6

G – Legislation

The Local Government Act 1999

H – Associated Policies

Council’s Internal Review of Council Decisions Policy

Document Control

Document ID	Rate Rebate Policy
Prepared by	Team Leader Revenue, Financial Services
Release	3.00
Document Status	Endorsed
Date Printed	06/03/2019

12/7/2019

To the City of Salisbury
Email: city@salisbury.sa.gov.au

Hello,

Re: Request a Rate Rebate of Commercial Premises due to fire damage.

Writing to the city of Salisbury to consider a rate rebate of the shopping centre due to fire damage. In total 3 shops located at the centre have been severely damages and will take some time (at least 12 months) to repair. The other remaining shops have seen a heavy reduction in the business trade due to the damaged tenancies.

Please consider a rate rebate of the shopping centre.

Address:

- Shop 1 / 116 Diment Road Salisbury North SA 5108
- Shop 2 / 116 Diment Road Salisbury North SA 5108
- Shop 3 / 116 Diment Road Salisbury North SA 5108
- Shop 4 / 116 Diment Road Salisbury North SA 5108
- Shop 5 / 116 Diment Road Salisbury North SA 5108
- Shop 6 / 116 Diment Road Salisbury North SA 5108
- Shop 7 / 116 Diment Road Salisbury North SA 5108



- Vacant
- Reduction of business trade
- Reduction of business trade
- Reduction of business trade
- Severely Damaged – Boarded up
- Severely Damaged – Boarded up
- Severely Damaged – Boarded up

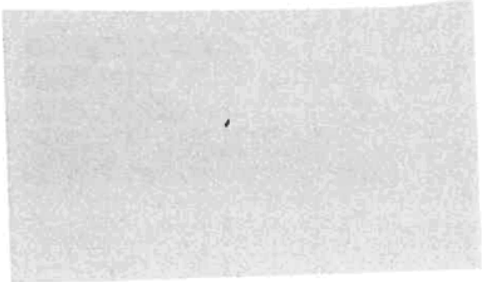
Fire Damage – Arsonist
Date Occurred: 6th Feb 2019
Policy Report No: SAP1900030518

If you could consider a temporary relief from the council rates for a period of time to provide some sort of financial assistance it would be greatly appreciated. The tenancies are doing it very tough at the moment and we had to provide rent relief for a period of time so that the remaining 2 business can stay open.

I have requested for the valuer general to re-assess the CV Value of the shopping centre but this won't take effect until next financial year, hence this request to the council to provide some much urgent assistance.

Currently only 2 tenants out of 7 are open and we had to heavily reduce the rent to help them out.
If you require further details or would like to inspect the site feel free to call me direct on the number listed below.

Thanking you in advance.





Application Form – Rate Rebate

Details of Applicant

Name
 Address
 Telephone.....

If the Applicant is not a natural person, please provide details of a contact person for the Applicant

Name.....
 Address.....
 Telephone.....

Details of Land

Council Assessment Number..... 293206
 Valuer General Number..... 4430489000 20
 Certificate of Title Reference.....
 Address..... Shop 2/116 DAMSON ROAD
 Salisbury NORTH SA 5108
 Owner of Land (if not you).....

Note: if the application for a rate rebate is for multiple properties, each assessment must be separately identified (a separate listing can be attached if necessary).

Please note: A person or body who makes a false or misleading statement or representation in an application or provides false or misleading information or evidence in support of an application for rebate is guilty of an offence under Section 159(2) of the Local Government Act, 1999. Maximum penalty: \$5,000



Application Form - Rate Rebate

Details of Applicant

Name [Redacted]

Address [Redacted]

Telephone [Redacted]

If the Applicant is not a natural person, please provide details of a contact person for the Applicant

Name

Address

Telephone

Details of Land

Council Assessment Number..... 292943

Valuer General Number..... 4430489000 30

Certificate of Title Reference

Address..... Shop 3 / 116 DANMUI ROAD
SALISBURY NORTH SA 5108

Owner of Land (if not you)

Note: if the application for a rate rebate is for multiple properties, each assessment must be separately identified (a separate listing can be attached if necessary).

Please note: A person or body who makes a false or misleading statement or representation in an application or provides false or misleading information or evidence in support of an application for rebate is guilty of an offence under Section 159(2) of the Local Government Act, 1999. Maximum penalty: \$5,000



Application Form – Rate Rebate

Details of Applicant

Name
 Address
 Telephone

If the Applicant is not a natural person, please provide details of a contact person for the Applicant

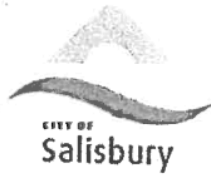
Name
 Address
 Telephone

Details of Land

Council Assessment Number..... 292851
 Valuer General Number..... 443048900040
 Certificate of Title Reference.....
 Address..... Shop 4 / 116 DUMONT ROAD
 SALISBURY MAIN SA 5108
 Owner of Land (if not you)

Note: if the application for a rate rebate is for multiple properties, each assessment must be separately identified (a separate listing can be attached if necessary).

Please note: A person or body who makes a false or misleading statement or representation in an application or provides false or misleading information or evidence in support of an application for rebate is guilty of an offence under Section 159(2) of the Local Government Act, 1999. Maximum penalty: \$5,000



Application Form – Rate Rebate

Details of Applicant

Name [Redacted]
 Address [Redacted]
 Telephone..... [Redacted]

If the Applicant is not a natural person, please provide details of a contact person for the Applicant

Name.....
 Address.....
 Telephone.....

Details of Land

Council Assessment Number..... 498873
 Valuer General Number..... 4430489000 50
 Certificate of Title Reference.....
 Address..... Shop S/116 DEMENT ROAD
 SALISBURY NORTH SA 5108
 Owner of Land (if not you).....

Note: if the application for a rate rebate is for multiple properties, each assessment must be separately identified (a separate listing can be attached if necessary).

Please note: A person or body who makes a false or misleading statement or representation in an application or provides false or misleading information or evidence in support of an application for rebate is guilty of an offence under Section 159(2) of the Local Government Act, 1999. Maximum penalty: \$5,000



Application Form - Rate Rebate

Details of Applicant

Name [Redacted]

Address [Redacted]

Telephone [Redacted]

If the Applicant is not a natural person, please provide details of a contact person for the Applicant

Name

Address

Telephone

Details of Land

Council Assessment Number..... 498581

Valuer General Number..... 4430489000 50

Certificate of Title Reference.....

Address..... Shop 6 / 116, DORSET ROAD
SALISBURY WAIN SA 5108

Owner of Land (if not you)

Note: if the application for a rate rebate is for multiple properties, each assessment must be separately identified (a separate listing can be attached if necessary).

Please note: A person or body who makes a false or misleading statement or representation in an application or provides false or misleading information or evidence in support of an application for rebate is guilty of an offence under Section 159(2) of the Local Government Act, 1999. Maximum penalty: \$5,000



Application Form - Rate Rebate

Details of Applicant

Name [Redacted]

Address [Redacted]

Telephone [Redacted]

If the Applicant is not a natural person, please provide details of a contact person for the Applicant

Name

Address

Telephone

Details of Land

Council Assessment Number..... 498599

Valuer General Number..... 4430489000 70

Certificate of Title Reference.....

Address..... Shop 7 / 116 DEMENT ROAD
SALISBURY NORTH SA 5108

Owner of Land (if not you)

Note: if the application for a rate rebate is for multiple properties, each assessment must be separately identified (a separate listing can be attached if necessary).

Please note: A person or body who makes a false or misleading statement or representation in an application or provides false or misleading information or evidence in support of an application for rebate is guilty of an offence under Section 159(2) of the Local Government Act, 1999. Maximum penalty: \$5,000

Categories of Rebate

Please tick the category of rebate under which you are seeking a rebate, Section numbers quoted refer to the Local Government Act, 1999.

3.1 Mandatory 100%

- 3.1.1 Health Services – Land being predominant used for service delivery or administration by a hospital or health centre incorporated under the South Australia Health Commission Act 1976; (Section 160)
- 3.1.2 Religious Purposes – Land containing a church or other building used for public worship (and any grounds) , or land solely used for religious purposes; (Section 162)
- 3.1.3 Public Cemeteries – Land being used for the purposes of a public cemetery; (Section 163)
- 3.1.4 Royal Zoological Society of SA – Land (other than land used as domestic premises) owned by, or under the care, control and management of, the Royal Zoological Society of South Australia Incorporated. (Section 164)

Mandatory 75% - Section 161

- 3.1.5 Community Services – Land being predominantly used for service delivery and administration by a community services organisation.

To qualify as a Community Service Organisation under the rebate provisions of the Local Government Act 1999 an organisation MUST MEET ALL THREE of the following criteria. (See section "Additional Information" at end of this form.)

- (a) Is incorporated on a not for profit basis for the benefit of the public; AND
- (b) Provides community services without charge or for a charge that is below the cost to the body of providing the services; AND
- (c) Does not restrict its services to persons who are members of the body.

If you have ticked (a), (b) and (c) above which of the following services does your organisation provide from the property specified in this application If these services apply only to part of your property, please supply additional details. You must answer these below questions in respect of your application.

- Emergency accommodation;
- Food or clothing for disadvantaged persons (i.e., persons who are disadvantaged by reason of poverty, illness, frailty, or mental, intellectual or physical disability) ;

- Supported accommodation (i.e., residential care facilities in receipt of Commonwealth funding or accommodation for persons with mental health, intellectual, physical or other difficulties who require support in order to live an independent life) ;
- Essential services, or employment support, for persons with mental health disabilities, or with intellectual or physical disabilities;
- Legal services for disadvantaged persons;
- Drug or alcohol rehabilitation services;
- Research into, or community education about, diseases or illnesses, or palliative care to persons who suffer from diseases or illnesses.
- Disadvantaged persons are persons who are disadvantaged by reasons of poverty, illness, frailty, or mental, intellectual or physical disability.
- Community Housing Association Properties - 75% Rebate**
supported accommodation (i.e. accommodation for persons with mental health, intellectual, physical or other difficulties who require support in order to live an independent life)
Community Housing Association providers are required to be registered and listed on the List of Community Housing providers maintained by the Government of South Australia.

Mandatory 75% (cont) – Section 165

Educational Purposes Which of the following criteria apply –

- Land occupied by a government school under a lease or licence and being used for educational purposes; or
- Land occupied by a non-government school registered under Part 5 of the Education Act 1972 and being used for educational purposes; or
- Land being used by a University or University College to provide accommodation and other forms of support for students on a not for profit basis.

3.2 Discretionary rebates – Section 166 (1)

The Council may in its discretion grant a rebate of rates or service charges in any of the following cases (section 166). Please indicate which of the following is applicable to your application –

- The rebate is desirable for the purpose of securing the proper development of the area (or a part of the area) ;
- The rebate is desirable for the purpose of assisting or supporting a business in its area;
- The rebate will be conducive to the preservation of buildings or places of historic significance;

- The land is being used for educational purposes;
- The land is being used for agricultural, horticultural or floricultural exhibitions;
- The land is being used for a hospital or health centre;
- The land is being used to provide facilities or services for children or young persons;
- The land is being used to provide accommodation for the aged or disabled;
- The land is being used for a residential aged care facility that is approved for Commonwealth funding under the Aged Care Act 1987 (Commonwealth) or a day therapy centre;
- The land is being used by an organisation which provides a benefit or service to the local community;
- The rebate relates to common property or land vested in a community corporation under the Community Titles Act 1996 over which the public has a free and unrestricted right of access and enjoyment ;
- The rebate is appropriate to provide relief against what would otherwise amount to a substantial change in rates payable by a rate payer due to a change in the basis of valuation used for the purposes of rating, rapid changes in valuations, or anomalies in valuations.

4. Amount of Rebate

If you are seeking a mandatory rebate under Clause 3.1 of this Application, for which you are entitled to a 75% rebate, are you also applying to the Council to increase that rebate?

YES NO

Please specify the amount of rebate that you are applying for -

49 %

If you are applying for a discretionary rebate under Clause 3.2 of this Application, please specify the rebate amount you are applying for.

Please specify why you (or your organisation) need financial assistance through a rebate and why the amount of rebate you have applied for is appropriate.

ARSONIST Fire Damage to the Shopping Centre resulting in loss of business for tenants only 2 of 7 tenants remain open with heavily subsidise rent relief been given to remain open. Rebate requested to assist businesses to remain open. Any Assistance will be paid onto tenants in the form of rent relief.

5. Additional Information Required

The Council requires you to attach the following additional information to this Application -

- 5.1 Where you are seeking a rebate under Clause 3.1.5 of this Application - Community Services -
 - 5.1.1 Evidence that the land is being used for service delivery and/ or administration;
 - 5.1.2 A copy of the organisation's Constitution and/ or other documentation establishing that it is incorporated on a not - for-profit basis;
 - 5.1.3 A copy of the organisation's latest Annual Report;
 - 5.1.4 Evidence that the organisation provides services free of charge or below cost;
 - 5.1.5 Evidence that the organisation provides services to persons other than members.

- 5.2 Where you are seeking a rebate in any other case -
 - 5.2.1 Evidence that the land is being used for the purpose for which the rebate is being sought;
 - 5.2.2 Information as to whether, and if so to what extent, you (or your organisation) will be providing a service within the Council area;
 - 5.2.3 Whether you have made or intend to make an application to another council;
 - 5.2.4 The extent of financial assistance (if any) being provided by Commonwealth or State agencies;
 - 5.2.5 Whether you are in receipt of a community grant;
 - 5.2.6 Any other information that you believe is relevant in support of this Application.

6. Application Forms

Application forms and all additional information must be submitted to the Council on or before 31st August each year.

A failure to submit application forms or to provide the additional information required by the Council to assess the application by the due date may result in the Council refusing to consider the application.

Important Information

It is an offence for a person or body to make a false or misleading statement or representation in an application or to provide false or misleading information or evidence in support of an application made (or purporting to be made) under the Act. The maximum penalty for this offence is \$5,000.00, (Section 159 (2) of the Local Government Act 1999).

The Council may grant a rebate of rates or charges on such conditions as the Council thinks fit.

If a person or body has the benefit of a rebate of rates and the grounds on which the rebate has been granted cease to exist, the person or body must immediately inform the Council of that fact and (whether or not the Council is so informed) the entitlement to a rebate ceases. If a person or body fails to notify the Council that person or body is guilty of an offence and liable to a maximum penalty of \$5,000.00, (Section 159 (7) and (8) of the Local Government Act 1999).

The Council may, for proper cause, determine that an entitlement to a rebate of rates under the Act no longer applies.

Where an entitlement to a rebate of rates ceases or no longer applies during the course of a financial year, the Council is entitled to recover rates, or rates at the increased level (as the case may be), proportionate to the remaining part of the financial year.

I declare that the information I have provided on and attached to this application form is true.

DATED the 12 day of July 20 19

Signed 

Enquiries to: Rating Services, Tel: (08) 8406 8273 or email: city@salisbury.sa.gov.au with a subject line including Rate Rebate Application:

Completed form to be returned to:

City of Salisbury

PO Box 8, Salisbury SA 5108 or 12 James Street, Salisbury SA 5108