2015-16
ANNUAL BUSINESS PLAN

ADELAIDE HILLS
COUNCIL

WELCOME...

...to the Adelaide Hills Council Annual Business Plan and Budget for 2015/16.

This document sets out the programs, projects and services the Council proposes to provide in the forthcoming financial year, and how it plans to allocate its budget. This is the second Annual Business Plan prepared since the adoption of "Lofty Aspirations Sustainable Actions", the Strategic plan for 2014-18. It has been developed to ensure consistency with Council's Vision of

"Nurturing our unique place and people"

and aims to maintain efficient services for the community and continue progress towards the long-term objectives outlined in Council's Strategic Plan.

Financial Sustainability remains the most important of those objectives. Although Council sets rates for one year at a time, it spends most of these rates providing infrastructure to last thirty years or more.

The Long Term Financial Plan (LTFP) that supports our Strategic Plan helps Council balance those two factors by setting a path for the next ten years and at the same time setting targets for the coming financial year.

During 2014/15 it was necessary to revise our LTFP to account for the impacts of the Sampson Flat bushfire that occurred in January 2015. Not only has this bushfire changed the landscape across in excess of 12% of the Adelaide Hill's Council region, it has had a significant impact on livestock and horticultural properties within the bushfire area, as well as other businesses within the surrounding districts.

The budget included within the Annual Business Plan provides for a rate increase of 2.7% that incorporates estimated inflation of 1.7% and 1.0% for additional capital renewal works. In addition to this a once off increase of 1.0% to counter the cost impact of the Sampson Flat bushfire has been provided for.

Consultation

A community consultation period on this Plan was run from 30 April 2015 to 29 May 2015. During this time the community was encouraged to tell Council what it thought about the Annual Business Plan and Budget for 2015/16:

» Information sessions were held at Stirling on Saturday 2 May at 10.30am and Woodside on Saturday 9 May at 10.30am.
» A public meeting of the Council on Tuesday 26 May included an opportunity for the community to ask questions and make submissions in relation to the Annual Business Plan and Budget.
» A questionnaire was available at libraries, service centres and online at council's website, www.ahc.sa.gov.au
» Additional information, as well as the same questionnaire was included in the Hills Voice, distributed to all ratepayers in the region by delivery to residences or post offices and PO Boxes in late April.
» A facility was established on Council's website to enable the asking and answering of questions related to the Annual Business Plan and Budget.
» Written submissions were received via email or to Adelaide Hills Council, PO Box 44, Woodside SA 5244

Council considered the community consultation feedback at its meeting on 23 June 2015 and took this feedback into account before adopting the Annual Business Plan and Budget and confirming the rate increase which forms the basis of both the Annual Business Plan and the Annual Budget. Copies of this Annual Business Plan can be downloaded from www.ahc.sa.gov.au or viewed at any of Council's Customer Service Centres.

Bill Spragg MAYOR
Andrew Aitken CHIEF EXECUTIVE

CONTENTS

SUMMARY OF LONG TERM OBJECTIVES

In December 2013 Council adopted its Strategic Plan 2014-18," *Lofty Aspirations Sustainable Actions*" to provide a focus for Council's service delivery over the next five years. The long term goals and objectives of the Strategic Plan aspire towards our 20 year vision, "Nurturing our unique place and people". They are:

1 A Safe and Connected Community

2 Sustainable Natural and Built Environs

3 A Prosperous Economy

4 A Recognised Leading Performer

To find out more about these goals and the supporting actions, you can access a copy of the Strategic Plan at www.ahc.sa.gov.au

CURRENT YEAR OBJECTIVES

In January 2015 a bushfire burned from Sampson Flat (adjacent to the Council area) for six days. It destroyed 24 homes in the Council area (including 1 National Trust of South Australia building) and almost 200 outbuildings. It also destroyed over 200 vehicles and scarred over 13,000 hectares of land.

Despite the scale of this event, the long term objectives of the Adelaide Hills Council have not been changed. The Sampson Flat Bushfire has demonstrated another aspect of the "unique place and people" which Council seeks to nurture. The social, environmental and financial consequences of the event will be felt for several years and are actively addressed in the Annual Business Plan and Budget for 2015/16 set out below. A once off increase of 1.0% in rate income to counter the cost impact of the Sampson Flat bushfire has been provided for.

The tables below provide the status of the projects identified to be undertaken in 2014/15, the proposal for projects to be undertaken in 2015/16 and the recurrent initiatives from both the Strategic and Corporate Plans.

STRATEGIC PLAN PROJECTS

These essentially outward facing projects are intended to have an impact upon the District and its residents and visitors in 2015/16 and over the next five years or more. Each of these projects is directly linked to a five year action identified in "Lofty Aspirations Sustainable Actions", and is supported by a plan which sets out details, objectives and results and provides for outcomes to be measured and assessed quarterly.

The tables below provide a status report on the Strategic Plan Projects identified in last year's Annual Business Plan and outline the series of projects that will be undertaken in the 2015/16 financial year.

A Safe & Connected Community	
2014/2015 Annual Business Plan Projects	**Status**
SP 1.1.1 - Develop and implement a Community Strategy	Due for completion in 2014/15
SP 1.1.5 & 6 - Participate in state government trials of speed limits on unsealed roads and identify Road Safety Black Spots	Continuing into 2015/16
SP 1.1.8 - Develop and implement a Regional Public Health Plan	Due for completion in 2014/15
SP 1.2.2 - Develop and implement a Volunteer Action Plan	Completed
SP 1.3.1 - Develop a Positive Ageing Action Plan	Continuing into 2015/16
SP 1.4.1 - Review of the 2012 Cultural Audit	Continuing into 2015/16
SP 1.4.5 - Community initiative to commemorate the WW1 Centenary	Continuing into 2015/16
2015/16 Annual Business Plan Projects	**Status**
SP 1.1.9 - Build community resilience to recover from emergency situations	To commence in 2015/16
SP 1.2.1 - Review the existing Sport and Recreation Strategy and Open Space Strategy	To commence in 2015/16
SP 1.3.2 - Develop a Youth Action Plan	To commence in 2015/16
SP 1.4.3 - Recognise and promote the Aboriginal culture of the Hills area	To commence in 2015/16
Recurrent Projects and Initiatives	
SP 1.3.3 - Adelaide Hills Trail Strategy Implementation Plan	Programme continuing in 2015/16
SP 1.4.4 - Review and upgrade program for WW1 Memorials	Ongoing

Sustainable Natural & Built Environs	
2014/2015 Annual Business Plan Projects	**Status**
SP 2.1.1 - Develop and implement a Water Resources Strategy	Continuing into 2015/16
SP 2.1.2 - Implement the Biodiversity Strategy	Implementation continuing into 2015/16
SP 2.2.4 - Develop and implement a Regional Integrated Climate Change Vulnerability Assessment Report	Continuing into 2015/16
SP 2.2.5 - Investigate the benefits of becoming a member of the International Council for Local Environmental Initiatives (ICLEI)	Completed
SP 2.3.1 - Undertake a review of Wastewater Servicing	Due for completion in 2014/15
SP 2.3.2 - Undertake a review of the Waste Management Strategy	Due for completion in 2014/15
SP 2.4.1 - Study of community facilities for optimum use	To commence in 2015/16
SP 2.5.1 - Undertake a District Master Plan	Due for completion in 2014/15
SP 2.5.2 - Develop a timetable for Precinct Plans and Activity Centres	Due for completion in 2014/15
SP 2.5.5 - Prepare a Tree Planting Succession Plan	Due for completion in 2014/15
SP 2.6.1 - Carry out a pilot study of bike parking facilities	Due for completion in 2014/15
SP 2.6.4 - Undertake a review of Park-n-Ride facilities	Due for completion in 2014/15
2015/16 Annual Business Plan Projects	**Status**
SP 2.5.4 - Develop a footpath network plan	To commence in 2015/16
SP 2.6.2 - Upgrade public transport node facilities ensuring all weather access and DDA compliance	To commence in 2015/16
SP 2.6.3 - Determine future status of unmade roads and identify those to be retained	Continuing into 2015/16
SP 2.6.6 - Lobby State government for cycle lanes and improved safety	To commence in 2015/16
SP 2.6.7 - Advocate for innovative transport routes (including Northern rail bypass) and alternative uses for existing rail corridor	To commence in 2015/16
Recurrent Projects and Initiatives	
SP 2.3.3 - Roll out Household Food Organics Mini Bins	Ongoing

Economic Development	
2014/2015 Annual Business Plan Projects	**Status**
SP 3.1.1 - Prepare an Economic Development Strategy	Due for completion in 2014/15
SP 3.1.4 - Develop and implement a Master Plan for AHBTC at Lobethal	Master Plan developed and implementation continuing into 2015/16
SP 3.2.1 - Prepare a Development Plan Amendment to protect farmland and primary production	Continuing into 2015/16
2015/16 Annual Business Plan Projects	**Status**
SP 3.1.3 - Establish a database of local, regional and industry small and home based business groups	To commence in 2015/16
SP 3.2.2 - Identify appropriate agricultural value-adding activities and on-farm small businesses to improve farm viability)	To commence in 2015/16
SP 3.2.3 - Review the impact of regulation on farm viability and agricultural production	To commence in 2015/16
SP 3.4.3 - Participate in review of need for an alternative road transport route from South Eastern freeway to Northern industrial hubs	Continuing into 2015/16
Recurrent Projects and Initiatives	
SP 3.1.8 - Pursue Stage 1 World Heritage Status (National Heritage)	Ongoing

A Recognised Leading Performer	
2014/2015 Annual Business Plan Projects	**Status**
SP 4.1.3 - Review the Governance Structure including the Representation Review	Continuing into 2015/16
SP 4.2.1 - Update the Risk Management Framework	Completed
SP 4.3.1 - Develop a Community Engagement Framework	Completed
SP 4.3.2 - Update Council's Consultation and Public Notification Policies	Due for completion in 2014/15
SP 4.3.3 - Develop a Communication and Marketing Plan	Completed
SP 4.4.1 - Develop a Strategic Planning & Reporting Framework	Completed
SP 4.4.2 - Review the Long Term Financial Plan	Continuing into 2015/16
SP 4.5.2 - Develop and apply a 3 Year Corporate Plan (see Corporate Plan Projects below)	Completed
SP 4.5.3 - Establish a Customer Service Framework (also in Corporate Plan)	Completed
2015/16 Annual Business Plan Projects	**Status**
SP 4.1.1 - Establish a Community Leadership Program	To commence in 2015/16
SP 4.4.3 - Review Council's Rating Policy	Due for completion October 2015
Recurrent Projects and Initiatives	
SP 4.1.2 - Implement a formal and ongoing training program for Elected Members	Ongoing
SP 4.5.1 - Implement a Leadership & People Development Framework	Ongoing
SP 4.2.4 - Develop a program for policy review and development	Continuing into 2015/16

CORPORATE PLAN PROJECTS

The Corporate Plan is itself one of the first outcomes of the Strategic Plan. Each of these projects is intended to have an impact upon the Council's administration in 2015/16 in order to best achieve the strategic and operational goals for our community. These essentially inwards facing projects continue the principles of Business Excellence established at Council over the last three years, and builds a culture of service excellence and continuous improvement. The final group of projects is completely focussed on measuring the results delivered.

The tables below provide a status report on the Corporate Plan Projects identified in last year's Annual Business Plan and outlines the series of projects that will be undertaken in the 2015/16 financial year.

Leadership

2014/2015 Annual Business Plan Projects	Status
Redefine the corporate values and behaviours based on principles of good service	Continuing into 2015/16
Establish a Leadership Development Framework	Framework developed and implementation continuing into 2015/16
Define ownership and responsibility of corporate processes within the organisation	Continuing into 2015/16
Review the Performance & Development Plan	Completed
2015/16 Annual Business Plan Projects	**Status**
Establish a Fair Treatment Programme which values diversity in the workplace and equity of opportunity	To commence in 2015/16
Train Leaders in effective and positive organisational change processes	To commence in 2015/16
Recurrent Projects and Initiatives	
Leaders identify and implement opportunities for improvement in major corporate processes and systems	Ongoing

Strategy & Policy	
2014/2015 Annual Business Plan Projects	**Status**
Establish an Internal Corporate Sustainability Reference Group	Completed
Develop a timetable to establish and review strategies	Due for completion in 2014/15
Develop a framework for Annual Departmental Business Planning	Due for completion in 2014/15
Establish a Strategic Planning Framework	Due for completion in 2014/15
Develop a Project Management Framework	Due for completion in 2014/15
2015/16 Annual Business Plan Projects	**Status**
Establish formal mechanisms for understanding community needs	Continuing into 2015/16
Recurrent Projects and Initiatives	
Develop a timetable to establish and review policies	Completed

People	
2014/2015 Annual Business Plan Projects	**Status**
Implement the new Performance & Development Plan Process	Completed
Develop an Internal Communications Framework built on two way Communication	Due for completion in 2014/15
2015/16 Annual Business Plan Projects	**Status**
Develop a Corporate Training and Development Plan	To commence in 2015/16
Establish a reward and recognition process	To commence in 2015/16
Recurrent Projects and Initiatives	
Review the Work Health & Safety Improvement Plan	Completed
Develop and implement an action plan based on the outcomes of the Employee Opinion Survey	Completed

Partnerships & Resources	
2014/2015 Annual Business Plan Projects	**Status**
Implement the Partnering Framework	Continuing into 2015/16
Establish an Timetable to Develop and Approve Budgets	Completed
Improve Budget Proposal Process	Due for completion in 2014/15
Develop a plan to meet council's accommodation needs	Continuing into 2015/16
Use the 5S Framework to improve workplace organisation	Continuing into 2015/16
Establish an organisation wide IT Systems training framework	Continuing into 2015/16
2015/16 Annual Business Plan Projects	**Status**
Improve Document and Record Management	Continuing into 2015/16
Improve Systems Integration	Continuing into 2015/16
Establish an annual timetable for review and analysis of management accounts	To commence in 2015/16

Processes & Customer Service	
2014/2015 Annual Business Plan Projects	**Status**
Develop an external communication strategy	Completed
Establish a mechanism to capture and report on benefits realised through continuous improvement innovation	Completed
Develop a Customer Service Framework	Completed
2015/16 Annual Business Plan Projects	**Status**
Use customer survey results to identify opportunities to improve services and functions	Continuing into 2015/16
Recurrent Projects and Initiatives	
Identify opportunities using prioritisation criteria to improve service delivery	Ongoing
Use the Process Improvement Project framework to drive continuous improvement	Ongoing

| Results	
2014/2015 Annual Business Plan Projects	**Status**
Undertake a Customer Service Survey	Due for completion in 2014/15
Establish a suite of corporate performance and society results indicators	Continuing into 2015/16
2015/16 Annual Business Plan Projects	**Status**
Develop a Process for Measuring and Reporting on the Indicators	Continuing into 2015/16
Recurrent Projects and Initiatives	
Undertake an Employee Opinion Survey	Due for completion in 2014/15
Undertake a rolling program of Breakthrough Projects to provide effective solutions to known challenges, wasteful or inefficient sub processes within the organisation.	Ongoing

LONG TERM FINANCIAL PLAN CONTEXT

The *Local Government Act 1999* requires Council to prepare a Long Term Financial Plan (LTFP) as part of its suite of Strategic Management Plans (which also include the Strategic Plan and the Asset Management Plan), and to update it on the same basis.

The LTFP contains estimated financial statements consistent with those in Council's Annual Report for a period of at least ten years and includes estimates of the key ratios, operating surplus, net financial liabilities and asset sustainability. This illustrates the expected long term financial performance of the Council, and hence whether financial sustainability is being achieved.

The LTFP is a constantly evolving document and Council is periodically required by Section 122(a) of the Act to review and amend it to reflect actual results and current budgets. The most recently considered LTFP is based upon rate increases of CPI + 1% for the next ten years to fund additional infrastructure renewal and upgrade works, plus a once off increase of 1% in 2015/16 to provide for a proportion of the costs associated with the Sampson Flat bushfire.

The level of expenditure on asset renewal and upgrade is projected to grow over the first 6 years of the LTFP as is the level of anticipated debt. In the remaining years of the LTFP, as the level of the operating surplus rises and the level of capital expenditure reduces, the forecast level of debt will return to levels similar to that of the current year. These operating surpluses achieved in the later years of the LTFP will be used to retire debt. This is highlighted in the following graph.

Debt, Capital and Operating Surplus Forecast
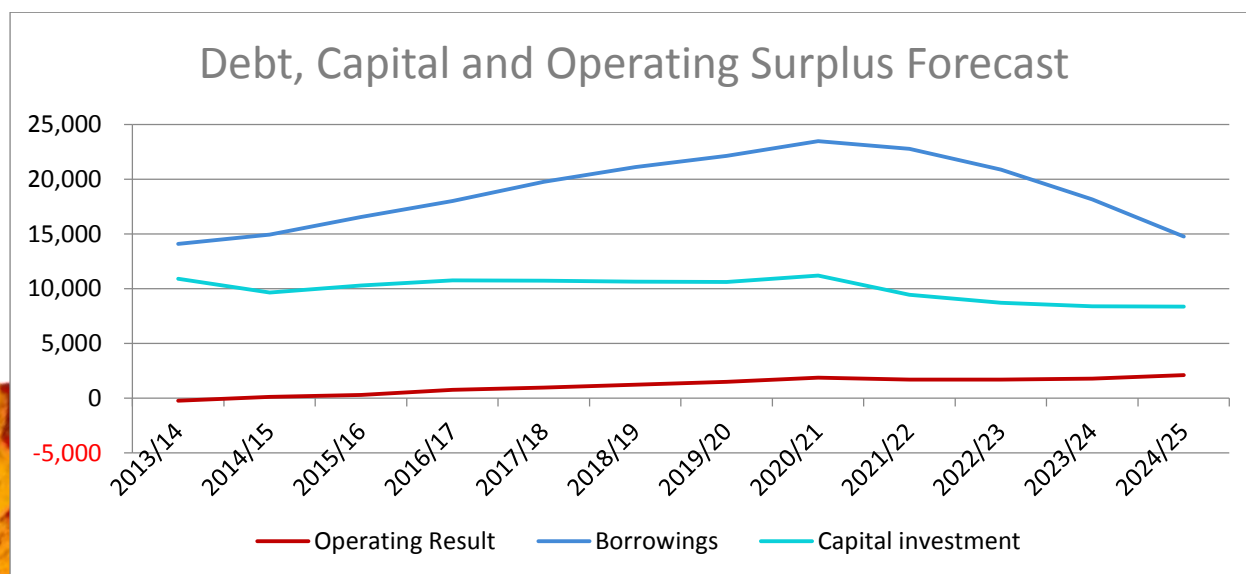
Importantly the LTFP has not only been used to set the context for the development of the 2015/16 budget, but it has also established targets for income and expenditure (including capital) which have been achieved. The achievement of these targets will be highlighted within the following sections of the Annual Business Plan.

In achieving these targets there is a level of certainty provided to the community that financial sustainability will be maintained.

Council's Operating Budget is designed to generate sufficient surpluses to meet costs of new infrastructure. This means that borrowing is not extended beyond the renewal and replacement of worn out existing assets, so limiting the ultimate cost.

In addition, Council has been keen to access efficiencies created by Service Improvement programs without compromising the delivery of services. For instance; Identifying and eliminating waste and unnecessary expenditure has helped to offset other cost drivers such as price increases for waste disposal to landfill, electricity and water.

Cost pressures that Council has less control over are discretionary and emergency tree management, bushfire prevention measures and most recently the aftermath and clean-up of the Sampson Flat bushfire of January 2015.

Statement of Comprehensive Income				
	2014/15	2015/16	2015/16	LTFP to Budget
	Current Budget	LTFP	Budget	Variance %
	$'000	$'000	$'000	Fav/(Unfav)
Income				
Rates Revenues	32,272	33,525	33,650	0.3%
Statutory Charges	969	919	934	1.6%
User Charges	1,299	1,287	1,249	(2.9%)
Grants, Subsidies and Contributions	3,540	3,460	3,464	0.1%
Investment Income	68	69	56	(19.0%)
Reimbursements	269	267	293	9.5%
Other Income	377	376	278	(26.1%)
Net Gain - Equity Accounted Council Businesses	100	102	125	22.9%
Total Income	**38,894**	**40,005**	**40,049**	**0.0%**
Expenses				
Employee Costs	13,532	14,388	14,807	(2.9%)
Materials, Contracts & Other Expenses	16,992	16,983	16,631	2.2%
Depreciation, Amortisation & Impairment	7,366	7,492	7,521	(0.4%)
Finance Costs	894	853	774	9.2%
Total Expenses	**38,784**	**39,716**	**39,733**	**0.0%**
Operating Surplus / (Deficit)	**109**	**289**	**316**	**9.3%**

The following graph has been prepared to provide a visual representation of the sources of revenue received by Council. As can be seen from this graph well over 80% of this revenue is received by way of rate income and almost 9% from grants.

Revenue - 2015/16
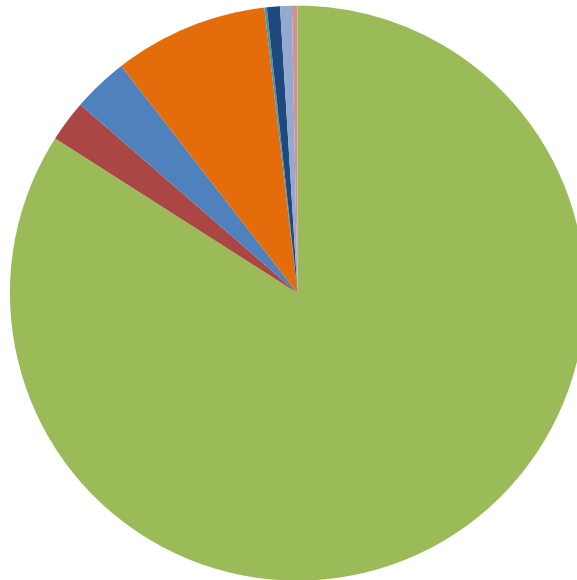
- ■ Rates Revenues 84%
- ■ Statutory Charges 2%
- ■ User Charges 3%
- ■ Grants 9%
- ■ Investment Income 0%
- ■ Reimbursements 1%
- ■ Other Income 1%
- ■ Joint Ventures 0%

As can be seen from the expenditure graph below approximately 36% of costs are attributable to the payment of salaries and wages and approximately 40% is applied to materials, contracts and other expenses.

Expenses - 2015/16
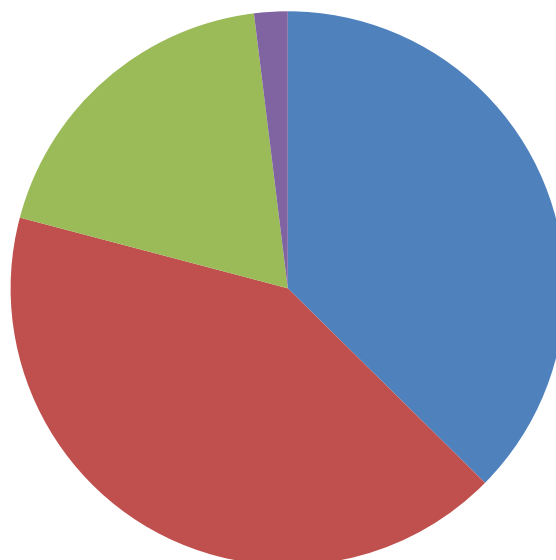
- ■ Employee Costs 37%
- ■ Goods & Services 42%
- ■ Depreciation 19%
- ■ Finance Costs 2%

The detailed budgets for different Council service areas can be found at appendix 3

CAPITAL BUDGET FOR 2015/16

The 2015/16 Capital Budget remains focussed on a program of renewing and replacing consumed infrastructure by providing the necessary level of renewals conveyed by the Asset Management Plan. In addition funding has been provided for limited new infrastructure that supports the development of the region to meet required service levels and community expectations.

Category	2014/15 Budget	AMP and LTFP 15/16	2015/16 Budget	Variation Favourable / (Unfavourable)
RENEWAL				
Roads - Seals	$ 1,681,419	$ 1,627,200	$ 1,834,547	(207,347)
Roads - Pavements	$ 1,531,325	$ 1,017,000	$ 1,460,025	(443,025)
Roads - Shoulders	$ 270,000	$ 661,050	$ 276,975	384,075
Roads - Unsealed	$ 1,567,484	$ 1,816,871	$ 1,309,744	507,127
Roads - Traffic	$ 60,000	$ 165,517	$ -	165,517
CWMS	$ 365,000	$ 827,584	$ 185,000	642,584
Stormwater	$ 435,000	$ 4,414	$ 337,500	(333,086)
Bridges	$ 185,000	$ 55,172	$ 220,000	(164,828)
Footbridges	$ 15,000	$ -	$ 60,000	(60,000)
Footpaths	$ 585,350	$ 1,103,445	$ 447,000	656,445
Kerbing	$ 408,375	$ 441,378	$ 515,750	(74,372)
Guardrail	$ 98,000	$ -	$ 244,000	(244,000)
Bus Stops	$ 35,000	$ -	$ 35,000	(35,000)
Street Furniture	$ 35,000	$ -	$ 35,000	(35,000)
Retaining Walls	$ 55,000	$ -	$ 65,000	(65,000)
Buildings	$ 727,000	$ 993,101	$ 781,200	211,901
Sport & Rec	$ 142,500	$ -	$ 240,000	(240,000)
ICT Projects	$ 388,000	$ 230,452	$ 229,000	1,452
Library	$ 30,000	$ 41,900	$ 20,000	21,900
Plant & Equipment	$ 599,000	$ 613,861	$ 613,861	0
Capitalised Salaries 5%			$ 446,230	(446,230)
TOTAL - RENEWAL	$ 9,213,453	$ 9,598,944	$ 9,355,832	$ 243,112
New / Upgrade Projects	$ 415,000	$ 1,213,790	$ 1,222,208	**(8,419)**
Capitalised Salaries 5%	$ -	$ -	$ 65,860	**(65,860)**
TOTAL – NEW/UPGRADE	$ 415,000	$ 1,213,790	$ 1,288,068	**(74,278)**
COMBINED TOTAL:	$ 9,628,453	$ 10,812,734	$ 10,643,901	$ 168,833

The following graph has been prepared to provide a visual representation of Council's renewal program by asset category. As in previous years in excess of 50% of the program is being applied to road works, with buildings, footpaths and plant accounting for a large proportion of the remaining allocation.

2015/16 Capex Renewal Budget
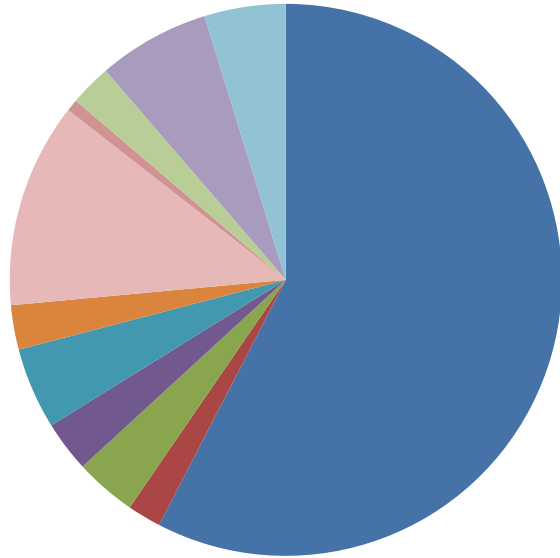
- Roads 58%
- CWMS 2%
- Stormwater 4%
- Bridges 3%
- Footpaths 5%
- Guardrail 3%
- Community Facilities 12%
- Retaining Walls 1%
- ICT Projects 2%
- Plant 7%
- Capitalised Salaries 5%

The detailed renewals "project by project" list can be found at Appendix 2

RATES FOR 2015/16

The budget included within the Annual Business Plan provides for a rate increase of 2.7% that incorporates estimated inflation of 1.7% and 1.0% for additional capital renewal works. In addition to this a once off increase of 1.0% to counter the cost impact of the Sampson Flat bushfire has been provided for. This 1% will be removed in 2016/17.

The following table provides a summary of the average rate increases that have been applied in recent years as well as the increase for 2015/16.

	2011/12	2012/13	2013/14	2014/15	2015/16
To meet inflation (CPI)	3.0%	2.6%	2.8%	2.5%	1.7%
To fund capital renewal	2.5%	1.0	1.0	0.9%	1.0%
Additional maintenance	1.25%				
Response to bushfire event (will be removed in 2016/17)					1.0%
TOTAL INCREASE	**6.75%**	**3.6%**	**3.8%**	**3.4%**	**3.7%**

There have been no changes to rating policy for 2015/16 over that of the current year. A detailed review of rating policy is scheduled to be undertaken during 2015 with any proposed amendments to be captured within the consultative process for 2016/17. This review will consider:
- Equity Issues
- Analysis of impacts on the primary production sector
- Analysis of impacts on commercial and industrial sectors
- Future infrastructure and service funding requirements

Key elements included within the 2015/16 Rating Policy are outlined within the following Sections.

Basis of Rating

Council applies the same rate in the dollar to all categories of ratepayer, except commercial and industrial ratepayers who pay a 15% premium over residential and primary productions ratepayers. Additionally, those primary production ratepayers genuinely in the business of primary production but not benefitting from a notional capital value for their property can apply for a 10% rebate.

Council has applied an additional separate rate for businesses in Stirling for a number of years. Approximately $85k is to be raised in 2015/16 which is distributed to the Stirling Business Association to promote Stirling as a destination, the "Gateway to the Hills". In addition to this a separate rate was adopted in 2014/15 to provide for the sealing of the northern end of Verrall Road, Upper Hermitage. This rate is levied on those properties that actually use this section of road.
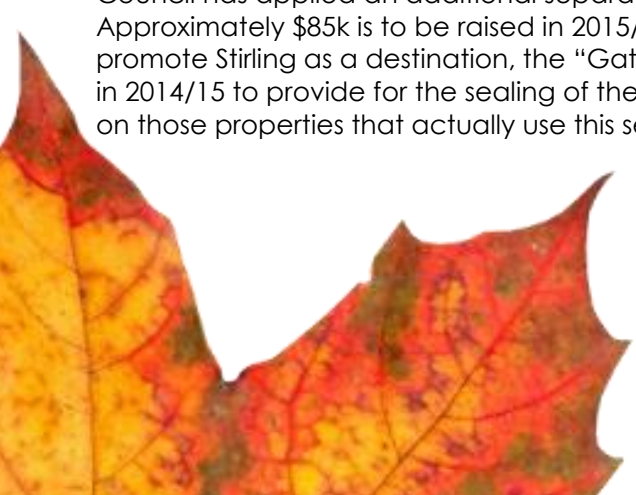
Rate Revenue Received by Category of Ratepayer

The following chart provides an indication as to the percentage of total rate revenue that is received from each category of ratepayer. As can be seen from this chart approximately three quarters of rate revenue is paid by the residential sector, with the primary production sector contributing a large proportion of the remaining revenue.

Rate Revenue by Category

- Residential   74%
- Commercial   4%
- Industrial   0%
- Primary Production   19%
- Vacant Land   2%
- Other   1%
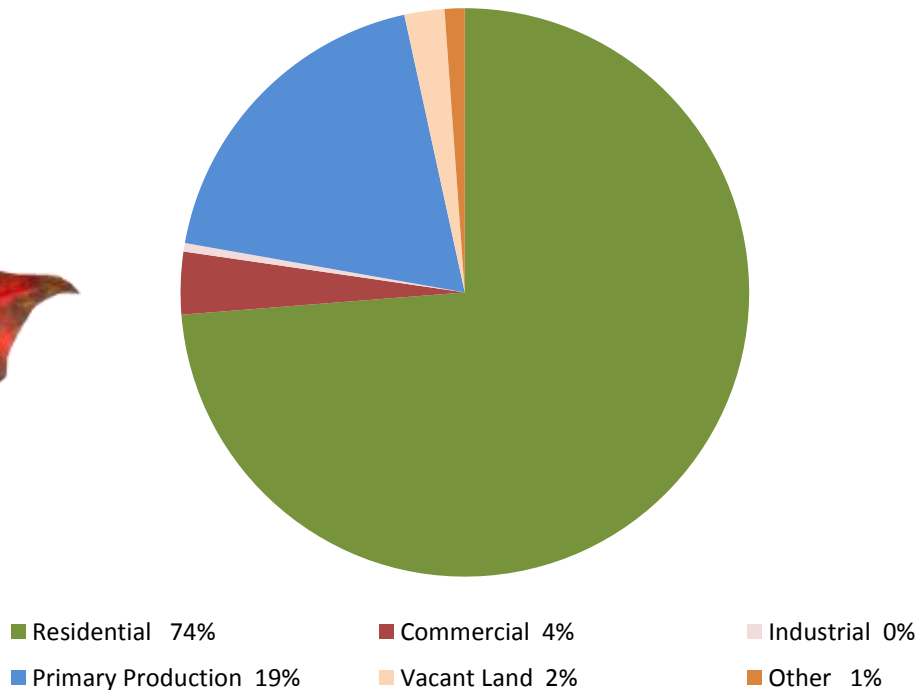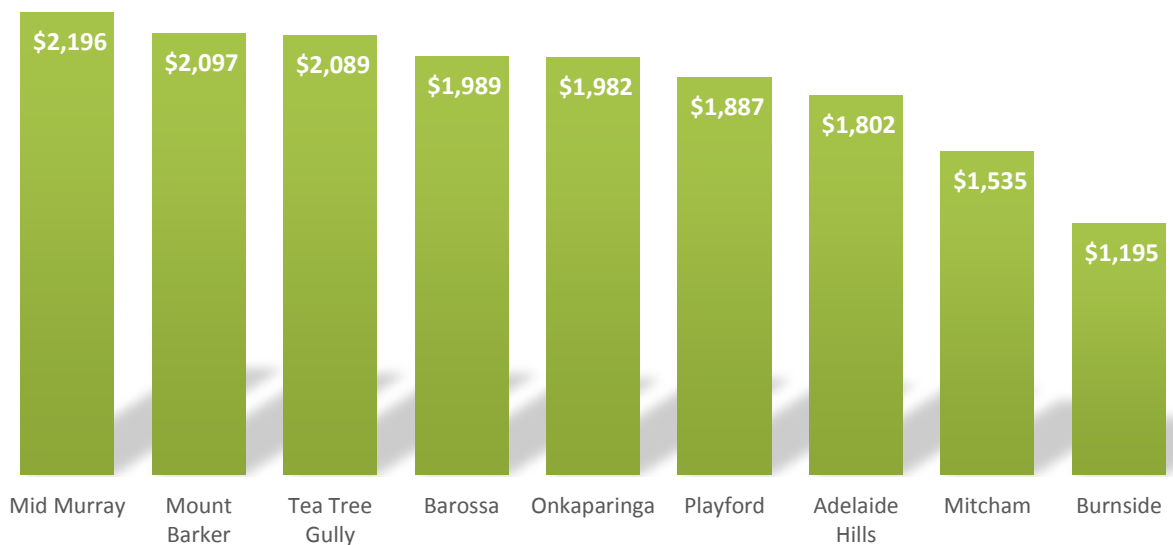
Adelaide Hills Council rates in context

Every financial year a table of average residential rates is published for South Australian Councils. This table usually reports Adelaide Hills Council as having one of the highest average residential property rates in the State. A graph comparing Adelaide Hills Council to neighbouring Councils is shown below.

2014/15 Average Residential Rate

Adelaide Hills	Mount Barker	Burnside	Mitcham	Barossa	Tea Tree Gully	Onkaparinga	Playford	Mid Murray
$1,802	$1,618	$1,601	$1,510	$1,484	$1,465	$1,361	$1,305	$1,214

It is worth recognising that the Adelaide Hills Council area also has one of the highest average property values in the state at $510,700 in 2014/15. Were this average property valuation rated in neighbouring councils, the average residential rates paid would resemble the following graph.

2014/15 Residential Rate for Average AHC Property

$2,196	$2,097	$2,089	$1,989	$1,982	$1,887	$1,802	$1,535	$1,195
Mid Murray	Mount Barker	Tea Tree Gully	Barossa	Onkaparinga	Playford	Adelaide Hills	Mitcham	Burnside

This graph highlights that a similar valued property in a neighbouring council would result in a higher rates charge in the majority of cases. It is also worth noting that Adelaide Hills Council does not levy a separate Waste Management Charge as is the case with a number of adjoining councils.

STATEMENT OF COMPREHENSIVE INCOME
2015/16 Budget

2014/15 BUDGET		2015/16 BUDGET
$'000		$'000
	INCOME	
32,272	Rates	33,650
969	Statutory charges	934
1,299	User charges	1,249
3,540	Grants, subsidies and contributions	3,464
68	Investment income	56
269	Reimbursements	293
377	Other income	278
100	Net gain - equity accounted Council businesses	125
38,894	**Total Income**	**40,049**
	EXPENSES	
13,532	Employee costs	14,807
16,992	Materials, contracts & other expenses	16,631
7,365	Depreciation, amortisation & impairment	7,521
894	Finance costs	774
-	Net loss - equity accounted Council businesses	
38,783	**Total Expenses**	**39,733**
111	**OPERATING SURPLUS / (DEFICIT)**	**316**
250	Asset disposal & fair value adjustments	250
1,043	Amounts received specifically for new or upgraded assets	1053
1,404	**NET SURPLUS / (DEFICIT)** transferred to Equity Statement	**1,619**
-	Changes in revaluation surplus - infrastructure, property, plant & equipment	-
-	Share of Other Comprehensive Income JV	-
-	**Total Other Comprehensive Income**	**-**
1,404	**TOTAL COMPREHENSIVE INCOME**	**1,619**

BUDGETED FUNDING STATEMENT
2015/16 Budget

2014/15 BUDGET		2015/16 BUDGET
$'000		$'000
	INCOME	
32,272	Rates	33,650
969	Statutory charges	934
1,299	User charges	1,249
3,540	Grants, subsidies and contributions	3,464
68	Investment income	56
269	Reimbursements	293
377	Other income	278
100	Net gain - equity accounted Council businesses	125
38,894	**Total Income**	**40,049**
	EXPENSES	
13,532	Employee costs	14,807
16,992	Materials, contracts & other expenses	16,631
7,365	Depreciation, amortisation & impairment	7,521
894	Finance costs	774
-	Net loss - equity accounted Council businesses	-
38,783	**Total Expenses**	**39,733**
111	**NET BUDGETED SURPLUS / (DEFICIT) BEFORE CAPITAL AMOUNTS**	**316**
	Less: Net Outlays on Existing Assets	
8,660	Capital Expenditure on Renewal and Replacement of Existing Assets	9,355
-	Proceeds from Sale of Replaced Assets	-
(7,365)	Depreciation	(7,521)
1,295	**NET OUTLAYS ON EXISTING ASSETS**	**1,834**
	Less: Net Outlays on new and Upgraded Assets	
1,343	Capital Expenditure on New and Upgraded Assets & Remediation costs	1,288
(1,055)	Capital Grants and Monetary Contributions for New and Upgraded Assets	(1,053)
(400)	Proceeds from Sale of Surplus Assets	(250)
(112)	**NET OUTLAYS ON NEW AND UPGRADED ASSETS**	**(15)**
	Other Comprehensive Income	
-	Joint Ventures	-
(1,072)	**Net Lending/ (Borrowing) for Financial Year**	**(1,503)**

BALANCE SHEET
2015/16 Budget

2014/15 BUDGET		2015/16 BUDGET
$'000	**ASSETS**	$'000
	Current Assets	
714	Cash and cash equivalents	714
3,325	Trade & other receivables	3,118
	Other financial assets	-
18	Inventories	18
4,057		**3,850**
-	Non-current Assets held for Sale	-
4,057	**Total Current Assets**	**3,850**
	Non-current Assets	
181	Financial assets	181
1,279	Equity accounted investments in Council businesses	1,279
-	Investment property	-
291,046	Infrastructure, property, plant & equipment	296,647
4,385	Other non-current assets	2,837
296,891	**Total Non-current Assets**	**300,944**
300,948	**Total Assets**	**304,794**
	LIABILITIES	
	Current Liabilities	
9,278	Trade & other payables	10,002
10,172	Borrowings	11,675
1,153	Provisions	1,180
	Other current liabilities	-
20,603	**Total Current Liabilities**	**22,857**
	Non-current Liabilities	
5,000	Borrowings	5,000
177	Provisions	150
-	Liability - Equity accounted Council businesses	-
	Other Non-current Liabilities	-
5,177	**Total Non-current Liabilities**	**5,150**
25,708	**Total Liabilities**	**28,007**
275,168	**NET ASSETS**	**276,787**
	EQUITY	
132,450	Accumulated Surplus	134,069
140,440	Asset Revaluation Reserves	140,440
2,278	Other Reserves	2,278
275,168	**TOTAL EQUITY**	**276,787**

STATEMENT OF CHANGES IN EQUITY AND KPI'S
2015/16 Budget

2015/16 BUDGET	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
	$'000	$'000	$'000	$'000
Balance at end of previous reporting period	**132,450**	**140,440**	**2,278**	**275,168**
Adjustment to give effect to items reported from a prior period				**-**
Restated opening balance	**132,450**	**140,440**	**2,278**	**275,168**
Net Surplus / (Deficit) for Year	**316**			**316**
Other Comprehensive Income	**1,303**			**1,303**
Gain on revaluation of infrastructure, property, plant & equipment				**-**
Transfers between reserves	**-**		**-**	**-**
Balance at end of period	**134,069**	**140,440**	**2,278**	**276,787**
		-		
2014/15 BUDGET				
Balance at end of previous reporting period	131,048	140,440	2,278	273,766
Adjustment due to compliance with revised Accounting Standards				-
Adjustment to give effect to changed accounting policies				-
Restated opening balance	131,048	140,440	2,278	273,766
Net Surplus / (Deficit) for Year	**111**			**111**
Other Comprehensive Income	**1,291**			**1,291**
Changes in revaluation surplus - infrastructure, property, plant & equipment				-
Share of Other Comprehensive Income JV	-			-
Transfers between reserves				-
				-
Balance at end of period	**132,450**	**140,440**	**2,278**	**275,168**

KEY PERFORMANCE INDICATORS

	2014/15 BUDGET	2015/16 Budget
Operating Surplus Ratio		
<u>Operating Surplus</u>	0.4%	1.0%
Rates - general & other less NRM levy		
Net Financial Liabilities Ratio		
<u>Net Financial Liabilities</u>	54%	65%
Total Operating Revenue less NRM levy		
Asset Sustainability Ratio		
<u>Net Asset Renewals</u>	112%	119%
Infrastructure & Asset Management Plan required expenditure		

CASH FLOW STATEMENT
2015/16 Budget

2014/15 BUDGET		2015/16 BUDGET
$'000	**CASH FLOWS FROM OPERATING ACTIVITIES**	$'000
	Receipts	
32,272	Rates - general & other	33,650
969	Fees & other charges	934
1,299	User charges	1,249
68	Investment receipts	56
3,540	Grants utilised for operating purposes	3,464
269	Reimbursements	293
477	Other revenues	403
	Payments	
(13,532)	Employee costs	(14,807)
(16,992)	Materials, contracts & other expenses	(16,631)
-	Investment payments	-
(894)	Finance payments	(774)
7,476	**NET CASH USED IN OPERATING ACTIVITIES**	**7,837**
	CASH FLOWS FROM FINANCING ACTIVITIES	
	Receipts	-
-	Proceeds from Borrowings	-
-	Proceeds from Aged Care facility deposits	-
	Payments	-
-	Repayment from Borrowings	-
-	Repayments of Aged Care facility deposits	
-	**NET CASH USED IN FINANCING ACTIVITIES**	**-**
	CASH FLOWS FROM INVESTING ACTIVITIES	
	Receipts	
1,055	Grants for new or upgraded assets	1,053
400	Sale of replaced/ new assets & other investment	250
-	Repayment of loans to Community Groups	61
	Payments	
(1,343)	Expenditure on new/ upgraded assets	(1,288)
(8,660)	Expenditure on renewal/ replacement of assets	(9,355)
-	Payment of Community Group Loans	(61)
(8,548)	**NET CASH USED IN INVESTING ACTIVITIES**	**(9,340)**
(1,072)	**NET (DECREASE) IN CASH HELD**	**(1,503)**
(8,161)	**CASH AT BEGINNING OF YEAR**	**(9,233)**
(9,233)	**CASH AT END OF YEAR**	**(10,736)**

APPENDIX 2, CAPITAL BUDGET DETAIL

Index	Project	Suburb	Asset Description	BUDGET $
	ROAD RESEALS			
1	Heathfield Road	Heathfield	Cricklewood Road to Longwood Road	229,803
3	Forreston Road	Forreston	Martins Hill Road to Norsworthy Road	26,754
4	Forreston Road	Forreston	Norsworthy Road to Quinns Road	32,531
5	Hill Road	Kersbrook	Powell Road to Mewett Road (now Redgum Lane)	48,578
6	Kestel Road	Humbug Scrub	Centre Crescent to Sires Road	32,820
7	Angas Creek Road	Birdwood	Torrens Valley Road to Muellers Road	18,995
8	Beckwith Street	Woodside	Fowler Street to Perrin Street	11,805
9	Bleeze Street	Birdwood	Blocks Lane to William Street	74,628
10	Blocks Road	Birdwood	Pool Street to End of Seal	62,154
11	Buckleys Road	Lobethal	Woodside Road to Rural Property Address 54	25,117
12	Drivers Road	Summertown	Greenhill Road to End of Seal	5,627
13	Emmett Road	Crafers West	Kerria Place to End of Road	5,839
14	Lake Street	Bridgewater	Rudd Parade to End of Road	18,714
15	Leske Road	Birdwood	Warren Road to Cromer Road	4,069
16	Muirfield Avenue	Stirling	Golflinks Road to End of Road	13,987
17	Newman Road	Charleston	Onkaparinga Valley Road to Rural Property Address Number 142	59,354
18	Oakwood Road	Balhannah	Martins Road to Wicks Road	20,253
19	Oakwood Road	Balhannah	Wicks Road to Peacock Road	44,901
20	Oakwood Road	Balhannah	Peacock Road to Rural Property Address 360	49,772
21	Oakwood Road	Balhannah	Rural Property Address 360 to Swamp Road	44,263
22	Onkaparinga Street	Lobethal	Jeffrey Street to Elm Grove	71,103
23	Paracombe Road	Paracombe	Tilmouth Road to Rural Property Address 595	39,773
24	Paracombe Road	Paracombe	Rural Property Address 595 to North East Road	40,997
25	Paratoo Road	Aldgate	Azalea Place to Wakefield Court	23,906
26	Pfeiffer Road	Woodside	Rural Property Address 410 to King Road	60,444
27	Rudd Court	Bridgewater	Rosewarne Crescent to End of Road	31,868
28	Springhead Road	Charleston	Lenger Road to Fox Road	53,537
29	Sturt Grove	Upper Sturt	Sturt Valley Road to End of Bitumen	37,817
30	Union Street	Lobethal	Rose Street to Wattle Street	17,988
31	Woodcock Road	Balhannah	Spoehr Road to Greenhill Road	22,626
32	Oakwood Road	Oakbank	Onkaparinga Valley Road to Elizabeth Street	36,233
33	Oakwood Road	Oakbank	Elizabeth Street to Onkaparinga River Bridge	44,393
34	Oakwood Road	Oakbank	Onkaparinga River Bridge to Martins Road	31,970
35	Druid Avenue	Stirling	Martha Street to Milan Terrace	33,733
36	Corkscrew Road	Montacute	Rural Property Address 125 to Valley Road	26,883
37	John Street	Woodside	William Street to Margaret Street	71,237
38	Springhead Road	Charleston	Woodside Road to Lenger	116,802
39	Sturt Valley Road	Stirling	Avenue Road to start of new seal	108,000
40	Torrens Hill Road	Paracombe	Paracombe Road to Gorge Road	58,270
41	Garrod Crescent	Stirling	Mount Barker Road to Garrod Place	27,000
42	Intersection - sealing of short sections of dirt roads that intersect with paved roads	Regionwide	Intersection - sealing of short sections of unsealed roads that intersect with paved roads	50,000
	-		**Total**	**1,834,547**

Index	Project	Suburb	Asset Description	BUDGET $
	ROAD PAVEMENTS			
1	Heathfield Road	Heathfield	Cricklewood Road to Longwood Road	336,375
2	Springhead Road	Mount Torrens	Onkaparinga Road to Lenger Road	648,900
5	Sturt Valley Road	Stirling	Avenue Road to start of new seal	204,750
6	Swamp Road - Stage 3	Lenswood	Design Only	35,000
7	Deviation Road - Stage 2	Carey Gully	Design Only	35,000
8	Druid Avenue	Stirling	Southern section of service road	200,000
			Total	**1,460,025**
	ROAD SHOULDERS			
1	Heathfield Road	Heathfield	Cricklewood to Longwood	33,750
2	Springhead Road	Charleston	Woodside Rd to Lenger	185,400
3	Sturt Valley Road	Stirling	Avenue Road to start of new seal	57,825
			Total	**276,975**
	UNSEALED ROADS			
1	Jacksons Hill Road	Gumeracha	Jacksons Hill Road	174,526
2	Bell Springs Road	Charleston	Bell Springs Road	43,387
3	Five Bob Road	Woodside	Five Bob Road	62,227
5	Hartman Road	Charleston	Hartman Road	57,629
6	Colonial Drive	Norton Summit	Colonial Drive	52,589
7	Ridge Road	Ashton	Ridge Road	23,936
8	Gully Road	Carey Gully	Gully Road	117,466
10	Watts Gully Road	Kersbrook	Watts Gully Road	99,978
12	Adelaide Gully Road	Kersbrook	Adelaide Gully Road	228,008
13	Prairie Road	Cudlee Creek	Prairie Road	37,488
15	Mountford Avenue	Bridgewater	Mountford Avenue	19,965
17	Richardson Road	Inglewood	Richardson Road	108,768
18	Hadrian Gully Road	Bradbury	Hadrian Gully Road	48,532
20	Muller Road	Mount George	Muller Road	44,000
21	Dooley Road	Kersbrook	Dooley Road	27,555
22	Ashby Road	Kersbrook	Ashby Road	29,441
24	Powell Road	Kersbrook	Powell Road	64,190
25	Mawson Road	Lenswood	Mawson Road(Harris Road to Edwards Road)	39,666
26	Klopsch Road	Lobethal	Klopsch Road	30,393
			Total	**1,309,744**
	COMMUNITY WASTE MANAGEMENT SYSTEMS			
1	Pump Stations Upgrade, Region-wide	Regionwide	Provide System Control and Data Acquisition to all pump stations	75,000
2	Waste Water Treatment Plant Re-configuration, Birdwood	Birdwood	Capacity upgrade to treated effluent disposal with the inclusion of additional tank storage to handle peak loads. This is subject to establishing whether the repairs to pipe network to stop stormwater infiltration alleviates the peak flows during storm events.	30,000
3	Valve automation	Birdwood	Automation of valves for effluent disposal to Dam and Birdwood Oval	20,000
4	Rehabilitation ponds, Kersbrook (stage 2)	Kersbrook	Kersbrook ponds erosion control (stage 2 - to address urgent erosion, total project may need $100k for all ponds)	20,000
5	Potential additional storage ($200,000) not budgeted at this stage due to further investigations being finalised.	Kersbrook	Kersbrook additional storage (small dam on Kersbrook sports grounds for irrigation of oval and surrounds)	-

Index	Project	Suburb	Asset Description	BUDGET $
	COMMUNITY WASTE MANAGEMENT SYSTEMS CONT.			
7	Woodside / SA Water transfer infrastructure	Woodside	Contribution to infrastructure to reduce the likelihood of wastewater entering the Onkaparinga in the event of electrical failure across the district.	40,000
			Total	**185,000**
	STORMWATER			
1	Junction Rd	Balhannah	29 Junction Rd to Creek outfall	67,500
2	Serafini Place	Crafers	Piccadilly Rd to creek outfall	140,000
3	Lobethal Rd	Lobethal	8 Main St to Mill Rd	120,000
9	Posen Road	Birdwood	Posen Road creek stabilisation works	10,000
			Total	**337,500**
	ROAD BRIDGES			
1	Lower Hermitage Road	Lower Hermitage	Bridge located near North East Road	25,000
2	Jungfer Road	Charleston	Bridge located near Onkaparinga Valley Road	20,000
3	Jungfer Road	Charleston	Second Bridge along Jungfer Road (closest to Onkaparinga Valley Road)	30,000
4	Shanks Road	Aldgate	Bridge near Aldgate Valley Road	25,000
5	Snows Road	Stirling	Culvert undersized (in Beechwood Gardens); and along Snows Road culvert	30,000
6	Hollands Creek Road	Cudlee Creek	Narrow Bridge 1 - widening and Headwall repair	20,000
7	Hollands Creek Road	Cudlee Creek	Narrow Bridge 2 - widening and Headwall repair	20,000
8	Burns Road	Woodside	Bridge on Burns Road, Woodside	35,000
9	Peacock Road	Oakbank	Peacock Road Oakbank - Creekbed and Wing Walls need repair	15,000
			Total	**220,000**
	FOOTBRIDGES			
1	Johnston Park	Balhannah	Upgrade existing bridge to DDA standard	50,000
2	Onkaparinga Valley Road	Balhannah	Investigation and design to replace steel footbridge on OVR (opposite Brockhoff Park). Potential to combine with DPTI bridge replacement	10,000
			Total	**60,000**

Index	Project	Suburb	Asset Description	BUDGET $
	FOOTPATHS			
1	DDA pram ramps	Regionwide	As identified	25,000
2	Onkaparinga Valley Road	Balhannah	Pugh Street to Glebe	15,000
3	Kurla Road	Balhannah	Junction Road to Carawa Ave	15,000
4	Mt Barker Road	Bridgewater	Second Ave to Otranto Ave	25,000
5	Bridgewater Oval	Bridgewater	Anzac Ridge to Tower Road	20,000
6	Union Street	Lobethal	Wattle Street to Rose Street	20,000
7	Jeffrey st	Lobethal	Woodside Road to Lobethal Oval	25,000
8	Old Mt Barker Road / Gould Road	Stirling	Wright Road to Pomona Road	30,000
9	Paratoo Road	Stirling	Braeside Road to Yam Street	35,000
10	Waverly Ridge Road	Stirling	Sheoak Road to Ayers Hill Road	25,000
11	Garrod Ave	Stirling	Mt Barker Road to Garrod Pl	20,000
12	Piccadilly Road	Crafers	Serafini Pl to Fairview Road	25,000
13	Stradbroke Road	Rostrevor	Baroota Avenue to existing	12,000
14	Strathalbyn Road	Mylor	Cross Street to Stock Road	40,000
15	Springhead Road	Mt Torrens	Terlinga Road to existing path	15,000
16	Mt Barker Road	Bridgewater	Anzac Ridge to Honeysuckle Grove	20,000
17	Heathfield Road	Heathfield	Cricklewood Road to Longwood Road	60,000
19	Avenue Road - Design of parking and footpaths along western side	Stirling	Mount Barker Road to Ayers Hill Road	20,000
			Total	**447,000**
	KERBING			
1	Piccadilly Road	Crafers	Garden Centre to Fullgrabe Drive	49,500
2	Garrod Avenue	Stirling	Mt Barker to Garrod Place	56,250
3	Union Street	Lobethal	Wattle St to Rose St	54,000
5	Golflinks Road	Lobethal	House number 2 to house number 8	20,250
6	Paratoo Road	Stirling	Braeside Road to Old Mt Barker	60,750
8	Mt Barker Road	Bridgewater	Anzac Ridge Road to Honeysuckle Grove	22,500
9	Old Mt Barker Road	Stirling	Pomona Road to Old Mt Barker Road	33,750
10	Horn Street	Houghton	North East Road to Backhill Road	67,500
11	Heathfield Road	Heathfield	Cricklewood Road to Longwood Road	77,000
13	Mount Barker Road	Stirling	Twin Street to Caltex Service Station	74,250
			Total	**515,750**
	GUARDRAIL			
1	Bonython Road	Kersbrook	West End of Bonython Rd	22,000
2	Mueller Road	Birdwood	On Muellers Road Birdwood near waste water ponds	16,000
3	Stevens Road	Mylor	Aldgate Valley Road end	18,000
4	McLean Road	Birdwood	On McLean Road	12,000
5	Ross Road	Kersbrook	Bridge on Ross road	20,000
6	Watts Gully Road	Forreston	Bridge at Forreston end	20,000
7	Kurla Road	Balhannah	Kurla road	20,000
8	Sires Road East	Kersbrook	On Sires Rd East end	16,000
9	Checker Hill Road	Kersbrook	Extend existing rail towards Kersbrook	100,000
			Total	**244,000**

Index	Project	Suburb	Asset Description	BUDGET $
	BUS STOPS			
_1_	Legislative DDA Compliance	Regionwide	Modifications to existing stops	_35,000_
			Total	**35,000**
	STREET FURNITURE			
_1_	Bike Racks and Street Furniture	Regionwide	Bike Rack and other street furniture as identified in Strategic Bike Plan	_35,000_
			Total	**35,000**
	RETAINING WALLS			
_1_	Pomona Road	Stirling	Stormwater headwall / retaining wall	40,000
_2_	Bridgewater Oval	Bridgewater	Extend /repair embankment wall	25,000
			Total	**65,000**
	BUILDINGS			
_1_	Atkinson Reserve Toilets General Refurbishment	Piccadilly	Toilet Building	NDI(*)
	Birdwood Toilets General Refurbishment	Birdwood	Toilet Building	NDI(*)
_3_	Bushland Park - BBQ Shelters 1 and 2 to be replaced	Lobethal	Recreational Building	NDI(*)
_4_	Gillman Reserve Oakbank Toilets demolition of building	Oakbank	Toilet Building	NDI(*)
_5_	Federation Park Shelter Replacement	Gumeracha	Recreational Building	NDI(*)
_6_	Federation Park Toilets General Refurbishment	Gumeracha	Public Toilet Building	NDI(*)
_7_	Gumeracha Town Hall painting and stone restoration externally	Gumeracha	Institute building	NDI(*)
_8_	Gumeracha Hall Toilets painting internally	Gumeracha	Public Toilet Building	NDI(*)
_9_	Public Toilet Renovations Heathfield Rec Ground	Heathfield	Public Toilet Building	NDI(*)
_10_	Old Norton Summit Post Office internal painting	Norton Summit	Admin Building	NDI(*)
_11_	Stonehenge Reserve Toilets General Upgrade	Stirling	Public Toilet Building	NDI(*)
_12_	Tregarthen Reserve Toilets General Upgrade	Summertown	Public Toilet Building	NDI(*)
_13_	Woodside Toilets General Upgrade	Woodside	Public Toilet Building	NDI(*)
_14_	BBQ Shelter 1 Federation Park replacement	Gumeracha	Shelter replacement	NDI(*)
_15_	Rear Wall - Building 22 AHBTC renovation salt damp removal	Lobethal	Restoration of Heritage Wall	NDI(*)
_16_	AHBTC Toilet Building 1 (Next to 23)	Lobethal	Window repairs and general upgrade	NDI(*)
_17_	AHBTC Toilet Building 3 (Mill Square, setback in lawn area)	Lobethal	Asbestos removal and painting	NDI(*)

Index	Project	Suburb	Asset Description	BUDGET $
	BUILDINGS CONT.			
18	AHBTC - Building 11 general renovations	Lobethal	Workshop/Shed Building renovations	NDI(*)
19	AHBTC - Building 22A general renovations	Lobethal	Louvre Timber Window	NDI(*)
20	AHBTC - Building 5A general renovations	Lobethal	Louvre Aluminium Window	NDI(*)
21	AHBTC - Building 4 general renovations	Lobethal	Canite Ceiling Replacement	NDI(*)
22	Pavement Renewal stage 1	Lobethal	Between 16 and 5D	NDI(*)
23	Crafers Institute demolition of public toilets	Crafers	Public Toilet Building - demolition, once new toilet block built by Club and reinstate carparking.	NDI(*)
24	Retirement Village upgrades and renovations	Regionwide	Renovations when unoccupied	NDI(*)
25	Asbestos Removal region wide	Regionwide	Removal of old and deteriorated asbestos	NDI(*)
26	Design consultancy DA submission for AHBTC	Lobethal	Design consultancy	NDI(*)
	(*) NOTE: line items marked "NDI" (Non-Disclosed Information) are likely to be subject to competitive tender and have therefore not been disclosed.			
			Total	**781,200**
	SPORT & RECREATION			
1	Car Park renewals	Regionwide	Reseal carpark (defined by 15/16)	40,000
2	Recreational Ground Renewals	Regionwide	Access Road Renewals (by 15/16)	50,000
3	Bradwood Park Changeroom General Upgrade	Bradbury	Sport&Rec	10,000
4	Melville Park Clubrooms Verandah replacement at Upper Sturt Tennis Club	Upper Sturt	Sport&Rec	15,000
5	Woodside Cricket, Bowls and Tennis Club reroof	Woodside	Sport & Rec	35,000
6	Wright Rd Tennis & Netball Clubroom asbestos removal/painting	Stirling	Sport&Rec	30,000
7	Signage replacement	Stirling	Project for construction and installation of new signage for Woorabinda Bushland Reserve	30,000
8	Playground replacement	Regionwide	Replacement of existing Playground - site to be decided following updated condition audit	30,000
			Total	**240,000**

Index	Project	Suburb	Asset Description	BUDGET $
	ICT PROJECTS			
1	EDRMS - Renewal of Systems	Regionwide	Licence Costs and implementation of EDRMS Software (Existing or New)	100,000
2	SharePoint 2010 to 2013	Regionwide	Upgrade of SharePoint (Workspace) to current version	15,000
3	CRM Upgrade	Regionwide	Upgrade of CRM System and Workflow adjustments	15,000
4	GIS Mapping Renewal	Regionwide	Tender for renewal of GIS Software and implementation costs	15,000
5	Trapese Software - Planning	Regionwide	Solution for planners to use devices in the field to complete paperwork, streamline document management and speed up application process.	24,000
6	Systems Security Renewal - (Email Filter/Web Filter/Antivirus/TMG Firewall/Network Monitoring)	Regionwide	Renewal of ICT Security and Intrusion prevention systems	30,000
7	UPS/Air Con Maintenance Renewal	Regionwide	Replacement of parts that are identified by maintenance service contract	20,000
8	VMware View 6 upgrade	Regionwide	Upgrade of VMware View to better improve performance and video conferencing	10,000
			Total	**229,000**
	LIBRARY EQUIPMENT & FURNITURE			
1	Furnishings replacement/upgrading across all sites	Regionwide	0	12,500
2	Re-work back part of children's area at Stirling Library	Regionwide	0	5,000
3	Re-cover children's bench at Woodside	Regionwide	0	2,500
			Total	**20,000**
	PLANT & EQUIPMENT			
1	Replacement of Plant and Equipment including heavy and light fleet	Regionwide	Fleet replacement program	613,861
			Total	**613,861**
			Project Management / Capitalised Salaries 5%	446,230
	GRAND TOTAL RENEWAL/REPLACEMENT BUDGET			**9,355,832**

Index	Project	Suburb	Asset Description	BUDGET $
	NEW & UPGRADED ASSETS			
	Buildings:			
1	*Piccadilly Netball / Tennis – contrib. towards new building*	Piccadilly	*Contribution*	*30,000*
2	*New Corporate Signage Woodside Business Precinct*	Woodside	*Corporate signage*	*17,000*
3	*Woodside Office Fire Services upgrade stage 1 new external fire hose reels*	Woodside	*New fire services upgrade*	*35,000*
4	*Stirling External Fire Services Stage 4 - pump*	Stirling	*Fire services upgrade*	40,000
5	*External Fire Services Upgrade Heathfield Depot Stage 1*	Heathfield	*New fire services upgrade stage 1*	*50,000*
6	*Council Office Woodside - DDA Access and minor Internal Improvements*	Woodside	*New works to Administration Building*	*20,000*
7	*Design consultancy DA submission for AHBTC*	Lobethal	*Design consultancy*	*10,000*
8	*Woorabinda Bushland Reserve toilet*	Stirling	*Limited access public toilets*	80,000
9	*Mount Torrens Township reserve upgrade Stage 1*	Mount Torrens	*Mount Torrens Township reserve upgrade Stage 1 - Storage Room and additional landscaping*	30,000
10	*New Toilet at Lobethal Rec Ground (site not owned by Council)*	Lobethal	*Installation of new Public Toilet*	*85,000*
	Bus Stops:			
11	Mount Barker Road	Bridgewater	*On both sides in front of Jarads Nissan petrol station*	40,000
	Footpaths:			
12	Twin Street	Stirling	*Mt Barker Road to Millforde*	50,000
13	Epiphany Place	Crafers	*Mt Lofty Summit Road to Shurdington*	20,000
14	Kersbrook to One Tree Hill Road	Kersbrook	*Scott Street to Primary School*	15,000
15	Oakbank Street	Stirling	*Johnston Street to Stirling Oval*	35,000
16	Upper Sturt Road - Footpath/Walking Trail - Stage 1	Upper Sturt	*Approx from Sheoak Road intersection to between house 20 to 38 Upper Sturt Road*	20,000
17	William Street	Birdwood	*Footpath on William Street near Shannon Street to complete access from Blumberg Close to Service Station.*	8,000
18	Robert and Elizabeth Streets	Woodside	*Robert and Elizabeth Street Woodside (leading to Woodside Primary School)*	45,708
	ICT Projects:			
19	CRM & Conquest - Infor Surfacing	Regionwide	*Creating Linkages from CRM to Conquest for Works Order Activities*	10,000
20	Business Continuity Plan - Site Recovery Manager	Regionwide	*Improvements to Council ICT Business Continuity Plan (Moving Data Centre to CBD)*	70,000
21	Wireless Access Points (Council Building Wireless Access Points)	Regionwide	*Installation of more wireless access points in Council Buildings as users become more mobile with Tablet devices*	5,000

Index	Project	Suburb	Asset Description	BUDGET $
	NEW AND UPGRADED ASSETS – (Continued)			
	Memorials:			
22	New Memorials year 3 of 5 year programme	Regionwide	New memorials	20,000
	Roads			
23	OTHER : Morella Grove road diversion Stage 1	Bridgewater	Land Purchase associated with road realignment	NDI(*)
24	PAVEMENT: Lower Hermitage Road - widening	Inglewood	Design and Quantity Surveying only	20,000
25	PLANT: Heathfield Waste Depot	Heathfield	Modification of depot to allow separation of building waste materials	75,000
26	SEALS: Airstrip Road Inglewood	Inglewood	Seal the crest and provide guardrail	45,000
27	SEALS: Upgrade approaches to two fords on Millbrook Road Lower Hermitage	Inglewood	Renew approaches at two fords on Millbrook Road Lower Hermitage	16,000
	Sport and Recreation:			
28	Piccadilly Netball / Tennis Lighting	Piccadilly	Installation of additional lights at Piccadilly courts	28,000
	Stormwater:			
29	Junction Road Balhannah stormwater network addition	Balhannah	29 Junction Road to Creek outfall (Flood	67,500
30	John Street Woodside stormwater network addition	Woodside	John Street to Langbein Avenue	30,000
31	Theel Avenue Birdwood stormwater network addition	Birdwood	Blumel Road to Wegener Road	135,000
32	Lange Crescent Birdwood stormwater network addition	Birdwood	Deepen overflow path at end of Lange Crescent	50,000
			Project Management / Capitalised Salaries 5%	65,860
			Total	**1,288,068**
	GRAND TOTAL All Categories			**10,643,901**

(*) NOTE: line items marked "NDI" (Non-Disclosed Information) are likely to be subject to competitive tender and have therefore not been disclosed.

APPENDIX 3 - OPERATING BUDGET DETAIL

Community and Customer Service

Key Objectives and Budget	Key Activities

Cemeteries

The Council manages 16 cemeteries across the district. There are around 70 burials per year and around 25 ashes interments.

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	(175)	(165)
Expenses	95	73
Net Service Cost /(Income)	(81)	(91)

We plan to:
- Review remaining capacity and develop options for future burial and interment needs
- Investigate opportunities for natural burials within Council cemeteries

We will continue to:
- Implement electronic records and search functionality
- Improve interment right issuing processes

Community Centres and Programs

The Council runs and facilitates a range of programs based on building community capacity to pursue meaningful objectives. Focus areas include youth development and aged services, while community centres provide programs for all members of the community.

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	(1,205)	(1,169)
Expenses	2,261	2,282
Net Service Cost /(Income)	1,056	1,113

We plan to:
- Change aged service provision in line with changes being made by the Federal Government
- Establish a youth festival to highlight and showcase a range of youth development programs
- Establish a Community Leadership Development Program

We will continue to:
- Encourage active citizenship and volunteering
- Develop our understanding of Aboriginal culture with a view to identifying meaningful Aboriginal recognition initiatives.
- Explore and implement opportunities to provide programs in a pop-up or outreach fashion to reach areas of the community that are not close to community centres

Libraries and Customer Service

Library services are focussed on lifelong learning and providing opportunities for members of the community to explore and progress a range of areas of interest. There are three library branches, a mobile library and a home library service. Frontline customer service points are integrated with library services to provide 'one-stop' service.

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	(327)	(329)
Expenses	2,546	2,677
Depreciation	307	313
Net Service Cost /(Income)	2,527	2,661

We plan to:
- Enhance digital literacy, through a range of programs
- Review the way calls to the Council are managed and feedback is provided to customers who make requests

We will continue to:
- Support community initiated programs such as self-lending schemes
- Enhance accessibility to library programs and materials for people with special needs
- Refine and promote home library and mobile library services to provide reach across the whole district

Retirement Villages

The Council owns and manages six retirement villages across the district, which provide affordable living options for people who wish to remain in the community as they age.

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	(394)	(384)
Expenses	122	106
Depreciation	144	147
Net Service Cost /(Income)	**(128)**	**(132)**

We plan to:
- Implement a new grounds maintenance regime in consultation with residents

We will continue to:
- Provide rapid remarking and placement services to ensure the community makes full use of the units.

Communications & Community Events

Communication from the Council to the community needs to be accurate, reliable and clear.

Community events help build social cohesion and attract tourists to the district.

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	(8)	(8)
Expenses	346	389
Net Service Cost /(Income)	**338**	**381**

We plan to:
- Implement a new website front page with dynamic and fresh news content
- Enhance the Council's use of social media to achieve broader coverage of key communications

We will continue to:
- Implement the Communication & Marketing Plan
- Use communication to enhance the community's awareness of and access to the Council's functions and services
- Work with promoters of major events to attract events with strategic benefit to the area
- Strengthen the community's ability to initiate and organise events

Service Strategy & Innovation

The Council's improvement program is focussed on improving and streamlining processes and systems to ensure service delivery occurs in the most efficient and effective way possible. This area also includes leadership and support for the Community and Customer Service Directorate.

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	0	0
Expenses	464	447
Net Service Cost /(Income)	**464**	**447**

We plan to:
- Establish a mechanism for monitoring and reporting on achieving our service standards
- Improve key customer experiences based on community feedback

We will continue to:
- Improve customer service approaches across the organisation through the implementation of the Customer Service Framework Action Plan
- Utilise data from service standard reports, customer surveys and staff to identify opportunities to enhance service provision
- Identify innovative ways to deliver services and functions to meet the changing needs of our community
- Work across the organisation to ensure functions and services are focussed on meeting community needs

Corporate

Key Objectives and Budget	Key Activities
Adelaide Hill Business and Tourism Centre (AHBTC) The AHBTC is located at the former Onkaparinga Woollen Mills site at Lobethal and is managed by the Adelaide Hills Council. The site has evolved from a business incubator and currently has tenants involved in food and beverage production and retail, metal fabrication, natural resource management and storage along with a number of community, arts and recreation spaces.	*We plan to:* • Implement the priorities identified in the AHBTC Master Plan. *We will continue to:* • Manage and renew the AHBTC site to provide fit-for-purpose facilities for the community and commercial tenants.

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	(777)	(760)
Expenses	490	473
Depreciation	192	195
Net Service Cost /(Income)	**(95)**	**(92)**

Key Objectives and Budget	Key Activities
Corporate The Corporate function provides financial reporting and stewardship to the Council as a whole. The rates revenue that funds all services provided to the community is reported under this program.	*We plan to:* • Undertake a review of Rating Policy for consideration in the development of the 2016/17 Annual Business Plan. • Undertake a review of the Long Term Financial Plan prior to consideration of the 2016/17 Budget. • Review the Business Continuity Plan. *We will continue to:* • Design, consider and assess internal controls that mitigate Council's exposure to risk and provide assurance that Council's financial records are complete, accurate and reliable. • Provide guidance and support to the various external facing service areas of Council.

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	(32,111)	(33,491)
Expenses	2,293	2,555
Net Service Cost /(Income)	**(29,818)**	**(30,936)**

Key Objectives and Budget	Key Activities
Governance The Governance function provides the following services to the Council and community: Council, Committee and Advisory Group secretariat; Council Member support; corporate risk management coordination; internal audit and review services; coordination of legislative policies, codes and delegations; and property portfolio management.	*We plan to:* • Implement the priorities identified in the Governance Review. • Commence the Elector Representation Review in 2016. *We will continue to:* • Support the governance structures and arrangements for the Council, Committees and Council Members. • Meet legislative, regulatory and good governance responsibilities and obligations. • Facilitate the ongoing evaluation and management of risk.

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	(1)	0
Expenses	1,148	1,186
Net Service Cost /(Income)	**1,148**	**1,186**

Organisational Development & Work Health and Safety (WH&S)
This area provides services across the organisation, covering the whole employment cycle, to approximately 185 employees. Safety is our number 1 priority and activities support the organisational implementation and improvement of the management of safety.

	2014/15 Budget $'000	2015/16 Budget $'000
Expenses	455	538
Net Service Cost /(Income)	**455**	**538**

We plan to:
- Develop a Diversity Plan and begin implementation
- Undertake change management training for our leaders
- Further develop our leaders in managing employee safety

We will continue to:
- Continue to development our leaders in their ability to manage people and issues
- Undertake another Employee Opinion Survey
- Continue the implementation of our WH&S improvement plan
- Update procedures and processes to improve the safety of our people

---

Information Communication Technology
Council's ICT & IS teams provide over 80 systems, 1200 devices, council's website and a variety of services to support the technology and information management across the organisation. This program is responsible for the delivery of technology both corporately and within community facilities, Libraries and Community Centres.

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	0	0
Expenses	1,760	2,119
Depreciation	21	22
Net Service Cost /(Income)	**1,781**	**2,141**

We plan to:
- Finalise a review of the Electronic Documents Records Management System and implement recommendations.
- Improve existing Business Continuity through the implementation of a Data Centre outside the Council area.
- Review and implement hardware technology systems to underpin organisational objectives and deliver robust and well maintained ICT Assets for the delivery of Customer Service.
- Leverage off existing ICT infrastructure to reduce reliance on manual systems and processes

We will continue to:
- To provide direct customer service support to Council staff and the community to assist with the delivery of Council's overall Strategic Plan and Operational KPI's
- Review and implement changes to the way we manage corporate information and ensure the organisation makes the best use of information systems for better informed decision making.

Engineering and Assets

Key Objectives and Budget	Key Activities
Biodiversity Protecting and improving biodiversity throughout the hills is an important function of Council to ensure that future generations enjoy the benefits of a natural environment with a diversity of fauna and flora. The Adelaide hills are within an internationally recognised biodiversity 'hotspot'. <table><tr><th></th><th>2014/15 Budget $'000</th><th>2015/16 Budget $'000</th></tr><tr><td>Revenue</td><td>(12)</td><td>0</td></tr><tr><td>Expenses</td><td>285</td><td>402</td></tr><tr><td>Net Service Cost /(Income)</td><td>273</td><td>402</td></tr></table>	**We plan to:** • Investigate opportunities to expand the Native Vegetation Management System • Implement the Roadside Vegetation Management Plan including improved engagement with operational staff and contractors. • Develop landscaping planting guidelines for the community to encourage use of native plants in gardens and along verges. • Partnering in the Federal Government's Green Army program with other conservation groups in the region. **We will continue to:** • Implement the Adelaide Hills Council Biodiversity Strategy. • Deliver the woody weed control program to assist reduce high fuel loads and improve native vegetation. • Facilitate a range of programs delivered by volunteer organisations, government and non-government organisations. • Deliver the Bush for Life program in partnership with Trees for Life as per the three year agreement.
Buildings and Halls Council owns over 60 occupied building assets and aims to maintain these assets in the most economic manner ensuring they are fit for purpose. <table><tr><th></th><th>2014/15 Budget $'000</th><th>2015/16 Budget $'000</th></tr><tr><td>Revenue</td><td>(10)</td><td>(2)</td></tr><tr><td>Expenses</td><td>991</td><td>962</td></tr><tr><td>Depreciation</td><td>191</td><td>195</td></tr><tr><td>Net Service Cost /(Income)</td><td>1,172</td><td>1,155</td></tr></table>	**We plan to:** • Deliver efficiencies in the day to day operations and management for all Council's building assets through the review of service and supply contracts. **We will continue to:** • Maintain Council owned building structures and building facilities.
Sport and Recreation There are a range of open spaces and facilities across the district providing formal sporting and passive recreational opportunities to our community. Ongoing maintenance and planning ensures that these spaces are suitable for a range of uses requires. <table><tr><th></th><th>2014/15 Budget $'000</th><th>2015/16 Budget $'000</th></tr><tr><td>Revenue</td><td>(15)</td><td>(10)</td></tr><tr><td>Expenses</td><td>222</td><td>224</td></tr><tr><td>Depreciation</td><td>418</td><td>427</td></tr><tr><td>Net Service Cost /(Income)</td><td>626</td><td>641</td></tr></table>	**We plan to:** • Improve the coordination, planning and management of sport and recreation facilities across the district to ensure that facilities are well utilised and plans are in place to meet future community demands. • Appoint a Sport and Rec Officer to assist clubs and associations co-ordinate the delivery of relevant strategic projects. **We will continue to:** • Maintain both built and natural assets to provide suitable Sport and Recreational facilities that are accessible to all members of the community.

Asset Management

Council owns assets that have a replacement value of over $450 million dollars. The ongoing management, maintenance and planning for replacement of assets ensures that public infrastructure is safe and appropriate for current and future community needs.

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	(20)	(21)
Expenses	2,095	1,995
Net Service Cost /(Income)	2,074	1,974

We plan to:
- Re-assess the condition of a number of Council's asset classes including roads, footpaths and stormwater.
- Review Council's Asset Management Plans and revise as necessary to reflect the current condition of assets, future requirements and network capacity.
- Review the management and maintenance of the heavy vehicle fleet
- Implement outcomes from a review of the light vehicle fleet to reduce FBT costs

We will continue to:
- Maintain existing infrastructure
- Manage internal staff and contractors delivering maintenance programs.
- Develop and deliver maintenance programs to maximise the economic life of infrastructure.

Upper Torrens Land Management Project

Assistance is provided to private land owners to address issues such as: soil erosion, salinity and acidity, pasture establishment and/or improvement, fencing for dams and watercourses, re-vegetation with native trees and shrubs, protection of native flora and fauna, creation of habitat for birds and native animals, and the maintenance of creeks and watercourses.

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	(491)	(551)
Expenses	550	552
Net Service Cost /(Income)	58	0

We plan to:
- Assist the Upper Torrens Land Management Project deliver the objectives of the grant used to fund the project.

We will continue to:
- Administer the grant received by the Upper Torrens Land Management Project.

Works Programs

The works program maintains Council's roads, drainage, parks and associated infrastructure.

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	(842)	(777)
Expenses - Roads Sealed	1,210	1,507
Expenses – Roads Unsealed	1,077	1,170
Expenses - Roads Other	545	610
Expenses - Parks, Reserves, Township Gardens	1,072	1,131
Expenses - Footpaths	251	300
Expenses - Tree Limbing	932	701
Expenses - Stormwater	808	818
Expenses - Supervision	308	403
Expenses - Depots, Stores & Plant	(1,459)	(1,472)
Expenses - Works other	1,094	897
Depreciation	5,757	5,872
Net Service Cost /(Income)	10,752	11,160

We plan to:
- Review our programs to best deliver our services in the most efficient manner.
- Review heavy plant allocation to ensure it is fit for purpose.
- Review the after-hours service to ensure best outcomes for customers and compliance with work, health safety requirements.

We will continue to:
- Undertake proactive and reactive maintenance to Council's infrastructure.
- Continue to manage the impact of the Sampson Flat bushfire
- Implement zoned based maintenance for infrastructure assets

Strategy and Development

Key Objectives and Budget	Key Activities
CWMS Council operates two Community Waste Water Management Scheme (CWMS) facilities at Birdwood and Kersbrook, and operates CWMS networks at Charleston, Woodside, Verdun and Stirling which then connect to SA Water sewer facilities at Bird in Hand, Hahndorf and Heathfield.	***We plan to:*** • Undertake a review of the CWMS management and operations with a view to identifying more effective and efficient ways to manage these, and ultimately reduce costs for Council. • Continue to maximise waste water reuse through existing arrangements and explore new opportunities as they arise. ***We will continue to:*** • Manage and operate the CWMS facilities in a responsible cost effective and environmentally sustainable manner • Maintain the provision of a waste water disposal service

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	(1,277)	(1,277)
Expenses	624	639
Depreciation	334	341
Net Service Cost /(Income)	**(318)**	**(297)**

Key Objectives and Budget	Key Activities
Economic Development Council aims to play a greater role in this area and will implement the Economic Development Strategy and associated initiatives in order to promote and facilitate jobs growth in, and sustainable economic growth and prosperity, of the Council district. Council will also provide services and support to the business community and prospective investors through existing partnerships with Tea Tree Gully Business Enterprise Centre and Regional Development Australia.	***We plan to:*** • Implement the Economic Development Strategy • Appoint an Economic Development Officer to drive this service and implement the aforementioned Strategy ***We will continue to:*** • Be actively involved in Adelaide Hills Tourism and related initiatives • Ensure that the tourism and economic development potential of the Adelaide Hills Business and Tourism Centre in Lobethal is maximised • Be an active member of Regional Development Australia Hills & Coasts • Pursue Stage 1 (National Heritage Listing) of the World Heritage Status Bid project • Update the State of the District Report.

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	0	0
Expenses	92	92
Net Service Cost /(Income)	**92**	**92**

Key Objectives and Budget	Key Activities
Sustainability Council has committed to becoming a more environmentally sustainable organisation by implementing initiatives to reduce energy consumption, waste generation, water usage and adapt to climate change and build more resilient communities.	***We plan to:*** • Formulate a Regional Climate Adaptation Plan (Phase 2) • Continue to roll out installation of solar PV panels on Council buildings • Improve the efficiency of the Council's light fleet • Prepare a Water Resources Strategy ***We will continue to:*** • Roll out identified sustainability initiatives • Plan and implement activities using advice from the Sustainability Advisory Group.

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	(160)	(75)
Expenses	120	96
Depreciation	0	9
Net Service Cost /(Income)	**(40)**	**30**

Planning and Development

Council has a statutory responsibility to undertake assessment of development applications and manage compliance of development activities undertaken within the district. Some of these activities result in appeals being lodged to the Environment, Resources and Development Court which need to be defended by Council. Council also has a responsibility for fire safety of buildings with public access (which includes commercial, industrial & accommodation buildings).

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	(442)	(445)
Expenses	1,736	1,773
Net Service Cost /(Income)	**1,294**	**1,328**

We plan to:
- Pursue implementation of Electronic Lodgement of development applications
- Pursue development assessment system improvements
- Improve the dissemination of information to customers on development assessment matters

We will continue to:
- Assess development applications
- Undertake development compliance inspections
- Undertake building compliance inspections in accordance with our Building Inspection Policy
- Manage the activities of the Development Assessment Panel
- Manage the Building Fire Safety Committee
- Review of liquor licence applications

Health and Regulatory

Council is responsible for a number of statutory environmental health and regulatory services focused on general community safety. These include, food safety inspections, immunisation, environmental pollution control, parking control, bushfire prevention, managing of use of road reserves for business purposes, animal management, and waste water management.

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	(594)	(535)
Expenses	1,864	1,625
Net Service Cost /(Income)	**1,270**	**1,090**

We plan to:
- Finalise and implement the Regional Health Plan
- Complete the Bushfire Hazard Mapping for the district
- Develop a forward program of Bushfire Prevention Works

We will continue to:
- Process waste water system applications
- Undertake Health inspections (including food safety inspections and audits)
- Provide a community and school based immunisation service
- Enforce parking controls
- Undertake bushfire safety inspections and hazard reduction programs
- Undertake activities in relation to dog and cat management

Strategy and Development

Council now has a greater emphasis on strategic decision making and targeted internal and external initiatives through a "Strategic Hub". This internal resource is responsible for monitoring the implementation of Strategic Plan actions, implementing assigned strategic projects and initiatives, formulating corporate and Development Plan policies, and providing strategic advice/research/analysis and assistance to the organisation.

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	0	0
Expenses	872	974
Net Service Cost /(Income)	**872**	**974**

We plan to:
- Prepare a District Master Plan and a timetable for development of Precinct Plans
- Develop a suite of Corporate & Societal Indicators
- Complete the Townships & Urban Areas Development Plan Amendment (DPA)
- Prepare relevant policies for the Primary Production Lands DPA
- Finalise the Local Heritage (Stage 1) DPA for community consultation
- Implement the Community Engagement Framework

We will continue to:
- Provide strategic advice & support (including research & analysis) to the organisation
- Monitor & report on the implementation of Strategic Plan actions/projects
- Assist with the formulation of corporate strategic policy
- Assist with community consultation initiatives including Community Forums
- Plan and implement activities using advice from the Rural Land Management Advisory Group

Waste

Council provides a kerbside waste management service to all businesses and residences within the district. It is also a member of two regional waste management subsidiaries. One provides the kerbside collection service, and the other manages a landfill site at Brinkley. Council also identifies strategies to reduce waste to landfill leading to improved environmental outcomes (including reduction in greenhouse gas emissions).

	2014/15 Budget $'000	2015/16 Budget $'000
Revenue	(33)	(25)
Expenses	4,132	3,845
Net Service Cost /(Income)	**4,099**	**3,820**

We plan to:
- Undertake a review of the Waste Strategy to further reduce waste to landfill
- Implement actions from the revised Waste Strategy

We will continue to:
- Manage the waste collection service (including collection of hard and green waste & recyclables, waste from special events, street litter bin collections)
- Manage the Heathfield waste transfer station
- Manage a number of post closure activities of Council landfill sites
- Provide opportunities for green waste drop off
- Roll out waste reduction services (e.g. kitchen caddies)

APPENDIX 4 - RATES DETAIL

Rates are Council's main source of income to deliver the services and maintain the infrastructure required by our community. In the community there is always pressure to provide more services but it is important that this is balanced against the community's ability to pay today and into the future.

Rates are a form of property taxation and property values play an important part in determining how much each individual ratepayer contributes. As it is a system of taxation the rates paid may not directly relate to the services used by each ratepayer. Generally it is assumed the higher the value of the property relative to others in the community the higher the rates paid.

Local Government rates are based on the value of the property and a rate (in the dollar). Under the Local Government Act 1999 councils may use one of three valuation methodologies:

•   Capital value - value of land and all improvements

•   Site value - value of land and any improvements which permanently affect the amenity of use of the land, such as drainage works but excluding value of buildings and other improvements, or

•   Annual value - valuation of the rental potential of the property.

Adelaide Hills Council, as with most other metropolitan councils, uses Capital value. This is because it is a well understood concept as most of ratepayers can relate fairly easily to the market value of their property.

In applying the principles of any taxation it is important that the 5 principles of taxation (equity, benefit, ability to pay, efficiency, simplicity) are balanced against the policy objectives of taxation, which is the need to raise revenue and the effects of the tax on the community.

The Fixed Charge System

The rating system provides for a fixed charge and a rate in the dollar which is applied against the property value. This has been set at $433 for 2015/16, *($418 in 2014/15)*.

The fixed charge is generally recognised as a device to enhance equity among ratepayers. It ensures that the services to benefit all properties (or people) are recovered from them equally. It avoids the inherent penalties imposed on the lowest value properties by a minimum rate and on the highest value properties by a variable rate only. Fixed charges are particularly appropriate to (and prevalent in) rural/regional areas like the Adelaide Hills.

Rate Capping

Capping limits the increase in rates paid on a principal place of residence to 15% maximum, subject to certain conditions. Each year's annual rates notice includes a rate capping application form, and applications are invited from any eligible ratepayer. *(NB: where recent improvements to a property have exceeded $20,000 or the ownership/land use has changed, capping is not available. It is intended only to relieve existing ratepayers from sharp upwards capital revaluations outside their control.)*

Rate Deferment for Retirees

Council's policy on rate deferrals is consistent the Local Government Act 1999. It is aimed to alleviate the "asset rich, income poor" scenario which affects many retirees.

Regulation 13A(1) of the Local Government (General) Regulations 1999, allows any amount in excess of $500 to be postponed, but the property must be the home of the qualifying senior, and interest applies on the deferred rates (at 1% over the cash advance debenture rate, calculated monthly)

There is a Seniors Postponement Scheme under Section 182A of the Act which allows ratepayers eligible to hold a Seniors card to postpone some of the rates on their principal place of residence each year.   Council can also allow the postponement of Rates payments under Section 182 if those payments would cause financial hardship.

Rebate of Rates

The Local Government Act Division 5 requires Council to rebate rates on some land.

Mandatory Rebates

A Mandatory rebate of 100% applies to:

»   Land predominantly used for service delivery or administration by a hospital or health centre incorporated under the South Australian Health Commission Act 1976.

» Land containing a church or other building used for public worship, or land used solely for religious purposes.

» Land being used for the purposes of a public cemetery.

» 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 Inc.

A Mandatory rebate of 75% applies to:

» Land occupied by a government school under a lease or licence & being used for educational purposes.

» Land occupied by a non-government school registered under Part 5 of the Education Act 1972 and being used for educational purposes.

» 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.

» Land predominantly used for service delivery or administration by a community service organisation as defined under Section s 161(3) & 161(4) of the Local Government Act 1999 (as amended).

» All properties owned by registered community housing associations.

The power to determine applications for mandatory rates rebates is delegated to the Chief Executive Officer, and where a mandatory rebate of 75% applies, Council will not consider any further rebates for that property. If Council is aware of an organisation entitled to a mandatory rebate, and that eligibility is not in doubt for that rebate, then the Chief Executive Officer can grant a rebate without first receiving an application.

Discretionary Rebates

Council has the power (under Section 166 of the Local Government Act 1999 (as amended)) to grant discretionary rebates as follows:

» The rebate is desirable for the purpose of securing the proper development of the Council area (or part thereof).

» The rebate is desirable for the purpose of assisting or supporting business within the Council area.

» The rebate will conduce to the preservation of buildings or places of historic significance.

» The land being used for educational purposes.

» The land 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 approved for Commonwealth funding under the Aged Care Act 1997(Commonwealth) or a day therapy centre.

» The land is being used by an organisation which, in the opinion of Council, provides a benefit 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 free and unrestricted access and enjoyment.

» The rebate is considered by Council to provide relief against what would otherwise amount to substantial changes in rates payable by a ratepayer due to changes in the basis or structure of the Council's rates, or a change in the basis of valuation, rapid changes in valuation or anomalies in valuations.

» A liability to pay a rate or charge that is inconsistent with the liabilities that were anticipated by the Council in its annual business plan.

» The power to determine applications for discretionary rebates of rates has been delegated to the Chief Executive Officer.

Applications for a rates rebate must be made in writing and accompanied by the appropriate supporting documentation.

ADELAIDE HILLS COUNCIL AREA
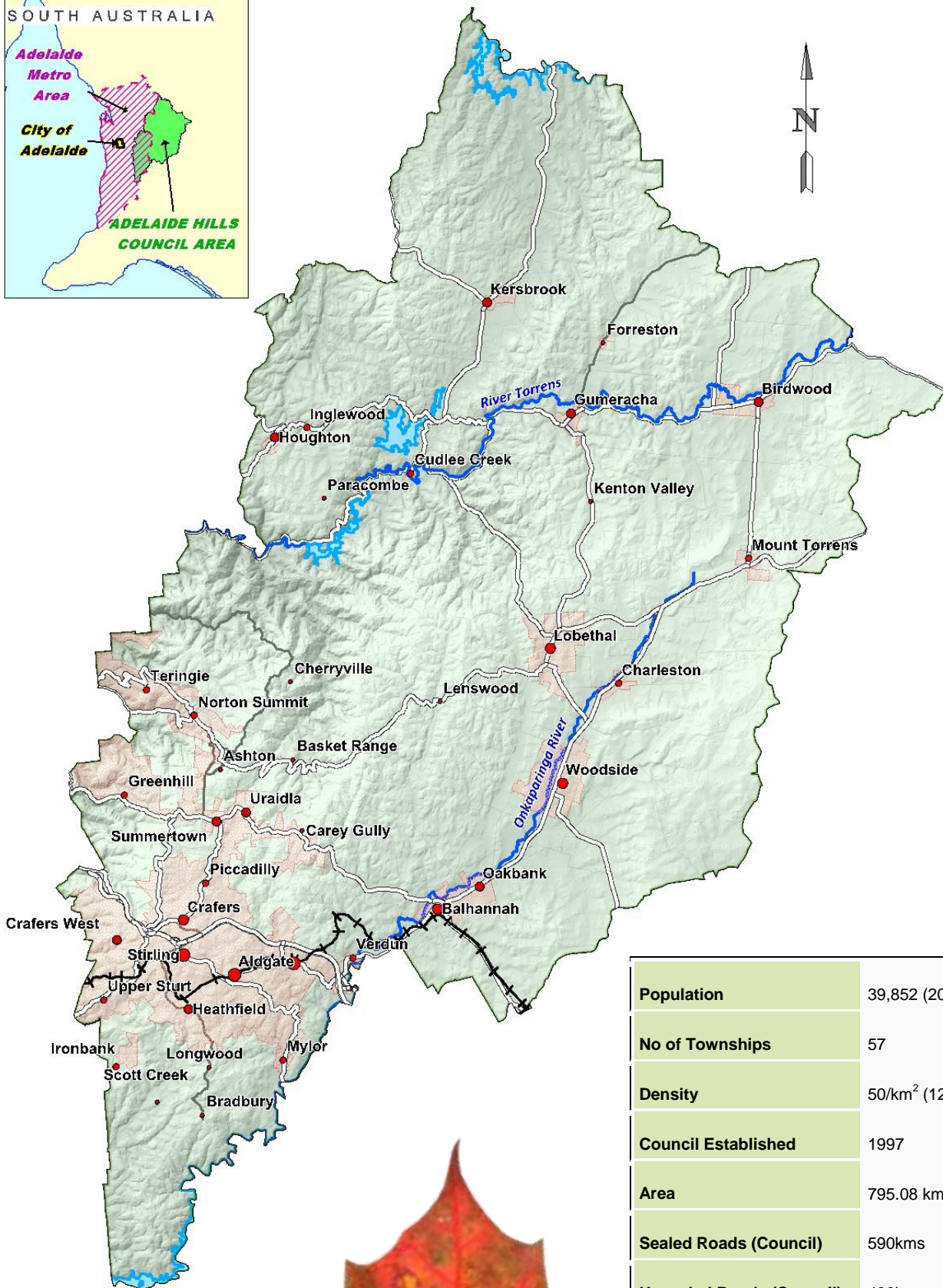
Population	39,852 (2009)
No of Townships	57
Density	50/km^2 (120/sq mi)
Council Established	1997
Area	795.08 km^2 (307.0 sq mi)
Sealed Roads (Council)	590kms
Unsealed Roads (Council)	430kms
State Electorates	Heysen, Morialta, Kavel, Schubert
Federal Divisions	Mayo, Sturt, Wakefield

APPENDIX 6, GLOSSARY OF TERMS

Acronym	Description
AHBTC	Adelaide Hills Business & Tourism Centre
AMP	Asset Management Plan
CBD	Central Business District
CPI	Consumer Price Index
CRM	Customer Relationship Management
CWMS	Community Wastewater Management Systems
DDA	Disability Discrimination Act
DPA	Development Plan Amendment
FBT	Fringe Benefits Tax
ICLEI	International Council for Local Environmental Initiatives
ICT	Information & Communication Technology
IS	Information Systems
JV	Joint Ventures
KPI's	Key Performance Indicators
LTFP	Long Term Financial Plan
NDI	Non-Disclosed Information
PV	Photovoltaic
SP	Strategic Plan
WH&S	Work Health & Safety