



Adelaide Hills
COUNCIL

Annual Business Plan 2020-21

Welcome

This is our Annual Business Plan for 2020-21 which outlines how we plan to achieve our goals over the next financial year. These goals are linked directly to our *Strategic Plan 2020-24 – A Brighter Future*, but also come from our other plans and strategies. Our priorities for this year have been refined through community consultation held over the period 28 May to 18 June 2020.

The Annual Business Plan meets the requirements of the *Local Government Act 1999*, and also provides relevant information for our community.

This publication is provided for our ratepayers, residents, business operators, visitors, government agencies and other interested people.

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Council acknowledges that we undertake our business on the traditional lands and waters of the Peramangk and Kaurna people.

We pay our respects to Elders past, present and emerging as the Custodians of this ancient and beautiful land.

Overview

The Annual Business Plan 2020-21 shows what services, programs and projects will be our focus over the next financial year. It also shows how we will allocate our resources to achieve the goals we set out in our *Strategic Plan 2020-24 – A Brighter Future*, while ensuring Council's long term financial targets are met.

Our focus in 2020-21 is on recovery and supporting the Adelaide Hills community through challenging times, while still maintaining the much needed services we provide.

We have reshaped our initial plans for 2020-21 with a reduced average general rate increase of 2.95% which will still allow us to maintain financial sustainability as well as fund our initiatives to support businesses and community members who have been impacted by the Cudlee Creek Bushfire and/or COVID-19.

The key elements of the Annual Business Plan are outlined in the table to the right, and explained in more detail throughout this document.

Planned Activities

- We have **118** strategic initiatives identified which contribute towards achieving our long term goals
- These include:
 - **47** capital initiatives (\$5.0m)
 - **71** operating initiatives (\$1.5m)
- A key initiative for 2020-21 is the allocation of **\$120k** to support community members who have been financially impacted by the bushfires and/or COVID-19

Capital Budget

- **\$5.0** million for capital expenditure on new or upgraded assets
- **\$9.2** million for capital renewal

Operating Budget

- Expenditure of **\$47.5** million
- Income of **\$47.4** million

Borrowing

- Net Borrowings of **\$4.8m**, resulting in forecast Borrowings at June 2021 of **\$17.8m**

Rates

- Average increase in general rates of **2.95%**. For an average value residential property this equates to an increase of approximately \$59.

Financial Sustainability

- Adjusted operating surplus ratio **0.7%** in line with Council's target of 0% to 10%
 - Net financial liabilities ratio **51%** in line with Council's target of 0% to 100%
 - Asset sustainability ratio **100%** in line with Council's target of 90% to 110%
-

Our Recovery Journey - we will survive and thrive in this new world

Our community continues to navigate the challenging road to recovery from the Cudlee Creek Bushfire in December 2019 and the ongoing impacts of the 2020 global Coronavirus (COVID-19) pandemic. Like others across the world we are having to adapt to a new reality and changing cultural norms. Council's role is to provide the community with the necessary tools and environment to survive and thrive in this new world without surrendering the community values that bind and support us.

The *Annual Business Plan 2020-21*, in conjunction with our *Long Term Financial Plan*, sets out how we will deliver the essential services and infrastructure necessary for a healthy and safe community. It also provides a roadmap for delivering Council's new *Strategic Plan 2020 – 2024: A Brighter Future* that prioritises support for recovery and resilience across our district. It establishes key goals and priorities for the Built Environment, Community Wellbeing, Economic Prosperity, the Natural Environment and Organisational Progress.

The pandemic and bushfires brought many restrictions to our daily freedoms so that now, more than ever, we all recognise the importance of a connected community and spaces where we can come together to share, learn and play. Places where we can build, grow and that make us feel proud - such as our libraries, community centres, Fabrik Arts + Heritage centre in Lobethal and the revitalised Gumeracha Main Street. We've also learnt to be more sophisticated and flexible in our use of technology for contactless program delivery where necessary and we will continue to build on this experience.

Unlike many other Councils, 85 per cent of our revenue comes from rates. The average general rate increase of 2.95 per cent aligns with current State and Local Government economic advice. It will allow us to maintain financial sustainability as well as fund our initiatives to support businesses and community members impacted by the bushfire and COVID-19, while also stimulating the local economy. Council works tirelessly to source additional Government funding to support our recovery. This is an ongoing challenge that is starting to reap results. We will continue to lobby over the coming year for a fair share of available funding to 'build back better' for the future, including support for a 'Community Ready' program to improve community preparedness and resilience.

There are 122 strategic initiatives in this *Annual Business Plan 2020-21* informed by your feedback. I encourage you to explore the plan and embrace the initiatives, goals and priorities that will support our community on its recovery journey.

We want Adelaide Hills' residents, business owners and visitors to continue to feel safe and supported in their communities; to connect with each other; to enjoy our unique natural environment and local culture; to feel pride of place; and to be ambitious for a brighter future.

Dr Jan-Claire Wisdom
Mayor

Our Elected Council



Mayor
Jan-Claire Wisdom



Deputy Mayor
Cr Nathan Daniell
(Ranges Ward)



Cr Ian Bailey
(Ranges Ward)



Cr Kirrilee Boyd
(Ranges Ward)



Cr Pauline Gill
(Valleys Ward)



Cr Chris Grant
(Valleys Ward)



Cr Linda Green
(Valleys Ward)



Cr Malcolm Herrmann
(Valleys Ward)



Cr John Kemp
(Ranges Ward)



Cr Leith Mudge
(Ranges Ward)



Cr Mark Osterstock
(Ranges Ward)



Cr Kirsty Parkin
(Ranges Ward)



Cr Andrew Stratford
(Valleys Ward)

About us

Council and Committees

The Elected Council's role is to provide for the governance and management of the Council area. It does this through representing the interests of the community; providing and coordinating public services and facilities; encouraging and developing initiatives to improve the community's quality of life; and exercising, undertaking its functions under legislation and its strategic management plans.

A number of committees have been established in accordance with legislation to assist the Council to discharge its responsibilities in specific areas. These are the Strategic Planning & Development Policy Committee (SPDPC), the Audit Committee, the Chief Executive Officer Performance Review Panel (CEOPRP), the Council Assessment Panel (CAP), the Building Fire Safety Committee and the Health & Safety Committee.

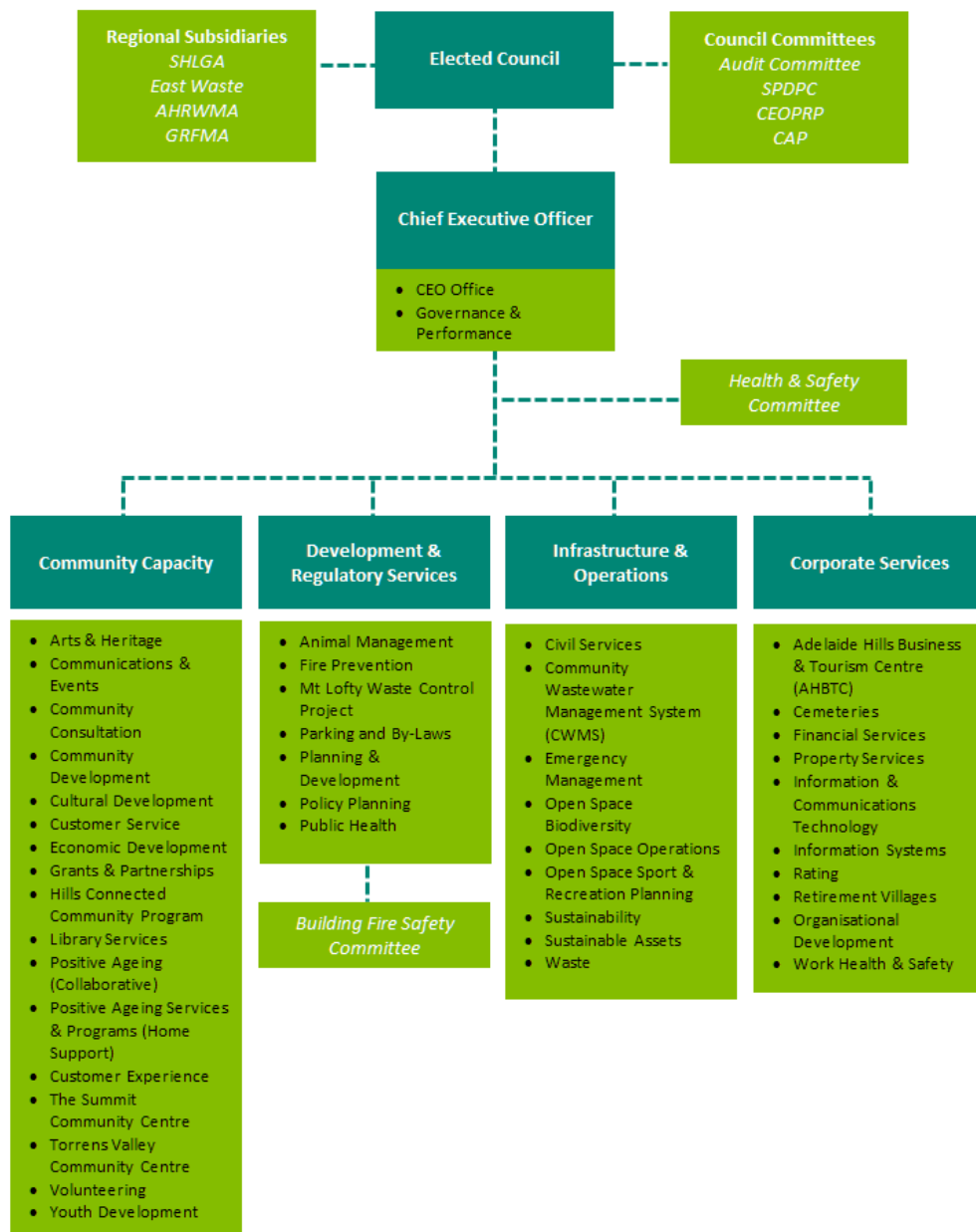
Regional Subsidiaries

Council is a member of four regional subsidiaries which assist in the strategic planning and service delivery activities. The subsidiaries are the Southern and Hills Local Government Association (SHLGA), the Eastern Waste Management Authority (East Waste), the Adelaide Hills Region Waste Management Authority (AHRWMA), and the Gawler River Floodplain Management Authority (GRFMA).

Administration

The Council's Administration is led by a Chief Executive Officer appointed by the Council.

The Chief Executive Officer appoints staff to carry out the functions and duties delegated to them and to implement Council decisions. The Administration is organised into directorates (see diagram), each with a specific area of focus and functional responsibilities. The arrangement of the directorates provides for the separation of the regulatory activities (into the Development & Regulatory Services Directorate) from the other activities of the Council.



Our Goals

The Annual Business Plan has been developed to align with our *Strategic Plan 2020-24 – A Brighter Future*, which was adopted by Council on 28 April 2020 and sets out what we wanted to achieve over the next four years. These goals and objectives are listed in the table below. Over the following pages we will show how our day to day activities, recovery efforts and strategic initiatives will help us to deliver each of these long term goals.

A functional Built Environment

B1 Our district is easily accessible for community, our businesses and visitors

B2 Preserve and enhance the unique character of the Hills for current and future generations

B3 Consider external influences in our long term asset management and adaptation planning

B4 Sustainable management of our built assets ensures a safe, functional and well serviced community

Community Wellbeing

C1 A community for everyone - that is inclusive, welcoming and accessible

C2 A connected, engaged and supported community

C3 A community that grows together

C4 An active, healthy, thriving and resilient community

C5 Respect for Aboriginal Culture and values

C6 Celebrate our community's unique culture through arts, heritage and events

A prosperous Economy

E1 Support and grow our region's existing and emerging industries

E2 Provide local infrastructure to drive growth and productivity

E3 Encourage, attract and retain a creative, talented and skilled workforce in our region

E4 Cultivate a clear, unique and consistent regional identity that can be leveraged to attract national and international attention

A valued Natural Environment

N1 Conserve and enhance the regional natural landscape character and amenity values of our region

N2 Recognise the benefits of ecosystem services and improve environmental resilience by reducing environmental impacts

N3 Nurture valuable partnerships and collaborations and engage the local community in the management of our natural environment

N4 Reduce the impact of waste to landfill by maintaining a robust waste and resource management framework

N5 Assist our community to reduce the impact of waste to landfill on the environment

A progressive Organisation

O1 We have the right people with the right knowledge and skills in the right jobs and they are supported and developed

O2 Our customers find it easier to interact and do business with Council and have an improved customer experience

O3 Our organisation is financially sustainable for both current and future generations

O4 We actively represent our community

O5 We are accountable, informed, and make decisions in the best interests of the whole community

O6 Technology and innovation is utilised to better meet our community's expectations and deliver value for money



Our Aspiration

Ensure that all decisions regarding the built environment recognise our unique character and natural environment to maintain and enhance liveability for our community.

Some of the key highlights we have planned for 2020-21 include:

- Implementing the State's new Planning and Development System including the conversion of Council's Development Plan into the new Code
- Implementing round 2 of the Local Heritage Grant Fund for protecting and upgrading of places in our area
- Commencing stage 2 of the Local Heritage (Private Places) Code Amendment
- Implementing a new Cemetery Management System
- Preparing revised Asset Management Plans

How we will measure our success

Our success will be demonstrated through service based performance measures and customer feedback in delivering what our community needs and what we aspire to achieve under our Capital Works Program, Civil Zone Maintenance Program, Asset Management Plans, and energy usage targets.

We have developed Corporate Performance Indicators (*Appendix 3*) which will be used in our reporting to Council each quarter, and in our Annual report for 2020-21.

Our Services

- **Planning & Development** – Assessment of development applications and activities within the region. Inspection of approved buildings and swimming pools and taking compliance action where required. Reviewing safety of publicly accessible buildings.
- **Policy Planning** – undertaking large scale policy and research projects such as conversion of Council's Development plans into the State's new Planning and Design Code.
- **Customer Service** – frontline customer service including processing of development applications.
- **Property Services** - Ongoing maintenance and management of Council's real estate assets including some 380+ parcels of land and 180+ buildings.
- **Cemeteries** – Ongoing maintenance and management of 16 Council owned cemeteries within the region.
- **Strategic Assets** – Develops and refines the Asset Management Plans and the future renewal Capital Works Programs. Manages Council's Geographic Information Systems and associated corporate data.
- **Open Space Operations** – Carries out Capital Works upgrades for projects such as playgrounds.
- **Civil Services** – Ongoing management, maintenance and replacement planning of public infrastructure including roads, bridges, signage, stormwater, kerbs and footpaths.
- **Community Wastewater Management Systems (CWMS)** – Management of CWMS and associated infrastructure e.g. septic tanks, treatment ponds.

Our Objectives and Priorities

Objectives

B1 *Our district is easily accessible for community, our businesses and visitors*

B2 *Preserve and enhance the unique character of the Hills for current and future generations*

B3 *Consider external influences in our long term asset management and adaptation planning*

B4 *Sustainable management of our built assets ensures a safe, functional and well serviced community*

Priorities

B1.1 Increase accessibility to our district through the development and delivery of high priority trails and routes for all cyclists (on-road, off road, commuters, recreational) and pedestrians

B2.1 Continue to embrace and support community led public place revitalisation across our district

B3.1 Improve water security by maximising water reuse opportunities, reducing reliance on ground water and improving water efficiencies for open space irrigation and building facilities

B4.1 Ensure the long term management of the built form and public spaces occurs in consideration of the relevant financial, social and environmental management matters

B1.2 Improve outcomes for the elderly by incorporating Council's Age Friendly Strategic Plan into built environment design and delivery

B2.2 Incorporate Water Sensitive Urban Design principles within Council developments and projects and advocate for other developments within the region to do the same

B3.2 Aim to achieve 100% renewable energy use for our corporate operations and strive towards carbon neutrality

B4.2 Embrace innovative and new technology solutions to proactively maintain our built assets that further enhance the provision of efficient services to the community

B1.3 Progress state-wide and inter-regional connectivity of cyclist routes by partnering with neighbouring councils

B2.3 Proactively work with developers to ensure that built form complements or enhances existing local character whilst preserving the character and amenity of our towns, historic buildings and scenic environment

B3.3 Investigate and source recyclable materials for asset renewal projects wherever practical and in doing so promote the circular economy

B4.3 Ensure Council owned or managed assets, including staff accommodation, are functional and adaptive to meet service requirements. Also, where appropriate and endorsed by Council, equitably assist community owned site (halls and recreation sites) to ensure their facilities are functional and meet service standards

B1.4 Ensure that the key road network is accessible for heavy vehicles used by the primary production, tourism and construction sectors through engagement with industry and Government

B2.4 Ensure our planning framework, council policies and guidelines support privately owned local heritage places

B3.4 Proactively adapt our built environment to changes in social and environmental factors to minimise the impact from natural hazards such as fire and flood

B4.4 Improve road safety through a safe system approach to road design, construction and maintenance including on-going applications to the State and Federal Road Blackspot program

B1.5 Provide accessibility for the full range of users by ensuring Council's road, footpath and trails network is adequately maintained and service levels for all users are developed and considered

B2.5 Continue to collaborate with other councils and stakeholders in pursuing our World Heritage Bid to protect the landscapes, sites and facilities that represent the State's aboriginal and early colonial history

B2.6 Support communities recovering from natural disasters with expedited development assessment services

B4.5 Explore and provide the infrastructure to support Electric Vehicles (EV) and investigate infrastructure requirements for emerging technological transport such as Connected and Automated Vehicles (CAV)

Built Environment - Strategic Initiatives

Strategic Initiatives are specially funded and prioritised activities, projects and programs of work that are planned over the next 3 years. “Capital” initiatives are generally related to new physical assets and infrastructure investment, while “Operating” initiatives are related to administrative projects, community programs and other activities and tasks.

Project ID	Strategic initiatives (Operating and Capital)	Area	Objective and/or Priority	Type	Budget 2020-21 (\$'000)	Long term financial plan (\$'000)	
						2021-22	2022-23
B1001	Recreation Trails & Cycling Route Upgrades	Infrastructure & Operations	B1.1	Capital	-	75	75
B1002	Amy Gillett bikeway – Stage 4 & 5	Infrastructure & Operations	B1.3	Capital	-	-	990
B1003	Program to install bus shelters across public network (Birdwood, Lobethal & Stirling Yr 1)	Infrastructure & Operations	B1.5	Capital	44	40	60
B1004	New and upgraded footpaths	Infrastructure & Operations	B1.5	Capital	183	230	200
B1005	Newman Rd Charleston Reconstruction – Kerb / Pavement & Stormwater	Infrastructure & Operations	B1.5	Capital	520	-	-
B2001	Federation Park and oval masterplan implementation	Infrastructure & Operations	B2	Capital	-	150	50
B2002	Gumeracha Main Street Project - Stage 2	Infrastructure & Operations	B2.1	Capital	464	-	-
B2003	Gumeracha undergrounding of powerlines	Infrastructure & Operations	B2.1	Capital	550	-	-
B2004	Gumeracha Main Street Stormwater	Infrastructure & Operations	B2.1	Capital	100	100	-
B2005	Transition to the Planning, Development & Infrastructure Act (PDI Act)	Development & Regulatory Services	B2.3	Operating	CO	-	-
B2006	Local Heritage Grant Fund	Development & Regulatory Services	B2	Operating	20	20	-
B2007	Integration of Development Assessment Systems	Development & Regulatory Services	B2.3	Operating	G	-	-

Legend: **G** Grant funding **CO** resourced through the Core Operating expenditure - not resourced for this financial year



Amy Gillett Bikeway, Charleston

Built Environment - Strategic Initiatives *continued...*

Project ID	Strategic initiatives (Operating and Capital)	Area	Objective and/or Priority	Type	Budget 2020-21 (\$'000)	Long term financial plan (\$'000)	
						2021-22	2022-23
B3001	Water reuse for Woodside Recreation Ground irrigation (Investigation Year 1)	Infrastructure & Operations	B3.1	Capital	20	200	200
B3002	Implementing water efficiencies through irrigation renewals /upgrades. (Year 1 – Birdwood play space)	Infrastructure & Operations	B3	Capital	40	100	100
B3003	Investigate and implement central irrigation control system (region wide)	Infrastructure & Operations	B3	Capital	-	75	75
B3004	Prepare turf and irrigation design/management plans for key bore water use areas	Infrastructure & Operations	B3	Operating	-	20	20
B3005	Energy Upgrades, Battery & Efficiency Actions from new Carbon Management Plan	Infrastructure & Operations	B3	Capital	100	170	50
B3006	Investigate the transition of main road street lighting to LED	Infrastructure & Operations	B3.2	Capital	40	-	-
B3007	Finalise Carbon Inventory	Infrastructure & Operations	B3	Operating	10	-	-
B3008	Sustainable Buildings Policy	Infrastructure & Operations	B3	Operating	-	-	10
B3009	Sustainable Transport Plan	Infrastructure & Operations	B3	Operating	-	-	12
B3010	Fleet Transition Plan	Infrastructure & Operations	B3	Operating	10	-	-
B3011	Carbon Offsets Policy	Infrastructure & Operations	B3	Operating	-	8	-
B3012	Energy Usage Behaviour Change Program and Travel Surveys	Infrastructure & Operations	B3	Operating	-	10	-
B3013	Community Carbon Management Plan actions	Infrastructure & Operations	B3.2	Operating	-	20	-

Legend: **G** Grant funding **CO** resourced through the Core Operating expenditure - not resourced for this financial year



Birdwood Motor Museum, Birdwood

Built Environment - Strategic Initiatives *continued...*

Project ID	Strategic initiatives (Operating and Capital)	Area	Objective and/or Priority	Type	Budget 2020-21 (\$'000)	Long term financial plan (\$'000)	
						2021-22	2022-23
B4001	Lower Hermitage Road Stormwater Capacity Upgrade	Infrastructure & Operations	B4	Capital	130	-	-
B4002	Road side rock cutting Hill Rd Kersbrook.	Infrastructure & Operations	B4	Capital	40	-	-
B4003	Grevillia Way Woodside Drainage Infrastructure to reduce flooding	Infrastructure & Operations	B4	Capital	100	-	-
B4004	Woodland Way Teringie Drainage Infrastructure to reduce flooding	Infrastructure & Operations	B4.3	Capital	50	-	-
B4005	Aldgate Terrace Bridgewater Drainage Infrastructure to reduce flooding	Infrastructure & Operations	B4.3	Capital	40	-	-
B4006	Asset Management – Additional System Licences and Field Devices	Infrastructure & Operations	B4	Capital	60	60	60
B4007	Asset Management Plans for Buildings	Infrastructure & Operations	B4.1	Operating	10	10	10
B4008	Combined maintenance team for playgrounds/park furniture/cemeteries	Infrastructure & Operations	B4.1	Operating	65	93	95
B4009	Building Upgrades - Minor	Infrastructure & Operations	B4.1	Capital	100	100	100
B4010	Cemeteries Upgrades	Infrastructure & Operations	B4.1	Capital	37	38	-
B4011	Community Wastewater Management System Capacity Upgrades (Birdwood and Woodside Gravity Mains)	Infrastructure & Operations	B4	Capital	30	510	540
B4012	Stirling Library Lawn - Rotunda Replacement	Infrastructure & Operations	B4.1	Capital	150	-	-
B4013	Upgrading of Woodside Library/Service Centre	Community Capacity	B4.1	Capital	45	-	-

Legend: **G** Grant funding **CO** resourced through the Core Operating expenditure - not resourced for this financial year





Project ID	Strategic initiatives (Operating and Capital)	Area	Objective and/or Priority	Type	Budget 2020-21 (\$'000)	Long term financial plan (\$'000)	
						2021-22	2022-23
B4014	Road Safety Program including co-contribution to Road Blackspot	Infrastructure & Operations	B4	Capital	197	200	200
B4015	Installation of further Electric Vehicle charging stations	Infrastructure & Operations	B4	Capital	35	35	-
B4016	Purchase of Electric Vehicles for Council fleet	Infrastructure & Operations	B4	Capital	20	20	20
B4017	Water Sensitive Urban Design (WSUD) implementation for Woodside Recreation Ground	Infrastructure & Operations	B4.2	Capital	20	-	-
B4018	Climate Change adaptations for infrastructure	Infrastructure & Operations	B4.1	Capital	50	50	-

Legend: **G** Grant funding **CO** resourced through the Core Operating expenditure - not resourced for this financial year

Federal Funding Program Opportunities

To assist us in delivering better services and programs for our community, we look to some of the following funding opportunities which are not currently accounted for within this draft plan.

Federal Blackspot Funding Program

\$551,000 in Blackspot Funding has been secured for four Adelaide Hills Council Projects which we are planning to deliver in 2020-21 include projects for Ironbank Road, Ironbank; Martin Hill Road, Forreston; Ridge Road, Mylor; and Checker Hill Road, Kersbrook

Local Roads & Community Infrastructure Program

Adelaide Hills Council is able to apply for up to \$781,415 in Federal funding for local road and community infrastructure projects that involve the construction, maintenance and/or improvements to council-owned assets (including natural assets) that are generally accessible to the public. Council have now identified preferred priority projects which will deliver benefits to the community, such as improved accessibility, visual amenity and safety benefits. Amendments to the 2020/21 delivery program may be made once the priority projects have been determined.



Our Aspiration

An inclusive and prosperous community with the capacity to flourish and fulfil their potential through opportunities to engage, connect, participate and enhance wellbeing.

Some of the key highlights we have planned for 2020-21 include:

- Providing support for community events related to both the Cudlee Creek Bushfire and COVID-19 recovery efforts
- Development of a Disability Access & Inclusion Plan
- Development of a Regional Health Plan with a focus on wellbeing
- Implementation of the Multicultural Action Plan, which will assist us to bring cultural experiences and shared understanding to the community
- Progression of the development of Fabrik Arts & Heritage Hub
- Development of a Library Strategic Plan which will help to guide the future development and programs related to our library services and staff
- Working with local history groups to make resources available online for our community
- Development of the Innovate Reconciliation Action Plan
- Supporting Youth in areas of leadership, skill development and engagement with their community, through workshops and other programs
- Progressing the Community and Recreation Facilities Framework

How we will measure our success

We demonstrate our success by using service based performance measures and customer feedback in areas of community participation and volunteering, community development programs and support, ageing support, library usage and the achievement of our disaster recovery objectives.

We have developed Corporate Performance Indicators (*Appendix 3*) which will be used in our reporting to Council each quarter, and in our Annual report for 2020-21.



Our Services

- **Fabrik Arts and Heritage Hub** – Providing community exhibitions, workshops and events. Supporting community on creative recovery after the Cudlee Creek fire and COVID-19.
- **Library & Customer Services** - Providing access to information resources for learning or leisure. Providing opportunities for community to engage, learn and connect. Staffing libraries, outreach services, customer service desks and call centre. Processing payments, registrations and development applications.
- **Volunteering** – Encouraging voluntary participation across the Adelaide Hills through provision of opportunities, training and support for volunteer involving groups.
- **Property Services** – Management and maintenance of Council’s Bridgewater retirement village.
- **Public Health** – Inspections of food businesses, waste water and public swimming pools.
- **Parking and By-law Enforcement** – Activities aimed at maximising safety and enjoyment for all road users and pedestrians. Assisting with community events and markets.
- **Sport & Recreation Planning** – Management and utilisation of Council’s sport, recreation and open space assets; and support of clubs and the community’s recreational activities throughout the region.
- **Youth Development** – Providing a range of programs and activities to support and develop youth in our community.
- **Positive Ageing** – Providing home and social support. Developing and implementing targeted strategies and programs in our region.
- **Community Centres** – Providing opportunities to improve health and wellbeing, participate in lifelong learning, share their skills and experience and contributing to their community through volunteering.
- **Communications, Engagement and Events** – Ensuring communication between the Council and community is accurate, relevant, valuable and engaging. Promoting and supporting community events.
- **Community Development** – Overseeing community wellbeing and disability access and inclusion programs, as well as a number of regional support programs.
- **Cultural Development** – Focusing on cultural diversity, Aboriginal respect and recognition, and the arts in all its forms.
- **Grants & Partnerships** – Grant giving programs supporting community based initiatives. Partnerships with other stakeholders to deliver local and regional outcomes.

Our Objectives and Priorities

Objectives

C1 - A community for everyone that is inclusive, welcoming and accessible

C2 - A connected, engaged and supported community

C3 - A community that grows together

C4 - An active, healthy, thriving and resilient community

C5 - Respect for Aboriginal Culture & values

C6 - Celebrate our community's unique culture through arts, heritage & events

Priorities

C1.1 Provide welcoming spaces and places for the community through our libraries, community centres, and Council and community facilities

C2.1 - Work with community to provide a range of programs and opportunities to connect and engage around shared interests

C3.1 - Provide and support programs and services that encourage and enhance personal growth, lifelong learning and professional development

C4.1 - Support community wellbeing through our contribution to public health planning, disaster recovery activities and the implementation of strategies that aim to measure and enhance wellbeing.

C5.1 - Partner with the Aboriginal and Torres Strait Islander community to develop our second Reconciliation Action Plan (Innovate) and actively participate in Reconciliation Week

C6.1 - Develop Fabrik as a vibrant cultural hub for the Adelaide Hills, fostering community connections and creativity and presenting the significant history of the Woollen Mill site

C1.2 Support and promote opportunities for social inclusion and celebration of our cultural diversity

C2.2 - Support our ageing community to access services and continue to participate and contribute to community life

C3.2 - Support volunteering both organisationally and in the community as an essential element in delivering community outcomes and building wellbeing

C4.2 - Support the provision of formal and informal sport, recreation and play spaces for the community to enjoy

C5.2 - Celebrate and recognise Aboriginal culture and heritage through participation in and the delivery of programs and activities that engage our community in cultural experience and learning

C6.2 - Develop, support or bring events to our district that have social, cultural, environmental or economic benefits

C1.3 Make the district more accessible and welcoming for all with a focus on youth participation, positive ageing, disability inclusion and multiculturalism

C2.3 - Facilitate opportunities for our youth to develop skills, build resilience and be actively involved in and connected to their community.

C3.3 - Empower our community groups and leaders to shape and determine change in their community through the provision of training opportunities, grants that meet strategic priorities, building relationships and supporting communities to be cohesive in progressing local projects.

C4.3 - Recognise that trails are a destination in their own right and support both commuter and recreational trail opportunities

C5.3 - Support and promote opportunities for our community to engage in cultural experience and learning

C6.3 - Recognise, encourage and support artists, emerging artists, writers and performers through promotion of the Arts and supporting opportunities to exhibit and perform

C1.4 Advocate and Seek opportunities to improve transport options for those who need it most

C2.4 - Increase participation from the broadest range of our community and engage with them to shape policies, places and decisions that affect them

C3.4 - Build partnerships with community and other stakeholders to enhance our capacity to provide and support opportunities for them to thrive

C4.4 - Support clubs and groups to continue to provide sport and recreation activities to the community

C5.4 - Support and promote opportunities for our community to engage in cultural experience and learning

C6.4 - Foster the development of Public Art that adds value to public spaces and supports place making in our community

C1.5 - Encourage more housing opportunities where provided for in the Development Plan

C2.5 - Continue to work with government agencies and non-governmental organisations to support the community recovery from natural disasters and the COVID-19 pandemic.

C4.5 - Take an all hazards approach to emergency management so we can support the emergency services and the community before, during and after disaster events.

Community Wellbeing - Strategic Initiatives

Strategic Initiatives are specially funded and prioritised activities, projects and programs of work that are planned over the next 3 years. “Capital” initiatives are generally related to new physical assets and infrastructure investment, while “Operating” initiatives are related to administrative projects, community programs and other activities and tasks.

Project ID	Strategic initiatives (Operating and Capital)	Area	Objective and/or Priority	Type	Budget 2020-21 (\$'000)	Long term financial plan (\$'000)	
						2021-22	2022-23
C1001	Disability Planning - staffing	Community Capacity	C1	Operating	36	37	38
C1002	Disability Planning - materials	Community Capacity	C1	Operating	10	10	10
C2001	Norton Summit Community Centre facilities upgrade	Community Capacity	C2	Capital	58	-	-
C2002	Develop the next Age Friendly Community Plan	Community Capacity	C2	Operating	-	-	20
C4001	Community Wellbeing Initiatives - staffing	Community Capacity	C4.1	Operating	20	21	21
C4002	Regional Health Planning Initiatives - staffing	Community Capacity	C4.1	Operating	21	21	22
C4003	Court Resurfacing - Office for Recreation, Sport & Racing Grant Funding	Infrastructure & Operations	C4	Capital	28	-	-
C4004	Court Resurfacing - Federal Government Community Development Grant Funding	Infrastructure & Operations	C4	Capital	G	-	-
C4005	Heathfield Oval Change room Upgrade – Sport Australia Grant Funding	Infrastructure & Operations	C4	Capital	G	-	-
C4006	Play Space Upgrades – Mount Torrens, Charleston, Kersbrook (linked to renewal)	Infrastructure & Operations	C4.2	Capital	180	70	70
C4007	Heathfield Oval - Masterplan Implementation	Infrastructure & Operations	C4	Capital	72	-	-
C4008	Woodside Recreation Ground - Masterplan Implementation	Infrastructure & Operations	C4	Capital	70	-	-
C4009	Heathfield Oval - Masterplan Implementation – AHC Grant Funding Contribution	Infrastructure & Operations	C4	Capital	500	-	-
C4010	Play Space – Asset Auditing	Infrastructure & Operations	C4	Operating	7	-	-

Legend: **G** Grant funding **CO** resourced through the Core Operating expenditure - not resourced for this financial year



Community Wellbeing - Strategic Initiatives *continued...*



Project ID	Strategic initiatives (Operating and Capital)	Area	Objective and/or Priority	Type	Budget 2020-21 (\$'000)	Long term financial plan (\$'000)	
						2021-22	2022-23
C4011	Adelaide Hills (War Memorial) Swimming Centre - Asset Audit	Infrastructure & Operations	C4	Operating	10	-	-
C4012	Climate Change Adaptation Plan projects	Infrastructure & Operations	C4.5	Operating	-	20	30
C4014	Emergency Management Preparedness Consumables/Capital	Infrastructure & Operations	C4.5	Operating	-	-	5
C4015	Emergency Management Bushfire Preparedness Consultancy	Infrastructure & Operations	C4.5	Operating	10	-	-
C4016	Implement the Bushfire Recovery Action Plan	CEOs Office	C4.5	Operating	430	-	-
C5001	Reconciliation Action Plan (RAP) initiatives	Community Capacity	C5	Operating	CO	5	5
C5002	Aboriginal Cultural Centre development	Community Capacity	C5	Operating	-	10	10
C6001	Fabrik Activation - Capital	Community Capacity	C6	Capital	-	-	1008
C6002	Capital Divestment - Sales Revenue	Corporate Services	C6	Capital	-	(1000)	-
C6003	Capital Divestment - Capital Cost	Corporate Services	C6	Capital	535	1130	-
C6004	Activation Arts & Heritage Hub - Operating (Income)	Community Capacity	C6	Operating	(47)	(295)	(305)
C6005	Activation Arts & Heritage Hub - Operating (Expenditure)	Community Capacity	C6	Operating	305	505	603
C6006	Grow our involvement in the Women's Tour Down Under	Community Capacity	C6.2	Operating	10	10	10
C6007	Support for small community events	Community Capacity	C6.2	Operating	20	5	5
C6008	Support for high profile regional event	Community Capacity	C6	Operating	5	10	5
C6009	Public Art (including acquisition)	Community Capacity	C6.4	Operating	3	15	15

Legend: **G** Grant funding **CO** resourced through the Core Operating expenditure - not resourced for this financial year

A prosperous Economy



Our Aspiration

Our region's economy is diverse and sustainable with a reputation for quality, niche products, services and experiences underpinned by a culture of creativity and innovation.

Some of the key highlights we have planned for 2020-21 include:

- Updating the Economic Development Plan
- Recruiting an Economic Development Officer to support additional economic development initiatives
- Supporting events in the region such as the Tour Down Under
- Funding and supporting preparation for tourism restart across the region
- Seeking external funding opportunities for key projects and programs in the region
- Progressing our World Heritage Bid
- Waiving outdoor dining permits, fines and interest charges

How we will measure our success

Getting feedback from our business community as well as analysing business demographic, growth and visitor data will help to show where our services are assisting local businesses and overall economic prosperity.

We have developed Corporate Performance Indicators (Appendix 3) which will be used in our reporting to Council each quarter, and in our Annual report for 2020-21.

Our Services

- **Economic Development** - Providing networking opportunities, coordinating local development efforts, promoting branding and tourism initiatives, and advocating to other levels of government to support projects and investments benefiting the local economy.
- **Property Services** – Managing permits related to events, outdoor dining, roadside trading and mobile food vans.
- **Old Woollen Mills Precinct** – Maintaining strong relationships with the owners and tenants of the site (Council being one of the owners) to support the continued success of the businesses and the development of Fabrik.
- **Public Health** – Legislative function related to public safety with regard to food businesses and treatment and disposal of waste water on site.
- **Communications, Engagement and Events** – Managing, promoting and supporting various large and small events to benefit our community such as the Tour Down Under, Stirling Markets, and Gumeracha Medieval Fair.
- **Development Advice & Approvals** – Assisting businesses and landowners when wishing to develop their properties.

Our Objectives and Priorities

Objectives

E1 - Support and grow our region's existing and emerging industries

E2 - Provide local infrastructure to drive growth and productivity

E3 - Encourage, attract and retain a creative, talented and skilled workforce in our region

E4 - Cultivate a clear, unique and consistent regional identity that can be leveraged to attract national and international attention

Priorities

E1.1 - Support and encourage local and international tourists to visit the Adelaide Hills

E2.1 - Work with all levels of Government to ensure the region's infrastructure needs are understood and prioritised

E3.1 - Attract and encourage professional and business development and networking activities

E4.1 - Work with key stakeholders to develop a realistic, yet inspiring, collective vision to connect the region and its industries

E1.2 - Take advantage of the full potential of our region's primary production and associated value adding activities

E2.2 - Explore and advocate for the opportunities that new technologies could bring to our region

E3.2 - Understand the nature of skills our region's businesses will require to prosper into the future

E4.2 - Work with our communities and businesses to encourage co-ordinated and strategic regional projects that enhance and support the regional identity

E1.3 - Support and encourage the growth and development of our region's creative industry micro businesses

E2.3 - Support changes to planning and development that leverages and encourages sustainable economic development

E3.3 - Work with our local communities and businesses to create active, attractive and vibrant places

E4.3 - Support and encourage events that supports the region's identity and generates social, cultural and economic benefits

E1.4 - Promote, support and encourage our existing and emerging businesses to respond to economic changes by being creative, innovative, productive and resilient to unexpected impacts.

E2.4 - Manage and maintain Council assets to maximise their utilisation and benefit to the community

E3.4 - Enable start-ups and home based business through services, information and networking opportunities

E4.4 - Support the continued development and community engagement for the World Heritage nomination of the region

E1.5 - Engage and assist our region's key business and industry groups to be resilient, proactive and successful

E1.6 - Encourage and facilitate local supplier participation in all level of Government tendering processes

Economy - Strategic Initiatives

Strategic Initiatives are specially funded and prioritised activities, projects and programs of work that are planned over the next 3 years. “Capital” initiatives are generally related to new physical assets and infrastructure investment, while “Operating” initiatives are related to administrative projects, community programs and other activities and tasks.

Project ID	Strategic initiatives (Operating and Capital)	Area	Objective and/or Priority	Type	Budget 2020-21 (\$'000)	Long term financial plan (\$'000)	
						2021-22	2022-23
E1001	Economic Development Officer	Community Capacity	E1	Operating	75	103	106
E1002	Financial support to assist the business & community to recover from bushfires and COVID-19 (incl. rates)	Corporate Services	E1.4	Operating	120	-	-
E2001	Review and upgrade Council signage and branding	Community Capacity	E2.5	Capital	25	15	15
E2002	Place making program to shape, activate and coordinate place making at a community level	Development & Regulatory Services	E2	Operating	CO	CO	CO
E2003	Upgrades of the remaining two DPTI roundabouts at Crafers on-ramp and Piccadilly	Infrastructure & Operations	E2.4	Capital	160	-	-
E4001	Additional Tree safety work required to support the Tour Down Under	Infrastructure & Operations	E4	Operating	30	30	30
E4002	UNESCO World Heritage Bid	Development & Regulatory Services	E4.4	Operating	5	5	5

Legend: **G** Grant funding **CO** resourced through the Core Operating expenditure - not resourced for this financial year





Our Aspiration

The natural environment of the Adelaide Hills contributes significantly to the character of the region and is greatly valued by our local community and visitors.

Some of the key highlights we have planned for 2020-21 include:

- Community education on the proposed cat confinement rules in preparation of 1 January 2022 implementation
- Expanded incorporation of recycled materials into our Capital Works program
- Inspections of aerobic wastewater system irrigation to ensure compliance and protection of the Mt Lofty Ranges Water Catchment
- Expanding on our emergency management response
- Property inspections and education as part of bushfire prevention strategies

How we will measure our success

The services we provide and the influence we have in the community will demonstrate our success in maintaining a healthy and resilient region. In particular this will be shown through community education outcomes, achieving biodiversity targets, and service driven performance in managing animals, waste and resources, and our natural spaces.

We have developed Corporate Performance Indicators (Appendix 3) which will be used in our reporting to Council each quarter, and in our Annual report for 2020-21.

Our Services

- **Sustainability**– Including climate change considerations into Council decision making, providing strategies for carbon neutrality, water management and renewable energy in response to climate change impacts.
- **Open Space Biodiversity**– Undertaking activities such as weed management, habitat conservation and expansion, research and knowledge development, and supporting community in their related activities.
- **Animal Management** - Promoting responsible dog and cat ownership, responding to nuisance and hazards caused by other animals including livestock, eradicating European wasp nests and conducting a Feral Cat Study.
- **Open Space Operations** – Maintaining parks and reserves, biodiversity activities, and fire breaks/tracks.
- **Fire Prevention**– Legislative function of ensuring identified properties are prepared for the bushfire season. Assessing the extent of bushfire hazards within the Council area and providing advice to land owners in respect of bushfire prevention and management.
- **Mt Lofty Waste Control Project**– Working in collaboration with SA Water to Identify failing wastewater systems impacting on the water catchment.
- **Waste** - Providing waste collections and recycling services to 16,500 properties, green waste organics kerbside collections in townships, ‘at call’ hard waste collection, and operates the Heathfield Resource Recovery Centre for community use.

Our Objectives and Priorities

Objectives

N1 - Conserve and enhance the regional natural landscape character and amenity values of our region

N2 - Recognise the benefits of ecosystem services and improve environmental resilience by reducing environmental impacts

N3 - Nurture valuable partnerships and collaborations and engage the local community in the management of our natural environment

N4 - Reduce the impact of waste to landfill by maintaining a robust waste and resource management framework

N5 - Assist our community to reduce the impact of waste to landfill on the environment

Priorities

N1.1 - Enhance and manage horticultural amenity, including succession planning for street trees that contribute to and reinforce our distinctive streetscapes and villages

N2.1 - Monitor and manage areas of high biodiversity or habitat value on Council reserves and Native Vegetation Marker Scheme (NVMS) sites using best practice methodologies

N3.1 - Increase knowledge and environmental awareness within the community through engagement and education

N4.1 - We will work with partners to analyse the benefits and feasibility of introducing a fee incentive to property owners to produce less waste in relation to the kerbside bin service

N5.1 - Encourage and educate the community to help minimise the generation of household waste by advocating the principles of the Waste Management Hierarchy to avoid, reduce and reuse

N1.2 - Manage reserves and open space to support the community, whilst balancing biodiversity conservation, resource use and environmental impacts

N2.2 - Explore opportunities and take appropriate actions to monitor current and emerging threats to biodiversity including feral cats and Phytophthora

N3.2 - Collaborate and engage with public and private organisations, schools and community members (including the Aboriginal community as the first nation peoples), to improve biodiversity outcomes and land management practices.

N4.2 - We will explore more Green Organics options to achieve improved environmental and financial outcomes.

N5.2 - Support and assist the community to prevent valuable resources going to landfill and reduce contamination in kerbside recycling bins

N2.3 - Mitigate bushfire risks across the landscape by undertaking fuel reduction activities including woody weed control, maintenance of asset protection zones and educate & enforcement to reduce fuels on private property

N3.3 - Continue to work in partnership with the Resilient Hills and Coasts region to build Council and community resilience to the impacts of climate change

N4.3 - We will provide specific education to the community to increase their level of food scrap recycling

N4.4 - Implement new or improved waste service opportunities whilst continuing to provide ongoing resource recovery and waste service to our community

N2.4 - Work with supporting organisations and agencies to foster the restoration of native flora and fauna habitat following the 2019-20 bushfire

Natural Environment - Strategic Initiatives

Strategic Initiatives are specially funded and priority activities, projects and programs of work that are planned over the next 3 years. “Capital” initiatives are generally related to new physical assets and infrastructure investment, while “Operating” initiatives are related to administrative projects, community programs and other activities and tasks.

Project ID	Strategic initiatives (Operating and Capital)	Area	Objective and/or Priority	Type	Budget 2020-21 (\$'000)	Long term financial plan (\$'000)	
						2021-22	2022-23
N1001	Tree population data collection	Infrastructure & Operations	N1	Operating	-	-	-
N1002	Develop a masterplan for Lobethal Bushland Park	Infrastructure & Operations	N1.2	Operating	CO	-	-
N2001	Bird surveys for monitoring bird impact on post burn sites identified in BMAP	Infrastructure & Operations	N2.1	Operating	-	-	7
N2002	Heritage Agreements for land under Council's care and control	Infrastructure & Operations	N2.3	Operating	5	5	5
N2003	Roadside Marker Program to protect and manage roadside vegetation	Infrastructure & Operations	N2.1	Operating	45	45	45
N2004	Review Unformed Public Roads to ascertain connectivity potential & habitat value	Infrastructure & Operations	N2.1	Operating	-	-	64
N2005	Develop Encroachment Policy	Infrastructure & Operations	N2.2	Operating	-	-	6
N2006	Develop and review Council Management Plans for high value reserves	Infrastructure & Operations	N2.1	Operating	3	3	3
N2008	Develop informative and attractive signage in Council reserves/playgrounds	Infrastructure & Operations	N2.1	Capital	10	10	10
N2009	Feral cat study and implementation of an action plan	Development & Regulatory Services	N2.2	Operating	30	30	-

Legend: **G** Grant funding **CO** resourced through the Core Operating expenditure - not resourced for this financial year



Rain created waterfall at Mt Lofty

Natural Environment - Strategic Initiatives *continued...*

Project ID	Strategic initiatives (Operating and Capital)	Area	Objective and/or Priority	Type	Budget 2020-21 (\$'000)	Long term financial plan (\$'000)	
						2021-22	2022-23
N2010	Follow up weed control post-burn on 8 Bushfire Management Area Plan sites	Infrastructure & Operations	N2.3	Operating	0	0	40
N2011	Wastewater Aerobic Irrigation Inspections - compliance staff	Development & Regulatory Services	N2	Operating	35	-	-
N3001	Local Climate Adaptations for landscape conservation	Infrastructure & Operations	N2.1	Operating	10	10	10
N3002	Resilient community facilities and open space including water fountains	Infrastructure & Operations	N3	Operating	-	20	30
N4001	Explore feasibility and benefits of a User Pays Kerbside Bin Service	Infrastructure & Operations	N4.1	Operating	-	50	25
N5001	Undertake kerbside waste audits	Infrastructure & Operations	N5.1	Operating	10	10	10
N5002	Trial Resource for reducing Council's Solid Waste Levy Costs	Infrastructure & Operations	N5.1	Operating	-	25	-

Legend: **G** Grant funding **CO** resourced through the Core Operating expenditure - not resourced for this financial year



A progressive Organisation



Our Aspiration

Council is recognised for its skilled and agile workforce, for its representative and accountable governance, its commitment to cost effectiveness and efficient service delivery.

Some of the key highlights we have planned for 2020-21 include:

- Implementation of the Bushfire Recovery Action Plan
- Service Changes to accommodate COVID-19 impacts
- Undertake a review of the Corporate Plan to support the delivery of the recently adopted Strategic Plan
- Undertake a Cyber Security Audit to assess whether the necessary systems and strategies are in place to mitigate the threat of cyber attacks
- Develop a Service Review Framework
- Broadcasting Council meetings and exploring additional opportunities for the community to access and provide input to Council and Committee decision-making processes

How we will measure our success

As an organisation, our measures of success include service-driven performance measures, achievement of financial targets, evidence of our corporate governance, implementation of innovative processes and technology, and organisational development achievements.

We have developed Corporate Performance Indicators (Appendix 3) which will be used in our reporting to Council each quarter, and in our Annual report for 2020-21.

Our Services

- **Customer Experience** – Driving organisational improvement and innovation to improve the customer experience.
- **Information, Communication and Technology** – Providing support for over 1300 devices, 250 system users and 100 public access devices for libraries and community centres. Manages system security, asset maintenance and renewal.
- **Financial services** – Providing accounting and financial activities including procurement support, payments, collection of rates and debt recovery, treasury management and support to Council in financial decision making.
- **Organisational Development and Work Health & Safety** – Providing support across the whole organisation including development, human resource management, work health and safety and payroll.
- **Governance** – Supporting elected Council Members, the Administration and community with their legislated roles and responsibilities including coordination of Council & Committee meetings, elections, risk management, audit and review activities, and corporate planning and reporting activities.
- **Property Services** – Ongoing maintenance and management of Council's service centres and operational sites.
- **Information Systems** – Systems for the capture, dissemination, storage, security, accessibility and management of information received and generated by Council.
- **Emergency Management** – Working collaboratively to prevent, prepare, respond and recover from natural disasters and other hazards.
- **Bushfire Recovery** – Planning, coordination and overall impact of the recovery effort related to the Cudlee Creek Bushfire.

Our Objectives and Priorities

Objectives

O1 - We have the right people with the right knowledge and skills in the right jobs and they are supported and developed

O2 - Our customers find it easier to interact and do business with Council and have an improved customer experience

O3 - Our organisation is financially sustainable for both current and future generations

O4 - We actively represent our community

O5 - We are accountable, informed, and make decisions in the best interests of the whole community

O6 - Technology and innovation is utilised to better meet our community's expectations and deliver value for money

Priorities

O1.1 - Progressively enhance our safe systems of work to maintain emotional and physical safety of our people

O1.2 - Continue to develop a positive culture through supporting an equitable, diverse and continuously improving work environment

O1.3 - Support our people leaders in further developing the skills necessary to lead engaged and productive teams

O1.4 - Continue to support all staff through training, mentoring, coaching and development to enable the achievement of organisational and community goals

O2.1 - Develop our digital channels to better meet customers' current and future needs

O2.2 - Modernise our services and enhance the customer experience by making service delivery faster, more convenient and more proactive

O2.3 - Build the capabilities of our people through a focus on two-way communication, cooperation and placing customers at the centre of everything we do

O2.4 - Continuously strive to measure and improve performance and service delivery across all functions

O3.1 - Ensure the delivery of agreed strategic plan requirements whilst meeting endorsed long term targets for a sustainable operating surplus and level of debt

O3.2 - Ensure that renewal of assets and the associated maintenance is based on current asset management plans which consider reviewed service levels and whole of life costing

O3.3 - Actively pursue alternative funding opportunities to reduce reliance on rates income

O3.4 - Assess the range and level of services undertaken to ensure they fulfil Council's legislative and strategic intent

O4.1 - Optimise opportunities for the community to access and provide input into the decision-making processes

O4.2 - Attract and develop a diverse and capable elected body that represents, promotes and reflects the composition of the community

O4.3 - Advocate to, and exert influence with, our stakeholders on behalf of our community to promote the needs and ambitions of the region

O4.4 - Explore council boundary reform options that best serve the community

O5.1 - Enhance governance structures and systems to prudently adapt to changing circumstances and meet our legislative obligations

O5.2 - Make evidence-based decisions and prudently assess the risks and opportunities to our community before taking action.

O5.3 - Demonstrate accountability through robust corporate planning and reporting that enhances performance, is relevant and easily accessible by the community

O6.1 - Progressively strengthen Council's systems security to minimise the impact of cyber attack

O6.2 - Utilise technology to enable more evidence based and efficient delivery of services to the community

O6.3 - Provide more resilient business systems by utilising cloud technologies where appropriate

O6.4 - Utilise our online engagement tools to reach a wider range of community members to obtain their views and input.

O6.5 - Support the delivery of services to the community through improved utilisation and connectivity of existing business systems

O6.6 - Ensure the way in which we provide our digital services delivers an enhanced experience for our community

Organisation - Strategic Initiatives

Strategic Initiatives are specially funded and priority activities, projects and programs of work that are planned over the next 3 years. “Capital” initiatives are generally related to new physical assets and infrastructure investment, while “Operating” initiatives are related to administrative projects, community programs and other activities and tasks.

Project ID	Strategic initiatives (Operating and Capital)	Area	Objective and/or Priority	Type	Budget 2020-21 (\$'000)	Long term financial plan (\$'000)	
						2021-22	2022-23
O1001	Resource to manage Skytrust (WHS system) implementation following WHS Improvement Plan	Corporate Services	O1	Operating	34	35	-
O1002	Update of Business Continuity Plan and implementation	CEOs Office	O1.1	Capital	20	20	5
O2001	New Council website and e-services	Community Capacity	O2.1	Capital	100	200	-
O2002	Annual Council website licence subscription	Community Capacity	O2	Operating	-	60	60
O2003	Customer experience improvement projects	Community Capacity	O2	Operating	-	20	-
O2004	Customer Experience training	Community Capacity	O2.3	Operating	10	10	10
O2005	Service Changes to Accommodate COVID19 Impacts	CEOs Office	O2.2	Operating	50	-	-
O3001	Service Review Framework development	CEOs Office	O3.4	Operating	CO	26	26
O4001	Local Government Election support	CEOs Office	O4.2	Operating	-	-	183
O4002	Council Member induction training	CEOs Office	O4.2	Operating	-	-	10
O4003	Develop or respond to boundary reform proposals	CEOs Office	O4.4	Operating	-	-	-
O5001	Local Government legislative reform implementation	CEOs Office	O5.1	Operating	-	10	10
O5002	Equipment to broadcast Council Meetings	CEOs Office	O4.1	Capital	30	-	-
O5003	Corporate Plan review	CEOs Office	O5.3	Operating	CO	-	-

Legend: **G** Grant funding **CO** resourced through the Core Operating expenditure - not resourced for this financial year



Organisation - Strategic Initiatives *continued...*

Project ID	Strategic initiatives (Operating and Capital)	Area	Objective and/or Priority	Type	Budget 2020-21 (\$'000)	Long term financial plan (\$'000)	
						2021-22	2022-23
O5004	Establishment of performance benchmarking program	CEOs Office	O5.3	Operating	-	9	10
O5005	Resource to manage building and swimming pool inspections to ensure legislative compliance	Development & Regulatory Services	O5	Operating	75	77	27
O6002	Cyber & Systems Security - Program Management	Corporate Services	O6.1	Operating	CO	CO	CO
O6003	Two Factor Authentication - Software Subscription	Corporate Services	O6.1	Operating	15	15	16
O6004	Application Whitelisting - Software Subscription	Corporate Services	O6.1	Operating	15	15	16
O6005	Records Management software (Record Point) subscription	Corporate Services	O6.3	Operating	-	-	70
O6007	Conduct of Community Perception Survey	Community Capacity	O6	Operating	-	5	-

Legend: G Grant funding CO resourced through the Core Operating expenditure - not resourced for this financial year

Financial Overview

Key financial information for 2020-21 is summarised below:



Budget Summary		\$'000
● General Rates Income (2.95% increase)		37,110
● All Other Operating Income		10,332
Total Operating Income		47,442
● Core Operating Expenses (excluding Initiatives)		46,029
● Operating Initiatives (Net)		1,522
Operating Deficit*		109
Adjusted Operating Surplus*		321
● Gross Capital Renewal Program Expenditure		9,212
● Gross capital expenditure on new or upgraded assets		4,953
Total Gross Capital Expenditure		14,165
Estimated New Borrowings		10,000
Repayment of Fixed Term Borrowings		5,263

*Council's projected operating income is not sufficient to meet projected operating expenses. The operating expenses includes \$430k of abnormal one off expenditure relating to the Cudlee Creek Bushfire recovery resulting in an Operating Deficit of \$109k. It is considered that the Adjusted Operating Surplus of \$321k (which excludes the bushfire expenditure) provides a more accurate basis for comparison as well as the assessment of the long term financial sustainability of Council.

Long Term Financial Plan

The *Local Government Act 1999* requires the Council to prepare a *Long Term Financial Plan* (LTFP) as part of its suite of strategic management plans.

Prior to the development of the *Annual Business Plan* a detailed review of the LTFP was undertaken in consultation with the community. The revised LTFP was adopted at Council's 28 April 2020 meeting and can be found at ahc.sa.gov.au.

The key objective of our LTFP is to demonstrate that the Council is financially sustainable over the 10 year term of the LTFP, while achieving the objectives outlined in the *Strategic Plan*. This includes:

- Implementation and funding of the appropriate level of maintenance and renewal of the portfolio of infrastructure assets
- Meeting the ongoing expectations of service delivery to our community
- Managing the impact of cost shifting from other levels of government
- Enabling the delivery of strategies identified within the Strategic Plan as well as other endorsed Functional Strategies
- The appropriate use of debt as a means of funding new capital expenditure
- Ensuring the financial sustainability of Council's operations.

The LTFP has been used to set the context and targets for the development of the 2020-21 Budget

Elements of the Budget: Income and Expenses

Income

Rate revenue accounts for 85% of Council's operating income, while grants, fees and charges make up the majority of the other operating income. We continue to pursue grant income and partnerships with external funders where possible to minimise the requirement for revenue via rates.

Fees and Charges

Section 188 of the *Local Government Act 1999* sets out how fees and charge are managed in Council. Council reviews its fees and charges each year, in conjunction with the development of the annual budget to ensure that the fees proposed:

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

Generally, this has resulted in proposed fee increases that are in line with CPI, insofar as this is practicable.

Expenses

30% of the Council's operating expenditure is attributable to the payment of salaries and wages and around 42% is applied to materials, contracts and other expenses.

Key financial targets and financial sustainability

Financial sustainability is demonstrated through adherence to Council's agreed target ranges in all of the three key ratios:

Indicator	Adopted Target	2020-21 Budget
Operating Surplus Ratio	0 - 10%	(0.2%)
Adjusted Operating Surplus Ratio	0 - 10%	0.7%
Net Financial Liabilities Ratio	0 - 100%	51%
Asset Sustainability Ratio	90 – 110%	100%

The table above shows an Operating Surplus Ratio which includes the abnormal Cudlee Creek Bushfire net expenditure, and the Adjusted Operating Surplus Ratio which removes the distortion of the Bushfire expenditure.

It is considered that the Adjusted Operating Surplus ratio of 0.7% which is within Council's target range provides a more accurate basis for comparison as well as the assessment of the long term financial sustainability of Council.

In conclusion, it is therefore considered that in achieving these targets, there is a level of certainty provided to the community that financial sustainability will be maintained.

Impact on ratepayers

The overall amount existing ratepayers will pay in general rates will increase on average by 2.95%. For a residential property of average value, this equates to an increase approximately \$59 for the 2020-21 year. Rate increases may vary from the average where there has been new development, capital improvements or other significant change to the value of the property.

Significant influences for the 2020-21 budget

A number of factors have influenced the preparation of Council's 2020-21 Annual Business Plan. These include:

- The substantial impact that the 2019-20 Cudlee Creek Bushfire and the COVID-19 pandemic are having on our community. The recovery effort of both these events has a significant financial impost as Council balances its support to the community and the continued financial sustainability of Council
- Local Government Price Index increases on relevant goods and services, which in recent years has tracked above CPI
- The impact of China mandating and enforcing stringent quality requirements for imported recycled materials (China Sword) has an ongoing impact on Council's operating result of approximately 1% of rates, thus having a significant financial impact on Council's budget. As a result, Council's recyclable processing budget has increased from \$209k in the 2019-20 budget to \$407k in the 2020-21 budget, an increase of \$198k
- In 2020-21 it is forecast Council ratepayers will pay \$835k in Solid Waste Levy to the State Government, an increase of over \$104k (14%) from 2019-20. This is on top of an even more significant increase for 2019-20
- Provision for Enterprise Development Agreements for most staff which determines conditions of employment and provide for annual salary and wages increases
- Maintaining asset management (renewal) expenditure at a sufficient level to ensure long term maintenance of Council infrastructure, property and IT assets
- Increased maintenance requirements due to an increase in capital works and construction of new assets over recent years
- Ensuring key strategies from Council's Strategic Plan and Functional Strategies are costed appropriately
- The divestment of the southern side of Adelaide Hills Business and Tourism Centre at Lobethal resulting in reduced rental and reimbursement income but offset by reduced operating and capital costs
- The activation of an Arts and Heritage Hub resulting in a net cost of \$258k in 2020-21





Borrowings

Borrowing is an important funding source, especially for expenditure relating to new Capital and is undertaken in accordance with Council’s *Treasury Policy*. The key objective of the Policy is to manage the finances of the Council holistically in accordance with the overall financial sustainability strategies and targets.

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

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

The Estimated New Borrowing as shown in the following table for 2020-21 is high at \$10.0m. However, \$5m of this relates to the refinancing of a large fixed loan maturing in June 2021. With interest rates at historic lows, this results in significant savings on existing borrowings in future years. As per the table below, the net borrowings for 2020-21 is \$4.8m.

Borrowing	\$'000
Forecast Opening Balance of Fixed Term Borrowings July 2019	13,000
Estimated New Borrowing for 2020-21	10,000
Repayment of principal for 2020-21	(5,263)
Forecast Closing Balance of Fixed term Borrowings June 2020	17,737
Cash Advance Debenture (Short Term Borrowings)	70
Forecast Closing Balance of all Borrowings June 2020	17,807

Operating Budget by Directorate and Function

Directorate	Function	Revenue			Expenditure			Net Cost /	Staff FTE
		2019-20 Budget \$'000	2020-21 Budget \$'000	Variance Fav/(Unfav) \$'000	2019-20 Budget \$'000	2020-21 Budget \$'000	Variance Fav/(Unfav) \$'000	2020-21 Budget \$'000	
CEO	CEO Office	-	-	-	403	362	42	362	1.0
	Bushfire Recovery	1,000	980	(20)	1,000	1,410	(410)	430	-
	Governance and Performance	141	75	(66)	1,564	1,686	(121)	1,611	4.0
	CEO Total	1,141	1,055	(86)	2,968	3,457	(490)	2,402	5.0
Community Capacity	Communications, Engagement & Events	3	3	0	621	660	(40)	658	3.6
	Community Development (M&P)	0	-	0	317	361	(43)	361	2.1
	Cultural Development	0	-	0	146	149	(3)	149	1.0
	Customer Experience	0	-	0	185	171	14	171	1.0
	Customer Service	0	-	(0)	782	1,123	(342)	1,123	8.6
	Director's Office Community Capacity	0	-	0	294	301	(7)	301	1.7
	Economic Development	95	95	0	429	502	(74)	407	2.0
	FABRIK Arts & Heritage Hub	51	47	(4)	326	305	22	258	2.0
	Grants & Partnerships	0	-	0	232	237	(5)	237	0.0
	Hills Connected Communities Projects	93	64	(29)	96	68	28	4	0.6
	Library Services	336	344	9	1,825	1,536	289	1,192	16.0
	Positive Ageing (Home and Social Support)	1,036	1,014	(23)	1,083	1,051	31	38	5.8
	Positive Ageing Project (Collaborative)	92	80	(12)	94	80	13	0	0.6
	The Summit Community Centre	20	15	(6)	170	175	(4)	160	1.6
	Torrens Valley Community Centre	35	36	1	164	173	(9)	137	1.6
	Volunteering	0	-	0	81	84	(3)	84	0.7
Youth Development	2	2	0	154	158	(3)	156	1.0	
Community Capacity Total	1,762	1,699	(63)	6,998	7,134	(136)	5,435	49.9	
Corporate Services	Cemeteries	210	215	5	218	210	7	(4)	1.0
	Director's Office Corporate Services	3	3	0	311	322	(11)	319	1.8
	Financial Services	38,119	39,441	1,322	404	372	32	(39,070)	7.5
	General Property	86	89	3	1,809	1,792	17	1,703	4.6
	Information, Communications & Technology	0	-	0	1,158	1,337	(179)	1,337	5.0
	Information Systems	0	-	0	1,124	1,223	(99)	1,223	7.0
	Old Woollen Mills Precinct - Lobethal	347	366	19	260	253	7	(112)	1.0
	Organisational Development & WHS	0	-	0	576	597	(21)	597	4.3
Corporate Services Total	38,764	40,114	1,349	5,859	6,107	(248)	(34,007)	32.2	

Operating Budget by Directorate and Function

Directorate	Function	Revenue			Expenditure			Net Cost / (Revenue) 2020-21 Budget \$'000	Staff FTE 2020-21 Budget
		2019-20 Budget \$'000	2020-21 Budget \$'000	Variance Fav/(Unfav) \$'000	2019-20 Budget \$'000	2020-21 Budget \$'000	Variance Fav/(Unfav) \$'000		
Development & Regulatory Services	Animal Management	402	416	14	399	414	(15)	(1)	3.1
	Director's Office DRS	0	-	0	321	328	(7)	328	2.0
	Fire Prevention	13	14	2	96	99	(2)	85	0.9
	Mt Lofty Project	50	50	0	50	51	(1)	1	0.5
	Parking and By-Laws	79	48	(32)	179	193	(15)	146	1.3
	Planning & Development	524	561	37	1,925	1,949	(25)	1,388	16.4
	Policy Planning	0	-	0	175	154	22	154	1.0
	Public Health	162	166	4	499	508	(8)	342	4.0
Development & Regulatory Services Total		1,229	1,254	24	3,645	3,696	(51)	2,442	29.3
Infrastructure & Operations	Civil Services	1,428	1,444	16	5,362	5,408	(46)	3,964	44.0
	CWMS	1,805	1,795	(10)	1,136	1,104	33	(691)	1.0
	Director's Office Infrastructure & Operations	0	-	0	319	326	(7)	326	2.0
	Emergency Management	0	-	0	91	92	(1)	92	0.2
	Open Space - Biodiversity	0	-	0	538	539	(1)	539	3.5
	Open Space - Operations	21	-	(21)	4,434	4,581	(147)	4,581	21.8
	Open Space - Sport & Recreation Planning	10	10	0	511	562	(52)	552	1.8
	Strategic Assets	0	-	0	9,077	9,372	(295)	9,372	4.0
	Sustainability	0	-	0	212	268	(56)	268	1.4
	Waste	70	72	2	4,671	4,905	(235)	4,833	1.4
Infrastructure & Operations Total		3,334	3,321	(13)	26,350	27,157	(807)	23,837	81.1
ORGANISATION TOTAL		46,239	47,442	1,203	45,828	47,551	(1,723)	109	197.4

Capital Budget Overview

The 2020-21 Capital Budget continues to focus on the renewal of infrastructure. The Council has in excess of \$600m (Current Replacement Values) of infrastructure assets that it manages, to ensure that our current and future communities have access to the ongoing services these assets provide.

This year our capital works program will include:



- **\$9.212m** Capital renewal detailed in the Capital Expenditure Renewal Summary Table (to the right)
- **\$4.953m** in capital expenditure on new or upgraded assets, detailed in the strategic initiative pages (pg 6 -27)

The total of \$14.165m for the capital works program is less than the Long Term Financial Plan target of \$16.768m but is considered to be the appropriate level of sustainable investment to meet the Council strategic goal to have a proactive long term view regarding the renewal and maintenance of its infrastructure.

As in previous years, a significant portion of the program is applied to road works, with buildings, footpaths, stormwater and plant accounting for a large proportion of the remaining allocation.

Capital Expenditure Renewal Summary

Asset Category	2020-21 Allocation \$'000	LTFP Target Renewal \$'000	Variance to LTFP \$'000
Bridges	155	218	63
Buildings	815	951	136
CWMS	48	50	2
Footpaths	404	400	(4)
Kerb & Water	247	300	53
Other*	241	320	79
Road Pavement	914	957	43
Road Seal	1,096	1,200	104
Shoulders	250	400	150
Sport and Recreation (including Playgrounds)	360	1,100	740
Stormwater	75	40	(35)
Unsealed Roads	1,109	1,500	391
Plant and Fleet	1,688	1,688	0
Information, Communication & Technology	411	318	(93)
Minor Plant & Equipment (including Library fittings)	77	95	19
Project Management Costs	1,323	1,323	0
NET RENEWALS	9,212	10,860	1,648

*Other includes Guardrail, Retaining Walls, Cemeteries, Street Furniture, and Traffic Control

Rates Overview

In setting the rates for 2020-21 Council proposes to continue with its current method of rating, which is two differential rates with a fixed charge, applied against the capital value of properties. Council considers this to be a fair and equitable method of rating for the Adelaide Hills Council.

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

The 2020-21 budget was initially developed from Council’s LTFP which had a rate revenue target that incorporated a general rates increase of 3.25% and estimated growth of 0.75%.

Council has considered the impact of Cudlee Creek Bushfire and Covid-19 events on the community and the need to ensure that there was sufficient financial capacity to not only be responsive, but also provide targeted support to those in the community that have been significantly impacted.

It has therefore been proposed that a general rate increase of 2.95% will be applied, and with slightly increased rates growth being forecast, total rate revenue will be sufficient to maintain existing services as well as provide the targeted recovery support for both the Cudlee Creek Bushfire and COVID-19 events.

Actual rate growth is now estimated at 1.05% for 2020-21. Growth represents new development (primarily related to the Woodforde development), capital improvements to existing properties and changes to value as a result of land divisions and will be confirmed by the Valuer-General as part of completing the valuation of the Council area.

The table below provides a summary of the average rate increases that have been applied in recent years as well as the proposed increase for 2020-21 as discussed above.

Description	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
To meet inflation (CPI)	1.7%	1.5%	1.25%	2.3%	1.8%	2.4%
To fund increased capital renewal	1.0%	1.0%	1.0%	1.0%	1.0%	0.55%
Solid Waste Levy	-	-	-	-	\$10 (0.5%)	-
Sampson Flat Bushfire (one year only)	1.0%	(1.0%)	-	-	-	-
TOTAL INCREASE	3.7%	1.5%	2.25%	3.3%	3.3%	2.95%



Summary Basis of Rating (*Rating Policy*)

Key elements of the Policy include:

Rating Structure

- A fixed charge rating structure that includes a fixed charge applying to all properties. This charge is to increase from \$662 to \$682 which represents a 2.95% increase in line with the average increase previously highlighted.
- The same rate in the dollar, based on capital value, being applied to all categories of ratepayer, except commercial and industrial ratepayers who pay a 15% premium.
- The ability of primary production ratepayers genuinely in the business of primary production but not benefitting from a notional capital value for their property to apply for a 10% rebate.

Stirling Separate Rate

- A separate rate for businesses in Stirling that generates \$95k that is distributed to the Stirling Business Association (SBA) to promote Stirling as a destination, the "Gateway to the Hills". Council also sets a maximum amount ('top') and a minimum amount ('tail') per property each financial year for this separate rate.
- Council has also discussed with the SBA that in accord with Council's taxation principles, it would appear more equitable that both the top and tail are increased each year in line with an appropriate economic indicator to better maintain an even distribution across all separate ratepayers. As a result it was agreed with the SBA to increase the separate rate's 'tail' to \$280 and the 'top' to \$2,500 representing a 2.5% increase for each year since the last increase in 2014-15 to re-establish the relativity present a number of years ago.

Other Rates and Levies

- A separate rate to provide for the sealing in 2014-15 of the northern end of Verrall Road, Upper Hermitage. This rate is levied on those properties that actually adjoin this section of road.
- An update to the Policy to reflect that the former NRM Levy, being a State Tax imposed on councils to collect on behalf of the State Government has been replaced by a similar levy titled The Regional Landscape (RL) Levy.

Help when you need it

An empathetic and individually tailored approach to ratepayers who are experiencing financial difficulties as a result of the Cudlee Creek Bushfire and Covid-19 events through the provision of a number of alternative arrangements made available to ratepayers including:

- smaller, more regular payment options
- acceptance of reduced payments toward Council Rates arrangement
- Deferment or postponement of payment of rates in whole or in part for an agreed period
- consideration of the waiving of fines & interest where appropriate

For 2020-21, Council has also included a Strategic Initiative with an allocation of funds of \$120k to provide targeted support to those organisations, small businesses and individuals that have been significantly impacted by the economic downturn as a result of the Bushfire and COVID-19.

As a result of the Strategic Initiative, the *Rating Policy* was reviewed during the *Annual Business Plan* consultation period via a council workshop. From this discussion, the *Rating Policy* has been updated to highlight Council options available to address financial hardship as referenced above and ensure that the application of funds under this initiative is consistent, equitable and specifically targeted to those ratepayers that have been significantly and permanently impacted by recent events.

Rate Statistics

Council has just over **18,800** assessments split by land use as follows:



13 400
Residential



710
Commercial
and Industrial
differential rate



3,100
Primary
production



600 +
Vacant



800 +
Non-rateable



200
Other

Rates Modelling

The valuation of the Council area by the Valuer-General has been completed and information provided reflects an increase of just under 4% in valuation for existing properties.

Analysis indicates that:

- Residential properties, representing over 70% of the overall valuation, had an average valuation increase of just under 3.9%
- Primary production properties, being 17% of total assessments, have an average valuation increase of just over 4.3%
- The remaining non-residential properties, including commercial, had an average valuation increase of 2.9%.

The Budget has been formulated on the basis of retaining differential rates for all categories of ratepayer, including commercial and industrial ratepayers at the appropriate rate in the dollar to provide an overall increase in general rate revenue of 2.95% excluding growth.

Allocation of Rates Burden

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

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

Further, in determining how rates are applied, and the rate in the dollar, Council has also made specific policy choices in relation to uses the differential rating rate and the option of a fixed charge rather than a minimum rate to allocate the rates burden across the community.

Differential Rates

Section 153 of *Local Government Act 1999* (the Act) allows councils to 'differentiate' rates based on the use of the land, the locality of the land, the use and locality of the land or on some other basis determined by the council. The application of a Differential General Rate is generally intended to alter the amount payable by particular land uses.

Council has determined to apply the same rate in the dollar, based on capital value, to all categories of ratepayer, except commercial and industrial ratepayers who pay a differential rate in the dollar that is 15% higher than the rate in the dollar charged for other categories of ratepayer.

Council has considered the higher amount payable by the Commercial & Industrial sector with reference to the Economic Development function as well as the services and activities that the sector does not regularly use.

Council has considered the principle of rate stability when assessing the rates burden across the above categories. Other considerations were given to the change in capital value across the land use categories and the rates income provided by each.

It is estimated that the Commercial & Industrial Differential General Rates will raise net rate revenue in the order of \$1.5m in 2020-21.

It is estimated that the Residential & Non Commercial and Industrial Differential General Rate will raise net general rate revenue in the order of \$35.6m in 2020-21.

Fixed Charge

Under the Act, Council has some mechanisms available to enable all ratepayers to contribute more equitably to the administration of Council's services and the development and maintenance of the community's infrastructure. Council considers a fixed charge (applying equally to all rateable properties) to be the most fair and equitable means of achieving this.

For the 2020-21 year, it is proposed to increase the fixed charge from \$662 to \$682, representing a 2.95% increase in line with the overall average increase in rates.

Community Wastewater Management System

The Council provides Community Wastewater Management System (CWMS) to some areas within the Council district. To fund the provision of this service Council imposes an annual service charge to recover the cost to the Council of establishing, operating, maintaining, improving and replacing infrastructure (taking into account depreciation of any assets and including future capital works).

Following an annual detailed assessment of the cost of providing CWMS services, in accordance with the guidelines set by the Essential Services Commission of South Australia (ESCOSA), it has been identified that current charging is minimally below the levels necessary to achieve full cost recovery but is considered appropriate. This has resulted in fixed charges for CWMS occupied properties being increased by \$20 to \$884 in line with CPI for the 2020-21 financial year, while the charge for vacant properties has been reduced by \$50 to \$450 in line with ESCOSA's pricing principles.

Appendix 1: Budgeted Financial Statements

Adelaide Hills Council

BUDGETED UNIFORM PRESENTATION OF FINANCES

Proposed 2020-21

2019-20 Budget \$'000		2020-21 Proposed Budget \$'000
	INCOME	
38,675	Rates	40,181
1,143	Statutory charges	1,173
621	User charges	710
6,695	Grants, subsidies and contributions	4,768
42	Investment income	27
212	Reimbursements	232
512	Other income	251
100	Net gain - equity accounted Council businesses	100
48,000	Total Income	47,442
	EXPENSES	
17,342	Employee costs	18,067
21,122	Materials, contracts & other expenses	19,512
8,945	Depreciation, amortisation & impairment	9,237
604	Finance costs	736
0	Net loss - equity accounted Council businesses	0
48,013	Total Expenses	47,551
(13)	NET BUDGETED SURPLUS / (DEFICIT) BEFORE CAPITAL AMOUNTS	(109)
	Net Outlays on Existing Assets	
(10,401)	Capital Expenditure on Renewal and Replacement of Existing Assets	(9,212)
648	Proceeds from Sale of Replaced Assets	646
8,945	Depreciation	9,237
(808)	NET OUTLAYS ON EXISTING ASSETS	671
	Net Outlays on New and Upgraded Assets	
(6,125)	Capital Expenditure on New and Upgraded Assets & Remediation costs	(4,953)
959	Capital Grants and Monetary Contributions for New and Upgraded Assets	232
1,592	Proceeds from Sale of Surplus Assets	64
(3,574)	NET OUTLAYS ON NEW AND UPGRADED ASSETS	(4,657)
(4,395)	NET LENDING/ (BORROWING) RESULT FOR FINANCIAL YEAR	(4,095)
(15,388)	Net Financial Liabilities at Beginning of Year	(19,883)
(100)	Non Cash Equity Movement	(100)
(19,883)	Net Financial Liabilities at End of Year	(24,078)

In any one year, the financing transactions identified below are associated with either applying surplus funds stemming from a net lending result or accommodating the funding requirement stemming from a net borrowing result.

Financing Transactions

3,000	New Borrowings	10,000
-	- Increase/(Decrease) in Short Term Draw Down	70
1,757	(Increase)/Decrease in Cash & Investments	168
(62)	Principal Repayments on Borrowings	(5,263)
(200)	Reinstatement/Restoration Provision Payment	(780)
-	- Debenture Payment	-
(100)	Non Cash Equity Movement	(100)
4,395		4,095

It should be noted that the figures in this appendix have been rounded and consequently individual sub-totals, whilst being correct, may differ slightly from the sum of the rounded amounts.

Adelaide Hills Council

STATEMENT OF COMPREHENSIVE INCOME 2020-21 Proposed Budget

2019-20 Budget		2020-21 Original Budget
\$'000		\$'000
	INCOME	
38,675	Rates	40,181
1,143	Statutory charges	1,173
621	User charges	712
6,695	Grants, subsidies and contributions	4,768
42	Investment income	27
212	Reimbursements	232
512	Other income	249
100	Net gain - equity accounted Council businesses	100
48,000	Total Income	47,442
	EXPENSES	
17,342	Employee costs	18,067
21,122	Materials, contracts & other expenses	19,512
8,945	Depreciation, amortisation & impairment	9,237
604	Finance costs	736
	- Net loss - equity accounted Council businesses	-
48,013	Total Expenses	47,551
	(13) OPERATING SURPLUS / (DEFICIT)	(109)
	- Asset disposal & fair value adjustments	-
959	Amounts received specifically for new or upgraded assets	232
0	Physical Resources Received Free of Charge	-
946	NET SURPLUS / (DEFICIT)	123
	Other Comprehensive Income	
5,000	Changes in revaluation surplus - infrastructure, property, plant & equipment	5,130
	- Other Comprehensive Income	-
	- Share of Other Comprehensive Income JV	-
5,000	Total Other Comprehensive Income	5,130
5,946	TOTAL COMPREHENSIVE INCOME	5,253

Adelaide Hills Council
STATEMENT OF FINANCIAL POSITION
2020-21 Proposed Budget

2019-20 Budget	ASSETS	2020-21 Original Budget
\$'000		\$'000
	Current Assets	
268	Cash and cash equivalents	100
2,541	Trade & other receivables	2,541
19	Inventories	19
2,828		2,660
	- Non-current Assets held for Sale	-
2,828	Total Current Assets	2,660
	Non-current Assets	
	- Financial assets	-
1,450	Equity accounted investments in Council businesses	1,550
435,972	Infrastructure, property, plant & equipment	445,320
437,422	Total Non-current Assets	446,870
440,250	Total Assets	449,530
	LIABILITIES	
	Current Liabilities	
5,446	Trade & other payables	5,446
	- Borrowings - Short Term Draw Down	70
5,300	Borrowings - Other	5,037
2,848	Provisions	2,068
13,594	Total Current Liabilities	12,621
	Non-current Liabilities	
7,700	Borrowings	12,700
1,398	Provisions	1,398
9,098	Total Non-current Liabilities	14,098
22,692	Total Liabilities	26,719
417,558	NET ASSETS	422,811
	EQUITY	
142,540	Accumulated Surplus	142,663
274,691	Asset Revaluation Reserves	279,821
327	Other Reserves	327
417,558	TOTAL EQUITY	422,811
19,883	NET FINANCIAL LIABILITIES	24,078

Adelaide Hills Council

STATEMENT OF CHANGES IN EQUITY 2020-21 Proposed Budget

	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
2020-21	\$'000	\$'000	\$'000	\$'000
Balance at end of previous reporting period	142,540	274,691	327	417,558
Net Surplus / (Deficit) for Year	123	-	-	123
Other Comprehensive Income				
Gain on revaluation of infrastructure, property, plant & equipment	-	5,130	-	5,130
Transfers between reserves		-		-
Balance at end of period	142,663	279,821	327	422,811
2019-20				
Balance at end of previous reporting period	141,348	269,691	573	411,612
Adjustment due to compliance with revised Accounting Standards				-
Adjustment to give effect to changed accounting policies				-
Restated opening balance				
Net Surplus / (Deficit) for Year	946			946
Other Comprehensive Income				
Changes in revaluation surplus - infrastructure, property, plant & equipment		5,000		5,000
IPPE Impairment	-	-	-	-
Share of Other Comprehensive Income JV	-			-
Transfers between reserves	246	-	(246)	-
Balance at end of period	142,540	274,691	327	417,558

FINANCIAL RATIOS

	2020-21 Proposed Budget
Operating Surplus Ratio	
<u>Operating Surplus</u> Total Operating Revenue	(0.2%)
Net Financial Liabilities Ratio	
<u>Net Financial Liabilities</u> Total Operating Revenue	51%
Asset Sustainability Ratio	
<u>Net Asset Renewals</u> Infrastructure & Asset Management Plan required expenditure	100%

Adelaide Hills Council


CASH FLOW STATEMENT 2020-21 Proposed Budget

2019-20 Budget		2020-21 Original Budget
\$'000	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	\$'000
	<u>Receipts</u>	
38,675	Rates - general & other	40,181
1,143	Fees & other charges	1,173
621	User charges	712
6,695	Grants	4,768
42	Investments	27
212	Reimbursements	232
512	Other revenues	249
	<u>Payments</u>	
(17,342)	Employee costs	(18,067)
(21,322)	Materials, contracts & other expenses	(20,292)
(604)	Finance payments	(736)
8,632	NET CASH USED IN OPERATING ACTIVITIES	8,248
	<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>	
	<u>Receipts</u>	
3,000	Proceeds from Borrowings	10,000
	<u>Payments</u>	
(62)	Repayment from Borrowings	(5,263)
-	Repayments of Aged Care facility deposits	-
2,938	NET CASH USED IN FINANCING ACTIVITIES	4,737
	<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
	<u>Receipts</u>	
959	Grants for new or upgraded assets	232
648	Sale of replaced assets	646
1,592	Sale of surplus assets	64
-	Repayment of loans from Community Groups	-
-	Distributions received from Equity Accounted Businesses	-
	<u>Payments</u>	
(6,125)	Expenditure on new/ upgraded assets	(4,953)
(10,401)	Expenditure on renewal/ replacement of assets	(9,212)
-	Loans Made to Community Group loans	-
-	Capital Contributed to Equity Accounted Businesses	-
(13,327)	NET CASH USED IN INVESTING ACTIVITIES	(13,223)
(1,757)	NET INCREASE / (DECREASE) IN CASH HELD	(238)
2,025	CASH AT BEGINNING OF YEAR	268
268	CASH AT END OF YEAR	30
268	Cash & Investments	100
-	- Short Term Drawdown	(70)
268		30



Appendix 2: Rating Policy

COUNCIL POLICY

 <p>Adelaide Hills COUNCIL</p>	RATING
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Policy Number:	FIN-02
Responsible Department(s):	Financial Services
Other Relevant Policies:	None
Relevant Procedure(s):	None
Relevant Legislation:	<i>Local Government Act 1999</i> <i>Valuation of Land Act 1971</i> <i>Landscape South Australia Act 2019</i> <i>Aged Care Act 1987 (Commonwealth)</i> <i>Community Housing Providers National Law</i> <i>Community Titles Act 1996</i> <i>Education Act 1972</i> <i>Health Commission Act 1976</i>
Policies and Procedures Superseded by this policy on its Adoption:	Rating, 28 June 2016, Item 14.9, 1.11, 122 Rating, 27 June 2017, Item 14.3, 1.11, 130/17 Rating, 26 June 2018, Item 12.3, 1.11, 138/18 Rating, 25 June 2019, Item 12.2, 1.11, 156/19
Adoption Authority:	Council
Date of Adoption:	<i>To be entered administratively</i>
Effective From:	1 July 2020
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Next Review:	June 2021 or as legislatively required

RATING POLICY

1. INTRODUCTION

- 1.1 In South Australia, council rates are a form of property tax levied by Local Government, as our primary source of funding for the many mandatory and discretionary services that are provided by councils. Rates are administered by each council in line with the *Local Government Act 1999* (the Act) which allows some flexibility for each council to make decisions that suit its local community. This document sets out the policy of the Adelaide Hills Council for setting and collecting rates from its community.

2. PURPOSE

- 2.1 The purpose of this policy is to outline Council's approach towards rating its communities and to meet the requirements of the Act with particular reference to section 123 which requires Council to have a rating policy that must be prepared and adopted (as part of the Annual Business Plan) each financial year in conjunction with the declaration of rates.

3. DEFINITIONS

- 3.1 '**Act**' refers to the *Local Government Act 1999* (SA).
- 3.2 '**Capital value**' refers to the valuation methodology used in determining the value of land, as defined in the *Valuation of Land Act 1971*.
- 3.3 '**Council**' refers to the elected Council body.
- 3.4 '**CWMS**' refers to the Community Wastewater Management System within the Council area.
- 3.5 '**Differential rate**' refers to a rate that may be applied to a category of land that is different to the rate applied to other land categories (termed differential rates under the Act).
- 3.6 '**Fixed charge**' refers to a charge that must apply equally to each separate piece of rateable land in the area under section 152(1) of the Act.

4. POLICY STATEMENT

- 4.1 Council's powers to raise rates are found in Chapter 10 of the Act which provides the framework within which the Council must operate, but also leaves room for the Council to make a range of policy choices. This document includes reference to compulsory features of the rating system, as well as the policy choices that the Council has made on how it imposes and administers the collection of rates.

All land within a Council area, except for land specifically exempt (e.g. Crown Land, Council occupied land and a few other limited categories under section 150(a) of the Act, is rateable.

Rates are not fees for services. They constitute a system of taxation for Local Government purposes. Council considers the fairest and most equitable method of charging rates to our community is through the combined use of a fixed charge component and a variable rate per rateable property.

4.1 PRINCIPLES OF TAXATION

This Policy represents the Council's commitment to balancing the five main principles of taxation.

- i) **Benefits received** (i.e. services provided, or resources consumed). Reliance on this principle suggests that (all other things being equal) a person who received more benefits should pay a higher share of tax.
- ii) **Capacity to pay.** This principle suggests that a person who has less capacity to pay should pay less; and that persons of similar means should pay similar amounts.
- iii) **Administrative simplicity.** This principle refers to the costs involved in applying and collecting the tax and how difficult it is to avoid.
- iv) **Economic efficiency.** This refers to whether or not the tax distorts economic behaviour.
- v) **Policy consistency.** The principle that taxes should be internally consistent, and based on transparent, predictable rules that are understandable and acceptable to taxpayers.

Further, in achieving equity across the community, this policy has an overriding principle that all ratepayers should contribute an amount to basic service provision.

4.2 VALUATION OF LAND

Council is permitted to adopt one of three valuation methodologies to value the properties in its area (section 151 of the Act):

- **Capital Value** – the value of the land and all of the improvements on the land.
- **Site Value** – the value of the land and any improvements which permanently affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements.
- **Annual Value** – a valuation of the rental potential of the property.

The Council has adopted the use of capital value as the basis for valuing land. Council considers that this method provides the fairest way to distribute the rate burden across all ratepayers on the following basis:

- the 'capacity to pay' principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth;

- the 'property value' is a relatively good indicator of wealth (when lifetime incomes, including incomes from capital gains, are taken into account). Capital value closely approximates the market value of a property, provides the best indicator of overall property value

Council does not determine property valuations but chooses to exercise the right under Section 151 of the Act to adopt the capital valuations as assessed by the Valuer-General through the State Valuation Office. If you are dissatisfied with the valuation made by the State Valuation Office your rates notice will include information about how to object to the valuation. The Council has no role in this process. The lodgement of an objection does not change the due date for the payment of rates.

4.3 COMPONENTS OF RATES

Fixed Charge or Minimum Rate

Council has discretion to apply either:

- a fixed charge (applying equally to all rateable properties); or
- a minimum rate (to lower-value properties)

but cannot use both of these mechanisms.

The Adelaide Hills Council will apply a fixed charge this financial year as in previous years. Council considers a fixed charge to be the most fair and equitable means of ensuring that all ratepayers contribute equally to the administration of Council's services and the development and maintenance of the community's infrastructure. In addition, the fixed charge provides a mechanism to adjust the rates contributions across high and low valued properties. This redresses the balance and equity of the rate system.

The Council is unable to raise more than 50% of total rate revenue by the imposition of a fixed charge component of general rates as per section 151(10) of the Act.

A rate in the dollar

The largest component of rates levied is the component that is calculated by reference to the value of the property. Property values reflect, among other things, the relative availability of and access to Council services. This applies to all types of land use, and to land in all locations.

The Act allows councils to 'differentiate' rates based on the use of the land, the locality of the land, the use and locality of the land or on some other basis determined by the council. The Council applies different rates on the basis of land use.

Definitions of the use of the land are prescribed by regulation and are categorised as follows for rating purposes:

- Residential
- Commercial
- Industrial
- Primary Production
- Vacant Land
- Other

In accordance with Section 148 of the Act, Council assesses any piece or section of land subject to separate ownership or separate occupation.

Commercial and Industrial Differential Rate:

Those properties categorised as commercial or industrial will pay a differential rate in the dollar that is 15% higher than the rate in the dollar charged for other categories of ratepayer.

Council has considered the higher amount payable by the Commercial & Industrial sector with reference to the Economic Development function as well as the services and activities that the sector does not regularly use.

If a ratepayer believes that a particular property has been wrongly classified as to its land use, then an objection may be made with the Council.

Separate Rate

Stirling Business Separate Rate:

A separate rate for businesses in Stirling (Stirling Business Separate Rate) will be applied to carry out the activity of promoting and enhancing business viability, profitability, trade and commerce within the zone.

This rate is levied on all properties within the precinct known as the District Centre (Stirling) Zone and businesses fronting both sides of Mt Barker Road east of the District Centre (Stirling) Zone to Pine Street, excluding land attributed a land use category 1 (residential) and government owned land. Council also sets a maximum amount ('top') and a minimum amount ('tail') per property each financial year for this separate rate. The amount raised is distributed to the Stirling Business Association to promote Stirling as a destination, the 'Gateway to the Hills'.

Verrall Road Separate Rate:

A separate rate for Verrall Road, Upper Hermitage at a value of \$858 will be applied for a period of 10 years to 2023-24. This rate which provided for the sealing of the northern end of the road in 2014-15 is levied on the properties that use that section of road.

Regional Landscape Levy

The Regional Landscape (RL) Levy (previously known as the NRM Levy) is a State tax.

Councils are required under the Landscape South Australia Act 2019 to collect the levy on all rateable properties on behalf of the State Government. The levy helps to fund the operations of regional landscape boards that have responsibility for the management of the State's natural resources. These responsibilities include regional landscape planning, water allocation planning, community capacity building, education and compliance activities.

Adelaide Hills Council falls within the Hills & Fleurieu Regional Landscape board region. The effect of the new regions and boundary changes on landscape levies is being managed through a levy transition scheme.

The levies raised for 2020-21 will be based on the existing Natural Resource Management (NRM) boundaries relating to the Adelaide & Mount Lofty Ranges and the SA Murray-Darling Basin Natural Resources Management regions.

Community Wastewater Management System

The Council provides Community Wastewater Management System (CWMS) to some areas within the Council district. To fund the provision of this service Council imposes a service charge to recover the cost to the council of establishing, operating, maintaining, improving and replacing infrastructure (taking into account depreciation of any assets and including future capital works).

Annually, an independent consultant has been engaged annually to provide a review of:

- Council's compliance with ESCOSA's Minor to Intermediate Retailers Price Determination and the National Water Initiative (NWI) Pricing Principles;
- The pricing model for future CWMS price setting.

This review included the annual service charge for both occupied and vacant properties.

Overall, it has been identified that charges are still slightly below the levels necessary to achieve full cost recovery but are considered appropriate. As such, it is proposed that the fixed charges for CWMS occupied properties can be increased in line with CPI for current and future financial years. Similarly,

However, in line with the pricing policy principles and as a result of the 2019-20 review, the CWMS annual service charge for vacant properties was reduced. Further reductions are proposed in future years to more closely align these customers annual charge to an appropriate contribution towards the capital cost of infrastructure as opposed to the direct operation of the scheme since they do not impact on these costs.

4.4 RATES CAPPING

The Act (s153 (3)) requires a council to decide each year whether to apply a maximum rate increase (or a rates cap) to a ratepayers principal place of residence. A cap is applied to provide relief against a substantial change in rates payable incurred due to rapid changes in valuations.

The Council has determined that it will apply a maximum increase (rates cap) of 15% for the general rate to be charged on rateable land constituting the principal place of residence of a principal ratepayer.

4.5 REBATE OF RATES

Mandatory rebates

Councils are required to rebate (discount) the rates payable on some land.

The Adelaide Hills Council will act in accordance with the Local Government Act in providing mandatory rebates as referenced in Section 160 – 165 of the Act.

A 100% rebate must be applied to land used for:

- Health services,
- Religious purposes,
- Public cemeteries,
- The Royal Zoological Society.

A compulsory rebate of at least 75% must be applied to land used by:

- Community service organisations, and
- Schools and universities.

Where a “community services organisation” is eligible for a mandatory rebate, the residential rate must be applied to the land to which the rebate relates in accordance with Section 161 (2) of the Act. This is as a result of Council declaring differential rates according to land use and providing for a distinct residential rate.

Where the Council is satisfied from its own records, or from other sources, that a person or body meets the necessary criteria for a mandatory rate rebate, the Council will grant the rebate accordingly.

Where the Council is not satisfied based upon the information in its possession or otherwise does not hold relevant information it will require the person or body to lodge an application form with such information as stipulated and any other information that the Council may reasonably require.

Applicants who satisfy the criteria for a mandatory rebate will be granted the rebate at any time provided the application is lodged prior to the 30 June of the rating year and provided the entitlement to the rebate existed at 1 July of the rating year.

Council will confirm the continuation of a person or body’s eligibility for a mandatory rebate on a regular basis (at least biennially) to ensure that rebates are only granted where they are warranted. This will require the relevant person or body to lodge an application form with such information as stipulated and any other information that the Council may reasonably require to confirm the continuation of eligibility.

Discretionary rebates

As identified in Section 166 of the Act Council may grant a discretionary rebate of rates up to and including 100% of the relevant rates under a number of criteria and for a period not exceeding the timeframe.

As required by legislation, Council should give reasonable consideration to the granting of rebates and does not adopt a policy that excludes the consideration of applications for rebates based on their merits.

Have considered this, Council is of the view that except in very specific circumstances outlined below, the maximum discretionary rebate should be 75% to ensure ratepayers contribute an amount towards basic service provision.

Council has determined pursuant to Section 166(1) (b) that those primary production properties genuinely in the business of primary production but not benefitting from a notional capital value for their property can apply for a 10% rebate on the differential rate.

Excluding the primary production rebates granted pursuant to Section 166(1) (b), Council in accordance with Section 166 (1a) will take the following matters into account in deciding whether to grant a discretionary rebate for land uses covered by Section 166 a) to k):

- (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 the Council’s area;

- (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
- (d) specific policy positions considered relevant by Council

Notwithstanding the direction provided by Council pursuant to Section 166(1)(b) which is then actioned by Administration, Council has retained the delegation to grant all other discretionary rate rebates under land uses covered by Section 166 a) to k).

Council's specific policy positions to meet discretionary rate rebates eligibility are as follows:

- An organisation needs to meet one of the criteria listed under Section 166 a) to o);
- An organisation needs to be not-for-profit;
- A rebate of 100% will only be granted where community organisations seeking a rebate provides a service that would be required to be provided by Council if not undertaken by the organisation;
- A rebate of 75% will be granted if the organisation provides a community service that support the disadvantaged or sections of the community that require assistance, as defined;
- Where an organisation does not meet the above criteria, it is still eligible for a 75% rebate where it meets all of the following criteria:
 - limited capacity to raise funds;
 - meets a "community need", as defined; and
 - undertake services and activities that are not primarily the responsibility of Federal or State Government

Council has determined the following definitions to assist in the determination of eligibility for a discretionary rate rebate.

"Disadvantaged persons" refers to persons who are disadvantaged by reason of poverty, illness, frailty, or mental, intellectual or physical disability. To meet this criteria the organisation would need to establish that the predominant extent of the activities carried out on the land for which the rebate is sought provides assistance or relief to disadvantaged persons.

"community need" is defined as those services and activities that are aligned to achievement of one or more of Council's strategies resulting in:

- a direct benefit to the residents of Adelaide Hills Council; and
- a significant proportion of users are Adelaide Hills residents.

Due to the complexities involved in the application of discretionary rate rebates under Section 166 (l) to (o), any application relating to these elements will be subject to a separate report to Council to consider the appropriateness of such a rebate.

Persons who, or bodies which, seek a discretionary rebate will be required to submit an application form to the Council and provide to the Council such information as stipulated on the application form and any other information that the Council may reasonably require.

All persons who or bodies which wish to apply to the Council for a discretionary rebate of rates must do so on or before 30 April prior to the rating year unless the application is a result of a change in eligibility for a mandatory rebate or rate exemption. In those

circumstances where an application relates to a change in rebate/rate exemption in a relevant rating year, then the application will be applied for the full rating year if received within 2 months of the change in rebate/exemption being advised. The Council reserves the right to refuse to consider applications received after the specified date.

Persons or bodies who previously received a discretionary rebate greater than 75% may apply for a phasing in period (up to 2 years) in circumstances where the above change impacts significantly on the persons or bodies' financial capacity. In these circumstances, an application will be considered if received within 2 months of the change in rebate being advised. The Council reserves the right to refuse to consider applications received after the specified date.

Where there is no maximum timeframe specified for a rebate provided under Section 166, Council will grant a discretionary rebate to the last rating period commencing within a Council term to allow for a regular review of discretionary rate rebates.

A summary of all discretionary rebates applied for, including whether they have been successful or not and the associated reasons will be reported to Council on an annual basis.

Each rebate that is granted either reduces the Council's revenue and hence its capacity to provide services, or else it effectively increases the amount that must be collected from other ratepayers. The principles of equity dictate that Council remains diligent in only awarding rebates and exemptions where they are warranted.

If you or your organisation wishes to apply for a discretionary rate rebate, you may apply by contacting the Council's Rate Administrator.

All rebates

As Council's CWMS service charges are set to recover the cost to the council of establishing, operating, maintaining, improving and replacing infrastructure (taking into account depreciation of any assets and including future capital works) no rebates are provided by Council.

If an entitlement to a rebate ceases or no longer applies during the course of a financial year, council will recover rates proportionate to the remaining part of the financial year.

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 do so that person or body is guilty of an offence.

The Council will, in writing, advise an applicant for the rebate of its determination of that application. The advice will state:

- if the application has been granted, the amount of the rebate; or
- if the application has not been granted, the reasons why.

Any person or body who is aggrieved by a determination of the delegated officer in respect of an application for a rebate may seek a review of that decision in accordance with Council's Internal Review of Council Decisions Policy.

Single Farming Enterprise

The Local Government Act 1999 provides that "if two or more pieces of rateable land within the area of the Council constitute a single farm enterprise, only one fixed charge may be imposed against the whole of the land".

A Single Farm Enterprise is defined in the Local Government Act -

"A reference to a single farm enterprise is a reference to two or more pieces of rateable land

(a) which –

(i) are farm land; and

(ii) are farmed as a single enterprise; and

(iii) are occupied by the same person or persons,

whether or not the pieces of land are contiguous; or

(b) which –

(i) as to all the pieces except one, are farm land farmed as a single enterprise occupied by the same person or persons; and

(ii) as to one piece contiguous with at least one of the other pieces, is the principal place of residence of that person or one of those persons."

In effect, this means that land can be recognised as a "single farming enterprise" and not attract a fixed charge to each of the assessments, provided:

- that if the occupier of all the land concerned is the same person, (this means that if there is a house being occupied that is not your principal place of residence, it cannot be part of the single farm enterprise)
- all of the land is used to carry on the business of primary production, and
- managed as a single unit for that purpose,

Primary producers can apply to the Council for the 'single farming enterprise' provisions of the Local Government Act.

You should also be aware that if the grounds on which you apply for a single farm enterprise cease to exist, the person or body who have the benefit of the provisions must immediately inform the Council of the fact.

4.6 RATE RELIEF

Council applies rate remissions and postponement in accordance with the Act.

Financial Hardship

If you are suffering financial hardship, you should contact the Council's Rates Administrator to discuss the matter. Such inquiries are treated confidentially, and any application will be considered on its merits. Options to address financial hardship can include:

Regular payments other than Quarterly

If you are experiencing financial hardship and anticipate difficulty paying the next rate instalment notice, we will work with you to make alternative arrangements. These arrangements will be treated in the strictest confidence.

In addition to quarterly instalments, ratepayers can arrange with Council to pay their rates weekly, fortnightly or monthly to provide for a smaller, more regular payment option via BPAY, phone or internet.

Waiving of Fines and Interest

Council can consider the waiving of fines and interest as part of addressing financial hardship. When a ratepayer has committed to a payment plan and adheres to a regular payment, Council will consider the waiving of fines and interest to assist the ratepayer.

Postponement of Rates

A ratepayer may apply to Council to postpone payment of rates in whole or in part for a period of due to hardship. Any such application must be made in writing and outline the reasons why postponement is requested.

If postponement is granted then Council will consider the waiving of fines and interest for the same period to assist the ratepayer.

In accordance with legislation, a postponement may, if Council thinks fit, be granted on condition that the ratepayer pays interest on the amount affected by the postponement at a rate fixed by the council (but not exceeding the cash advance debenture rate as defined in the Local Government Act).

As postponement may only delay financial hardship for a period of time, options involving a regular payment plan are more likely to be beneficial for ratepayers to assist in reducing rates balances outstanding over time.

Remission of rates

The Council has a discretion to partially or wholly remit (i.e. waive) rates on the basis of hardship.

Council has a charge over the land under Section 177 of the LGA and therefore is likely to be able to recover rates outstanding upon sale. The granting of a remission forgoes this right and therefore is only considered as an option in circumstances where the ratepayer has demonstrated serious and long term hardship and where there is no chance of improvement in the ratepayers financial circumstances.

Consideration must also be given to the tax burden redistribution effect on other rate payers of any remission.

For these reasons, and given the importance of ensuring fairness to other ratepayers, remission will only be considered as a last resort and only where there is no chance of improvement in the ratepayer's financial circumstances. As such, it is likely that postponement of payment of rates due to hardship has been occurred for some period to confirm the permanency of the ratepayer's situation.

Seniors Postponement

If you hold a State Seniors Card then (unless you have a mortgage entered before 2007 that is greater than 50% of your home's value) you are eligible to postpone, on a long-term basis, a large component of the rates on your principal place of residence. The postponed amount is subject to a monthly interest charge, with the accrued debt falling due for payment only when the property is sold or transferred to someone else, or no longer becomes the principal place of residence. However, some or all of the debt may be paid at any earlier time, at your discretion.

4.7 PAYMENT OF RATES

Rates are declared annually, and may be paid, at your discretion, either in one lump sum, or in quarterly instalments that fall due in September, December, March and June. The exact dates that rates fall due, and the various options for paying rates, are clearly indicated on your rates notice.

If you have (or are likely to have) difficulty meeting these payments, you should contact the Council's Rates Administrator to discuss alternative payment arrangements. Such inquiries are treated confidentially.

4.8 LATE PAYMENT OF RATES

The Act provides that councils must impose a penalty of 2% on any payment for rates by instalment, which is not paid on or before the due date. A payment that continues to be late is then charged a prescribed interest rate for each month it continues to be late.

When Council receives a payment in respect of overdue rates Council applies the money received in accordance with the Act as follows:

- First – to satisfy any costs awarded in connection with court proceedings;
- Second – to satisfy any interest costs;
- Third – in payment of any fines imposed;
- Fourth – in payment of rates, in chronological order (starting with the oldest account first).

4.9 NON- PAYMENT OF RATES

A separate Debt Recovery Policy has been adopted by Council and is available for review on the Adelaide Hills Council website.

The purpose of this policy is to set out Council's principles in regard to the management of debt and to ensure that money owed to Council is collected as soon as

possible through efficient and effective debt recovery practices. This policy assists to ensure a strategic, equitable, accountable, consistent and transparent approach to Council's debt management, collection decisions and practices. Key principles under this Debt Recovery Policy for rates are as follows:

- Council undertakes recovery action for overdue rates debtors to ensure the **fair, equitable and consistent** collection of rates in an effective and timely manner.
- Council will **attempt to recover all costs, interest and expenses incurred by Council** while recognising the need to identify and consider individual cases of **genuine hardship**.
- Cases of financial hardship will be considered by application on an individual basis and always with a view to the ratepayer **re-establishing financial capability and, wherever possible, meeting their financial obligations**

It should be noted that Council may sell any property where the rates have been in arrears for three years or more. Council is required to notify the owner of the land of its intention to sell the land, provide the owner with details of the outstanding amounts, and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month.

CONTACTING THE COUNCIL'S RATES ADMINISTRATOR

- 5.1 If you believe that Council has failed to properly apply this policy you should contact the Council's Rates Administrator to discuss the matter. (See contact details below). If after this, you are still dissatisfied then you should write to the Council's Chief Executive Officer at PO Box 44, Woodside SA 5244.

For further information, queries, or to lodge an application for rate postponement or remissions please contact the Council's Rates Administrator on:

Phone: 8408 0400
E-mail: mail@ahc.sa.gov.au
Post: PO Box 44, Woodside SA 5244

5. DELEGATIONS

- 6.1 The Chief Executive Officer has the delegation to approve, amend and review any procedures that shall be consistent with this Policy.

6. AVAILABILITY OF THE POLICY

- 7.1 This Policy will be available for inspection at the Council's Offices during ordinary business hours and via the Council's website www.ahc.sa.gov.au. Copies will also be provided to the public upon request, and upon payment of a fee in accordance with the Council's Schedule of Fees and Charges.

Supplementary Information to Rating Policy

Differential Rates

Section 153 of the Act allows councils to 'differentiate' rates based on the use of the land, the locality of the land, the use and locality of the land or on some other basis determined by the council. The application of a Differential General Rate is generally intended to alter the amount payable by particular land uses.

Council has determined to apply the same rate in the dollar, based on capital value, to all categories of ratepayer, except commercial and industrial ratepayers who pay a differential rate in the dollar that is 15% higher than the rate in the dollar charged for other categories of ratepayer.

Council has considered the higher amount payable by the Commercial & Industrial sector with reference to the Economic Development function as well as the services and activities that the sector does not regularly use.

Council has considered the principle of rate stability when assessing the rates burden across the above categories. Other considerations were given to the change in capital value across the land use categories and the rates income provided by each.

It is estimated that the Commercial & Industrial Differential General Rates will raise net rate revenue in the order of \$1.5m in 2020-21.

It is estimated that the Residential & Non Commercial and Industrial Differential General Rate will raise net general rate revenue in the order of \$35.6m in 2020-21.

Council has applied the following rates in the dollar across the last five years to determine the total rate levied against an assessment:

Financial Year	Commercial & Industrial	All Other Land Uses including Residential
2020-21	0.002821	0.002453
2019-20	0.002839	0.002469
2018-19	0.002784	0.002421
2017-18	0.002748	0.002390
2016-17	0.002806	0.002440

Fixed Charge

Under the *Local Government Act 1999* (the Act), Council has some mechanisms available to enable all ratepayers to contribute more equitably to the administration of Council's services and the development and maintenance of the community's infrastructure. Council considers a fixed charge (applying equally to all rateable properties) to be the most fair and equitable means of achieving this.

The Council is unable to raise more than 50% of total rate revenue by the imposition of a fixed charge component of general rates as per section 151(10) of the Act.

Council has applied the following fixed charges across the last 5 years as part of the total rate levied against an assessment:

	Fixed Charge	Increase from Previous Year	% of Rate Revenue
2020-21	\$682	2.95%	31.9%
2019-20	\$662	2.8% + \$10	32.0%
2018-19	\$634	3.3%	31.8%
2017-18	\$613.50	2.25%	31.8%
2016-17	\$600		31.8%

It should be noted that although a Joint Committee of Parliament considered potential changes to valuation policy that would remove the ability to levy individual fixed charges based on occupancy for retirement village, the final report tabled in November 2019 did not include any specific recommendations to remove this ability. However, Council is aware that an independent Member Bill has been tabled in Parliament which would prevent councils from levying a fixed charge on properties in a retirement village. Should this policy change be implemented this would reduce Fixed Charge revenue by approximately \$200k for Adelaide Hills Council.

Appendix 3: Corporate Performance Indicators

ID	Corporate Performance Indicator	Target	Strategic Objective	Reporting Frequency
Goal 1: A functional Built Environment				
CPI-B01	Inspections of footpaths in high priority zones	100%	B1	Quarterly
CPI-B02	Delivery of capital works program	90%	B1	Annually
CPI-B03	Compliance inspections completed within 5 business days of development completion notification	80%	B2	Quarterly
CPI-B04	Compliance inspections completed within 5 business days of notification of alleged unlawful development	80%	B2	Quarterly
CPI-B05	Comparison of Council's Energy Usage (Kwh) against previous financial year	Less than previous financial year	B3	Annually
CPI-B06	Tonnes of recycled plastic content in products purchased by Council	25	B3	Annually
CPI-B07	Operational tasks completed within the Civil Zone Maintenance Program	80%	B4	Quarterly
Goal 2: Community Wellbeing				
CPI-C01	Positive ageing wellbeing score	7 Average	C2	Quarterly
CPI-C02	Community Centre participants who feel better connected to others or community	85%	C2	Bi-annual
CPI-C03	Community centre participants who would use the knowledge/skills gained in the future	80%	C3	Bi-annual
CPI-C04	Number of volunteer hours contributed to AHC programs each year	4800	C3	Quarterly
CPI-C05	Library visits per capita compared with the state average	25% above state average	C3	Annually
CPI-C06	Library loans per capita compared with the state average	35% above state average	C3	Annually
CPI-C07	Attendance at programs, events and workshops at Fabrik Arts and Heritage Hub	8,000	C6	Annually
CPI-C08	Percent of available studio spaces occupied	50	C6	Annually
CPI-C09	Number of events and programs celebrating cultural diversity	8	C6	Annually

ID	Corporate Performance Indicator	Target	Strategic Objective	Reporting Frequency
Goal 3: A prosperous Economy				
CPI-E01	Net Easy Score of respondents who rated ease of getting assistance from Council as Easy or Very Easy v Difficult or Very Difficult	>0	E1	Every 2 Years
CPI-E02	Visitor numbers (visitor domestic day trips)	1.2mil	E1	Annually
CPI-E03	Average number of days for Building Rules Consents	20 or 60 business days*	E2	Quarterly
CPI-E04	Percentage of new development application decisions upheld in Council/CAPs favour under appeal	85%	E2	Quarterly
CPI-E05	Percentage of Planning Consents completed within statutory timeframes	85%	E2	Quarterly
CPI-E06	Number of local jobs in AHC area compared to previous financial year	Maintain 2019-20 Financial Year = 11200	E3	Annually
Goal 4: A valued Natural Environment				
CPI-N01	Number of Native Vegetation Marker System BushRAT Assessment sites complete (actual versus planned)	60 NVMS sites per annum	N2	Annually
CPI-N02	Woody Weed Control Program - no. of sites complete (actual versus planned)	17 sites per annum	N2	Quarterly
CPI-N03	Percent of nuisance and litter queries resolved	90%	N2	Quarterly
CPI-N04	Percent of private properties inspected prior to bushfire season that comply with fuel load management requirements	At least 90%	N2	Annually
CPI-N05	Tonnes of green organics collected on Green organic days	150	N4	Quarterly
CPI-N06	Percentage change in tonnes of waste disposed to landfill compared to previous financial year	Reduction in waste percentage	N5	Annual
CPI-N07	Number of community education actions delivered (Waste Management Strategy 2016-2021) – Actioned vs Planned	6	N5	Quarterly

*20 Business Days for dwellings, pools and outbuildings and 60 business days for other buildings

ID	Corporate Performance Indicator	Target	Strategic Objective	Reporting Frequency
Goal 5: A progressive Organisation				
CPI-001	Number of Lost time injuries	0	O1	Quarterly
CPI-002	Customer Net Ease Score (NES)	50	O2	Bi-annual
CPI-003	Overall customer satisfaction	75%	O2	Bi-annual
CPI-004	Operating Surplus Ratio	0-10%	O3	Annually
CPI-005	Net Financial Liabilities Ratio	0-100%	O3	Annually
CPI-006	Asset Renewal Funding Ratio	90-110%	O3	Annually
CPI-007	Decisions (Council resolutions) considered in open Ordinary & Special Council meetings during the reporting period	90%	O4	Quarterly
CPI-008	Council member attendance at Ordinary & Special meetings	90%	O4	Quarterly
CPI-009	FOI requests completed within the legislated timeframe	100%	O6	Quarterly
CPI-010	Ombudsman investigations upholding Council's decisions (general investigations and FOI external reviews)	100%	O6	Quarterly