



AUDIT COMMITTEE

NOTICE OF MEETING

To: **Presiding Member** Cr Malcolm Herrmann

Members

Geoff Purdie
Peter Brass
Paula Davies
Cr Leith Mudge

Notice is hereby given pursuant to the provisions under Section 87 of the *Local Government Act 1999* that the next meeting of the Audit Committee will be held on:

Monday 15 April 2019
6.00pm
63 Mt Barker Road, Stirling

A copy of the Agenda for this meeting is supplied under Section 87 of the Act.

Committee meetings are open to the public and members of the community are welcome to attend. Public notice of the Agenda for this meeting is supplied under Section 88 of the Act.

Andrew Aitken
Chief Executive Officer



AUDIT COMMITTEE

AGENDA FOR MEETING
Monday 15 April 2019
6.00pm
63 Mt Barker Road, Stirling

ORDER OF BUSINESS

Council Vision

Nurturing our unique place and people

Council Mission

Delivering activities and services which build a resilient community, sustain our built and natural environment and promote a vibrant economy

1. COMMENCEMENT

2. APOLOGIES/LEAVE OF ABSENCE

- 2.1. Apology
- 2.2. Leave of Absence
- 2.3. Absent

3. MINUTES OF PREVIOUS MEETINGS

- 3.1. Audit Committee Minutes – 18 February 2019

Recommendation

That the minutes of the Audit Committee meeting held on 18 February 2019, as supplied, be confirmed as an accurate record of the proceedings of that meeting.

4. DELEGATION OF AUTHORITY

The Audit Committee operates in accordance with the relevant sections of the Local Government Act 1999, and its Terms of Reference.

5. DECLARATION OF INTEREST BY MEMBERS OF THE COMMITTEE

6. QUESTIONS ON NOTICE

- 6.1. Cheques Issued by Council

7. MOTIONS ON NOTICE

- 7.1. Council Corporate Purchase Cards

I move that the CEO provides a report to the Audit Committee on the use of Council Corporate Purchase Cards within the context of the Corporate Procurement Framework.

8. OFFICER REPORTS

- 8.1. Draft Annual Business Plan

The Audit Committee resolves:

- 1. That the report be received and noted.*
- 2. To advise Council that the Committee is satisfied that the assumptions underpinning the draft 2019-20 Annual Business Plan are consistent with the Long Term Financial Plan and are adequate to maintain the Council's financial sustainability.*

9. NEXT MEETING

The next Audit Committee meeting will be held on 12 August 2019 at 63 Mount Barker Road, Stirling.

10. CLOSE MEETING

**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE
MINUTES OF MEETING
MONDAY 18 February 2019
63 MT BARKER ROAD STIRLING**

In Attendance

Members:

Cr Malcolm Herrmann	Presiding Member
Peter Brass	Independent Member
Geoff Purdie	Independent Member
Paula Davies	Independent Member
Cr Leith Mudge	Council Member

In Attendance:

Andrew Aitken	Chief Executive Officer
Terry Crackett	Director Corporate Services
Lachlan Miller	Executive Manager Governance & Performance
Mike Carey	Manager Financial Services
Steven Watson	Governance and Risk Coordinator

Guests in Attendance:

Tim Muhlhausler	Galpins
Juliano Freitas	Galpins

1. COMMENCEMENT

The meeting commenced at 6.01pm without Cr Mudge.

2. APOLOGIES/LEAVE OF ABSENCE

2.1. Apology

Nil

2.2. Leave of Absence

Nil

2.3. Absent

Nil

Presiding Member _____ 15 April 2019

**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE
MINUTES OF MEETING
MONDAY 18 February 2019
63 MT BARKER ROAD STIRLING**

3. MINUTES OF PREVIOUS MEETINGS

3.1. Audit Committee Meeting – 05 November 2018

**Moved Peter Brass
S/- Paula Davies**

1/19

That the minutes of the Ordinary Council meeting held on 05 November 2018 as supplied, be confirmed as an accurate record of the proceedings of that meeting.

Carried

4. Delegation of Authority

In accordance with the Audit Committee Terms of Reference, the Committee has no delegated decision-making powers. The Recommendations in **Items 6.2, 6.3, 6.4 and 6.8** are to be submitted to Council for consideration.

5. DECLARATION OF CONFLICT OF INTEREST BY MEMBERS OF AUDIT COMMITTEE

5.1. NIL

6. OFFICER REPORTS – DECISION ITEMS

6.1. Action Report & 2019 Work Plan

**Moved Geoff Purdie
S/- Peter Brass**

2/19

The Audit Committee resolves that the report be received and noted.

Carried

6.03pm Cr Leith Mudge entered the meeting

**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE
MINUTES OF MEETING
MONDAY 18 February 2019
63 MT BARKER ROAD STIRLING**

6.2. External Audit Plan

Moved Peter Brass
S/- Paula Davies

3/19

The Audit Committee resolves:

1. That the report be received and noted
2. To recommend to Council the approval of the:
 - a. Audit Engagement Letter between Adelaide Hills Council and Galpins Accountants, Auditors and Business Consultants as contained in Appendix 1; and
 - b. External Audit Plan (Appendix 2) by Galpins Accountants, Auditors and Business Consultants as contained in Appendix 2, with amendments to the timetable and risk assessment commentary.

Carried

6.3. 2018 – 19 Budget Review 2

Moved Cr Leith Mudge
S/- Geoff Purdie

4/19

The Audit Committee:

1. Resolves that the report be received and noted.
2. Notes and recommends to Council that:
 - c. the Operating Budget variations presented in Budget Review 2 increase the Budgeted Operating Surplus of \$302k to \$398k for the 2018-19 financial year.
 - d. the proposed Capital Works amendments increase capital income by \$9.719m and reduce total capital expenditure by \$291k, resulting in a proposed capital expenditure budget of \$17.626m.
 - e. the proposed operating and capital adjustments result in Council's current Net Borrowing Result of \$4.513m changing to a Net Lending Result of \$5.993m for the 2018-19 financial year.

Carried Unanimously

**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE
MINUTES OF MEETING
MONDAY 18 February 2019
63 MT BARKER ROAD STIRLING**

6.4 Long Term Financial Plan 2019 Review

Moved Paula Davies

S/- Peter Brass

5/19

The Audit Committee:

- 1. Receives and notes the report.**
- 2. Notes the updated Long Term Financial Plan.**
- 3. Recommends Council endorse the Long Term Financial Plan, as contained in Appendix 1, for community consultation in accordance with Section 122 of the Local Government Act 1999.**

Carried

7.11pm Paula Davies left the meeting

7.14pm Paula Davies returned to the meeting

6.5 Risk Management Plan Update

Moved Geoff Purdie

S/- Paula Davies

6/19

The Audit Committee:

- 1. Receives and notes the report.**
- 2. Requests an update to the Committee Workplan to include the Risk Management Framework Review for the August 2019 Audit Committee Meeting.**

Carried

**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE
MINUTES OF MEETING
MONDAY 18 February 2019
63 MT BARKER ROAD STIRLING**

6.6 Audit Committee Terms of Reference Review

Moved Peter Brass
S/- Paula Davies

7/19

The Audit Committee resolves to receive and note the report.

Carried

6.7 Quarterly Debtors Report

Moved Peter Brass
S/- Paula Davies

8/19

The Audit Committee resolves to receive and note the report.

Carried

6.8 Internal Audit Quarterly Update

Moved Peter Brass
S/- Cr Leith Mudge

9/19

The Audit Committee:

1. Receives and notes the report.
2. Recommends to Council to amend the Strategic Internal Audit Plan 2018-2022 to include a specific audit on Purchase Cards in the 2018-2019 financial year in light of heightened public interest.

Carried

**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE
MINUTES OF MEETING
MONDAY 18 February 2019
63 MT BARKER ROAD STIRLING**

6.9 Audit Actions Implementation

Moved Geoff Purdie
S/- Cr Leith Mudge

10/19

The Audit Committee resolves:

1. To receive and note the report.
2. To note the implementation status of Internal and External Audit actions

Carried

7. CONFIDENTIAL ITEMS

Nil

8. NEXT MEETING

The next ordinary meeting of the Adelaide Hills Council will be held on Monday 15 April 2019 from 6.00pm at 63 Mt Barker Road, Stirling.

9. CLOSE MEETING

The meeting closed at 8.04pm

**ADELAIDE HILLS COUNCIL
AUDIT COMMITTEE MEETING
15 April 2019
AGENDA BUSINESS ITEM**

Item: 6.1 Question on Notice

Originating from: Cr Malcolm Herrmann

Subject: Cheques Issued By Council

1. **QUESTION - What actions have been undertaken to reduce the number of cheques issued by council for payments and what results have been achieved?**

2. OFFICER'S RESPONSE – Mike Carey, Manager Financial Services

There has been a strong focus on reducing the level of cheques processed as Electronic Funds Transfer (EFT) is seen as the most efficient payment method for Council. As such current procedures for any new cheque payment request require confirmation that the supplier/customer EFT details cannot be obtained.

This focus on cheque reduction has resulted in the annual number of cheques issued by Council falling from 537 in 2014/15 to 188 in 2017/18. Further to this the number of cheques for the first six months of the 2018/19 financial year had fallen further to 64.

Despite our organisation's preference for EFT there are still a small number of organisations, often with a large customer base (i.e. utilities and telecommunications companies) who do not allow EFT payments and usually promote payment by BPay instead. As BPay is currently a very manual process for Council it is considered more efficient to continue to pay by cheque.

It is also noted that a number of councils are also in this group of organisations who prefer payment by BPay as opposed to EFT. Adelaide Hills has raised this issue recently at a sector wide level and it has been agreed by the South Australian Local Government Financial Management Group to promote EFT as the preferred method between councils across South Australia.

**ADELAIDE HILLS COUNCIL
AUDIT COMMITTEE MEETING
Monday 15 April 2019
AGENDA BUSINESS ITEM**

Item: 7.1 Motion on Notice

Originating from: Cr Malcolm Herrmann

Subject: Council Corporate Purchase Cards

1. MOTION

I move that the CEO provides a report to the Audit Committee on the use of Council Corporate Purchase Cards within the context of the Corporate Procurement Framework.

2. BACKGROUND

There is a lot of public scrutiny of the use of Purchase Cards by Council staff across the local government sector. The Administration is working towards the preparation of a Corporate Procurement Framework and the use of Purchase Cards is seen as part of this project.

3. OFFICER'S RESPONSE – Mike Carey, Manager Financial Services

It is proposed that the Corporate Procurement Framework will be presented to the May Audit Committee meeting. Should the motion be resolved, the report will specifically address the use of Council Corporate Purchase Cards within the context of the Corporate Procurement Framework.

It is also noted that there is a separate report scheduled to come to the August 2019 Audit Committee meeting concerning an Internal Audit of Corporate Cards.

**ADELAIDE HILLS COUNCIL
AUDIT COMMITTEE MEETING
Monday 15 April 2019
AGENDA BUSINESS ITEM**

Item: 8.1

Originating Officer: Bernadette Walsh, Corporate Planning and Performance Coordinator

Responsible Director: Terry Crackett, Director Corporate Services

Subject: 2019-20 Draft Annual Business Plan

For: Decision

SUMMARY

This report presents the Draft 2019-20 Annual Business Plan (**Appendix 1**) for Audit Committee review and feedback.

The draft Plan has incorporated a 2.8% rate increase, delivers a \$462k operating surplus and provides for a gross capital works program totalling \$14.084 million. It is aligned with Council's financial sustainability targets for the Operating Surplus, Net Financial Liabilities and Asset Renewal Funding ratios.

Section 123 of the *Local Government Act 1999* states that Council is obliged to consider community feedback with respect to its Annual Business Plan prior to its adoption. Subject to Council endorsement public consultation will commence on 26 April 2019, with the consultation period closing on 31 May 2019 in line with the timelines adopted by Council in January 2019.

RECOMMENDATION

The Audit Committee resolves:

- 1. That the report be received and noted.**
 - 2. To advise Council that the Committee is satisfied that the assumptions underpinning the draft 2019-20 Annual Business Plan are consistent with the Long Term Financial Plan and are adequate to maintain the Council's financial sustainability.**
-

1. GOVERNANCE

➤ **Strategic Management Plan/Council Policy**

Goal: Organisational Sustainability
Strategy: Financial Sustainability

The Adelaide Hills Council has consistently met its financial sustainability targets and is on track to continue this strong trend into the foreseeable future. The draft 2019-20 Annual Business Plan attached to this report is built around the following key principles:

- Operating within our means
- Managing debt responsibly
- Reducing the infrastructure asset renewal backlog
- Keeping rate increases manageable
- Funding new or enhanced services through efficiency savings.

➤ **Legal Implications**

The preparation of an Annual Business Plan is a requirement of Section 123 of the *Local Government Act 1999*, and the Local Government (Financial Management) Regulations 2011.

Section 123(3) of the Act states that before a council can adopt its annual business plan that it must prepare a draft plan and follow the relevant steps set out in its public consultation policy (i.e. consultation for at least 21 clear days).

Section 123(4) of the Act requires that publication of a notice in a newspaper circulating in the area informing the public of the draft annual business plan and inviting interested persons to attend a meeting of the council to ask questions and make submissions for a period of at least one hour.

The Audit Committee operates under a Terms of Reference adopted by Council and effective from 1 September 2017. One of the specific functions of the Committee, as it relates to annual business planning is:

- 3.1.1 Provide comment on the assumptions underpinning Council's Strategic Management Plans (Strategic Plan, Annual Business Plan and Budget and Long Term Financial Plan), the consistency between plans and the adequacy of Council's plans in the context of maintaining financial sustainability;

➤ **Risk Management Implications**

Preparing an Annual Business Plan as required by the Act and Regulations will assist in mitigating the risk of:

Inability to discharge role and functions of a local government entity leading to a breach of legislation and loss of stakeholder confidence.

Inherent Risk	Residual Risk	Target Risk
Extreme (5C)	High (5E)	High (5E)

It ensures that financial resources are deployed in areas that align with Council's Strategic Management Plans, are affordable and support Council's Long Term Financial Plan.

➤ **Financial and Resource Implications**

Without an Annual Business Plan, Council risks allocating resources in a manner which compromises its financial sustainability.

Council has developed a draft 2019-20 Long Term Financial Plan (LTFP) that sets income and expenditure targets for the 2019-20 Budget. A public consultation period on the draft 2019-20 LTFP has recently concluded and the revised document will be considered for adoption at the 23 April 2019 Council meeting. It is not anticipated that there will be any significant change to the document arising from the consultation process.

Any significant variation to those LTFP targets will potentially have an impact on the long term financial position of the Council.

The draft Annual Business Plan does however strongly align to the 2019-20 targets that have been established in the LTFP.

➤ **Customer Service and Community/Cultural Implications**

Without an Annual Business Plan, Council risks pursuing strategies and projects which fail to deliver acceptable levels of customer service and adversely affect the community.

➤ **Environmental Implications**

The Annual Business Plan incorporates projects and supports ongoing actions to deliver Council's environmental goals as set out in the Strategic Plan.

➤ **Engagement/Consultation with Committee, Regional Subsidiary, Advisory Group and Community**

Section 123 of the Act states that Council is obliged to consider community feedback with respect to its Annual Business Plan. Engagement in this instance will be of the 'consult' type in the context of the Council's Community Engagement Framework and will be conducted from 26 April to 31 May 2019.

Consultation will be publicised in a variety of ways including:

- An advertisement (notice) in the Courier newspaper and the Weekender Herald newspaper
- Information in the Council's e-newsletter, Hills Voice, distributed in early May
- Information on the Council's website and online engagement portal
- Posts through the Council's social media channels (Facebook and Twitter)

The draft Plan will be available for viewing in a number of ways including:

- On the Council's website and online engagement portal
- At the Council's customer service centres, and the mobile library
- By mail on request.

Interested persons can query elements of the plan by phone, by email or using the 'Question and Answer' facility on the Council's online engagement portal.

People will be able to make submissions in a number of ways including:

- Through the Council's online engagement portal
- In writing by mail or email
- In person at a public meeting of the Council on 28 May 2019.

2. BACKGROUND

The draft 2019-20 Annual Business Plan has been developed to reflect the objectives endorsed within the Long Term Financial Plan (LTFP), Asset Management Plan (AMP) and Council's Strategic Plan. It has also been aligned with Council's targets for its key financial sustainability ratios i.e. Operating Surplus, Net Financial Liabilities and Asset Renewal Funding ratios.

The draft Plan seeks to ensure a sustainable balance between service needs, financial responsibility (including infrastructure renewal and additions), and the capacity of the community to pay. The draft Plan also draws from all areas of Council's Strategic Management Plans because they present, in financial terms, the activities of Council as a whole.

The *Local Government Act 1999* has a number of requirements relating to the preparation of the Annual Business Plan and the Annual Statements and the setting of Rates. This report and the activities which it recounts address those requirements.

It should be noted that prior to consultation the draft Plan will incorporate minor refinements to ensure consistency in formatting, as well as capturing new or amended pictures as required.

3. ANALYSIS

Assumptions used in the development of the budget reflect those endorsed within the LTFP and have been outlined within the Draft Annual Business Plan. Key variations within each major program have also been provided.

Operating Position

Council's draft 2019-20 budget included within the Plan provides for an operating surplus of \$462k, which reflects the careful control of both operating expenses and rates income.

The operating expenditure budget is projected at \$44.2 million, which includes \$8.94 million of depreciation. Operating revenue is projected at \$44.7 million and includes a proposed 2.8% increase in average rates plus anticipated growth from new development of 0.75%.

A number of key factors have influenced the preparation of Council's draft Plan and Budget. These include:

- 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 Councils operating result of approximately 1% of rates, thus having an a significant financial impact on Council's budget.
- 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.
- In 2019-20 it is forecast Council ratepayers will pay \$768k in landfill levy to the State Government, an increase of over \$31k (4.2%) from 2018-19.
- A reduction in Grant funding, largely as a result of one off funding received in 2018-19 for Disaster Recovery funding for storm damage relating to previous years of \$406k and a DPTI contribution of \$200k for the Kersbrook Primary School pedestrian crossing.
- The divestment of the southern side of AHBTC resulting in reduced rental and reimbursement income but offset by reduced operating costs.
- The activation of an Arts and Heritage Hub resulting in a net cost of \$199k in 2019-20.

In response to the cost imposts on Council and to minimise the burden on ratepayers, Council has continued its work and review of saving strategies including service sustainability.

Saving strategies identified as part of the budget preparation include organisational initiatives, service reviews, contract management efficiencies and savings, infrastructure and work planning actions as well as people management initiatives. These reviews have already identified savings in contracting budgets across the corporation which have been realised in building the 2019-20 budget.

Capital Expenditure

The 2019-20 Capital Budget continues to focus on the renewal of infrastructure. The Council has in excess of \$507m (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 investment program of \$14.085m will include \$9.274m on the renewal of our existing asset and \$4.811m in providing additional assets for capacity improvements to our infrastructure to meet service level demand.

The total of 14.085m for the capital investment program is in line with the Long Term Financial Plan target and 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.

In 2018-19 we made considered adjustments to the investment levels across some asset classes, including roads, pavements, footpath, shoulders and unsealed roads, to ensure infrastructure and key assets continue to support the development of the region and the needs of our community. This level of renewal investment into our transport infrastructure has been maintained in 2019-20. The Sport and Recreational facilities renewal funding has been reduced against the LTFP numbers awaiting the outcome of the functional strategy and strategic investment decisions. The current program will continue to deliver much needed court resurfacing, oval surface improvement and playground upgrades.

The detailed Capital Works Program is in **Appendix 2** and you will see that we have not only included the planned budget for 2019-20, but also some intended budget amounts where projects have been identified for 2019-20 and 2020-21. These intended budget allocations for the subsequent years are indicative and pending adoption from the usual annual budget processes, but will assist Council in planning, scoping and project delivery of future projects and programs.

Council has identified \$597k of new capital investment across a number of asset classes in 2019/20 to continually increase our environmental sustainability. This includes the continuation of solar panel installations, water sensitive urban design work, irrigation design and upgrades to ensure the efficient use of water. We have also allocation \$50k to be utilised in emerging processes to ensure greater reuse of material in infrastructure projects.

Council receives many community requests, proposals and bids for new/ upgraded infrastructure that are considered as part of the development of the annual business plan. Not all projects can be funded and many are ranked as a lower priority, considering strategic plans/ documents, long term asset management and policy positions.

A detailed listing of capital expenditure items is provided as **Appendix 2** in the draft 2019-20 Annual Business Plan.

Operating Initiatives

The Annual Business Plan has been developed with the inclusion of a large number of ongoing and new operating initiatives and programs.

These types of projects are either one-off, short term projects, ongoing programs linked to the achievement of a strategy or a request to change the level of service. The request to change the level of service will also impact future budgets.

Further review of these projects will occur between now and June 2019, including consideration of feedback from this consultation process. Importantly these programs and initiatives, which total \$875k for 2019-20 have been provided for whilst still meeting the targets for both operating and capital expenditure as set out within the Long Term Financial Plan.

Rating Policy

Context

A detailed review of Rating Policy was undertaken prior to the adoption of the 2016-17 Budget with amendments to Policy, including an increase in the Fixed Charge, being incorporated into the Annual Business Plan for that year. Subsequently in 2018-19 a further detailed review of the Rating Policy was undertaken focussing on an analysis of impacts on the commercial and industrial sectors and rate rebates and in particular the review of discretionary rebates.

Given these recent reviews and the subsequent decisions by Council, it is considered that there would be no significant changes to Council's Rating Policy for 2019-20, with only minor amendments to the Rating Policy to provide increased clarity on Councils' Rating Position.

As a result, the 2019-20 Policy proposes:

- a continuation of the existing additional 15% for commercial and industries properties and
- a continuation of capping of the maximum discretionary rate rebate to 75% with the exception of community halls to ensure all ratepayers contribute an amount to basis service provision.

Further discussion on rate rebates is provided below.

Rate Rebates

In 2018-19, Council conducted a review of all the properties that currently receive a rate rebate (both mandatory and discretionary) as well as those properties that are exempt for rates to help determine a position that aligns to Council's rating principles particularly in relation to equity.

When rate rebates are applied to properties those rates foregone must then be redistributed to the rest of the community. This principle of equity requires Council to be cognisant of this distribution when considering the use of rebates.

As such, the following key policy positions in relation to discretionary rate rebates were included:

- a discretionary rebate of 100% will only be granted where community organisations seeking a rebate are significantly aligned to Council's outcomes, being services that would be required to be provided by Council if not undertaken/ offered by organisations seeking a rebate (and in particular Community Halls)
- in all other circumstances, the **maximum** discretionary rebate will be 75% to ensure ratepayers contribute an amount towards basic service provision.

- discretionary rebates should be considered for organisations which have a limited capacity to raise funds and not be provided to groups and organisations whose purposes are considered to be primarily the responsibility of State or Federal Government or to “for profit” organisations
- that approved discretionary rebates should only be granted for the period of the Council term
- a summary of discretionary rebates be reported to Council on an annual basis

In accordance with the Rating Policy, given that a new Council term commenced during 2018-19, an application form was required for all continuing discretionary rate rebates for the 2019-20 financial year and are currently being evaluated. It is proposed to bring all discretionary rebates that administration consider no longer meet the requirements for a discretionary rebate to the May Council Meeting for final consideration of Councils’ position.

The updated draft Rating Policy is included as **Appendix 3 within the Annual Business Plan.**

Fixed Charge

The fixed charge provides a mechanism to recognise that all properties have access to “core” Council services, regardless of valuation, and ought to make a contribution to the cost of those services. 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.

It is proposed that a fixed charge of \$652 be set for 2019-20, representing a 2.8% increase on the \$634 levied for 2018-19.

Primary Production Rates

Since 2009-10, the primary production General Rate in the dollar has been set at the same level as the Residential General Rate in the dollar given the majority of properties zoned Primary Production are now used only for residential purposes.

A rebate, however, continues to be available to those primary producers that are genuinely in the business of Primary Production and do not benefit from a Notional Capital Value. This rebate provides a 10% lower General Rate for Primary Production relative to Residential ratepayers.

Separate Rates

Stirling Business Separate Rate:

The draft Policy provides for a continuation of the separate rate for businesses in Stirling (Stirling Business Separate Rate). For 2018-19, this rate raised \$85k and was distributed to the Stirling Business Association to promote Stirling as a destination, the ‘Gateway to the Hills’.

It is noted that the Stirling Business Association members at their 2018 Annual General Meeting endorsed a recommendation to Council to increase the levy raised by \$10k to \$95k. Projects tabled to necessitate the increase included: \$10k Entrance Statement (being concept designs to clean up on and off freeway), \$10k Buy Local Campaign and a \$5k website upgrade.

There are no proposed changes to the structure of the rate in relation to the categories of land use captured or the level of the 'top' and 'tail' that have been set in past years, being a maximum level of \$2,145 per property and a minimum of \$240.

Verrall Road Separate Rate:

The draft Policy also provides for a continuation of the separate rate for Verrall Road, Upper Hermitage which provided for the sealing of the northern end of the road in 2014-15. This rate is levied at a value of \$858 per annum on the properties that use this section of road.

A full copy of Council's draft 2019-20 Annual Business Plan is included as an attachment to this report (**Appendix 1**).

4. OPTIONS

The Audit Committee has the following options:

1. To receive and note the report and to advise Council that the assumptions contained within the draft 2019-20 Annual Business Plan are consistent with the LTFP and are adequate to maintain financial sustainability.
2. To provide other feedback on the report for consideration as part of the consultation process.

5. APPENDIX

- (1) Draft 2019-20 Annual Business Plan

Appendix 1

Draft 2019-20 Annual Business Plan



Adelaide Hills
COUNCIL

2019-20

Annual Business Plan (Draft)



Contents

Mayor's message	3
Our community	5
Our district	6
Our team	7
Organisation structure	9
Strategic Plan delivery.....	11
Long Term Financial Plan Context.....	28
Financial summary	29
Significant influences for the 2019-20 Budget.....	30
Sources of revenue and application of expenditure.....	31
Borrowings for the 2019-20 Financial Year.....	32
Operating budget by Directorate	33
Additional funding for operating initiatives.....	34
Capital budget 2019-20.....	38
Capital program – renewal (by asset class)	39
Capital program - new projects	40
Rating Policy setting.....	45
Appendices	48

Welcome

This is our Annual Business Plan for 2019-20.

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

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

The plan outlines our objectives for 2019-20 and how we are going to achieve them. These objectives are linked primarily to our Strategic Plan, but also come from our other functional strategies and plans.

We hope this plan makes interesting reading and demonstrates our commitment to making the Adelaide Hills *a place for everyone*.

Where to get copies

A digital copy of this report is available at **ahc.sa.gov.au**.

Request a copy by contacting us
(08) 8408 0400

PO Box 44 Woodside SA 5244
mail@ahc.sa.gov.au

Feedback

We welcome your feedback on this report or any other Council matter. Please contact us in the ways described left.

Consultation

Consultation on the draft Annual Business Plan will run from 26 April 2019 to 31 May 2019 and we want to hear what you think about it.

Opportunities to be involved include:

- Reviewing the draft Plan online, asking questions and making submissions at engage.ahc.sa.gov.au
- Making written submissions by email to mail@ahc.sa.gov.au or by post to PO Box 44, Woodside SA 5244
- Attend a public meeting of the Council at 6.30pm on 28 May 2019 where members of the public have the opportunity to make in-person representations.

The Council will consider feedback received during the consultation period at its meeting on 25 June 2019 and take this feedback into account before adopting the final Annual Business Plan.

Copies of this Annual Business Plan can be viewed online at engage.ahc.sa.gov.au or in person at any Council Customer Service Centre.

Information about the draft Annual Business Plan is included in the Council's electronic newsletter, Hills Voice: your Adelaide Hills, distributed to subscribers on 1 May.



Mayor's Message

The focus of this Annual Business Plan is to continue to deliver on the goals and objectives of Council's Strategic Plan – *Your Adelaide Hills - A place for everyone*, in a responsible, innovative and collaborative manner, whilst striving to act in the best interests of the Adelaide Hills community.

You elected a new Council, including five new Council Members, in November 2018 under the revised two ward structure. Since this time we have focussed on working as a cohesive team to continue to build a happy, healthy and prosperous Hills community. Financial sustainability remains an important commitment for Council with the cost projections of all Strategic Plan and Functional Strategies included in the Long-Term Financial Plan as they are adopted. This enables both current and successive Councils to understand the cost implications of their strategic decisions and facilitate the prudent delivery of services and facilities to the community now and into the future.

While continuing to progress our strategic planning initiatives, Council has resolved to undertake a comprehensive review of the current Strategic Plan in line with legislative requirements. This review commenced in April 2019 with a new Strategic Plan to be adopted in 2020.

Adelaide Hills Council is well-placed to implement our Annual Business Plan having drafted a responsible and prudent budget that includes an expected increase in general rates of 2.8%. This increase will not only enable us to maintain all existing services as costs grow in line with the Consumer Price Index of 1.8%, but also fund increased levels of capital renewal works (in particular our road network) as identified within our Long Term Financial Plan.

Our Annual Business Plan has also funded a number of new projects and initiatives in response to community feedback, whilst at the same time dealing with a range of additional cost pressures through the achievement of savings strategies. The impact alone of China mandating stringent quality requirements for imported recycled materials has been in excess of 1% of rates revenue which we have so far managed to absorb through improved efficiencies.

Creating a vibrant and inclusive community for everyone, who lives, works and plays in the Adelaide Hills, remains at the heart of many Council initiatives. The former Onkaparinga Woollen Mill at Lobethal is being revitalised with the establishment of Fabrik, our Arts and Heritage Hub. This is a major step forward in the masterplanning process which aims to respect and celebrate the economic, heritage and cultural elements of the site and its surrounding district. We're working closely with the community in Gumeracha to revitalise the main street and surrounds and have achieved some major funding milestones to date. Events such as the Hills Harmony Picnic also reinforce our community spirit and recognise diversity and inclusion in our community. On a grass

roots level our Community Centres, Libraries and volunteer activities continue to thrive and support people of all ages and backgrounds in the Hills.

To improve the liveability of the Adelaide Hills we have also planned significant investment in improving our walking and cycling trails, new footpaths, overcoming road blackspots and preserving our natural environment through programs such as our weed control and Roadside Marker Program.

We will finalise our Carbon Management Plan later this year, with a target of achieving 100% renewable energy (electricity use) for Council as an organisation in a financially sustainable way. We will also be commencing the implementation of the recycling strategy where we are looking to take a lead in the 'war on waste' with a greater emphasis on reduce, re-use and the circular waste economy.

Council has also identified almost \$600,000 of new capital investment to continually increase our environmental sustainability. This includes a substantial increase in solar panel installations, water sensitive urban design work, irrigation design and upgrades to ensure the efficient use of water. We also have an allocation \$50,000 to be utilised in emerging processes to ensure greater reuse of material in infrastructure projects.

This is the first Annual Business Plan of your new Council with a strong focus on delivering value for the rate dollar with responsive services for the community while working collaboratively with our staff, volunteers, partner councils and subsidiaries. We enthusiastically look forward to serving our community!

Jan-Claire Wisdom
Mayor

Our community

With its historical towns and villages, beautiful natural environment, and close proximity to metropolitan Adelaide, the Adelaide Hills Council district offers an appealing lifestyle for both residents and visitors.

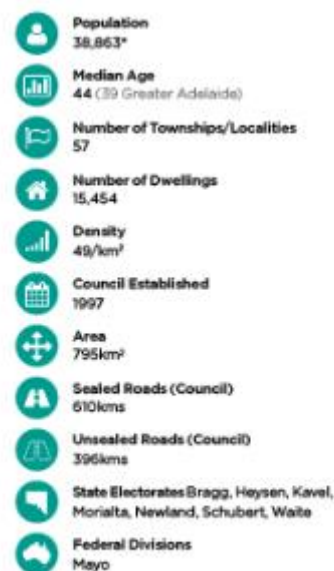
The district is primarily a rural area with the population concentrated in 57 townships and localities. The towns are located throughout the area along with tracts of native vegetation and prime agricultural land which creates a unique character loved by our communities and visitors alike.












The Adelaide Hills has a resident population of 39,734 (ABS ERP 2018 with around two thirds of its working residents travelling outside the area for work. Those employed locally mainly work in education and training, food and wine production, tourism, or provide services for the local population.

The community is generally well educated and well connected. Employment levels are good and there are high levels of volunteering compared with Greater Adelaide.

While the proportion of babies and children are slightly greater than the South Australian average, there is a tendency for young people to move out of the district when they reach working age. Likewise, people find it challenging to live in the Hills as they age and the proportion of the population over 70 is lower than in other parts of South Australia.

Further information about our community profile, including trends and considerations, can be found at <https://profile.id.com.au/adelaide-hills>.



	Population 38,863*
	Median Age 44 (39 Greater Adelaide)
	Number of Townships/Localities 57
	Number of Dwellings 15,454
	Density 49/km ²
	Council Established 1997
	Area 795km ²
	Sealed Roads (Council) 610kms
	Unsealed Roads (Council) 396kms
	State Electorates Bragg, Heyson, Kavel, Morialta, Newland, Schubert, Waite
	Federal Divisions Mayo

**Based on 2016 Australian Bureau of Statistics Census data*

Our district

The Adelaide Hills' unique characteristics and proximity to metropolitan Adelaide have created many opportunities for tourism and recreation.

There are over 1,000 kilometres of roads in our district: equivalent to the distance from Adelaide to Canberra. These roads carry city residents and visitors as they drive, ride, cycle, and walk to experience the Hills.

The district is well known for its natural environment and built character, wineries, eateries and a range of attractions and events.

While the rural and village character of the area remains, the Adelaide Hills is nonetheless undergoing significant change. Over the past decades the focus on traditional agriculture has reduced as some rural lands have transitioned into boutique industries, wineries or large residential properties. This transition from farming to urban fringe activities has impacted on local employment opportunities, particularly within smaller townships.

Much of the district is within the Adelaide watershed and, as such, development is largely restricted.

Like many other urban fringe areas, limited public transport, an ageing population, a changing agricultural and economic base and difficulties in accessing services have left some people in the area isolated and vulnerable. Nonetheless, the community has exhibited a strong desire, through numerous engagement opportunities, to preserve the hills character as paramount to the way of life within the hills.

Our dispersed population is well provided for with numerous facilities and community services including libraries, community centres, recreation facilities and halls. Some of these are Council owned while many are community owned and/or managed.

The Adelaide Hills area is also a biodiversity hot spot with numerous threatened species. Many volunteers and 'Friends of' park groups devote countless hours to preserving and enhancing the habitat value of these biodiversity hot spots.

This Annual Business Plan has been prepared in recognition of the many opportunities and challenges faced by our district and its community, while seeking to achieve the community's aspirations as contained in our Strategic Plan.

Our team

Elected Council

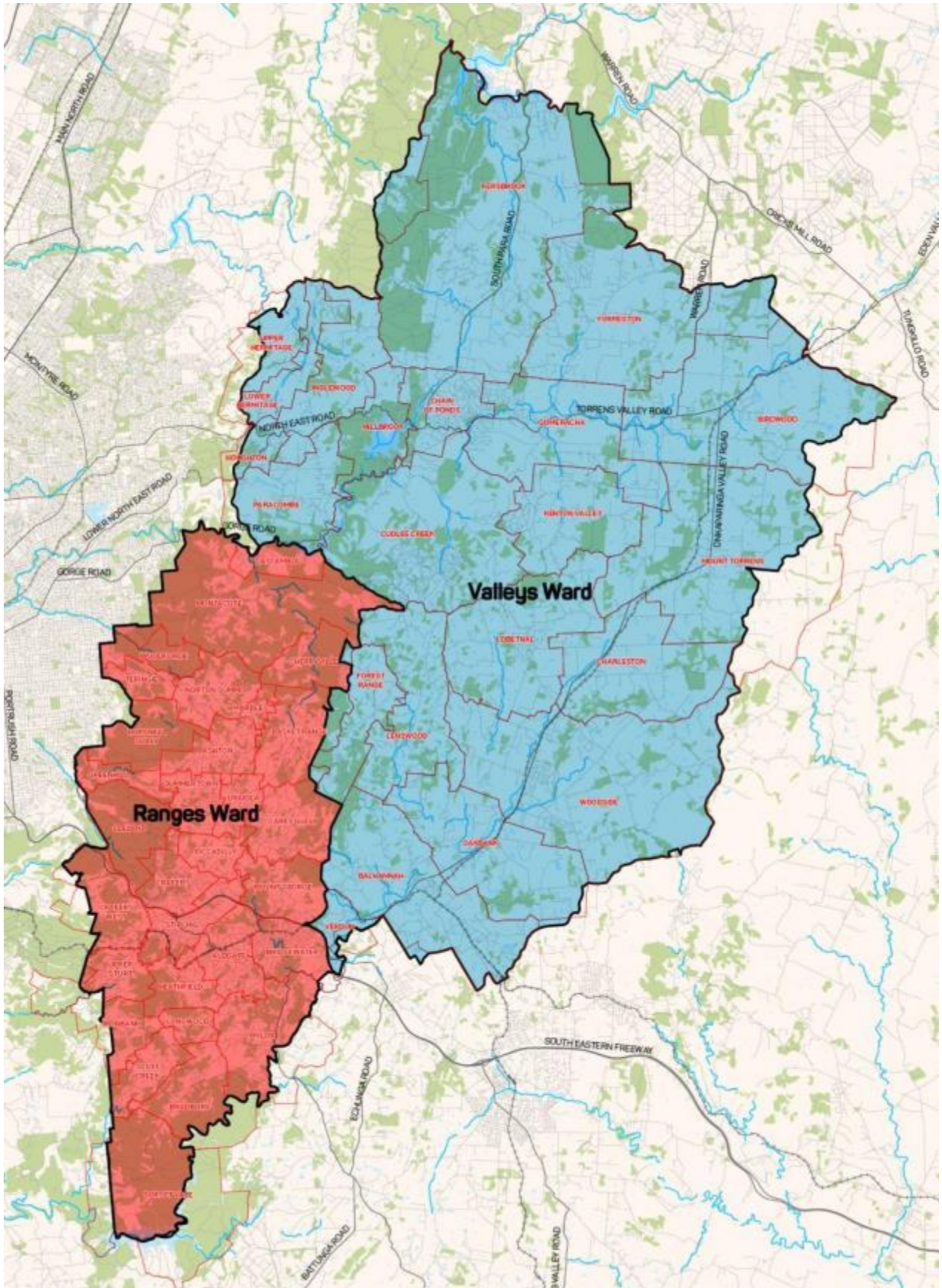
The Adelaide Hills Council was established in 1997 through the amalgamation of the then District Councils of East Torrens, Gumeracha, Onkaparinga and Stirling.

In 2017, Council completed an Elector Representation Review which examined the composition and structure of the representation arrangements which have been largely the same since the formation of the Council in 1997. The outcome of the review was a Council resolution to retain a popularly-elected Mayor and 12 Councillors and retain wards but reduce the number to two. The new Ranges Ward has seven councillors and the new Valleys Ward has five councillors. The new representation arrangements came into effect following the November 2018 Local Government Election.



Left to right: Cr Malcolm Herrmann, Cr Andrew Stratford, Cr Ian Bailey, Cr Leith Mudge, Cr Pauline Gill, Cr Mark Osterstock, Mayor Jan-Claire Wisdom, Cr Nathan Daniell (Deputy Mayor), Cr Kirsty Parkin, Cr Kirrilee Boyd, Cr John Kemp, Cr Chris Grant, Cr Linda Green.

Adelaide Hills Council's two ward structure, in place from the November 2018 Local Government Election.



Organisation structure

Council and Committees

The Elected Council's role is to provide for the government 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, performing and discharging its functions under legislation in relation to the Council area.

Council has established three Council Committees to assist it to discharge its responsibilities in specific areas, these are the Strategic Planning & Development Policy Committee (SPDPC), the Audit Committee and the Chief Executive Officer Performance Review Panel (CEOPRP).

Advisory Groups

Council has established a number of Advisory Groups for key subject matters, which provide a unique way for skilled community members to participate in Council processes. These Groups provide advice to the Administration in the formulation of policy and other initiatives for Council's consideration.

Regional Subsidiaries

The Adelaide Hills Council is a member of four regional subsidiaries which assist Council in its 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 next page), each with a specific area of focus and functional responsibilities.

Volunteers play an important role in delivering services to our community. We are fortunate to have a large team of skilled and dedicated people contributing in this way. They teach, cook, garden, drive buses, lead groups, share skills, read, and shelve books and much, much more.

Number of Council Members

13 (including Mayor)

Number of electors per Councillor

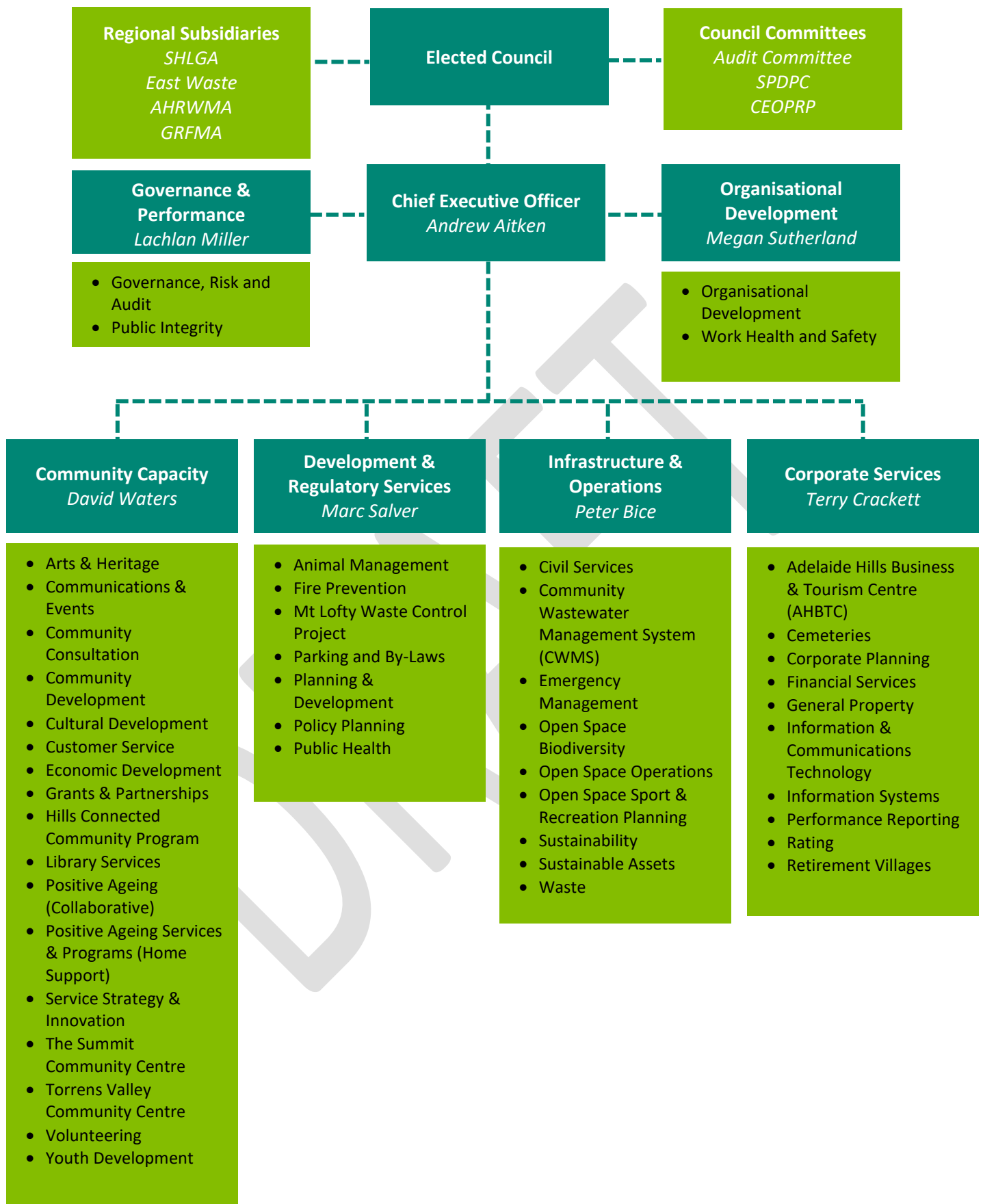
2,458

Number of budgeted staff

196.6 full time equivalents

Number of volunteers

209



Strategic Plan delivery

Our Strategic Plan *Your Adelaide Hills* provides a focus for the Council's service delivery over the coming years. Adopted in late 2016, it is our plan to make the Adelaide Hills a *place for everyone!*

The Strategic Plan doesn't include everything we do, but it helps us focus on those areas which need new or renewed attention to address emerging community needs and trends. There are four community goal areas in the plan, plus an organisational sustainability commitment. You can access a copy of the Strategic Plan at ahc.sa.gov.au.



Goal 1

People and Business Prosper

The Adelaide Hills is renowned for our historic towns and villages, outstanding natural environment, arts and cultural heritage, quality of local produce and related food and wine experiences. These elements are key attractors for residents and visitors. Living and doing business are entwined.

The Hills has one of the highest proportions of small and micro businesses in South Australia. These businesses are the backbone of our economy. Supporting businesses to thrive encourages greater economic diversity and local job opportunities, and contributes to residents' quality of life.

Improving the liveability and community wellbeing of the Adelaide Hills is a key priority for Council. This is being realised through our building community capacity, supporting our community to be healthy, active and involved, and providing quality community facilities, infrastructure (e.g. buildings, roads and pathways) and spaces.

In 2019-20, Council will be working on supporting local businesses, making the Adelaide Hills the visitor destination of choice, implementing the Planning and Design Code to enable a wider variety of housing opportunities, and improving the wellbeing of our community through targeted services, programs and events.

What success looks like:

Thriving businesses that uniquely say 'Adelaide Hills'
Healthy and happy people

Prosper Performance Measures

We will measure our performance using the following:

Performance Measure	2019-20 Target
Percent of businesses in the Adelaide Hills supported	Baseline to be established from first Quarter 2019-20 onwards
Growth in attendees at May Business Month	12.5%
Business Net Ease Score (ease of doing business)	Baseline to be established (June 2019)
Percent applicant rating of the overall level of service received for the development application process	85% (Excellent or Good)
Adelaide Hills self-reported wellbeing	Measure to be developed (community perception survey dependent)
Positive ageing wellbeing score	Average of at least 7 across the client group

Related service areas

Economic Development, Emergency Management and Business Continuity, Positive Ageing, Planning and Development, Public Health and Community Development



Key activities this year

SP1.1

We will pursue World Heritage Listing for the Mount Lofty Ranges as a working agricultural landscape.

With a heritage expert review having been completed in mid-2019, we will continue to work with other levels of government in order to progress the development of the bid, and to improve the community and key stakeholders understanding of the world heritage significance of the region.

SP1.2

We will work with Governments and industry to achieve Pest Free Area Status for the Adelaide Hills' primary production area.

We have begun working with primary producers and Primary Industries and Regions South Australia to develop a road map for achieving Pest Free Area Status. This will continue through 2019-20.

SP1.3

We will work towards making the Adelaide Hills the favoured tourism destination in the State.

We will continue to invest an additional \$50,000 per annum in visitor information servicing in the Adelaide Hills, bringing the total investment in Adelaide Hills Tourism to \$100,000 for the next year. With a big emphasis on digital technology, we will work with Adelaide Hills Tourism and Mount Barker District Council to ensure visitors to our region know what is on offer and how to get there.

SP1.5

We recognise that small and micro business is the backbone of our regional economy and will work with stakeholders to make it easier to do business in the Hills.

We will work with Mount Barker District Council to conduct May Business Month – a four week program of events, workshops and seminars to improve the skills, knowledge and networks for small business operators.

We will examine the feasibility of joining the Small Business Friendly Council scheme run by the Small Business Commissioner.

SP1.6

We will work with other levels of government to address transport needs for business.

We have co-funded a regional transport study supported by Regional Development Australia Hills, Fleurieu and Kangaroo Island. We will examine the study's outcome and determine the next steps.

We will continue to advocate for further development of options for a northern freight bypass to improve freight efficiency and reduce freight movements through the Hills.

SP1.7

We will connect key walking trails and cycling routes to make it easier for people to keep active in the Hills.

We will complete the review of our cycling and trail strategies, included costed priorities for implementation.

We will continue to support events being held in the Adelaide Hills Council area, and partner with key agencies to pursue funding and expansion opportunities to further improve the status of the Adelaide Hills as a mountain biking destination.

SP1.8

We will amend the Development Plan to make farming in the Hills easier.

We will advocate for change to development policies to make farming easier and allow for value adding activities such as food tourism and on-farm shops in primary production areas.

SP1.9

We will work to make the district more age-friendly.

We will increase the ability for people to access our Positive Ageing Programs by providing better information online and more streamlined booking systems.

We will develop and provide opportunities to increase and assist community members to understand brain health and memory loss by providing information and resources in easily accessible locations.

SP1.10

We will use the amended Development Plan to encourage more housing opportunities for first home buyers and those wishing to age in our community.

The Council's Development Plan has now been amended to allow for a wider variety of housing opportunities in the district. We will commence with the conversion of our Development Plan into the new State Planning & Design Code over the next two years to assist with the transition to the new State Planning System. This will also include the roll out of an electronic Development Application system by the State Government in order to streamline assessment processes and improve processing efficiencies for new homes.

SP1.11

We will embrace nature play concepts in play space developments.

Council's Sport & Recreation Strategy (2017-2021) acknowledges that the natural environment of our region is unique and that we have an opportunity to provide play spaces that complement their surroundings. Opportunities for unstructured, open ended and self-directed play, along with the freedom to roam, seek adventure and explore have been and will continue to be incorporated into Council's Play Space designs, encouraging creativity and imagination, inspired by nature.

To support this strategy we've made an allocation within the Long Term Financial Plan for play space developments in across the district. Areas of greatest need will be identified and natural play elements will be incorporated where suitable to ensure play spaces have the right mix of fun, risk and adventure.

SP1.12

We will seek opportunities to increase the wellbeing and resilience of our community to withstand, recover and grow in the face of challenges.

We will complete a review of fire prevention activities undertaken by Council in relation to roadside vegetation and fire prevention on private land. Council will continue to modify the provision of sites and services on forecast extreme and catastrophic fire danger days to ensure the safety of the community and staff.

We will review our Public Health Plan, incorporating updated public health data and commence the pilot community wellbeing alliance project.

We will also increase our resources to help improve wellbeing for those living with disability in our community, including the development of a new Disability Access and Inclusion Plan to align with the State Disability Access and Inclusion Plan.

SP1.13

We will work with other levels of government to improve safety for road users (including pedestrians and cyclists).

We will continue to advocate for projects which aim to improve safety for road users, including through the provision of feedback in relation to policy positions which may lead to improvements, and seeking to partner with State and Federal Government to fund project delivery.

Other highlights

- We will work with Adelaide Hills Tourism to improve tourism operators' digital capability.
- We will increase opportunities for ageing community members to receive home support in line with increased Commonwealth funding.

Goal 2

Activities and opportunities to connect

In an increasingly fast-paced and technological world, opportunities to connect are crucial. Connection can be with a place, people, activities or ideas. A connected community is inclusive and welcoming, engaged, empowered and dynamic. Its members are confident and resilient.

The Hills community values learning and sees it as a lifelong pursuit. Technology has enabled people to connect with communities of interest beyond their local area, bringing new ideas and expectations.

The Adelaide Hills is a place for everyone. To be welcoming and respecting of individual uniqueness we must strive to understand, accept and value differences. We need to do more to recognise and respect the region's first people. Both the Peramangk and Kurna people have connections with the Hills and we will continue to collaborate with them.

In 2019-20 Council will be working on building cultural awareness through the Reconciliation Working Group and training of staff, enhancing community and youth leadership through our development programs, progressing Fabrik, our Arts and Heritage Hub, and supporting events in our district.

What success looks like:

A welcoming and inclusive community where people support, respect and celebrate each other for their differences as much as for their shared values

Connect Performance Measures

We will measure our performance using the following:

Performance Measure	2019-20 Target
Percent of staff training participants aware of the importance of Aboriginal culture and heritage	Baseline to be established from first Quarter 2019-20 onwards
Percent of residents who view the Adelaide Hills as a welcoming and inclusive community	Measure to be developed (community perception survey dependent)
Library service visits per capita compared with the state average	5% above
Overall satisfaction with library service	90% Satisfied or Very Satisfied
Program attendance as a percent of Adelaide Hills community (including Library, Community Development/Youth)	Baseline to be established from first Quarter 2019-20 onwards
Percent of participants who agree that Council's community development programs/events have increased their feeling of community connection	80%

Related service areas

Cultural Development, Community Development, Library Services, Youth Development



Key activities this year

SP2.1

We recognise and respect Aboriginal culture and the descendants of our first people. We will implement a Reconciliation Action Plan.

We will work with Mount Barker District Council and the newly formed Reconciliation Working Group to determine what should be included in the next version of our Reconciliation Action Plan to take our understanding and recognition of Aboriginal culture to the next level.

SP2.2

We recognise diversity in the community is one of our greatest strengths and we will support and promote opportunities for social inclusion.

We'll pursue activities arising from our Multicultural Action Plan to make the district more welcoming to people from diverse backgrounds. We will enhance the profile of the Harmony Picnic and incorporate cultural awareness in our Youth Leadership Program.

We will assess library programs and collections to ensure effectiveness in promoting social inclusion.

SP2.3

We will establish a community leadership program to help unlock the potential of people in the community to improve the community.

We will run our third Community Leadership Workshop Series to support community leaders and groups to reach their full potential.

We will implement a leadership development program specifically for young people.

SP2.4

We will implement the Adelaide Hills Business and Tourism Centre (Old Woollen Mill) Masterplan to stimulate local job creation, boost tourism and create a vibrant cultural hub.

We will develop stage 1 of Fabrik Arts and Heritage at the Old Woollen Mill in Lobethal, incorporating artist studios, exhibition spaces and heritage interpretation. This will drive increased visitation to the area and provide artists the opportunity to connect with each other and showcase their work.

SP 2.5

We will support opportunities for learning in our community to increase the confidence, wellbeing and health of our citizens.

We will develop a Library Services Strategy to identify a vision for the future of library services in the Hills and a plan to get there.

We will work with local history groups to examine the feasibility of digitising collections to increase their availability to the broader community.

SP 2.6

We will seek to bring events to our district that have social, cultural, environmental and economic benefits.

We hope to again feature prominently in the 2020 Women's and Men's Tour Down Under.

SP 2.7

We will seek opportunities to improve transport options for those who need it most.

We will review and improve our community transport services for eligible home support clients to maximise the use of available transport resources.

SP2.8

We will improve the engagement and participation of younger people in our district.

We will have a bigger focus on developing young people as the leaders of tomorrow through a new youth leadership development program.

Other highlights

- We will undertake a volunteer engagement survey and review volunteer management processes to increase the effectiveness of recruitment, support and recognition.
- We will work with Mount Barker District Council to promote and develop the Volunteer Connect platform, which helps community groups attract volunteers.

Goal 3

Places for people and nature

The Adelaide Hills is renowned for its unique natural and built environments. From native vegetation and productive farming land to village townships and community facilities, the district comprises a blend of land use which allows people and nature to thrive.

Good facilities provide places for people to meet, connect and participate. These range from fields for organised sport to spaces for meeting friends in the main street.

Managing our natural environment effectively and preparing for and overcoming challenges such as: weed invasion, habitat fragmentation, bushfires and climate change are critical. Through responsible management and supporting community based activities, we can work together to improve biodiversity and enable ecosystems to thrive.

In 2019-20 Council will be working on developing a Carbon Management Plan, completing our scheduled program of road reserves and reserve assessments, implementing our Dog and Cat Animal Management Plan and encouraging community-led place making at Gumeracha.

What success looks like:

Vibrant places which contribute to increased wellbeing
Thriving ecosystems

Place Performance Measures

We will measure our performance using the following:

Performance Measure	2019-20 Target
Energy usage: Decrease Council's kilowatt hour use and increase solar PV generation	Kilowatt hour use below 2.5 million
Diversion rate of recyclable material away from landfill	≥48%
Percent delivery of Arboriculture (Tree) Zone Maintenance Program	90%
Availability of Council-owned sports grounds (condition assessment)	95%
Percent delivery of capital works program	90%
Percent operational tasks completed within the Civil Zone Maintenance Program	80%

Related service areas

Sustainability, Waste and Resource Recovery, Community Wastewater Management Systems, Biodiversity and Habitat Conservation, Open Space Operations, Sport and Recreation Management, Asset Management, Civil Operations Services, Regulatory Services, Cemeteries, Property Services



Key activities this year

SP3.1

We will work with our community to encourage sustainable living and commercial practices.

We are investigating water reuse opportunities and designing and implementing various Water Sensitive Urban Design initiatives where they are possible, including creek restoration and bio-filtration.

We are also working with the Resilient Hills and Coasts Regional Climate Change Adaptation Group to explore the potential of a Community Energy Program across the region.

SP3.2

We will strive for carbon neutrality as an organisation and encourage our community to do likewise.

We're striving for carbon neutrality and encouraging our community to do likewise, so we are developing a Carbon Management Plan for our operations, and will continue our investment in providing sustainability grants through our Community and Recreation Facilities grant program.

SP3.3

We will complete the road reserves and reserve assessments Native Vegetation Marker System (NVMS), leading the nation in conservation and biodiversity management practices.

We will complete the road reserves and reserve assessments, leading the nation in conservation and biodiversity management practices.

We recognise the importance of remnant native vegetation on roadsides and reserves. Accordingly, we have increased our investment in the Native Vegetation Marker System program. These sites will receive ongoing monitoring and active management to protect and conserve areas of high biodiversity and habitat value.

SP3.4

We will work with State Government to complete the Amy Gillett Bikeway.

We continue to work with the State Government to complete the Amy Gillett Bikeway from Mount Torrens to Birdwood and Mount Pleasant in the Barossa. Additionally, we are exploring opportunities for a broader Inter-regional Cycle Network, to create linkages between key economic and tourist offerings across South Australia.

SP3.5

We will take a proactive approach, and a long term view, to infrastructure maintenance and renewal.

We continue to invest heavily in renewing the assets we already have before they deteriorate below a serviceable standard. Examples include:

- We are developing business workflows in our Asset Management System to enable real time defect information against Council Assets to be logged in the field as they are discovered
- Delivering Community and Recreation Facility Grant Funding
- Developing guiding frameworks for strategic investment across Sport and Recreation Assets.

We will undertake a review of Council's cemetery operations and procedures and the development of master and managements for each of the Council's cemeteries over the next 3 - 5 years. We will also review existing and develop new management plans for Council's community land.

SP3.6

We will reduce the impact of cats on native flora and fauna.

We will undertake further community education around responsible dog and cat ownership and monitor animal owners' compliance with the microchipping and desexing requirements.

We will continue to implement the 2018-22 Dog and Cat Animal Management Plan and consider cat management matters in the lead up to the cat confinement requirements in 2021-22. We will also review the case for a second off-leash dog park within the Council area.

SP3.7

We will drive further reduction in waste consigned to landfill

We are exploring the potential for soft plastic recycling within the Council area, in conjunction with East Waste and in line with Council's Waste and Resource Management Strategy.

We will be undertaking kerbside bin audits and exploring opportunities for further recycling services within prominent public places, with the aim to reduce waste to landfill and maximize recycling.

SP3.9

We will encourage community-led place making approaches to enhance townships and public spaces.

We will continue to work with the Gumeracha community to implement key elements of the masterplan for the Gumeracha main street and surrounds. The focus will be on creating a precinct conducive to business, tourism and social activities, with a major component being the undergrounding of Powerlines in Partnership with the Department for Planning Transport and Infrastructure and SA Power Networks.

Other highlights

- A comprehensive review of our Biodiversity Strategy 2013-18 will occur, which will benefit from community consultation and a new strategy to be released in 2019.
- We will offer food safety training to food businesses and community organisations. We will continue to progress the development of our Community and Recreation Facility Framework.
- We will undertake a Road Rent review and update.

DRAFT

Goal 4

Explore ideas and work with others

Exploring ideas and collaboratively working with others is central to understanding and meeting our community's needs and delivering long-term benefits. We seek community input for important decisions and to help us set directions.

Technological innovations are continually providing new ways to design, develop and deliver services and more effectively consult and engage with a broader range of stakeholders.

As the world changes around us, the Council needs to be aware of the impacts on its community and advocate accordingly. The community needs Council to be easy to work with and to act in its interest.

In 2019-20, Council will be working on a major review of our website, identifying more opportunities for customers to do business with Council online, engaging with the Boundaries Commission regarding potential changes to boundaries adjoining Woodforde and Rostrevor, and implementing our new organisational information management system.

What success looks like:

Council working with our community and others to pursue new ideas and address emerging needs

Explore Performance Measures

We will measure our performance using the following:

Performance Measure	2019-20 Target
Percent satisfaction with Council's consultation and engagement efforts	Measure to be developed (community perception survey dependent)
Percent growth in Council's social media community	20%
Fabrik – measures to be developed in line with the targets set in Adelaide Hills Arts and Heritage Hub Business Development Framework 2018-23. <i>Preliminary measures:</i> <i>Number of people attending Fabrik site for exhibitions, events and workshops (1,000)</i> <i>Percentage of available Fabrik studio spaces occupied (50%)</i>	Measures to be finalised prior to adoption of Annual Business Plan in June 2019

Related service areas

Community Engagement, Communication and Events, ICT and Information Systems, Creativity and Arts & Heritage Hub Services



Key activities this year

SP4.1

We will embrace contemporary methods of engagement so it's easy for everyone to have their say.

We will embark on a major review of the Council's website, with a view to streamlining access to the most important information and optimise functionality on mobile devices.

We will actively work to increase the number of people receiving regular communication from the Council via email and social media.

SP4.2

We will explore the opportunities that emerging technologies present to people living, working, visiting or doing business in our district.

We will continue to develop and implement the Internet of Things (IOT) Network to support emerging technologies and seek to work with other Councils on expanding the network.

SP4.3

We will offer greater access to services and realise business efficiencies through online services.

In conjunction with the website review, we will identify more opportunities for customers to do business with Council online. This will include completing and submitting commonly used forms and tracking the progress of requests online.

We will support staff with the use of modern technology platforms and solutions such as the development of the Records Hub, mobile phones in the field, cloud solutions and field staff include in the Active Directory and Exchange.

SP4.4

We will foster creativity in the community and embrace it as an organisation.

We will continue to encourage public art and place-making through the provision of community grants.

SP4.5

We will work with neighbouring councils and stakeholders to ensure Council boundaries best serve our communities.

We will engage with the Boundaries Commission, the Campbelltown City Council and the community in relation to assessment of the proposal to realign the common boundary adjoining Woodforde and Rostrevor.

Other highlights

- We'll lead by example by purchasing more efficient vehicles with enhanced safety features (all fleet vehicles now 5 star ANCAP rated)

Organisational sustainability

Local Government is a highly regulated and scrutinised sector. People need to be able to trust us. We place great value on being open, transparent and responsive. We strive for accountable and strategic decision-making and we pursue excellence and equity in service delivery.

We have defined commitments outlined in our Strategic Plan in the following areas: Our organisation, Work health and safety, Financial sustainability, Customer service commitment, Risk and responsibility, Collaboration on public policy setting, and Governance.

In 2019-20 Council will be working to continue to improve our work health and safety management practices, implementing our new Purchasing Framework and improving the useability of our digital platforms and reviewing our Strategic Plan.

What success looks like:

Our people are supported and safe. Our organisation is financially sustainable. Our decision-making is open, transparent, and accountable. Excellence and equity in service delivery that meets our legislative obligations and community needs.

Organisational Sustainability Performance Measures

We will measure our performance using the following:

Performance Measure	2019-20 Target
Employee Turnover	7-15%
Number of Lost Time Injuries	0
Operating Surplus Ratio	0-10%
Net Financial Liabilities Ratio	0-100%
Asset Renewal Funding Ratio	90-110%
Technology: serviceability rating (performance against response service standards)	90%
Overall Customer Satisfaction	75%
Overall Net Ease Score	50
Percent of decisions considered in open session by Council	95%
Percent of attendance of Council Members at ordinary meetings	95%

Related service areas

Organisational Development and Workplace Health and Safety, Financial Services, ICT and Information Systems, Customer Service, Organisational Innovation, and Governance.

Key activities this year

- We will implement initiatives identified through our Corporate Plan through the following elements:
 - Leadership
 - People
 - Strategy and Policy
 - Partnerships and Resources
 - Processes, systems and customer service
 - Results
- We will develop methods to regularly measure customer satisfaction and the ease of doing business with Council.
- We will continue to develop our work health and safety (WHS) management practices with the use of the integrated safety management system (Skytrust)
- We will further develop People Leaders in understanding their WHS responsibilities through improved induction processes and development via People Leader Gatherings
- We will develop a process to provide current and new employees with training on their decision making and responsibilities as Public Officers. We will also ensure this process is included in employee inductions.
- We will review our performance management process to ensure it is clear and relevant to our people and enables the goals setting, monitoring and completion of work to be managed on a 6 monthly basis.
- We will continue the internal auditing of our WHS procedures and develop improvement plans from the findings.
- We will implement our Procurement Framework and related procedures.
- We will develop a Strategic Financial Framework to ensure the continued prudent and responsible use of financial resources.
- We will implement quarterly performance reporting aligned with strategic and annual business plans to ensure improved transparency and accountability to the community.
- We will improve the useability of our digital platforms including the website and social media to enhance community awareness of council services and activities.
- We will develop an organisation wide project management framework to improve consistency and quality of project delivery across the organisation.
- We will implement our organisational information management system across Council
- We will review our legislative delegations management systems to identify and implement improvements.
- We will collaborate with Adelaide Hills' residents and ratepayers to review the Council's Strategic Plan to set the direction for services and infrastructure provision in the medium-term.
- We will develop and implement a Service Review process to cyclically assess the appropriateness, effectiveness and efficiency of Council's service provision to the community.

Long Term Financial Plan context

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, and to update it on the same basis. This means that members of the public are to be given a reasonable opportunity to be involved in the development and review of the Council's Plan.

Prior to the development of the Annual Business Plan a detailed review of the LTFP was undertaken in consultation with the community with a view to adoption at Council's 23 April 2019 meeting.

The key objective of our LTFP is financial sustainability in the medium to long term, while still achieving the objectives outlined in our Strategic Plan and Corporate Plan. At the same time the LTFP ensures that there is an understanding of the impact of decisions made today on future sustainability. This means ensuring the cost effective delivery of works and services, and the appropriate maintenance and renewal of our asset base in a financially sustainable manner. A copy of the LTFP can be found at ahc.sa.gov.au.

In addition, the LTFP has been used to set the context and targets for the development of the 2019-20 budget.

Key conclusions drawn from the LTFP

Importantly the current LTFP demonstrates that the Council is financially sustainable over the 10 year term of the LTFP, whilst 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.

Financial sustainability has been demonstrated through adherence to the agreed target ranges in all of the following three key ratios:

1. Operating Surplus Ratio, target range 0% to 10%
2. Net Financial Liabilities Ratio, target range 0% to 100%
3. Asset sustainability Ratio, target range 90% to 110%

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

Financial summary

The Annual Business Plan for 2019-20 has been prepared in accordance with the priorities of Adelaide Hills Strategic Plan, Corporate Plan and functional strategies, while ensuring the financial targets adopted by Council at its Council Meeting in February 2019 are met. Key financial information for 2019-20 is summarised below:

- General Rate Increase 2.80%
- Rates Growth (new rateable properties and improvements) 0.75%

Budget Summary	\$'000
General Rates Income	35,475
All Other Operating Income	9,183
Total Operating Income	44,658
Operating Expenses (excluding Initiatives)	43,321
Operating Initiatives (Net)	875
Operating Surplus	462
Gross Capital Renewal Program Expenditure	9,273
Gross New Capital Expenditure	4,811
Total Gross Capital Expenditure	14,084
Estimated New Borrowings	2,500
Repayment of Fixed Term Borrowings	Nil

Outcome: Council will raise sufficient income to cover its operating expenses and undertake repayment of its debt.

Key Financial Targets for 2019-20

Indicator	Adopted Target	2019-20 Budget
Operating Surplus Ratio	0 - 10%	1.0%
Net Financial Liabilities Ratio	0 - 100%	45%
Asset Sustainability Ratio	90 – 110%	103%

Impact on ratepayers

It is proposed that the overall amount existing ratepayers will pay in general rates will increase on average by 2.8%. For a residential property of average value, this equates to an increase in general rates of approximately \$55 for the 2019-20 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 2019-20 budget

A number of factors have influenced the preparation of Council's 2019-20 Annual Business Plan. These include:

- 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 Councils operating result of approximately 1% of rates, thus having a significant financial impact on Council's budget.
- 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.
- In 2019-20 it is forecast Council ratepayers will pay \$768k in landfill levy to the State Government, an increase of over \$31k (4.2%) from 2018-19.
- A reduction in Grant funding, largely as a result of one off funding received in 2018-19 for Disaster Recovery funding for storm damage relating to previous years of \$406k and a DPTI contribution of \$200k for the Kersbrook Primary School pedestrian crossing.
- The divestment of the southern side of AHBTC 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 \$199k in 2019-20.

Savings Strategies

In response to the cost imposts on Council and to minimise the burden on ratepayers, Council has continued its work and review of saving strategies including service sustainability.

Saving strategies identified as part of the 2019-20 Budget preparation include organisational initiatives, service reviews, contract management efficiencies and savings, infrastructure and work planning actions as well as people management initiatives. These reviews have already identified savings across the corporation which have been captured in building the 2019-20 budget.

Sources of revenue and application of expenditure

Revenue

Rate revenue is the Council's primary source of income (86%) with grants, fees and charges making up the remainder. We continue to pursue grant income and partnerships with external funders where possible to minimise the requirement for revenue via rates.

Expenses

Thirty-eight percent of the Council's costs are attributable to the payment of salaries and wages and around 40% is applied to materials, contracts and other expenses. Depreciation represents the rate at which assets such as roads, buildings, footpaths, IT equipment and plant deteriorate. Budgeting for depreciation ensures we can afford to renew assets as and when they need it.

Fees and Charges

Section 188 of the *Local Government Act 1999* provides the legal context:

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

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

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

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

Borrowings for the 2019-20 Financial Year

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.

Borrowing	\$'000
Forecast Opening Balance of Fixed Term Borrowings July 2019	10,000
Estimated Borrowing for 2019-20	2,500
Repayment of principal repayments for 2019-20	Nil
Forecast Closing Balance of Fixed term Borrowings June 2020	12,500

Operating budget by Directorate

The following table provides a summary of the budget with each Directorate of the organisation. A detailed breakdown by program within each of these Directorates is included at Appendix 1.

	2018-19 Annual Budget \$'000s	2019-20 Proposed \$'000s	Variation to 2018-19 Budget Fav/(Unfav) \$'000s
Income			
Community Capacity	1,659	1,719	60
Corporate Services	37,847	38,557	710
Development & Regulatory Services	1,187	1,229	42
Infrastructure & Operations	3,811	3,152	(659)
Income Total	44,504	44,658	154
Expenses			
Community Capacity	6,819	6,983	(164)
Corporate Services	8,960	8,682	278
Development & Regulatory Services	3,651	3,618	33
Infrastructure & Operations	24,677	24,913	(236)
Expenses Total	44,106	44,196	(90)
Operating Surplus (Deficit)	398	462	64

The following table provides a summary of funded staff establishment full-time equivalent movements. Details by Directorate are found in Appendix 1.

FTEs	2018-19 Budget	2019-20 Budget	FTE Movement	Externally Funded
	FTEs	FTEs	FTEs	FTEs
Community Capacity	48.74	49.79	1.05	7.14
Corporate Services & CEO	35.38	35.78	0.40	
Infrastructure & Operations	78.50	81.57	3.07	
Development & Regulatory Services	28.79	29.45	0.66	0.5
Total FTEs	191.41	196.59	5.18	7.64

Additional funding for operating initiatives

The Annual Business Plan has been developed with the inclusion of a large number of new operating initiatives and programs.

These types of projects are either one-off, short term projects, ongoing programs linked to the achievement of a strategy or a request to change the level of service or. The request to change the level of service will also impact future budgets.

These projects are to be funded by Council's rates income and therefore affect the level of rates increase being considered. The Council is considering a rate increase of 2.8 % plus estimated growth of 0.75% and the draft Budget proposes to fund a net amount of \$875k of operating projects.

Further review of these projects will occur between now and June 2019, including consideration of feedback from this consultation process. Importantly these programs and initiatives, which total \$875k for 2019-20 have been provided for whilst still meeting the targets for both operating and capital expenditure as set out within the Long Term Financial Plan.

Project Name	Project Description	2019-20	Intended 2020-21	Intended 2021-22
Goal 1: People and business prosper				
Wellbeing Measures	Undertake community wellbeing and resilience initiatives and investigate and implement wellbeing measures.	0	0	20,000
Regional Health Planning	Undertake regional public health planning, monitoring and reporting.	20,000	20,500	26,000
Disability Planning	Develop a Disability Inclusion Action Plan as required by new legislation (year 1) and resource support for inclusion strategies (year 2 and beyond).	35,000	35,900	36,800
Community Wellbeing & Resilience - Materials	Materials and costs associated with the development of initiatives and measures relating to wellbeing and resilience.	10,000	10,000	10,000
Reconciliation Action Plan	To increase existing funding for Aboriginal cultural recognition from \$5,000 per year to \$10,000 from 2020-21 onwards.	0	0	5,000
Goal 2: Activities and opportunities to connect				
Aboriginal Cultural Centre support	Support for an Aboriginal Cultural Centre in the Adelaide Hills (funding may recognise lost rental income through provision of space). This has been earmarked in the Arts & Heritage Hub Business Development Framework.	0	10,000	10,000
Public Art Acquisition	Increase the level of community and public art adding value to cultural and place making strategies. Reflects outcomes of community consultation in this area.	2,500	2,500	15,000
Arts and Heritage Hub - Operating	Establish and operate an Arts and Heritage Hub at the Old Woollen Mill, Lobethal.	199,000	208,000	159,000

Project Name	Project Description	2019-20	Intended 2020-21	Intended 2021-22
Digital Literacy Services	Resource a dedicated part time Digital Training Officer to enable the Library Service to meet the gap in services occasioned by closure of the federally funded Digital Hub and meet Council's Strategic Plan to 'support opportunities for learning in our community (Connect Goal item 2.5).	39,000	40,000	41,000
Women's Tour Down Under	Grow Council's involvement in the Women's Tour Down Under	10,000	10,000	10,000
Support for Small Events	Additional capacity to support small community based events	5,000	5,000	5,000
Youth Leadership Program	Provide a youth leadership development program, with professionally facilitated workshops which will provide young leaders across the district with enhanced leadership skills and employability, and experiential learning.	11,000	11,000	11,000
Goal 3: Places for people and nature				
Smart Living Workshops	These workshops are being rolled out across Adelaide in partnership with The Adelaide & Mount Lofty Ranges Natural Resource Management Board using the Smart Living approach. These workshops are aimed at community members and go through sustainable living requirements (e.g. energy management).	3,000	3,000	3,000
CEP Promotion Plan & Website Update	Promotion of the Community Energy Program to the community and contribution to the establishment of a Resilient Hills and Coasts website.	10,000	3,000	0
Feral Cat Study and Action Plan	To study and investigate the effects feral & semi-owned cats pose on native flora and fauna within the Council area.	0	30,000	30,000
Landfill Waste Reduction	As part of its Waste & Resources Management Strategy 2016 - 2021, Council aims to divert as much waste as possible from landfill. In order to understand residents waste disposal habits, kerbside bin audits are to be undertaken on a regular basis.	10,000	10,000	0
Green Waste Scoping Study	To develop a detailed scoping study in regards to the various options to achieve improved financial and environmental outcomes in relation to Green Waste.	15,000	0	0
Solar bins / Smart bins	Funding for a pilot to see if solar bins can provide a more cost effective way of collecting waste in certain areas. Future allocations pending Carbon Management Plan Outcomes.	6,700	0	0
Local Heritage Fund	Funding for the establishment of a Local Heritage Fund. The state government recently announced that it will be providing \$500k for grants for State heritage listed buildings. This fund will complement that program and be available for local heritage items/buildings.	20,000	20,000	20,000

Goal 4: Explore ideas and work with others				
Online Customer Portal - annual licence	Annual licence fee associated with the Online Customer Portal (item 637)	0	0	30,000
Update Website CMS - Annual Licence	Annual licence fee associated with the website content management system (item 638)	0	0	30,000
Boundary Reform Provision	To develop/respond to proposals for the realignment of the Council boundaries.	20,000	20,000	0
Organisational sustainability				
Sky Trust Implementation	Costs associated with Skytrust (WHS system) implementation to improve the way we centrally manage our WHS safe systems of work and to provide greater access to information organisationally.	28,000	28,700	29,400
Customer Experience Survey	Conducting a survey of a sample of people who have dealt with us to determine their level of satisfaction and opportunities for improvement. The survey looks at omni-channel interactions with the Council. A number of SA councils participate in a group survey scheme and results can be benchmarked against each other.	10,000	10,000	10,000
Community Perception Survey	To survey a random selection of community members to determine satisfaction with Council performance and services (across a range of services).	5,000	0	5,000
Strategic Plan Review	Consultancy services to review the Strategic Plan in accordance with legislative requirements and the new Council's policy agenda.	25,000	0	10,000
Corporate Plan Review	Review the Corporate Plan in its third year of implementation.	0	5,000	0
Performance Benchmarking	Conduct of the LG Professional Performance Excellence Benchmarking Program.	8,500	8,750	9,000
Emergency Management Plan Consultancy	To access expert consultancy services to enhance Council's Bushfire Action Planning for facilities and personnel.	10,000	10,000	0
Waste Water Inspections (Continuation)	This initiative will finalise the required wastewater inspections due to changes in the Public Health Act.	35,000	0	0
Building Compliance Officer	Additional resource to support building and swimming pool inspections to ensure legislative compliance	75,000	77,000	79,000
Economic development strategy				
Additional Economic Development Resources	Additional resourcing to support the implementation of the Economic Development Strategy.	0	100,000	102,500
Sport and recreation strategy				
Sport and Recreation Officer (0.8 FTE)	Additional resource to support sport and recreation in line with the progression of the Recreation and Sport Strategy and facilities management framework.	80,000	82,000	84,000
Biodiversity strategy				
Heritage Agreements	Funds to cover assessment and statutory (state government) costs (i.e. land rededication)	5,000	5,000	5,000

Roadside Marker Program Implementation	Continued Funding of \$45k to progress the implementation of initiatives to protect roadside areas identified through the Roadside Marker Program	45,000	45,000	45,000
Bush Regenerator/ Landcare Officer	Increase FTE to improve the quality of our reserves, and support Weed Control Post Burn at key sites.	100,000	102,000	104,000
Climate change strategy				
Landscape Conservation	Investigation into local climate change implications for biodiversity conservation and revegetation.	10,000	10,000	10,000
Resilient community facilities and open space	Review and changes to facilities and open space e.g. water fountains to cope with changing climate.	0	0	20,000
Emergency Management	Funding for projects to consider the growing demand for emergency management services as the risk of extreme events increase.	0	0	20,000
Vulnerable members of the Community	Funding for projects to consider the health, safety and well-being of vulnerable members of the community as the risk of extreme events increase.	0	0	30,000
Agriculture	Funding for projects to consider how agricultural productivity and water security is maintained given projected declining rainfall and increasing temperature.	0	0	10,000
Water management plan				
Turf & Irrigation Design & Management Plan	Preparation of irrigations designs to improve efficiencies or water re-use opportunities to decrease reliance on mains and bore water.	20,000	20,000	20,000
Water Sensitive Urban Design (WSUD) Training	Investigate and undertake WSUD training in liaison with Water Sensitive SA for Council officers planning, designing and installing stormwater infrastructure.	2,000	0	0
Water Audits on Buildings/ Facilities	Undertake water audits on council owned buildings and facilities to understand current use and where savings maybe made.	0	20,000	0
TOTAL		\$874,700	\$962,350	\$1,054,700

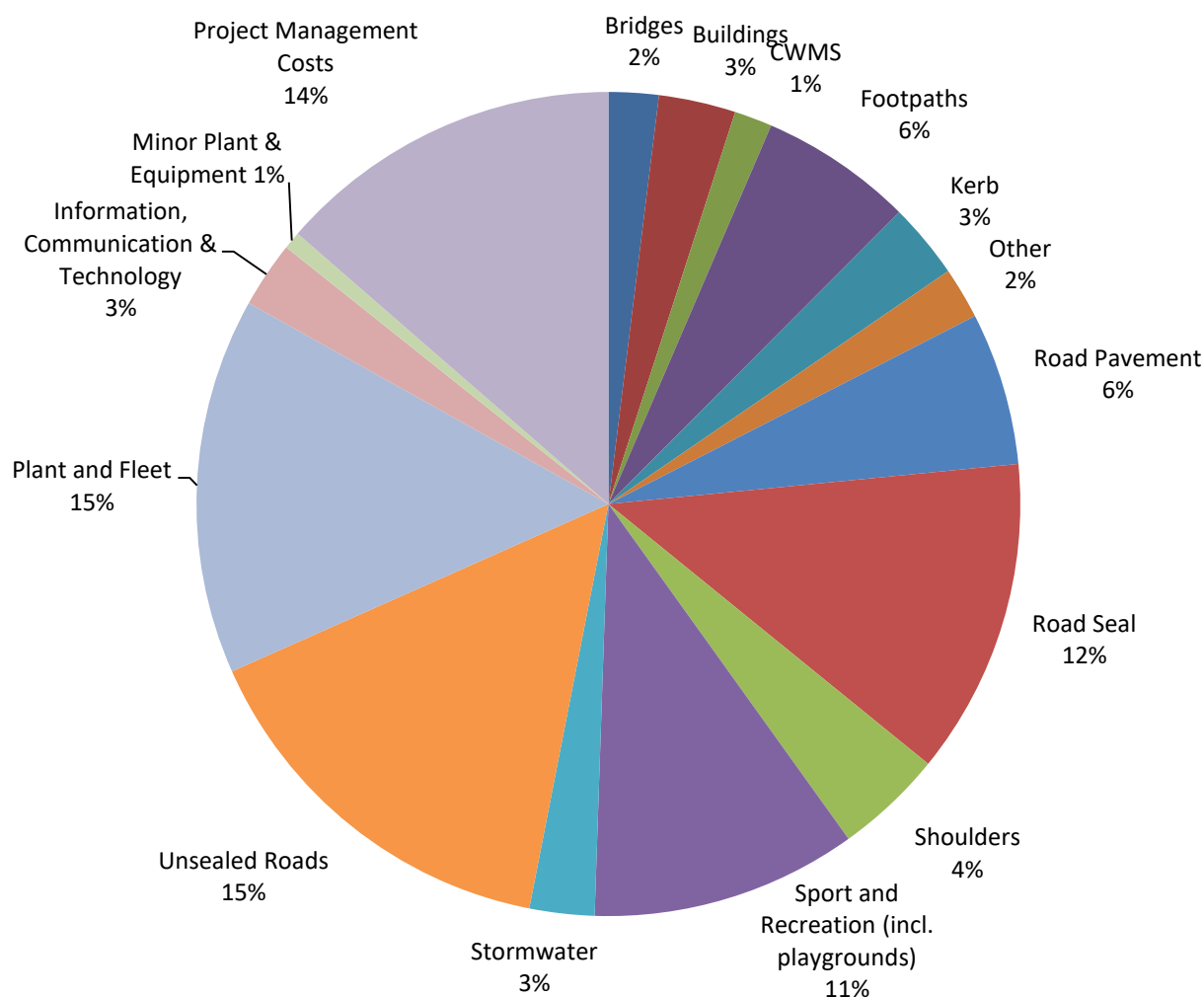
Capital budget 2019-20

The 2019-20 Capital Budget continues to focus on the renewal of infrastructure. The Council has in excess of \$507m (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 investment program will include \$9.274m on the renewal of our existing asset and \$4.811m in providing additional assets for capacity improvements to our infrastructure to meet service level demand.

The total of \$14.085m for the capital investment program (excluding new capital initiatives) is slightly higher than the Long Term Financial Plan target of \$ 13.852m and 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.

The detailed Capital Works Program is in **Appendix 2** and contains the planned budget for 2019-20, as well as some intended budget amounts for 2020-21 and 2021-22. These intended budget allocations for the subsequent years are indicative and pending adoption from the usual annual budget processes, but will assist Council in planning, scoping and project delivery of future projects and programs.



Capital program – renewal (by asset class)

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.

In 2018-19 we made considered adjustments to the investment levels across some asset classes, including roads, pavements, footpath, shoulders and unsealed roads, to ensure infrastructure and key assets continue to support the development of the district and the needs of our community. This level of renewal investment into our transport infrastructure has been maintained. The Sport and Recreational facilities renewal funding has been reduced against the LTFP numbers awaiting the outcome of the functional strategy and strategic investment decisions. The current program will continue to deliver much needed court resurfacing, oval surface improvement and playground upgrades.

Capital Expenditure Renewal Summary

Asset Category	2019-20 Allocation \$'000	LTFP Target Renewal \$000	Variance to LTFP
Bridges	185	55	(130)
Buildings	285	310	25
CWMS	140	68	(72)
Footpaths	567	580	13
Kerb & Water	280	300	20
Other (Guardrail / Retaining Walls / Cemeteries / Street Furniture / Traffic Control)	191	150	(41)
Road Pavement	565	475	(90)
Road Seal	1,171	1,200	29
Shoulders	400	400	0
Sport and Recreation (including Playgrounds)	985	1,195	210
Stormwater	240	275	35
Unsealed Roads	1,441	1,500	59
Plant and Fleet	1,393	1,393	0
Information, Communication & Technology	245	200	(45)
Minor Plant & Equipment (including Library fittings)	65	65	0
Project Management Costs	1,284	1,284	0
NET RENEWALS	9,436	9,450	14

Capital program – new projects

Like many other councils, Adelaide Hills Council is experiencing an increasing demand to provide services in an environment of ageing assets, increased liability and continual constraints on funding.

New capital expenditure may not significantly impact on Council rates in the year of creation but will affect the rates income in the future by way of increased depreciation, maintenance and interest expenses. As such the funding for any new project is focused on the delivery of outcomes identified within the Strategic Plan or Functional Strategies. The following table provided detail on all new projects proposed against the relevant plan or strategy. Details by asset category can be found in **Appendix 2**.

New capital will largely be funded through borrowings; however Council commits to investigate, where possible, grants to help fund these new assets.

Capital Expenditure – New Initiatives Listing

Project Name	Project Description	Asset Category	2019-20	Intended 2020-21	Intended 2021-22
Goal 1: People and business prosper					
New Bus Shelters	Program to install new bus shelters across Council's transport network	Other	40,000	40,000	40,000
Key Walking & Cycling Trails	Capital investment in delivering on improved walking & cycling trails in the Adelaide Hills Council area	Footpaths	150,000	75,000	75,000
New Footpaths	New Footpaths Program – see Capital Detail in Appendix 2	Footpaths	356,000	232,000	269,000
New Stormwater	North East Road - Inglewood Footpath (Stormwater)	Stormwater	25,000	0	0
Guardrail Roadside Hazard Protection	Provision of additional guardrail protection across the Adelaide Hills Council.	Other	40,000	0	0
Shoulder Sealing Program	Undertake targeted shoulder sealing across Council's sealed road network.	Shoulders	0	200,000	200,000
Council's Blackspot Contribution	Contribution towards 19/20 Blackspot submissions for Paracombe Road, Morgan Road and Ironbank Road sections.	Road Pavements	299,000	0	0
Goal 2: Activities and opportunities to connect					
AHBTC Activation – Capital	Undertake physical works required to establish an Arts and Heritage Hub in the Old Woollen Mill, Lobethal.	Buildings	221,000	590,000	400,000

Project Name	Project Description	Asset Category	2019-20	Intended 2020-21	Intended 2021-22
AHBTC Capital Divestment - Capital Cost	Division and sale of new allotments for the various tenancy areas of the AHBTC site (except the identified Arts & Heritage Hub) - this project reflects the cost of undertaking the service separations/upgrades, land divisions and sales.	Buildings	700,000	150,000	0
Newman Road Charleston	Reconstruction new kerb and gutter	Kerb & Water	180,000	0	0
Newman Road Charleston	Reconstruction for road widening and car park	Road Pavement	250,000	0	0
Newman Road Charleston	Reconstruction new stormwater including WSUD	Stormwater	90,000	0	0
Winton Road Gumeracha Sealing	Winton Road Sealing	Road Seal	70,000	0	0
Milan Tce Pedestrian Crossing	Install a wombat crossing adjacent the Stirling Hospital	Other	100,000	0	0
Woodside Rec Ground Exit Upgrade	Increase the pavement width of the exist road from WRG onto Nairne Road to allow simultaneous left and right hand turns out of WRG	Pavement	14,000	0	0
Goal 3: Places for people and nature					
Actions from Carbon Neutrality Plan	Additional funding for actions identified for implementation within the Carbon Neutrality Plan.	Buildings	50,000	150,000	50,000
Incorporate Scope 3 information into Trellis system	Funding to incorporate Scope 3 (e.g. paper use, flights) emission data within the Trellis system.	ICT	25,000	0	0
LED Street Lighting	Investigation and installation of LED lights for street lights throughout the Council district.	Street Lighting	40,000	40,000	0
Purchase of EV Cars for Fleet	Investigate and purchase electric vehicles as light fleet cars concurrently with the installation of EV charging stations throughout the hills.	Plant & Fleet	0	20,000	20,000
Additional Solar Panel Installations	Application of the remaining funds held in the Sustainability Reserve are to be applied to the installation of additional solar panels to Council buildings.	Buildings	232,000	0	0
Birdwood to Mount Pleasant Amy Gillett Bikeway	Contribution towards completion of Stage 5 of the State Government initiated Amy Gillett Bikeway.	Footpaths	0	500,000	0

Project Name	Project Description	Asset Category	2019-20	Intended 2020-21	Intended 2021-22
Heathfield Resource Recovery Centre Infrastructure	Installation of Infrastructure to provide a new service for the free recycling of soft plastics (\$30k) and required security camera replacement (\$10k)	Buildings	40,000	0	0
Implementation Federation Park & Oval Masterplan	Council has commenced a process to prepare a masterplan for the Gumeracha Precinct - Federation Park and oval area. The next stage of this approach is to implement the action plan prepared along with the masterplan.	Sport & Recreation	50,000	100,000	50,000
Gumeracha Stage 2 Residents win	The Gumeracha Main Street Working Group applied for and received an initial Residents Win grant funding to undertake a design framework for the main street. A further grant application has resulted in further funds being made available to undertake design documentation and the installation of 'quick wins'. Funding will be required in the future to implement other projects within the design framework to ensure that the community's vision is achieved.	Other	100,000	50,000	50,000
Undergrounding PLEC Contribution	A contribution towards undergrounding of the powerlines within Gumeracha	Street lighting	500,000	0	0
Gumeracha Main Street Stormwater	Install stormwater in the Gumeracha Main Street in line with Stormwater Master Plan as part of construction works for PLEC and main street upgrade.	Stormwater	150,000	200,000	0
Goal 4: Explore ideas and work with others					
Update Website CMS	Procure a new content management system (CMS) for the Council's website.	ICT	0	100,000	0
Organisational sustainability					
Online Customer Portal	Establish a system which enables customers to 'self-serve' and access records of their own interactions with the Council (like MyGov)	ICT	0	200,000	0
CRM Integration	Integrate the Customer Relationship Management System with other enterprise systems including Confirm (asset management) and Lync (call management).	ICT	30,000	0	0
Broadcasting Council Meetings	Purchase of equipment to enable the capture and broadcasting of Council and Committee meetings via the website.	ICT	0	30,000	0

Project Name	Project Description	Asset Category	2019-20	Intended 2020-21	Intended 2021-22
Communications and Marketing Plan	Establish roadside signage at key points throughout the district, which will be used to promote local events, Council consultations, seasonal reminders, etc.	Other	15,000	25,000	15,000
Project Management Framework	Development of an organisation-wide Project Management Framework	Other	15,000	0	0
Emergency Management Plan Consumables	Purchase of consumables to support the activation of the Business Continuity Plan in response to a disruption event.	Other	20,000	20,000	20,000
Asset management plan					
Kiln Crt Woodforde Stormwater	Kiln Crt Woodforde Stormwater	Stormwater	100,000	0	0
Spring St Kersbrook Culvert	Spring St Kersbrook Culvert installation	Stormwater	195,000	0	0
Lower Hermitage Road	Increase the capacity of road crossing to reduce flooding	Stormwater	20,000	130,000	0
Stormwater Masterplanning	Stormwater Masterplanning	Stormwater	25,000	0	0
Building Upgrades	Funding to ensure minor upgrade works can be undertaken when identified as appropriate	Buildings	100,000	100,000	100,000
Cemetery Upgrades	Cemetery Upgrades (including new shelters)	Other	36,000	37,000	38,000
CWMS Upgrades	CWMS Capacity Upgrades	CWMS	410,000	480,000	510,000
Stormwater Investigation	Storm water management William Street Birdwood near Talunga Street	Stormwater	5,000	0	0
Biodiversity strategy					
Capital - Erosion & Reshaping Works	Undertaking reshaping of the Montacute creek line and priority erosion control works within the Michael Moran Reserve area.	Stormwater	20,000	0	0
Bushland Park Signage	Additional signage at Lobethal Bushland Park	Other	13,000	0	0
Climate change adaptation plan					
Infrastructure Assets	Incorporation of climate change adaptation requirements into infrastructure projects to increase resilience	Stormwater	50,000	50,000	50,000
Water management plan					
Woodside Recreation Ground (WRG) Water reuse-design & implementation	Planning, design and implementation of water reuse from the Bird in Hand CWMS for the Woodside Recreation Ground ovals and pitches.	CWMS	0	200,000	200,000

Project Name	Project Description	Asset Category	2019-20	Intended 2020-21	Intended 2021-22
WSUD implementation for WRG	There are opportunities to incorporate WSUD initiatives across the WRG to improve water quality before entry into the Onkaparinga River. These initiatives include regrading, erosion control and revegetation of the creek and biofiltration areas.	Stormwater	50,000	20,000	0
Implement Irrigation Systems	Planning, design and implementation of irrigation systems to improve water use and management on ovals and pitches.	Sport & Recreation	100,000	100,000	100,000
Investigate & Implement Central Irrigation Control System	The central management of Council irrigation systems will result in improved water efficiencies and reduced resource requirements. Investigation into the feasibility of these systems is required as an initial step.	Sport & Recreation	50,000	150,000	0
		TOTAL	4,811,000	3,914,000	2,112,000
AHBTC Capital Divestment - Forecast Revenue	Division and sale of new allotments for the various tenancy areas of the AHBTC site (except the identified Arts & Heritage Hub) - this project reflects the forecast revenue from the sales of the new allotments.	Buildings	(1,000,000)	0	0

Rating Policy setting

In setting the rates for 2019-20 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 2019-20 Budget provides for a general rate increase of 2.8% over that of the current year with a further estimated increase of 0.75% from growth. Growth represents new 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.

As highlighted in the following table the 2.8% general rate increase incorporates estimated inflation (CPI) of 1.8% and 1.0% for additional capital renewal works as identified within the Long Term Financial Plan and summarised in the previous section.

The table below provides a summary of the average rate increases that have been applied in recent years as well as the increase for 2019-20.

Description	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
To meet inflation (CPI)	2.8%	2.5%	1.7%	1.5%	1.25%	2.3%	1.8%
To fund increased capital renewal	1.0%	0.9%	1.0%	1.0%	1.0%	1.0%	1.0%
Sampson Flat Bushfire (one year only)	-	-	1.0%	(1.0%)	-	-	-
TOTAL INCREASE	3.8%	3.4%	3.7%	1.5%	2.25%	3.3%	2.8%

Summary Basis of Rating (Rating Policy)

A full copy of the 2019-20 Rating Policy can be viewed at Appendix 3.

Key elements of the Policy include:

- A fixed charge rating structure that includes a fixed charge applying to all properties. This charge is to increase from \$634 to \$652 which represents a 2.8% increase in line with the average increase highlighted in the above table.
- 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.
- Primary production ratepayers genuinely in the business of primary production but not benefitting from a notional capital value for their property can apply for a 10% rebate.
- 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". This is an increase of \$10k from previous years as a result of a request from the SBA to reflect funding requirements for future initiatives.
- 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.

Rate Statistics

Council has nearly 18 500 assessments split by land use as follows:

- Residential: just over 13 000 assessments
- Commercial and Industrial differential rate category: approximately 700 assessments
- Primary production assessments: approximately 3,100
- Vacant: over 620 assessments
- Other: approximately 200 assessments
- Non-rateable: over 800 assessments

Rates Modelling

The valuation of the Council area by the Valuer- General is ongoing and information provided to date reflects an increase of just over 1% in valuation for existing properties. This valuation information is still being updated as well as being subject to Valuer-General and internal quality assurance processes and revisits.

Analysis indicates that:

- Residential properties, representing over 70% of the overall valuation, had an average valuation increase of just over 1.1%
- Primary production properties, being 17% of total assessments, have an average valuation increase of less than 0.3%
- The remaining non-residential properties, including commercial, had an average valuation increase of 1.7%.

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 rates of 2.8% excluding growth.

Valuation Method

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

Council considers this valuation method the most equitable method to spread the rates burden across the measure of wealth within the 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.

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

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.

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.

Natural Resource Management Levy

The Adelaide Hills Council area largely falls within the Central Group of the Adelaide and Mount Lofty Ranges Natural Resource Management (NRM) Board but does have a small number of assessments falling in the area of the SA Murray-Darling Basin Natural Resource Management Board (SAMDB).

Council is required, under the *Natural Resources Management Act 2004*, to contribute towards the funding of the NRM Board and operates as a revenue collector for the Board by imposing a levy against properties.

Council has been advised that the amount to be paid to the Mount Lofty Ranges NRM Board in 2019-20 is \$X compared to \$960,000 in 2018-19. This represents an increase of X%. Council has yet to receive advice from the SAMDB Natural Resource Management Board, noting that in 2018-19 Council was required to pay \$6k to this Board on behalf of ratepayers.

Council does not retain this revenue or determine how the revenue is spent.

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 a 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 below the levels necessary to achieve full cost recovery. As such charging for CWMS services are to be increased by 5% in 2019-20 as the last incremental step towards full recovery over a three year period.

**ESCOSA is an independent economic regulator whose objective is the protection of the long term interests of South Australian consumers with respect to the price, quality and reliability of essential services. These essential services include water, waste water (sewerage), gas and electricity. The Commission ensures that consumers of regulated services are adequately protected and that entities such as councils are accountable for the essential services they operate. Council is required to abide by ESCOSA's guidelines with regard to the delivery of CWMS services to parts of our community.*

Appendix 1

Operating Budget Detail

Including service area budgets and staffing

The figures in the Service Area Operating Budget Detail have been rounded and consequently individual sub-totals, whilst being correct, may differ slightly from the sum of the rounded amounts.

DRAFT

Adelaide Hills Council
2019-20 Proposed Budget
Community Capacity Income by Function

\$000s	2018-19 Revised Budget	2019-20 Proposed Budget	Variation to 2018-19 Budget Fav/(Unfav)
Communications, Engagement & Events	5	5	0
Community Development (management and partnerships)	-	-	-
Cultural Development	-	-	-
Customer Service	0	0	(0)
Director's Office - Community Capacity	-	-	-
Economic Development	85	95	10
Fabrik Arts and Heritage Hub	23	66	43
Grants & Partnerships	-	-	-
Hills Connected Communities Projects	61	63	1
Library Services	346	344	(2)
Positive Ageing (Home and Social Support)	982	996	14
Positive Ageing Project (Collaborative)	100	92	(8)
Service Strategy & Innovation	-	-	-
The Summit Community Centre	18	22	4
Torrens Valley Community Centre	37	35	(1)
Volunteering	-	-	-
Youth Development	2	2	-
Income Total	1,659	1,719	60

Adelaide Hills Council
2019-20 Proposed Budget
Community Capacity Expenditure by Function

\$000s	2018-19 Revised Budget	2019-20 Proposed Budget	Variation to 2018-19 Budget Fav/(Unfav)
Communications, Engagement & Events	641	649	(8)
Community Development (management and partnerships)	270	326	(56)
Cultural Development	143	147	(3)
Customer Service	828	848	(20)
Director's Office - Community Capacity	288	290	(2)
Economic Development	409	431	(21)
Fabrik Arts and Heritage Hub	279	265	14
Grants & Partnerships	229	232	(3)
Hills Connected Communities Projects	62	63	(1)
Library Services	1,792	1,830	(38)
Positive Ageing (Home and Social Support)	1,020	1,035	(15)
Positive Ageing Project (Collaborative)	93	92	1
Service Strategy & Innovation	207	201	6
The Summit Community Centre	166	174	(8)
Torrens Valley Community Centre	161	164	(3)
Volunteering	80	82	(2)
Youth Development	151	156	(5)
Expenditure Total	6,819	6,983	(164)
Net Expenditure/(Net Revenue) Total	5,160	5,264	(104)

Communications, Engagement & Events

Function Overview

The Communications, Engagement and Events function works to ensure communication between the Council and the community is accurate, relevant and engaging across multiple communication channels and that community is appropriately involved in decision making.

It works with government, community groups and commercial operators to stage and support events that help build social cohesion and attract economic activity. The team also supports internal communications and promotes and supports effective community engagement across the organisation. It includes the management of Council's online engagement portal, with associated training and support.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	5	5	0	
Expenditure*	641	649	(8)	Normal cost escalation, offset partly by reduced budget allocation for videography.
NET Cost/(Rev)	636	644	(8)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	3.0	3.6	0.6	Consolidation of FTE from the Community Consultation function, with overall reduction of 0.2.

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Events	Attract and deliver events that align to our strategic plan goal to bring events to our district that have social, cultural, environmental and economic benefits.
Digital and social media	Improve and grow existing digital communications channels including the website, e-newsletters, social media and exploration of other digital opportunities.
Marketing & Communication Plan	Update the Marketing and Communications plan to identify strategies to improve effectiveness and engagement for stakeholders. Explore new communication channels and innovative engagement opportunities.
Review Community Consultation Policy and Community Engagement Framework	Undertake periodic review of the Community Consultation Policy and review the Community Engagement Framework to ensure alignment of both documents and that community engagement approaches reflect contemporary practice.
Crisis Communication Plan	Develop a crisis communication plan to complement the Council's emergency management plan.
Video	Initiate the use of video in Council communications and produce three videos.

NOTE: In prior years, Communications and Events was presented as a separate function to Community Consultation. The two areas are now combined functionally for operational reasons and the associated budgets and staffing allocations have been brought together.

Community Development (management and partnerships)

Function Overview

The Community Development Management function provides leadership, support and policy development for the Community Development Department, including Community Centres, Home Support Program, Positive Ageing, Youth Development, Volunteering, Arts and Cultural Development. It also manages Community Grants and Partnerships and is responsible for community leadership, community wellbeing and disability access and inclusion. This function is responsible for a number of regional programs including regional health planning, Hills Community Transport, Hills Connected Consortium, Hills and partnerships with organisations such as The Hut Community Centre.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	270	326	(56)	This is the result of funding for Regional Health Planning and Disability Access and Inclusion, partly offset by savings made within the department.
NET Cost/(Rev)	270	326	(56)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	1.0	2.0	1.0	Additional 0.6FTE for regional health planning and disability access and inclusion work. Additional 0.4FTE to correct anomaly in 2018-19 Annual Business Plan (no additional budget).

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Regional Health Planning Initiatives	Review and prepare the next Public Health Plan incorporating updated public health data and commence the pilot community wellbeing alliance project.
--------------------------------------	--

Cultural Development

Function Overview

Community cultural development seeks to build social capital and community capacity through arts and culture. This function focusses on cultural diversity, Aboriginal respect and recognition, the arts and grants giving.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	143	147	(3)	
NET Cost/(Rev)	143	147	(3)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	1.0	1.0	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Multicultural Action Plan	Promote the cultural diversity of the Hills through images and information. Celebrate cultural diversity through events and activities. Participate in Harmony Day and Refugee Week. Identify cultural groups and stakeholders in our area and build relationships.
Reconciliation Action Plan (RAP)	Seek advice on initiatives to recognise Aboriginal people and culture from the newly formed Reconciliation Working Group in partnership with Mount Barker District Council. Undertake cultural awareness training for staff and elected members. Celebrate Aboriginal culture through events and activities. Participate in Reconciliation Week and NAIDOC Week. Support the Just Too Deadly awards. Investigate dual place names.
Arts Action Plan	Build Council's role in relation to supporting a vibrant culture of visual, literary and performing arts through the implementation of an Arts Action Plan. Investigate venues across the area that may suit Arts activities. Investigate an Arts Register. Develop a Collections Policy, Acquisition Guidelines and Public Art Strategy.

Customer Service

Function Overview

Council's frontline customer service is co-located within the Stirling Library and integrated within the Woodside and Gumeracha libraries. Customer Service Officers are cross skilled, providing library and Council customer services and staffing the Contact Centre phones. They rotate regularly through all four service points. While Officers aim to resolve enquiries at first point of contact, they also use a Customer Relationship Management (CRM) system to create cases for referral on to other departments. They also process payments including rates payments, plus dog registrations and development applications. The resources listed are for nominal non-library related front desk and Contact Centre customer service.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	828	848	(20)	Normal cost escalations.
NET Cost/(Rev)	828	848	(20)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/(Decrease)	Variation Explanation
FTE	6.00	8.75	2.75	Reallocation between Library Services and Customer Services. (No net change overall)

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Front line customer service delivery	Develop streamlined knowledge in liaison with other Council departments for front line customer service delivery.
--------------------------------------	---

Note: prior to 2018-19, the Library Services and Customer Service functions were presented in the Annual Business Plan as a combined function. They are now presented separately to better align with other reporting requirements for Library Services.

Director's Office - Community Capacity

Function Overview

The Community Capacity Directorate delivers library services, customer services, ageing and home support services, youth development, community capacity programs, cultural development, events support and Council communications to the community.

The Director's Office is the executive section of the Directorate and consists of the Director and an Executive Assistant. The role of the Director's Office is to provide leadership for, to represent, and to monitor the performance of, the Directorate. The Director's Office also strives to enhance and improve the ability of the team to deliver services efficiently and effectively and thereby improve community benefit.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	288	290	(2)	Normal cost escalations offset by reduced allowance for unforeseen consultant use.
NET Cost/(Rev)	288	290	(2)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	1.7	1.7	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Economic Development

Function Overview

This area is responsible for implementing Council's Economic Development Strategy to support a strong, diverse and sustainable local economy. The Strategy aims to develop a better understanding of local business issues in our region through both direct action and funding support of regional business development organisations. This will enable Council to provide networking opportunities, coordinate local development efforts, promote branding and tourism initiatives, identify options to lessen regulatory impact, and be useful advocates to other levels of government to support projects and investments that will benefit the local economy.

This function also includes revenue and expenditure of the Stirling special rate (\$95,000 passed on to the Stirling Business Association), the Council's contribution to Adelaide Hills Tourism (\$103,500), contribution to Hills, Fleurieu and Kangaroo Island Regional Development Australia (\$65,000) and contribution to the World Heritage Bid (\$15,000).

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	85	95	10	This additional income relates to the Stirling Business Separate Rate which is distributed to the Stirling Business Association (SBA). The SBA has requested an increase of \$10,000.
Expenditure*	409	431	(21)	Increase reflects the increased distribution to the SBA (\$10,000) and normal cost escalations, partly offset by reduced contribution to Regional Development Australia
NET Cost/(Rev)	324	336	(11)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/(Decrease)	Variation Explanation
FTE	1.0	1.0	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Regional Development Australia	Funding support provided (by all 3 spheres of government) to identify economic opportunity and challenges for the region – and manage and coordinate ways to address them.
Adelaide Hills Tourism	To provide funding support to Adelaide Hills Tourism in order to encourage a vibrant, sustainable and visitor focussed tourism industry in the Region.
UNESCO World Heritage Bid	To provide in-kind and funding support for the progression and preparation of the World Heritage bid nomination for the Mt Lofty Ranges Region.
Business Month in May	Undertake a month long program to raise awareness within the region of the services and training opportunities available to small business and to encourage participation as good business practice.

Fabrik Arts and Heritage Hub

Function Overview

Fabrik, the arts and heritage hub being established in the former Lobethal Woollen Mill, will bring together arts, history, and the community through exhibitions, artist studios, heritage interpretations, artists in residence and cultural events. An Aboriginal cultural element will also feature in the site. Fabrik will drive increased visitation to the region and boost creative industries development.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	23	66	43	Increased income expected as rentable studio spaces become available.
Expenditure*	279	265	14	Reduced expenditure due to once-off costs being incurred in the first year (2018-19) of the development of Fabrik,
NET Cost/(Rev)	256	199	57	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	1.6	2.0	0.4	Two full time effective staff for the whole of 2019-20, in line with the Business Development Framework.

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Establish an Arts and Heritage Hub	Develop Stage 1 of Fabrik Arts and Heritage at the Old Woollen Mill in Lobethal, incorporating artist studios, exhibition spaces and heritage interpretation.
------------------------------------	---

Grants & Partnerships

Function Overview

Grants are used to support community based initiatives designed to achieve positive community development outcomes. Partnerships are formed with other stakeholders to deliver regional or local outcomes. Partnerships include those with The Hut, Hills Community Passenger Network and include activities such as Volunteer Movie Day.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	229	232	(3)	
NET Cost/(Rev)	229	232	(3)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	0	0	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Community Grants	Provide a community grants program aimed at working collaboratively with community to build community capacity
The Hut Partnership	Partner with The Hut Community Centre to provide community support and development services.
Volunteer Movie Day	Partner with neighbouring councils to provide a thank you Volunteer Movie Day

Hills Connected Communities Project

Function Overview

The Hills Connected Communities Project is a regional program externally funded by the State Government with a consortium approach across AHC Community Centres (The Summit and Torrens Valley Community Centre), Mount Barker Community Centre and The Hut Community Centre. This program works in the Results Based Accountability space, measuring community wellbeing and how people are better off from being involved in our programs. This program attracts external funding for us to work collaboratively within our region to develop and implement targeted strategies and programs.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	61	63	1	
Expenditure*	62	63	(1)	
NET Cost/(Rev)	0	0	0	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	0.60	0.58	(0.02)	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Cross agency collaboration	Work with community centres across the Hills region to identify gaps in service delivery and create programs and services that address needs and increase social connections, learning and sharing of skills.
----------------------------	---

Library Services

Function Overview

The Library Service is comprised of a main branch at Stirling, two subsidiary branches at Woodside and Gumeracha plus Outreach Services that include a Mobile Library and a home delivery van. Both the Mobile and Home Service vehicle cover the whole of the Council region and provide library services to those unable to access our static branches. The Library Service provides welcoming and inclusive environments which provide space in which the community can meet and access information and resources for learning or leisure, whether traditional or digital. It supports lifelong learning with access to and training in the use of computers and technology; with literacy programs, book clubs and author discussions; with workshops and exhibitions that support arts and crafts; and is increasingly aligning its programs with S.T.E.A.M. principles. It encourages intergenerational interaction; partners with community groups and businesses; supports local history groups; and welcomes the many skills of volunteers.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	346	344	(2)	Decrease in community usage of revenue raising activities
Expenditure*	1,792	1,830	(38)	Normal cost escalations, partly offset by efficiency savings.
NET Cost/(Rev)	1,446	1,486	(40)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	19.16	16.11	(3.05)	Reallocation between Library Services and Customer Services.

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Digital learning	Review digital learning outcomes and identify future needs
Mobile Library project	Implement recommendations from Library Review as endorsed by Council
Library strategic plan	Develop strategic plan for Library Services based on Library Review recommendations and Council endorsements
Social inclusion project	Assess collections and programs to ensure effectiveness in building social inclusion
Local History online	Work with local history groups to assess viability of moving collections online through Portfolio

Note: prior to 2018-19, the Library Services and Customer Service functions were presented in the Annual Business Plan as a combined function. They are now presented separately to better align with other reporting requirements for Library Services.

Positive Ageing (Home and Social Support)

Function Overview

The Hills Home Support Program (which incorporates Positive Ageing Programs) plays an important role in supporting, maintaining and building capacity in the lives of older residents of the Adelaide Hills Council area. The program is predominantly externally funded the Commonwealth Government.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	982	996	14	Increased external "growth" Funding for CHSP program
Expenditure*	1,020	1,035	(15)	Based on increased external funding received - increased expenditure required
NET Cost/(Rev)	38	39	(1)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	6.03	5.96	(0.07)	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Building Wellbeing and Wellness	Expand the understanding and accurately capture the use of wellbeing, wellness and reablement initiatives with the client group.
Increasing online presence and access	Increase the online visibility and options to access to the Positive Ageing Programs by embracing and using online technology.
Increase availability of Home Maintenance Services	Increase availability of Home Maintenance services for eligible community members in need, in line with growth funding.

Positive Ageing Project (Collaborative)

Function Overview

The Hills Positive Ageing Collaborative Project is a Commonwealth and Council joint funded project which aims to support aged care services and service users in the local government areas of Adelaide Hills, Mt Barker and part of Alexandrina (Strathalbyn) to implement aged care reforms. Reporting to a Regional Executive Committee, the project leads innovative, responsive and collaborative projects that facilitate the development of positive ageing initiatives across the Hills. Adelaide Hills Council hosts and manages the project in lieu of contributing funds.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	100	92	(8)	Reflects funding provided by the State Government.
Expenditure*	93	92	1	
NET Cost/(Rev)	(7)	0	(7)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	0.57	0.60	0.03	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Dementia Friendly Communities Project	Foster and promote tourism, social and retail destinations that are dementia friendly. The project will support Adelaide Hills businesses to demonstrate awareness, respect and responsiveness to people living with dementia. The project will be a collaboration between the Hills Inclusive Tourism (HIT) group and the Hills Dementia Action Group (HDAG).
Wellbeing and Reablement Training	Assist aged care service providers to understand and implement wellness and reablement within current government frameworks and best practice guidelines.
The Brain Hub	Develop and provide opportunities to increase and assist community members understand brain health and memory loss by providing information, valuable resources and information collections in easily accessible locations.
High Tea Dance	A high tea dance event to provide an opportunity for community members that may be at risk of social isolation and or loneliness, to connect and engage with others, offer physical activity in a fun and non-judgemental setting and to provide health information and resources from relevant stakeholders.

Service Strategy & Innovation

Function Overview

This function works collaboratively across Council departments to improve service delivery to our customers and the community. Key areas of focus include improving the customer culture throughout the organisation, delivering initiatives and projects to improve the customer experience, oversight of functionality of the Customer Relationship Management system and driving organisational improvement through a continuous improvement approach.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	207	201	6	Removal of a once-off special project undertaken in 2018-19.
NET Cost/(Rev)	207	201	6	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	1.6	1.6	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

CRM Integration	Continue integration of the Customer Relationship Management system with the Confirm asset management system to streamline management of infrastructure related customer enquiries
Knowledge Management	Build and develop an internal customer service knowledge bank to improve first contact resolution and efficiency and effectiveness of service delivery
Online Customer Portal	Design and build a new online 'portal' to improve digital service delivery

The Summit Community Centre

Function Overview

The Summit Community Centre at Norton Summit exists to deliver community development outcomes both on site and at outreach locations, predominantly in the eastern and central parts of the district. Through a range of services and programs, people are able to engage with their own community, improve health and wellbeing, participate in lifelong learning, share their skills and experience, and contribute to their community through volunteering. A range of community driven opportunities are provided and include parent support groups, nature play activities, painting groups, seniors social and fitness groups and art exhibitions by local artists. The Red Shed volunteers run a number of activities and work with local schools to share skills, encourage intergenerational connections and provide support for younger members of the community.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	18	22	4	
Expenditure*	166	174	(8)	Normal cost escalations.
NET Cost/(Rev)	148	152	(4)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	1.58	1.58	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Community Development	Support programs that build community leadership skills and promote inclusion. Engage community leaders to inform program development.
Outreach programs	Run more programs where they need to be and link with other services to form partnerships in service and program development. Connect more with local groups and community members.
The Uraidla Red Shed	Grow this program to create a suite of inclusive workshops for women, children and families that encourage interaction with local community members. Network and build relationships with other sheds to assist with program development.

Torrens Valley Community Centre

Function Overview

The Torrens Valley Community Centre at Gumeracha exists to deliver community development outcomes both on site and at outreach locations, predominantly in the northern parts of the district. Through a range of services and programs, people are able to engage with their own community, improve health and wellbeing, participate in lifelong learning, share their skills and experience, and contribute to their community through volunteering. The centre volunteers run a community op shop, a gardening program and assist community at the front counter of the Gumeracha Civic Centre. The Green Shed volunteers run a number of activities and work with local schools to share skills, encourage intergenerational connections and provide support for younger members of the community. Shopping transport is also provided through the centre.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	37	35	(1)	
Expenditure*	161	164	(3)	Normal cost escalations offset partly by cost reductions.
NET Cost/(Rev)	124	129	(4)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	1.58	1.58	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Community Development	Support programs that build community leadership skills, and promote inclusion. Engage community leaders to inform program development.
Outreach programs	Run more programs where they need to be and link with other services to form partnerships in service and program development. Connect more with local groups and community members.
The Gumeracha Green Shed and Op Shop	Work with these programs to consolidate on previous achievements and consider future goals. Network and build relationships with other sheds to assist with program development.

Volunteering

Function Overview

To grow and support voluntary participation across the Adelaide Hills by inspiring people to take action and contribute to building cohesive, more connected communities. This is achieved by providing meaningful opportunities for volunteers to engage in Council delivered community services and to connect individuals to volunteer involving community groups and organisations throughout the Adelaide Hills region.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	80	82	(2)	
NET Cost/(Rev)	80	82	(2)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	0.52	0.72	0.20	Hills Volunteering funding was redirected to this salary line as the result of a Council resolution to manage that service in-house.

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Volunteer Engagement	Progress updates of volunteer management systems and processes to increase effectiveness of recruitment, support and recognition.
Volunteer Management Capacity and Capability	Provide staff training to develop capability and capacity to support volunteers in a systematic and strategic way.
External volunteering support	Review ways in which the Council supports volunteering in the community (outside of Council) to ensure approaches are effective and contemporary.

Youth Development

Function Overview

Youth Development supports young people in a period of their life in which they go through a range of transitions, ultimately becoming thriving, productive and connected adults. This includes youth participation and leadership development, and direct service delivery to young people by building resilience, engagement and skill development through involvement in programs and events, as well as working at a strategic level on the planning and provision of services to young people in the region. Key services include Council's Youth Advisory Committee (YAC) and its various projects and programs, Youth Leadership Series (new), school holiday activities, youth-led programs such as XitH LAN parties and Woodside Jams, and regular young drivers awareness courses.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	2	2	0	
Expenditure*	151	156	(5)	Normal cost escalations offset partly by a reduction in special project costs.
NET Cost/(Rev)	149	154	(5)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	1.0	1.0	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Youth Leadership Program	Progress the new Youth Leadership Program. Participants will develop transferrable leadership and professional skills through workshops featuring both facilitated learning and experiential learning opportunities. Young people will also have opportunities to put newly learnt skills into action via involvement in developing youth events and activities of their choice and interest. These may include taking action on a particular youth need; organising an event, program or developing a resource focussing on a particular interest; exploration and celebration of achievements of Hills Young people, and others.
Implement Youth Action Plan	Implement strategies contained in the Youth Action Plan

Adelaide Hills Council
2019-20 Proposed Budget
Corporate Services Income by Function

\$000s	2018-19 Revised Budget	2019-20 Proposed Budget	Variation to 2018-19 Budget Fav/(Unfav)
Adelaide Hills Business & Tourism Centre	647	300	(347)
Cemeteries	179	210	31
Director's Office - Corporate Services	3	3	0
Financial Services	36,828	37,964	1,136
General Property	56	56	1
Governance & CEO Office	-	-	-
ICT	-	-	-
Information Systems	-	-	-
Organisational Development & Work Health and Safety	-	-	-
Retirement Villages	135	24	(111)
Income Total	37,847	38,557	710

Adelaide Hills Council
2019-20 Proposed Budget
Corporate Services Expenditure by Function

\$000s	2018-19 Revised Budget	2019-20 Proposed Budget	Variation to 2018-19 Budget Fav/(Unfav)
Adelaide Hills Business & Tourism Centre	465	250	215
Cemeteries	259	279	(20)
Director's Office - Corporate Services	303	311	(8)
Financial Services	567	508	59
General Property	2,646	2,718	(72)
Governance & CEO Office	1,420	1,390	30
ICT	1,383	1,405	(22)
Information Systems	1,241	1,255	(14)
Organisational Development & Work Health and Safety	500	527	(26)
Retirement Villages	175	40	135
Expenditure Total	8,960	8,682	278

Net Expenditure/(Net Revenue) Total	(28,887)	(29,875)	988
--	-----------------	-----------------	------------

Adelaide Hills Business & Tourism Centre

Function Overview

The Adelaide Hills Business & Tourism Centre (AHBTC) is located at the former Onkaparinga Woollen Mills site at Lobethal and is managed by the Adelaide Hills Council. The site has evolved from a business incubator and currently has a diverse group of commercial and community tenants. Through these business activities, the site currently provides employment for over 155 people.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	647	300	(347)	Variation reflects current and proposed divestment of allotments at AHBTC
Expenditure*	465	253	215	
NET Cost/(Rev)	(182)	(50)	(132)	Variation reflects current and proposed divestment of allotments at AHBTC
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	1.0	1.0	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Divestment of Commercial Tenancies	Investigation to determine if the balance of the buildings occupied by commercial tenants can be subdivided by community title division to enable a sale to the occupying tenant
Maintenance of commercial tenancies	Ongoing maintenance of buildings in Council ownership and occupied under commercial tenancy arrangements

Cemeteries

Function Overview

Property Services are responsible for ongoing maintenance and management of 17 cemeteries within Adelaide Hills Council boundaries. Council functions include the issuing and renewal of Interment Rights, facilitating interments, attending funerals, ordering plaques, approving memorial applications and ensuring legislative compliance with the requirements of the Burial & Cremation Act 2013.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	179	210	31	Variation reflects trends over the past 2 years for interments and makes allowance for CPI increase of fees and charges
Expenditure*	259	279	(20)	Variation reflects increased resource allocation to ensure statutory requirements are met
NET Cost/(Rev)	81	70	11	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	0.5	1.0	0.5	Increased resource allocation to ensure statutory requirements are met

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Cemetery Review	Progression of the review of Council's cemetery operations and procedures and the development of master and managements for each of the Council's cemeteries over the next 3 - 5 years.
Stirling Masterplan	Development of a masterplan for the Stirling Cemetery to map out expansion areas and native vegetation protection zones.
Survey and aerial mapping of cemeteries	Progressively undertake survey and aerial mapping over the next 3 - 4 years to compliment spreadsheet data for implementation into the Cemetery Management System.
Cemetery Management System	Implementation of management system to electronically hold all cemetery records and provide workflows for all cemetery administrative functions.

Director's Office - Corporate Services

Function Overview

The Corporate Services Directorate provides a wide range of key services to both the organisation and the broader community. These services include finance, rates, property management and compliance, AHBTC oversight, Information Services (including records), corporate planning and performance reporting. The Director's Office is the executive section of the Directorate and consists of the Director and an Executive Assistant. The role of the Director's Office is to provide leadership for, to represent, and to monitor the performance of the directorate. The Director's Office also strives to enhance and improve the ability of the team to deliver services efficiently and effectively and thus improve community benefit.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	3	3	0	
Expenditure*	303	311	(8)	
NET Cost/(Rev)	300	308	(8)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	1.8	1.8	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Financial Services

Function Overview

The Financial Services function provides accounting and financial operations activities including payment of invoices, collection of rates and recovery of debt, treasury management, procurement support as well as financial decision making required for Council's operations, including statutory reporting obligations.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	36,828	37,964	1,136	Variation primarily relates to expected increase in rate revenue
Expenditure*	567	508	59	Variation relates to reductions in interest expense and additional plant recoveries
NET Cost/(Rev)	(36,262)	(37,457)	1,195	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	7.5	7.5	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Annual Financial Statements	To complete the Annual Financial Statements in accordance with the agreed timelines for inclusion in the Annual Report for 2018-19.
Development of 2020-21 Long Term Financial Plan	Development of 2020-21 Long Term Financial Plan.
Budget Development including rating strategy and fees and charges consideration	To develop the budget for 2020-21 in accordance with agreed timelines for inclusion in the Annual Business Plan.
Sale of Land	To undertake further Sale of Land for non-payment of rates process, under Section 184 of the <i>Local Government Act 1999</i> .
Procurement Framework	To implement the Procurement Framework and tools to support Council's adopted Procurement Policy (including purchase cards).

General Property

Function Overview

Property Services is responsible for the ongoing maintenance and management of Council's real estate assets including some 380+ parcels of land and 180+ buildings owned and managed by Adelaide Hills Council Property Services Department, many of which are leased to sporting and community groups. The portfolio includes service centres and operational sites that have a much higher operational cost than sites that are occupied for sport, recreation or community use. Property Services also manages the Council's unmade roads (including rentals and closures/sales), Outdoor Dining Permits, Roadside Trading Permits and Mobile Food Van Permits and provides support to other Council departments for property related matters.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	56	56	1	
Expenditure*	2,646	2,718	(72)	Variation relates to increases in utility charges, maintenance costs, accommodation and salary costs and consultation costs.
NET Cost/(Rev)	2,591	2,662	(71)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	4.6	4.6	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Community & Recreation Facility Framework	Continue to develop a Community & Recreation Facility Framework for all of Council's community and sporting/recreation facilities.
Community Land Register and Management Plans	Review existing and develop new management plans for Council's community land.
Crown Land Review	Review the 77 Crown Land parcels dedicated to Council to determine occupation and consistency with dedicated purpose and strategic value to the community and Council with recommendations to Council where changes are seen as appropriate.
Unmade Road Review	Review Council's unmade road network and create a register determining current occupation and use, encroachments, strategic value to the community and Council as possible future road network including walking trail and native vegetation purposes or that are suitable for closure and sale.
Public Toilet Review	Review the public toilet facilities available in the Council area, including those not owned by Council, to develop a long term plan for location, type of service and renewal options.
Accommodation Review	Review Council's accommodation arrangements to ensure the effective and efficient delivery of services to the community.

Governance & CEO Office

Function Overview

The Governance area incorporates both the CEO Office and the Governance and Performance function from a budget perspective.

The CEO Office provides executive support for the CEO and the Mayor in the discharge of the roles and responsibilities set out in legislation; to support the leadership of the Council and the Administration; and the achievement of the Strategic Plan. Consultation, advocacy and liaison with federal state and other local government members and entities, community and business groups and members of the public are key functions of the CEO Office.

The Governance function provides civic governance services for the elected Council and the community and corporate governance services for the organisation. Civic governance services include: secretariat for Council, Council Committees and informal gatherings; Council Member support, advice and professional development; coordination of elections, boundary reforms and representation reviews; liaison with inquiry agencies; and oversight of community requests for Section 270 reviews for escalated complaints. Corporate governance services include: corporate risk management, audit and review activities; strategic, corporate and business planning; insurance, business continuity planning; coordination of legislative policies, codes, delegations and authorisations; and corporate performance reporting.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	1,420	1,390	30	Variation relates to the inclusion of the strategic plan review and boundary reform initiatives, a reduction in the CEO contingency fund and the removal of 2018 Local Government Election and Council Member induction costs.
NET Cost/(Rev)	1,420	1,390	30	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	5.0	5.0	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Delegations Management System Upgrade	To review the current legislative delegations management systems and processes and identify and implement improvements.
Boundary Reform Provision	To develop and/or respond to proposals for the realignment of the AHC boundaries.
Strategic Plan Review	To review the Strategic Plan in accordance with legislative requirements and the new Council's policy agenda.
Service Review Framework	To develop a Framework setting out the methodology, resourcing and schedule for service reviews within Adelaide Hills Council.

ICT

Function Overview

ICT (Information, Communication and Technology) is a critical function to the operation of Council services and service improvement initiatives. The department is responsible for providing a range of technology services for both internal and external service provision. The ICT team supports over 1300 technology devices, 250 system users and 100 public access devices for Libraries and Community Centres. Its key objectives are the delivery of ICT Operational and Capital Works programs, Technology Helpdesk Support, ICT Systems Security, ICT Asset Maintenance & Renewal Programs.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	1,383	1,405	(22)	Increase to operational telecommunication costs for the provision of services across all departments
NET Cost/(Rev)	1,383	1,405	(22)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	4.0	4.0	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Multifunction Device Renewal	Due to the expiry of leased infrastructure a program of works is scheduled for the renewal of Multifunction Devices across Council Buildings.
Tablets/Laptops and Computers	Due to the expiry of leased infrastructure a program of works is scheduled for the renewal of Tablets/Laptops and Computers across Council Buildings.
Server Storage and Switching	Due to the expiry of leased infrastructure a program of works is scheduled for the renewal of Server Storage and Switching in key datacentres.
Internet of Things (IoT)	Continue to develop and implement IoT Networks within the Adelaide Hills Council District to support emerging technologies and seek to work with other Councils on expanding the network.

Information Systems

Function Overview

The Information Management function is responsible for the capture, dissemination, storage, security, accessibility and management of information that is both received and generated by the Council. The function manages digital information, (digital documents, databases, line of business systems, corporate software etc.) and information in hard copy formats. The function guides and supports the various internal and external facing service areas of Council to support best practice information management. The function also undertakes a variety of externally facing services including the coordination of Section 7 Certificates; the collation and management of Freedom of Information Requests; management of requests for documents subject to copyright. The function also assumes responsibility for corporate software systems maintenance and management including procurement. There are currently over 80 individual software line of business systems supported.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	1,241	1,255	(14)	CPI adjustments
NET Cost/(Rev)	1,241	1,255	(14)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	6.8	6.8	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Implementation of Organisational Information Management System	A new enterprise organisational information management system has been developed on a contemporary technology platform. The solution will be implemented across the organisation, on a rolling basis one department at a time. The Information Systems team will support each team as they begin using the system and migrate essential information from legacy systems.
Destruction of hard copy records	The Information Management team will focus on reviewing and destroying hard copy records that are due for destruction under the Legislative rules of the General Disposal Schedule.
Hard Copy Records digitisation	Hard Copy records that have been identified as "at risk of deterioration" will be scanned and captured electronically. This project will focus on historical waste water records and building records.
Information Management System Integration	Integrating corporate line of business systems into the Enterprise Information Management system, to ensure documents created in these systems are saved inside the enterprise system. This includes our Development, Environmental Health, CRM and Asset Management systems.

Organisational Development & Work Health and Safety

Function Overview

The Organisational Development (OD) Department provides a range of services internally (including OD, human resource management, work health and safety and payroll) to enable the effective management and leadership of our employees. This is achieved through the provision of frameworks, policy, procedure and supporting documents for People Leaders (those who manage employees) and employees to use. More specifically this includes the whole of the employment lifecycle: recruitment, induction, performance, development, industrial relations, work health and safety and exit. OD team members provide advice, guidance and support across the organisation.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	500	527	(26)	Variation relates to the Skytrust (WHS system) implementation being undertaken with a current staff member
NET Cost/(Rev)	500	527	(26)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	3.68	4.08	0.40	Reflects resource requirements for the implementation of Skytrust. This resource previously budgeted as an external contract

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

WHS People Leader Development	Further develop People Leaders in understanding their WHS responsibilities through improved induction processes and development via People Leader Gatherings.
Develop employees in Public Officer responsibilities	Develop a process to provide current and new employees with training on their decision making and responsibilities as Public Officers. Ensure this process is included in employee inductions.
Review our 4X8 Performance Process	Review the 4X8 Performance process to ensure it is clear and relevant to our people and enables the goals setting, monitoring and completion of work to be managed on a 6 monthly basis.

Retirement Villages

Function Overview

Adelaide Hills Council owns and operates 1 retirement village at Bridgewater comprising 6 independent living units. Council's functions include negotiation and issuing of occupation agreements, management and maintenance of the villages and ensuring compliance with the Retirement Villages Act 2016. In 2018, Council sold its other 5 retirement villages at Balhannah, Crafers, Gumeracha, Lobethal and Woodside to Clayton Church Homes.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	135	24	(111)	Variation relates to sale of 5 of the 6 Retirement Villages during 2018-19
Expenditure*	175	40	135	Variation relates to sale of 5 of the 6 Retirement Villages during 2018-19
NET Cost/(Rev)	41	16	25	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	0.5	0	(0.5)	Resource not required following sale of 5 of the 6 retirement villages

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Retirement Village	Investigation of the Trust and potential disposal of remaining Council retirement village at Bridgewater.
--------------------	---

Adelaide Hills Council
2019-20 Proposed Budget
Development & Regulatory Services Income by Function

\$000s	2018-19 Revised Budget	2019-20 Proposed Budget	Variation to 2018-19 Budget Fav/(Unfav)
Animal Management	395	402	7
Director's Office - Development & Regulatory Services	-	-	-
Fire Prevention	12	13	0
Mt Lofty Waste Control Project	63	50	(13)
Parking and By-Laws	90	91	1
Planning & Development	502	512	10
Policy Planning	-	-	-
Public Health	125	162	37
Income Total	1,187	1,229	42

Adelaide Hills Council
2019-20 Proposed Budget
Development & Regulatory Services Expenditure by Function

\$000s	2018-19 Revised Budget	2019-20 Proposed Budget	Variation to 2018-19 Budget Fav/(Unfav)
Animal Management	455	399	56
Director's Office - Development & Regulatory Services	311	318	(7)
Fire Prevention	171	128	43
Mt Lofty Waste Control Project	49	50	(1)
Parking and By-Laws	153	149	3
Planning & Development	1,808	1,927	(119)
Policy Planning	169	148	21
Public Health	536	499	37
Expenditure Total	3,651	3,618	33

Net Expenditure/(Net Revenue) Total	2,463	2,388	75
--	--------------	--------------	-----------

Animal Management

Function Overview

The Regulatory Services Team promote responsible dog and cat ownership under the provisions of the ***Dog and Cat Management Act 1995***, Council's Dog and Cat Animal Management Plan and the Dog and Cat By-laws. The Team provide a number of animal management services including:

- Establishment and monitoring of dog off-leash areas which provide an appropriate venue for owners and dogs to enjoy the freedom of the off-leash environment while minimising the risk to native animals and members of the public
- General dog management services including investigation of barking dog complaints and dog harass/attack matters reported to Council
- Eradication of European Wasp nests via a callout service which helps to protect the amenity and safety of the district (note that funding to assist with the provision of this service has been withdrawn by the State Government)
- Responding to nuisance and hazards caused by other animals including poultry complaints and wandering stock
- Undertaking education and encouragement activities in the first instance followed by enforcement action if required.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	395	402	7	Anticipated increase in income due to increased dog registrations
Expenditure *	455	399	56	Decrease in expenditure due to excess revenue from the 2017-18 period required to be spent in 2018-19
NET Cost/(Rev)	60	(3)	63	Overall net decrease due predominantly to excess revenue from the 2017-18 period being spent in 2018-19
Description	2018-19 Revised Budget	2019-20 Budget	Increase/(Decrease)	Variation Explanation
FTE	2.85	3.05	0.2	Reallocation of staff FTEs between Regulatory Services functions

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

DCAMP Implementation	Continued implementation of the Dog and Cat Animal Management Plan (DCAMP) and consider cat management matters in the lead up to the cat confinement requirements of 2021-22.
Cats By-law review	Upon completion of the feral cats study in 2021, review Cats By-law and consider what changes, if any, are required to reduce the impact of cats on our environment and biodiversity.

Director's Office - Development & Regulatory Services

Function Overview

The Director's Office is the executive section of the Development & Regulatory Services Directorate and consists of the Director and an Executive Assistant. The role of the Director's Office is to provide leadership for and to monitor the performance of the directorate. The Director's Office also strives to enhance and improve the ability of the Team to deliver services efficiently and effectively and thus improve Community benefit. The Director represents Council on a number of internal and external bodies, project groups and regional subsidiaries such as the Rural Land Management Advisory Group, the World Heritage Project Management Group and the Gawler River Floodplain Management Authority (GRFMA).

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	311	318	(7)	Small increase in expenditure predominantly due to CPI
NET Cost/(Rev)	311	318	(7)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	2.0	2.0	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Fire Prevention

Function Overview

The Regulatory Services Team is responsible for a range of functions under the *Fire and Emergency Services Act 2005*. Council currently has five qualified Fire Prevention Officers to undertake the various roles as outlined in the legislation. The responsibilities include: assessing the extent of bushfire hazards within the Council area; assisting in providing advice and information to the Bushfire Management Committee; and providing advice to land owners in respect of bushfire prevention and management.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	12	13	0	
Expenditure*	171	128	43	Decrease in expenditure due to reallocation of staff and funds.
NET Cost/(Rev)	158	115	43	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	1.15	0.93	(0.2)	Reallocation of staff FTEs between Regulatory Services functions

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Review of Council Fire Prevention & Mitigation Activities	<p>The Bushfire Mitigation Operation Group will be reviewing all aspects of Council's current operations, including private property and Council land.</p> <p>The review will include reviewing Council's community education and private property inspection programmes along with our open space and roadside vegetation management (woody weeds) works programmes.</p>
---	---

Mt Lofty Waste Control Project

Function Overview

The Mt Lofty Ranges Waste Control Project has been operating since 2001 focusing on the identification and rectification of failing wastewater systems impacting on the catchment. The project is undertaken collaboratively with major funding partner SA Water. Council manages the project as an in kind contribution and also contributes some funding through the wastewater application fees generated by the project. The Project Officer works with property owners to ensure failing waste control systems are either upgraded or replaced.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	63	50	(13)	Decrease due to removal of the vehicle and associated costs as this is now a part time role.
Expenditure*	49	50	(1)	Small increase due to CPI and is covered by the funds received from SA Water.
NET Cost/(Rev)	(14)	0	(15)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/(Decrease)	Variation Explanation
FTE	0.5	0.5	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Investigate impact of wastewater system on catchment	In conjunction with other project partners, investigate and survey onsite wastewater systems potentially impacting the water catchment.
--	---

Parking and By-Laws

Function Overview

The Regulatory Services Team undertake regulatory functions to ensure the safety of the community is maintained and improved. In doing so, the team enforce a wide range of legislation including the *Local Government Act 1999*, Australian Road Rules and Environment Protection Polices under the *Environment Protection Act 1993*. The Team also enforces Council's By-laws in relation to activities on Local Government land, moveable signs, roads and bird scaring devices.

Parking enforcement is aimed at maximising the safety of the road environment for all road users and pedestrians. In addition, the Team monitors parking controls which ensures shop traders, customers, event organisers and attendees have appropriate access to such facilities.

The Team also assist with events such as the Tour Down Under, local Christmas Pageants, Mt Lofty Botanic Gardens Autumn Festival, the monthly Stirling Market and the Gumeracha Medieval Fair. To ensure community safety is provided for over the weekends, the Team provide a Weekend Ranger Service from 8.30am to 5.00 pm on Saturdays and Sundays. An after hours emergency callout service is also provided by the Team.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	90	91	1	
Expenditure*	153	149	3	
NET Cost/(Rev)	63	59	4	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	1.15	1.30	0.15	Staff establishment picking up the extra FTE from the 2018-19 Compliance Initiative

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Community Education on local nuisance and litter control matters	To undertake a community education program regarding litter, illegal dumping, insanitary or unsightly conditions of land, and noise complaints to clarify which types of noise are Council's responsibility.
--	--

Planning & Development

Function Overview

The Development Services Team undertakes Council's statutory responsibilities for the assessment of development applications and manages compliance of development activities within the district. Some of these activities result in appeals of decisions and enforcement cases in the Environment, Resources and Development Court which need to be defended by the Council. Council also has a responsibility for reviewing the fire safety of buildings with public access (which includes commercial, industrial and accommodation buildings). As the new development legislation (*Planning, Development and Infrastructure Act [PDI Act] 2016*) is rolled out in stages, changes to the development assessment service will begin to occur with a greater focus on electronic information systems including electronic lodgement of development applications. In advance of the state reform, Council has changed the assessment system to an electronic one and the team can accept development applications electronically and send decisions electronically. The on-line payment of fees has been rolled out soon to assist with the streamlining of the process.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	502	512	10	Projected increased fee income based on development values increasing
Expenditure*	1,808	1,927	(119)	Increase due CPI increases in expenditure, and additional resource to support inspections and an additional contribution to DPTI for the ePlanning Portal.
NET Cost/(Rev)	1,306	1,415	(108)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	15.67	16.63	0.96	Additional resource to support building and swimming pool inspections

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Electronic Development Application Assessment	Continued implementation of the Electronic Development Assessment System with improved processing efficiencies to assist in making it easier to do business in the district.
Review of Development Application Assessment Process	To review development processes and task allocations, and reduce file loads in preparation for full implementation of the Planning, Development and Infrastructure legislation, and thereby improve processing efficiencies

Policy Planning

Function Overview

Planning Policy undertakes large scale policy and research projects such as Development Plan Amendments (DPA) and a variety of Strategic Policy work, as well as Council policies, responses and submissions to government planning policy proposals, and support functions for the Rural Management Advisory Group, and associated research and analysis work. A major piece of work in the lead up to the 1 July 2020 date for the commencement of the State's new Planning & Design Code will be the conversion of the Council's Development Plan into the Code.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	169	148	21	Decrease primarily due primarily to reductions in contractor costs for DPAs Decrease due to the removal of 2018-19 Stirling and Crafers Masterplans initiatives and the addition of the new Local Heritage Fund Initiative for 2019-20
NET Cost/(Rev)	169	148	21	Net decrease due primarily to reduced contractor and other costs
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	1.0	1.0	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

UNESCO World Heritage Bid	To provide in-kind and funding support for the progression and preparation of the World Heritage bid nomination for the Mt Lofty Ranges Region.
State's Planning Reform Agenda	To provide comments on various discussion papers, practice directions, policy papers etc. as issued by the Department of Planning, Transport and Infrastructure as part of the roll out of the State's Planning Reform agenda
Conversion of Council's Development Plan	As a result of the roll out of the State's Planning Reforms, Council will need to convert its Development Plan into the new Planning and Design Code when Phase 3 of the Code is released in late 2019/early 2020

Public Health

Function Overview

Council has responsibilities under various Acts with regard to public health within its area (e.g. *SA Public Health Act 2011*, *Food Act 2001*, *Safe Drinking Water Act 2011* and *Local Litter & Nuisance Control Act 2016*). The functions identified by the legislation include to preserve, protect and promote public health, identify risks and to take remedial action to reduce or eliminate adverse impacts. The majority of the functions are legislative and require actions to be undertaken such as inspections of food businesses, assessment and inspection of the collection, treatment and disposal of on-site wastewater, inspection of public swimming pools, monitoring of high risk manufactured water systems, etc.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	125	162	37	Increase due to increased contribution from SA Health for immunisations
Expenditure*	536	499	37	Decreased in costs due to FTE changes detailed below
NET Cost/(Rev)	411	337	74	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	4.47	4.04	(0.43)	Variation due to the addition of an extra resource for the Waste Water Inspections initiative (legislative requirement) and the reallocation of the former Manager Health and Regulatory to a different Department

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Conversion of files to electronic e-files	To convert hardcopy files for wastewater applications and food premises to electronic copies and increase the number of e-files available for access in the field using mobile devices
Food Safety Training	Food Safety Training Program will be offered to Food Businesses and Community Organisations in order to provide an understanding of appropriate food safety and food handling practices and thereby reduce possible incidents of food poisoning
Process Waste Water System Applications Electronically	To set up and commence in early 2020 the processing of waste water system applications electronically in order to improve processing efficiencies

Adelaide Hills Council 2019-20 Proposed Budget Infrastructure & Operations Income by Function			
\$000s	2018-19 Revised Budget	2019-20 Proposed Budget	Variation to 2018-19 Budget Fav/(Unfav)
Civil Services	2,048	1,288	(759)
Community Wastewater Management System (CWMS)	1,664	1,755	91
Director's Office - Infrastructure & Operations	-	-	-
Emergency Management	-	-	-
Open Space Biodiversity	-	-	-
Open Space Operations	28	28	-
Open Space Sport & Recreation Planning	2	10	8
Sustainability	-	-	-
Sustainable Assets	-	-	-
Waste	69	70	1
Income Total	3,811	3,152	(659)

Adelaide Hills Council 2019-20 Proposed Budget Infrastructure & Operations Expenditure by Function			
\$000s	2018-19 Revised Budget	2019-20 Proposed Budget	Variation to 2018-19 Budget Fav/(Unfav)
Civil Services	11,426	11,567	(141)
Community Wastewater Management System (CWMS)	968	1,002	(34)
Director's Office - Infrastructure & Operations	308	315	(7)
Emergency Management	84	92	(8)
Open Space Biodiversity	485	559	(73)
Open Space Operations	5,058	5,151	(93)
Open Space Sport & Recreation Planning	943	986	(43)
Sustainability	305	244	61
Sustainable Assets	498	530	(32)
Waste	4,603	4,466	136
Expenditure Total	24,677	24,913	(236)

Net Expenditure/(Net Revenue) Total	20,866	21,761	(894)
--	---------------	---------------	--------------

Civil Services

Function Overview

The Civil Services Department maintains a significant portion of Council's infrastructure including sealed and unsealed roads, signage, stormwater drainage, and rapid response activities. The Department is also accountable for the Project Management of the majority of Council's capital works program. This includes delivery of the annual renewal work plan for civil asset classes such as bridges, community wastewater management systems, sealed and unsealed roads, kerbs and footpaths, and stormwater infrastructure. It also includes new or upgrade projects within those classes, as well as road safety improvement projects.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	2,048	1,288	(759)	This reduction in revenue mostly comprises a reduction of \$200,000 for the one-off operating grant for the Kersbrook Primary School Koala Crossing, as well as a reduction in expected roads grants at both State and Federal levels.
Expenditure*	11,426	11,567	(141)	This increase in expenditure is largely due to increases in depreciation costs, especially for sealed roads.
NET Cost/(Rev)	9,378	10,279	(901)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	46.0	44.0	(2.0)	Council's Workshop Staff have moved from the Civil Services Team to the Open Space Team, to more closely align with other Fleet Management functions.

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Project Management Manual	As per Council's Corporate Plan, finalise development of, then implement, a Project Management Manual suitable for use Council wide. An important element of the manual will be that it is scalable for use across projects of varying size.
Online Maintenance Program	Continue to refine Council's Planned Maintenance Program and enhance its online presence.
Capital Project Delivery	Delivery of the civil and open space component of 2019-20 Capital Works Program, whilst enhancing reporting capability.

Community Wastewater Management System (CWMS)

Function Overview

Council owns, operates and maintains Community Wastewater Management Systems (CWMS), including associated infrastructure, in Birdwood, Mt Torrens, Kersbrook, Charleston, Verdun, Woodside and Stirling. Each connected property has a septic tank which is desludged on a four yearly basis by Council's contractor. The CWMS Team is responsible for the management and operation of the CWMS.

Council holds a Water Retail Licence under the *Water Industry Act 2012* to provide CWMS services, and the CWMS Team ensures compliance with the regulatory, economic and consumer protection framework overseen by the Essential Services Commission of SA (ESCOSA). Additionally, the CWMS Team manages the Council's compliance requirements with a wide range of regulatory and legislative obligations to meet under various Acts, regulations, standards, codes and guidelines in relation to the operation and management of the CWMS.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	1,664	1,755	91	5% increase in service fees towards full cost recovery as required by ESCOSA pricing principles.
Expenditure*	968	1,002	(34)	Variation due to FTE internal resource reallocation
NET Cost/(Rev)	(697)	(753)	56	Variation predominantly due to requirement to move to full cost recovery
Description	2018-19 Revised Budget	2019-20 Budget	Increase/(Decrease)	Variation Explanation
FTE	0.55	0.9	0.35	Increase in FTE due to internal reallocation of Manager Waste & Emergency Management.

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Asset management	Complete maintenance and upgrade works across the network to continue to provide safe, reliable and effective wastewater collection and disposal, as per Council's Asset Management Plan 2012.
Legislative and Regulatory Compliance	Progress actions identified in Council's CWMS Safety Reliability Maintenance Technical Management Plan. Provide a reliable CWMS service and manage the system in accordance with legislative and regulatory obligations to ensure the sustainability of the CWMS business.
CWMS Review	Continue review of CWMS management and operations to ensure the most cost efficient and effective service is provided to CWMS customers at the lowest risk to Council. Transition to full cost recovery in compliance with ESCOSA's price determination and pricing principles.
Septic Tank Desludge Program	Continue to desludge septic tanks connected to the CWMS on a scheduled four yearly frequency so as CWMS infrastructure and assets are maintained and protected.
Supply of recycled water	Continue supply agreements for the provision of treated wastewater for community and private reuse schemes and explore new opportunities as they arise.

Director's Office - Infrastructure & Operations

Function Overview

The Infrastructure and Operations Directorate delivers a wide range of key services to the Community, including civil and open space related maintenance; engineering and design; sustainability initiatives, capital works, including asset renewal and other construction projects; waste management, community wastewater; emergency management; sport and recreation planning and natural resources management.

The Director's Office is the executive section of the Infrastructure and Operations Directorate and consists of the Director and an Executive Assistant. The role of the Director's Office is to provide leadership for, to represent, and to monitor the performance of the directorate. The Director's Office also strives to enhance and improve the ability of the Team to deliver services efficiently and effectively and thus improve community benefit.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	308	315	(7)	
NET Cost/(Rev)	308	315	(7)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	2.0	2.0	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Emergency Management

Function Overview

The Emergency Management Team works in collaboration with other Council staff, Emergency Service agencies and the Community to take measures to protect its area from natural and other hazards and to mitigate the effects of such hazards.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	84	92	(8)	Variation due to the decrease of the amount required for an 2018-19 initiative and the addition of the Manager Waste & Emergency Management
NET Cost/(Rev)	84	92	(8)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	0	0.2	0.2	Emergency Management includes the FTE for the Manager Waste and Emergency Management, which also sees a corresponding reduction in the Development and Regulatory Services Directorate following the restructure.

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Emergency Management Planning	Continued development and implementation of emergency management arrangements.
-------------------------------	--

Open Space Biodiversity

Function Overview

Our district boasts a wide range of habitats, including our iconic Stringybark and Candlebark forests, Red Gums and sedges of our waterways and the specialist vegetation of our wetland systems. The native flora and fauna of our region contributes to the character of the Adelaide Hills, and many of the ecosystems and the services they provide are essential to our productivity, economy, health and sense of wellbeing. Our plants and wildlife face a number of challenges. The area contains a significant proportion of the state's remaining native vegetation, and all are vulnerable to a number of threats including weed invasion, habitat fragmentation, exotic pests, risk of bushfire, and climate change. Council's response to help mitigate these threats is the Biodiversity Strategy, detailing activities the Council will be undertaking over the following years to both conserve and improve local biodiversity on Council managed land. These include weed management, habitat conservation and expansion, improving our knowledge about how we can best manage our local biodiversity and supporting the community in their activities to protect and support biodiversity. Staff from the Open Space team together with Council Members, community groups, government agencies, non-government organisations and industry professionals work to improve local biodiversity and to support ecosystems and the services they provide to enable them, and ourselves, to thrive. The Biodiversity budget supports the delivery of Council's Biodiversity Strategy.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	485	559	(73)	The increase is due to the addition of a new resource Bush Regenerator/Landcare Officer
NET Cost/(Rev)	485	559	(73)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	2.0	3.47	1.47	Increase due to project officer to finish surveys of Roadside Marker Sites and a new Bush Regenerator/Landcare Officer

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Biodiversity Monitoring and Management	Council reserves of conservation value are monitored using the Bushland Assessment Methodology and attributed a biodiversity value. This dataset enables regional prioritisation of works across all sites. Sites are reassessed every 5 years to determine efficacy of works undertaken at each site. The dataset has also enabled development and implementation of the Sensitive Sites Register and resulted in the proposal of entering several sites in to Heritage Agreements.
Community capacity building	Allocate funding to the Council Community Grants Scheme under the 'Environment' category. Contracted works to support volunteer activity on sites of conservation value. Support community conservation projects by funding signage, flyers/brochures and 'citizen science' initiatives (i.e. wildlife monitoring). Continue to develop Council brochures/booklets to educate the local community.
Native Vegetation Marker System Program	The Adelaide Hills Council Native Vegetation Marker System sites assessed and monitored using the Bushland Assessment Methodology (developed and utilised by Native Vegetation Council - DEW) to determine condition and attribute a biodiversity value. Data is used to determine priority works and feeds into a collaborative Roadside Vegetation Work Plan co-funded by Natural Resources Adelaide Mount Lofty Ranges (DEW). Specialist contractors are then engaged to use minimal disturbance techniques to preserve, maintain and improve sites.
Management and monitoring of prescribed burn sites	Several Council sites have been identified under the CFS Bushfire Management Area Plan for 'treatment' to reduce fuel loads. For a number of sites, this will take the form of a prescribed burn. AHC will be implementing a biannual bird monitoring program undertaken in Spring

	and Autumn pre and post burn to ensure that impacts to bird populations on site are managed responsibly, as well as an 8 year post-burn follow up weed control program to manage weed dominance following the disturbance event.
Implement the 2019 - 2024 Biodiversity Strategy	Finalisation and implementation of the revised Biodiversity Strategy.

DRAFT

Open Space Operations

Function Overview

The Open Space Department maintains a significant portion of Council's parks and reserves, biodiversity, sport and recreation sites, trees, horticulture, building projects, cemeteries and fire breaks/tracks. The Open Space Department carries out capital upgrade works, in particular relating to buildings and open space projects, including playgrounds. Additionally, the department is responsible for the purchase and maintenance of Council vehicle fleet and heavy plant and equipment to enable our Service Provision activities.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	28	28	0	
Expenditure*	5,058	5,151	(93)	The increase is due in part to increased data collection of trees and increased cost of vehicle registrations, also transfer of playground material and wages from Open Space Sport and Recreation Planning
NET Cost/(Rev)	5,030	5,123	(93)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	20.8	22.8	2.0	Council's Workshop Staff have moved from the Civil Services Team to the Open Space Team, to more closely align with other Fleet Management functions.

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Elm Leaf Beetle Treatment	To manage the detrimental impacts caused to Elm trees as a result of Elm Leaf Beetle infestation, council engages contractors to undertake systemic insecticide treatments to selected high value Elm trees.
Veteran Tree Management	Undertake proactive veteran tree management pruning principles to high value large trees within prominent urban locations and areas of high public significance.
Asset protection zones	Review all asset protection zones in conjunction with the Mount Lofty Ranges Bushfire Management Area Plan.
Fleet & Plant Management	Lead by example in purchase of more efficient vehicles with enhanced safety features (all fleet vehicles now 5 star ANCAP rated)

Open Space Sport & Recreation Planning

Function Overview

Sport and Recreation Planning plays a key role in ensuring that Adelaide Hills Council makes informed and consistent decisions to enhance the quality of Sport and Recreation opportunities available to our Community and its visitors. The Sport and Recreation Planner is responsible for leading the Council's Sport and Recreation Strategy and associated initiatives across the District. Our focus is to continue to guide the strategic planning, management and utilisation of the Council's sport, recreation and open space assets; while also supporting the clubs and community who utilise these spaces.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	2	10	8	To reflect actual monies received for oval maintenance
Expenditure*	943	986	(43)	Additional resource to support sport and recreation in line with the progression of the Recreation and Sport Strategy and facilities management framework
NET Cost/(Rev)	941	976	(35)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	1.0	1.8	0.8	Additional resource to support sport and recreation in line with the progression of the Recreation and Sport Strategy and facilities management framework

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Community & Recreation Facility Grants	Deliver the Community and Recreation Facility Grant Funding round.
Sport & Recreation Masterplanning Projects	Continue to develop and implement the various Sport and Recreation Masterplanning Projects.
Play Space Upgrades	Plan and deliver Play Space Upgrades based upon Council's endorsed upgrade program.
Club Development Workshops	Provide capacity building, networking and development opportunities for sport and recreation clubs in our region.

Sustainability

Function Overview

Energy efficiency, water management, sustainable landscapes, community resilience, climate change mitigation and adaptation are all sustainability directives for the Adelaide Hills Council (AHC). AHC has undertaken audits and monitoring of energy use for the main AHC facilities and buildings and has a corporate energy reduction program that includes the installation of solar PV panels. There is also now an emphasis on providing the community and local groups with opportunities to reduce energy use. Sustainability criteria has been included in the facilities and recreation community grant program to enable the community to install energy efficiency measures. An investigation into a Community Energy Program has commenced as part of the Regional Climate Change Adaptation Steering Group (along with Yankalilla, Mt Barker, Alexandrina, Victor Harbor and Kangaroo Island Councils). The Council has also undertaken investigation into water reuse from the Bird in Hand Community Wastewater Management Scheme (CWMS) for irrigation purposes at the Woodside Recreation Ground (WRG). In addition numerous Water Sensitive Urban Design (WSUD) initiatives such as creek restoration and biofiltration areas will be implemented at the WRG.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	305	244	61	Completion of one off operational projects including Carbon Management Plan, battery storage feasibility, and Electric Vehicle charging station feasibility within 2018-19. Reduction in funding of water efficiency project investigations as we move into capital implementation.
NET Cost/(Rev)	305	244	61	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	1.0	1.0	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Community Energy Program	Explore the implementation options and associated funding for a Community Energy Program across the region through the Resilient Hills and Coasts Climate Change Adaptation Project Group.
Investigate water reuse for Woodside Recreation Ground irrigation	Investigate and analyse the feasibility of using reuse from the Bird in Hand Community Wastewater Treatment Scheme for irrigation of ovals and pitches at the Woodside Recreation Ground.
Design and implement WSUD initiatives at the Woodside Recreation Ground	Undertake design development, documentation and implementation of Water Sensitive Urban Design (WSUD) initiatives, including creek restoration and biofiltration areas at the Woodside Recreation Ground.
Investigation into circular economy products for inclusion in Council's capital and operational works.	To investigate what and how AHC can incorporate more products through the circular economy principles and objectives. The use of recycled products is critical to assist with addressing the resource recovery industry.

Sustainable Assets

Function Overview

The Sustainable Assets team develops and refines Asset Management Plans, plans for future Capital Works programs, and provides organisational support for the Geographical Information and Asset Management Systems. Council owns infrastructure assets that have a replacement value of over \$500 million dollars (including land). The ongoing management, maintenance and planning for replacement of assets ensures that public infrastructure is safe and appropriate for current and future community needs.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	0	0	0	
Expenditure*	498	530	(32)	
NET Cost/(Rev)	498	530	(32)	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	4.0	4.0	0	

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

GIS Integration	Update the GIS version and restructure the GIS data management to ensure full integration with Confirm Asset Management
Asset Management Plan Review	Review asset management plans prior to Long Term Financial Plan update in February 2020.
Confirm Asset Management	Develop the business workflow to capture real time operational data defect against asset classes. Ensure ongoing integration with CRM for asset related workflow process to the field.

Waste

Function Overview

To reduce costs to ratepayers and environmental impact Council continues to minimise waste to landfill and maximise recycling through the provision of waste and recycling services and implementation of Council's *Waste and Resource Management Strategy 2016 - 2021*

The Adelaide Hills Council provides kerbside waste collection services to over 16,500 properties across the district. Subject to location, a three bin service is provided comprising waste, recycling and green organics (townships only). Residents who are not in the green organic kerbside collection area are eligible to receive two organic waste vouchers, per financial year, for use at the Heathfield Resource Recovery Centre (HRRC). Free green organic drop off days are available to all Council residents at Heathfield, Gumeracha and Woodside throughout the year.

Council also operates the HRRC. This facility offers a multi stream waste and recycling service where material is sorted into different streams to maximise recycling and minimise residual waste to landfill. The HRRC offers many free waste disposal options including X-ray's, electronic waste (TV's, computers printers etc.), steel, newspapers, cardboard and vehicle oil. A free 'at call' kerbside hard waste collection service is also available to residents as an alternative to the HRRC.

Resource Summary (\$'000)

Description	2018-19 Revised Budget	2019-20 Budget	Variance Fav/(Unfav)	Variation Explanation
Revenue	69	70	1	Small increase for growth in additional bins.
Expenditure*	4,603	4,466	136	Decrease due to costs savings made by East Waste.
NET Cost/(Rev)	4,534	4,396	138	
Description	2018-19 Revised Budget	2019-20 Budget	Increase/ (Decrease)	Variation Explanation
FTE	1.16	1.4	(0.24)	Administrative adjustment to reflect allocation of Manager Waste and Emergency Management

* Expenditure includes Operating Costs, Program Costs, Salaries & Wages

Key Initiatives

Kerbside Bin Audits	Undertake kerbside bin audits with the aim to reduce waste to landfill and maximise recycling in accordance with Waste and Resource Management Strategy
Domestic Kerbside Collection	Provide a kerbside waste, recyclables, green organics and hard waste collection service.
Green Organic Drop Off Days	Continued provision of free green organic drop off days to assist with bushfire fuel reduction for fire prevention
Household Chemical and Paint Drop Off	Introduce a free household chemical and paint drop off service at the Heathfield Resource Recovery Centre.
Waste Management and Recycling	We will continue to implement initiatives in the Waste and Resource Management Strategy and Recycling Strategy to maximise diversion of recyclable material from landfill.

Appendix 2

Capital Budget Detail

Projects for new and renewed assets

DRAFT

CAPITAL EXPENDITURE RENEWAL SUMMARY

ASSET CATEGORY	2019/20 ALLOCATION ('000)	LTFP TARGET RENEWAL ('000)	Variance to LTFP
Bridges	185	55	(130)
Buildings	210	310	100
CWMS	140	68	(72)
Footpaths	567	580	13
Kerb & Water	280	300	20
Other (Guardrail/RetWalls/Cemeteries/SFurniture/Traffic Cont)	191	150	(41)
Road Pavement	565	475	(90)
Road Seal	1,158	1,200	42
Shoulders	400	400	0
Sport and Recreation (including Playgrounds)	970	1,195	225
Stormwater	160	275	115
Unsealed Roads	1,441	1,500	59
Plant and Fleet	1,393	1,393	0
Information, Communication & Technology	265	200	(65)
Minor Plant & Equipment (including Library fittings)	65	65	0
Project Management Costs	1,284	1,284	0
GROSS RENEWALS	9,274	9,450	176

CAPITAL EXPENDITURE SUMMARY - NEW / CAPACITY / UPGRADE

ASSET CATEGORY	2019/20 ALLOCATION ('000)	LTFP TARGET RENEWAL ('000)	Variance to LTFP
Bridges	0	0	0
Buildings	1,343	1,363	20
CWMS	410	410	0
Footpaths	356	350	(6)
Kerb & Water	180	180	0
Other (Guardrail/RetWalls/Cemeteries/SFurniture/Traffic Cont)	904	843	(61)
Road Pavement	563	549	(14)
Road Seal	70	70	0
Shoulders	0	0	0
Sport and Recreation (including Playgrounds)	200	200	0
Stormwater	730	565	(165)
Unsealed Roads	0	0	0
Plant and Fleet	0	0	0
Information, Communication & Technology	55	102	47
Minor Plant & Equipment (including Library fittings)	0	2	2
GROSS NEW / CAPACITY / UPGRADE	4,811	4,634	(177)

Bridge Renewal

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Forreston Road Bridge	Replace guardrail and Bridge rails	GUMERACHA	\$55		
Forreston Road Bridge	Concrete Patch and Repair	GUMERACHA	\$30		
Whitehead Road Bridge	Scour protection of Abutments (cost share construction cost with Mt Barker)	MYLOR	\$100		
Year 2 Funding	Specific allocations in year 2 to be considered following review of asset category	REGIONWIDE		\$218	
Year 3 Funding	Specific allocations in year 3 to be considered following review of asset category	REGIONWIDE			\$218

PROGRAM PROPOSED	Totals ('000)	\$185	\$218	\$218
LTFP ADOPTED	Totals ('000)	\$55	\$218	\$218

New / Capacity / Upgrade Initiatives

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Nil Proposed					

PROGRAM PROPOSED	Totals ('000)	\$0	\$0	\$0
------------------	---------------	-----	-----	-----

Building Renewal

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Retirement Villages	Bridgewater - Refurbishment	REGIONWIDE	\$25		
Gumeracha Depot	Roofing at Gumeracha Depot	GUMERACHA	\$45		
Montacute Hall	Salt Damp - 3yr Remediation Project	MONTACUTE	\$25		
Toilet Renewal Planning	Identify current usage/ condition/ Capacity and functional requirements for service delivery	REGIONWIDE	\$30		
Stonehenge - Toilet	Toilet Refurbishment - Floor, Lighting, Pans & Cisterns (subject to Council decision on site)	STIRLING	\$40		
Summertown Bore and Shed	Summertown Bore and Shed	SUMMERTOWN	\$15		
Asset Management	Workflow System Development	REGIONWIDE	\$30		
Year 2 Funding	Specific allocations in year 2 to be considered following review of asset category	REGIONWIDE		\$951	
Year 3 Funding	Specific allocations in year 3 to be considered following review of asset category	REGIONWIDE			\$799

PROGRAM PROPOSED	Totals ('000)	\$210	\$951	\$799
LTFP ADOPTED	Totals ('000)	\$310	\$951	\$799

New / Capacity / Upgrade Initiatives

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
AHBTC Activation - Capital	Undertake physical works required to establish an Arts and Heritage Hub in the Old Woollen Mill, Lobethal.	LOBETHAL	\$221	\$590	\$400
AHBTC Capital Divestment - Capital Cost	Division and sale of new allotments for the various tenancy areas of the AHBTC site (except the identified Arts & Heritage Hub) - this project reflects the cost of undertaking the service separations/upgrades, land divisions and sales.	LOBETHAL	\$700	\$150	\$0
Actions from Carbon Neutrality Plan	On completion of the Carbon Neutrality Plan (item 620) there will be numerous actions identified for implementation.	REGIONWIDE	\$50	\$150	\$50
Heathfield Resource Recovery Centre Infrastructure	Heathfield Resource Recovery Centre installation of Infrastructure to provide a new service for the free recycling of soft plastics (\$30k) and required security camera replacement (\$10k)	HEATHFIELD	\$40	\$0	\$0
Building Upgrades	Building Upgrades	REGIONWIDE	\$100	\$100	\$100
Additional Solar Panel Installations	Application of the remaining funds held in the Sustainability Reserve are to be applied to the installation of additional solar panels to Council buildings.	REGIONWIDE	\$232	\$0	\$0

PROGRAM PROPOSED	Totals ('000)	\$1,343	\$990	\$550
-------------------------	----------------------	----------------	--------------	--------------

CWMS Renewal

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Woodside PS3 (Felix Street)	Control Cabinet Replacement	WOODSIDE	\$20		
Filter Skid	Filter Skid	BIRDWOOD	\$15		
Irrigation Tank Roof	Renewal of Roof to Storage Tank and Kersbrook Oval	KERSBROOK	\$15		
Stirling Pump Station	Replace 2 pumps and control cabinet	STIRLING	\$35		
Church St Pump Station	Control Cabinet Replacement	BIRDWOOD	\$30		
Church Street Pumps	Replace 2 pumps at pump station	BIRDWOOD	\$25		
Pumps	4 Pumps Various	REGIONWIDE		\$50	
Pumps	5 Pumps Various	REGIONWIDE			\$50

PROGRAM PROPOSED	Totals ('000)	\$140	\$50	50
LTFP ADOPTED	Totals ('000)	\$68	\$132	68.5

New / Capacity / Upgrade Initiatives

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Woodside Gravity Main	Capacity replacement - Woodside Rec Ground to Nairne Road	WOODSIDE	\$410		
Birdwood Gravity Main	Capacity replacement - line behind Motor Museum	BIRDWOOD		\$480	
Woodside Trunk Gravity Main	Capacity Replacement - section before pump station	WOODSIDE			\$510
Woodside Recreation Ground (WRG) Water reuse-design & implementation	Detailed design and implementation of water reuse from the Bird in Hand CWMS for the Woodside Recreation Ground ovals and pitches.	WOODSIDE		\$200	\$200

PROGRAM PROPOSED	Totals ('000)	\$410	\$680	\$710
------------------	---------------	-------	-------	-------

Footpath Renewal

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Mount Barker Road	No 294 Mount Barker Road to Eton Road	BRIDGEWATER	\$ 567		
Strathalbyn Road	Strathalbyn Road - Fairview Rd - Primary School (Aldgate) to Aldgate Valley Ro	ALDGATE			
Cox Place	Main Street to No 1 Cox Place (Including Kerb Renewal)	CRAFERS			
Cricklewood Road	Devonshire Rd to 27 Cricklewood Rd (Various Sections)	HEATHFIELD			
Kumnick Street	No 8 Kumnick Street to Ridge Road	LOBETHAL			
Ayers Hill Road	Laurel Ave to 32 Ayers Hill Rd	STIRLING			
Braeside Road	Snows to Pepper	STIRLING			
Braeside Road	St Wilfred Avenue to Paratoo	STIRLING			
Longwood Road	Sturt Valley Rd to Spencer St	STIRLING			
Old Mount Barker Road	No 100 Old Mount Barker Road to No 100 Old Mount Barker Road	STIRLING			
Paratoo Road	Wakefield Court to Braeside Road	STIRLING			
Upper Sturt Road	No 187 Upper Sturt Road to No 189 Upper Sturt Road	UPPER STURT			
Upper Sturt Road	No 163 Upper Sturt Road to Sturt Valley Road	UPPER STURT			
Moffett Street	Onkaparinga Valley Road to Robert Street	WOODSIDE			
Year 2 Funding	Specific allocations in year 2 to be considered following review of asset category	REGIONWIDE		\$400	
Year 3 Funding	Specific allocations in year 3 to be considered following review of asset category	REGIONWIDE			\$400

PROGRAM PROPOSED	Totals ('000)	\$567	\$400	\$400
LTFP ADOPTED	Totals ('000)	\$580	\$400	\$400

New / Capacity / Upgrade Initiatives

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Year 1-3 Funding	Specific allocations for new footpaths in for the next 3 years are to be considered following review of the asset category	REGIONWIDE	\$356	\$732	\$269

PROGRAM PROPOSED	Totals ('000)	\$356	\$732	\$269
------------------	---------------	-------	-------	-------

Kerb Renewal

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Cox Place	No.3 Main Street To No.1 Cox Place	CRAFERS	\$ 280		
Cox Place	Main Street To No.1 Cox Place	CRAFERS			
Moffett Street	Onkaparinga Valley Road To Robert Street	VERDUN			
Onkaparinga Valley Road	Smith Street To No.764 Onkaparinga Valley Road	OAKBANK			
Onkaparinga Valley Road	Junction North Road To Bridge Street	BALHANNAH			
Main Street,	Wattle Street To Church Street	LOBETHAL			
Lezayre Avenue, Bridgewater	27.7M Before Morella Grove To Morella Grove	BRIDGEWATER			
Gould Road	Mount Barker Road To No.11 Gould Road	STIRLING			
Glover Road	Smithers Road to Emma Road	KERSBROOK			
Hillcrest Road	60 Metres along length to Cul De Sac	CRAFERS			
Pepper Ave	Braeside Road to Old Mt Barker Road	STIRLING			
Onkaparinga Valley Road	No. 26 Onkaparinga Valley Road To Oval Entrance Gates	WOODSIDE			
Cricklewood Road	Hillside Road to Heathfield Road	HEATHFIELD			
Year 2 Funding	Specific allocations in year 2 to be considered following review of asset category	REGIONWIDE			
				\$300	
Year 3 Funding	Specific allocations in year 3 to be considered following review of asset category	REGIONWIDE			
					\$300

PROGRAM PROPOSED	Totals ('000)	\$280	\$300	\$300
LTTP ADOPTED	Totals ('000)	\$300	\$300	\$300

New / Capacity / Upgrade Initiatives

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Newman Road Reconstruction	Newman Road reconstruction and kerbing	CHARLESTON	\$ 180		

PROGRAM PROPOSED	Totals ('000)	180	0	0
-------------------------	----------------------	------------	----------	----------

Other Renewal					
Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Crafer Tennis Retaining Wall	Replace and amend retaining wall to address flooding of clubroom.	CRAFERS	\$35		
Paratoo Avenue	Retaining Wall Replacement (Linked to Footpath Renewal)	BRIDGEWATER	\$30		
Street Litter Bin Replacement	Ongoing cage replacement	REGIONWIDE	\$10		
Cemetery Renewal Program	Upgrade cemeteries to meet legislative requirements. Community expectations and safety.	REGIONWIDE	\$40		
Bus Shelter Replacement	Replace 2 bus shelters	REGIONWIDE	\$20		
Druids Avenue	Fence Renewal 100m	STIRLING	\$50		
Onkaparinga Road	108 Onkaparinga Valley Rd - Retaining Wall	BALHANNAH	\$6		
Street Litter Bin Replacement	Ongoing cage replacement	REGIONWIDE		\$10	
Bus Shelter Replacement	Replace 2 bus shelters	REGIONWIDE		\$20	
Guard fence Replacement	Peacocks Road and Martins Road	REGIONWIDE		\$40	
Onkaparinga Road	Guard fence Replacement	BRIDGEWATER		\$55	
Retaining Wall & Fencing	Longwood Road	STIRLING		\$70	
Cemetery Renewal Program	Upgrade cemeteries to meet legislative requirements. Community expectations and safety.	REGIONWIDE		\$40	
Osterley Avenue	Retaining Wall Replacement	BRIDGEWATER		\$25	
Fence Renewal Program	Fence Renewal (50m)	REGIONWIDE		\$30	
Street Litter Bin Replacement	Ongoing cage replacement	REGIONWIDE			\$12
Bus Shelter Replacement	Replace 2 bus shelters	REGIONWIDE			\$20
Cemetery Renewal Program	Upgrade cemeteries to meet legislative requirements. Community expectations and safety.	REGIONWIDE			\$40

PROGRAM PROPOSED	Totals ('000)	\$191	\$290	\$72
LTFP ADOPTED	Totals ('000)	\$150	\$150	\$150

New / Capacity / Upgrade Initiatives					
Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
New Bus Shelters	Program to install new bus shelters across Council's transport network	REGIONWIDE	\$40	\$40	\$40
Guardrail Roadside Hazard Protection	Provision of guardrail protection across the Adelaide Hills Council. Woods Hills Road and Montacute Road	REGIONWIDE	\$40		
Gumeracha Stage 2 Residents win	The Gumeracha Main Street Working Group applied for and received an initial Residents Win grant funding to undertake a design framework for the main street. A further grant application has resulted in further funds being made available to undertake design documentation and the installation of 'quick wins'. Funding will be required in the future to implement other projects within the design framework to ensure that the community's vision is achieved.	GUMERACHA	\$100	\$50	\$50
Communications and Marketing Plan	Establish roadside signage at key points throughout the district, which will be used to promote local events, Council consultations, seasonal reminders, etc.	Other	\$15	\$25	\$15
Emergency Management Plan Consumables	Purchase of consumables to support the activation of the plan	Other	\$20	\$20	\$20
Cemetery Upgrades	Cemetery Upgrades	REGIONWIDE	\$21	\$21	\$21
Bushland Park Interpretative Signage	Lobethal Bushland Park Interpretative Signage	LOBETHAL	\$13	\$0	\$0

LED Street Lighting	Investigation and installation of LED lights for street lights throughout the Council district.	REGIONWIDE	\$40	\$40	
Undergrounding PLEC Contribution	A contribution towards undergrounding of the powerlines within Gumeracha Main Street	GUMERACHA	\$500		
Cemetery Shelters	Program to Upgrade or install new shelters at Council Cemeteries	Regional	\$15	\$16	\$17
Milan Tce Pedestrian Crossing	Install a wombat crossing adjacent the Stirling Hospital	Stirling	\$100		

PROGRAM PROPOSED	Totals ('000)	904	212	163
-------------------------	----------------------	------------	------------	------------

Pavement Renewal					
Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Newman Road	Reconstruction of Road Pavement in Charleston Township - Onkaparinga Valley Road to Jocelyn Avenue - (project includes new stormwater, kerbing and pavement)	CHARLESTON	\$450		
Asset Management	Workflow System Development	REGIONWIDE	\$30		
Pavement Investigation and Design	Tiers Road and Deviation Investiagtion and Design	LENSWOOD	\$40		
Major Road Patch Program	Major Patch Pavement Rehabilitation - Checker Hill, Coldstore Road, Tiers Road, Scott Creek Road (Future Years subject to Business Case)	REGIONWIDE	\$45		
Year 2 Funding	Specific allocations in year 2 to be considered following review of asset category	REGIONWIDE		\$957	
Year 3 Funding	Specific allocations in year 3 to be considered following review of asset category	REGIONWIDE			\$1,054

PROGRAM PROPOSED	Totals ('000)	\$565	\$957	\$1,054
LTFP ADOPTED	Totals ('000)	\$475	\$957	\$1,054

New / Capacity / Upgrade Initiatives					
Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Newman Road Reconstruction	Widening and adjacent car park.	CHARLESTON	\$250		
Council's Blackspot Contribution	Contribution towards 19/20 Blackspot submissions for Paracombe Road, Morgan Road and Ironback Road sections.	Road Pavements	\$299		
Woodside Rec Ground Exit Upgrade	Increase the pavement width of the exist road from WRG onto Nairne Road to allow simultaneous left and right hand turns out of WRG	Woodside	\$14		

PROGRAM PROPOSED	Totals ('000)	\$563	\$0	\$0
-------------------------	----------------------	--------------	------------	------------

Seals Renewal

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Exeter Road	Kingsland Road to Suffolk Road	ALDGATE	\$ 1,158		
Hawker Road	Penola Road to End of Road	ALDGATE			
Kanmantoo Road	Yappo Road to Monarto Road	ALDGATE			
Monarto Rd	Kanmantoo Road to Sunny Spring Glen Rd	ALDGATE			
Penola Road	Hawker Road to Wilpena Terrace	ALDGATE			
Sunnyspring Glen Rd	Monarto Rd to Rudida Grove	ALDGATE			
Wilpena Terrace	Arkaba Road to Conifer Close	ALDGATE			
Wilpena Terrace	Conifer Close to Penola Road	ALDGATE			
Oak Avenue	Osterley Avenue to Ophir Avenue	BRIDGEWATER			
Wattle Street	Oratava Avenue to Osterley Avenue	BRIDGEWATER			
Georgina Avenue	Piccadilly Road to End of Seal	CRAFERS			
Lesley Crescent	Old Mount Barker Road to Kalmia Avenue	CRAFERS			
Lesley Crescent	Kalmia Avenue to Old Mount Barker Road	CRAFERS			
Sneddon Avenue	Bradshaw Avenue to End of Road	CRAFERS			
Glen Street	Hill Street to End of Seal	CRAFERS WEST			
Hillcrest Avenue	30m from Heather Road (fork junction) to End of Road	CRAFERS WEST			
Sheoak Road	Princes Avenue to Albert Avenue	CRAFERS WEST			
Prairie Road	Gorge Road to End of Seal	CUDLEE CREEK			
Carroll Road	Devonshire Road to End of Seal	HEATHFIELD			
Scott Creek Road	After RA 178 to Morgan Road	HEATHFIELD			
Glover Street	Emma Street to Smithers Court	KERSBROOK			
Glover Street	Scott Street to Emma Street	KERSBROOK			
Copeland Street	Reserve Ave to Private Road	LOBETHAL			
Magpie Avenue	Riley Street to School Road	LOBETHAL			
Pioneer Avenue	Main Street to End Pioneer Avenue	LOBETHAL			
Riley Street	Magpie Avenue to Mill Road	LOBETHAL			
Harvey Road	Hurst Road to End of Seal	PARACOMBE			
Curtis Close	Piccadilly Road to End of Seal	PICCADILLY			
Range Road South	Rural Property Address 29 to Amberdale Road	HOUGHTON			
Gall Road	Paracombe Road to End of Seal	PARACOMBE			
Garrod Place	Garrod Crescent to End of Road	STIRLING			
Old Carey Gully Road	Nara Road to Golfinks Road	STIRLING			
Old Mount Barker Road	Gould Road to Pepper Avenue	STIRLING			
Waverley Court	Howard Drive to End of Road	STIRLING			
Naughtons Road	Henry Street to Rural Property Address 52 (End of Sealed section)	WOODSIDE			
Gardenia Drive	Jacaranda Road to Grevillea Way	WOODSIDE			
Gilburn Court	Norton Summit Road to End of Seal	TERINGIE			
Knoll Crescent	Valley Road to End of Road	TERINGIE			
Teringie Drive	25 Metres West of Woodland Way to 50 Metres East of Woodland Way at Seal Change	TERINGIE			
Teringie Drive	Norton Summit Road to 18 Teringie Drive	TERINGIE			
Woodland Way	Swiss Place to Alpine Place	TERINGIE			
Jacaranda Drive	Onkaparinga Valley Road to Sandlewood Dr (Intersection)	WOODSIDE			
Jacaranda Drive	Gravillia Way to Gardenia Way	WOODSIDE			
Moffett Street	Onkaparinga Valley Road to Robert Street	WOODSIDE			
Ridge Road	John Street to Jacaranda Drive	WOODSIDE			
Ridge Road	Elizabeth Street to John Street	WOODSIDE			
Year 2 Funding	Specific allocations in year 2 to be considered following review of asset category	REGIONWIDE		\$1,200	
Year 3 Funding	Specific allocations in year 3 to be considered following review of asset category	REGIONWIDE			\$1,500

PROGRAM PROPOSED	Totals ('000)	\$1,158	\$1,200	\$1,500
LTFP ADOPTED	Totals ('000)	\$1,200	\$1,200	\$1,500

New / Capacity / Upgrade Initiatives

Proposed Project Name	Project Description	Suburb	2019/20 Intended ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Winton Road Sealing	Sealing of section to Torrens Valley Cherries, stormwater upgrade and possible kerbing required (approx 350m will remain unsealed)	GUMERACHA	\$70		
PROGRAM PROPOSED	Totals ('000)		\$70	\$0	\$0

Shoulder Renewal

Proposed Project Name	Project Description	Suburb			
Murdoch Hill Road	Rural Property Address 135 to Donoghue Road	WOODSIDE	\$400		
Murdoch Hill Road	Wuttke Road to Rural Property Address 135	WOODSIDE			
Murdoch Hill Road	Nairne Road to Wuttke Road	WOODSIDE			
Bird In Hand Road	Landara Road to Hiscocks Road	WOODSIDE			
Bird In Hand Road	Burnley Road to Warmington Run	WOODSIDE			
Bird In Hand Road	Rural Property Address 487 to Burnley Road	WOODSIDE			
Bird In Hand Road	Hiscocks Road to Rural Property Address 487	WOODSIDE			
Bird In Hand Road	Rural Property Address 86 to Reefton Road	WOODSIDE			
Bird In Hand Road	Drummond Road to Rural Property Address 86	WOODSIDE			
Military Road	Property Address 221 to Five Bob Road	WOODSIDE			
Military Road	Piney Ridge Road to Rural Property Address 221	WOODSIDE			
Military Road	Moore Road to Council Boundary	WOODSIDE			
Military Road	Five Bob Road to Moore Road	WOODSIDE			
Military Road	Woodside Nairne Road to Piney Ridge Road	WOODSIDE			
Sturt Valley Road	Wychwood Grove to Manoah Drive	UPPER STURT			
Sturt Valley Road	Elmstead Drive to Wychwood Grove	UPPER STURT			
Sturt Valley Road	Upper Sturt Road to Elmstead Drive	UPPER STURT			
Sturt Valley Road	Whitewood Drive to Ironbank Road	UPPER STURT			
Sturt Valley Road	Manoah Drive to Whitewood Drive	UPPER STURT			
Year 2 Funding	Specific allocations in year 2 to be considered following REGIONWIDE review of asset category			\$500	
Year 3 Funding	Specific allocations in year 3 to be considered following REGIONWIDE review of asset category				\$400

PROGRAM PROPOSED	Totals ('000)	\$400	\$500	\$400
LTFP ADOPTED	Totals ('000)	\$400	\$500	\$400

New / Capacity / Upgrade Initiatives

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Shoulder Sealing Program	Priority sites to be determined considering road widths, cyclist routes and road crashes.		\$0	\$200	\$200

PROGRAM PROPOSED	Totals ('000)	\$0	\$200	\$200
-------------------------	----------------------	------------	--------------	--------------

Sport and Recreation (including Playgrounds) Renewal

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Mount Torrens Oval Playspace	Local Playspace Renewal	MOUNT TORRENS	\$120		
Charleston Centennial Park Playspace	Local Playspace Renewal	CHARLESTON	\$120		
Kersbrook Oval	Local Playspace Renewal	KERSBROOK	\$120		
Bradwood Park Carpark / Driveway / Drainage	Driveway / Carpark / Drainage Renewal	BRADBURY	\$80		
Woodside Recreation Ground (Cricket & Warriors Soccer) Oval / Pitch Drainage	Oval Pitch Drainage Renewal	REGIONWIDE	\$80		
Court Resurfacing	To be determined by new Framework position and resolution of redevelopment options	REGIONWIDE	\$450		
Local Playspace Renewal	Specific allocations in year 2 to be considered following review of asset category	REGIONWIDE		\$600	
Court Resurfacing	To be determined by new Framework position and resolution of redevelopment options	REGIONWIDE		\$500	
Local Playspace Renewal	Specific allocations in year 3 to be considered following review of asset category	REGIONWIDE			\$120
Court Resurfacing	To be determined by new Framework position and resolution of redevelopment options	REGIONWIDE			\$600

PROGRAM PROPOSED	Totals ('000)	\$970	\$1,100	\$720
LTFP ADOPTED	Totals ('000)	\$1,195	\$1,128	\$1,183

New / Capacity / Upgrade Initiatives

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Implementation Federation Park & Oval Masterplan	Council has commenced a process to prepare a masterplan for the Gumeracha Precinct - Federation Park and oval area. The next stage of this approach is to implement the action plan prepared along with the masterplan.	GUMERACHA	\$50	\$100	\$50
Implement Irrigation Systems	Design and implementation of irrigation systems to improve water use and management on ovals and pitches.	REGIONWIDE	\$100	\$100	\$100
Investigate & Implement Central Irrigation Control System	The central management of Council irrigation systems will result in improved water efficiencies and reduced resource requirements. Investigation into the feasibility of these systems is required as an initial step.	REGIONWIDE	\$50	\$150	\$0

PROGRAM PROPOSED	Totals ('000)	\$200	\$350	\$150
-------------------------	----------------------	--------------	--------------	--------------

Stormwater Renewal

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Proposed ('000)	2021/22 Proposed ('000)
Renown Avenue Crafers	Undertake renewal to ensure minimum service level	CRAFERS	\$30		
Minor Stormwater Projects	Unspecified allocation for small stormwater issue that ar	REGIONWIDE	\$40		
Henry Street Stormwater	Detailed design and renewal of back of block drain replacement	WOODSIDE	\$60		
Heather Road Stormwater	#19 Heather Ave Stormwater renewal	WOODFORDE	\$30		
Minor Stormwater Projects	Unspecified allocation for small stormwater issue that arise during the year. Typical value of individual project \$ 5k to \$ 20k)	REGIONWIDE		\$40	
Minor Stormwater Projects	Unspecified allocation for small stormwater issue that arise during the year. Typical value of individual project \$ 5k to \$ 20k)	REGIONWIDE			\$40

PROGRAM PROPOSED	Totals ('000)	\$160	\$40	\$40
LTFP ADOPTED	Totals ('000)	\$275	\$240	\$210

New / Capacity / Upgrade Initiatives

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Kiln Crt Stormwater	Construction of new system from Norton Summit out fall to Kiln Crt	WOODFORDE	\$100		
Spring Street, Kersbrook, Culvert	Stage 3 - Install larger culvert under Scott Streetto minimise flooding	KERSBROOK	\$195		
Stormwater Masterplanning	High level review of exisitng infrastructure to ensure minimum service stards are met.	REGIONWIDE	\$25		
Lower Hermitage Road Stormwater	Design of Pipe crossing upgade near 375 Lower Hermitage		\$20		
Newman Road Reconstruction	New stormwater system associate with road reconstruction, Newman Road	CHARLESTON	\$90		
North East Raod - Inglewood Footpath	Extend stormwater to allow footpath extension	INGLEWOOD	\$25		
Capital - Erosion & Reshaping Works	Undertaking reshaping of the Montacute creek line, and priority erosion control works within the Michael Moran Reserve area.	Stormwater	\$20		
Infrastructure Assets	Incorporation of climate change adaptation requirements into infrastructure projects to increase resilience	Stormwater	\$50	\$50	\$50
WSUD implementation for WRG	There are opportunities to incorporate WSUD initiatives across the WRG to improve water quality before entry into the Onkaparinga River. These initiatives include regrading, erosion control and revegetation of the creek and biofiltration areas.	Stormwater	\$50	\$20	\$0
Lower Hermitage Road Stormwater	Replace exisitng 900mm pipe with 1500mm to deliver service level capcity upgrade.	LOWER HERMITAGE		\$130	
Gumeracha Main Street Stormwater	Install stormwater in the Gumeracha Main Street in line with Stormwater Master Plan as part of construction works for PLEC and main street upgrade.	Gumeracha	\$150	\$200	
Storm water management William Street Birdwood near Talunga Street		Birdwood	\$5		

PROGRAM PROPOSED	Totals ('000)	\$730	\$400	\$50
-------------------------	----------------------	--------------	--------------	-------------

Unsealed Renewal

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Baldocks Road	End of Sealed Section to RPA 99 (End of Road)	WOODSIDE	\$1,441		
Banksia Road	Murray Road to RPA 81 (End of Road)	OAKBANK			
Coach Road	Ridge Road to RPA 45 (End of Gravel Road)	ASHTON			
Cranwell Road	Ridge Road to RPA 88 (End of Road)	SUMMERTOWN			
Deloraine Road	RPA 304 to Watts Gully Road	KERSBROOK			
Deloraine Road	South Para Road to RPA 217 (Beginning of Fire Trac	KERSBROOK			
Gall Road	End of Sealed Section of Gall Road to RPA 46 (End of Road)	PARACOMBE			
Gurr Road North	Nicholls Road to End Of Road (RA 36)	BRADBURY			
Harvey Road	RPA 4 (End of Sealed Section) to RPA 82 (End of Road)	PARACOMBE			
High Street	Allambi Drive to 15m before Scott Street (Start Seal)	STIRLING			
High Street	Scott Street to End of Road	STIRLING			
Hurst Road	End of Sealed Section to End Of Road	PARACOMBE			
Jungfer Road	End of Seal to Onkaparinga Valley Road	CHARLESTON			
Lewis Road	Springhead Road to Hartmann Road	MOUNT TORRENS			
Lewis Road	Hartmann Road to Bell Springs Road	CHARLESTON			
Magarey Road	Cyanide Road to RPA 208	MOUNT TORRENS			
Magarey Road	Burton Road to RPA 110	MOUNT TORRENS			
Mattners Road	RPA 206 to Council Boundary	BALHANNAH			
Mattners Road	Daniels Road to RPA 206	BALHANNAH			
Mattners Road	End of Seal to Daniels Road	BALHANNAH			
Mcvitties Road	Rural Property 292 to Rural Property 362 (End of Gravel Road)	BIRDWOOD			
Mcvitties Road	Blocks Road to Rural Property 292	BIRDWOOD			
Mount George Road	Muller Road to RPA 168 (End of Road)	MOUNT GEORGE			
Mylkappa Road	Angus Creek Road to RPA 66 (End of Road)	BIRDWOOD			
Narrow Range Road	Montacute Road to RPA 61	CHERRYVILLE			
Pedare Park Road (North)	Burns Road to START of PRIVATE Right of way	WOODSIDE			
Pedare Park Road (South)	End of PRIVATE Right of way (RA 145) to Tiers Road	WOODSIDE			
Pfeiffer Road	RPA 557 (End of Sealed Section) to Teakles Road	CHARLESTON			
Size Road	End of Seal to End Of Road	OAKBANK			
Tembys Road	Marble Hill Road to RPA 37 (End of Road)	NORTON SUMMIT			
Udys Road	End of Sealed Section of Udys Road to Carinya Road	PICCADILLY			
Willow View Road	End of Seal to RPA 59 (End of Road)	WOODSIDE			
Wuttke Road	Murdoch Hill Road to RPA 113 (End of Road)	WOODSIDE			
Year 2 Funding	Specific allocations in year 2 to be considered following review of asset category	REGIONWIDE		\$1,500	
Year 3 Funding	Specific allocations in year 3 to be considered following review of asset category	REGIONWIDE			\$ 1,400

PROGRAM PROPOSED	Totals ('000)	\$1,441	\$1,500	\$1,400
LTFP ADOPTED	Totals ('000)	\$1,500	\$1,500	\$1,400

New / Capacity / Upgrade Initiatives

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
NIL PROPOSED					

PROGRAM PROPOSED	Totals ('000)	\$0	\$0	\$0
-------------------------	----------------------	------------	------------	------------

Plant and Fleet Renewal

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Maintenace North	9 tonne Tipper (former P1126)				
Grader Support	Tandem Tipper (former P1208)				
Grader South	Tandem Tipper (former P1209)				
Tree Team	Wood Chipper (Former P1612)				
Parks Team	Slasher for Bulldozer				
Light Fleet	Renewal on 3 year program				
Maintenance	Roller (Former P808)				
Parks Team	Zero Turn Mower (Former P915)				
Maintenance South	9 tonne Tipper (Former P1129)				
Tree Team	Chipper Truck (Former P1130)				
Maintenance North	9 tonne Tipper (Former P1131)				
Bitumen Team South	Flocon (Former 1307)				
Parks Team	Trailer (Former T61)				
Drainage Team	Excavator Trailer (Former T66)				
Light Fleet	Renewal on 3 year program				
Grading Team South	Motor Grader				
Parks Team	Mower/loader				
Community Woodside	12 Seat Bus				
Community Aldgate	12 seat Bus				
Maintenance South	Tractor				
Maintenance Gumeracha	Mini Excavator				
Parks Team	Front Deck Mower				
Light Fleet	Renewal on 3 year program				

PROGRAM PROPOSED	Totals ('000)	\$1,393	\$1,418	\$1,296
LTFP ADOPTED	Totals ('000)	\$1,393	\$1,498	\$1,296

New / Capacity / Upgrade Initiatives

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Purchase of EV Cars for Fleet	Investigate and purchase electric vehicles as light fleet cars concurrently with the installation of EV charging stations throughout the hills.	Plant & Fleet		\$20	\$20

PROGRAM PROPOSED	Totals ('000)	\$0	\$20	\$20
-------------------------	----------------------	------------	-------------	-------------

ICT Renewal

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
General ICT Renewals	Information Management Records Hub – Stage 1 of TRIM renewal program (records system renewal program)	REGIONWIDE	\$180		
	SQL – Renewal of the Virtual SQL Server for corporate line of business applications	REGIONWIDE	\$20		
	Network Security – Renewal of Network including security segmentation	REGIONWIDE	\$20		
Library ICT Renewals	RFID staff stations , Label printers, Slip printers , Hand held scanners	LIBRARY	\$45		
General ICT Renewals	Allocated in accordance with replacement schedule	REGIONWIDE		\$200	
General ICT Renewals	Allocated in accordance with replacement schedule	REGIONWIDE			\$200

PROGRAM PROPOSED	Totals ('000)	\$265	\$200	\$200
LTFP ADOPTED	Totals ('000)	\$200	\$200	\$200

New / Capacity / Upgrade Initiatives

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Intended ('000)	2021/22 Intended ('000)
Incorporate Scope 3 information into Trellis system	Council is currently able to report on the majority of Scope 1 and 2 emissions (e.g. use of electricity, fuel use) through Trellis, the online data reporting system. Council has not at this stage been reporting on Scope 3 (e.g. paper use, flights) and require further investigation into the incorporation of Scope 3 emission data within the Trellis system.	ICT	\$25		
CRM Integration	Integrate the Customer Relationship Management System with other enterprise systems including Confirm (asset management) and Lync (call management).	ICT	\$30		
Update Website CMS	Procure a new content management system (CMS) for the Council's website.	ICT		\$100	
Online Customer Portal	Establish a system which enables customers to 'self-serve' and access records of their own interactions with the Council (like MyGov)	ICT		\$200	
Broadcasting Council Meetings	Purchase of equipment to enable the capture and broadcasting of Council and Committee meetings via the website.	ICT		\$30	

PROGRAM PROPOSED	Totals ('000)	\$55	\$330	\$0
-------------------------	----------------------	-------------	--------------	------------

Minor Plant and Equipment Renewal

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2020/21 Proposed ('000)	2021/22 Intended ('000)
Minor Plant - Small Plant	Minor Plant - Small Plant items		\$13		
Minor Plant - Furniture	Fixtures and Furniture		\$15		
Minor Plant - Library	Library Equipment Renewal including digital		\$37		
Minor Plant - General Renewal	Includes minor plant, furniture and library			\$60	
Minor Plant - General Renewal	Includes minor plant, furniture and library				\$60

PROGRAM PROPOSED	Totals ('000)	\$65	\$60	\$60
LTFP ADOPTED	Totals ('000)	\$65	\$60	\$60

New / Capacity / Upgrade Initiatives

Proposed Project Name	Project Description	Suburb	2019/20 Proposed ('000)	2021/22 Proposed ('000)	2020/21 Intended ('000)
Nil					

PROGRAM PROPOSED	Totals ('000)	\$0	\$0	\$0
-------------------------	----------------------	------------	------------	------------


Appendix 3

Rates Policy Detail

Including rebates, deferral and capping options

DRAFT

COUNCIL POLICY

 <p>Adelaide Hills COUNCIL</p>	RATING
--	---------------

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>Natural Resources Management Act 2004</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
Adoption Authority:	Council
Date of Adoption:	25 June 2019
Effective From:	1 July 2019
Minute Reference for Adoption:	Item 12.3, 138/18
Next Review:	June 2020 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.

Natural Resources Management Levy

The Council is required under the Natural Resources Management Act 2004 to make a specified contribution to the Adelaide and Mt Lofty Ranges Natural Resources Management Board region. This is done by imposing a separate rate against all rateable properties.

This separate rate is effectively a State tax that Councils are required to collect, and return to a State Government agency, the local Natural Resources Management Board.

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).

Following a detailed assessment of the cost of providing CWMS services, in accordance with the guidelines set by the Essential Services Commission of South Australia (ESCOSA) as part of the 2017/18 Budget, it was identified that current charging was approximately 30% below the levels necessary to achieve full recovery. As such charging for CWMS services has been increased by 5% in 2019/20 being the final year of an incremental step towards full recovery over a three year period.

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.

Council has determined that only where a not-for-profit community services organisation, that in the opinion of the Council provides a direct benefit or service to the local community under Section 166 (j) of the Act that would be required to be provided by Council if not undertaken/ offered by organisations seeking a rebate (including Community Halls); a discretionary rebate of 100% will be granted

In all other circumstances, the maximum discretionary rebate will be 75% to ensure ratepayers contribute an amount towards basic service provision.

This includes organisations that provide community services that support the disadvantaged or sections of the community that require assistance to ensure consistency with the application of mandatory rate rebates.

Under the same premise, although Council may, pursuant to the Act, increase a mandatory rebate by up to a further 25%, Council will not grant any additional discretionary rebate to ensure ratepayers contribute an amount towards basic service provision.

In deciding whether to grant a discretionary rebate for land uses, Council will take the matters as detailed in Section 166 (1a) of the Act to determine its decision.

Financial assistance via discretionary rate rebates will be aimed at persons who or bodies which have a limited capacity to raise funds. Discretionary rebates will not be provided to groups and organisations whose purposes are considered to be primarily the responsibility of State or Federal Government or to "for profit" organisations.

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.

Council has determined 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.

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.

Remission of rates

The Council has a discretion to partially or wholly remit (i.e. waive) rates on the basis of hardship. If you are suffering financial hardship, you may contact the Council's Rates Administrator to discuss the matter. Such inquiries are treated confidentially, and any application will be considered on its merits.

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.

Persons other than the holders of a Seniors Card may also apply for postponement of rates. The Council will consider each case on its merits, but any successful applicant should expect that any postponed rates would be subject to accruing interest charges in the same manner as the Seniors Rate Postponement Scheme.

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.

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.

Appendix 4

Budgeted Financial Statements

A statutory requirement

DRAFT

Uniform Presentation of Finances

Adelaide Hills Council

BUDGETED UNIFORM PRESENTATION OF FINANCES 2019-20 Proposed Budget

	2019-20 Proposed Budget \$'000	2018-19 \$'000
INCOME		
Rates	38,547	37,186
Statutory charges	1,118	1,100
User charges	607	891
Grants, subsidies and contributions	3,622	4,334
Investment income	26	38
Reimbursements	192	377
Other income	447	478
Net gain - equity accounted Council businesses	100	-
Total Income	44,658	44,504
EXPENSES		
Employee costs	17,290	16,461
Materials, contracts & other expenses	17,357	18,219
Depreciation, amortisation & impairment	8,945	8,758
Finance costs	604	668
Net loss - equity accounted Council businesses	-	-
Total Expenses	44,196	44,106
NET BUDGETED SURPLUS / (DEFICIT) BEFORE CAPITAL AMOUNTS	462	398
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(9,273)	(11,870)
Proceeds from Sale of Replaced Assets	512	536
Depreciation	8,945	8,758
NET OUTLAYS ON EXISTING ASSETS	184	(2,576)
Net Outlays on new and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets & Remediation costs	(4,811)	(5,756)
Capital Grants and Monetary Contributions for New and Upgraded Assets	250	1,178
Proceeds from Sale of Surplus Assets	2,484	12,749
NET OUTLAYS ON NEW AND UPGRADED ASSETS	(2,077)	8,171
Net Lending/ (Borrowing) for Financial Year	(1,432)	5,993
Net Financial Liabilities at Beginning of Year	(18,405)	(24,298)
Non Cash Equity Movement	(100)	(100)
Net Financial Liabilities at End of Year	(19,936)	(18,405)

Financial Indicators

	2019-20 Budget		2018-19 Budget	
\$ '000				

These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.

1. Operating Surplus Ratio

Operating Surplus - \$000's	462	1.0%	398	0.9%
Total Operating Revenue - \$000's	44,658		44,504	

This ratio expresses the operating surplus as a percentage of total operating revenue

2. Net Financial Liabilities Ratio

Net Financial Liabilities - \$000s	19,936	45%	18,405	41%
Total Operating Revenue \$000's	44,658		44,504	

Net Financial Liabilities are defined as total liabilities less financial assets these are expressed as a percentage of total operating revenue.

3. Asset Sustainability Ratio

Asset Renewals - \$000's	9,273	103%	11,334	104%
Infrastructure & Asset Management Plan required expenditure \$000s	9,022		10,853	

Asset renewal expenditure is defined as capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

Appendix 5

Glossary of Terms

DRAFT

Glossary of Terms

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