



CREATING A CITY

# 2011-12 Business Plan and Budget

A vibrant, populous and sustainable  
Capital City built upon Adelaide's  
heritage and lifestyle.

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# 2011-12 business plan and budget

Welcome to the Adelaide City Council's 2011–2012 Business Plan and Budget. The Council is committed to the **growth and improvement of your city** and some of the key priorities for 2011-2012 include:

- ◆ The progression of major public realm projects such as **Victoria Square/Tarndanyangga and Rundle Mall**
- ◆ Continuing the drive for **increased population** in the City
- ◆ Creating an outstanding **City of distinctive and exciting design** including through the development of an Integrated Design Strategy
- ◆ Increasing protection and assistance for restoring and so capitalising on Adelaide's **unique heritage and character**
- ◆ Ensuring an **accessible and connected City** and developing all forms of transport, including public transport, private vehicles, pedestrian and cycling
- ◆ A strategy for an **economically prosperous Capital City**
- ◆ Supporting the City's creativity, recreation, cultural and artistic activity as well as exciting events to promote a **culturally vibrant City**
- ◆ Delivery of Council's **environmental sustainability** strategies
- ◆ Investing in and delivering quality services such as **City cleansing** to ensure the City is presented to an exemplary standard
- ◆ Prudent **financial management** to ensure the financial sustainability of Council services

Council will continue to deliver the highest quality services to our community and ensure the best use of Council resources by **innovative, efficient and effective service provision**.

The following document will provide further detailed information on the programs, services and projects we will deliver during 2011-2012 for the City, its residents, businesses, visitors, workers and students.

# legal context

The Local Government Act 1999 requires that a Council must develop and adopt 'strategic management plans' which identify the Council's objectives for at least a four year period, how the Council intends to achieve its objectives, how they fit with the objectives of other levels of government, performance measures and estimates of revenue and expenses.

The Adelaide City Council has adopted the following documents which comprise these strategic management plans:

- ▶ *Creating our Future*, The City of Adelaide Strategic Plan 2008-2012
- ▶ Strategic Resource Plan 2008-2012 (including 10 Year Long Term Financial Plan and 4 Year Uniform Presentation of Finances)
- ▶ 10 Year Infrastructure and Asset Management Plans

These plans establish the context for this Business Plan and Budget document.

The budget funds Council's Business Plan, setting out its priorities for the year in working towards the longer term aims of its Strategic Management Plans. This occurs in the context of the longer term financial policies and planning needed for responsible management of the City.

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# your council



Lord Mayor Stephen Yarwood



Deputy Lord Mayor David  
Plumridge AM  
Area Councillor



Councillor Anne Moran  
Area Councillor



Councillor Michael Llewellyn-  
Smith  
Area Councillor



Councillor Natasha Malani  
Area Councillor



Councillor Mark Hamilton  
Area Councillor



Councillor Susan Clearihan  
North Ward Councillor



Councillor Sandy Wilkinson  
North Ward Councillor



Councillor Megan Hender  
Central Ward Councillor



Councillor Houssam Abiad  
Central Ward Councillor



Councillor Michael Henningsen  
South Ward Councillor



Councillor Anthony Williamson  
South Ward Councillor

# a guide to reading and using this plan

This guide provides an outline of the 2011-12 Business Plan and Budget. The document has been divided into seven sections, each of which is outlined below.

## Section 1: Strategic Context

PG: 14

This section outlines the strategic base for the creation of this document, including an overview of:

- Council's **Strategic Framework** and Priorities
- **Significant Influences**, Council's response and impact on ratepayers
- **Business Model** and Governance Principles
- Significant Projects and Services to be delivered for 2011-12

A **project map** is also provided to give an overview of where our objectives will be delivered as well as a section on our **performance measurement framework**, outlining the way we will report on our performance on the delivery of Council's outcomes.

## Section 2: Delivering the Business Plan

PG: 38

Details the **strategies, actions and budgets** proposed to deliver our services to the community through program summary sheets and the 2010-11 **capital program**.

## Section 3: Funding the Business Plan

PG: 120

Provides an overview of the **budget and funding** of Council's Business Plan, including a snapshot of the **key funding components** of the 2011-12 budget.

## Section 4: Strategic Financial Framework

PG: 136

Provides the financial context upon which the Budget has been built, including Council's Long Term Financial Plan, Strategic Financial Parameters, Fees and Charges context, Treasury Policy context, Infrastructure and Asset Management Framework, and Business Plan and Budget Framework.

## Section 5: Financial Sustainability

PG: 154

Provides an analysis of Council's long term financial sustainability position.

## Section 6: 2011-12 Budget

PG: 176

Provides a summary of the 2011-12 Budget as well as detailed financial statements and other statutory information.



Adelaide Town Hall



# highlights for 2011-12

- ▶ Bringing vibrancy to the City by commencing a range of major projects, such as the **Victoria Square / Tarndanyangga upgrade and the Rundle Mall Master Plan**
- ▶ Encouraging people to call Adelaide home by commencing works for the **Sturt Street Affordable Housing** project
- ▶ Helping people to get active by developing nine **sporting fields within Victoria Park / Bakkabakkandi and reopening the Adelaide Aquatic Centre**
- ▶ Contributing to a more sustainable Adelaide by delivering a range of environmental sustainability projects, such as the **Adelaide Aquatic Centre Cogen system**
- ▶ **Bringing life back to under-utilised public spaces and laneways** to encourage City prosperity and vibrancy
- ▶ **Attracting business to the City** and supporting them to grow through the provision of advice, support and grant funding
- ▶ **Working collaboratively with the State Government** on a range of major City projects, such as Adelaide Oval, the Riverbank precinct, and the new hospital
- ▶ **Encouraging the community to shape the future of Adelaide** through Picture Adelaide and our involvement in the Integrated Design Strategy







# project map



## CITY WIDE PROJECTS

'Delivering for all Residents, Businesses, Visitors, Workers and Students'

### Secure lighting and **City Safety Projects**

Provision of new **managed taxi ranks** in City entertainment precincts

**Building Business Capability** by assisting businesses with advice and support

Seed funding for new **Street Markets**

Ongoing **Road Resurfacing and Landscape** renewals

### Funding for additional **Public Art**

**Grants** for community programs and **sponsorship** of cultural festivals and major events

Significant **trees management and irrigation** upgrades

Improved delivery of **City cleansing** services

**Park Lands buildings** renewal



## AND BUDGET KEY PROJECTS



Delivery of Council's first **dog park** in Ngampa Yerta (Park 5)



Upgrade and provide **additional lighting** along LeFevre Terrace and Stanley Street



Continuation of the **Tainmundilla native revegetation** project

Upgrade and provide **additional lighting** along Gawler Place and Waymouth Street



**Upgrade of CCTV cameras** in the City's East and West Ends, and Rundle Mall

'Connecting with Light' public art installation in Rundle Mall

Commencement of **Rundle Mall Master Plan**

**Rundle Street North Footpath** upgrade



Upgrade **Hurtle Square**

Continuation of restoration of **Victoria Park Heritage Grandstand**



**Footpath resurfacing** and upgrades along Gilles Street, Grenfell Street and Franklin Street

**Streetscaping** upgrades along Hutt Street



Development of nine **sporting fields** within **Victoria Park**

Creation of **Horticulture Hub** in Park 17/Tuttangga and Park 14

**Business services** and support  
Improvement of **City's transport network**  
Shape Adelaide's future with the community through **Picture Adelaide**  
Expand the **Free City Bike Scheme**  
Expand free **City LAN WiFi** service  
Significant reductions in **Council's energy usage**

Activation of **laneways and public spaces**  
**Investment Attraction** funding to support businesses to establish in the City  
Restoration of **City statues and water features**  
Review of **Outdoor Dining Policy**  
**Renew Adelaide** Building Activation

# **The Adelaide City Council is the Capital City Council for South Australia, covering Adelaide and North Adelaide including the Adelaide Park Lands.**

The relatively flat topography of the City and its integration with the Park Lands make walking and cycling pleasant, environmentally sound and healthy options for many.

The number of people living in the City as at December 2010 was estimated at 29,695 (overnight population), a 49 per cent increase compared to 2001 (19,902). Between July 2008 and December 2010, an estimated 1,891 permanent residents moved to the City, bringing the total figure to 21,724, a 63 per cent increase since 2001 (13,289).

City educational and vocational training institutions have seen a strong growth in the number of enrolled students from around 50,000 in 2001 to over 88,000 in 2010 – a 76 per cent increase.

Results of the 2008 Adelaide City Council Land Use and Employment Census show the number of people based in the City for work is 126,500\*, a 17% increase on 2006 figures.

Adelaide's program of festivals and major events draws thousands of visitors to the City, enhances the City's image worldwide and contributes greatly to the quality of life enjoyed by local people. Attendance at events has been increasing with the Fringe and WOMADelaide now annual festivals augmented by the Tour Down Under, which has been recognised as a Pro Tour race.

Adelaide's heritage buildings provide continuity with the past and are an essential part of the distinctive character and charm of the City. There are currently 436 State Heritage Places and 1,872 Local Heritage Places listed in the City.

*\* based on an estimated annual growth of 4,000 workers since last official census in 2008*









## strategic context

strategic framework, strategic plan outcomes,  
priorities, significant influences, business model,  
governance principles, measuring performance,  
annual objectives







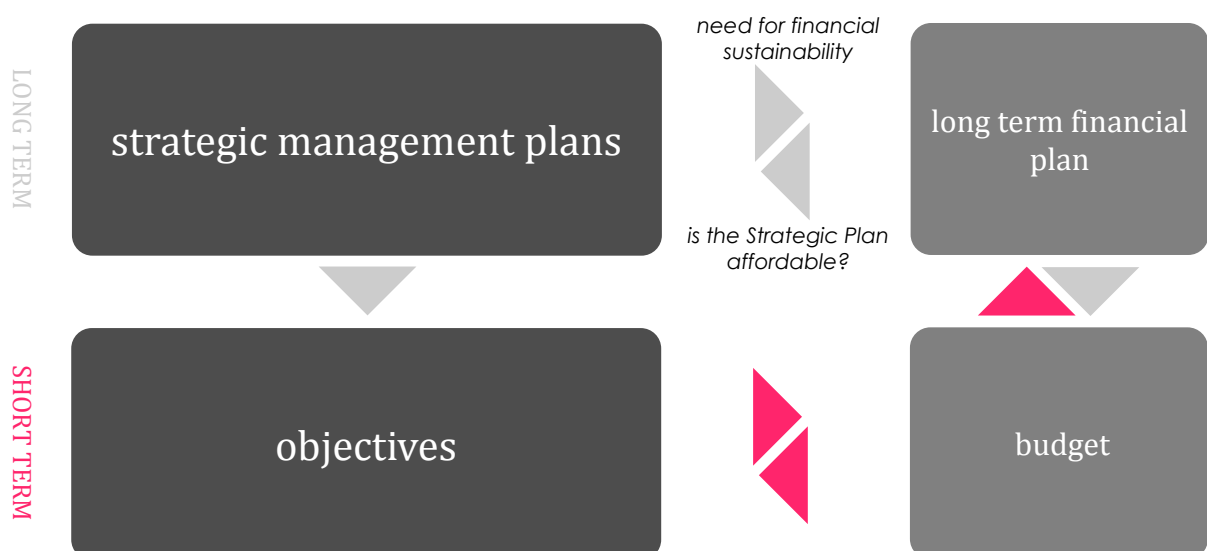
# strategic framework

The 2011-12 Business Plan and Budget sets out specific objectives and projects Council proposes to deliver for the community in 2011-12. The Business Plan and Budget is conscious of the Council's long term financial position to ensure a sound financial position is maintained.

The 2011-12 Business Plan and Budget has been developed in the context of the Council's adopted suite of strategic management plans:

- ▶ Creating our Future, The City of Adelaide Strategic Plan 2008-2012 (Strategic Plan)
- ▶ Strategic Resource Plan 2008-2012 (including 10 Year Long Term Financial Plan and 4 Year Uniform Presentation of Finances)
- ▶ 10 Year Infrastructure and Asset Management Plans

The Strategic Plan sets out Council's vision for the future of the City and outlines what Council will do during its term of office to contribute to the achievement of the vision and the outcomes sought for the City. It also details key projects and services that Council will deliver over a four year period. The diagram below illustrates this interrelationship between Council's Strategic Management Framework and the Business Plan and Budget:



# strategic plan outcomes

*Creating our Future*, The City of Adelaide Strategic Plan 2008-2012 contains six outcomes reflecting the desired qualities sought for the future of the City. These Outcomes guide strategy development, the identification of key projects and services, and the development of the Business Plan and Budget:

- ▶ Populous Capital City
- ▶ Unique Heritage, Park Lands and City Design
- ▶ Accessible and Connected Capital City
- ▶ Culturally Vibrant City
- ▶ Economically Prosperous City
- ▶ Environmentally Sustainable City

The following pages explain the Outcomes.

Each Council Outcome has *annual objectives* aligned to it. Please refer to page 30 of this document for further information and individual *annual objectives*.

# strategic plan outcomes

## OUTCOME 1:

### Populous Capital City

- ▶ A capital City that has grown to achieve a sustainable “critical mass”

## OUTCOME 2:

### Unique Heritage, Park Lands and City Design

- ▶ An outstanding City of distinctive character and exciting design
- ▶ A Capital City that is proud and protective of its heritage and historic character buildings
- ▶ Excellence and innovation are hallmarks of contemporary City infrastructure, artworks, buildings and the public realm
- ▶ Vibrant City streets and public spaces
- ▶ Accessible Park Lands that are treasured by all for their outstanding design, outdoor activities and diverse landscape
- ▶ A sparkling City with clean streets and public spaces that are well presented and maintained

## OUTCOME 3:

### Accessible and Connected City

- ▶ An accessible City with sustainable transport
- ▶ Advanced telecommunication services
- ▶ A walkable City
- ▶ A cycling City
- ▶ An efficient public transport system



#### **OUTCOME 4:**

##### **Culturally Vibrant City**

- ▶ The State's hub for creativity, recreation, cultural and artistic activity and exciting events
- ▶ People of all ages, cultures and means form strong communities in a safe City
- ▶ A Council that effectively engages with its communities and stakeholders

#### **OUTCOME 5:**

##### **Economically Prosperous City**

- ▶ A vibrant capital City that supports the State's prosperity
- ▶ A prosperous capital City which is the State hub for retailing, business services, education and entertainment
- ▶ A strong business environment which provides employment, attracts talent and investment and develops skills and innovation
- ▶ A City that has taken its place in the international economy

#### **OUTCOME 6:**

##### **Environmentally Sustainable City**

- ▶ The City's ecological systems and habitats thrive and enrich the City
- ▶ Climate change is addressed and water, energy and natural resources are conserved
- ▶ People in the City use fewer resources and generate less greenhouse gases
- ▶ A City that continues to adapt to climate change and has transitioned from oil dependency



# priorities

The Council's overall priority for 2011-12 is to undertake initiatives which respond to our vision of the City and to contribute to the outcomes sought for the future of Adelaide.

**Council proposes to do so by focusing on:**

- ▶ The progression of major public realm projects such as Victoria Square/ Tarndanyangga and Rundle Mall
- ▶ Continuing the drive for increased population in the City
- ▶ Creating an outstanding City of distinctive and exciting design including through the development of an Integrated Design Strategy
- ▶ Increasing protection and assistance for restoring and so capitalising on Adelaide's unique heritage and character
- ▶ Ensuring an accessible and connected City and developing all forms of transport, including public transport, private vehicles, pedestrian and cycling
- ▶ A strategy for an economically prosperous Capital City

“we aim to build a vibrant, populous  
and sustainable City for current and  
future generations”

- ▶ Supporting the City's creativity, recreation, cultural and artistic activity as well as exciting events to promote a culturally vibrant City
- ▶ Delivery of Council's environmental sustainability strategies
- ▶ Investing in and delivering quality services such as City cleansing to ensure the City is presented to an exemplary standard
- ▶ Prudent financial management to ensure the financial sustainability of Council services
- ▶ Continuation of reviews of Council's corporate services to achieve further efficiencies and greater effectiveness

# significant influences

A number of significant factors have influenced the preparation of the Council's 2011-12 Business Plan and Budget. These include:

- ▶ Commitments to major projects and partnership initiatives over more than one year, including Victoria Square/Tarndanyangga and Rundle Mall, and partnerships such as the Capital City Committee arrangements and Education Adelaide
- ▶ Requirements to maintain and improve infrastructure assets to acceptable standards including the Park Lands, City roads, footpaths, lighting, and the Council's property holdings
- ▶ Significant expected increases in waste management levies, water charges and electricity charges for the 2011-12 financial year
- ▶ Service and infrastructure needs for a growing population in the City (residents, businesses, visitors, workers and students)
- ▶ The provision of a wider choice of transit options and supporting infrastructure

## External Influences

In addition, external influences are also expected to impact the local government sector and the City over next year, including the following:

- ▶ State Government 30 Year Plan for Greater Adelaide
- ▶ State Government initiated major projects such as the City Riverbank/Adelaide Oval precinct and transit initiatives requiring new public realm works and ongoing maintenance
- ▶ Global and domestic economic conditions, including credit constraints and Federal and State Government budgetary pressures
- ▶ Changing demographics, including an aging population
- ▶ Climate change preparations and community expectations and values regarding sustainability



# “climate change preparations and community expectations and values regarding sustainability”

## Council's Proposed Response

In response to the cost pressures on Council and to minimise the burden on ratepayers, the Business Plan and Budget has been prepared within the following context:

- ▶ A renewed strategic approach to the management of purchasing, contracts, projects, and assets
- ▶ A more strategic and commercial approach to Council's businesses and assets, fees and charges and sponsorship coverage
- ▶ A new approach to leverage grant funding opportunities
- ▶ Major strategic projects of metropolitan/State benefit to be partnership funded with the State and Federal governments wherever possible
- ▶ Developing new strategies for revenue enhancement
- ▶ Building on the cost efficiencies that have been delivered through service reviews over the past two years

## Impact on Ratepayers

Additional funds required to meet the objectives of the Strategic Capital Enhancement Program are proposed to be met, in part, by a moderate rate increase. This increase will be directed to the funding of major public realm regeneration projects, such as the Victoria Square/Tarndanyangga Upgrade and Rundle Mall included in the Capital Strategic Enhancement Program.

To meet the required funding, Council's budget has been formulated on the basis of increasing differential rates in the dollar for residential and non-residential property by 2% for the year.

Including the 2% rate in the dollar increase, the overall amount existing residential ratepayers will pay in general rates will increase on average in the order of 5.3% for the year. For a residential property of average value, this equates to an increase in general rates of about \$72 per year. The overall amount existing non-residential ratepayers will pay in general rates will increase on average in the order of 5.6%. Rates payable may vary from the average where there has been new development, capital improvements or other significant change to the potential rent return of the property.

For more information on the rating structure context, please refer to page 129 of this document.

# business model

Adelaide City Council has implemented a business model which makes it is easier for people to do business with Council and provides greater transparency on how its resources are used. We have divided our work into 10 Council Programs, 9 Corporate Programs, and 3 Offices and put one person in charge that has the authority, resources and know-how to assist you.

## Council Programs

Council Programs are defined by and aligned to the strategic outcomes described within the City of Adelaide's Strategic Plan:

Outcomes	Council Programs
Populous Capital City	Residential Growth
Unique Heritage Park Lands and City Design	City Design & Character Public Realm
Accessible and Connected City	Accessible City Vibrant City
Culturally Vibrant City	Active City City Community Safer City
Economically Prosperous City	Economic Development
Environmentally Sustainable City	Sustainable City

## Corporate Programs

"Delivering Our Future", the Corporation's Plan 2009-2012, underpins the City of Adelaide's Strategic Plan and aims to position the Corporation as a modern, high performing organisation. Corporate programs are defined by and aligned to the five areas of action described within the Corporation's Plan:

Outcomes	Programs
Deliver for Council	Financial & Risk Capital Works & Infrastructure Management
Deliver for the people we serve	Customer Experience
Deliver for our partners	Marketing, Creative Services & Media
Deliver for our people	People & Culture Information & Communication Technology
Deliver for the Corporation	Strategic Asset & Property Management Strategic Procurement & Contract Management
Offices (Functions)	Office of the Lord Mayor Office of the CEO Office of Corporate & Project Management Office of General Managers & Executive Managers

# governance principles

The Corporation's 10 Governance Principles guide our thinking on how we plan, set policy, make decisions, manage risks and allocate resources to deliver lasting results for the City of Adelaide and the people that use it.

These Governance Principles underpin the build of the Business Plan and Budget and help identify those activities that do not produce community value, which allows Council to re-prioritise this funding to higher priority activities. The application of the Governance Principles also allows the Corporation to better manage emerging priorities identified by Council during the year in a more disciplined manner, whilst allowing greater flexibility.

## **The Governance Principles are:**

- ▶ Council Accountability
- ▶ Voice of the Citizen
- ▶ Chief Executive Officer Accountability
- ▶ Citizen Centred Service Delivery Model
- ▶ Organise to Achieve Outcomes
- ▶ Decision Making and Risk Management
- ▶ Legislative and Regulatory Responsibility
- ▶ Value For Money and Value Add
- ▶ People and Leadership
- ▶ Integration

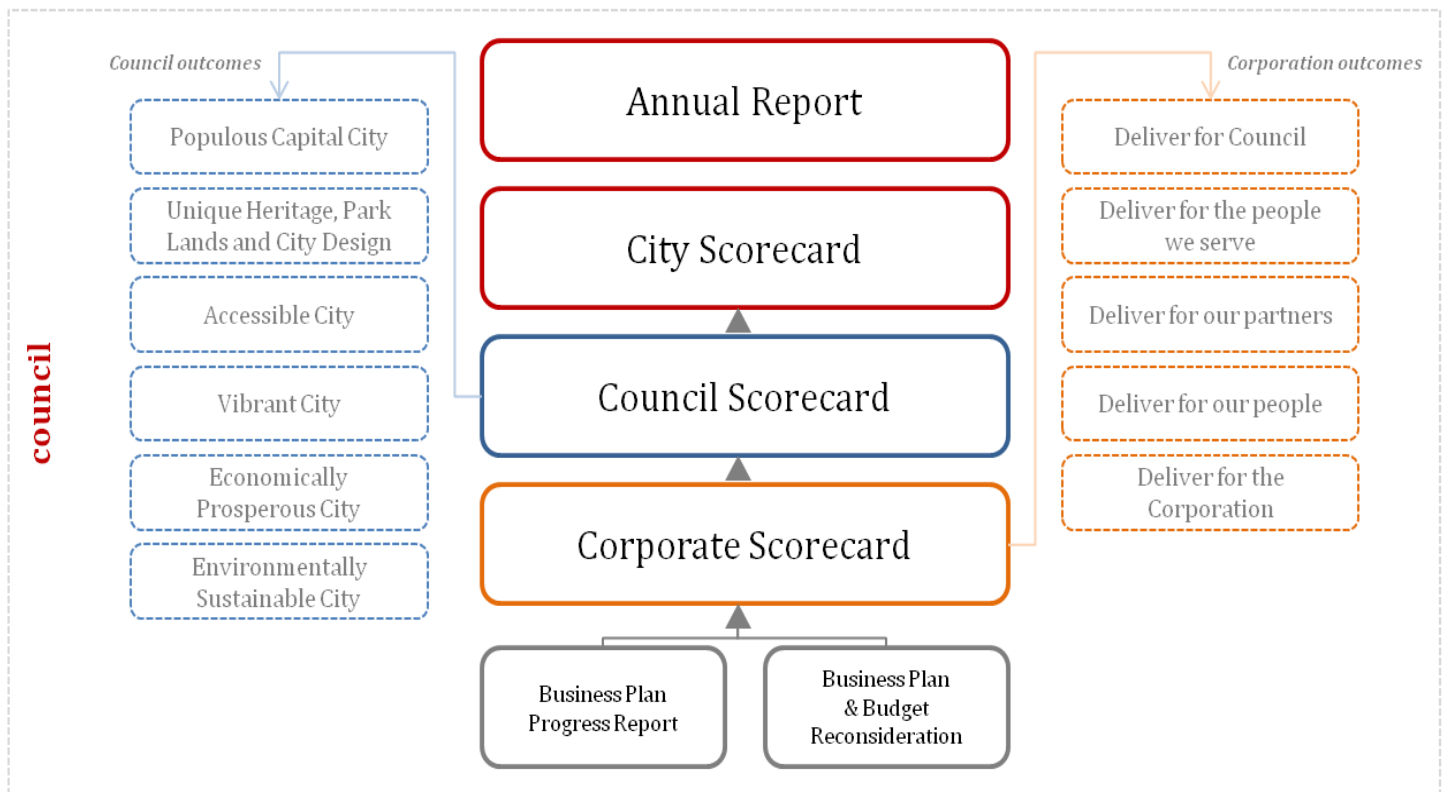




# measuring performance

The Council Reporting Framework supports Council in measuring the achievement of Council's vision as well as monitoring the delivery of services and projects. It facilitates timely and appropriate business planning decisions and ensures the public are always properly informed of Council's performance.

The following diagram illustrates this framework:









# annual objectives

To enable the Vision to be delivered, Council has identified six outcomes that describe the desired future for the City together with strategic directions and strategies required to deliver the outcomes.

To ensure Council is achieving the vision and outcomes, the business plan has been prepared to deliver objectives for its strategic outcomes, namely:

- ♦ **Populous Capital City**
- ♦ **Unique Heritage Park Lands and City Design**
- ♦ **Accessible and Connected City**
- ♦ **Culturally Vibrant City**
- ♦ **Economically Prosperous City**
- ♦ **Environmentally Sustainable City**

# outcome one **populous capital city**

A Capital City that has grown to achieve a sustainable 'critical mass'

**This will be delivered through the following programs:**

Residential Growth Program

**Our success will be measured by:**

Program	Council Scorecard Measure	Target
<i>Residential Growth</i>	Facilitate Council's Strategic targets of 25,000 permanent residents and 34,500 overnight residents by 2012	Facilitation of 70 Affordable Housing outcomes by June 2012.

**Our key objectives for 2011 – 12 include:**

## **Residential Growth**

- ▶ Commencement of construction of the Sturt Street Affordable Housing Project by February 2012 to make inner City housing more affordable
- ▶ Investigate external funding opportunities to facilitate supply of affordable housing by June 2012

# outcome two **unique heritage Park Lands and city design**

A Capital City that is well planned, designed, developed and maintained

## **This will be delivered through the following programs:**

City Planning, City Design, Public Realm

## **Our success will be measured by:**

<b>Program</b>	<b>Council Scorecard Measure</b>	<b>Target</b>
<i>City Planning</i>	Perception of City Planning customers that we are easy to do business with	7 (out of 10 as per the Customer Satisfaction Monitoring Program)
<i>City Design</i>	Advance the Integrated Design Strategy within Council programs	Project milestones met
	Wireless internet coverage is achieved for all Council owned assets and public realm with high public congregation	Increase to at least 205 nodes
<i>Public Realm</i>	Customer Satisfaction with maintenance and cleanliness of the City	7 (out of 10 as per City User Survey)

## **Our key objectives for 2011 – 12 include:**

### **City Planning**

- ▶ Delivery of the Strategic Plan 2012-16 for Council endorsement by March 2012
- ▶ Completion of the Development Plan Review (Section 30) by June 2012
- ▶ Completion of Development Plan Amendments in accordance with respective Statements of Intent and Ministerial approvals
- ▶ Completion of Structure Planning for the City by June 2012 to identify future land use movement and design principles for the City

### **City Design**

- ▶ Commence Stage 1 construction of the Victoria Square upgrade by June 2012
- ▶ Facilitation of the development and implementation of the Integrated Design Strategy (IDS, 5000+) within Council according to IDS project outputs

### **Public Realm**

- ▶ Develop Asset Management Service Standards that fully recognise the costs to service and align resource allocation by June 2012

# outcome three **accessible and connected city**

A Capital City that is easy to access the way people choose to access it

## This will be delivered through the following programs:

Accessible City

## Our success will be measured by:

Program	Council Scorecard Measure	Target
Accessible City	Perception of safety and effectiveness of Council infrastructure provided to help people to access and move around the City	8 (out of 10 as per the City User Survey)
	An increase in the use of alternate transport options provided by Council (Connector Bus, City Bikes, etc)	150,000 users

## Our key objectives for 2011 – 12 include:

### Accessible City

- ▶ Development of an Integrated Movement Strategy for the City of Adelaide by June 2012, which will outline future directions for City access and movement
- ▶ Development of Off-Street Parking Business Strategy by June 2012 to research UPark current business position and long term direction
- ▶ Development of Integrated On-Street Parking Solutions by June 2012 to build an innovative and sustainable approach to the management of on-street parking
- ▶ Development of Asset Management Plans for critical Traffic and Transport Management Infrastructure by June 2012

# outcome four **culturally vibrant city**

A Capital City which is the place you want to be

**This will be delivered through the following programs:**

Vibrant City, Active City, City Community, Safer City

**Our success will be measured by:**

Program	Council Scorecard Measure	Target
<i>Vibrant City</i>	An expansion of the events and activities program across public spaces and in Adelaide Town Hall	5% increase over 2010-11 events and programs (baseline to be identified in July 2011)
<i>Active City</i>	Participation in Council recreation programs: - Adelaide Aquatic Centre - North Adelaide Golf Course	720,000 patrons 85,000 patrons
<i>City Community</i>	Participation rates in community activities that are organised by Council (community centres and volunteer programs)	At least a 5% increase in participation rates (2010-11 target of 49,350)
<i>Safer City</i>	Average Audit Safety Score for City precincts	3 (out of 7 as per City Safety Audit)

**Our key objectives for 2011 – 12 include:**

## **Vibrant City**

- ▶ Expansion of the events calendar throughout the City's public spaces by at least 5% for the year
- ▶ Provision of at least \$1.3m in funding and support for events, major festivals such as Festival of Arts and Fringe, sporting events, and other cultural festivals and activities including Australia Day and New Year's Eve by the end of June 2012
- ▶ Implementation of a new Adelaide Town Hall Business Plan by the end of December 2011

## **Active City**

- ▶ Successful re-opening of the Adelaide Aquatic Centre by September 2011
- ▶ Undertake a strategic review of the North Adelaide Golf Course by March 2012
- ▶ Facilitate fitness activities in the City Squares from October 2011 to March 2012
- ▶ Finalisation of package 2 of the Victoria Park Master Plan by June 2012
- ▶ Completion of Park Lands Trail through Bonython Park by June 2012

## **City Community**

- ▶ Delivery of a Business Case that explores options for library service delivery in the City by May 2012
- ▶ Implementation of three innovative IT solutions that enhance community services and facilities by June 2012
- ▶ Development and distribution of a Community Civic Events calendar by December 2011

## **Safer City**

- ▶ Development of a draft Public Health Plan by June 2012
- ▶ Review of the Community Safety Strategy and develop an Action Plan to by June 2012
- ▶ Conduct fully integrated street audits for all streets with high pedestrian movement (giving priority to shopping and entertainment precincts) to co-ordinate the maintenance of City streets to improve public safety by June 2012
- ▶ Conduct four focus groups with small business operators to identify Red Tape Reduction through streamlining permits and customer contact by June 2012

# outcome five **economically prosperous city**

A prosperous Capital City which supports the State's economy

## **This will be delivered through the following programs:**

Economic Development

## **Our success will be measured by:**

<b>Program</b>	<b>Council Scorecard Measure</b>	<b>Target</b>
<i>Economic Development</i>	Business growth in the City of Adelaide as a direct result of Council programs (Total Business Solutions & Business Capability Building)	Development of Economic Development Strategy to determine Council's role in this area and growth rates required to support City Scorecard targets
	Perception of how easy it is to do business with Council	8 (out of 10 per Customer Satisfaction Monitoring Program)

## **Our key objectives for 2011 – 12 include:**

### **Economic Development**

- ▶ Establishment of a One Stop Shop for Business by June 2012, which will provide a single point of contact for business within Council
- ▶ Establishment of a Local Area Activation Program by June 2012 to activate under-utilised spaces and places by encouraging new enterprises to establish
- ▶ Implementation of Key Sector Action Plans by June 2012 to build key sectors of the City
- ▶ Development of Targeted Investment Attraction Program by June 2012
- ▶ Progress of Rundle Mall improvements in accordance with the implementation of the Rundle Mall Master Plan

# outcome six **environmentally sustainable city**

A Capital City which grows in a sustainable way

**This will be delivered through the following programs:**

Sustainable City

**Our success will be measured by:**

Program	Council Scorecard Measure	Target
Sustainable City	Greenhouse emissions from Council activities	Council's carbon emissions do not exceed 2009-10 baseline (14,600 tonnes)
	Water use from Council activities	Council's mains water use reduced by 5% from 2009-10 baseline (339ML)
	Kerbside waste diverted from landfill	48% of material presented at the kerbside diverted
	Reduction in paper usage by the Corporation	10% reduction in corporate paper usage

**Our key objectives for 2011 – 12 include:**

## **Sustainable City**

- ▶ Deliver two priority projects from the Energy Management Action Plan by June 2012 to reduce Council's energy use and carbon emissions and work with the community to manage energy use and reduce carbon emissions in the City
- ▶ Deliver two priority projects from the Water Security Action Plan by June 2012 to reduce Council's mains water use and work with the community to reduce mains water use in the City
- ▶ Deliver two priority projects from the Waste Management Action Plan by June 2012 to increase the diversion of waste from landfill
- ▶ Deliver two priority projects from the Biodiversity and Water Quality Action Plan by June 2012 to improve management of the City's ecological systems including Torrens Lake



# corporation plan

## delivering for our future

### **The Corporation Plan will be delivered through the following programs:**

Finance & Risk, Capital Works & Infrastructure Management, Customer Experience, Marketing, Creative & Media, People & Culture, Information & Communication Technology, Strategic Asset & Property Management, Strategic Procurement & Contract Management, Office of the Lord Mayor, Office of the CEO, Office of Corporate & Project Management, Offices of the General Managers & Executive Managers

### **Our key objectives for 2011 – 12 include:**

- ▶ Implement a strategic approach to cost management to decrease costs, increase organisation efficiency, and optimise planning, resourcing and delivery of services by June 2012
- ▶ Implement a strategic marketing approach to support and better promote Council's position, priorities and services by June 2012
- ▶ Delivery of 2011-12 capital works program by June 2012 with improved scoping, planning and delivery of projects
- ▶ Ongoing delivery of Customer Journey Mapping outcomes by June 2012 to capture customer views on Council's service
- ▶ Design and implement a targeted leadership development program by June 2012
- ▶ Procure and implement a Customer Relation System to support better interactions with customers and shareholders by June 2012
- ▶ Finalise and implement the Central Market Management Model by June 2012
- ▶ Implement new Procurement Policy and Operating Guidelines by June 2012, including training system and process changes
- ▶ Review and develop an international relations framework that delivers improved sister city coordination and international connections for the City of Adelaide by December 2011
- ▶ Support Council members to undertake a review of their governance arrangements by June 2012
- ▶ Customer Satisfaction Monitoring implemented across the organisation by June 2012



# delivering the business plan

program summary sheets, council programs,  
corporate programs, capital works and strategic projects





# program summary sheets

The presentation of the 2011-12 Business Plan and Budget reflects the program approach to how Council deliver its services.

The program approach supports the delivery of the City of Adelaide's Strategic Plan.

A summary for each Program including value proposition, strategies, key initiatives and projects, and budget is included in the following pages. The expenditure budgets shown in the program summaries do not include depreciation.



“the program approach supports the delivery of  
the City of Adelaide’s Strategic Plan”

## ALIGN PROGRAMS TO OUTCOME

### Council programs:

- ▶ residential growth
- ▶ city design
- ▶ city planning
- ▶ public realm
- ▶ accessible city
- ▶ vibrant city
- ▶ active city
- ▶ city community
- ▶ safer city
- ▶ economic development

### Corporate Programs:

- ▶ finance & risk
- ▶ marketing, creative services & media
- ▶ capital works & infrastructure management
- ▶ customer experience
- ▶ people & culture
- ▶ information & communications technology
- ▶ strategic asset & property management
- ▶ strategic procurement & contract management

### Office Functions:

- ▶ office of the lord mayor
- ▶ office of the ceo
- ▶ office of corporate & project management
- ▶ office of general and executive managers

# council programs

residential growth, city design, city planning, public realm, accessible city,  
vibrant city, active city, city community, safer city, economic development ,  
sustainable city







# RESIDENTIAL GROWTH

## Residential Growth

Stimulating activity in the central city through increased residential population density and social mix

### AT A GLANCE

Strategic Outcome Link		Objectives	
Populous Capital City		A Capital City that has grown to achieve a sustainable "critical mass"	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	400	2,493	2,093
2010/2011	1,397	3,016	1,618
<b>STRATEGIES</b> <ul style="list-style-type: none"> <li>Promote demand for Residential Growth</li> <li>Facilitate supply for Residential Growth</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>Encourage people to call Adelaide home, by proactively marketing the city</li> <li>Make inner city housing more affordable by delivering a range of major housing projects eg Sturt Street Affordable Housing Project</li> <li>Actively encourage private investment in residential development in the City</li> <li>Leverage Government funding to assist with the provision of affordable housing</li> </ul>	
		<b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>Direct provision of affordable housing projects</li> <li>Facilitating residential development and growth</li> <li>Marketing the City as a great place to live</li> </ul>	



## Residential Growth

## Program Budgets

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Expenditure	1,249	1,056
<i>Balfours Project Review</i>	0	100
<i>Residential Growth Program</i>	15	0
<i>Strategic Site Assessment</i>	123	25
<i>Wingfield Site Rehabilitation</i>	150	0
<i>Noise Management / Mixed Use Management Program</i>	41	41
<i>Residential Owner Occupier Grant</i>	390	320
<i>Wingfield Dean Rifle Range Review</i>	350	470
<i>Residential Marketing Strategy</i>	180	100
<b>Strategic Projects Net Cost</b>	<b>1,249</b>	<b>1,056</b>
<b>Business Operations</b>		
Revenue	1,397	400
Expenditure	1,231	757
<b>Business Operations Net Contribution / (Cost)</b>	<b>166</b>	<b>(357)</b>
<b>Services</b>		
Expenditure	536	680
<b>Services Net Cost</b>	<b>536</b>	<b>680</b>
<b>Net Cost</b>	<b>1,618</b>	<b>2,093</b>
<b>Strategic Property Portfolio Projects Net Cost</b>		
<i>Whitmore Square Eco Affordable Housing</i>	1,203	100
<i>Balfours Residential</i>	220	100
<i>Sturt Street Affordable Housing</i>	199	7,200
<b>Strategic Property Portfolio Projects Net Cost</b>	<b>1,622</b>	<b>7,400</b>

## City Design

Create an outstanding people-focussed City that is well designed and developed, building upon the City's unique heritage and Park Lands

### AT A GLANCE

Strategic Outcome Link		Objectives	
Unique Heritage, Park Lands and City Design		<ul style="list-style-type: none"> <li>An outstanding City of distinctive character and exciting design</li> <li>Excellence and innovation are hallmarks of contemporary City infrastructure, artworks, buildings and the public realm</li> <li>Vibrant City streets and public spaces</li> <li>Accessible Park Lands that are treasured by all for their outstanding design, outdoor activities and diverse landscapes</li> </ul>	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	999	2,322	1,323
2010/2011	970	2,250	1,280
<b>STRATEGY</b> <ul style="list-style-type: none"> <li>Designing people focussed places</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>Improve design outcomes in the City by developing and implementing the Integrated Design Strategy within Council</li> <li>Collaborate with the Integrated Design Commission to make and pilot changes to development application processes to streamline assessment and improve design quality</li> <li>Bring the heart of the city back to life by commencing Victoria Square / Tarndanyangga upgrade Stage 1 construction works by June 2012</li> <li>Improve public spaces within the City through projects such as Victoria Park / Bakkabakkandi and Rundle Mall</li> <li>Support public art by managing the Annual Public Art Program and initiating the development of a new Strategy based on the findings of the Integrated Design Strategy</li> <li>Improve the connectivity of Adelaide through expansion of the City Free Wi-Fi network and identify other opportunities</li> </ul> <b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>Provide a range of professional design advice and services on key projects and city developments</li> </ul>	

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Expenditure	564	545
<i>CLC Ground Floor Redevelopment</i>	0	96
<i>Annual Public Art Program - New Non Capital</i>	204	284
<i>Integrated Design Strategy</i>	320	150
<i>Public Art - Murals</i>	40	15
<b>Strategic Projects Net Cost</b>	<b>564</b>	<b>545</b>
<b>Services</b>		
Revenue	970	999
Expenditure	1,686	1,776
<b>Services Net Cost</b>	<b>716</b>	<b>778</b>
<b>Net Cost</b>	<b>1,280</b>	<b>1,323</b>
<b>Strategic Enhancement Projects Net Cost</b>		
<i>Victoria Square Upgrade - Stage 1</i>	3,301	14,957
<i>Jan Gehl Design Initiatives</i>	0	100
<i>Laneways Activation Program</i>	0	100
<i>Hindmarsh Square North-East Quadrant Upgrade</i>	58	0
<i>Riverbank Master Plan</i>	50	0
<b>Strategic Enhancement Projects Net Cost</b>	<b>3,409</b>	<b>15,157</b>

## City Planning

Create an outstanding people-focussed City that is well designed and developed, building upon the City's unique heritage and Park Lands

### AT A GLANCE

Strategic Outcome Link		Objectives	
Unique Heritage, Park Lands and City Design		<ul style="list-style-type: none"> <li>An outstanding City of distinctive character and exciting design</li> <li>A Capital City that is proud and protective of its heritage and historic character buildings</li> <li>Excellence and innovation are hallmarks of contemporary City infrastructure, artworks, buildings and the public realm</li> <li>Vibrant City streets and public spaces</li> <li>Accessible Park Lands that are treasured by all for their outstanding design, outdoor activities and diverse landscapes</li> </ul>	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	441	5,760	5,319
2010/2011	428	5,690	5,262
<b>STRATEGIES</b> <ul style="list-style-type: none"> <li>Distinctive Character and Design</li> <li>Easy to do Business With</li> <li>Inform Council's Strategic Priorities</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>Complete a review of policies used to guide development in the City through a review of the Development Plan Amendments</li> <li>Complete Structure Planning for the City by June 2012</li> <li>Continue to develop the 3D web based model of the City to support planning for Adelaide's future</li> <li>Complete a 10 year Action Plan for the Park Lands to ensure this important community asset is well managed and used</li> <li>Engage with the community and support Council to develop its future vision for Adelaide through the development of the 2012-16 Strategic Plan</li> <li>Encourage the preservation of heritage by implementing a revised Built Heritage Program</li> <li>Improve customer relationships and engagement in development assessment and compliance activities</li> </ul>	
		<b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>Development assessment and compliance</li> <li>Adelaide's heritage management</li> <li>Adelaide Park Lands planning and management</li> <li>Annual Council policy and research program</li> <li>Development policy and promotion</li> </ul>	

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Expenditure	1,904	1,866
Customer Focus Efficiencies	0	30
Structure & Precinct Planning	0	70
Land Use and Employment Survey	125	20
Development Plan Amendments (Section 30 Review)	0	40
Grants - Built Heritage Management	820	820
HAS Advisory Service - Built Heritage Management	78	90
Promotion - Built Heritage Management	65	80
Adelaide Prize	25	27
Adelaide Park Lands Authority	97	100
City Heritage Development Plan Amendments	130	63
Development of City Model(3D Computer Generated)	75	45
Adelaide History BooksPreparation & Production	30	0
Park Lands Landscape Master Plan	14	0
Strategic Plan	24	60
History of Park Lands Publication	5	0
Strategic Research	10	10
Annual Report	31	20
Late Night Licensed Premises DPA	30	26
Adelaide History Project	35	0
Mainstreet Heritage and Character Buildings Restoration Program	250	250
Park Lands Marketing Plan Implementation	30	0
City of Adelaide Clipper Ship Sponsorship	0	50
Adelaide Oral History Project	0	40
Better Development Plan DPA	5	0
Parklands Management Plan	25	25
<b>Strategic Projects Net Cost</b>	<b>1,904</b>	<b>1,866</b>
<b>Services</b>		
Revenue	428	441
Expenditure	3,786	3,894
<b>Services Net Cost</b>	<b>3,358</b>	<b>3,453</b>
<b>Net Cost</b>	<b>5,262</b>	<b>5,319</b>

**OUTCOME 2  
UNIQUE HERITAGE,  
PARK LANDS AND CITY DESIGN**

# PUBLIC REALM

## Public Realm

The Public Realm Program will ensure the City's streets; public spaces and assets are attractive, clean, well presented and maintained so we have a City to be proud of

### AT A GLANCE

Strategic Outcome Link		Objectives	
Unique Heritage, Park Lands and City Design		<ul style="list-style-type: none"> <li>An outstanding City of distinctive character and exciting design</li> <li>Excellence and innovation are hallmarks of contemporary City infrastructure, artworks, buildings and the public realm</li> <li>Vibrant City streets and public spaces</li> <li>A sparkling City with clean streets and public places that are well presented and maintained</li> </ul>	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	3,471	23,669	20,198
2010/2011	3,540	23,082	19,541
<b>STRATEGIES</b> <ul style="list-style-type: none"> <li>Cost Effective and Efficient Service Delivery</li> <li>Exceptional Response and Customer Service</li> <li>Enlist City Pride and Care</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>Establish an ongoing City Presentation Task Force to regularly check in on the presentation standards of our city</li> <li>Increase community education on cleansing and recycling services that are available to them</li> <li>Identify and implement leading practice to reduce Council's level of waste to landfill</li> <li>Develop Asset Management Plans and Service Standards that fully recognise the cost to provide services and align resources accordingly</li> <li>Undertake maintenance to a range of recently redeveloped areas such as Frome Park, tram line extension, North Terrace and Victoria Park</li> <li>Develop a resource management plan that takes into account the ageing workforce, succession planning, apprentices and improved productivity</li> </ul>	
		<b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>Cleaning and waste services</li> <li>Horticulture</li> <li>Maintenance of Council assets</li> </ul>	

Public Realm

Program Budgets

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
Services		
Revenue	3,540	3,471
Expenditure	23,082	23,669
Services Net Cost	19,541	20,198
Net Cost	19,541	20,198

## Accessible City

Ensure that Transport and Parking meets the needs of all visiting and moving around the City

### AT A GLANCE

Strategic Outcome Link		Objectives	
Accessible and Connected Capital City		<ul style="list-style-type: none"> <li>An accessible City with sustainable transport</li> <li>Advanced telecommunication services</li> <li>A walkable City</li> <li>A cycling City</li> <li>An efficient public transport system</li> </ul>	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Contribution \$'000s
2011/2012	46,257	35,695	10,562
2010/2011	45,750	34,240	11,510
<b>STRATEGIES</b> <ul style="list-style-type: none"> <li>Plan and Develop an Accessible and Sustainable City</li> <li>Provide an Accessible and Connected City</li> <li>Ensure Delivery and a Commercial and Business Focus</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>Improve how people access and move around the city by developing and implementing an Integrated Movement Strategy (IMS) for the City of Adelaide</li> <li>Manage, monitor, develop and improve traffic access and movement, traffic signal co-ordination and reduce 'Black Spots'</li> <li>Advance the development and attractiveness of public transport services and infrastructure in the City of Adelaide in collaboration with the State Government</li> <li>Plan for and ensure appropriate access and parking for major city events, attractions and services</li> <li>Provide high quality places for activity (street activation) and connected facilities for walking and cycling</li> <li>Develop an Integrated On-Street Parking Solution by June 2012 to build an innovative and sustainable approach to the management of on-street parking</li> <li>Develop an Off-Street Parking Business Strategy</li> </ul>	
		<b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>Transport and traffic planning, pedestrian and cycle networks</li> <li>UPark and On-Street Car Parking</li> <li>Road closures &amp; on street parking controls</li> <li>Bus Station / Connector / Community Buses</li> <li>City Bikes</li> <li>Electric vehicles</li> </ul>	



Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Expenditure	848	957
<i>Free City Bike Scheme</i>	100	150
<i>Adelaide Connector Bus Service</i>	513	542
<i>Integrated On-Street Parking Solution - Business Case</i>	0	25
<i>Integrated Movement Strategy</i>	65	200
<i>City Bike Day Event</i>	50	0
<i>Adelaide Workplace Cycling Challenge</i>	20	0
<i>Citylan</i>	40	40
<i>iPhone app</i>	40	0
<i>Electric Car Strategy</i>	20	0
<b>Strategic Projects Net Cost</b>	<b>848</b>	<b>957</b>
<b>Business Operations</b>		
Revenue	27,397	26,707
Expenditure	27,415	27,173
<b>Business Operations Net Cost</b>	<b>18</b>	<b>466</b>
<b>Services</b>		
Revenue	18,353	19,549
Expenditure	5,977	7,565
<b>Services Net Contribution</b>	<b>12,376</b>	<b>11,984</b>
<b>Net Contribution</b>	<b>11,510</b>	<b>10,562</b>
<b>Strategic Enhancement Projects Net Cost</b>		
<i>Disability Action Plan Initiatives (DDA Compliant Bus Stops, Kerb Ramps)</i>	0	125
<i>Brownhill &amp; Keswick Creek Flood Mitigation Partnership</i>	0	94
<i>Undergrounding Powerlines Program</i>	1,133	250
<i>Rundle Street North Footpath</i>	0	1,000
<i>King William Street Footpath - Waymouth to Currie St West Si</i>	667	0
<b>Strategic Enhancement Projects Net Cost</b>	<b>1,800</b>	<b>1,469</b>

## Vibrant City

The State's Hub for creativity, cultural and artistic activity, and exciting events

### AT A GLANCE

Strategic Outcome Link		Objective	
Culturally Vibrant City		The State's hub for creativity, recreation, cultural and artistic activity and exciting events	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	1,544	4,694	3,150
2010/2011	1,451	4,506	3,055
<b>STRATEGY</b> <ul style="list-style-type: none"> <li>Create an exciting and significant cultural activities and events program</li> <li>Increase revenue</li> <li>Develop, retain and attract talent</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>Expand the events and activities program across the City's public spaces</li> <li>Provide at least \$1.2M in funding and support for a range of events and major festivals</li> <li>Build strategic partnerships and begin to attract sponsorship revenue</li> <li>Implement a new approach to the management of Adelaide Town Hall to position it as a preferred venue for the City of Adelaide</li> <li>Participate in the design, development and activation of public spaces such as Victoria Square and Tambawodli (Park 24)</li> <li>Develop an Internship program</li> </ul> <b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>Event policy and activities</li> <li>Event and activities programming and management</li> <li>Event spaces and infrastructure</li> <li>Adelaide Town Hall</li> <li>Performance and exhibition arts and culture</li> </ul>	

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Revenue	26	13
Expenditure	2,336	2,338
<i>Sponsorship Funding</i>	1,200	1,290
<i>Gala Concerts</i>	0	73
<i>Sustainable Events</i>	0	5
<i>Public Space Activation</i>	0	30
<i>Arts and Living Culture Program</i>	140	150
<i>ANZAC Day</i>	20	20
<i>Australia Day/Flag Raising &amp; Citizenship Ceremony</i>	155	165
<i>New Years Eve Elder Park Celebrations</i>	155	160
<i>Organ Recitals</i>	63	0
<i>Lord Mayor's Senior Citizens Concerts</i>	44	0
<i>Adelaide Convention Bureau Funding</i>	300	300
<i>Busking Festival</i>	50	0
<i>Marketing Support - Sponsored Events</i>	80	75
<i>Christmas Pageant &amp; Complementary Activities</i>	68	20
<i>Helpmann Awards</i>	6	0
<i>Adelaide City Bands</i>	10	0
<i>Parklands Site Development</i>	30	0
<i>Renew Adelaide</i>	15	50
<b>Strategic Projects Net Cost</b>	<b>2,310</b>	<b>2,325</b>
<b>Business Operations</b>		
Revenue	1,162	1,232
Expenditure	1,092	1,162
<b>Business Operations Net Contribution</b>	<b>70</b>	<b>69</b>
<b>Services</b>		
Revenue	263	299
Expenditure	1,078	1,193
<b>Services Net Cost</b>	<b>815</b>	<b>894</b>
<b>Net Cost</b>	<b>3,055</b>	<b>3,150</b>
<b>Strategic Enhancement Projects Net Cost</b>		
<i>Major Events Space</i>	0	300
<i>Hurtle Square paving &amp; Minor Works</i>	0	100
<i>Public Art Program - New Works of Art</i>	181	300
<i>North Terrace Upgrade (Stage 3)</i>	543	245
<b>Strategic Enhancement Projects Net Cost</b>	<b>724</b>	<b>945</b>

## Active City

Provide opportunities for the community to be active, maintain their health and participate in recreation and community sports programs

### AT A GLANCE

Strategic Outcome Link		Objectives	
Culturally Vibrant City		<ul style="list-style-type: none"> <li>The State's hub for creativity, recreation, cultural and artistic activity and exciting events</li> <li>People of all ages, cultures and means form strong communities in a safe City</li> </ul>	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Contribution / (Cost) \$'000s
2011/2012	7,970	8,241	(272)
2010/2011	7,818	7,594	224
<b>STRATEGIES</b> <ul style="list-style-type: none"> <li>Create informal recreation opportunities throughout the City</li> <li>Facilitate the delivery of recreation programs and sports activities</li> <li>Grow the usage of Council's recreation and sport facilities</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>Successfully re-open the Aquatic Centre and reposition it as a regional leisure centre</li> <li>Promote the Aquatic Centre and Golf Links</li> <li>Develop business cases for the Bonython Park kiosk and Victoria Park Grandstand</li> <li>Undertake a Strategic Review of the Golf Links</li> <li>Provide Recreation and Sports Grants to activate the Park Lands</li> <li>Program sports facilities in Victoria Park through peak sporting associations</li> <li>Partner in the delivery of fitness programs in the City Squares</li> <li>Finalise packages 1 and 2 of the Victoria Park master plan by June 2012</li> <li>Complete Stage 1 of the Bonython Park Activity Hub with project partners</li> </ul>	
		<b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>Recreation planning and projects</li> <li>Recreation and Sport Grants</li> <li>Adelaide Aquatic Centre</li> <li>North Adelaide Golf Course</li> <li>Park Lands sporting and recreation licences administration</li> </ul>	

## Active City

## Program Budgets

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Expenditure	190	175
<i>Golf Links Strategic Review</i>	0	25
<i>Recreation and Sports Grants</i>	150	150
<i>Aquatic Centre Strategic Direction</i>	40	0
<b>Strategic Projects Net Cost</b>	<b>190</b>	<b>175</b>
<b>Business Operations</b>		
Revenue	7,577	7,809
Expenditure	6,718	7,373
<b>Business Operations Net Contribution / (Cost)</b>	<b>858</b>	<b>436</b>
<b>Services</b>		
Revenue	242	161
Expenditure	686	694
<b>Services Net Cost</b>	<b>445</b>	<b>533</b>
<b>Net Contribution / (Cost)</b>	<b>224</b>	<b>(272)</b>
<b>Strategic Enhancement Projects Net Cost</b>		
<i>Bonython Park Upgrade (Activity Hub) - Funded from Commonwealth &amp; State Grants</i>	0	0
<i>Victoria Park Master Plan Implementation</i>	1,886	2,800
<i>Victoria Park Criterium Track</i>	0	20
<i>Adelaide Park Lands Trail</i>	524	400
<i>SA Water Site - Adelaide Park Lands</i>	75	375
<i>North East Activity Hub - Dog Park (Construction)</i>	0	300
<i>Park Lands Capital Improvements</i>	300	90
<i>Frome Road Car Park - Restoration to Par</i>	(163)	27
<i>Victoria Park Heritage Grand Stand Facility Upgrade</i>	1,210	0
<i>Golf Links Improvements</i>	398	0
<i>Torrens Management - Torrens Water Quality</i>	192	0
<i>Aquatic Centre Cogen Climate Change Action Initiative</i>	0	732
<i>Glenelg Waste Water Reuse - Implementation</i>	33	0
<b>Strategic Enhancement Projects Net Cost</b>	<b>4,455</b>	<b>4,744</b>

## City Community

Facilitate development of a strong and productive community, supporting all who choose to live in or use the City and promote participation, volunteering and strong community life

### AT A GLANCE

Strategic Outcome Link		Objectives	
Culturally Vibrant City		<ul style="list-style-type: none"> <li>The State's hub for creativity, recreation, cultural and artistic activity and exciting events</li> <li>People of all ages, cultures and means form strong communities in a safe City</li> <li>A Council that effectively engages with its communities and stakeholders</li> </ul>	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	485	5,596	5,112
2010/2011	454	5,416	4,961
<b>STRATEGIES</b> <ul style="list-style-type: none"> <li>Increased community capacity</li> <li>Services that engage all people in the community</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>Provide funding support to community groups to undertake projects and programs that support Council's strategic directions through the Grants and Sponsorship Program</li> <li>Conduct a range of vibrant and sustainable community events and develop a Community Civic Events Calender</li> <li>Promote Reconciliation with the Aboriginal and Torres Strait Islander communities in the city</li> <li>Maximise opportunities for community engagement</li> <li>Enhance volunteer services to enable people to feel valued and contribute to the city community</li> <li>Provide a modern and vibrant library service and develop a business case to explore options for library service delivery in the city</li> <li>Build strong neighbourhood communities through the effective operation of Council's community centres</li> <li>Support people with disabilities and frail aged people living independently in their own homes</li> <li>Minimise people sleeping rough in the City in collaboration with the State Government</li> </ul>	
		<b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>Library and Home and Community Care services</li> <li>Volunteers</li> <li>Community centres and resident associations</li> <li>Community development and engagement</li> <li>Homelessness</li> <li>Disability access</li> <li>Reconciliation</li> </ul>	

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Revenue	(151)	(147)
Expenditure	1,173	1,252
<i>HACC Review</i>	0	10
<i>North Adelaide Design Implementation</i>	0	20
<i>Future Library Business Case</i>	0	25
<i>10 Year Anniversary Celebration of Volunteer Program</i>	0	5
<i>South West Community Centre</i>	107	112
<i>Community Development Program</i>	432	450
<i>Vulnerable and Homeless People Project</i>	76	72
<i>NAIDOC Week Celebrations</i>	20	20
<i>North Adelaide Community Centre</i>	165	170
<i>Box Factory</i>	172	179
<i>Aboriginal Employment Action Plan</i>	77	125
<i>Fair Trade Initiative</i>	2	0
<i>Community Engagement Strategy - Comm &amp; Engagement Program</i>	27	30
<i>City Community - Feasibility Research</i>	75	10
<i>Community Calendar &amp; Feature Activities – Fair Trade &amp; Neigh</i>	20	25
<b>Strategic Projects Net Cost</b>	<b>1,324</b>	<b>1,399</b>
<b>Services</b>		
Revenue	605	631
Expenditure	4,243	4,344
<b>Services Net Cost</b>	<b>3,638</b>	<b>3,713</b>
<b>Net Cost</b>	<b>4,961</b>	<b>5,112</b>



## Safer City

People live, use and visit the City safely

### AT A GLANCE

Strategic Outcome Link		Objectives	
Culturally Vibrant City		<ul style="list-style-type: none"> <li>People of all ages, cultures and means form strong communities in a safe City</li> <li>A Council that effectively engages with its communities and stakeholders</li> </ul>	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	1,585	2,654	1,069
2010/2011	1,463	2,276	813
<b>STRATEGIES</b> <ul style="list-style-type: none"> <li>Create a safer City by design</li> <li>Create a safer City by education and engagement</li> <li>Deliver efficient and effective services</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>Reduce red tape for small business by mapping and subsequently improving our processes</li> <li>Review and consolidate the Safer City Policy</li> <li>Complete and integrate the Community Emergency Management Plan</li> <li>Partner in the development and implementation of the Capital City Committee Safety Framework and Action Plan</li> <li>Review the Community Safety Strategy and develop an action plan</li> <li>Develop a draft Public Health Plan</li> <li>Conduct fully integrated Street Audits and After Hours Inspections</li> <li>Undertake Late Night Safety Audits and implement work plans</li> <li>Implement Safer Dispersal Infrastructure (Taxi and Bus) project</li> </ul>	
		<b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>Environmental health</li> <li>Strategic safety partnerships and planning</li> <li>Emergency management</li> <li>Community safety</li> <li>Liquor licensing</li> <li>Animal management</li> <li>General compliance</li> <li>Street occupation permits</li> </ul>	

## Safer City

## Program Budgets

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Revenue	45	45
Expenditure	51	251
<i>Managed Taxi Ranks</i>	0	175
<i>Litter Reduction</i>	0	25
<i>Clean Up Australia Day Activities</i>	6	6
<i>Community Emergency Management Plan</i>	45	45
<b>Strategic Projects Net Cost</b>	<b>6</b>	<b>206</b>
<b>Services</b>		
Revenue	1,418	1,540
Expenditure	2,225	2,403
<b>Services Net Cost</b>	<b>807</b>	<b>863</b>
<b>Net Cost</b>	<b>813</b>	<b>1,069</b>
<b>Strategic Enhancement Projects Net Cost</b>		
<i>Whitmore Square and Sturt Street (Safety/Streetscape)</i>	0	150
<i>Lighting Policy Projects</i>	186	100
<i>Lighting Pedestrian Upgrade Gilles/Sturt/Gover Streets</i>	352	0
<b>Strategic Enhancement Projects Net Cost</b>	<b>538</b>	<b>250</b>

## Economic Development

Promote and support economic prosperity, employment and investment in the City

### AT A GLANCE

Strategic Outcome Link		Objectives	
Economically Prosperous City		<ul style="list-style-type: none"> <li>A vibrant Capital City that supports the State's prosperity</li> <li>A prosperous Capital City which is the State hub for retailing, business services, education and entertainment</li> <li>A strong business environment which provides employment, attracts talent and investment and develops skills and innovation</li> <li>A City that has taken its place in the international economy</li> </ul>	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	2,384	5,785	3,401
2010/2011	2,745	5,979	3,233
<b>STRATEGIES</b> <ul style="list-style-type: none"> <li>Build and leverage our Competitive Identity</li> <li>Support the growth of City Businesses</li> <li>Target and attract excellence to the City</li> <li>Foster interface with business</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>Establish a 'One Stop Shop' for small business, with a focus on providing a 'Total Solution' for small businesses and repositioning its brand</li> <li>Implement Action Plans and Stakeholder Engagement Strategies from the Council's endorsed Economic Development Strategy</li> <li>Launch the Local Area Activation Program to activate underutilised places through a local area grant program</li> <li>Conduct a brand audit of the City from a business perspective to identify its key competitive advantages and develop a brand strategy</li> <li>Establish an Investment Attraction Program that proactively targets desired companies in key sectors</li> <li>Commence the implementation of projects recommended from the Rundle Mall Master Plan</li> </ul>	
		<b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>Business and investment attraction</li> <li>Rundle Mall</li> <li>Central Markets and our city precincts</li> <li>Business advisory services</li> <li>Tourism</li> </ul>	

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Revenue	2,731	2,384
Expenditure	5,024	4,634
<i>Investment Attraction Innovation and Local Area Activation P</i>	0	115
<i>Rundle Mall Governance Project</i>	0	75
<i>Total Business Solutions</i>	431	283
<i>Visitor Information Services</i>	0	166
<i>Education Adelaide</i>	200	200
<i>Economic Development Strategy</i>	20	0
<i>Business Capability Building</i>	0	250
<i>Rundle Mall Marketing &amp; Management</i>	2,209	2,030
<i>Street Markets</i>	393	30
<i>Workforce Growth - Business &amp; Public Sector</i>	275	0
<i>Facilitating Strategic Site Development</i>	20	0
<i>Central Market Marketing</i>	82	88
<i>Precinct Group Support Program</i>	192	192
<i>Adelaide Assist Rundle Mall Shuttle Service</i>	10	0
<i>Adelaide Precinct Visitor Maps</i>	18	0
<i>Educational Institution &amp; Accommodation Attraction Program</i>	35	0
<i>Rundle Mall Miscellaneous Revenue</i>	230	237
<i>Rundle Mall Subsidiary</i>	834	848
<i>City of Adelaide Branding Strategy</i>	0	30
<i>City of Adelaide Retail Strategy</i>	0	40
<i>Central Market Review</i>	75	0
<i>e-commerce Business Strategy</i>	0	50
<b>Strategic Projects Net Cost</b>	<b>2,292</b>	<b>2,250</b>
<b>Services</b>		
Revenue	14	0
Expenditure	955	1,151
<b>Services Net Cost</b>	<b>941</b>	<b>1,151</b>
<b>Net Cost</b>	<b>3,233</b>	<b>3,401</b>
<b>Strategic Enhancement Projects Net Cost</b>		
<i>Grote Street Tenancy Fit Out</i>	0	135
<i>Rundle Mall Master Plan Implementation</i>	425	2,617
<i>Hindley Street Precinct Upgrade (Bank Street / Blythe Street)</i>	0	100
<i>Central Market Upgrade</i>	336	0
<i>Provision for drinking fountains in Rundle Mall</i>	10	0
<b>Strategic Enhancement Projects Net Cost</b>	<b>771</b>	<b>2,852</b>
<b>Strategic Property Portfolio Projects Net Cost</b>		
<i>Bus Station / Car Park Building Fitout</i>	106	0
<b>Strategic Property Portfolio Projects Net Cost</b>	<b>106</b>	<b>0</b>

**OUTCOME 6  
ENVIRONMENTALLY  
SUSTAINABLE CITY**

# SUSTAINABLE CITY

## Sustainable City

Prepare the City for climate change and promote environmental sustainability

### AT A GLANCE

Strategic Outcome Link		Objectives	
Environmentally Sustainable City		<ul style="list-style-type: none"> <li>The City's ecological systems and habitats thrive and enrich the City</li> <li>Climate change is addressed and water, energy and natural resources are conserved.</li> <li>People in the City use fewer resources and generate less greenhouse gases</li> <li>A City that continues to adapt to climate change and has transitioned from oil dependency</li> </ul>	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	-	2,270	2,270
2010/2011	-	1,349	1,349
<b>STRATEGIES</b> <ul style="list-style-type: none"> <li>Use resources efficiently and restore ecological systems</li> <li>Prepare for climate change</li> <li>Embed sustainability across the organisation</li> <li>Promote sustainable cities</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>Implement priority actions from the Energy Management Action Plan to reduce energy use</li> <li>Support a network of office tenants to reduce their energy use and carbon emissions</li> <li>Investigate the feasibility of localised energy generation and low carbon precincts in the city</li> <li>Pursue opportunities with key stakeholders to reduce water use in the City, especially with respect to the use of GAP water</li> <li>Undertake business waste stream audits to inform policy development</li> <li>Develop a biological database and establish an ecological monitoring program</li> <li>Implement priority recommendations of the Torrens Task Force</li> <li>Implement the Climate Change Adaptation Action Plan</li> <li>Integrate sustainability into urban policy and planning</li> <li>Develop a Corporate Sustainability Strategy</li> </ul>	
		<b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>Environmental policy, planning &amp; projects</li> <li>Greening the Corporation</li> <li>Climate change policy initiatives, adaptation &amp; action plans</li> <li>Sustainable City Incentives Scheme</li> </ul>	



Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Expenditure	676	1,546
<i>Business waste stream audits</i>	0	10
<i>Sustainable community centres</i>	0	15
<i>Biological database</i>	0	20
<i>Green Energy &amp; Climate Change Initiatives</i>	250	1,300
<i>Adelaide Sustainable City Incentives</i>	57	50
<i>Central Market Solar Panel Marketing</i>	18	0
<i>Green Office Program</i>	85	85
<i>Small Business Sustainability Support</i>	13	8
<i>Apartments Resource Recovery</i>	25	0
<i>Reduce Energy and Emissions from Council Buildings</i>	200	58
<i>Reduce Energy and Emissions from Council Fleet</i>	3	0
<i>Communication of CNCAP Outcomes</i>	25	0
<b>Strategic Projects Net Cost</b>	<b>676</b>	<b>1,546</b>
<b>Services</b>		
Expenditure	673	724
<b>Services Net Cost</b>	<b>673</b>	<b>724</b>
<b>Net Cost</b>	<b>1,349</b>	<b>2,270</b>
<b>Strategic Enhancement Projects Net Cost</b>		
<i>Native Revegetation Project</i>	0	60
<i>Go Green Public Lighting LED Stage 1</i>	0	651
<i>Irrigation of Elm Carriageway</i>	0	55
<i>Sustainability, Cleansing and Recycling Initiatives</i>	112	0
<b>Strategic Enhancement Projects Net Cost</b>	<b>112</b>	<b>766</b>

# corporate programs

finance & risk, marketing, creative services & media, capital works & infrastructure management, customer experience, people & culture, information & communication technology, strategic asset & property management, strategic procurement & contract management

## *Offices - functions:*

office of the lord mayor, office of the chief executive officer, office of corporate & project management, offices of the general & executive managers







## Finance & Risk

Support Council to achieve greater accountability for public expenditure balanced with responsible risk management

### AT A GLANCE

Strategic Outcome Link		Objectives	
Deliver for Council		<ul style="list-style-type: none"> <li>• Better decision making</li> <li>• Best value for money</li> <li>• Practical risk management</li> <li>• Better policy</li> </ul>	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Contribution \$'000s
2011/2012	87,118	9,925	77,194
2010/2011	82,613	9,962	72,651
<b>STRATEGIES</b> <ul style="list-style-type: none"> <li>• Good Decision Making</li> <li>• Operational Excellence</li> <li>• Leadership</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>• Undertake Strategic Cost Management Project Stage 2, focusing on strategic approach to cost management to reduce costs, increase organisational efficiency, and optimise the planning, resourcing and delivery of services to our community in line with Project Plan.</li> <li>• Continue to embed Enterprise Risk Management Framework and waterline principle into the culture and business of Council including support role to address Climate Change &amp; Emergency Response</li> <li>• Undertake Accounts Receivable Implementation Project (Stage 2) with view to complete Priority Revenue areas by 30 September 2011</li> <li>• Investigation of Global Reporting Initiative reporting and appropriateness to ACC by end of Quarter 1 - 30 September 2011</li> </ul>	
		<b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>• Accounts payable, payroll &amp; General Ledger Close</li> <li>• Financial Reporting</li> <li>• Revenue and debtor management coordination</li> <li>• Rates, valuation and maintenance of voters roll</li> <li>• Treasury management</li> <li>• Internal audit, legal, risk management, business continuity planning and insurance management</li> <li>• Business planning &amp; Budget co-ordination and support</li> <li>• Legislative compliance associated with governance matters</li> <li>• Financial decision support</li> </ul>	

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Expenditure	135	0
<i>2010 Local Government Elections</i>	135	0
<b>Strategic Projects Net Cost</b>	<b>135</b>	<b>0</b>
<b>Services</b>		
Revenue	82,457	86,903
Expenditure	7,799	6,610
<b>Services Net Contribution</b>	<b>74,658</b>	<b>80,293</b>
<b>Treasury Management</b>		
Revenue	156	215
Expenditure	2,028	3,315
<b>Treasury Management Net Cost</b>	<b>1,872</b>	<b>3,100</b>
<b>Net Contribution</b>	<b>72,651</b>	<b>77,194</b>



DELIVER FOR COUNCIL

# CAPITAL WORKS & INFRASTRUCTURE MANAGEMENT

## Capital Works & Infrastructure Management

Provide cost effective and efficient delivery and management of new and existing infrastructure and assets to achieve Council's priorities

### AT A GLANCE

Strategic Outcome Link		Objectives	
Deliver for Council		<ul style="list-style-type: none"><li>• Best value for money</li><li>• Practical risk management</li><li>• Better decision making</li><li>• Better policy</li></ul>	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	2,013	4,933	2,919
2010/2011	1,961	4,914	2,952
<b>STRATEGIES</b> <ul style="list-style-type: none"><li>• Provide cost effective asset management processes</li><li>• Provide excellence in project management and project delivery</li></ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"><li>• Develop a 3 Year Asset Renewal Plan</li><li>• Develop asset maintenance plans and agreed service levels</li><li>• Implement a range of process improvements to improve scoping, planning and delivery of capital projects</li><li>• Conduct six monthly customer surveys to gauge customer satisfaction with capital works projects.</li></ul> <b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"><li>• Delivery of new assets and infrastructure</li><li>• Infrastructure asset management and specification of new assets</li><li>• Capital works tenders and contracts</li><li>• Day to day management of assets</li></ul>	

## Capital Works & Infrastructure Management

## Program Budgets

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Revenue	7	(0)
Expenditure	150	100
<i>SAPOL Contribution</i>	50	0
<i>Water Quality Improvement</i>	100	100
<b>Strategic Projects Net Cost</b>	<b>143</b>	<b>100</b>
<b>Services</b>		
Revenue	1,955	2,013
Expenditure	4,764	4,833
<b>Services Net Cost</b>	<b>2,809</b>	<b>2,819</b>
<b>Net Cost</b>	<b>2,952</b>	<b>2,919</b>

**DELIVER FOR THE PEOPLE  
WE SERVE**

# CUSTOMER EXPERIENCE

## Customer Experience

Making it easier to do business with Council by offering services that meet the needs of all people in an equitable way. Creating an environment where customers are at the centre of our thinking and our own people are the organisations greatest advocates

### AT A GLANCE

Strategic Outcome Link		Objectives	
Deliver for the People we serve		<ul style="list-style-type: none"> <li>Better Service</li> <li>More responsive services</li> <li>Better targeted business services</li> <li>Better communication and engagement</li> <li>Better use of information and communications technology (ICT)</li> </ul>	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	126	2,001	1,875
2010/2011	160	1,972	1,812
<b>STRATEGIES</b> <ul style="list-style-type: none"> <li>Providing equitable services that meet the needs of customers</li> <li>Making it easy to do business with Council</li> <li>Building a customer centric organisation</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>Provide alternative channels for customers to do business with Council</li> <li>Review systems and services to maximise customer experience</li> <li>Listen to our customer feedback and improve the customer experience</li> </ul> <b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>Management of the Customer Service Centre</li> <li>Customer experience strategy</li> </ul>	

## Customer Experience

## Program Budgets

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Services</b>		
Revenue	160	126
Expenditure	1,972	2,001
<b>Services Net Cost</b>	<b>1,812</b>	<b>1,875</b>
<b>Net Cost</b>	<b>1,812</b>	<b>1,875</b>

DELIVER FOR OUR PARTNERS

# MARKETING, CREATIVE SERVICES & MEDIA

## Marketing, Creative Services & Media

Strong, clear brand; credible reputation for Council

### AT A GLANCE

Strategic Outcome Link		Objectives	
Deliver for Council		<ul style="list-style-type: none"> <li>Better marketing and communication</li> <li>Best value for money</li> <li>Better decision making</li> <li>Better policy</li> </ul>	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	112	2,056	1,944
2010/2011	109	2,047	1,938
<b>STRATEGIES</b> <ul style="list-style-type: none"> <li>Consistent look and feel through Council services</li> <li>City branding</li> <li>Excellence in marketing, creative and media services</li> <li>Positive perceptions of Council</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>Implement a strategic marketing approach to support and better promote Council's position, priorities and services</li> <li>Enlist supporters for Council's vision for Adelaide by active promotion of the vision with our partners and in the community</li> <li>Review and maintain processes to ensure online information is kept accurate and up-to-date</li> <li>Use social networking websites such as My Space and Facebook to communicate better with young people and students locally and globally</li> <li>Establish mechanisms and forums to seek input and educate partners and potential partners on Council policies and strategies</li> </ul>	
		<b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>Marketing and branding services</li> <li>Graphic design and printing</li> <li>Web design</li> <li>Sponsorship</li> <li>Media relations, protocols and training</li> <li>External communications.</li> </ul>	



## Marketing, Creative & Media Program

## Program Budgets

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Expenditure	322	335
<i>Council Brand Concept Development</i>	0	50
<i>Developing a City Brand</i>	0	57
<i>Marketing the Council</i>	0	50
<i>Christmas City/Precinct Promotions &amp; Decorations</i>	100	100
<i>Rundle Lantern Management</i>	70	40
<i>Marketing The City</i>	127	38
<i>City Banners and Flags</i>	25	0
<b>Strategic Projects Net Cost</b>	<b>322</b>	<b>335</b>
<b>Services</b>		
Revenue	109	112
Expenditure	1,725	1,721
<b>Services Net Cost</b>	<b>1,616</b>	<b>1,609</b>
<b>Net Cost</b>	<b>1,938</b>	<b>1,944</b>

## People & Culture

Build new and improved organisational capability so we are a modern organisation capable of delivering on Council's outcomes

### AT A GLANCE

Strategic Outcome Link		Objectives	
Deliver for our People		<ul style="list-style-type: none"> <li>• People and culture</li> <li>• Inclusive leadership</li> <li>• Harmonious and healthy workplaces</li> </ul>	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	-	2,709	2,709
2010/2011	-	2,473	2,473
<b>STRATEGIES</b> <ul style="list-style-type: none"> <li>• Build a constructive organisational culture</li> <li>• Support and partner with the business to build leadership and capability</li> <li>• Provide a safe, productive and healthy working environment</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>• Implement a targeted leadership development program that focuses on behavioural change</li> <li>• Develop a learning and development program to support staff to achieve their full potential</li> <li>• Review current performance and talent management strategies</li> <li>• Continue to streamline and simplify human resource services and processes</li> <li>• Continue to implement Council's key OHS&amp;W action plan to improve the organisational wide OHS&amp;W culture</li> </ul>	
		<b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>• Organisational culture and development initiatives</li> <li>• OHS&amp;W</li> <li>• Workers compensation</li> <li>• Recruitment advice</li> </ul>	

## People & Culture

## Program Budgets

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Expenditure	589	300
<i>Youth Employment Programme</i>	5	0
<i>Organisational Development InitiativeProject Management Competency</i>	285	300
<i>Organisational Change Program - EVP Project</i>	184	0
<i>OH&amp;S Culture Program</i>	114	0
<b>Strategic Projects Net Cost</b>	<b>589</b>	<b>300</b>
<b>Services</b>		
Expenditure	1,884	2,409
<b>Services Net Cost</b>	<b>1,884</b>	<b>2,409</b>
<b>Net Cost</b>	<b>2,473</b>	<b>2,709</b>

# INFORMATION & COMMUNICATION TECHNOLOGY

## Information & Communication Technology

Enable the organisation to find smart solutions through the use of technology and information resources

### AT A GLANCE

#### Strategic Outcome Link

Deliver for Council

#### Objectives

- Better decision making
- Best value for money
- Practical risk management

#### Budget Year

#### Revenue Budget \$'000s

#### Expenditure Budget \$'000s

#### Net Cost \$'000s

2011/2012

261

5,636

5,375

2010/2011

250

5,537

5,287

#### STRATEGIES

- Partnering to deliver outcomes
- Pro-actively build strategic capabilities
- Effective records and archives management
- Maximise benefits of ICT investment

#### KEY INITIATIVES & PROJECTS

- Implement mobile applications to help people access and move around our city
- Select a Customer Relationship Management System that has the ability to better support interactions with customers and stakeholders
- Develop online payment strategy and architecture
- Leverage capability for shared services opportunities with neighbouring councils
- Explore and implement mobile ICT solutions for ACC staff to improve efficiency of service provision and timeliness of responses
- Develop Cloud Computing strategy and implement a pilot
- Investigate the impact and opportunities of the National Broadband Network
- Improve and streamline the Corporation's approach to records management

#### KEY FUNCTIONS & SERVICES

- Management of all IT software applications
- Management of all IT systems
- Internal IT business partner model
- Archives and records management

## Information & Communication Technology

## Program Budgets

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Expenditure	0	130
<i>One Team Strategy ICT - Online Services</i>	0	50
<i>Smart Cities Action Plan</i>	0	80
<b>Strategic Projects Net Cost</b>	<b>0</b>	<b>130</b>
<b>Services</b>		
Revenue	250	261
Expenditure	5,537	5,506
<b>Services Net Cost</b>	<b>5,287</b>	<b>5,245</b>
<b>Net Cost</b>	<b>5,287</b>	<b>5,375</b>



DELIVER FOR THE CORPORATION

# STRATEGIC ASSET & PROPERTY MANAGEMENT

## Strategic Asset & Property Management

Provide whole of life planning and management of assets and properties to deliver on Council and Corporate Programs now and into the future

### AT A GLANCE

Strategic Outcome Link		Objectives	
Deliver for the Corporation		<ul style="list-style-type: none"><li>• Work smarter</li><li>• Better business practices</li></ul>	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Contribution \$'000s
2011/2012	34,165	19,516	14,649
2010/2011	33,075	18,746	14,329
<b>STRATEGY</b> <ul style="list-style-type: none"><li>• Effectively manage Council's asset portfolio to increase community wealth and underpin Council's ongoing financial sustainability by delivering an effective whole of life asset and property management function</li></ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"><li>• Provide effective whole of life asset planning for Council's asset portfolio</li><li>• Manage Council's Property Portfolio including lease / licenses, operational and maintenance programs</li><li>• Manage Council's long term capital plan</li><li>• Implement Council's Park Lands Property Strategy</li><li>• Finalise and implement the Central Market Management Model</li><li>• Improve the management and processes relating to Council's property portfolio by implementing the prioritised recommendations from the KPMG review.</li><li>• Complete a review of and implement key recommendations for Council's strategic properties and businesses.</li></ul> <b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"><li>• Strategic asset management</li><li>• Property and facilities management</li><li>• Commercial, community and corporate property portfolio management</li><li>• Asset management strategy and plans for Council assets</li><li>• Property acquisitions and disposals</li><li>• Emergency response and security management for corporate properties</li></ul>	

## Strategic Asset & Property Management

## Program Budgets

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Expenditure	221	785
<i>Groundwater Contamination Monitoring Old Halifax Street Depot Site</i>	86	235
<i>Beresford Arms Demonstration Project</i>	20	0
<i>KPMG recommendation – Property Mgt outsourcing</i>	0	25
<i>North Adelaide Institute and Post Office Conservation Plan</i>	15	0
<i>Risk Initiatives</i>	100	140
<i>Community Facilities Staff Safety Review</i>	0	15
<i>KPMG recommendation – maximise Strategic Assets returns (including developm</i>	0	100
<i>Gap analysis in Park Lands Buildings Audit</i>	0	20
<i>Park Lands Property Strategy Development &amp; Implementation</i>	0	100
<i>Implement Central Market Management Model</i>	0	150
<b>Strategic Projects Net Cost</b>	<b>221</b>	<b>785</b>
<b>Business Operations</b>		
Revenue	33,075	34,165
Expenditure	18,258	17,801
<b>Business Operations Net Contribution</b>	<b>14,817</b>	<b>16,363</b>
<b>Services</b>		
Expenditure	267	930
<b>Services Net Cost</b>	<b>267</b>	<b>930</b>
<b>Net Contribution</b>	<b>14,329</b>	<b>14,649</b>
<b>Strategic Property Portfolio Projects Net Cost</b>		
<i>Wingfield Lot 201 - Environmental Issues</i>	322	0
<i>Contributed Assets</i>	(375)	0
<i>Strategic Property Purchase/ Land Banking</i>	1,850	33,650
<i>Strategic Property Proceeds</i>	(39,800)	(10,855)
<b>Strategic Property Portfolio Projects Net Cost / (Contribution)</b>	<b>(38,003)</b>	<b>22,795</b>

DELIVER FOR THE CORPORATION

# STRATEGIC PROCUREMENT & CONTRACT MANAGEMENT

## Strategic Procurement & Contract Management

Ensure effective procurement and contract management so that public money is wisely spent to achieve best value for money

### AT A GLANCE

Strategic Outcome Link		Objectives	
Deliver for the Corporation		<ul style="list-style-type: none"> <li>• Work smarter</li> <li>• Better business practices</li> </ul>	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	167	1,221	1,054
2010/2011	157	1,172	1,015
<b>STRATEGY</b> <ul style="list-style-type: none"> <li>• Deliver end to end Strategic Procurement across the Corporation</li> <li>• Create a Contract Management Centre of Excellence</li> <li>• Provide systems, processes and reporting to support strategic procurement and contract management</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>• Support key procurement activities across all Council and Corporate programs</li> <li>• Embed and improve contract management minimum standards</li> <li>• Develop closer relationships with top tier suppliers and influence the supply chain</li> <li>• Develop process improvements for managing contract variations</li> <li>• Maximise the use of IT to drive efficiencies in the procurement process</li> <li>• Enhance procurement reporting suite</li> </ul>	
		<b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>• Strategic procurement and contract management</li> <li>• Procurement policy review and development</li> <li>• Procurement activity reporting</li> <li>• Contract register management</li> <li>• Sealing and signing</li> </ul>	

## Strategic Procurement & Contract Management

## Program Budgets

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Revenue	157	167
Expenditure	157	167
<i>G6 Coordinator &amp; Support</i>	157	167
<b>Strategic Projects Net Cost</b>	<b>0</b>	<b>0</b>
<b>Services</b>		
Expenditure	1,015	1,054
<b>Services Net Cost</b>	<b>1,015</b>	<b>1,054</b>
<b>Net Cost</b>	<b>1,015</b>	<b>1,054</b>

## Office of the Lord Mayor

Support the Lord Mayor to discharge capital city leadership responsibilities through efficient and effective governance for the people of Adelaide

## AT A GLANCE

Strategic Outcome Link		Objectives	
Deliver for the Corporation – Office Function			
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	-	1,384	1,384
2010/2011	-	1,255	1,255
<b>STRATEGY</b> <ul style="list-style-type: none"> <li>Provide effective support that activates Lord Mayoral leadership for the City, Councillors, stakeholders and community, through transparency, partnerships, value for money and accountable governance.</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>Review the Civic Function to provide a more strategic approach to civics, transparency in decision-making and value for money</li> <li>Implement strategies to create an accessible, transparent and connected Lord Mayor for the community, key stakeholders and state</li> <li>Develop and implement a partnership framework that includes the support and attraction of external funding to assist the achievement of Council's Strategic Plan</li> <li>Review the international connections Adelaide makes, including coordination of the sister city program and implement strategies to progress new, different and meaningful international connections and opportunities</li> <li>Develop and activate an online portal and media strategy including social media connections, for the Lord Mayor to further engage and be engaged with the community and key stakeholders</li> <li>Embed a culture of continuous improvement, benchmarking, engagement and research to underpin services delivered by the Office of the Lord Mayor</li> </ul>	
		<b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>Lord Mayor support</li> <li>Governance support</li> <li>Civic events and protocol</li> <li>International relations / sister cities</li> <li>External Funding coordination</li> </ul>	



Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Expenditure	25	0
<i>Christchurch Earthquake</i>	25	0
<b>Strategic Projects Net Cost</b>	<b>25</b>	<b>0</b>
<b>Services</b>		
Expenditure	1,230	1,384
<b>Services Net Cost</b>	<b>1,230</b>	<b>1,384</b>
<b>Net Cost</b>	<b>1,255</b>	<b>1,384</b>

# OFFICE OF THE CHIEF EXECUTIVE OFFICER

## Office of the Chief Executive Officer

Support effective leadership and decision making at the most senior levels of the Corporation

### AT A GLANCE

Strategic Outcome Link		Objectives	
Deliver for the Corporation			
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	-	2,481	2,481
2010/2011	-	2,344	2,344
<b>STRATEGIES</b> <ul style="list-style-type: none"> <li>• Transparent and effective governance</li> <li>• Effective internal communication and staff engagement</li> <li>• Strong key stakeholder engagement</li> <li>• Professional, innovative and well engaged team</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>• Provide a range of governance, quality control and administrative services to Council to ensure it meets its legislative responsibilities with respect to decision making</li> <li>• Support Council Members to undertake their city leadership and legislative responsibilities</li> <li>• Support community access to Council meetings and information to meet Council's responsibility of open, responsive and accountable decision making to the community they represent through a range of innovative mediums</li> <li>• Provide a range of senior consultant, governance, quality control and administrative services to the Chief Executive Officer, senior leaders and staff;</li> <li>• Implement a range of corporate communication and engagement actions</li> <li>• Provide senior project management consultancy services, coordination and executive officer support to a range of inter-governmental projects, committees and groups as well as supporting the Corporation and CEO to effectively engage with a range of key stakeholders</li> </ul>	
		<b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>• Council business management</li> <li>• Senior leadership group coordination and support</li> <li>• Council Members support and point of contact</li> <li>• Internal communications</li> <li>• Intergovernmental relations</li> </ul>	

## Office of the CEO

## Program Budgets

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Expenditure	129	300
<i>Flood Relief</i>	39	0
<i>Adelaide Oval Planning</i>	90	300
<b>Strategic Projects Net Cost</b>	<b>129</b>	<b>300</b>
<b>Services</b>		
Expenditure	2,215	2,181
<b>Services Net Cost</b>	<b>2,215</b>	<b>2,181</b>
<b>Net Cost</b>	<b>2,344</b>	<b>2,481</b>

## OFFICES (FUNCTIONS)

# OFFICE OF CORPORATE & PROJECT MANAGEMENT

## Office of Corporate & Project Management

Ensuring projects are responsibly scoped and managed and the achievements of council/corporate priorities are appropriately managed and reported

### AT A GLANCE

Strategic Outcome Link		Objectives	
Deliver for the Corporation			
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	-	979	979
2010/2011	-	788	788
<b>STRATEGIES</b> <ul style="list-style-type: none"> <li>Develop a best practice Project Management Office</li> <li>Develop a Centre of Excellence for Corporate Reporting</li> <li>Provide a framework to promote &amp; support innovative thinking and collaboration.</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>Deliver an organisational Project Management System that is both standardised and agile</li> <li>Deliver an organisation-wide Innovation Program</li> <li>Deliver best practice Corporate Reporting</li> </ul>	
		<b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>Project Management discipline and methodology</li> <li>Corporate strategy and overarching coordination of corporate policy</li> <li>Innovation</li> <li>Scorecard and performance metrics</li> <li>Knowledge management</li> </ul>	

## Office of Corporate & Project Management

## Program Budgets

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
Expenditure	0	80
<i>Project Management Platform</i>	0	80
<b>Strategic Projects Net Cost</b>	<b>0</b>	<b>80</b>
<b>Services</b>		
Expenditure	788	899
<b>Services Net Cost</b>	<b>788</b>	<b>899</b>
<b>Net Cost</b>	<b>788</b>	<b>979</b>



# OFFICE OF GENERAL & EXECUTIVE MANAGERS

## Office of General & Executive Managers

Ensure a strategic and co-ordinated approach to the development of future strategies, program integration, leadership and engagement

### AT A GLANCE

Strategic Outcome Link		Objectives	
Support Functions		<ul style="list-style-type: none"> <li>Well positioned and integrated programs and services</li> </ul>	
Budget Year	Revenue Budget \$'000s	Expenditure Budget \$'000s	Net Cost \$'000s
2011/2012	-	2,026	2,026
2010/2011	-	1,907	1,907
<b>STRATEGIES</b> <ul style="list-style-type: none"> <li>Clear program strategy</li> <li>Integration mechanisms to ensure well co-ordinated programs</li> <li>Effective leadership and staff engagement</li> </ul>		<b>KEY INITIATIVES &amp; PROJECTS</b> <ul style="list-style-type: none"> <li>Establish, communicate and oversee the implementation of consistent policy, business and service strategy</li> <li>Work with Council and key external stakeholders to identify partnership opportunities to support the achievement of Council's Strategic Plan</li> <li>Implement cultural change to encourage personal accountability, participation and leadership throughout the organisation</li> </ul> <b>KEY FUNCTIONS &amp; SERVICES</b> <ul style="list-style-type: none"> <li>Act as case managers to assist significant partners to do business with Council and ensure appropriate management of high-risk projects and issues</li> <li>Encourage team based approaches that generate innovation and organisational improvement</li> <li>Ensure quality OHS&amp;W practices are in place and embed a culture of safety throughout the organisation</li> <li>Provide a range of administration support services to General Managers, Executive Managers, portfolio leadership teams and staff</li> </ul>	

## Support Function - Office of the General & Executive Managers

## Program Budgets

Budgets	2010-11 Current Budget \$'000s	2011-12 Budget Submission \$'000s
<b>Strategic Projects</b>		
<b>Strategic Projects Net Cost</b>	<b>0</b>	<b>0</b>
<b>Business Operations</b>		
<b>Business Operations Net Cost</b>	<b>0</b>	<b>0</b>
<b>Services</b>		
Expenditure	1,907	2,026
<b>Services Net Cost</b>	<b>1,907</b>	<b>2,026</b>
<b>Net Cost</b>	<b>1,907</b>	<b>2,026</b>



# capital works and strategic projects

strategic property portfolio, strategic enhancement program, asset renewal  
programs, strategic projects program







# capital works program summary

	2011/2012 Pre - Delivery	2011/2012 Delivery	2011/2012 Gross Cost	2011/2012 Net Cost
<b>Capital - Strategic Property Portfolio</b>	<b>\$33,650,000</b>	<b>-</b>	<b>\$33,650,000</b>	<b>\$27,400,000</b>
<b>Capital - Strategic Enhancement Program</b>	<b>\$17,647,000</b>	<b>\$1,950,000</b>	<b>\$19,597,000</b>	<b>\$18,539,000</b>
<b>Capital - Asset Management Renewal Programs</b>				
Initiation and Data Collection Program	-	\$325,000	\$325,000	\$325,000
Transportation	-	\$6,582,000	\$6,582,000	\$6,335,000
Lighting and Electrical	-	\$1,650,000	\$1,650,000	\$1,650,000
Drainage and Waterways	-	\$650,000	\$650,000	\$650,000
Park Lands	-	\$1,220,000	\$1,220,000	\$1,220,000
Urban Elements	-	\$980,000	\$980,000	\$980,000
Property	-	\$5,560,000	\$5,560,000	\$5,540,000
Plant and Equipment	-	\$3,794,000	\$3,794,000	\$2,100,000
IT Corporate System	-	\$2,785,000	\$2,785,000	\$2,785,000
<b>Total: Capital - Asset Management Renewal Programs</b>	<b>-</b>	<b>\$23,546,000</b>	<b>\$23,546,000</b>	<b>\$21,585,000</b>
<b>Capital Works Program Management</b>	<b>-</b>	<b>\$5,005,000</b>	<b>\$5,005,000</b>	<b>\$5,005,000</b>
<b>Total: Capital Works Program</b>	<b>\$51,297,000</b>	<b>\$30,501,000</b>	<b>\$81,798,000</b>	<b>\$72,529,000</b>
Capital Works 2010-11 Carry Forwards	\$12,549,000	\$6,039,000	\$18,588,000	\$13,958,000
<b>Total Capital Works Program inclusive of Carry Forwards</b>	<b>\$63,846,000</b>	<b>\$36,540,000</b>	<b>\$100,386,000</b>	<b>\$86,487,000</b>



# capital works program

Project ID	Project Name	Project Description	2011/12 Gross Cost	2011/12 Net Cost
<b>Capital - Strategic Property Portfolio</b>				
SP1	Strategic Property Purchase	Expenditure on potential purchase of strategic sites.	\$33,650,000	\$33,650,000
SP2	Strategic Property Proceeds	Proceeds from potential sales of strategic sites.	\$0	-\$6,250,000
<b>Total - Strategic Property Portfolio</b>			<b>\$33,650,000</b>	<b>\$27,400,000</b>

<b>Capital - Strategic Enhancement Program</b>				
<b>Park Lands Strategy Implementation</b>				
SE1	* Victoria Square Upgrade - Stages 1 and 2 (Construction)	Council's contribution towards delivering the first stage of Council's flagship project.	\$11,500,000	\$11,500,000
SE2	Victoria Park (Finalisation of Package 2)	Completion of works packages 1 and 2.	\$1,800,000	\$1,800,000
SE3	Park Lands Trail	Continuing Council's commitment to the delivery of the Park Lands trail. Focus in 2011/12 will be Bonython Park.	\$400,000	\$400,000
SE4	North East Activity Hub - Dog Park (Construction)	Delivery of Council's first dog park in Ngampa Yerta (Park 5)	\$300,000	\$300,000
SE5	Major Events Space	Detailed design and feasibility for a purpose built event space in Tambawodlii (Park 24)	\$300,000	\$300,000
SE6	Native Revegetation Project	Continuation of the Tainmundilla revegetation project.	\$100,000	\$60,000
SE7	Irrigation of Elm Carriageway	Irrigation of the Elm Carriageway to ensure their long term viability.	\$55,000	\$55,000
SE8	Hurtle Square Paving & Minor Works	Hurtle Square works, including paving of remaining rubble paths	\$100,000	\$100,000
SE9	Bonython Park Upgrade (Activity Hub)	Implementation of the Bonython Park Upgrade funded from Commonwealth and State Government grants.	\$1,018,000	\$0
<b>Total - Park Lands Strategy Implementation</b>			<b>\$15,573,000</b>	<b>\$14,515,000</b>
<b>Rundle Mall Master Plan Implementation</b>				
SE10	Rundle Mall Master Plan – Stage 1	Commence delivery of the progressive upgrade of Adelaide's premier shopping mall.	\$1,700,000	\$1,700,000
<b>Total - Rundle Mall Master Plan Implementation</b>			<b>\$1,700,000</b>	<b>\$1,700,000</b>

\* Council has committed \$24m towards the delivery of Victoria Square and are seeking contributions from the State and Federal Governments

# capital works program

Project ID	Project Name	Project Description	2011/12 Gross Cost	2011/12 Net Cost
<b>Capital - Strategic Enhancement Program</b>				
<b>Other Strategic Priorities</b>				
SE11	Laneways Activation Program	Investigate, prioritise and commence design of laneway activation projects throughout the City.	\$100,000	\$100,000
SE12	Whitmore Square and Sturt Street (Safety/ Streetscape)	Continue improvements to pedestrian safety and streetscape around Whitmore Square and Sturt Street (for completion in 12/13)	\$150,000	\$150,000
SE13	City Lighting/Safety Projects	Ongoing implementation of improvements to City Lighting and Safety systems (CCTV etc) focussing on pedestrian safety in the city	\$100,000	\$100,000
SE14	Grote Street Tenancy Fit Out	Completion of the fit out of the Grote Street retail tenancy within the Adelaide Bus Station complex.	\$135,000	\$135,000
SE15	** Public Art (New)	Allocation of funds to combine with 2010-11 carry forward to deliver the major artwork "Connecting with Light".	\$150,000	\$150,000
SE16	Disability Action Plan Initiatives (DDA Compliant Bus Stops, Kerb Ramps)	Ongoing program to deliver improved accessibility across the City for persons with a disability. Focus on Bus Stop DDA requirements.	\$125,000	\$125,000
SE17	Jan Gehl Design Initiatives	Program to capitalise on opportunities to implement Jan Gehl initiatives within Council streetscapes wherever practical.	\$100,000	\$100,000
SE18	Brownhill and Keswick Creek Flood Management	Adelaide City Council contribution to the Brownhill and Keswick Creek Flood Management Agreement	\$94,000	\$94,000
SE19	Hindley Street Precinct Upgrade (Bank Street / Blythe Street)	Scoping and design work in 2011-12 to prioritise upgrading of Hindley Street precinct.	\$100,000	\$100,000
SE20	Undergrounding of Powerlines	Provisional allocation for undergrounding of powerlines in accordance with Council's residential street undergrounding program (in which Council will contribute up to 50% of the project cost). The scope of the project will include marketing this initiative and determining specific streets of interest.	\$250,000	\$250,000
SE21	Rundle Street North Footpath	Work to complement the existing work previously undertaken on the Southern Side of Rundle Street.	\$1,000,000	\$1,000,000
SE22	Criterion Track	Scoping and design work to identify the cost and optimum track layout, to link the Victoria Park Criterion Track to the existing section in front of the Heritage Grandstand.	\$20,000	\$20,000
<b>Total - Other Strategic Priorities</b>			<b>\$2,324,000</b>	<b>\$2,324,000</b>
<b>Total - Strategic Enhancement Program</b>			<b>\$19,597,000</b>	<b>\$18,539,000</b>

\*\* Significant new works of art will also be built associated with major developments (Victoria Square, Rundle Mall)

# capital works program

Project ID	Project Name	Project Description	2011/12 Gross Cost	2011/12 Net Cost
<b>Capital - Asset Renewal Programs</b>				
<b>Initiation and Data Collection Program</b>				
DC1	Asset Management Condition Information and Data Collection	Annual program for the collection and management of asset related data to ensure accurate planning for Council's long term asset management requirements. Focus in 2011-12 on high risk asset groups (traffic management assets, properties, lighting and electrical).	\$200,000	\$200,000
DC2	Asset Management Project Initiation	Annual program for scoping and design of future year projects to "spade ready" status to improve the ability for Council to deliver its capital renewal requirements.	\$125,000	\$125,000
<b>Total - Initiation and Data Collection Program</b>			<b>\$325,000</b>	<b>\$325,000</b>
<b>Transportation Program</b>				
T1	Road Resurfacing Program	Annual program for the resurfacing of City roads based on asset condition rating and inspection.	\$2,885,000	\$2,885,000
T2	Footpath Resurfacing Program	Annual program for the resurfacing of City footpaths based on asset condition rating and inspection.	\$1,675,000	\$1,675,000
T3	Traffic Signal Network Renewal / Improvements	Ongoing renewal and improvements to the Traffic Signal network including pole and lamp replacement, cabling improvements, loop installations and SCAT connections.	\$900,000	\$900,000
T4	Parking Ticket Machines Renewal	Replacement of Parking Ticket Machines reaching the end of their useful life resulting in improved performance and reduced maintenance.	\$350,000	\$350,000
T5	Black Spot Funding Program	Annual program funds to contribute to the State Government grant funding under the Black Spot funding scheme.	\$227,000	\$60,000
T6	Cycling Black Spot Projects	Annual program funds to contribute to State Government grant funding under the Cycling Black Spots Scheme. Program used for installation of cyclist/pedestrian refuges on road junctions improving the safety for cyclists and pedestrians.	\$120,000	\$40,000
T7	Traffic Data Collection and AM Plan Development	Detail audit and plan development.	\$100,000	\$100,000
T8	Traffic Improvements (minor) Program	Annual program to deliver minor traffic improvement works.	\$50,000	\$50,000
T9	Traffic Bollard Renewal Program	Rolling program to renew and replace traffic bollards throughout the City	\$50,000	\$50,000
T10	Linemarking Renewal Program	Rolling program to renew/repaint line-marking throughout the City	\$50,000	\$50,000
T11	Tomsey Street Protuberances	Completion of protuberances in Tomsey Street	\$25,000	\$25,000
T12	Bridge Maintenance and Repair	Annual program to maintain and repair Adelaide's bridge assets	\$90,000	\$90,000
T13	Torrens Linear Park Trail - Safety Improvements	Upgrade of trails along the Torrens River in conjunction with State Government and other Local Councils.	\$60,000	\$60,000
<b>Total - Transportation Program</b>			<b>\$6,582,000</b>	<b>\$6,335,000</b>

# capital works program

Project ID	Project Name	Project Description	2011/12 Gross Cost	2011/12 Net Cost
<b>Capital - Asset Renewal Programs</b>				
<b>Lighting and Electrical Program</b>				
L1	Anzac Highway - Roadway Lighting ( Stage 1)	Renewal and additional lighting to meet current standards - Stage 1 in 2011-12 financial year and Stage 2 in 2012-13 financial year	\$200,000	\$200,000
L2	Gawler Pl (Grenfell St to Wakefield St)	Renewal and additional lighting to meet current standards	\$200,000	\$200,000
L3	LeFevre Tce (North Adelaide) - Residential Lighting	Renewal and additional lighting to meet current standards	\$200,000	\$200,000
L4	Lighting Column Renewal ( Various Locations)	Renewal ( or remedial works) of lighting and associated assets due to age, damage and corrosion. Location depends on results of asset condition audits.	\$300,000	\$300,000
L5	Montefiore Road - Roadway Lighting ( Upgrade to Current Standard)	Renewal of road and pedestrian lighting with upgrade to current standard. (design 2011/2012).	\$50,000	\$50,000
L6	Renewal of CCTV Surveillance Camera System (Stage 2)	Renewal of Street CCTV cameras, recording and associated hardware, fibre optic cabling etc in order to ensure satisfactory performance of CCTV cameras in Hindley Street, Rundle Mall, East End and other locations with surveillance provided by SAPOL. (CCTV upgrade is staged over 3 years)	\$300,000	\$300,000
L7	Stanley St West of Jerningham St	Upgrade of pedestrian lighting to meet the current standard	\$200,000	\$200,000
L8	Waymouth St (King William St to Light Sq)	Street and pedestrian lighting -Stage 2	\$150,000	\$150,000
L9	Security Lighting and City Safety Projects	Security Lighting and City Safety Projects ( ongoing) Locations TBA by Safety Officers and priorities in Lighting Audit report, Safety Audits and Customer reports.	\$50,000	\$50,000
<b>Total - Lighting &amp; Electrical Program</b>			<b>\$1,650,000</b>	<b>\$1,650,000</b>
<b>Drainage and Waterways Program</b>				
D1	Creek Rehabilitation	Ongoing program to undertake rehabilitation works to all creeks and watercourses within the City of Adelaide.	\$50,000	\$50,000
D2	Torrens Management - Gross Pollutant Trap Program	Installation and management of Gross Pollutant Traps on Council drains to improve the quality of receiving waters.	\$200,000	\$200,000
D3	Torrens Management - Torrens Lake Initiatives	Program of initiatives to improve water quality and biodiversity in Torrens Lake through establishment of Curly Pond Weed, reduction of carp, monitoring of nutrient loads, and management of bird feeders.	\$50,000	\$50,000
D4	Underground Drainage Replacement	Ongoing replacement of ageing drainage network at end of useful life, timed to coincide with road resurfacing projects to minimise future damage to newly surfaced roads.	\$250,000	\$250,000
D5	Park 23 ASR & Water Quality Improvements	Detailed design of ASR and water quality improvements associated with existing flood storages in Park 23.	\$100,000	\$100,000
<b>Total - Drainage and Waterways Program</b>			<b>\$650,000</b>	<b>\$650,000</b>

# capital works program

Project ID	Project Name	Project Description	2011/12 Gross Cost	2011/12 Net Cost
<b>Capital - Asset Renewal Programs</b>				
<b>Park Lands and Squares Program</b>				
PL1	Golf Course Improvement Program	Improvements to the South and North Course - Landscaping / signage / furniture / tees and greens to improve course facilities and to address risk management issues.	\$25,000	\$25,000
PL2	Heritage and Significant Tree Management/ Replacement	Program to implement recommendations from Heritage and Significant tree audit.	\$220,000	\$220,000
PL3	Irrigation Systems - Minor Capital Renewal (Various Locations)	Renewal of irrigation systems and components to ensure operational efficiencies	\$200,000	\$200,000
PL4	Nature Strips and Verges Redevelopment Program	Redevelop nature strips as requested by residents and maintain unplanted verges.	\$50,000	\$50,000
PL5	Park Lands Landscape Program	Replacement planting of selected garden beds to improve aesthetic value.	\$200,000	\$200,000
PL6	Streetscape Landscape Program	Ongoing program to upgrade plantings and irrigation systems in streetscapes.	\$350,000	\$350,000
PL7	Street Tree Replacement Program	Re-planting of individual trees as a result of vandalism, development or unforeseen death and/or complete streetscape re-planting due to poor condition from irrigation failure or age of plant material.	\$50,000	\$50,000
PL8	Targeted Tree Pruning	Specific pruning program to enable the large amount of dead wood (not including habitat hollow) still present in mature trees around the Park Lands to be removed.	\$90,000	\$90,000
PL9	Tree Base Program	On-going replacement program to remove gravel etc and replace with soak through pavement or granitic sand etc. Will result in improved tree bases and minimises safety issues.	\$25,000	\$25,000
PL10	Turf Management Program	Undertaken turf rejuvenation works to ensure turf sward is healthy and to a good visual presentation standard	\$10,000	\$10,000
<b>Total - Park Lands and Squares Program</b>			<b>\$1,220,000</b>	<b>\$1,220,000</b>
<b>Urban Elements Program</b>				
U1	Bins Program	Ongoing renewal of bins and butt out bins. Replacement of vandalised bins as required with ACC standard.	\$60,000	\$60,000
U2	Cultural Signage	Ongoing program for the installation of Cultural Signs and changing sign slats directing city users to sites of interest. This is a staged program and will be completed in 2012/13.	\$40,000	\$40,000
U3	Furniture (Urban) Program	Ongoing renewal program of furniture including seats, bike racks, bollards. Replacement of vandalised street furniture as required with ACC standard.	\$70,000	\$70,000
U4	Furniture (Park Lands) Program	Ongoing renewal program for Park Lands furniture including benches, tables, BBQs, bollards, fences and drinking fountains.	\$90,000	\$90,000
U5	Park Lands Recreational Program	Minor repairs and improvements to recreational elements within the Park Lands.	\$60,000	\$60,000
U6	Planter Box Program	Support planter box program in Hutt St, Gouger St, O'Connell St, Melbourne St and other locations.	\$20,000	\$20,000



# capital works program

Project ID	Project Name	Project Description	2011/12 Gross Cost	2011/12 Net Cost
<b>Capital - Asset Renewal Programs</b>				
<b>Urban Elements Program (Cont.)</b>				
U7	Playground Equipment Replacement Program	Existing equipment requires replacement due to age, condition or vandalism. Based on recommendations from 2008/2009 playground audit.	\$110,000	\$110,000
U8	Restoration of Pan Statue and associated water features located in Walvo Yerfa (Park 21)	Statue and water features require restoration.	\$125,000	\$125,000
U9	Restoration of Sir Samuel Way Memorial Statue located in Prince Henry Gardens North Terrace	Memorial requires restoration.	\$100,000	\$100,000
U10	Refurbishment of Rymill Park Fountain located in Rymill Park Extension Park 14 Mullitraburka	New project to refurbish fountain, including the use of GAP water and drainage/overflow requirements in compliance with the Environmental Protection Authority	\$65,000	\$65,000
U11	Retaining Wall Maintenance Program	Undertake repairs to retaining walls to ensure structural integrity and aesthetic appearance.	\$55,000	\$55,000
U12	Refurbishment of Grenfell Plaza water feature	Refurbishment and restoration of the water feature and upgrade the existing lighting that is no longer compliant.	\$85,000	\$85,000
U13	Signage Program (Park Lands)	Maintenance of existing signs, updates to signage details and installation of minor signs.	\$20,000	\$20,000
U14	Streetscape Rejuvenation	Rejuvenating streetscapes, miscellaneous street furniture, painting light poles, traffic signal poles, traffic sign poles, traffic signal boxes, bin surrounds, flag poles.	\$80,000	\$80,000
<b>Total - Urban Elements Program</b>			<b>\$980,000</b>	<b>\$980,000</b>
<b>Property Program</b>				
P1	Aquatic Centre - Facility, Plant & Equipment Renewal	Pre-committed as per Council Decision on works to be undertaken in conjunction with closure during replacement of AAC roof.	\$100,000	\$100,000
P2	Archives - Records Area Refurbishment	Works to finalise and complete archive records protection systems	\$50,000	\$50,000
P3	Central Market - Aisle Resurfacing (Continuation Program)	Removing uneven surface and re-surfacing within the Central Market. Improved safety for market patrons and traders.	\$30,000	\$30,000
P4	Central Market - Distribution System (Continuation Program)	Progressively replace the electrical system as it is fully loaded and nearing the end of its design life. Work will include replacement of distribution boards and spreading out sub main cabling, providing shops with their own sub distribution boards.	\$50,000	\$50,000
P5	Central Market - Fire Safety Upgrade	Fire Safety Legislative Compliance Upgrade works resulting from the outcome of a Building Fire Safety Notice issued on the property.	\$100,000	\$100,000
P6	Central Market - Minor Works	Minor works and renewals to Central Market including painting, air conditioning, signage etc.	\$50,000	\$50,000
P7	Central Market - Coles Verandah	Works to reduce the risk of damage to the Verandah at Coles by vehicles. Project has associated funding from Private contributions.	\$120,000	\$100,000

# capital works program

Project ID	Project Name	Project Description	2011/12 Gross Cost	2011/12 Net Cost
<b>Capital - Asset Renewal Programs</b>				
<b>Property Program (Cont.)</b>				
P8	Central Market Car Park - Crack Sealing (Continuation Program)	Ongoing program to implement crack sealing within car park to prevent water ingress and damage to structure.	\$10,000	\$10,000
P9	Civic Collection - Conservation of Painting in Council Chamber	Conservation and refurbishment of portrait paintings in the Council Chamber.	\$30,000	\$30,000
P10	Colonel Light Centre & Eagle Chambers - Renewal and Minor Works	Implementation of required minor capital works and asset renewals within CLC and Eagle Chambers.	\$100,000	\$100,000
P11	Colonel Light Centre - Lift Renewal	Renewal of lift system	\$150,000	\$150,000
P12	Colonel Light Centre & Eagle Chambers - Furniture Replacement	Progressive replacement of common space furniture (meeting rooms, conference rooms, waiting spaces etc).	\$20,000	\$20,000
P13	North Adelaide Golf Course - Building and service renewals	Works to replace sections of the clubhouse roof.	\$20,000	\$20,000
P14	London Road Depot - Minor Service Renewals	Renewal and upgrade of internal and external services of the depot including electrical, mechanical, hydraulic, paving, entrances, lighting and fire systems.	\$50,000	\$50,000
P15	London Road Depot - Air Conditioning	Progressive renewal of aged air conditioning infrastructure	\$100,000	\$100,000
P16	Non Park Land Buildings - Minor Capital Renewals, Various Locations	Minor Capital Renewals to other properties and Council leased properties as identified throughout the year.	\$40,000	\$40,000
P17	Park Lands Buildings - Renewals and Minor Works	Renewals and minor works to Park Lands buildings as identified in Property Condition Audits. Includes rectification of legislative compliance issues and plant and equipment replacements.	\$1,120,000	\$1,120,000
P18	Park Lands Buildings - Victoria Park Heritage Grandstand	Ongoing refurbishment of the Victoria Park Heritage Grand Stand.	\$500,000	\$500,000
P19	Park Lands Buildings - Hort Hub, Accessible Toilet & Croquet SA Club - Park 17	Creation of Horticulture Hub and Accessible Public Toilet in conjunction with the Croquet SA building in Park 17. (Total Project Estimate of \$650k, carry forward of \$380k, \$100k transfer from Park Lands Renewal Line and \$170k additional allocation).	\$270,000	\$270,000
P20	Park Lands Buildings - Hort Hub & Adelaide Bowling Club - Park 14	Creation of Horticulture Hub in conjunction with the Adelaide Bowling Club Building in Park 14. (Includes transfer of \$200k from Park Lands Renewal Line for Roof and Ceiling and an additional allocation of \$120k for Hort Hub works).	\$320,000	\$320,000
P21	Town Hall - Renewal and Minor Works	Works identified as per risk and audit requirements including fire compartmentation, ceiling insulation and minor works/repairs in 2011/12.	\$200,000	\$200,000
P22	Tynte St Library - Carpet replacement	Replacement of the carpet at Tynte Street Library	\$30,000	\$30,000
P23	UPark - Renewals and Minor Works	Minor works and renewals to UPark properties as identified in Property Condition Audits.	\$100,000	\$100,000
P24	UPark - Rundle Facility Renewals	Asset renewals as identified in CBD Property Condition Audit.	\$1,000,000	\$1,000,000
P25	UPark - Gawler Place Facility Renewals	Asset renewals as identified in CBD Property Condition Audit. Works to replace and repair plant associated with the lifts in 2011/12	\$200,000	\$200,000

# capital works program

Project ID	Project Name	Project Description	2011/12 Gross Cost	2011/12 Net Cost
<b>Capital - Asset Renewal Programs</b>				
<b>Property Program (Cont.)</b>				
P26	Wingfield Operations - Minor Capital	Works to include the resurface of access roads within the site and minor repairs/renewals.	\$100,000	\$100,000
P27	Aquatic Centre Roof Refurbishment	As per Council decision.	\$700,000	\$700,000
<b>Total - Property Program</b>			<b>\$5,560,000</b>	<b>\$5,540,000</b>
<b>Plant &amp; Equipment Program</b>				
PE1	Plant and Equipment	Replacement of Corporation Major Plant, Light Fleet and Minor Equipment.	\$3,424,000	\$2,100,000
PE2	Library Stock Purchases	Ensure collection is responsive and relevant to the information needs of the customers. External funding is guaranteed (exact amount is under current negotiation but estimated to be similar to 2010/11 (\$370K)), net cost to Council is \$0.	\$370,000	\$0
<b>Total - Plant &amp; Equipment Program</b>			<b>\$3,794,000</b>	<b>\$2,100,000</b>
<b>IT Systems Program</b>				
IT1	Corporate Applications Upgrade	Ongoing program to upgrade corporate applications. Scope for 2011 2012 includes: 1. Migration of 3D City Model to in-house hosting 2. Migration of EEMS to in-house hosting 3. GIS aerial photo update 4. GIS metadata and cleansing 5. Pathway licensing enhancements	\$90,000	\$90,000
IT2	Corporate Asset Management System Upgrade	Major system upgrade of the Corporate Asset Management System. Accompanied with improved business processes (in scope) will provide an effective end to end (life cycle) management system with links to other key corporate applications (GIS, Finance). Will enable the introduction and integration of the Asset Management system and the use of mobile comms for field staff in out years.	\$290,000	\$290,000
IT3	Corporate PC and Desktop Replacement	Ongoing PC and desktop replacement program in line with 4-year PC replacement strategy. Scope for 2011 2012 includes: 1. Replace 210 standard PCs 2. Replace 8 laptops 3. Replace obsolete peripherals (scanners) 4. PC Roll-out	\$470,000	\$470,000
IT4	Desktop Software Licence Upgrade	Ongoing upgrade of Microsoft and other desktop software licence. Scope for 2011 2012 includes: 1. Microsoft Enterprise Agreement	\$290,000	\$290,000
IT5	Internet/Intranet Upgrade	Ongoing program to upgrade Internet websites and Intranet. Scope for 2011 2012 includes: 1. SharePoint upgrade to 2010 2. Library rostering system enhancement 3. GIS entertainment display	\$150,000	\$150,000

# capital works program

Project ID	Project Name	Project Description	2011/12 Gross Cost	2011/12 Net Cost
<b>Capital - Asset Renewal Programs</b>				
<b>IT Systems Program (Cont.)</b>				
IT6	Major System Replacement/Upgrade	Major system upgrade/replacement. Scope for 2011 2012 includes: 1. Televantage call centre management system replacement	\$210,000	\$210,000
IT7	Mobile Computing	Deploy mobile computing solutions to support mobile workforce. Scope for 2011 2012 includes: 1. LRD in-vehicle trial 2. City Design and Character mobile devices 3. Upgrade 40 standard PCs to tablets for corporate staff	\$85,000	\$85,000
IT8	Network Connectivity and Security	Ongoing program to replace obsolete network equipment and upgrade security. Scope for 2011 2012 includes: 1. Install 2 10GB network switches to support increased traffic 2. Procure 1 48-port switch to service CLC 3. Grote St UPark UPS warranty extension 4. Conduct network security audit 5. 10GB network backbone upgrade 6. Conduct IPv6 readiness assessment	\$150,000	\$150,000
IT9	Printer and Photocopier Replacement	Ongoing program to replace printers and photocopiers in line with network printing strategy: 1. Replace 9 general use MFDs 2. Replace 2 plotters (CLC7, EC2)	\$190,000	\$190,000
IT10	Public Libraries PC Replacement	Ongoing PC replacement in Public Libraries in line with 4-year PC replacement strategy: 1. Replace 53 public access PCs	\$140,000	\$140,000
IT11	Server Replacement	Ongoing program to replace obsolete and out of warranty servers (more than 4 years old) and other data centre equipment. Scope for 2011 2012 includes: 1. Replace 3 high-end servers 2. Replace 4 mid-range servers 3. Replace CX300 SAN (Storage Area Network) 4. Warranty extension on 7 servers 5. Warranty extension on computer room main UPS 6. Improvement to remote access	\$270,000	\$270,000
IT12	Strategic Improvement projects	Strategic ICT improvement initiatives. Scope for 2011 2012 includes: 1. CRM implementation phase 1 2. Online services extension (online forms extension, online payments, ePathway infringements)	\$390,000	\$390,000
IT13	Telecommunications System Upgrade	Ongoing program to upgrade telephone systems. Scope for 2011 2012 includes: 1. Deploy LINC infrastructure for IP phones deployment	\$60,000	\$60,000
<b>Total - IT Systems Program</b>			<b>\$2,785,000</b>	<b>\$2,785,000</b>
<b>Total - Asset Management Renewal Programs</b>			<b>\$23,546,000</b>	<b>\$21,585,000</b>

# capital works program

Project ID	Project Name	2011/12 Gross Cost	2011/12 Net Cost
<b>2010-11 Capital Program Carry Forwards</b>			
<b>Strategic Property Portfolio</b>			
	Sturt Street Affordable Housing	\$7,200,000	\$7,200,000
	Whitmore Square Eco Affordable Housing	\$100,000	\$100,000
	Balfours Residential	\$100,000	\$100,000
	Strategic Property Portfolio Proceeds	\$25,000	-\$4,605,000
<b>Total - 2010-11 Strategic Property Portfolio Carry Forwards</b>		<b>\$7,425,000</b>	<b>\$2,795,000</b>
<b>Strategic Enhancements</b>			
	Rundle Mall Master Plan Implementation	\$917,000	\$917,000
	Victoria Square Upgrade Design Documentation	\$3,457,000	\$3,457,000
	Victoria Park Master Plan Implementation - Package 1	\$1,000,000	\$1,000,000
	Thebarton SA Water Site - Adelaide Park Lands	\$300,000	\$300,000
	North Terrace Upgrade (Stage 3)	\$245,000	\$245,000
	Public Art Program - New Works of Art	\$150,000	\$150,000
	Park Lands Capital Improvements	\$90,000	\$90,000
	SA Water Site - Adelaide Park Lands	\$75,000	\$75,000
	Frome Road Car Park - Restoration to Par	\$26,900	\$26,900
	Climate Change Action Initiative Aquatic Centre Cogen	\$732,300	\$732,300
	Go Green Public Lighting LED Stage 1	\$651,000	\$651,000
<b>Total - 2010-11 Strategic Enhancements Carry Forwards</b>		<b>\$7,644,200</b>	<b>\$7,644,200</b>
<b>Asset Management</b>			
	Victoria Park Heritage Grand Stand Facility Upgrade	\$20,000	\$20,000
	Aquatic Centre Roof Refurbishment and associated works	\$1,950,000	\$1,950,000
	UPark Technology upgrade (continuation program)	\$380,000	\$380,000
	Park Lands Buildings - Staff Amenities	\$324,000	\$324,000
	IT Shared Services Initiative	\$218,000	\$218,000
	Archives - Extra Storage (Stage 3)	\$190,000	\$190,000
	King William Street (Waymouth St to North Tce)	\$185,000	\$185,000
	Corporate Applications Upgrade	\$65,000	\$65,000



## capital works program

Project ID	Project Name	2011/12 Gross Cost	2011/12 Net Cost
<b>2010-11 Capital Program Carry Forwards</b>			
<b>Asset Management (Cont.)</b>			
	Town Hall - Safety Equipment Installations	\$60,000	\$60,000
	Victoria Park Heritage Grandstand	\$51,800	\$51,800
	Town Hall - Audio System Upgrade	\$45,000	\$45,000
	Strategic Improvement Projects	\$30,000	\$30,000
<b>Total - 2010-11 Asset Management Carry Forwards</b>		<b>\$3,518,800</b>	<b>\$3,518,800</b>
<b>Total - 2010-11 Capital Program Carry Forwards</b>		<b>\$18,588,000</b>	<b>\$13,958,000</b>

# strategic projects program



## strategic projects program summary

	2011-12 Gross Budget \$'000s	2011-12 Net Budget \$'000s
<b>Strategic Projects - Creating Our Future - Council Programs</b>		
Populous Capital City	586	586
Unique Heritage, Parklands & City Design	1,851	1,851
Accessible and Connected Capital City	957	957
Culturally Vibrant City	3,982	4,070
Economically Prosperous City	4,544	2,160
Environmentally Sustainable City	1,488	1,488
<b>Strategic Projects - Council Programs Total</b>	<b>13,408</b>	<b>11,112</b>
<b>Strategic Projects - Delivering Our Future - Corporate Programs Total</b>	<b>1,590</b>	<b>1,422</b>
<b>Total Strategic Projects Program</b>	<b>14,998</b>	<b>12,534</b>
2010-11 Carry Forwards	1,821	1,821
<b>Total Strategic Projects Program inclusive of Carry Forwards</b>	<b>16,819</b>	<b>14,355</b>

# strategic projects program

Project Name	Project Description	2011 - 12 Gross Budget \$'000s	2011 - 12 Net Budget \$'000s
<b>Populous Capital City</b>			
<b>Residential Growth</b>			
Balfours Project Review	Legal and market advice to inform Council's options for the future of the Balfours Bus Station Redevelopment Project.	100	100
Strategic Site Assessment	Allowance for consultancy engagement for the assessment of strategic sites for the purpose of strategic land assembly. Land assembly will facilitate contingent land ownership which can be packaged and put to market for residential housing outcomes.	25	25
Noise Management / Mixed Use Management Program	An established incentive scheme to assist ratepayers who have noise attenuation issues to seek professional advice on overcoming and addressing these issues.	41	41
Residential Owner Occupier Grant	Continuation of the Owner Occupier Grant at \$100 per grant recipient.	320	320
Residential Marketing Strategy	Support good development and present Adelaide City as a desirable place to live.	100	100
<b>Total - Residential Growth</b>		<b>586</b>	<b>586</b>
<b>Populous Capital City</b>		<b>586</b>	<b>586</b>
<b>Unique Heritage Parklands &amp; City Design</b>			
<b>City Design &amp; Character - City Planning</b>			
Customer Focus Efficiencies	New ways of interacting with development application customers, particularly the way in which we communicate and through greater use of technology to keep customers informed on progress of applications. Greater engagement with development application customers, such as through focus groups with regular applicants, meetings with key development industry groups and customer surveys. Improving facilities and information in Customer Centre (e.g. computer terminal for Duty Planner usage) and on the Council website.	30	30
Structure & Precinct Planning and Development Plan	Prepare a Structure Plan to translate the 30 Year Plan for Greater Adelaide objectives and targets for the City in terms of land use, movement and design principles.	70	70
Land Use and Employment Survey	Document, analyse and share the results of the Census of Land Use and Employment.	20	20
Development Plan Amendments (Section 30 Review)	A review of the Development Plan in relation to the 30 Year Plan for Greater Adelaide's objectives and targets for the City and how the Plan needs to be modified to realise those goals.	40	40
Grants - Built Heritage Management	This is an ongoing project of Council which seeks to: * support owners in the conservation, upgrade and use of their heritage places (\$820k) * promote the City's heritage, including plaques and documents (\$90k) * provide expert advice on the impacts of development on heritage places, including heritage advice on relevant DAs (\$80k).	990	990

# strategic projects program

Project Name	Project Description	2011-12 Gross Budget \$'000s	2011-12 Net Budget \$'000s
<b>City Design &amp; Character - City Planning (continued)</b>			
The City of Adelaide Prize	To recognise a built project that demonstrates innovation and excellence in enhancing Adelaide's public realm. A fostered relationship with the design professions and in particular, the Australian Institute of Architects.	27	27
Adelaide Park Lands Authority	Adelaide Park Lands Authority operational costs, including an allocation of \$20k for marketing of the Park Lands.	100	100
Development of City Model	Enable updating of the 3D model, delivery of training for core users and supporting the increased use of the model to assist city planning (structure and precinct planning, population scenarios, design proposals), development assessment decision making, and use by Council Programs to convey information in a 'real' city context (eg Park Lands trail, Safer City audits).	45	45
Strategic Plan	Consultation, preparation, design, print and launch of the new Strategic Plan.	60	60
Strategic Research	Design and print of the Strategic Research Prospectus prepared in 2010/11. The Prospectus identifies research projects to help further the City of Adelaide.	10	10
Annual Report	Produce, design and print the 2010-11 Adelaide City Council annual report.	20	20
Park Lands Management Plan	Re-format and update the existing Community Land Management Plans (CLMPs) into a new precinct based format to reduce duplication and assist integrated planning. Together the CLMPs for the Park Lands will form the Park Lands Management Plan.	25	25
City of Adelaide Clipper Ship Sponsorship	A grant to the Clipper ship "The City of Adelaide given its significance to the history of the State and the City.	50	50
Adelaide Oral History Project	Funding a part time oral historian to progress the City's oral history collection.	40	40
<b>Total - City Design &amp; Character - City Planning</b>		<b>1,527</b>	<b>1,527</b>
<b>Design &amp; Character - City Design</b>			
CLC Ground Floor Redevelopment	Investigate and undertake the staged implementation of the re-development of the ground floor CLC area including internal and external spaces, which: * showcases Council's activities, events, strategic directions and achievements in a more engaging and dynamic way * provides a much stronger, inviting and innovative public interface	25	25
Annual Public Art Program - New Non Capital	Continuing delivery of 2008-2013 Five Year Public Art Plan.	284	284
Public Art - Murals	Delivery of Street Art murals on Council owned properties.	15	15
<b>Total—Design &amp; Character - City Design</b>		<b>324</b>	<b>324</b>
<b>Unique Heritage Parklands &amp; City Design</b>		<b>1,851</b>	<b>1,851</b>



# strategic projects program

Project Name	Project Description	2011-12 Gross Budget \$'000s	2011-12 Net Budget \$'000s
<b>Accessible and Connected Capital City Accessible City</b>			
Free City Bike Scheme	Maintain existing Free City Bike scheme and increased number of nodes from which bikes can be hired, as well as increased number and range of bikes available.	150	150
Adelaide Connector Bus Service	The Connector Bus provides a free bus service to the community linking major facilities in North Adelaide and the CBD.	542	542
Integrated On-Street Parking Solution - Business Case	Development of the 'Integrated On Street Parking Solution' in support of the 'Integrated Movement Strategy' with implementation over a three year period.	25	25
Integrated Movement Strategy	The Integrated Movement Strategy (IMS) is one of Accessible City's key deliverables and will: * outline future directions for access and movement in the City * explore and address key traffic and transport issues in the City * guide transport planning and infrastructure investments in the City	200	200
City/lan	Ongoing expansion of the free City LAN WiFi service to cover additional public realm areas.	40	40
<b>Total - Accessible City Accessible and Connected Capital City</b>		<b>957</b>	<b>957</b>
<b>Culturally Vibrant City Vibrant City</b>			
Sponsorship Funding	Promote the City of Adelaide locally, nationally and internationally by supporting a diverse range of cultural, social and sporting events staged within the Adelaide City Council boundary.	1,290	1,290
Gala Concerts	Delivery of a program of gala concerts in Town Hall incorporating the organ recitals and concerts including City of Adelaide bands, choir groups and other performers. It replaces a number of separate projects (including Organ Recitals and Senior Citizens Concerts).	73	60
Sustainable Events	Undertake research and audit of the current practices of events in the City to ascertain their level of sustainability and investigate opportunities and incentives that will encourage and assist event organisers to be more sustainable.	5	5
Public Space Activation	Assist in delivering a range of programs that activates the public realm.	30	30
Arts and Living Culture Program	The Arts and Living Culture Grants provide funding to eligible individuals, groups and organisations on either a one-off or a partnership basis. The grants assist art and cultural groups and organisations to deliver inspiring art and living culture activities, events or programs which make a positive creative contribution to the City.	150	150

## strategic projects program

Project Name	Project Description	2011-12 Gross Budget \$'000s	2011-12 Net Budget \$'000s
<b>Vibrant City (continued)</b>			
ANZAC Day	Provide the annual ANZAC Day Dawn Service and Parade with support through the provision of operational services and infrastructure to assist the RSL to deliver this important ceremonial event.	20	20
Australia Day/Flag Raising & Citizenship Ceremony	Deliver the annual Australia Day in the City celebrations which includes a street parade followed by a free family concert in Elder Park and fireworks at the conclusion of the event. This event is delivered in partnership with the Australia Day Council of SA.	165	165
New Years Eve Elder Park Celebrations	Deliver the annual New Year's Eve celebrations. This event involves a concert in Elder Park, including children's entertainment and family fireworks at 9pm, followed by performances by bands and culminating in the midnight fireworks display over the Torrens River to herald the start of the New Year.	160	160
Adelaide Convention Bureau Funding	Deliver core funding to the Adelaide Convention Bureau. It does not include funding of actual conferences or business events nor assistance/sponsorship of conferences.	300	300
Strategic Support - Sponsored Events	Optimise ACC's general exposure and provide opportunity for ACC events, programs and activities to receive public exposure. The project assists in delivering some of the requirements set out in the sponsorship agreements and strategic partnerships that are entered into by event organisers and ACC.	75	75
Christmas Pageant & Complementary Activities	Deliver a temporary grandstand and associated infrastructure for the guests of the Lord Mayor to view the annual Christmas Pageant.	20	20
Renew Adelaide	An urban renewal innovation which places artists, community projects and creative initiatives into empty or underused spaces at low or no cost with a target of renewing 4 spaces (minimum) a year.	50	50
<b>Total - Vibrant City Active City</b>		<b>2,338</b>	<b>2,325</b>
North Adelaide Golf Course Strategic Review	Conduct a strategic review of the current North Adelaide Golf Course operations including facilities, services, resources and industry trends to ensure relevant operations in line with the industry demands and future direction.	25	25
Recreation and Sports Grants	Provide funding to eligible clubs, groups and organisations to offer a diverse and interesting range of opportunities for the community to be active and participate in recreation and community sports programs and events and to improve the provision of recreation and sport facilities within the City.	150	150
<b>Total - Active City</b>		<b>175</b>	<b>175</b>

# strategic projects program

Project Name	Project Description	2011-12 Gross Budget \$'000s	2011-12 Net Budget \$'000s
<b>City Community</b>			
HACC Review	Conduct Stage 2 Review of the Home and Community Care Program including auditing and implementation of new National Community Care Common Standards and implementation of ongoing efficiency measures.	10	10
North Adelaide Library Design Study Implementation	Implement outcomes of a design study to optimise space arrangements and customer service outcomes at the Tynte Street Library and the North Adelaide Community Centre.	20	20
Future Library Business Case	Conduct a range of feasibility research projects, including the development of a business case for Council's Library Service that present a range of options to be considered.	25	25
10 Year Anniversary Celebration of Volunteer Program	Commemorate the 10 year anniversary of the International Year of the Volunteer by working with Volunteering SA, Office for Volunteers and other LGAs to acknowledge and celebrate volunteering in SA.	5	5
South West Community Centre	Ongoing operation of South West Community Centre.	112	105
Community Development Grants Program	Provide funding support for events, activities and programs that respond to reconciliation, homelessness, social isolation, disadvantage and poverty in the city.	450	450
Vulnerable and Homeless People Project	This project addresses neighbourhood, public space and communication issues in the City that result from homeless and other vulnerable people camping and/or congregating in the Park Lands. In addition the project will reduce rough sleepers in the City of Adelaide by providing timely referrals to relevant agencies and monitoring progress.	72	36
NAIDOC Week Celebrations	NAIDOC Lord Mayor's Aboriginal Flag Raising & Morning Tea ceremony at the Town Hall.	20	20
North Adelaide Community Centre	Ongoing operation of North Adelaide Community Centre.	170	140
Discretionary Rate Rebate	Allocation for the granting of Discretionary Rates Rebates under delegation at discretion of Council relating to organisations which provide community and educational and educational services.	0	225
Box Factory	Ongoing operation of Box Factory.	179	173
Aboriginal Employment Action Plan	Increase the number of Aboriginal trainees employed at Council and employ one graduate. Deliver cultural awareness training across the Corporation.	100	100
Community Engagement Strategy - Comm & Engagement Program	Implementation of Community Engagement Framework including development of web presence, staff guide and training in engagement techniques and use of online and social media.	30	30
Community Calendar & Feature Activities – Fair Trade & Neighbour Day	Deliver an expanded Community Calendar in both on-line and printed format and deliver feature community focused activities such as of Neighbour Day, Library Lovers Week, Fairtrade Fortnight and Seniors Week.	25	25
<b>Total - City Community</b>		<b>1,217</b>	<b>1,364</b>

## strategic projects program

Project Name	Project Description	2011 -12 Gross Budget \$'000s	2011 -12 Net Budget \$'000s
<b>Safer City</b>			
Managed Taxi Ranks	Provision of two more managed taxi ranks to enable safer dispersal from City entertainment precincts.	175	175
Clean Up Australia Day Activities	Promote Council in the nationwide project of Clean Up Australia.	6	6
Community Emergency Management Plan	Develop the Community Emergency Management Plan for the City of Adelaide.	45	0
Appropriate Disposal of Litter	Litter disposal solutions including public awareness to address litter disposal	25	25
<b>Total - Safer City</b>		<b>251</b>	<b>206</b>
<b>Culturally Vibrant City</b>		<b>3,982</b>	<b>4,070</b>
<b>Economically Prosperous City</b>			
<b>Economic Development</b>			
Investment Attraction Innovation and Local Area Activation Program	<p>Target best practice, leading edge technologies, skills, experience, knowledge, brands and individuals to stimulate investment in the City and provide new business opportunities for existing city businesses. The project will:</p> <ul style="list-style-type: none"> <li>* partner with other Government organisations to produce a compelling offer to attract excellence</li> <li>* provide measure of support to accelerate start up or adoption of excellence</li> <li>* offer case management support to assist with relocation and investment activities</li> </ul> <p>The project will provide financial and non-financial support to:</p> <ul style="list-style-type: none"> <li>* assist business in their relocation or expansion activities to a city location</li> <li>* develop innovative ideas or business opportunities that contribute to the growth of the City's key sectors and its businesses</li> <li>* attract businesses to establish in underutilised places and spaces in the City</li> <li>* entrepreneurs with the upfront cost of establishing a market offering in the City</li> </ul>	115	115
Total Business Solutions	Provide information, advice and support for prospective small business owners and small business start-ups.	283	283
Visitor Information Services	Deliver a comprehensive information source on activities, accommodation, tours and attractions to visitors to the City.	166	152
Education Adelaide	Support for Education Adelaide to assist in delivering increased awareness and promotion of Adelaide as a quality education destination and the implementation of the international education Industry Plan for South Australia.	200	200
e-commerce Business Strategy	Develop a City-wide e-commerce strategy that opens City businesses to e-business opportunities. The project will gauge interest from businesses, develop a revenue model for Council, assess the development/procurement of a web delivery vehicle and ongoing support requirements, and develop a business case for decision making.	50	50

# strategic projects program

Project Name	Project Description	2011-12 Gross Budget \$'000s	2011-12 Net Budget \$'000s
<b>Economic Development (continued)</b>			
Business Capability Building	Promote and support economic prosperity, employment and investment in the city. The project will deliver workshops to improve business knowledge to assist both the start up and growth phase and mentor selected businesses to enhance growth prospects through CBD specific targeted education programs.	250	250
Rundle Mall Marketing & Management	Spend of the Rundle Mall Levy collected on marketing and event activities to promote Rundle Mall as a destination for shopping.	2,030	0
Street Markets	Seed funding for outdoor markets around the City.	30	30
Central Market Marketing	Undertake marketing activities specific to the Central Market utilising the marketing levy from the Central Market traders.	88	88
Precinct Group Support Program	Funding to the 8 Precinct Groups to deliver agreed activities.	172	172
Rundle Mall Additional Advertising	Sale of advertising space in areas such as the Rundle Mall magazine, which generates revenue to be able to conduct additional activities and events in the Mall.	237	0
Rundle Mall Subsidiary	Council administration support to the Rundle Mall Marketing & Management Subsidiary.	848	745
Rundle Mall Governance Project	To undertake a high level review of the governance and management structure of the Rundle Mall subsidiary, and possible funding models for capital upgrades to the Mall.	75	75
<b>Total - Economic Development</b>		<b>4,544</b>	<b>2,160</b>
<b>Economically Prosperous City</b>		<b>4,544</b>	<b>2,160</b>
<b>Environmentally Sustainable City</b>			
<b>Sustainable City</b>			
Business waste stream audits	Improved understanding of the composition of waste streams from small to medium enterprises, with a particular focus on food waste, enabling better diversion of food waste from landfill.	10	10
Sustainable community centres	Integration with proposed Climate Change Action Initiatives Fund sub-project to make community centres key portals to provide support to the City community in preparing for increasing utility costs (especially energy) and impacts of climate change.	15	15
Biological database	Development of a database to store records of plants and animals and to store monitoring results to enable tracking of management outcomes.	20	20



# strategic projects program

Project Name	Project Description	2011 - 12 Gross Budget \$'000s	2011 - 12 Net Budget \$'000s
<b>Sustainable City (continued)</b>			
Green Energy & Climate Change Initiatives	Delivery of Climate Change Projects including: * support to the City community in preparing for increasing utility costs (especially energy), peak oil and impacts of climate change * undertake energy master planning for the City to provide energy security and prepare for a low carbon future * implement Stage 2 of the replacement of Council's public lighting with energy efficient LEDs * detailed scoping for delivery of appropriate localised energy generation system in a Council facility * 50% green power for Council's operations	1,300	1,300
Adelaide Sustainable City Incentives	* Assist the City community to reduce their energy use, carbon emissions and mains water use * Assist volunteer groups to undertake activities that contribute to Council's environmental objectives, including remnant vegetation management and revegetation activities * Promote behaviour change to optimise environmental benefit	50	50
Green Office Program	* Reduce the carbon emissions from the City's commercial building tenancies * Foster a network of City office tenants committed to improving energy efficiency and reducing carbon emissions	85	85
Small Business Sustainability Support	Direct advice for small businesses at the Central Market on measures to reduce energy use, electricity costs and achieve efficiencies in water use and waste diversion.	8	8
<b>Total - Sustainable City</b>		<b>1,488</b>	<b>1,488</b>
<b>Environmentally Sustainable City</b>		<b>1,488</b>	<b>1,488</b>
<b>Deliver for Council</b>			
<b>Marketing, Creative &amp; Media Program</b>			
Council Brand Development	Create a consistent look and feel for ACC products and services.	50	50
City Brand Concept Development	An integrated approach to branding and marketing the City.	57	57
Marketing the Council	Promote Council and what it does.	50	50
Christmas City/Precinct Promotions & Decorations	Christmas decorations and themes across the City, to attract visitors and shoppers.	100	100
Rundle Lantern Management	Continuation of the Rundle Lantern.	40	40
<b>Total - Marketing, Creative &amp; Media Program</b>		<b>297</b>	<b>297</b>

# strategic projects program

Project Name	Project Description	2011-12 Gross Budget \$'000s	2011-12 Net Budget \$'000s
<b>Capital Works &amp; Infrastructure Management</b>			
Water Quality Improvement	Ongoing monitoring of water quality and groundwater monitoring associated with the GAP water and water quality in the Torrens Lake.	100	100
<b>Total - Capital Works &amp; Infrastructure Management</b>		<b>100</b>	<b>100</b>
<b>Deliver for Council</b>		<b>397</b>	<b>397</b>
<b>Deliver for the Corporation</b>			
<b>Strategic Asset &amp; Property Management</b>			
Groundwater Contamination Monitoring	Legislative requirement to monitor groundwater for contaminated sites.	235	235
KPMG recommendation – Property Mgt outsourcing	Transition of non-core property management to outsourced providers to reduce administrative burden to provide greater scope for strategic asset management activities.	25	25
KPMG recommendation – maximise Strategic Assets returns	Delivery of those components of the Strategic Property Assets and Businesses Review specifically prioritised for 2011/12.	100	100
Gap analysis in Park Lands Buildings Audit	External consultant to identify any gaps in the Park Lands Building Audit conducted internally and refine procedure for remaining audits.	20	20
Park Lands Property Strategy Development & Implementation	Development and implementation of Park Lands Property Strategy.	100	100
Implement Central Market Management Model	Enact Council's decision in relation to the establishment of a revised Operating and Management Model for the Adelaide Central Market.	150	150
Community Facilities Staff Safety Review	Review the safety and security of all community facilities which are managed by staff and volunteers to identify potential OHW&S issues.	15	15
<b>Total - Strategic Asset &amp; Property Management</b>		<b>645</b>	<b>645</b>
<b>Strategic Procurement &amp; Contract Management</b>			
G6 Coordinator & Support	Ongoing participation in G6 Purchasing Group which aims to: * identify and implement new G6 contracts to generate cost savings for the G6 Councils * create revenue for the G6 group by liaising with non G6 Councils to promote the value of accessing G6 contracts for an agreed fee * ensure best practice supplier relationship management for ongoing G6 contracts through leadership of G6 User Groups and through direct management of high risk contracts.	167	0
<b>Total - Strategic Procurement &amp; Contract Management</b>		<b>167</b>	<b>0</b>
<b>Deliver for the Corporation</b>		<b>812</b>	<b>645</b>

## strategic projects program

Project Name	Project Description	2011-12 Gross Budget \$'000s	2011-12 Net Budget \$'000s
<b>Deliver for our People</b>			
<b>Information &amp; Communication Technology</b>			
Smart Cities Action Plan	investigate a range of technology opportunities such as NBN and Cisco 'Mesh' as well as exploring opportunities to partner with the Federal, State and other local government authorities and the private sector.	80	80
<b>Information &amp; Communication Technology</b>		<b>80</b>	<b>80</b>
<b>Deliver for our People</b>		<b>80</b>	<b>80</b>
<b>Offices</b>			
<b>Office of the CEO</b>			
Adelaide Oval Planning	Deliver high level concept and detailed plans in relation to the Adelaide Oval Precinct development including execution of activity in design, development approval and consultation.	300	300
<b>Total - Office of the CEO</b>		<b>300</b>	<b>300</b>
<b>Offices</b>		<b>300</b>	<b>300</b>
<b>Strategic Projects</b>		<b>14,998</b>	<b>12,534</b>

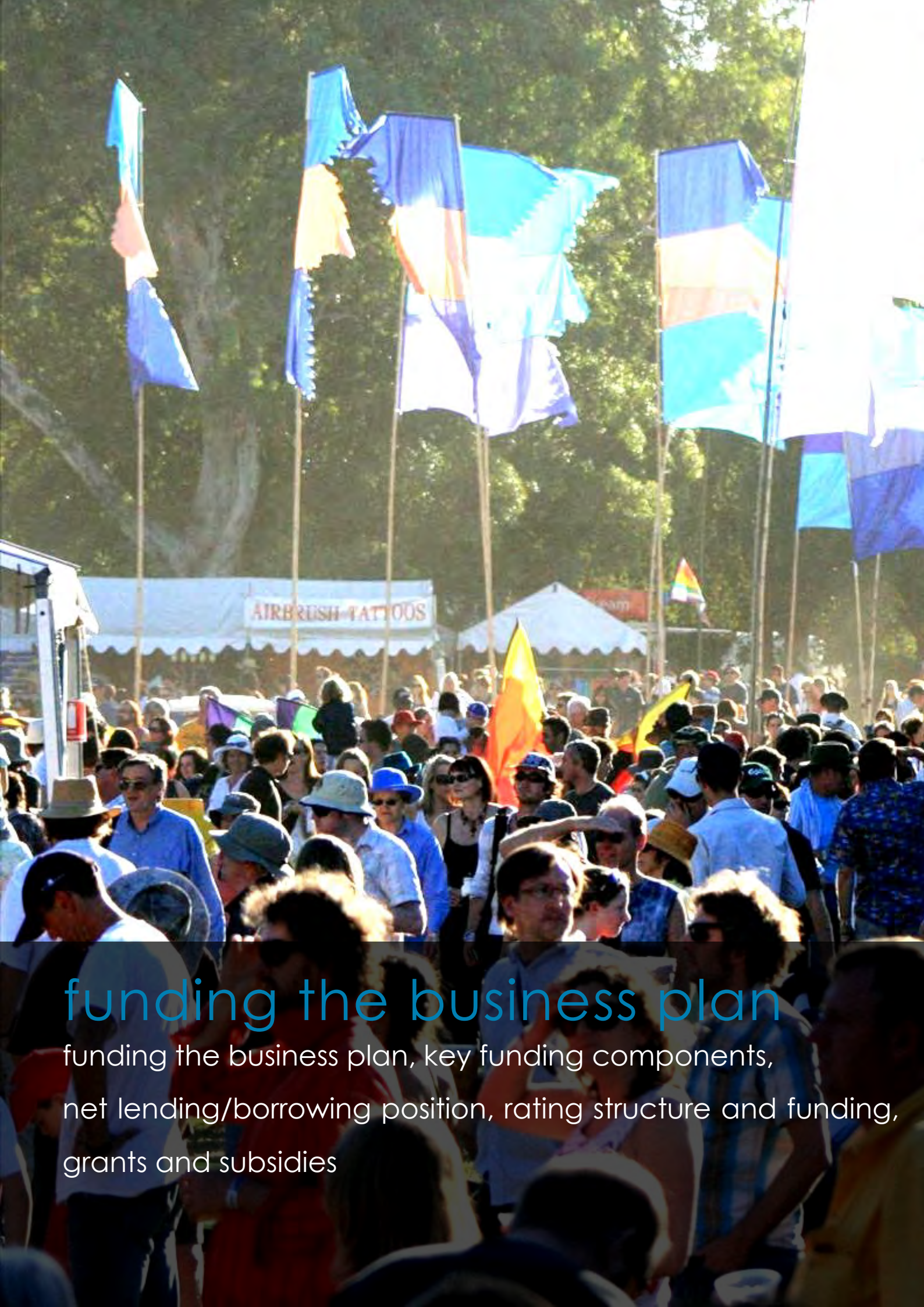
# strategic projects program

Project Name	2011-12 Gross Budget \$'000s	2011-12 Net Budget \$'000s
<b>2010-11 Strategic Projects Program Carry Forwards</b>		
<b>Populous Capital City Residential Growth</b>		
Wingfield Dean Rifle Range Review	470	470
<b>Total - Residential Growth</b>	<b>470</b>	<b>470</b>
<b>Populous Capital City</b>	<b>470</b>	<b>470</b>
<b>Unique Heritage Parklands &amp; City Design City Design &amp; Character - City Planning</b>		
City Heritage Development Plan Amendments	63	63
Late Night Licensed Premises DPA	26	26
Mainstreet Heritage and Character Buildings Restoration Program	250	250
<b>Total - City Design &amp; Character - City Planning Design &amp; Character - City Design</b>	<b>339</b>	<b>339</b>
CLC Ground Floor Redevelopment	71	71
Integrated Design Strategy	150	150
<b>Total - Design &amp; Character - City Design</b>	<b>221</b>	<b>221</b>
<b>Unique Heritage Parklands &amp; City Design</b>	<b>560</b>	<b>560</b>
<b>Culturally Vibrant City City Community</b>		
Aboriginal Employment Action Plan	25	25
City Community - Feasibility Research	10	10
<b>Total - City Community</b>	<b>35</b>	<b>35</b>
<b>Culturally Vibrant City</b>	<b>35</b>	<b>35</b>
<b>Economically Prosperous City Economic Development</b>		
Precinct Group Support Program	20	20
City of Adelaide Branding Strategy	30	30
City of Adelaide Retail Strategy	40	40
<b>Total - Economic Development</b>	<b>90</b>	<b>90</b>
<b>Economically Prosperous City</b>	<b>90</b>	<b>90</b>

# strategic projects program

Project Name	2011-12 Gross Budget \$'000s	2011-12 Net Budget \$'000s
<b>2010-11 Strategic Projects Program Carry Forwards (Cont.)</b>		
<b>Environmentally Sustainable City Sustainable City</b>		
Reduce Energy and Emissions from Council Buildings	58	58
<b>Total - Sustainable City</b>	<b>58</b>	<b>58</b>
<b>Environmentally Sustainable City</b>	<b>58</b>	<b>58</b>
<b>Deliver for Council Finance &amp; Risk</b>		
Risk Initiatives Project	140	140
<b>Total - Finance &amp; Risk</b>	<b>140</b>	<b>140</b>
<b>Deliver for Council</b>	<b>140</b>	<b>140</b>
<b>Deliver for our Partners Marketing, Creative &amp; Media Program</b>		
Marketing The City	38	38
<b>Total - Marketing, Creative &amp; Media Program</b>	<b>38</b>	<b>38</b>
<b>Deliver for our Partners</b>	<b>38</b>	<b>38</b>
<b>Deliver for our People People &amp; Culture</b>		
Organisational Development Initiative	300	300
<b>Total - People &amp; Culture</b>	<b>300</b>	<b>300</b>
<b>Information &amp; Communication Technology</b>		
One Team Strategy ICT - Online Services	50	50
<b>Total - Information &amp; Communication Technology</b>	<b>50</b>	<b>50</b>
<b>Deliver for our People</b>	<b>350</b>	<b>350</b>
<b>Offices</b>		
<b>Office of Corporate &amp; Project Management</b>		
Project Management Platform	80	80
<b>Total - Office of Corporate &amp; Project Management</b>	<b>80</b>	<b>80</b>
<b>Offices</b>	<b>80</b>	<b>80</b>
<b>2010-11 Strategic Projects Program - Total Carry Forwards</b>	<b>1,821</b>	<b>1,821</b>





# funding the business plan

funding the business plan, key funding components,  
net lending/borrowing position, rating structure and funding,  
grants and subsidies





# funding the business plan

Funding for Council's Business Plan comes from two main sources:

- ▶ Funds from Operations
- ▶ Funds from Borrowing

Funds from Operations result from the net contribution (Revenue less Expenditure) from Council's Services and Business Operations.

Services cover the core operations of Council. Revenue sources for this category include General Rates as well as Grants and Other Revenue from fees and charges related to Council operations and other related responsibilities. The Other Revenue from Services relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services as well as statutory charges set by State Government.

Council's Business Operations consist of the Adelaide Aquatic Centre, North Adelaide Golf Course, Adelaide Town Hall, Properties Portfolio including the Central Market, UPark, and the Wingfield Waste and Recycling Centre.

The diagram over outlines the key funding components of the 2011–2012 Budget.

# key funding components

SERVICES & TREASURY REVENUE \$116.7m					
Services - General Rates \$79.5m			Services & Treasury - Other Revenue \$37.2m		
↓					
less SERVICES & TREASURY EXPENDITURE \$82.9m					
Services \$79.6m			Treasury \$3.3m		
↓					
= NET SERVICES \$33.8m					
↓					
plus NET BUSINESS OPERATIONS \$16.0m					
↓					
= FUNDING FROM OPERATIONS \$49.8m					
Net Services \$33.8m			Net Business Operations \$16.0m		
↓					
plus FUNDING FROM BORROWINGS & REDRAWS \$24.0m					
Victoria Square \$4.1m	Short Term Borrowing Rundle Street \$1.0m		Carry Forward Redraws \$15.8m		Other Redraws \$3.1m
↓					
= NET OUTLAYS Including Carry Fwds \$73.8m					
NET PROJECT OUTLAYS \$73.4m					LOAN OUTLAYS \$0.4m
Strategic Projects (incl carry fwds) \$14.3m	Strategic Enhancements \$18.5m	Program Mgt \$5.0m	Asset Renewal \$21.6m	Carry Forwards \$14.0m	Principal Repayment \$0.4m

# net lending/borrowing position

Council's net lending/borrowing position for the Budget year is partly related to the impact of strategic property transactions. In circumstances where there is a net expenditure resulting from these strategic property transactions, borrowings will be required. When strategic property proceeds exceed expenditure for the year a net lending result occurs and borrowings are decreased. This is in accordance with Council's Strategic Financial Parameters.

In the 2011-12 Council will borrow as a result of Strategic Property expenditure exceeding Strategic Property proceeds arising from the sale of strategic assets. Accordingly our borrowings will increase to \$58.2m in the short term.

The major Strategic Property expenditure in the 2011-12 Budget year is to acquire a strategic asset that will generate a return which at least equal the cost of funds. Council will also borrow for the Victoria Square public realm project.



The diagram below outlines the key components that make up Council's 2011-12 Budget Net Borrowing position. It also shows that Council will have an estimated net borrowing position for 2011-12 of \$51.0m (resulting in an increase in net financial liabilities and borrowings of this amount). This will result in forecast borrowings at the end of June 2012 of \$58.2m.

FUNDING FROM BORROWINGS \$35.5m				FUNDING OF CARRY FORWARDS & REDRAWS \$18.9m	less REPAYMENT OF BORROWINGS (\$3.4m)	
VICTORIA SQUARE \$4.1m	LOAN ROLLOVER \$3.0m	SHORT TERM BORROWING RUNDLE ST \$1.0m	NET STRATEGIC PROPERTY \$27.4m	CARRY FORWARDS & REDRAWS \$18.9m	LOAN ROLLOVER REPAYMENT (\$3.0m)	PRINCIPAL REPAYMENT (\$0.4m)
= NET BORROWINGS OF \$51.0m						

OPENING BORROWINGS \$7.2m	CLOSING BORROWINGS \$58.2m
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## Financing the Budget

The following table shows a comparison of the 2011-12 Budget Net Lending (Borrowing) position to prior years.

Net Lending/(Borrowing)	2011-12 Budget \$'000	2010-11 Budget \$'000	2009-10 Actual \$'000
Operating Surplus	9,420	10,387	8,455
Non-cash Adjustments	1,000	1,000	4,481
<b>Funding Surplus</b>	<b>10,420</b>	<b>11,387</b>	<b>12,936</b>
Net Outlays on Existing Assets	(542)	981	788
Net Outlays on New and Upgraded Assets	(60,911)	17,991	(13,267)
<b>Equals: Net Lending/(Borrowing)</b>	<b>(51,033)</b>	<b>30,359</b>	<b>457</b>

Financing transactions associated with applying the net lending result in 2011-12 are set out in the following table:

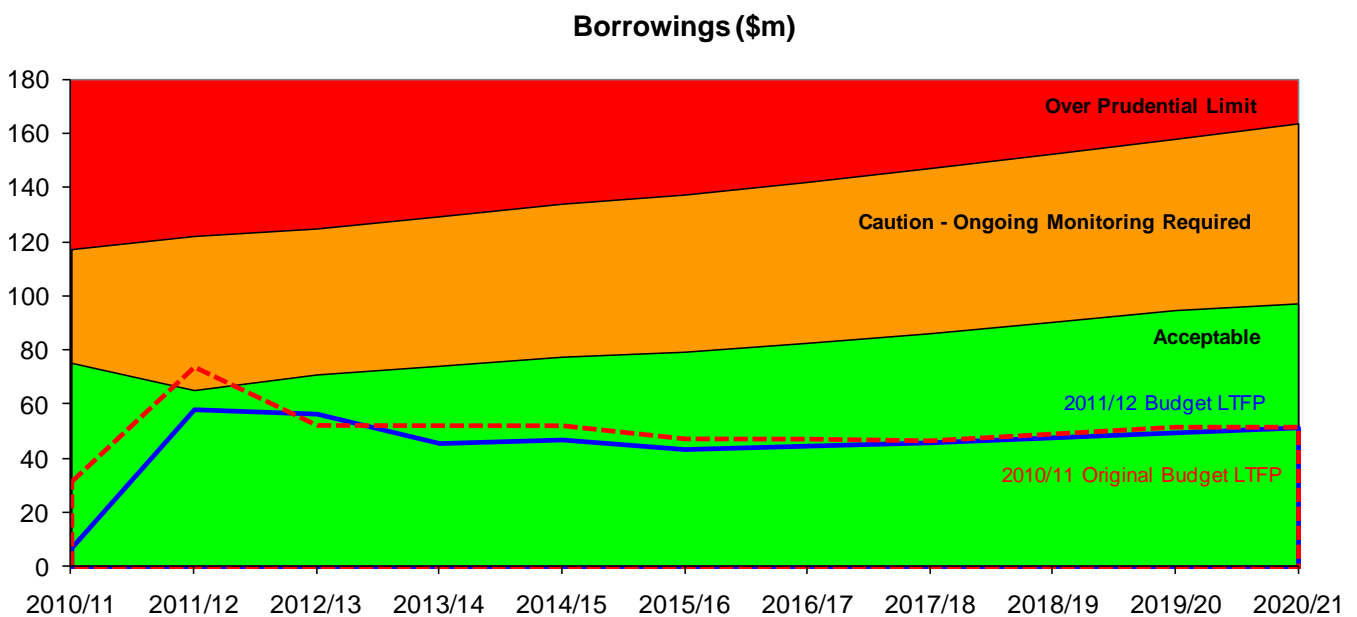
Financing Transactions	2011-12 Budget \$'000	2010-11 Budget \$'000	2009-10 Actual \$'000
New Borrowings including Roll Overs	35,532	8,140	8,494
Redraw of Carry Forwards	15,779	2,950	0
Redraw of Prior Year Repayments	3,104	0	0
<b>Total Borrowings and Redraws</b>	<b>54,415</b>	<b>11,090</b>	<b>8,494</b>
Repayment of Principal on Borrowings including Roll Overs	(3,472)	(38,449)	(12,536)
Other - Including the Sum of Increases in Receivables and Decreases in Payables and Provisions	90	(3,000)	4,500
<b>Equals: Financing Transactions</b>	<b>51,033</b>	<b>30,359</b>	<b>457</b>

The following table shows the prudential ratios in line with the Treasury Policy. This compares the 2011-12 budget numbers to prior years and the next five years as per the Long Term Financial Plan:

Year	Borrowings \$'000	Debt Servicing Ratio	Borrowing Rate Ratio	Net Financial Liabilities
<b>Limit =</b>		<b>25%</b>	<b>80%</b>	<b>80%</b>
2007/08 actual	44,693	4.8%	37.2%	35.7%
2008/09 actual	38,609	4.1%	29.6%	25.5%
2009/10 actual	34,567	2.3%	19.1%	44.4%
2010/11 budget	7,208	2.7%	5.4%	16.3%
<b>2011/12 budget</b>	<b>58,151</b>	<b>1.1%</b>	<b>38.1%</b>	<b>57.3%</b>
2012/13 forecast	56,512	4.0%	36.2%	54.5%
2013/14 forecast	45,686	2.8%	28.3%	46.2%
2014/15 forecast	46,998	2.1%	28.1%	45.6%
2015/16 forecast	43,483	2.5%	25.3%	42.7%
2016/17 forecast	44,738	2.2%	25.2%	42.3%

### Implications for Future Years

For the period covered by the Long Term Financial Plan, the following graph shows the balance of borrowings. Based on the current parameters and assumptions, Council remain in the range of acceptable borrowings for the next 10 years.



The table below shows the details of borrowings, borrowing movements, principal repayments and interest payments for prior years' actuals and next five years as per the Long Term Financial Plan.

Year	New Borrowings (Incl. Roll Overs ) \$'000	Redraws \$'000	Principal Paid (Incl. Roll Overs) \$'000	Balance 30 June \$'000	Interest Paid \$'000
2007/08 actual	6,800	-	2,707	44,693	3,032
2008/09 actual	2,197	-	8,281	38,609	2,386
2009/10 actual	8,494	-	12,536	34,567	2,162
2010/11 budget	8,140	2,950	38,449	7,208	1,815
<b>2011/12 budget</b>	<b>35,532</b>	<b>18,883</b>	<b>3,472</b>	<b>58,151</b>	<b>3,007</b>
2012/13 forecast	9,318	-	10,958	56,512	4,110
2013/14 forecast	-	-	10,826	45,686	3,661
2014/15 forecast	2,500	-	1,187	46,998	2,963
2015/16 forecast	-	-	3,515	43,483	3,055
2016/17 forecast	2,500	-	1,245	44,738	2,832

Section 5 on Financial Sustainability also provides further information in relation to the targets for Net Financial Liabilities which the local government sector has endorsed as the appropriate indicator to assess the level of borrowings for an individual Council.

# rating structure and funding

## Rating structure

In formulating the Rating Structure for 2011-12, Council takes into account the impact of the rates structure on key parameters including Council's Strategic Directions, Business Planning, and Budget Process. This framework allows Council to develop a rates structure that takes into consideration both the Strategic Focus and service delivery of Council.

In setting its proposed rates for the 2011-12 financial year, Council has considered the amount of revenue required to fund the delivery of services and activities set out in the budget. Council has taken into account other sources of revenue and the distribution of rate contributions between various categories of ratepayers.

## General Rates Income

Net general rate revenue of \$79.291m is planned for 2011-12, an increase of \$3.977m compared with 2010-11. This reflects an increase of 3.30% in valuation, a 2% increase in the rate in the dollar, and approximately 1.40% of new development growth.

Further analysis has indicated for residential properties, an average valuation increase of 3.22% with growth of 2.59%. For non-residential properties, representing 80% of the overall valuation, the average valuation increase is 3.32% with growth of 1.06%. The increases have been considered in light of the South Australian CPI, the Local Government Price Index and the Council's consultation on this document.

The Budget has been formulated on the basis of increasing differential rates in the dollar for residential and non-residential property by 2% when compared to 2010-11, namely 0.11847 for residential and 0.13702 for non-residential.



In terms of rates modelling the following was observed for residential properties valuations:

- ▶ Over 2,300 assessments (21% of all assessments will have a rates increase of **less** than 2%)
- ▶ Over 4,100 assessments (38% of all assessments will have a rates increase of **less** than 5%)
- ▶ Over 6,400 assessments (60% of all assessments will have a rates increase of **less** than 6%)
- ▶ Over 500 assessments (4% of all assessments will have a rates increase of **greater** than 10%)

Review indicates that the majority of assessments with a value increase of greater than 10% are for valuation corrections from previous years or property improvements. For the average Residential property in Adelaide City Council this represents an increase in the Council rates payable of \$72 per annum.

In terms of rates modelling the following was observed for non-residential properties valuations:

- ▶ Over 2,500 assessments (26% of all assessments will have a rates increase of **less** than 3%)
- ▶ Over 3,900 assessments (42% of all assessments will have a rates increase of **less** than 5%)
- ▶ Over 5,100 assessments (63% of all assessments will have a rates increase of **less** than 6%)
- ▶ Over 600 assessments (5% of all assessments will have a rates increase of **greater** than 10%)

Again, the valuation quality assurance process indicates that the majority of assessments with a value increase of greater than 10% are for valuation corrections or property improvements.

Council has determined not to implement 'rate capping', preferring to offer a range of more targeted rate relief through remissions (for pensioner, low income and self funded retirees) and through the residential owner occupier grant.

Council will continue to administer the State Government funded Concession available to eligible Pensioners, Self Funded Retirees and those receiving low income benefits. This includes the provision of a 'Postponement of Rates Scheme' for eligible State Seniors Card holders. Eligible seniors may postpone rates in excess of \$500 less any concession entitlement. In addition, Council will continue to offer a discretionary Council funded remission of rates to eligible ratepayers: Pensioners (maximum of \$100), Self Funded Retirees (maximum of \$50), and low income beneficiaries (maximum of \$100).

In setting rate parameters, Council has taken into account the fact that there is a significant proportion of 'rate exempt' property within the City for which over \$20m of rate revenue is foregone. In addition, the rate revenue available for expenditure by Council is reduced by mandatory and discretionary rate rebates and remissions.

The following table provides a summary of budgeted 2011-12 general rates and associated rebates and remissions:

<u>General Rates</u>	Budget 2011-12 \$'000s	Budget 2010-11 \$'000s	Difference \$'000s
General Rates	83,272	79,131	4,141
Fines & Interest	169	163	6
<b>Total General Rates (Gross)</b>	<b>83,441</b>	<b>79,294</b>	<b>4,147</b>
<b>Less: Rebates &amp; Remissions</b>			
Hospital or health	1,280	1,290	(10)
Community service	650	515	135
Religious	725	725	-
Zoo	365	340	25
Education	830	800	30
Remission	75	75	-
<b>Total Rebates &amp; Remissions</b>	<b>3,925</b>	<b>3,745</b>	<b>180</b>
<b>General Rates (GOS Net)</b>	<b>79,516</b>	<b>75,549</b>	<b>3,967</b>
Less: Discretionary Rebates (Strategic Project)	225	235	(10)
<b>Total General Rates (Net)</b>	<b>79,291</b>	<b>75,314</b>	<b>3,977</b>

Discretionary Rates Rebates will continue to be classified as a Strategic Project within the City Community Program in 2011-12.

## Other Rates Income

Included within Other Rates Income is the separate rate collected with respect to the Rundle Mall Levy. It is proposed that the Rundle Mall Differential Separate Rate will also be maintained at the same rate in the dollar as 2010-11 (0.0264) for the relevant precinct area. This rate is budgeted to raise \$2.030m for 2011-12, compared to \$1.980m for 2010-11.

All properties are required by legislation to pay a Natural Resource Management (NRM) Levy budgeted at \$1,079k for 2011-12, a significant increase compared to \$944k for 2010-11. The Levy is a State tax which councils are obliged, by virtue of the Natural Resource Management Act 2004, to impose and collect the proceeds paid to one or more of the NRM Boards. Accordingly, Council must set a separate rate in the dollar of 0.001787 to recover this amount on behalf of the Board.





# BEFORE AND AFTER SCIENCE

2010 Adelaide Biennial of Australian Art

27 February – 2 May 2010

Free admission

adelaide  
festival







# grants and subsidies

The following table summarises all Operating and Capital grants and subsidies budgeted to be received in 2011-12. Overall grants and subsidies for 2011-12 are \$4.495m.



2011-12 Budget Grants and Subsidies	Services \$'000s	Strategic Projects \$'000s	Capital Projects \$'000s
<b>Council Programs</b>			
<b>Public Realm</b>			
Wasp Nest Removal Subsidy	4	-	-
<b>Sustainable City</b>			
Tainmundilla Revegetation	-	-	40
<b>Safer City</b>			
Community Emergency Risk Assessment and Response Plan	-	45	-
Immunisation Program	21	-	-
<b>Active City</b>			
Bonython Park Upgrade (Activity Hub)	-	-	1,018
<b>City Community</b>			
Libraries	300	-	-
HACC	188	-	-
Vulnerable and Homeless People Project	-	36	-
<b>Economic Development</b>			
Visitor Information Services	-	6	-
<b>Corporate Programs</b>			
<b>Finance &amp; Risk</b>			
Adelaide Park Lands Funding Deed	1,391	-	-
General Purpose Grant	381	-	-
<b>Strategic Asset &amp; Property Management</b>			
Central Market - Coles Verandah	-	-	20
Black Spot Funding Program	-	-	167
Cycling Black Spots Projects	-	-	80
Library Materials	-	-	370
<b>Capital Works &amp; Infrastructure Management</b>			
Local Roads Allocation	209	-	-
Major Roads Resurfacing	124	-	-
Local Roads Maintenance	95	-	-
<b>Corporation Total</b>	<b>2,713</b>	<b>87</b>	<b>1,695</b>
		<b>TOTAL</b>	<b>4,495</b>





# strategic financial framework

context, long term financial plan, 2011-12 budget build, fees and  
context, treasury policy, infrastructure and asset management  
framework, strategic enhancement program, strategic property  
analysis of capital expenditure, business plan and budget  
2011-12





and charges  
management  
y portfolio,  
framework

# context

Council's Strategic Financial Framework assists Council to confirm its capability to maintain financial sustainability and achieve its Strategic Plan key priorities through the adoption of Strategic Financial Objectives and a Long Term Financial Plan as key decision-making tools.

The Strategic Financial Objectives address the policy setting, expenditure and the funding elements in the following context:

## Overall Objective

- **Financial Sustainability** - Can we afford it in the long term?

## Policy Setting

- **Council Role** - Should we be involved? To what extent?
- Ensuring **alignment** with the **Strategic and Corporation Plan** and maintenance of high priority strategies
- **Intergenerational Equity** - Is there fairness between generations of ratepayers?

## Expenditure

- **Core Services Operating Excellence** - Have we maintained efficient and effective Council Programs and services?
- **Infrastructure Management** - Are we spending enough on existing assets?

## Funding

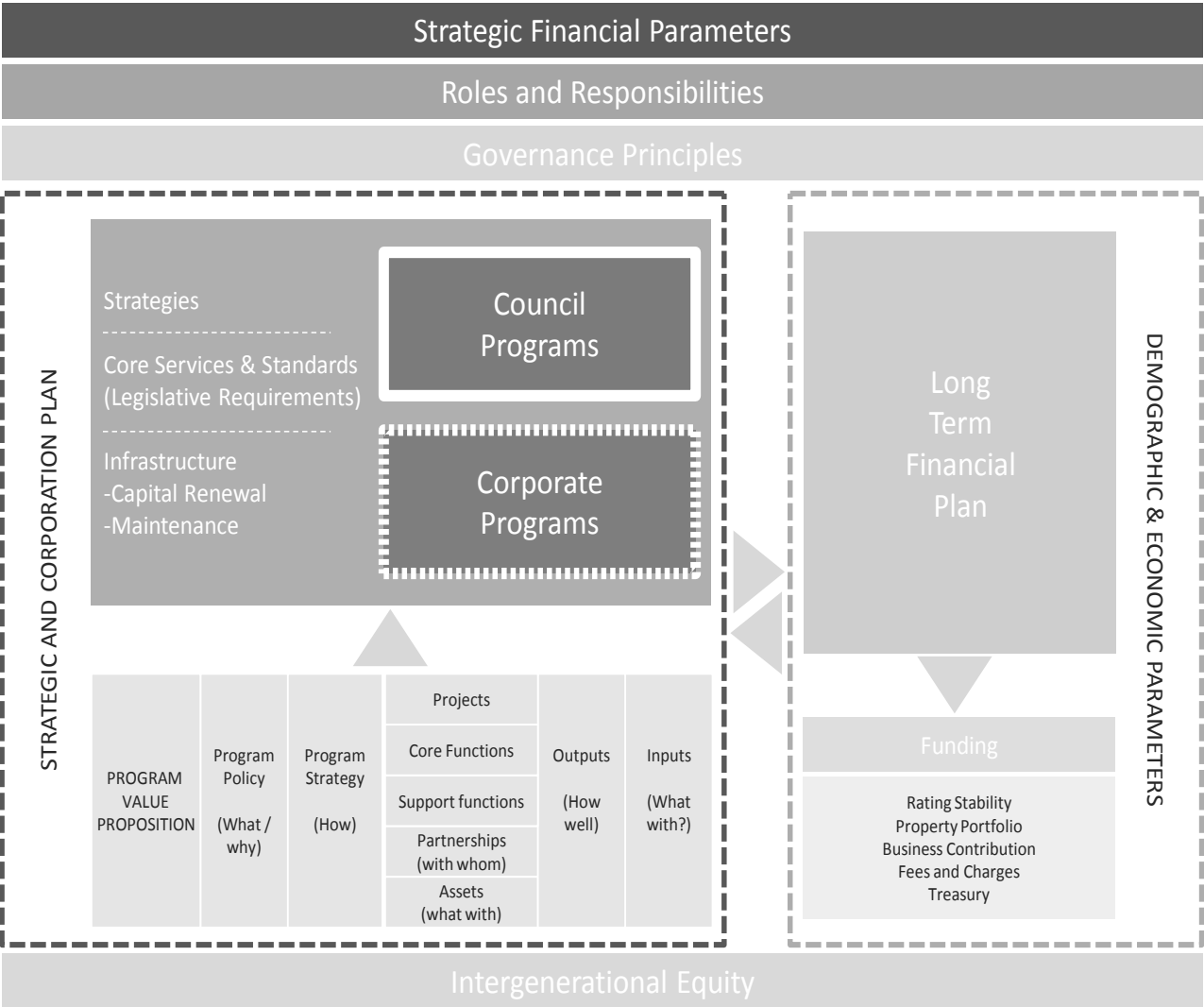
- Ensuring alignment with **funding principles**, including:
  - ◇ **Funding** - Who benefits and therefore who should pay?
  - ◇ **Rating Stability** – Has Council appropriately considered the impact on our ratepayers?
  - ◇ **Property Portfolio** – Is Council maintaining and enhancing revenue generating assets?
  - ◇ **Business Operations Contribution** –Is Council maintaining its Business Operations contribution?
  - ◇ **Borrowings and Financial Position** - When should we borrow? How much can we borrow?

Council's Strategic Plan is delivered through Programs supported by revenue and funding determined through expenditure policies and summarised in Council's Long Term Financial Plan.

The Long Term Financial Plan summarises the financial impacts of the goals and objectives of the Strategic Plan and determines the financial sustainability of the Strategic Plan. The amount of expenditure required for delivery is informed by program plans which address the Council and Corporation's key objectives in the context of agreed policies, action plans and services. These program plans are cognisant of Council's roles and responsibilities as set by legislation or Council. This sets the required expenditure to be funded from revenue raising and financing policies. Borrowings in accordance with the Treasury Policy are also used to address funding and Intergenerational issues.



The following diagram illustrates the linkages between the Council and Corporate Plans and the overall Strategic Financial Parameters, Governance Principles and Long Term Financial Plan.



Key inputs and components of the framework are:

- An assessment of Council's current financial position and achieving longer term financial sustainability
- Alignment with the Strategic Plan and Corporation Plan
- Alignment with the Governance Principles
- Meeting Strategic Financial Objectives in the medium term
- Consideration of Council's appropriate role and responsibilities
- Alignment with Council Programs
- Alignment with Corporate Programs and internal support strategies
- Alignment with agreed service provision and delivery standards
- Alignment with Revenue and Financing guidelines, including the Rating Policy and Treasury Policy
- Alignment with Infrastructure and Asset Management Plans
- Costing of proposed strategies before they are agreed

The specific assumptions and outcomes underpinning the Long Term Financial Plan are:

- Strategic Financial Objectives are assumed to operate throughout the forecast period
- Rates growth, on average, is assumed in line with forecast inflation, excluding new development
- Statutory charges reflect dollar increments or percentage increases as specified by statute
- Parking increases correspond with recommended discrete dollar increments
- Property Portfolio income and expenditure is based on estimated projections
- Strategic Projects are based on an extrapolation of ongoing and non-ongoing programs, subject to inflation and known changes
- Capital expenditure is in line with Council targets, with Asset Management expenditure based on renewal commitments and Council's adopted 10 Year Infrastructure and Asset Management Plans
- With the exception of borrowings relating to the future Victoria Square redevelopment, borrowings are assumed to be used for the Property Portfolio and other income-earning assets in line with the Strategic Financial Parameters

Future assumptions and outcomes to be incorporated into the Long Term Financial Plan include:

- The financial impacts of the introduction of a Carbon Emission tax on Council inputs and their associated cost

LONG TERM FINANCIAL PLAN											
	2010/11 Forecast \$'000	2011/12 Budget \$'000	2012/13 Plan \$'000	2013/14 Plan \$'000	2014/15 Plan \$'000	2015/16 Plan \$'000	2016/17 Plan \$'000	2017/18 Plan \$'000	2018/19 Plan \$'000	2019/20 Plan \$'000	2020/21 Plan \$'000
BUSINESS OPERATIONS (INCLUDING PROPERTY)											
Revenue	71,175	70,312	75,215	77,923	80,733	83,200	85,866	88,984	92,221	95,526	98,955
Expenditure	(55,281)	(54,266)	(56,521)	(58,379)	(60,301)	(62,428)	(64,120)	(66,238)	(68,428)	(70,681)	(73,011)
Subtotal	15,893	16,046	18,694	19,543	20,433	20,772	21,746	22,746	23,793	24,845	25,944
Attributed Treasury Management	(696)	(1,935)	(3,684)	(1,831)	(1,482)	(1,527)	(1,416)	(1,460)	(1,520)	(1,579)	(1,636)
Total Business Operations	15,197	14,111	15,009	17,713	18,951	19,245	20,330	21,286	22,273	23,266	24,308
GENERAL OPERATING SERVICES											
General Rates	75,549	79,516	82,557	85,446	88,437	89,813	92,957	96,210	99,577	103,063	106,670
Revenue	35,215	36,992	38,147	39,340	40,570	41,841	43,152	44,505	45,902	47,344	48,832
Expenditure	(76,031)	(79,645)	(82,370)	(86,231)	(90,614)	(95,230)	(99,475)	(103,821)	(108,349)	(113,098)	(118,046)
Net Treasury Management	(1,175)	(1,164)	(424)	(1,933)	(1,586)	(1,634)	(1,524)	(1,570)	(1,631)	(1,693)	(1,751)
Subtotal	33,557	35,699	37,910	36,622	36,807	34,789	35,110	35,324	35,499	35,616	35,705
AMOUNT AVAILABLE FOR PROJECTS	48,754	49,809	52,920	54,335	55,758	54,035	55,440	56,610	57,772	58,882	60,013
Strategic Projects	(9,003)	(12,534)	(10,931)	(12,804)	(13,188)	(13,584)	(13,991)	(14,411)	(14,844)	(15,289)	(15,747)
Strategic Projects Carry Forwards	(3,434)	(1,821)	-	-	-	-	-	-	-	-	-
Strategic Enhancement Program - General	(9,610)	(14,439)	(16,809)	(11,353)	(13,670)	(10,636)	(10,684)	(10,580)	(11,821)	(12,385)	(12,955)
Strategic Enhancement Program - Borrowed	(2,200)	(4,100)	(3,700)	-	-	-	-	-	-	-	-
Capital Works Program Management	(4,767)	(5,005)	(5,256)	(5,518)	(5,794)	(6,084)	(6,388)	(6,580)	(6,777)	(6,981)	(7,190)
Net Asset Management Renewal Programs	(25,655)	(21,585)	(20,609)	(21,338)	(21,918)	(22,516)	(23,131)	(23,764)	(23,664)	(23,560)	(23,454)
Capital Works Carry Forwards	-	(13,958)	-	-	-	-	-	-	-	-	-
Net Strategic Property Portfolio	36,274	(27,400)	5,364	8,165	(2,500)	2,300	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)
NET LENDING / (BORROWING)	30,359	(51,033)	979	11,486	(1,313)	3,515	(1,255)	(1,224)	(1,833)	(1,833)	(1,833)
FUNDING											
Working Capital and Provision Movements	(3,000)	90	660	(660)	-	-	-	-	-	-	-
Borrowings (Including Roll Overs)	8,140	35,532	9,318	-	2,500	-	2,500	2,500	2,500	2,500	2,500
Redraw of Carry Forwards	2,950	15,779									
Redraw of Prior Year Repayments		3,104									
Repayments	(38,449)	(3,472)	(10,958)	(10,826)	(1,187)	(3,515)	(1,245)	(1,276)	(667)	(667)	(667)
Subtotal	(30,359)	51,033	(979)	(11,486)	1,313	(3,515)	1,255	1,224	1,833	1,833	1,833
Net Surplus/ (Deficit)	0	-	-	-	0	-	-	0	-	-	(0)
Total Borrowings	7,208	58,151	56,512	45,686	46,998	43,483	44,738	45,963	47,796	49,629	51,463
Total Borrowing as % of Prudential Target	6%	48%	45%	35%	35%	32%	32%	31%	31%	31%	31%
Net Financial Liabilities	23,895	74,928	73,949	62,463	63,775	60,260	61,515	62,740	64,573	66,406	68,240

UNIFORM PRESENTATION OF FINANCES											
	2010/11 Forecast \$'000	2011/12 Budget \$'000	2012/13 Plan \$'000	2013/14 Plan \$'000	2014/15 Plan \$'000	2015/16 Plan \$'000	2016/17 Plan \$'000	2017/18 Plan \$'000	2018/19 Plan \$'000	2019/20 Plan \$'000	2020/21 Plan \$'000
Operating Revenues	152,110	156,352	164,569	170,419	176,483	180,601	186,695	193,362	200,275	207,386	214,756
Less: Operating Expenses	140,723	145,932	151,039	156,672	162,578	169,968	176,086	183,149	190,503	198,186	206,191
<b>Funding Surplus before capital amounts</b>	<b>11,387</b>	<b>10,420</b>	<b>13,530</b>	<b>13,747</b>	<b>13,905</b>	<b>10,633</b>	<b>10,609</b>	<b>10,214</b>	<b>9,772</b>	<b>9,200</b>	<b>8,565</b>
<b>Less: Net Outlays on Existing Assets</b>											
Capital Expenditure on Renewal / Replacement of Existing Assets	22,042	23,767	22,228	22,666	23,413	23,982	24,714	25,467	26,399	27,253	28,111
Less: Amounts received specifically for Renewal / Replacement Assets	-	-	(789)	(813)	(837)	(862)	(888)	(915)	(942)	(970)	(1,000)
Less: Depreciation, Amortisation & Impairment	(22,637)	(23,225)	(23,522)	(24,155)	(24,733)	(25,574)	(26,275)	(27,090)	(27,920)	(28,795)	(29,714)
Less: Proceeds from Sale of Replaced Assets	(386)	-	(1,850)	(1,906)	(1,963)	(2,022)	(2,082)	(2,145)	(2,209)	(2,275)	(2,344)
<b>Net Outlays on Existing Assets</b>	<b>(981)</b>	<b>542</b>	<b>(3,934)</b>	<b>(4,207)</b>	<b>(4,120)</b>	<b>(4,476)</b>	<b>(4,531)</b>	<b>(4,682)</b>	<b>(4,673)</b>	<b>(4,788)</b>	<b>(4,946)</b>
<b>Less: Net Outlays on New &amp; Upgraded Assets</b>											
Capital Expenditure on New / Upgraded Assets	26,513	74,810	45,477	17,425	19,638	16,704	16,713	16,578	19,246	18,799	18,333
Less: Amounts received specifically for New / Upgraded Assets	(4,505)	(1,695)	(283)	(292)	(300)	(309)	(319)	(328)	(338)	(348)	(359)
Less: Proceeds from Sale of Surplus Assets	(40,000)	(12,204)	(28,710)	(10,665)	-	(4,800)	-	(130)	(2,630)	(2,630)	(2,630)
<b>Net Outlays on New and Upgraded Assets</b>	<b>(17,992)</b>	<b>60,911</b>	<b>16,485</b>	<b>6,469</b>	<b>19,337</b>	<b>11,594</b>	<b>16,395</b>	<b>16,120</b>	<b>16,279</b>	<b>15,821</b>	<b>15,344</b>
<b>Equals: Net Lending / (Borrowing) For Financial Year</b>	<b>30,359</b>	<b>(51,033)</b>	<b>979</b>	<b>11,486</b>	<b>(1,313)</b>	<b>3,515</b>	<b>(1,255)</b>	<b>(1,225)</b>	<b>(1,834)</b>	<b>(1,833)</b>	<b>(1,833)</b>
<b>FINANCING TRANSACTIONS</b>											
New Borrowings	(11,090)	(54,415)	(9,318)	-	(2,500)	-	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)
Principal Repayments on Borrowings	38,449	3,472	10,958	10,826	1,187	3,515	1,245	1,276	667	667	667
Working Capital and Provision Movements	3,000	(90)	(660)	660	-	-	-	-	-	-	-
<b>Equals: Financing Transactions</b>	<b>30,359</b>	<b>(51,033)</b>	<b>979</b>	<b>11,486</b>	<b>(1,313)</b>	<b>3,515</b>	<b>(1,255)</b>	<b>(1,224)</b>	<b>(1,833)</b>	<b>(1,833)</b>	<b>(1,833)</b>
<b>Net Surplus/ (Deficit)</b>	<b>(00)</b>	<b>(00)</b>	<b>00</b>	<b>00</b>	<b>(00)</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>(00)</b>	<b>(00)</b>
<b>KEY FINANCIAL INDICATORS</b>											
Operating Surplus - \$'000	10,387	9,420	13,530	13,747	13,905	10,633	10,609	10,214	9,772	9,200	8,565
Operating Surplus Ratio - %	13.4%	11.6%	16.0%	15.7%	15.4%	11.6%	11.2%	10.4%	9.6%	8.7%	7.9%
Net Financial Liabilities - \$'000	23,895	74,928	73,949	62,463	63,775	60,260	61,515	62,740	64,573	66,406	68,240
Net Financial Liabilities Ratio - %	15.8%	48.3%	45.2%	36.9%	36.4%	33.6%	33.2%	32.7%	32.5%	32.2%	32.0%
Interest Cover Ratio - %	1.1%	1.9%	1.1%	0.8%	0.4%	0.4%	0.3%	0.3%	0.4%	0.4%	0.4%
ACC Asset Sustainability Ratio - %	104.6%	110.9%	110.3%	100.3%	104.9%	97.4%	110.5%	110.4%	106.8%	103.2%	99.8%
LGA Asset Sustainability Ratio - %	95.7%	102.3%	86.6%	85.9%	86.7%	85.9%	86.1%	86.1%	86.6%	86.7%	86.7%
<b>Other Strategic Financial Parameters</b>											
Real General Rates Growth	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Real User Charges Growth	0.7%	0.8%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Net Financial Liabilities / Own Source Revenue	16.3%	49.1%	47.4%	38.7%	38.1%	35.1%	34.7%	34.1%	33.9%	33.7%	33.4%
Real Increase in Property Portfolio Net Asset Value	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Real Increase in Property Portfolio Net Revenue	54.1%	-0.9%	-6.0%	15.0%	2.7%	-3.2%	1.3%	0.3%	0.2%	0.0%	0.1%
Real Increase in Fee Based Facilities Contribution	-64.9%	-94.4%	484.0%	27.3%	21.7%	18.0%	15.5%	13.5%	12.0%	10.8%	9.9%

# 2011-12 budget build

Further, in relation to strategic directions and financial strategies, Council as part of consideration of the 2011-12 budget build adopted the following specific key recommendations, namely:

- ◆ The strategic directions of Creating our Future, City of Adelaide Strategic Plan 2008-2012 be used as the basis for development of the 2011-12 Business Plan and Budget.
- ◆ The endorsement of proposed financial strategies for:
  - ◇ Revenue Generation;
  - ◇ Council Operating Services;
  - ◇ Strategic Projects;
  - ◇ Capital Works;
  - ◇ Strategic Enhancement; and
  - ◇ Asset Renewal;

as the basis for building the 2011-12 Business Plan and Budget.

- ◆ To maintain a broadly consistent allocation of resources across Council Outcomes and Programs in developing the 2011-12 Business Plan and Budget.
- ◆ The endorsement for the purpose of building the budget the following major Strategic Capital Enhancement Projects as Priorities for the next four (4) years:
  - ◇ Victoria Square Upgrade
  - ◇ Rundle Mall Master Plan Implementation
  - ◇ Park Lands Master Plan Implementation



# fees and charges context

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.
- 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 previously resolved the Corporation's fees and charges must be reviewed each year, in conjunction with the development of the Business Plan and Budget. A comprehensive strategic review has been undertaken to ensure that the fees:

- 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 Strategic Financial Parameters.

Fees and Charges are consistently and fairly determined which recognises Council policy direction, ratepayer's expectations and relevant legislation.

Fee increases are generally in line with inflation, or market levels when relevant. Lower fees for specific community purposes (e.g. use of Town Hall or Park Lands for community events) have been maintained at an equivalent differential to the current year.

There are approximately 760 fees and charges set by Council for 2011-12, in addition to approximately 260 fees determined by Statute.

Fees and Charges for 2011-12 were adopted at a Special Meeting of Council on 6 June 2011. Statutory Fees will be updated and included in the Fees and Charges Schedule available for public inspection in July 2011, once gazetted.

# treasury policy

In developing the Long Term Financial Plan, borrowing was identified as an important funding source, particularly for strategic expenditure relating to the Property Portfolio. Borrowing is undertaken in accordance with Council's Treasury Policy (available online at [www.adelaidecitycouncil.com](http://www.adelaidecitycouncil.com)) which underpins the Council's decision making in the funding of Council's operations in the context of cash flow, budgeting, borrowings and investments. It is an important financial management tool in the overall context of funding Council's expenditure. As such, this Treasury Policy links closely to the Council's overall strategic management plans in the context of:

- strategic planning for the future of the Council, covering short, medium and long term spending and investment issues
- current and estimated future revenues and the ability to increase the revenue stream through either taxation, user charges, additional grant funds or entrepreneurial activities
- inter-generational equity considerations in terms of the ratepayers who benefit from the expenditure and therefore on a user pay basis who should pay for the costs associated with such expenditure
- current and future funding needs for both operating and capital expenditures
- potential movements in interest rates
- any other strategic imperative that is linked to revenue and expenditure capacities

## Implications for Future Years

In developing the Long Term Financial Plan and Proposed Annual Budget, borrowings have been considered in relation to Strategic Financial Parameters and the maximum borrowing limits specified in Treasury Policy. Council will consider the amount of borrowings for the next year's budget at the Annual Business Plan and Budget adoption in June 2011. All borrowing terms and conditions will be in accordance with the Treasury Policy and all costs have been taken into account in the Council's Long Term Financial Plan.

Forecast debt at the end of 2010-11 is \$7.208m. The amount of capital expenditure carried forward at the end of the 2010-11 financial year will also have an impact on the 2011-12 opening balance of borrowings. These carry forwards will result in the borrowings balance at 30 June 2011 being lower than budgeted with the amount of the carry forwards to be borrowed in the 2011-12 year.

The 2011-12 Budget proposes net borrowing of \$51.033m, with further details shown at page 66 of this document. This will increase total borrowing at the end of June 2012 to \$58.151m. In accordance with the Treasury Policy and Strategic Financial Parameters these amounts are mainly used to finance Strategic Property developments and not to finance general operating activities.

# infrastructure and asset management framework

Adelaide City Council owns and is responsible for the management, operation and maintenance of a diverse asset portfolio that provides services and facilities for City users. Infrastructure and Asset Management Plans have been developed for all infrastructure assets to ensure Council continues to provide effective and comprehensive management of its asset portfolios. To manage this process, Council assets have been grouped into categories and Infrastructure and Asset Management Plans developed for each category. The categories completed and a brief summary of the assets are provided below:

- Transportation Assets (roads, footpaths, traffic infrastructure, bridges, parking machines)
- Torrens and Stormwater Drainage Assets (Torrens Lake, underground drainage network, creeks)
- Lighting, Electrical and CCTV Assets (includes underground duct work and cabling)
- Urban Elements (street and park furniture, public artwork)
- Buildings (operational and civic/community buildings)

The development of these Infrastructure and Asset Management Plans indicate Council's ongoing commitment to operate and maintain its asset portfolio efficiently to both meet strategic and legislative requirements, and to deliver the required levels of service for the community. The plans make assumptions on the continued utilisation of the assets and specify rolling condition audits required to provide up to date information for the ongoing improvement and review of the plans.

The Infrastructure and Asset Management Plans provide the basis for the capital asset management renewal program developed as part of the Annual Business Plan and Budget process. This program details those individual asset renewal projects flowing out of the Infrastructure and Asset Management Plans which require completion to ensure the assets meet the required levels of service. In 2011-12 the Capital Asset Management Renewal Program has a projected gross expenditure of \$23.546 million. In addition, a further \$3.519m gross expenditure will be carried forward from the 2010-11 Capital Program.

# analysis of maintenance expenditure

Council also allocates a significant amount of funds for the operation and maintenance of its asset portfolio within its Business Operations and Services budgets.

Council's expenditure is split into these two principle categories as follows:

- Business Operations - \$54.3m
- Services - \$79.6m

Within these categories, there is a further split between the expenditure associated with operating and maintaining assets and other expenditure, including resources:

Business Operations:

- Costs to operate and maintain assets for business purposes - \$8.9m
- Other expenses - \$ 45.4m
- Total - \$54.3m

Services:

- Costs to operate and maintain assets for community purpose - \$22.3m
- Other expenses - \$57.3m
- Total - \$79.6m

Further work will be undertaken during 2011-12 to split these costs across asset categories.

In addition to the Capital Asset Management Renewal Program and Council's asset maintenance allocation, Council also delivers a Capital Strategic Enhancement Program providing improvements to the public environment and facilities within the City and a Capital Strategic Property Program which funds and delivers major strategic property developments.

# strategic enhancement program

The delivery of Council's Strategic Enhancement program provides new and enhanced facilities in accordance with the Strategic Plan objectives and Capital City responsibilities.

Council's generated operating surplus is applied to meet capital expenditure requirements in relation to the Strategic Enhancement Program in accordance with Strategic Plan objectives and Capital City responsibilities and thus reduces the amount of borrowings otherwise needed for that purpose. In addition, part of Council's operating surplus may be held for capital expenditure needs in future years by either increasing financial assets or, where possible, reducing outstanding debt in the short term.

In 2011-12 the Capital Strategic Enhancement Program has a projected gross expenditure of \$19.597m. In addition, a further \$7.644m gross expenditure will be carried forward from the 2010-11 Capital Program.

## strategic property portfolio

Council's Strategic Property Portfolio plays an important part to meet Council's strategic objectives for growth in the city and also to provide additional net revenue to Council. This assists with the funding of current expenditure programs and therefore relieves part of the funding requirement on existing rate payers. Consequently, it is important that both the value of the portfolio and its returns (both net of borrowings) are protected to avoid adverse impacts with regard to intergenerational equity, rates and expenditure programs in the future. This means that proceeds from asset sales need to be reinvested in the portfolio to ensure that the total portfolio net asset value is maintained. In addition to this, new assets in the portfolio need to generate an adequate net return to maintain total net returns of the portfolio. The 2011-12 Strategic Property Program reflects budgeted gross expenditure of \$33.650m and Strategic Property proceeds of \$6.250m.



# analysis of capital expenditure

## Net Outlays on Existing assets

The following table summarises capital outlays on existing assets in accordance with local government sector guidelines:

Net Outlays on Existing Assets	2011-12 Budget \$'000	2010-11 Budget \$'000	2009-10 Actual \$'000
Gross Expenditure on Renewal / Replacement of Assets	23,767	22,042	23,343
Depreciation	(23,225)	(22,637)	(23,121)
<b>Sub-total</b>	<b>542</b>	<b>(595)</b>	<b>222</b>
Proceeds from Sale of Replaced Assets	-	(386)	(1,010)
<b>Equals: Net Outlays on Existing Assets</b>	<b>542</b>	<b>(981)</b>	<b>(788)</b>

Asset sustainability is best measured by comparing renewal/replacement capital expenditure with the optimal level identified in a soundly based Infrastructure and Asset Management Plan (IAMP). This approach should be used where a council is satisfied with the rigour of its IAMP.

Council's IAMP predicts infrastructure consumption and renewal needs and considers new infrastructure needs to meet future community service expectations. The Plan is subject to a rigorous process of consultation and evaluation. Key elements of the process are as follows:

- ♦ Long term capital planning which integrates with the Council's Strategic Management Plans;
- ♦ Listing of all known capital projects, prioritised within classes of assets on the basis of evaluation criteria;
- ♦ Transparent process for evaluating and prioritising capital projects.

## Net Outlays on New and Upgraded Assets

The following table summarises capital outlays on new/upgraded assets in accordance with local government sector guidelines:

Net Outlays on New and Upgraded Assets	2011-12 Budget \$'000	2010-11 Budget \$'000	2009-10 Actual \$'000
Gross Expenditure on New / Upgraded Assets	74,810	26,513	22,694
Proceeds from Sale of Surplus Assets	(12,204)	(40,000)	(3,129)
Amounts received specifically for New/ Upgraded Assets	(1,695)	(4,506)	(6,298)
<b>Equals: Net Outlays on New and Upgraded Assets</b>	<b>60,911</b>	<b>(17,993)</b>	<b>13,267</b>

The ongoing maintenance and depreciation expenses associated with the capital expenditure on new/upgraded assets has been factored into the Council's Long Term Financial Plan.

“In addition to the Capital Asset Renewal Program, Council also delivers a Capital Strategic Enhancement Program providing improvements to the public environment and facilities within the City.....”

# business plan and budget framework 2011-12

This Budget Framework formalises changes (from an outcome and financial perspective) with respect to the approved Business Plan and Budget as a result of responding in a timely manner to opportunities, emergencies or other events unforeseen at the time of setting the budget.

## Programs

Council approval will be required where outcomes are varied or where expenditure for an individual Program will vary from its approved budget by more than 5%.

Where a Program budget variation is less than 5% of the individual Program expenditure, the CEO is authorised to move expenditure across Programs and Council must be notified of any such changes at the next budget reconsideration. In addition, where there are reporting structure changes and there is no change to the outcomes and total expenditure dollars, the CEO is authorised to move the outcomes and expenditure between Programs with Council notified of any such changes at the next budget reconsideration.

## Business Operations

For Council's Business Operations, the budget has been determined by ensuring a net contribution/cost for the relevant business. Any reduction to the net contribution of a business will require approval of Council.

## Strategic Projects

Council approval will be required where individual project expenditure varies from its approved budget by more than 5%. Where a project varies from budget by less than 5%, the CEO is authorised to move expenditure and must notify Council at the next Budget Reconsideration (subject to the individual Program not exceeding the approved amount).

Where a new project is to be considered or an existing project deferred, this will require approval by Council.

## Capital Works

Where individual capital project expenditure will vary from its approved budget by less than \$25k, Council approval for the additional expenditure will not be required (subject to the individual Strategic and Asset Management Program not exceeding the approved amount).

Where individual capital project expenditure will vary from its approved budget by more than \$25k or the total Capital Works program is required to be altered, Council approval is required.

Where a new project is to be considered or an existing project deferred, this will require approval by Council.

Where a project requires reclassification between Operating and Capital Budget to better reflect requirements in relation to accounting principles, the reclassification will occur when reasonably practical and Council notified at the following Budget Reconsideration. Note that these transfers between the Operating and Capital sections of the Budget have no cash impact on the overall budget of the Corporation.

## Carry Forwards

Funding approval for budgeted projects not completed at the end of any budget year is forfeited unless approval to carry-over the project and associated budget allocation is granted by Council (including by the CEO under delegated authority).

While there may be one-off exceptions based upon their relative merits, operating activity budgeted for but not expended in a year and generally should not be carried forward to the following year. Identifiable projects that will not commence in the year that they have been budgeted for should be re-evaluated and, where warranted, included in the budget for the following year at the time of its adoption. Similarly capital projects that have not commenced in one year should be considered against other competing priorities in determining the content of the budget for the following year rather than treated separately as 'carried forwards'.

The scope and funding requirements of capital projects and strategic projects that are contractually committed or underway, but not completed at the end of one-financial year, needs to be reviewed and the projects/activities considered for carrying forward as soon as possible in the following financial year.

Any request for carrying forward activity needs to clearly highlight whether the scope of each project and its associated funding quantum is proposed to be varied from that previously approved and, if so, the reasons for same. Any impact on the achievement of the targets for a financial indicator established in Council's original budget for the current year should also be identified.



# ceo report on financial sustain

background, financial sustainability performance,

financial sustainability summary, glossary





ability

# background

There is a requirement in the *Local Government Act 1999* for the Council's Chief Executive Officer to prepare a report on the Council's long term financial performance and position, taking into account the provisions of Council's Business Plan and Strategic Management Plans as part of a review of its long-term financial plan as soon as practicable after adopting the council's annual business plan for a particular year. This section on Financial Sustainability fulfils this legislative requirement.

## What do we mean by 'sustainability'?

In general terms we use sustainability to mean that we can continue our current practices. 'Financial Sustainability' therefore can be taken to address whether we can sustain our current practices in financial or economic terms.

Or put more simply:

*Can we afford it in the long term?*

While there is no legislative definition of financial sustainability, the South Australian and Australian Local Government Associations have adopted the following national definition of financial sustainability:

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

## For Local Government, financial sustainability poses the question:

*“Can we continue the sort of revenue and expenditure patterns of recent years while maintaining the levels of service expected by the community?”*

## What does Financial Sustainability mean for Local Government?

Neglect of financial sustainability can erode a council's capacity to ensure that it has the financial resources to absorb cyclical economic factors, social trends and financial shocks. Funding decisions therefore play an important role in providing Council with the capacity to meet financial sustainability in the medium and long-term

Financial sustainability is also central with regards to the important issue of intergenerational equity. Intergenerational equity (or fairness) involves the costs associated with expenditure being spread over time in accordance with the distribution of the benefits that are generated.

Intergenerational equity requires financial sustainability through the stability of revenue and costs, proportionality of revenues with benefits over time and a "balanced" operating result.

## How do we signal/communicate financial sustainability?

An independent inquiry into the financial sustainability of South Australian councils was completed in August 2005. The inquiry recommended that a council's long-term financial sustainability be assessed using a standard set of 4 key financial indicators.

After widespread consideration by Local Government of the inquiry's recommendations, and with input from the SA Local Government Financial Management Group, a further three indicators were added to recommended key financial indicators, and the seven adopted at the Local Government Association's (LGA) April 2007 General Meeting.

The seven Long-Term Financial Sustainability indicators are:

1. Operating Surplus
2. Operating Surplus Ratio
3. Net Financial Liabilities
4. Net Financial Liabilities Ratio
5. Interest Cover Ratio
6. Asset Sustainability Ratio
7. Asset Consumption Ratio

In response, the Adelaide City Council (ACC) has endorsed various Strategic Financial Parameters which operate in conjunction with the Long Term Financial Plan to promote sustainability.

The Council will operate in accordance with a sustainable Long Term Financial Plan whereby:

- continuation of the Council's present expenditure, revenue and financing policies
- likely developments in the Council's revenue-raising capacity and in the demand for and costs of its services and infrastructure
- normal financial risks and shocks

altogether are unlikely to necessitate substantial increases in council rates (or, alternatively, disruptive service cuts).

This goal is consistent with the definition of financial sustainability proposed by the independent inquiry.

### **Additional ACC Strategic Financial Parameters**

The Council also uses additional Strategic Financial Parameters, along with the above, in reviews of its financial sustainability.

These additional parameters are:

- Real General Rates Growth %
- Real User Charges Growth %
- Real Increase in Property Portfolio Net Asset Value %
- Real Increase in Property Portfolio Net Revenue %
- Real Increase in Business Operations Contribution %



The targets for these additional parameters are:

Description	Target
<b>Real General Rates Growth %</b>	On average, no greater than inflation + 2% <i>(excluding new development)</i>
<b>Real User Charges Growth %</b>	On average, no greater than inflation +5% <i>(for each classification of user charge)</i>
<b>Real Increase in Property Portfolio Net Asset Value %</b>	≥ Inflation <i>(over 5 yrs)</i>
<b>Real Increase in Property Portfolio Net Revenue %</b>	≥ Inflation <i>(over 5 yrs)</i>
<b>Real Increase in Business Operations Contribution %</b>	≥ Growth in Inflation <i>(for each facility and in total for all facilities)</i>

*Note, these parameters are calculated on historic data and therefore have not been included in this budget document.*

### What does legislation require?

Amendments to the *Local Government Act 1999* (LGA) following the independent inquiry outlined a number of requirements that councils must now meet.

- The Act requires councils to have strategic management plans and to report on those. By the end of 2008 all councils will be required to have long-term financial management plans and infrastructure and asset management plans as a part of their suite of strategic management plans (LGA s122(1a))
- Councils are required to have audit committees who are required to provide input to any review of the council's strategic management plans. The Audit committees cannot include council staff or the auditor, and must include at least one person who is not a member of council (LGA s126)
- The Act also requires that long-term financial plans be reviewed as soon as practicable each year after the adoption of the annual business plan. As a part of this review a council CEO must prepare a report on the council's financial sustainability (LGA s122(4a)(a))



The current *Local Government Act (1999)* provides for a cycle of planning which embeds financial sustainability into the development of the business plan and budget.

The *Local Government Act (1999)* includes regulations which require councils to disclose, in a consistent manner, actual and projected performance with respect to an operating surplus ratio, an asset sustainability ratio and a net financial liabilities ratio in their annual budget and long term financial plan.

# financial sustainability performance

In the section following is a summary of the Council's financial sustainability position. It sets out each of the seven required Long-Term Financial Sustainability indicators, along with the Council's performance against each.

For each of the indicator there is:

- A brief description of the indicator
- The LGA Target for the indicator
- The Council's Result for the indicator
- A graph showing the previous year's Actual figure, the current year's Budget figure and the Projected Long Term Financial Plan's figures for the next nine years

In all cases, Council meets the target for each relevant indicator

## Conclusion

This analysis indicates that Adelaide City Council is currently financially sustainable and remains so for the forecast period covered by the 2011-12 Budget Long Term Financial Plan.


# financial sustainability summary

## 1. Operating Surplus

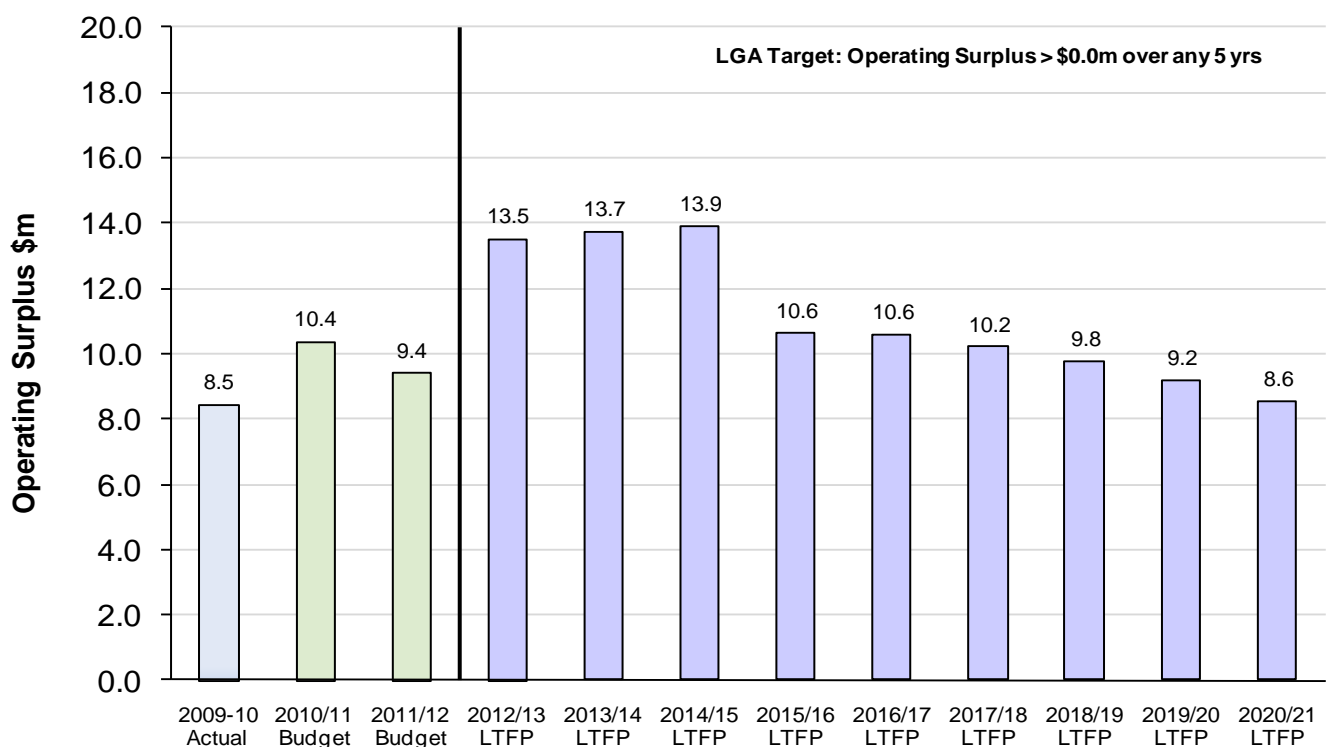
### Overview

This indicator represents the difference between day to day income and expenses for the period.

A council's long-term financial sustainability is dependent upon ensuring that, on average over time, its expenses are less than associated revenues. If a council is not generating an operating surplus in most periods then it is unlikely to be operating sustainably. The target is to achieve a breakeven (or better) operating position over any five year period.

	<b>ACC's Actual Performance</b>
<b>LGA Target:</b>	Operating Surplus > \$0.0m over a 5 year period
<b>ACC Result:</b>	Operating Surplus = \$6.7m (5 yr ave of audited financial statements)

**ACC's Projected Future Performance as per the 2011-12 Budget Long Term Financial Plan adopted on 28 June 2011:**



## 2. Operating Surplus Ratio


### Overview

This indicator represents the percentage by which the major controllable income source varies from day to day expenses.

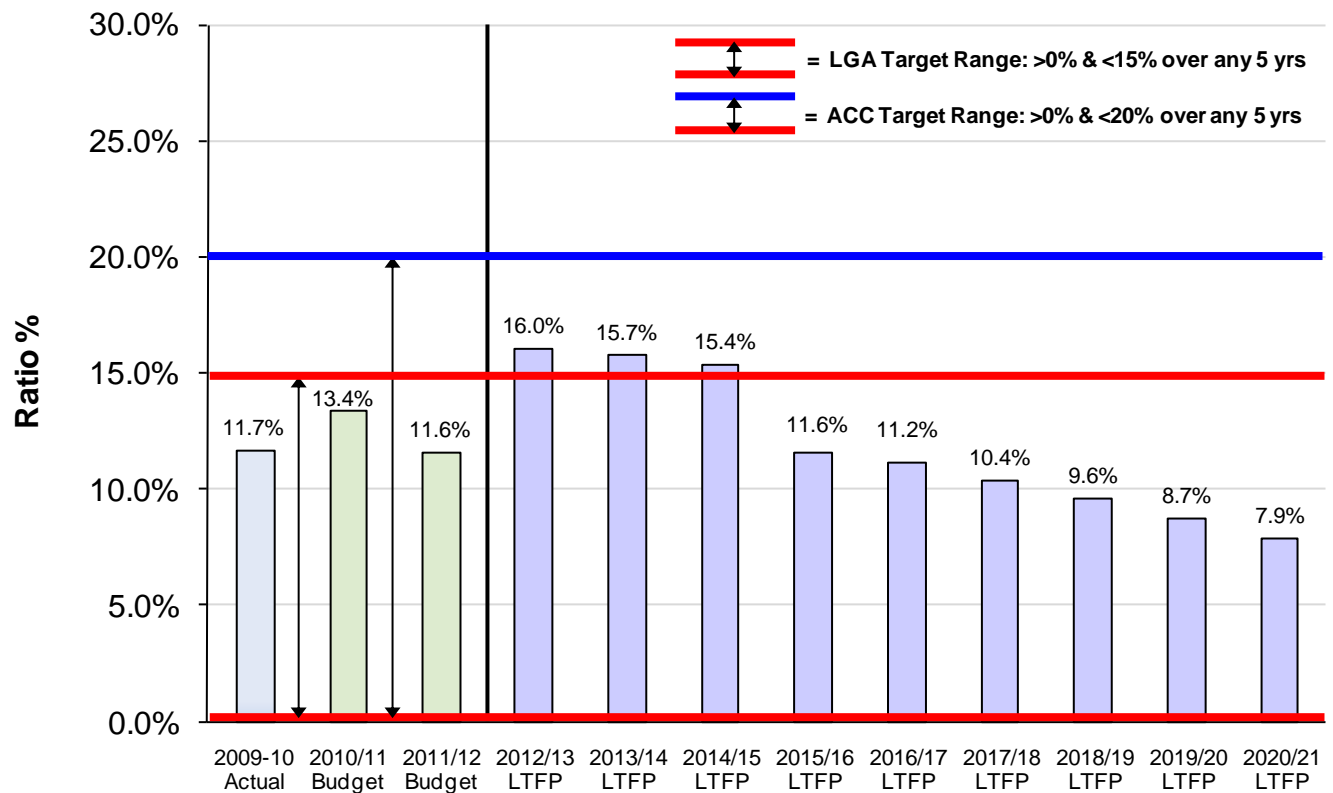
Financial sustainability is indicated where a council consistently achieves operating surpluses and has soundly based projections showing that it can continue to do so in future having regard to asset management and its community's service level needs.

The LGA target is to achieve an operating surplus of between 0 and 15% over any five year period. A result in excess of this may indicate that council is setting rates and/or other fees and charges at levels well in excess of recorded costs and this has negative intergenerational equity implications.

However, as a capital city council, Adelaide City Council has significant responsibilities in improving its public realm to meet its Strategic Management Plan objectives. As such, a larger operating surplus (and therefore ratio) is required to fund these infrastructure requirements and not negatively impact on intergenerational equity. Therefore ACC considers that an operating surplus of between 0 and 20% over any five year period is more appropriate as a target.

	ACC's Actual Performance
<b>LGA Target:</b>	Operating Surplus > 0.0% and < 15.0% over a 5 year period
<b>ACC Target</b>	Operating Surplus > 0.0% and < 20.0% over a 5 year period
<b>ACC Result:</b>	Operating Surplus = 10.8% (5 yr ave of audited financial statements)

**ACC's Projected Future Performance as per the 2011-12 Budget Long Term Financial Plan adopted on 28 June 2011:**






### 3. Net Financial Liabilities

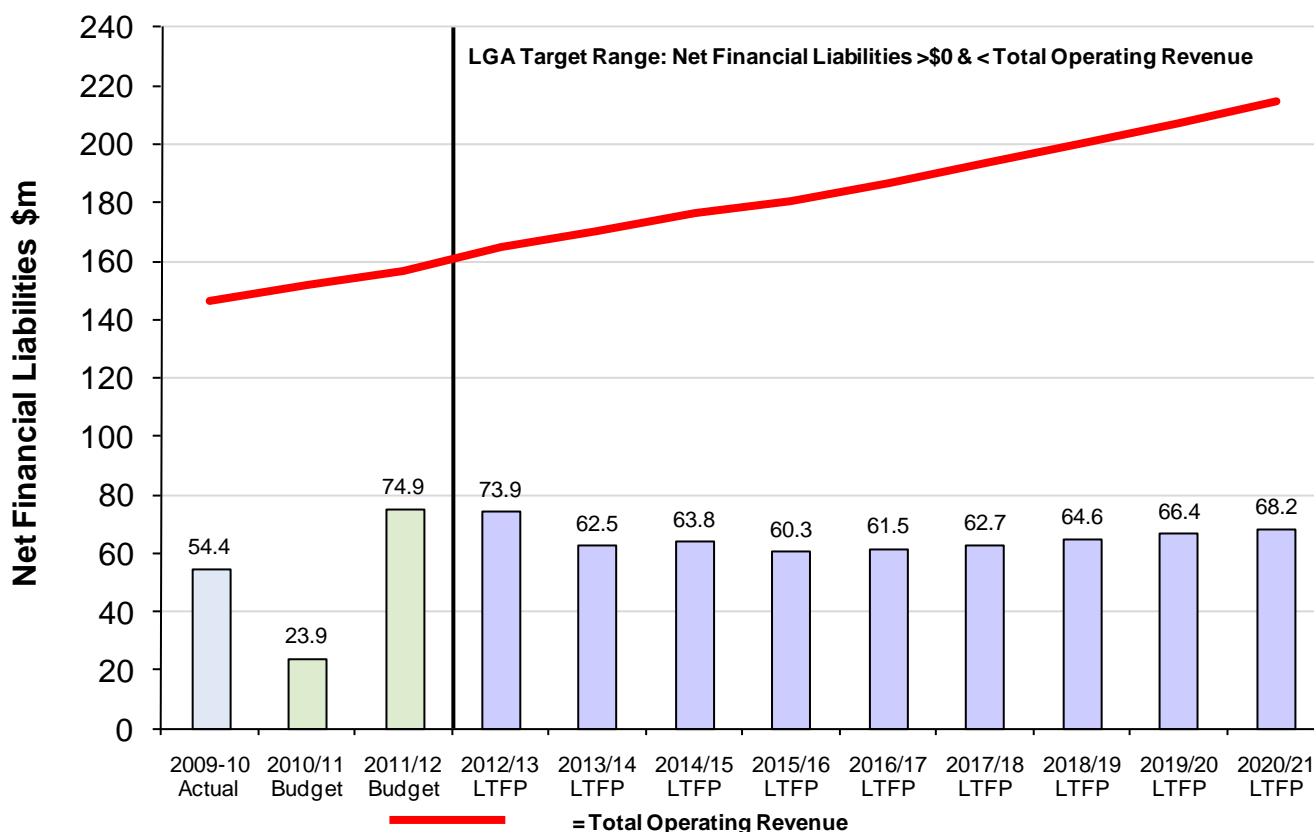
#### Overview

This indicator represents the money owed to others less money held, invested or owed to Council.

A council's indebtedness should be managed to ensure its liabilities and associated costs can be met without the prospect of disruptive service cuts and/or excessive rate increases (ie without impinging on financial sustainability). There is no right or wrong target level for net financial liabilities (defined as total liabilities less financial assets) as this depends on infrastructure plans. The target is that net financial liabilities are no greater than annual operating revenue and not less than zero.

	ACC's Actual Performance
<b>LGA Target:</b>	Net Financial Liabilities > \$0 and < Total Operating Revenue
<b>ACC Result:</b>	Net Financial Liabilities (\$54m) < Total Operating Revenue (\$128m)

**ACC's Projected Future Performance as per the 2011-12 Budget Long Term Financial Plan adopted on 28 June 2011:**




## 4. Net Financial Liabilities Ratio

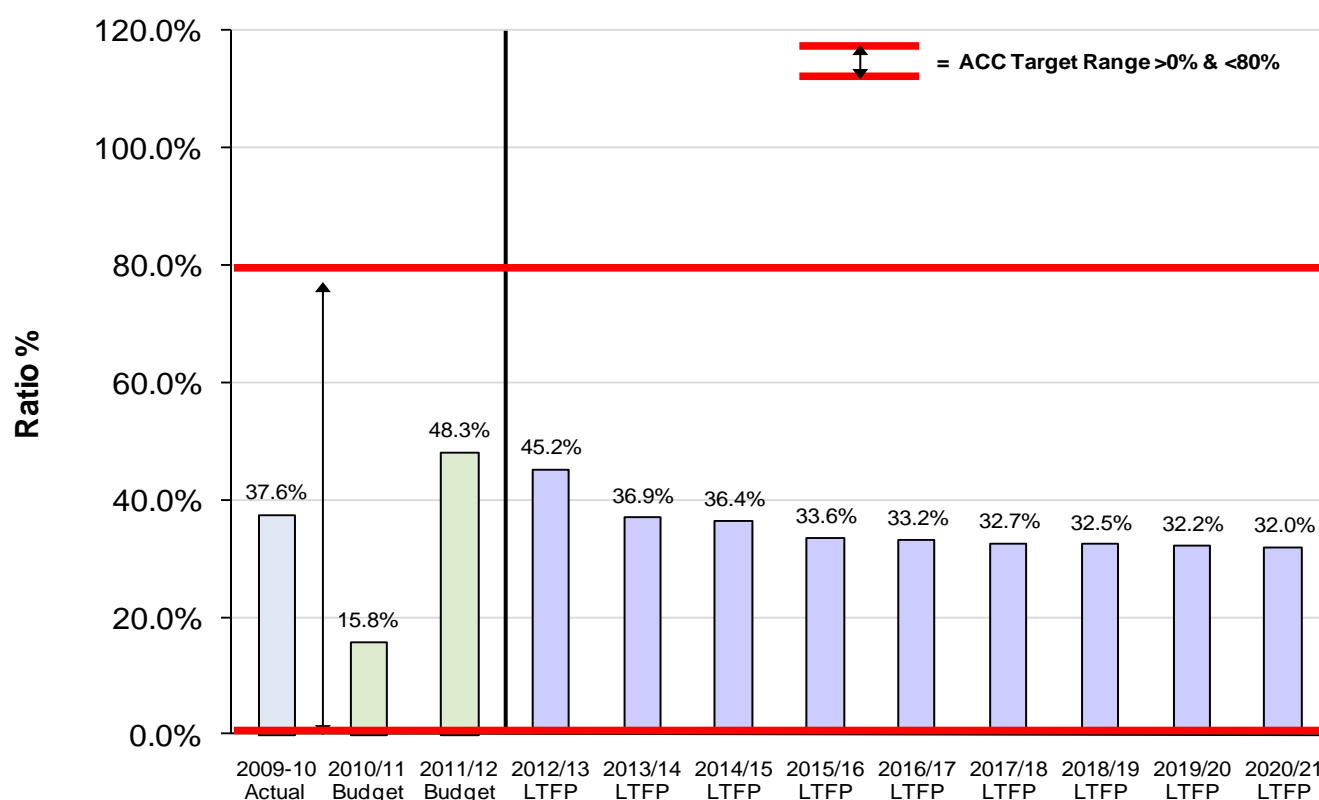
### Overview

This indicator represents the significance of the net amount owed compared with income. The target for Net Financial Liabilities should normally be greater than zero. If not then it is likely to imply that a council is willing to place a higher priority on accumulating financial assets than applying funds generated from ratepayers to the provision of services and/or infrastructure renewal. This could leave a council open to accusations that it is overcharging ratepayers relative to its funding needs. Hence the target is that the Net Financial Liabilities Ratio be greater than 0% but less than 100% of total operating revenue.

The level of borrowings shall be within acceptable prudential limits to ensure the long-term sustainability of Council. Because prudential limits have been set by financial institutions as part of covenants associated with existing loans, it is imperative that these are not exceeded. Accordingly, Council has set a lower limit than has been recommended by the LGA to ensure that it meets the prudential requirements of the financial institutions relating to existing loans.

	ACC's Actual Performance
<b>LGA Target:</b>	Net Financial Liabilities > 0% and < 100% of Total Operating Revenue
<b>ACC Target:</b>	Net Financial Liabilities > 0% and < 80% of Total Operating Revenue
<b>ACC Result:</b>	Net Financial Liabilities = 43% of Total Operating Revenue

### ACC's Projected Future Performance as per the 2011-12 Budget Long Term Financial Plan adopted on 28 June 2011:




## 5. Interest Cover Ratio

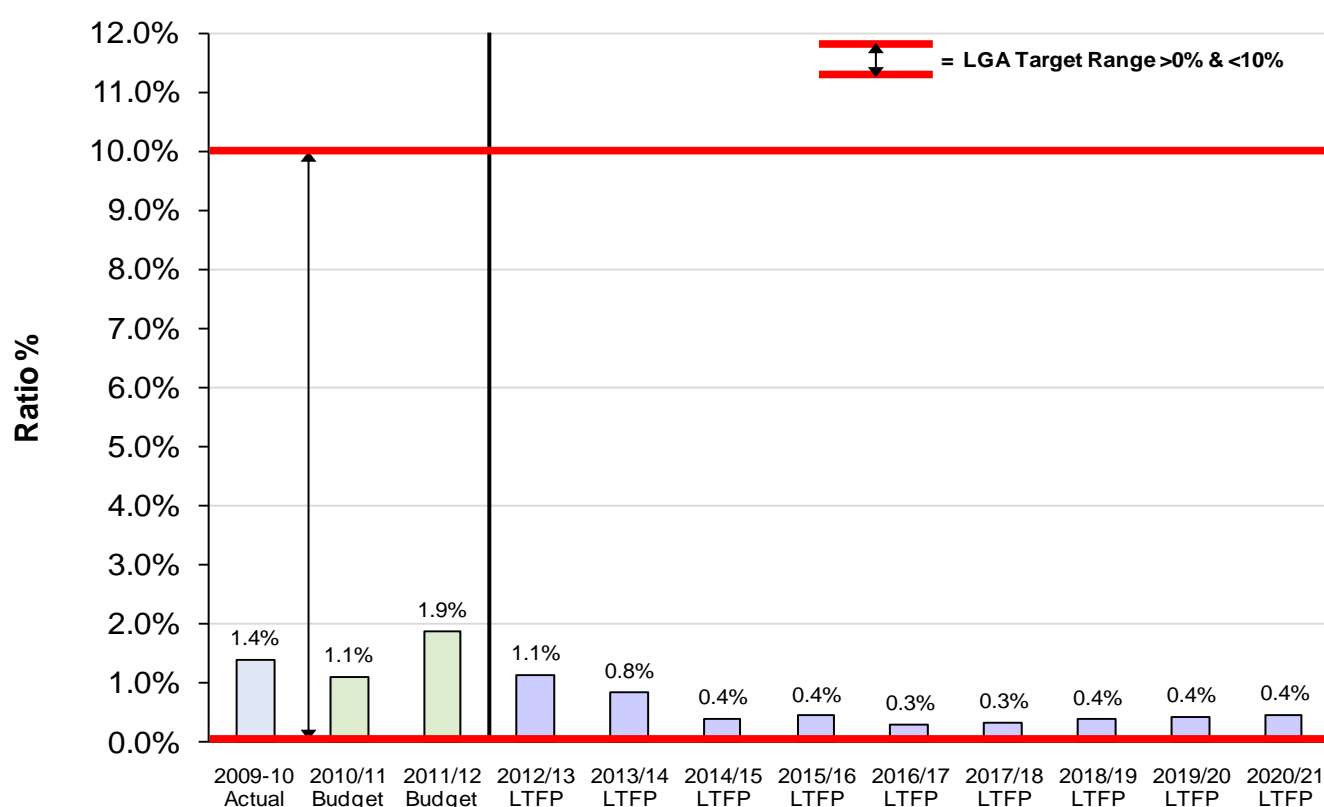
### Overview

This indicator represents the level of income used to pay interest on loans.

The ratio needs to be managed within a range acceptable to a council having regard to long-term financial sustainability and Strategic Plans. To ensure net interest costs can be met comfortably by operating revenues, the target is that net interest is greater than 0% and less than 10% of operating revenue.

	<b>ACC's Actual Performance</b>
<b>LGA Target:</b>	Interest Expense > 0.0% and < 10.0% of Total Operating Revenue
<b>ACC Result:</b>	Interest Expense = 1.4% of Total Operating Revenue

**ACC's Projected Future Performance as per the 2011-12 Budget Long Term Financial Plan adopted on 28 June 2011:**




## 6. Asset Sustainability Ratio

### Overview

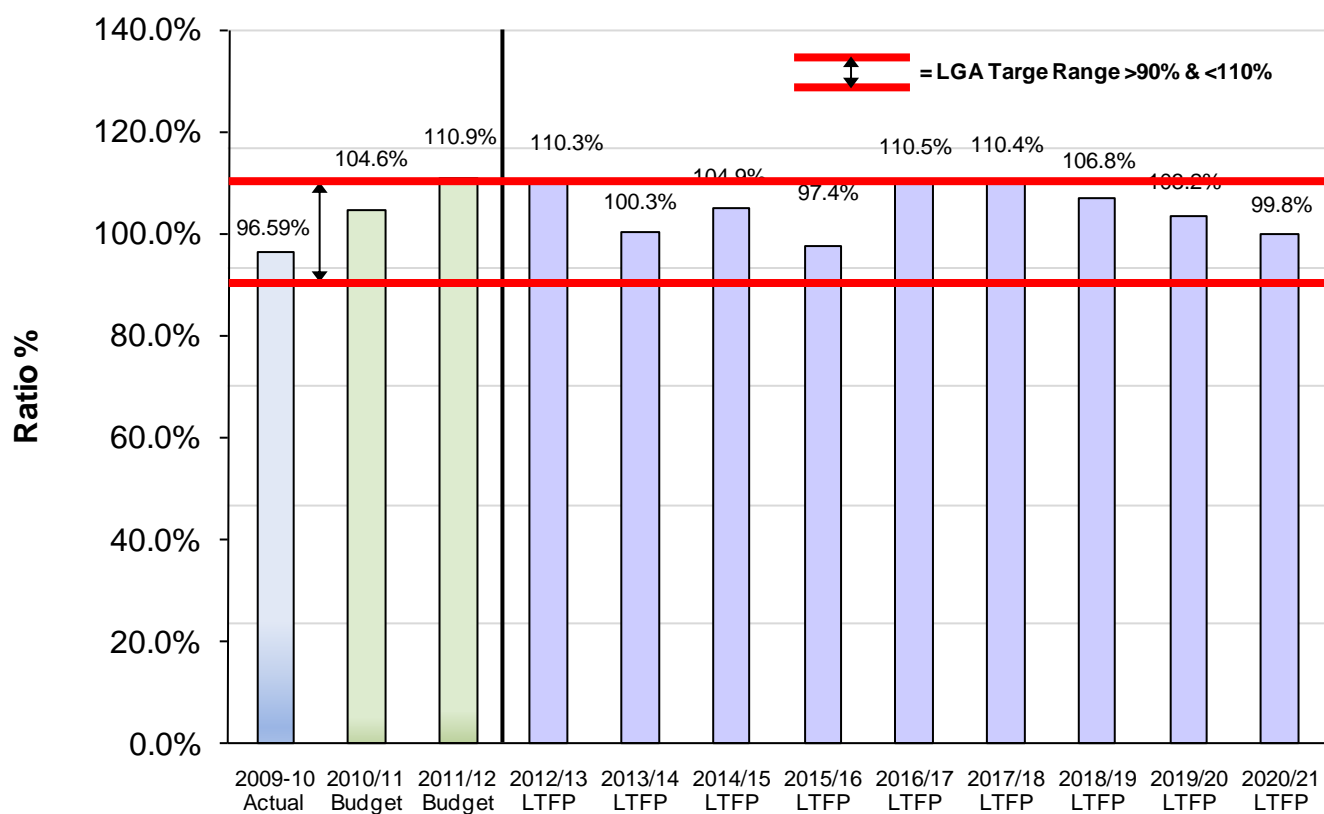
This indicator represents the extent to which assets are being replaced at the rate they are wearing out.

Asset sustainability is best measured by comparing renewal/replacement capital expenditure with the optimal level identified in a soundly based Infrastructure and Asset Management Plan (IAMP). This approach should be used where a council is satisfied with the rigour of its IAMP. A common alternative to this is to measure capital expenditure on renewal/replacement of assets relative to the recorded rate of depreciation of assets for the same period. This indicates whether a council is renewing or replacing existing non-financial assets at the same rate as its overall stock of assets is wearing out.

The Adelaide City Council has completed an IAMP. As such, this ratio reflects the comparison of renewal/replacement capital expenditure with the optimal level identified in the soundly based IAMP.

	<b>ACC's Actual Performance</b>
<b>LGA Target:</b>	Renewal/Replacement Capex > 90% but <110% of IAMP Proposed Level (over a rolling 3 year period)
<b>ACC Result:</b>	Renewal/Replacement Capex = 97% of IAMP Proposed Level

**ACC's Projected Future Performance as per the 2011-12 Budget Long Term Financial Plan adopted on 28 June 2011:**






## 7. Asset Consumption Ratio

### Overview

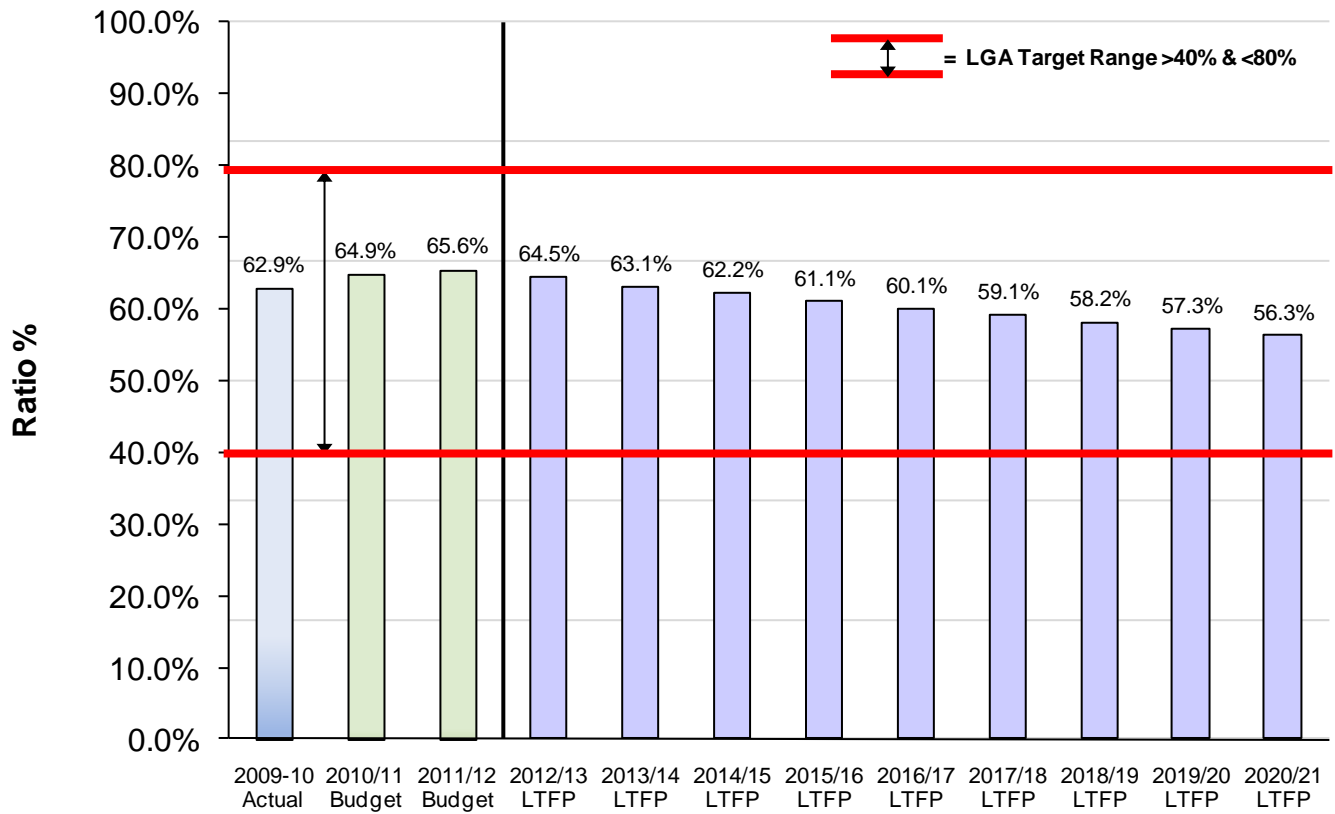
This indicator represents the average proportion of 'as new condition' left in assets.

The ratio shows the written down current value of depreciable assets relative to their 'as new' value in up to date prices. It highlights the aged condition of physical assets and hence the magnitude of potential future capital outlays to preserve their service potential.

In order for ACC to apply this parameter it has been necessary to make memorandum adjustments for accumulated depreciation netted against gross replacement cost. This ratio has been calculated for infrastructure assets based on the revaluation undertaken in 2007, adjusted for subsequent additions, disposals and depreciation charges. Note that the ratio has been applied to infrastructure only and excludes other asset groups such buildings (which are mostly revalued at market value rather than written down replacement cost), land and sundry asset categories.

	<b>ACC's Actual Performance</b>
<b>LGA Target:</b>	Asset Consumption Ratio > 40% and < 80%
<b>ACC Result:</b>	Asset Consumption Ratio = 62.9%

**ACC's Projected Future Performance as per the 2011-12 Budget Long Term Financial Plan adopted on 28 June 2011:**



# glossary

## **Asset Management Renewal Capital Projects**

The Asset Management Renewal Program provides for the maintenance of Council's existing assets and is determined by Council's Asset Management Plans and current condition of assets.

## **Asset Sustainability Ratio**

Asset Sustainability Ratio indicates whether the Council is renewing or replacing existing non-financial assets at the same rate as its overall stock of assets is wearing out. The ratio is calculated by measuring capital expenditure on renewal and replacement of assets relative to the level of depreciation. Where a council has a soundly based Infrastructure and Asset Management Plan, a more meaningful asset sustainability ratio would be calculated by measuring the actual level of capital expenditure on renewal and replacement of assets (or proposed in the Budget) with the optimal level identified in the Business Plan.

## **Financial Assets**

Financial Assets include cash, investments, loans to community groups, receivables and prepayments, but excludes equity held in Council businesses. Also, inventories and land held for resale are not regarded as financial assets.

## **Financial Sustainability**

Financial Sustainability is where planned long-term service and infrastructure levels and standards are met without unplanned and disruptive increases in rates or cuts to services.

## **Net Financial Liabilities**

Net Financial Liabilities equals total liabilities less financial assets, where financial assets for this purpose includes cash, investments, loans to community groups, receivables and prepayments, but excludes equity held in Council businesses, inventories and land held for resale.

### **Net Financial Liabilities Ratio**

Net Financial Liabilities Ratio expresses Net Financial Liabilities as a percentage of total operating revenue. The ratio allows interested parties to readily equate the outstanding level of the Council's accumulated financial obligations against the level of one-year's operating revenue. Where the ratio is falling over time, it generally indicates that the Council's capacity to meet its financial obligations is strengthening.

### **Net Lending/(Borrowing)**

Net Lending/(Borrowing) equals Operating Surplus/(Deficit), less net outlays on non-financial assets. The Net Lending/(Borrowing) result is a measure of the Council's overall (i.e. Operating and Capital) budget on an accrual basis. Achieving a zero result on the Net Lending / (Borrowing) measure in any one year essentially means that the Council has met all of its expenditure (both operating and capital) from the current year's revenues.

### **Non-Financial or Physical Assets**

Non-financial or Physical Assets means infrastructure, land, buildings, plant, equipment, furniture and fittings, library books and inventories.

### **Operating Deficit**

Operating Deficit is where operating revenues less operating expenses is negative and operating income is therefore not sufficient to cover all operating expenses.

### **Operating Expenses**

Operating Expenses are operating expenses including depreciation but excluding losses on disposal or revaluation of non-financial assets.

## **Operating Revenues**

Operating Revenues are operating revenues shown in the Income Statement but exclude profit on disposal of non-financial assets and amounts received specifically for new/upgraded assets, e.g. from a developer. For ratios calculated where the denominator specified is total operating revenue or rate revenue, Natural Resource Management (NRM) levy revenue is excluded.

## **Operating Surplus**

Operating Surplus is where operating revenues less operating expenses is positive and operating revenue is therefore sufficient to cover all operating expenses.

## **Operating Surplus Ratio**

Operating Surplus Ratio expresses the operating surplus (deficit) as a percentage of general and other rates.

## **Strategic Enhancement Capital Projects**

The delivery of Council's Strategic Enhancement Program provides new and enhanced facilities in accordance with the Strategic Plan objectives and Capital City responsibilities.

## **Strategic Projects**

Strategic Projects deliver or enable the delivery of Council's Strategic Plan and which cannot be fully delivered through operating services or capital resources.

## **Strategic Property Portfolio**

Council undertakes Strategic Property transactions and manages its Strategic Property Portfolio to facilitate a number of key objectives (e.g. Residential Growth, Affordable Housing etc).









# 2011-2012 budget

summary of 2011-12 budget, balance sheet analysis,  
proposed funding overview, statutory financial statements,  
proposed budgets excl. depreciation, full cost attribution by  
principal activity





# summary of 2011-12 budget

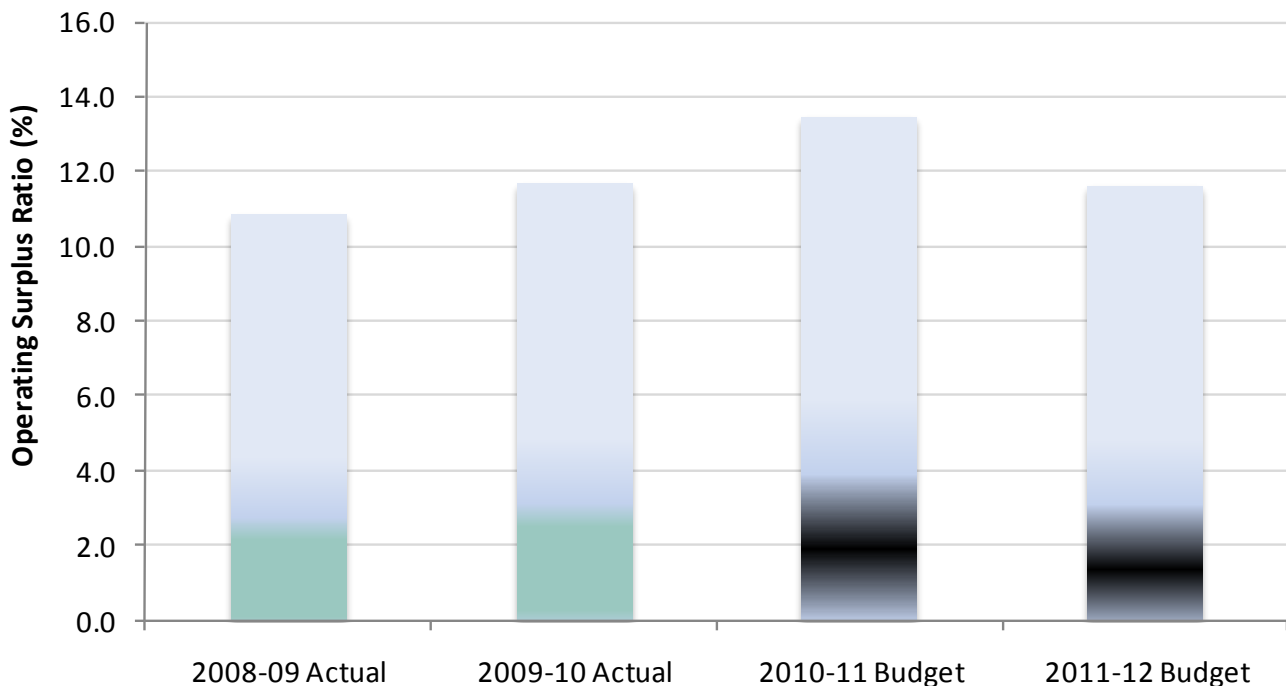
This summary of the Budget provides information about the key indicators of the Council's financial performance and financial position. Analysis on each of the indicators is included in the following sections of the document. Further explanatory notes on the indicators are provided in the Glossary at the end of this document.

The Business Plan identifies the Council's key actions towards its strategic directions and the specific objectives targeted for 2011-12. It sets the strategic context within which the budget has been developed and meets the requirement of Section 123 (3) of the *Local Government Act (1999)* to adopt an 'Annual Statement' in conjunction with the budget for the year.

In preparing the Budget, planning projections and assumptions have been re-examined and validated and emerging priorities identified.

Pursuant to Section 123 (2)(b) of the *Local Government Act (1999)*, the final Budget presented for formal adoption by Council is in accordance with the *Local Government Act Financial Management Regulations*.

## Operating Surplus Ratio



The independent inquiry into financial sustainability in August 2005 emphasised that a Council's long-term sustainability is dependent upon ensuring that, on average over time, a Council has an operating breakeven position or better.

For the Council, an operating surplus of \$9.420m is targeted after including general rates (adjusted for discretionary rates rebates) of \$79.291m. This shows that Council's projected operating income is sufficient to meet projected operating expenses for the financial year.

<b>Net Surplus per Statement of Comprehensive Income</b>	<b>2011-12 Budget \$'000</b>	<b>2010-11 Budget \$'000</b>	<b>Difference \$'000</b>
Operating Revenue	156,352	152,110	4,242
less: Operating Expenses	146,931	141,723	5,208
<b>Operating Surplus</b>	<b>9,420</b>	<b>10,387</b>	<b>(967)</b>
add: Net Gain / (Loss) on Disposal or Revaluation of Assets	1,232	27,001	(25,769)
add: Amounts Specifically for New or Upgraded Assets	1,695	4,506	(2,811)
add: Physical Resources received free of charge	0	375	(375)
<b>Net Surplus per Income Statement</b>	<b>12,347</b>	<b>42,269</b>	<b>(29,922)</b>

The above table shows that an Operating Surplus has been maintained in 2011-12. Adelaide City Council has maintained an operating surplus for many years.

Council's generated operating surplus is applied to meet capital expenditure requirements in relation to new assets in accordance with Strategic Plan objectives and Capital City responsibilities. In addition, part of Council's operating surplus may be held for capital expenditure needs in future years by either increasing financial assets or, where possible, reducing debt.

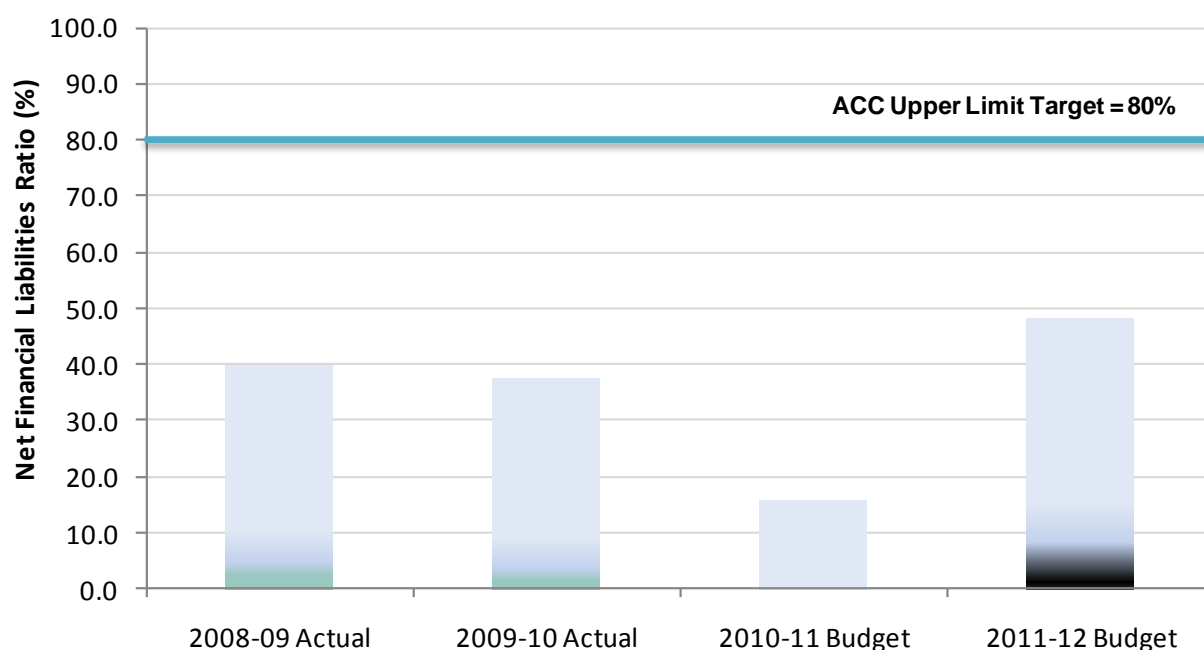
In recent years, Council's operating surpluses have been impacted by capital works-in progress write-offs, particularly where larger capital projects (including North Terrace) involve works relating to upgrading other parties including utilities' assets (i.e. SA Water and ETSA). Under accounting definition, these works do not provide a future benefit to Council and as such impact on the operating surplus rather than forming part of Council's stock of infrastructure assets. As such, operating surpluses between years are not directly comparable.



Reconciliation of Operating Funding Surplus & Operating Surplus	2011-12 Budget \$'000	2010-11 Budget \$'000	Difference \$'000
<b>Operating Funding Surplus per Funding Overview</b>	<b>12,228</b>	<b>13,680</b>	<b>(1,452)</b>
less: Expenditure incurred on Maintenance of Assets	1,809	3,023	(1,214)
add: Capital Income included in Operating Income	0	730	(730)
<b>Funding Surplus</b>	<b>10,420</b>	<b>11,387</b>	<b>(967)</b>
less: Previous Year's Capital WIP Adjustment	1,000	1,000	0
<b>Operating Surplus per Income Statement</b>	<b>9,420</b>	<b>10,387</b>	<b>(967)</b>

Included in the Capital Works Program is an amount of \$1.809m which does not provide a future economic benefit to the Corporation and therefore does not meet the definition of an asset under Accounting Standards. Some of this relates to expenditure on assets not owned or controlled by the Corporation. Other expenditure relates to tree planting, vegetation trimming, preliminary scoping as well as maintenance related expenditure. Given that these projects will be managed within the Capital Works Program, the expenditure is included in the Capital Works Program for reporting purposes for the year. However, the statutory financial statements including the Income Statement and Balance Sheet have been adjusted accordingly to correctly record such expenditure as operating.

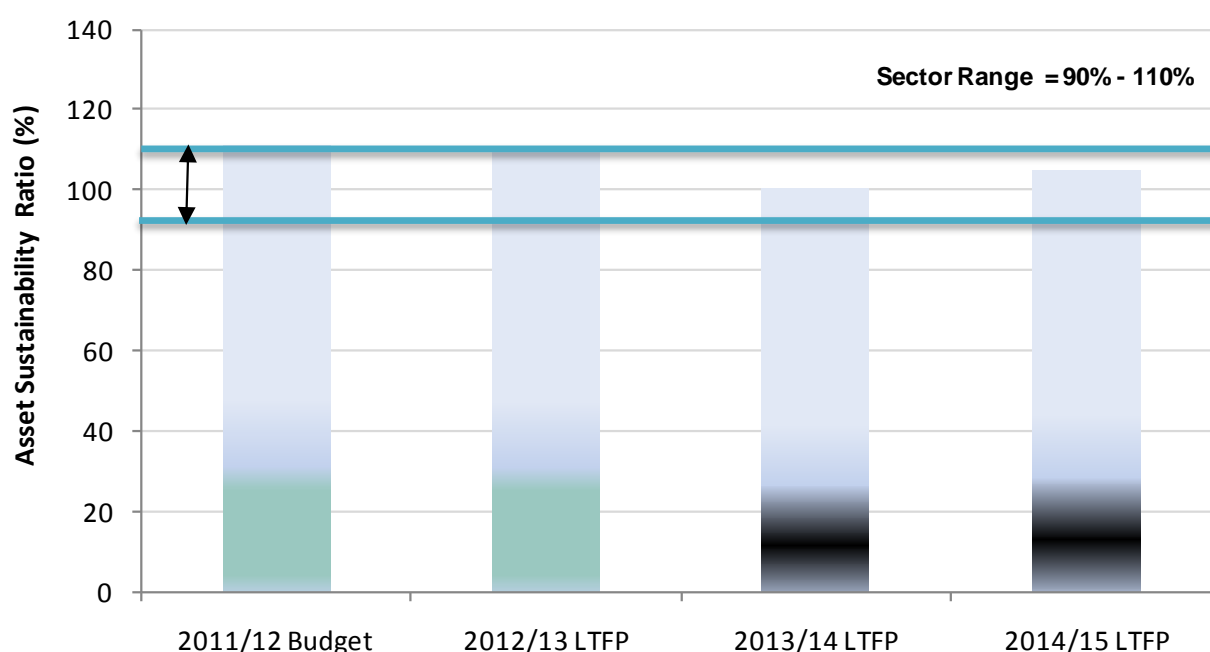
### Net Financial Liabilities Ratio



The Council's stock of net financial liabilities is expected to be \$74.928m at 30 June 2012. This represents an increase of \$51.033m on the estimated level of net financial liabilities at 30 June 2011 of \$23.895m.

This increase in net financial liabilities of \$51.033m means that the Council will increase borrowings by this amount in 2011-12.

### Asset Sustainability Ratio



The above graph shows Council's Asset Sustainability ratio calculated by comparing planned capital expenditure on renewal and replacement of assets against the levels in the IAMP.

The local government financial indicator target recommends that a 3 year rolling average is best used to calculate a council's asset sustainability ratio. The Council's three-years rolling average for 2011-12 to 2013-14 is 106.9%. This is well within the range of 90% - 110% recommended by the sector.

## Operating Budget

The Budget presented in this report has been developed through a rigorous process of consultation and review with Council officers and Council Members. It is also forward looking in that it fits within Council's long term strategic directions and within a prudent framework which seeks to achieve and maintain financial sustainability.

The Operating Budget forecasts an Operating Surplus of \$9.420m after raising rates and charges and other revenue of \$156.352m.

## Operating Revenue

The following table summarises the major components of Operating Revenue:

Revenue Types	2011-12 Budget \$'000	2010-11 Budget \$'000	Difference \$'000
Rates Income			
- General	79,291	75,314	3,977
- Other	3,111	2,924	187
Statutory Charges	13,160	12,379	781
User Charges	56,977	55,881	1,096
Grants, Subsidies and Contributions	2,799	4,144	(1,345)
Investment Income	119	156	(37)
Reimbursements	530	479	51
Other	364	833	(469)
<b>Operating revenue</b>	<b>156,352</b>	<b>152,110</b>	<b>4,242</b>

Further details on Rates Funding can also be found in section 3.4.

## Statutory Charges

Statutory charges are fees for regulatory services. They are associated with the granting of a permit/licence or the regulation of an activity and include parking fines, section 7 property information applications, and development and building consent fees. Changes in statutory fees are made in accordance with State Government legislative direction, and result from volume and anticipated CPI changes.

## User Charges

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include UPark fees, on-street parking-machine tickets, Adelaide Town Hall venue hire, Recreational Businesses fees, and properties premises hire income.

## Operating Grants & Subsidies

Government grants and contributions include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers. It excludes amounts specifically received for new/upgraded assets. Overall, total operating grants and subsidies are estimated to be \$2.799m. This represents 1.8% of the Council's estimated total operating revenue.

Further details on Grants can also be found in section 3.5.

## Investment Income

Investment income relates to interest on bank balances and investments. Given that it is Council's intention to use excess funds to reduce borrowings, there is unlikely to significant surplus funds to invest. Investment income is budgeted at \$119k.

## Reimbursements

Reimbursements are amounts received as payment for work done by the Council acting as an agent for others. This income is difficult to predict and an amount of \$530k has been budgeted.

## Other Revenue

Other revenue is revenue not separately classified above and is estimated to be \$364k.

## Operating Expenditure

The following table summarises the major components of Operating Expenditure:

Expenditure Types	2011-12 Budget \$'000	2010-11 Budget \$'000	Difference \$'000
Employee Costs	56,572	54,573	1,999
Materials, Contracts & Other Expenses	64,133	62,697	1,436
Finance Charges	3,001	1,815	1,186
Depreciation	23,225	22,637	588
<b>Operating expenditure</b>	<b>146,931</b>	<b>141,723</b>	<b>5,208</b>

## Employee Costs

Employee costs include all labour related expenditure such as wages, salaries, on-costs such as allowances, leave entitlements and employer superannuation. Employee costs are forecast to increase by \$1.999m compared to 2010-11. The dollar increase results from anticipated Enterprise Bargaining increases across the Corporation together with step increases for longer serving staff, where appropriate.



## Materials, Contracts & Other Expenses

Materials cover payments for physical goods. This includes purchase of consumables, water and energy. Contractual Services involve payments for the external provision of services. This may include indirectly provided labour and materials or sub-contractors which are part of a contract. Other expenses relate to expenses not separately classified above. Overall, materials, contractual services and other expenses are expected to increase by \$1.436m in 2011-12 compared to 2010-11. A major part of this increase is the result of increases in water and electricity costs.

## Finance Charges

Borrowing costs relate to interest charged by financial institutions on funds borrowed.

Budgeted finance charges have factored in the timing of Strategic Property Portfolio receipts, predicted cash flow and the estimated balance of borrowings at the beginning of the financial year.

## Depreciation

Depreciation is an accounting measure which records the consumption of the Council's infrastructure, property, plant and equipment. The increase of \$588k in depreciation expenses reflects the combined effect of a full year's impact of depreciable assets created by capital expenditure on new/upgraded assets, the part year impact of capital expenditure on new/upgraded assets in 2011-12 and the ongoing impact of regularly revaluing infrastructure assets on a 'fair value' basis.

## Current Year Result

The proposed Budget 2011-12 is predicated on achieving a favourable variance of \$440k to the 2010-11 budget adopted by Council as part of the March 2011 Business Plan and Budget Reconsideration.

# balance sheet analysis

## Analysis of Budgeted Balance Sheet

This section analyses the estimated balance sheet movements between 30 June 2011 and 30 June 2012 and discusses the level of the Council's net financial liabilities (being the key measure of the Council's financial position).

	2011-12 Budget \$'000	2010-11 Budget \$'000	2009-10 Actual \$'000
Current assets	31,334	31,334	31,334
Non-current Assets	1,329,206	1,265,826	1,253,916
<b>Total Assets</b>	<b>1,360,540</b>	<b>1,297,160</b>	<b>1,285,250</b>
Current Liabilities	27,859	27,769	46,312
Non-current Liabilities	57,596	6,653	18,469
<b>Total Liabilities</b>	<b>85,455</b>	<b>34,422</b>	<b>64,781</b>
<b>Equity</b>	<b>1,275,085</b>	<b>1,262,738</b>	<b>1,220,469</b>

## Current Assets

Current assets balances are not expected to change significantly.

## Non-Current Assets

The increase in non-current assets in 2011-12 essentially reflects the combined effect of all capital expenditure, the depreciation of existing assets, the book value of assets sold and the ongoing revaluation of infrastructure assets on a 'fair value' basis.

## Current Liabilities

Current liabilities balances are not expected to change significantly.

## Non-Current Liabilities

The budgeted \$50.943m increase in non-current liabilities in 2011-12 (i.e. obligations that the Council must pay beyond 30 June 2012) is attributable to the net financing transactions and will result in a increase in borrowings of this amount.

## Equity

The budgeted net increase in equity of \$12.347m in 2011-12 results from the budgeted net surplus for the year.

## Net Financial Liabilities

	<b>2011-12 Budget \$'000</b>	<b>2010-11 Budget \$'000</b>	<b>2009-10 Actual \$'000</b>
Net Financial Liabilities at 1 July	23,895	54,254	54,711
<i>less: Net Lending / (Borrowing) for financial year</i>	(51,033)	30,359	457
<b>Equals: Net Financial Liabilities at 30 June</b>	<b>74,928</b>	<b>23,895</b>	<b>54,254</b>

A financial target for Council is to ensure that the accumulated stock of net financial liabilities does not exceed 80% of total own source revenue in any year. The estimated level of net financial liabilities at 30 June 2012 is \$74.928m which represents 49.1% of the Council's expected own source revenue in 2011-12.

# proposed funding overview

PROPOSED FUNDING OVERVIEW 2011-12 BUDGET	Proposed Full Year Budget \$'000s 2011 -12	Forecast Full Year Budget \$'000s 2010 -11	Movement \$'000s
<b>BUSINESS OPERATIONS</b>			
Revenue	70,312	71,175	(863)
Less Expenditure	54,266	55,281	1,015
	16,046	15,894	152
Less Depreciation	7,166	7,600	434
<b>NET BUSINESS OPERATIONS</b>	8,881	8,294	587
<b>SERVICES</b>			
General Rates	79,516	75,549	3,967
Other Revenue	36,992	35,215	1,777
Less Expenditure	79,645	76,031	(3,614)
Less Depreciation	16,059	15,038	(1,021)
<b>NET SERVICES</b>	20,803	19,695	1,108
<b>TREASURY MANAGEMENT</b>			
Revenue	215	156	59
Less Expenditure	3,315	2,028	(1,287)
<b>NET TREASURY MANAGEMENT</b>	(3,100)	(1,872)	(1,228)
Add Depreciation	23,225	22,637	(588)
<b>FUNDING AVAILABLE FOR PROJECTS</b>	49,809	48,754	1,055
Less Depreciation	23,225	22,637	(588)
<b>OPERATING FUNDING SURPLUS BEFORE STRATEGIC PROJECTS</b>	26,584	26,117	467
<b>STRATEGIC PROJECTS</b>			
Revenue	2,463	2,816	(353)
Less Expenditure	16,819	15,253	(1,566)
<b>NET STRATEGIC PROJECTS</b>	(14,355)	(12,437)	(1,918)
<b>OPERATING FUNDING SURPLUS / (DEFICIT)</b>	12,228	13,680	(1,452)
<b>CAPITAL WORKS PROGRAM</b>			
Revenue	13,899	45,995	(32,096)
Less Expenditure on Renewal and Replacement of Existing Assets	23,767	22,042	(1,725)
Less Expenditure on New and Upgraded Assets	74,810	26,888	(47,922)
Less Expenditure on Maintenance Related	1,809	3,023	1,214
Gross Capital Program	100,386	51,953	(48,433)
Net Capital Works Program	(86,487)	(5,958)	(80,529)
Less Depreciation	23,225	22,637	(588)
<b>NET CAPITAL PROGRAM</b>	(63,262)	16,679	(79,941)
<b>NET LENDING / (BORROWING) RESULT FOR THE FINANCIAL YEAR</b>	(51,033)	30,359	(81,392)
<b>Funding transactions associated with accommodating the above net lending/(borrowing) result for the financial year are as follows:</b>			
Borrowings including Roll Overs	35,532	8,140	27,392
Redraw of Carry Forwards	15,779	2,950	12,829
Redraw of Prior Year Repayments	3,104	0	3,104
Principal Repayments including Roll Overs	(3,472)	(38,449)	34,977
Other - Working Capital and Provision Movements	90	(3,000)	3,090
<b>NET FUNDING TRANSACTIONS</b>	51,033	(30,359)	81,392
<b>NET FINANCIAL LIABILITIES AS AT 30 JUNE</b>	74,928	23,895	51,033

# statutory financial statements

## BUDGETED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2012

	2012 \$'000	2011 \$'000
<b>INCOME</b>		
Rates	82,402	78,238
Statutory charges	13,160	12,379
User charges	56,977	55,881
Grants, subsidies and contributions	2,799	4,144
Investment income	119	156
Reimbursements	530	479
Other revenues	364	833
<b>Total Revenues</b>	<b>156,352</b>	<b>152,110</b>
<b>EXPENSES</b>		
Employee costs	56,572	54,573
Materials, contracts & other expenses	64,133	62,697
Finance costs	3,001	1,815
Depreciation, amortisation & impairment	23,225	22,637
<b>Total Expenses</b>	<b>146,931</b>	<b>141,723</b>
<b>OPERATING SURPLUS</b>	<b>9,420</b>	<b>10,387</b>
Asset disposal & fair value adjustments	1,232	27,001
Amounts received specifically for new or upgraded assets	1,695	4,506
Physical resources received free of charge	-	375
<b>NET SURPLUS</b>	<b>12,347</b>	<b>42,269</b>
<b>Total Other Comprehensive Income</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>12,347</b>	<b>42,269</b>



# BUDGETED BALANCE SHEET

as at 30 June 2012

	2012	2011
	\$'000	\$'000
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	3,875	3,875
Trade & other receivables	6,266	6,266
Inventories	387	387
	<u>10,528</u>	<u>10,528</u>
Non-current Assets held for Sale	20,806	20,806
<b>Total Current Assets</b>	<u>31,334</u>	<u>31,334</u>
<b>Non-current Assets</b>		
Assets held for Sale	13,783	13,783
Equity accounted investments in Council businesses	249	249
Infrastructure, Property, Plant & Equipment	1,315,174	1,251,794
<b>Total Non-current Assets</b>	<u>1,329,206</u>	<u>1,265,826</u>
<b>Total Assets</b>	<u>1,360,540</u>	<u>1,297,160</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade & Other Payables	15,187	15,097
Borrowings	7,208	7,208
Provisions	5,464	5,464
<b>Total Current Liabilities</b>	<u>27,859</u>	<u>27,769</u>
<b>Non-current Liabilities</b>		
Borrowings	50,943	-
Provisions	6,653	6,653
<b>Total Non-current Liabilities</b>	<u>57,596</u>	<u>6,653</u>
<b>Total Liabilities</b>	<u>85,455</u>	<u>34,422</u>
<b>NET ASSETS</b>	<u>1,275,085</u>	<u>1,262,738</u>
<b>EQUITY</b>		
Accumulated Surplus	826,697	814,350
Asset Revaluation Reserve	448,388	448,388
<b>TOTAL EQUITY</b>	<u>1,275,085</u>	<u>1,262,738</u>

## BUDGETED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2012

	Accumulated Surplus	Asset Revaluation Reserve	TOTAL EQUITY
	\$'000s	\$'000s	\$'000s
<b>2012</b>			
Balance at end of previous reporting period	<b>814,350</b>	<b>448,388</b>	<b>1,262,738</b>
<b>Net Surplus for Year</b>	<b>12,347</b>	<b>-</b>	<b>12,347</b>
<b>Balance at end of period</b>	<b>826,697</b>	<b>448,388</b>	<b>1,275,085</b>
<b>2011</b>			
Balance at end of previous reporting period	772,081	448,388	1,220,469
<b>Net Surplus for Year</b>	42,269	-	42,269
<b>Balance at end of period</b>	<b>814,350</b>	<b>448,388</b>	<b>1,262,738</b>

## BUDGETED CASH FLOW STATEMENT

for the year ended 30 June 2012

	2012	2011
	\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<u>Receipts</u>		
Operating receipts	156,232	151,953
Investment receipts	119	156
<u>Payments</u>		
Operating payments to suppliers & employees	(119,616)	(119,270)
Finance payments	(3,001)	(1,815)
<b>Net Cash provided by (or used in) Operating Activities</b>	<b>33,734</b>	31,024
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<u>Receipts</u>		
Grants specifically for new or upgraded assets	1,695	4,506
Sale of replaced assets	-	386
Sale of surplus assets	12,204	40,000
<u>Payments</u>		
Expenditure on renewal/replacement of assets	(23,767)	(22,042)
Expenditure on new/upgraded assets	(74,810)	(26,513)
<b>Net Cash provided by (or used in) Investing Activities</b>	<b>(84,678)</b>	(3,663)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<u>Receipts</u>		
Proceeds from Borrowings	38,636	8,140
Proceeds from Borrowings – Redraw of Carry Forwards Funding	15,779	2,950
<u>Payments</u>		
Repayments of Borrowings	(3,472)	(38,449)
<b>Net Cash provided by (or used in) Financing Activities</b>	<b>50,943</b>	(27,359)
<b>Net Increase (Decrease) in cash held</b>	-	-
Cash & cash equivalents at beginning of period	(15,613)	(15,613)
<b>Cash &amp; cash equivalents at end of period</b>	<b>(15,613)</b>	(15,613)

## UNIFORM PRESENTATION OF FINANCES

for the year ended 30 June 2012

	2012 \$'000	2011 \$'000
Operating Revenues	156,352	152,110
<i>less</i> Operating Expenses	<b>(146,931)</b>	<b>(141,723)</b>
Operating Surplus/(Deficit) before Capital Amounts	<u>9,420</u>	<u>10,387</u>
 <i>add</i> Capital Program Write-Off from Previous Years	 <u>1,000</u>	 <u>1,000</u>
<b>Funding surplus</b>	<b><u>10,420</u></b>	<b><u>11,387</u></b>
 <b><i>less</i> Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	23,767	22,042
<i>less</i> Depreciation, Amortisation and Impairment	<b>(23,225)</b>	<b>(22,637)</b>
<i>less</i> Proceeds from Sale of Replaced Assets	-	<b>(386)</b>
	<u>542</u>	<u><b>(981)</b></u>
 <b><i>less</i> Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets <i>(including investment property &amp; real estate developments)</i>	74,810	26,513
<i>less</i> Amounts received specifically for New and Upgraded Assets	<b>(1,695)</b>	<b>(4,506)</b>
<i>less</i> Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<b>(12,204)</b>	<b>(40,000)</b>
	<u>60,911</u>	<u><b>(17,993)</b></u>

# BUDGETED TOTAL FUNDING & EXPENDITURE STATEMENT

for the year ended 30 June 2012

	2012	2011
	\$'000s	\$'000s
<b>FUNDING</b>		
<b>Non-Rates Funding</b>		
Statutory charges	13,160	12,379
User charges	56,977	55,880
Operating grants and subsidies	2,799	3,417
Investment Income	119	156
Reimbursements	530	479
Other revenues	364	833
Proceeds from sale of non-current assets	12,204	40,386
Capital grants, subsidies and monetary contributions	1,695	4,506
Proceeds from new borrowings incl. roll overs and redraws of prior year repayments	38,636	8,140
Redraw of carry forwards	15,779	2,950
Other - working capital and provisions movements	90	3,000
<b>Total Non-Rate Funding</b>	<b>142,353</b>	<b>132,126</b>
<b>Rates Funding</b>		
General rates income	79,291	75,314
Rundle Mall Separate Levy	2,030	1,980
NRM Levy	1,081	944
<b>Total Rates Funding</b>	<b>82,402</b>	<b>78,238</b>
<b>TOTAL FUNDING</b>	<b>224,755</b>	<b>210,364</b>
<b>EXPENDITURE</b>		
Employee costs	56,572	54,573
Materials, contracts and other expenses	61,324	63,574
Finance costs	3,001	1,815
Capital Works Program	100,386	51,953
Principal repayments incl. roll overs	3,472	38,449
<b>EXPENDITURE</b>	<b>224,755</b>	<b>210,364</b>



# proposed budgets excluding depreciation

Creating Our Future - Council Programs	Proposed 2011/12 Operating Budget			Proposed 2011/12 Capital Budget		
	Expendi- ture \$'000s	Revenue \$'000s	Net Cost \$'000s	Expendi- ture \$'000s	Revenue \$'000s	Net Cost \$'000s
<b>Populous Capital City</b>						
Residential Growth	2,493	400	2,093	7,400	0	7,400
<b>Populous Capital City Total</b>	<b>2,493</b>	<b>400</b>	<b>2,093</b>	<b>7,400</b>	<b>0</b>	<b>7,400</b>
<b>Unique Heritage Parklands &amp; City Design</b>						
City Planning	5,760	441	5,319	0	0	0
City Design	2,322	999	1,323	15,157	0	15,157
Public Realm	23,669	3,471	20,198	0	0	0
<b>Unique Heritage Parklands &amp; City Design Total</b>	<b>31,751</b>	<b>4,911</b>	<b>26,840</b>	<b>15,157</b>	<b>0</b>	<b>15,157</b>
<b>Accessible and Connected Capital City</b>						
Accessible City	35,695	46,257	(10,562)	1,469	0	1,469
<b>Accessible and Connected Capital City Total</b>	<b>35,695</b>	<b>46,257</b>	<b>(10,562)</b>	<b>1,469</b>	<b>0</b>	<b>1,469</b>
<b>Culturally Vibrant City</b>						
Vibrant City	4,694	1,544	3,150	945	0	945
Active City	8,241	7,970	272	5,762	1,018	4,744
City Community	5,596	485	5,112	0	0	0
Safer City	2,654	1,585	1,069	250	0	250
<b>Culturally Vibrant City Total</b>	<b>21,185</b>	<b>11,583</b>	<b>9,603</b>	<b>6,957</b>	<b>1,018</b>	<b>5,939</b>
<b>Economically Prosperous City</b>						
Economic Development	5,785	2,384	3,401	2,852	0	2,852
<b>Economically Prosperous City Total</b>	<b>5,785</b>	<b>2,384</b>	<b>3,401</b>	<b>2,852</b>	<b>0</b>	<b>2,852</b>
<b>Environmentally Sustainable City</b>						
Sustainable City	2,270	0	2,270	806	40	766
<b>Environmentally Sustainable City Total</b>	<b>2,270</b>	<b>0</b>	<b>2,270</b>	<b>806</b>	<b>40</b>	<b>766</b>
<b>Council Programs Total</b>	<b>99,179</b>	<b>65,535</b>	<b>33,644</b>	<b>34,641</b>	<b>1,058</b>	<b>33,583</b>

Delivering Our Future - Corporate Programs	Proposed 2011/12 Operating Budget			Proposed 2011/12 Capital Budget		
	Expendi- ture \$'000s	Revenue \$'000s	Net Cost \$'000s	Expendi- ture \$'000s	Revenue \$'000s	Net Cost \$'000s
Finance & Risk	9,925	87,118	(77,194)	0	0	0
Capital Works & Infrastructure Management	4,933	2,013	2,919	0	0	0
Customer Experience	2,001	126	1,875	0	0	0
Marketing, Creative Services & Media	2,056	112	1,944	0	0	0
People & Culture	2,709	0	2,709	0	0	0
Information & Communication Technology	5,636	261	5,375	3,098	0	3,098
Strategic Asset & Property Management	19,516	34,165	(14,649)	62,647	12,841	49,806
Strategic Procurement & Contract Management	1,221	167	1,054	0	0	0
Office of the Lord Mayor	1,384	0	1,384	0	0	0
Office of the CEO	2,481	0	2,481	0	0	0
Office of Corporate & Project Management	979	0	979	0	0	0
Office of the General Managers & Executive Managers	2,026	0	2,026	0	0	0
<b>Corporate Programs Total</b>	<b>54,867</b>	<b>123,964</b>	<b>(69,097)</b>	<b>65,745</b>	<b>12,841</b>	<b>52,904</b>
<b>Corporation Total</b>	<b>154,046</b>	<b>189,499</b>	<b>(35,454)</b>	<b>100,386</b>	<b>13,899</b>	<b>86,487</b>

# full cost attribution by principal activity including depreciation

Creating Our Future - Council Programs	2011/12 Operating Budget				
	Revenue \$'000s	Expenditure \$'000s	Attribution of Overheads \$'000s	Expenditure Incl. Attributed Overheads \$'000s	Net Contribution/ (Net Full Cost) \$'000s
<b>Populous Capital City</b>					
Residential Growth	400	2,549	240	2,789	(2,389)
<b>Populous Capital City Total</b>	<b>400</b>	<b>2,549</b>	<b>240</b>	<b>2,789</b>	<b>(2,389)</b>
<b>Unique Heritage Parklands &amp; City Design</b>					
City Design & Character	1,440	9,208	4,605	13,813	(12,373)
Public Realm	3,471	25,310	1,933	27,244	(23,772)
<b>Unique Heritage Parklands &amp; City Design Total</b>	<b>4,911</b>	<b>34,518</b>	<b>6,538</b>	<b>41,056</b>	<b>(36,145)</b>
<b>Accessible and Connected Capital City</b>					
Accessible City	46,257	35,833	12,491	48,324	(2,067)
<b>Accessible and Connected Capital City Total</b>	<b>46,257</b>	<b>35,833</b>	<b>12,491</b>	<b>48,324</b>	<b>(2,067)</b>
<b>Culturally Vibrant City</b>					
Vibrant City	1,544	4,727	1,783	6,510	(4,966)
Active City	7,970	9,178	2,524	11,703	(3,733)
City Community	485	5,974	1,398	7,372	(6,887)
Safer City	1,585	2,654	3,828	6,483	(4,898)
<b>Culturally Vibrant City Total</b>	<b>11,583</b>	<b>22,534</b>	<b>9,534</b>	<b>32,067</b>	<b>(20,484)</b>
<b>Economically Prosperous City</b>					
Economic Development	2,384	5,785	1,826	7,612	(5,227)
<b>Economically Prosperous City Total</b>	<b>2,384</b>	<b>5,785</b>	<b>1,826</b>	<b>7,612</b>	<b>(5,227)</b>
<b>Environmentally Sustainable City</b>					
Sustainable City	0	2,270	308	2,577	(2,577)
<b>Environmentally Sustainable City Total</b>	<b>0</b>	<b>2,270</b>	<b>308</b>	<b>2,577</b>	<b>(2,577)</b>
<b>Council Programs Total</b>	<b>65,535</b>	<b>103,488</b>	<b>30,937</b>	<b>134,425</b>	<b>(68,890)</b>
<b>Corporate Programs</b>					
Capital Works & Infrastructure Management	2,013	4,933	(2,919)	2,013	0
Customer Experience	126	2,001	(1,875)	126	0
Finance & Risk	87,119	9,924	(2,627)	7,298	79,821
Information & Communication Technology	261	6,914	(6,653)	261	0
Marketing & Creative Services	112	2,056	(1,944)	112	0
People & Culture	0	2,709	(2,709)	(0)	0
Strategic Asset & Property Management	34,165	37,154	(4,287)	32,867	1,297
Strategic Procurement & Contract Management	167	1,221	(1,054)	167	(0)
GM & EM Costs	0	2,026	(2,026)	0	0
Office of Corporate & Project Management	0	979	(979)	0	(0)
Office of the CEO	0	2,481	(2,481)	(0)	0
Office of the Lord Mayor	0	1,384	(1,384)	(0)	0
<b>Corporate Programs Total</b>	<b>123,963</b>	<b>73,782</b>	<b>(30,937)</b>	<b>42,845</b>	<b>81,119</b>
<b>Corporation Total</b>	<b>189,499</b>	<b>177,270</b>	<b>0</b>	<b>177,270</b>	<b>12,228</b>

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Adelaide City Council has achieved its target to reduce carbon emissions from its own operations by 60% by 2012, and is now pursuing zero net carbon emissions by 2020'

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