



NOTICE

of

ORDINARY COUNCIL MEETING

*Pursuant to the provisions of Section 84(1) of the
Local Government Act 1999*

TO BE HELD IN

**COUNCIL CHAMBERS
PLAYFORD CIVIC CENTRE
10 PLAYFORD BOULEVARD, ELIZABETH**

ON

TUESDAY, 26 MARCH 2024 AT 7:00PM

THIS MEETING WILL ALSO BE VIEWABLE AT
<https://www.youtube.com/user/CityOfPlayford>

**SAM GREEN
CHIEF EXECUTIVE OFFICER**

Issue Date: Thursday, 21 March 2024

MEMBERSHIP

MAYOR GLENN DOCHERTY – PRINCIPAL MEMBER

Cr Akram Arifi
Cr Andrew Craig
Cr David Kerrison
Cr Jane Onuzans
Cr Tanya Smiljanic

Cr Marilyn Baker
Cr Shirley Halls
Cr Clint Marsh
Cr Peter Rentoulis
Cr Katrina Stroet

Cr Zahra Bayani
Cr Chantelle Karlsen
Cr Misty Norris
Cr Gay Smallwood-Smith
Cr Rebecca Vandeppear

**City of Playford
Ordinary Council Meeting**

AGENDA
TUESDAY, 26 MARCH 2024 AT 7:00PM

1 ATTENDANCE RECORD

1.1 Present

1.2 Apologies

Cr Katrina Stroet

1.3 Not Present

2 CONFIRMATION OF MINUTES

RECOMMENDATION

The Minutes of the Ordinary Council Meeting held 27 February 2024 be confirmed as a true and accurate record of proceedings.

3 DECLARATIONS OF INTEREST

4 MAYOR'S REPORT

5 REPORTS OF REPRESENTATIVES OF COUNCIL ON OTHER ORGANISATIONS

6 REPORTS BY COUNCILLORS

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7 REPORTS OF REPRESENTATIVES (CONFERENCES & TRAINING PROGRAMS)

8 QUESTIONS WITHOUT NOTICE

9 QUESTIONS ON NOTICE

Cr Marilyn Baker - Naming of Council Assets

History

Cr Baker submitted the following Question on Notice for the March 2024 Ordinary Council Meeting.

Question

Would Administration please advise what procedures and policies should be followed to consider the naming of a City Asset.

Answer

Council has an endorsed Naming of Assets Policy supported by a Procedure. These documents are available on our website. The policy applies to the naming of all council-owned assets, including all existing and proposed roads in the Council area.

The intent of this policy is to:

- Ensure a consistent, equitable and transparent approach to the naming of Council owned assets, places and roads
- Assist the public and emergency services to easily locate property addresses
- Assign road and place names that are unique to our Council area, and are easy to read, spell and pronounce
- Recognise the contributions made by individuals and community groups to the development the Council area; and
- Recognise the historical, social and cultural development of the Council through the naming of assets.

A road or place naming process may be initiated if:

- A request is received, in writing, by the Council from an affected landowner or their agent
- A request is received from community groups or associations
- Council resolves that a name change be investigated
- Council staff determine it is in the public interest to investigate a change in road name
- Council opens or forms a road; and
- Council receives an application for a land division from a developer
- A request is received from the Surveyor-General to assign/change the name of a place or suburb.

Cr Katrina Stroet - Tree Canopy Maintenance**History**

This question was raised at the Ordinary Council Meeting on 27 February 2024, following a question regarding tree management. Mr Dale Welsh (GM City Assets) took the question on notice.

Question

How often do staff visit each suburb to perform tree canopy maintenance work? E.g. trees and shrubs in and nearby roundabouts.

Answer

The frequency of maintenance activities undertaken on trees varies depending on the type and age of the tree. This is outlined in the table below.

Type of Tree	Age	Frequency of maintenance	Activities
Street Trees	0-3 years	Weekly	Watering Maintenance (spraying, mulching, and pruning as required)
	3-7 years	Annually	Formative pruning
	7+ years	Proactive maintenance undertaken every 4 years. Reactive maintenance undertaken as required	Selective and reductive pruning
Linear Corridor Trees (i.e. trees located along Adams Creek, Smith Creek, Little Para River)	0-2 years	22 visits over a 2 year period 10 visits over a 3-year period	Watering Weed control
	2+ years	Reactive maintenance undertaken as required	Selective pruning
Amenity Trees (i.e. trees located in windbreaks and all dryland reserves)	0-3 years	26 visits over a 3-year period 9 visits over a 3-year period	Watering Maintenance (mulching, weed control, pruning)
	3+ years	Proactive maintenance undertaken every 4 years. Reactive maintenance undertaken as required	Formative pruning
Reserve and Sportsground Trees (i.e. trees surrounding sportsgrounds and trees within local, neighbourhood, district and regional open space reserves)	0-3 years	As required	Formative pruning
	3+ years	Proactive maintenance undertaken every 4 years. Reactive maintenance undertaken as required	Selective and reductive pruning

Separate to maintenance activities Council staff also undertake ongoing scheduled inspections of trees depending on the risk rating of the tree. In the past 12 months Council staff have undertaken approximately 24,041 inspections.

The inspection considers the following:

- Species, age, health, structure, and location
- Signs of decay, pest infestation, mechanical/physical damage, and any signs of disease.

10 PETITIONS

Nil

11 DEPUTATION / REPRESENTATIONS

Nil

12 MOTIONS WITHOUT NOTICE**13 MOTIONS ON NOTICE**

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(Cr Marsh).....10

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Nil

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Reports by Councillors

6.1 INFORMATION SESSION RECORD OF ATTENDANCE

Contact Person: Luke Culhane

Information Session Record of Attendance

- The Information Session Record of Attendance for March 2024 is provided below.

	12 March 2024 Start: 8:22 pm Finish: 9:05 pm		19 March 2024 Start: 7:03pm Finish: 9:23pm	
	Attendance	Attendance Comment	Attendance	Attendance Comment
Mayor Glenn Docherty	✓		✓	
Cr Akram Arifi	Apology		✓	Via Zoom
Cr Andrew Craig	✓		✓	Arrived at 7:13pm
Cr Chantelle Karlsen	✓		✓	Via Zoom
Cr Clint Marsh	✓		✓	
Cr David Kerrison	✓	Arrived at 8:25 pm	✓	Arrived at 7:13pm
Cr Gay Smallwood-Smith	✓		✓	
Cr Jane Onuzans	✓		✓	
Cr Katrina Stroet	✓		Apology	
Cr Marilyn Baker	✓		✓	
Cr Misty Norris	✓		✓	
Cr Peter Rentoulis	✓	Arrived at 8:25 pm	Apology	
Cr Rebecca Vandeppear	✓		✓	Via Zoom
Cr Shirley Halls	✓		✓	
Cr Tanya Smiljanic	✓		✓	
Cr Zahra Bayani	✓		✓	Via Zoom

Motions on Notice

13.1 MOTION ON NOTICE - CITY OF PLAYFORD GROWTH ROLLING SCHEDULE OF WORKS TO 26/27 (CR MARSH)

Contact Person: Sam Green

Why is this matter before the Council or Committee?

Councillor Marsh has submitted the following Motion on Notice for Council's consideration.

MOTION ON NOTICE

1. The Mayor write to the Minister for Infrastructure and Transport seeking a response on the following matters:
 - a. Could an update be provided on the release of funding and timing for when construction will commence on the dual lane roundabout at the intersection of Curtis Rd and Heaslip Road
 - b. Referring to the approved Rolling Schedule of Works to 26/27 - Approved November 2023, approved by the Minister for Infrastructure and Transport can the State Government confirm if the approved timeline will be met or delayed?
 - c. Will the Department for Infrastructure and Transport debt fund the supplementary funding required for the dual lane roundabout?
2. That any relevant crash data be obtained and utilised to support the letter to the Minister.

STAFF REPORTS

***Matters which cannot be
delegated to a Committee or Staff***

15.1 SECOND BUDGET REVIEW 2023/24

Responsible Executive Manager : Luke Culhane

Report Author : Trisca Price

Delegated Authority : Matters which cannot be delegated to a Committee or Staff

Attachments : 1¹. Uniform Presentation of Finances 2023/2024

PURPOSE

The purpose of the Second Budget Review 2023/24 is to adjust for any changes in circumstances and priorities since adoption of the First Budget Review in October 2023.

STAFF RECOMMENDATION

1. That the Second Budget Review 2023/24, incorporating the Uniform Presentation of Finances presented in Attachment 1, be adopted.
2. That Council allocates additional capital expenditure budget of \$2.206M and additional operating expenditure budget of \$0.187M for McGilp Reserve.
3. That Council allocates capital expenditure budget of \$0.272M and operating expenditure budget of \$0.032M for Dwight Reserve change rooms – detailed design.
4. Note the Revised Budget includes the allocation of Supplementary Local Roads grant funding of \$0.845M to Sheedy Road.
5. Note the Second Budget Review 2023/24 consists of:
 - Revised operating income of \$142.0M
 - Revised operating expenditure of \$132.7M
 - An operating surplus of \$9.3M
 - Revised capital expenditure of \$55M supported by revenue (grant funding and third-party contributions) for new/upgraded assets of \$8.1M (a net capital budget of \$46.9M).
6. Note a Revised Balance sheet net asset movement of \$12.9M.
7. Note no change to the existing maximum debt facility of \$150.0M.

EXECUTIVE SUMMARY

Following endorsement of the Second Budget Review 2023/24, all changes will be incorporated into end of month reporting. The impacts of the proposed changes on the operating and capital budgets are presented in the revised Uniform Presentation of Finances 2023/2024 (Attachment 1).

1. BACKGROUND

In accordance with Regulation 9 of *the Local Government (Financial Management) Regulations 2011*, Council must reconsider its budget at least two times throughout the year, between 30 September and 31 May, restating the impact in the Uniform Presentation of Finances 2023/2024.

This is the second major budget reconsideration by Council for the 2023/24 financial year. The purpose of this review is to adjust the budget for any changes in circumstances and priorities since the adoption of the First Budget in October 2023.

The Revised Budget takes account of changed operating conditions and recent Council decisions which have an ongoing impact to Council's operating result.

Other non-permanent, once-off adjustments that do not result in a change to the ongoing budget, are not included in the Revised Budget. These are instead reported via forecasting in Council's monthly Budget Update Report.

All items included in the Revised Budget have considered Council's ability to deliver the work based on resourcing and capacity. Items included in this budget review include those projects that will continue into 2024/25 and require realignment of budget between financial years.

2. RELEVANCE TO STRATEGIC PLAN

This item ensures we meet legislative requirements under the *Local Government (Financial Management) Regulations 2011* and S123 (13) of *the Local Government Act 1999*. It also provides transparent financial reporting to our community by illustrating how our Finance Strategy is achieving long term financial sustainability.

3. PUBLIC CONSULTATION

Council is not required to consult with the community concerning the Second Budget Review 2023/24. Financial information is provided to residents through the Annual Report and monthly Budget Update Reports presented to Council.

4. DISCUSSION

4.1 Operating Budget Review Recommendations

The Second Budget Review 2023/24 provides a revised operating surplus of \$9.3M, a decrease of \$0.8M and structural surplus of \$1.3M, a decrease of \$0.8M.

The Operating Budget has been adjusted for the following items:

- Additional operating costs associated with increased approved capital costs

The table below summarises the impact of these updates.

Operating Position 2023/24	Operating \$000's (Unfav)/Fav	Structural \$000's
Original Budget	7,805	1,462
First Budget Review Adjustments	2,217	599
Second Budget Review Adjustments	-	-
Additional operating costs associated with increased capital	(766)	(766)
Total Value of Changes	(766)	(766)
Revised Budget Surplus	9,256	1,295

4.2 Capital Budget Review Recommendations

The 2023/24 Capital Budget was developed in conjunction with the 4-year delivery plan.

The Second Budget Review 2023/24 is an opportunity to update project budgets based on Council resolutions, timing of works, additional budget requirements or savings, new identified works and allocation of grant funding.

Summary	Capital Revenue \$000's	Capital Expense \$000's	Operating \$000's
Approved Projects via Resolution	-	3,316	515
Realignment of project budgets	(10,977)	(33,149)	-
New Projects/Additional Scope	-	712	64
Additional budget request on existing projects	-	2,253	187
Projects not delivered/delayed	(1,117)	(1,611)	-
Total	(12,094)	(28,479)	766

Project budgets already approved via Council Resolution to be accounted for in BR2

Project	Resolution	Capital \$000's	Operating \$000's
Temporary Portable Toilets	5687	146	18
Kalara Reserve-Andrews Farm Soccer Upgrades	5665	3,460	497
Dwight Reserve North – Renewal	5597	(290)	-
Total		3,316	515

Realignment of project budgets between financial years

Realigning project budgets between financial years based on actual work to be completed in the coming year and the updated schedule of works for the current year. This change does not result in a change to the approved project budget.

Project	Net Capital \$000's	Operating \$000's
AMP net projects carry-outs	(5,242)	-
New/Upgrade net projects carry-outs	(16,930)	-
Total	(22,172)	-

Allocation of Grant Funding

Allocation of existing supplementary local roads reserve funding to Sheedy Road Upgrade to commence detailed design, construction budget included in ABP 24/25.

Project	Capital Revenue \$000's	Capital Expense \$000's	Operating \$000's
Sheedy Rd Upgrade	-	845	-
Unallocated - Supplementary Local Roads Funding	-	(845)	-
Total	-	-	-

Additional budget request on existing projects

McGilp Reserve Redevelopment

A masterplan for McGilp Recreation Park was developed in 2019 and costed in early 2020. The masterplan called for the following improvements to the site:

- Construction of new changerooms
- Improved pedestrian network
- Oval extension and stormwater upgrades
- Backstop fencing
- BMX track
- Park furniture.

Stakeholder consultation on the masterplan was completed in 2020 and in June 2021, Council approved a budget allocation of \$1.676M via the 2021/22 Annual Business Plan (ABP). This budget allocation was subject to a successful funding application. Unfortunately, in late 2021, Council was notified that it was unsuccessful in its grant funding submission.

Subsequent to this, in 2022, Council received an Election Commitment to the value of \$1.5M. The funding was to provide for:

- the construction of unisex changerooms
- to extend the oval with upgraded drainage to accommodate both junior and senior teams
- improved wastewater system
- upgraded carpark including new entry
- improved paths and lighting
- construction of a BMX bike track.

Council matched this funding via the 2022/23 ABP, to bring the total budget to \$3.08M in line with the original project costing. Community engagement commenced in October 2022 and a 'what we heard report' was generated and informed the final scope of works.

To date, 75% detailed design has been completed and a budget shortfall of \$2.206M has been identified. \$1M of the budget shortfall relates to cost escalations since 2020. The remaining shortfall relates to detailed design elements which attract additional cost. These are necessary to deliver on the original masterplan and the requirements of the grant funding agreement.

Staff are seeking Council's approval for the additional capital budget of \$2.206M to complete the project, via Budget Review 2. This will facilitate the continued progression of this project to the construction phase, whilst attending to the grant funding deadline of 31 December 2024.

AMP – Alexander Ave

Additional stormwater pipes and headwalls and/or formalised swale and asphalt driveways installed to assist in the management of stormwater. Funded from surplus grant funding.

Blakes Crossing Public Toilet

Installation of backflow prevention device to meet standard and handrails to concrete landing.

Project	Capital Revenue \$000's	Capital Expense \$000's	Operating \$000's
McGilp Reserve Redevelopment	-	2,206	187
AMP – Alexander Ave	-	40	-
Blakes Crossing Public Toilet	-	7	-
Total	-	2,253	187

New Projects/Additional Scope

Vehicle associated with new security officer role

In April 2023, a pilot project was initiated to evaluate the effectiveness of tackling persistent behavioural challenges at the Stretton Centre. Previous attempts, including the deployment of a dedicated Youth Officer, had not resulted in lasting improvements, often due to the negative influence of a small group of individuals. Recognising the importance of ensuring the safety of staff and patrons while fostering a welcoming atmosphere, a new approach was devised.

The revised approach centred around the deployment of a security contractor who wore a Playford uniform and assumed the role of a staff member at the Stretton Centre. This approach sought to leverage the security officer's presence for support while minimising the perception of over-policing.

Since April 2023, the security portal has recorded 244 incidents at the Stretton Centre/Town Park, all of which have been effectively managed by the in-house security contractor.

ICT hardware associated with TCM replacement

Teams within the Ageing and Inclusion Department currently utilise Telstra Health's The Care Manager (TCM) as the client management system to support with:

- client information management
- service tracking
- rostering and attendance
- goal setting and outcome tracking
- NDIS Invoicing; and
- legislative reporting requirements.

There are 3303 active clients currently receiving a service within TCM, along with historical information maintained from clients who have previously received a service.

There is a trigger for a replacement software as Telstra Health are ceasing investment, development and support for TCM from 31/03/24. There is a requirement for a replacement client management system to replace TCM that is fit-for-purpose meeting legislative compliance for NDIS, CPN and Aged Care funded services through mandatory reporting and provision of supports.

Dwight Reserve Changerooms

Dwight Reserve is a district level sports facility that is a high priority in Council's Sports Facility Strategy (2023). Recommendations for this site include:

- Upgraded clubrooms and changeroom.
- Review parking and entrance to the site
- Address the need to provide a temporary solution for the upgrade of changerooms and additional toilets.

Approval to commence pre-planning work for this site was provided through the 2023/24 Annual Business Plan.

On 6 November 2023, Council was advised via memo that a funding application for \$500,000 was submitted through the Office for Recreation, Sport & Racing for the construction of unisex changerooms at Dwight Reserve. It was identified that if the funding application was successful, Council would need to commence detailed design in the 2023/24 financial year to meet the construction timeframes specified in the funding agreement.

On the 24th of February, the Office for Recreation, Sport & Racing advised the City of Playford that it has been successful in receiving \$500,000 of funding for the construction of new unisex changerooms at Dwight Reserve through the Community Recreation and Sport Facilities Program'. The pre-planning phase for this project is near completion and aims to deliver the following scope of works:

- New changeroom building with the following provisions:
- 4 x unisex changerooms

- 2 x umpires changerooms
- 2 x storage facilities
- 2 x accessible toilets
- New carpark with entry from Yorktown/Adams Road roundabout
- Improved stormwater infrastructure

To meet the construction timeframes of the funding agreement, Staff are seeking Council's approval for the additional budget of \$272,000 to commence detailed design in the 2023/24 financial year.

Teams calling ICT

Council's existing technical solution will soon be retired by the current vendor and will be replaced with Teams Calling. The move to a web-based phone solution will allow Playford to keep pace with technological changes and strengthen our business continuity. It will allow staff to take calls anywhere they have internet access. Teams can be installed on a Laptop, PC, Tablet or Mobile Phone and staff can answer Teams calls on all these devices. To facilitate this move headsets are required for all staff replacing the existing desktop phone.

New Plant

A new vehicle, two mowers and minor plant are required to establish a new irrigated verge mowing team to meet the required service level across the city and lift city appearance.

Project	Capital Revenue \$000's	Capital Expense \$000's	Operating \$000's
Vehicle associated with new security officer role	-	33	-
ICT hardware associated with TCM replacement	-	40	13
Dwight Reserve Changerooms	-	272	32
Teams calling ICT	-	43	17
New Plant	-	324	2
Total	-	712	64

Projects not being delivered/delayed

Work has been delayed with no revised start date known, resulting in the budget for these projects being reduced or removed, and will be requested at a future date when required.

Project	Capital Revenue \$000's	Capital Expense \$000's	Operating \$000's
Grenville Centre	-	(119)	-
NCDB – Lot 5	-	(44)	-
Andrews Road Upgrade (Road)	(115)	(252)	-
Curtis Road/Frisby Road Intersection Upgrade (Road)	(1,002)	(1,076)	-
Curtis Road/Frisby Road Intersection Upgrade (Stormwater)	-	(120)	-
TOTAL	(1,117)	(1,611)	-

Overall, an \$17.6M net decrease to the Capital Budget is proposed as summarised in the table below:

Capital Budget 2023/24	Revenue \$000's	Expense \$000's	Net Capital \$000's
Original Budget	15,961	62,224	46,263
Approved BR1 Amendments	4,205	21,253	17,048
Approved Projects via Resolution		3,316	3,316
Realignment of project budgets	(10,977)	(33,149)	(22,172)
New Projects/Additional Scope		712	712
Additional budget request on existing projects		2,253	2,253
Projects not being delivered/delayed	(1,117)	(1,611)	(494)
Total Value of Changes	(12,094)	(28,479)	(16,385)
Revised Capital Budget	8,072	54,998	46,926

The table below summaries the capital adjustment by new or renewal:

Capital Budget 2023/24	Original Budget \$000's	Net BR1 Change \$000's	Net BR2 Change \$000's	Revised Capital Budget \$000's
AMP	24,145	10,177	(4,686)	29,636
New/Upgraded Assets	22,118	6,871	(11,699)	17,290
Total Capital Budget	46,263	17,048	(16,385)	46,926

The table below summarises the capital adjustments by Asset Class:

Asset Class	Original Budget \$'000	Net BR1 Change \$'000	Net BR2 Change \$000's	Revised Capital Budget \$000's
Building	1,392	818	(111)	2,099
Fleet	4,335	637	(140)	4,832
IT	1,035	178	84	1,297
NCBD	666	785	(1,211)	240
Other	4,023	1,027	(1,930)	3,120
Playford Alive	470	415	-	885
Parks	6,823	1,916	(3,325)	5,414
Stormwater	1,692	19	(315)	1,396
Streetscapes	3,585	6,726	(492)	9,819
Transport	22,004	4,371	(8,945)	17,430
Wetlands	238	156	-	394
Change in Capital Expenditure	46,263	17,048	(16,385)	46,926

4.3 Revised Balance Sheet Recommendations

The revised balance sheet reflects the updated capital position and considers changes in revenue and expenditure, identified above, that have a flow on impact to cash, infrastructure, property plant and equipment, borrowings, and equity.

4.4 Revised Debt Recommendations

The budget revisions result in a revised 30 June 2024 debt position of \$99.8M, \$9.7M lower than the original budget of \$109.5M. No change to the maximum debt facility is required.

5. **OPTIONS**

Recommendation

1. That the Second Budget Review 2023/24, incorporating the Uniform Presentation of Finances presented in Attachment 1, be adopted.
2. That Council allocates additional capital expenditure budget of \$2.206M and additional operating expenditure budget of \$0.187M for McGilp Reserve.
3. That Council allocates capital expenditure budget of \$0.272M and operating expenditure budget of \$0.032M for Dwight Reserve change rooms – detailed design.
4. Note the Revised Budget includes the allocation of Supplementary Local Roads grant funding of \$0.845M to Sheedy Road.
5. Note the Second Budget Review 2023/24 consists of:
 - Revised operating income of \$142.0M
 - Revised operating expenditure of \$132.7M
 - An operating surplus of \$9.3M
 - Revised capital expenditure of \$55M supported by revenue (grant funding and third-party contributions) for new/upgraded assets of \$8.1M (a net capital budget of \$46.9M).
6. Note a Revised Balance sheet net asset movement of \$12.9M.
7. Note no change to the existing maximum debt facility of \$150.0M.

Option 2

1. That the Second Budget Review 2023/24, incorporating the Uniform Presentation of Finances be adopted with the following amendments:
 -
 -

2. Note no change to the existing maximum debt facility of \$150.0M.

6. ANALYSIS OF OPTIONS

6.1 Recommendation Analysis

6.1.1 Analysis & Implications of the Recommendation

The recommendation ensures Council incorporates all known changes and issues that have arisen since the adoption of the First Budget Review in October 2023 and meets statutory obligations to review the Budget.

6.1.2 Financial Implications

The Revised Operating surplus is \$9.3M, a decrease of \$0.8M and structural surplus of \$1.3M, a decrease of \$0.8M.

Carry overs already have approved funding pathways so do not result in any change to the operating surplus.

6.2 Option 2 Analysis

6.2.1 Analysis & Implications of Option 2

Option 2 allows Council to adopt the Revised Budget and Uniform Presentation of Finance incorporating requested amendments.

6.2.2 Financial Implications

The financial impact under Option 2 is unknown and subject to any amendments requested by Council.

City of Playford
Statement of Comprehensive Income
For the year ended 30 June 2024

Attachment 1

2022/23 Actual \$000's	2023/24 Original Budget \$000's	2023/24 Revised Budget 1 \$000's	2023/24 Revised Budget 2 \$000's	Variance Fav/ (Unfav) \$000's	Variance Fav/ (Unfav) %	Explanation of variance where considered material
INCOME						
91,750 Rates	102,004	102,004	102,004	-	0%	
3,169 Statutory Charges	2,888	2,888	2,888	-	0%	
3,881 User Charges	6,047	6,047	6,047	-	0%	
56 Investment Income	52	52	52	-	0%	
1,094 Reimbursements	637	637	637	-	0%	
710 Other Income	177	177	177	-	0%	
8,675 Grants, Subsidies and Contributions - capital	7,202	9,154	8,820	(334)	(4%)	
24,012 Grants, Subsidies and Contributions - operating	19,985	21,002	21,336	334	2%	
- Net Gain - Equity Accounted Council Businesses	-	-	-	-	0%	
133,347 TOTAL INCOME	138,992	141,961	141,961	-	0%	
EXPENSES						
42,828 Employee costs	47,719	47,785	47,785	-	0%	
41,243 Materials, Contracts & Other Expenses	47,625	48,181	48,372	(191)	(0%)	
3,895 Finance costs	4,756	4,793	5,181	(388)	(8%)	New capital projects
28,029 Depreciation, Amortisation and Impairment	30,502	30,595	30,782	(187)	(1%)	
303 Net Loss - Equity Accounted Council Businesses	585	585	585	(188)	0%	
116,298 TOTAL EXPENSES	131,187	131,939	132,705	(766)	(1%)	
17,049 Operating Surplus / (Deficit)	7,805	10,022	9,256	(766)	(8%)	
1,612 Asset Disposal & Fair Value Adjustments	-	-	-	-		
5,220 Amounts Received Specifically for New or Upgraded Assets	15,961	20,166	8,072	(12,094)	(60%)	Dely in capital spend
21,571 Physical Resources Received Free of Charge	25,000	25,000	25,000	-	0%	
45,452 NET SURPLUS / (DEFICIT)	48,766	55,188	42,328	(12,860)	(23%)	
Other Comprehensive Income						
88,266 Changes in Revaluation Surplus - I,PP&E	46,024	46,024	46,024	-	0%	
125 Share of Other Comprehensive Income - Equity Accounted Council Businesses	-	-	-	-	0%	
(403) Other Equity Adjustments - Equity Accounted Council Businesses	-	-	-	-	0%	
524 Impairment (Expense) / Recoupments Offset to Asset Revaluation Reserve	-	-	-	-	0%	
88,512 Total Other Comprehensive Income	46,024	46,024	46,024	-	0%	
133,964 TOTAL COMPREHENSIVE INCOME	94,790	101,212	88,352	(12,860)	(13%)	

City of Playford
Year End Balance Sheet
For the year ended 30 June 2024

Attachment 1

2022/23 Actual \$000's		2023/24 Original Budget \$000's	2023/24 Revised Budget 1 \$000's	2023/24 Revised Budget 2 \$000's	Variance Inc/(Dec) \$000's	Variance Inc/ (Dec) %	Explanation of variance where considered material
	CURRENT ASSETS						
15,403	Cash & Cash Equivalents	1,500	1,500	1,500	-	0%	The budget is an estimate only based on the best available information at the time.
13,924	Trade & Other Receivables	7,292	7,871	6,627	(1,244)	(16%)	
254	Inventories	210	237	237	-	0%	
24	Other Financial Assets	-	-	-	-	0%	
897	Other current assets	699	815	818	3	0%	
362	Non-current assets classified as Held for Sale	5,180	5,180	11,211	6,031	116%	Higher due to delays in land sale.
30,864	TOTAL CURRENT ASSETS	14,881	15,603	20,393	4,790	31%	
	NON-CURRENT ASSETS						
248	Financial Assets	223	223	222	(1)	(0%)	Lower due to delays capital spend
10,178	Equity Accounted Investments in Council Businesses	10,106	9,593	9,593	-	0%	
1,620,697	Infrastructure, Property, Plant & Equipment	1,749,726	1,756,617	1,743,117	(13,500)	(1%)	
31,754	Other Non-Current Assets	12,726	12,726	12,726	-	0%	
1,662,877	TOTAL NON-CURRENT ASSETS	1,772,781	1,779,159	1,765,658	(13,501)	(1%)	
1,693,741	TOTAL ASSETS	1,787,662	1,794,762	1,786,051	(8,711)	(0%)	
	CURRENT LIABILITIES						
20,581	Trade & Other Payables	15,083	11,979	25,705	13,726	115%	The budget is an estimate only based on the best available information at the time.
6,531	Borrowings	5,303	6,522	5,312	(1,210)	(19%)	
6,268	Provisions	6,575	6,429	6,429	-	0%	
33,380	TOTAL CURRENT LIABILITIES	26,961	24,930	37,446	12,516	50%	
	NON-CURRENT LIABILITIES						
94,722	Long Term Borrowings	104,162	102,903	94,536	(8,367)	(8%)	Delay in capital spend
1,290	Long Term Provisions	1,397	1,368	1,368	-	0%	
96,012	TOTAL NON-CURRENT LIABILITIES	105,559	104,271	95,904	(8,367)	(8%)	
129,392	TOTAL LIABILITIES	132,520	129,201	133,350	4,149	3%	
1,564,349	NET ASSETS	1,655,142	1,665,561	1,652,701	(12,860)	(1%)	
	EQUITY						
447,720	Accumulated Surplus	515,341	509,572	492,305	(17,267)	(3%)	
1,100,688	Asset Revaluation Reserves	1,131,700	1,146,712	1,146,712	-	0%	
15,941	Other Reserves	8,101	9,277	13,684	4,407	48%	
1,564,349	TOTAL EQUITY	1,655,142	1,665,561	1,652,701	(12,860)	(1%)	

City of Playford
Statement of Cash Flows
For the year ended 30 June 2024

Attachment 1

2022/23 Actual \$000's		2023/24 Original Budget \$000's	2023/24 Revised Budget 1 \$000's	2023/24 Revised Budget 2 \$000's	Variance Inc/(Dec) \$000's	Variance Inc/ (Dec) %	Explanation of variance where considered material
Inflows / (Outflows)		Inflows / (Outflows)	Inflows / (Outflows)	Inflows / (Outflows)			
	CASHFLOWS FROM OPERATING ACTIVITIES						
	Receipts						
90,845	Rates Receipts	101,547	101,639	101,639	-	0%	
3,169	Statutory Charges	2,821	3,493	3,422	(71)	(2%)	
4,184	User Charges	6,043	6,479	6,389	(90)	(1%)	
23,816	Grants, Subsidies and Contributions	19,552	10,286	10,423	137	1%	
56	Investment Receipts	51	61	60	(1)	(2%)	
1,160	Reimbursements	626	879	857	(22)	(3%)	
1,098	Other Receipts	180	370	335	(35)	(9%)	
	Payments						
(42,977)	Payments to Employees	(47,581)	(47,545)	(47,545)	-	0%	
(48,366)	Payments for Materials, Contracts & Other Expenses	(45,976)	(44,990)	(45,125)	135	0%	
(3,895)	Finance Payments	(4,756)	(4,793)	(5,180)	387	8%	New capital projects
29,090	NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	32,507	25,879	25,275	(604)	(2%)	
	CASH FLOWS FROM FINANCING ACTIVITIES						
	Receipts						
75,950	Proceeds from Borrowings	2,805	15,345	5,122	(10,223)	(67%)	Lower borrowings from delay capital spend
21	Proceeds from Bonds & Deposits					0%	
	Payments						
(81,164)	Repayments of Borrowings	(6,440)	(7,090)	(6,440)	(650)	(9%)	Lower borrowings
(153)	Repayment of Finance Lease Liabilities	(82)	(82)	(97)	15	18%	New leases
(5,346)	NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(3,717)	8,173	(1,415)	(9,588)	(117%)	
	CASH FLOWS FROM INVESTMENT ACTIVITIES						
	Receipts						
1,610	Sale of Replaced Assets	-	-	-	-	0%	
11,606	Sale of Surplus Assets	17,540	17,540	-	(17,540)	(100%)	Delay in settlement
5,220	Amounts Received Specifically for New/Upgraded Assets	8,668	8,804	9,356	548	6%	Delayed projects carry in
8,429	Grants utilised for capital purposes	7,202	9,154	7,854	(1,300)	(14%)	Delayed projects carry in
24	Repayments of Loans by Community Groups	24	24	24	-	0%	
	Payments						
(12,098)	Expenditure on Renewal/Replacement of Assets	(24,145)	(34,322)	(29,635)	(4,687)	(14%)	Delayed projects carry in
(24,950)	Expenditure on New/Upgraded Assets	(38,079)	(49,155)	(25,362)	(23,793)	(48%)	Delayed projects carry in
(10,159)	NET CASH PROVIDED BY (USED IN) INVESTMENT ACTIVITIES	(28,790)	(47,955)	(37,763)	(10,192)	(21%)	
13,585	NET INCREASE (DECREASE) IN CASH HELD	-	(13,903)	(13,903)	-	0%	
1,818	CASH AT BEGINNING OF REPORTING PERIOD	1,500	15,403	15,403	-	0%	
15,403	CASH AT END OF REPORTING PERIOD	1,500	1,500	1,500	-	0%	

City of Playford
Statement of Changes in Equity
For the year ended 30 June 2024

2022/23 Actual \$000's		2023/24 Original Budget \$000's	2023/24 Revised Budget 1 \$000's	2023/24 Revised Budget 2 \$000's	Variance Inc/(Dec) \$000's	Variance Inc/ (Dec) %	Explanation of variance where considered material
	ACCUMULATED SURPLUS						
415,270	Balance at end of previous reporting period	461,649	447,720	447,720	-	0%	
45,452	Net Surplus / (Deficit) for Year	48,766	55,188	42,328	(12,860)	(23%)	See Statement of Comprehensive Income
	Adjustments (Correction of Prior Period Errors)	-	-	-	-	0%	
(403)	Other Equity Adjustments - Equity Accounted Council Businesses	-	-	-	-	0%	
(9,918)	Transfer to Accumulated Surplus on Sale of I,PP&E	-	-	-	-	0%	
(2,681)	Transfers between Reserves	4,926	6,664	2,257	(4,407)	(66%)	Delays in capital spend
447,720	Balance at end of reporting period	515,341	509,572	492,305	(17,267)	(3%)	
	ASSET REVALUATION RESERVE						
1,001,855	Balance at end of previous reporting period	1,085,676	1,100,688	1,100,688	-	0%	
125	Other Comprehensive Income	-	-	-	-	0%	
88,266	Gain(Loss) on revaluation of infrastructure, property, plant & equipment	46,024	46,024	46,024	-	0%	
524	Impairment (expense) / recoupments offset to asset revaluation reserve	-	-	-	-	0%	
9,918	Transfers to accumulated surplus	-	-	-	-	0%	
	Transfers between Reserves	-	-	-	-		
1,100,688	Balance at end of reporting period	1,131,700	1,146,712	1,146,712	-	0%	
	OTHER RESERVES						
13,260	Balance at end of previous reporting period	13,027	15,941	15,941	-	0%	
-	Transfers to accumulated surplus	(4,926)	(6,664)	(2,257)	4,407	66%	Delays in capital spend
2,681	Transfers from accumulated surplus	-	-	-	-		
15,941	Balance at end of reporting period	8,101	9,277	13,684	4,407	48%	
1,564,349	TOTAL EQUITY AT END OF REPORTING PERIOD	1,655,142	1,665,561	1,652,701	(12,860)	(1%)	
447,720	Accumulated Surplus	515,341	509,572	492,305	(17,267)	(3%)	
1,116,629	Reserves	1,139,801	1,155,989	1,160,396	4,407	0%	
1,564,349	TOTAL EQUITY AT END OF REPORTING PERIOD	1,655,142	1,665,561	1,652,701	(12,860)	(1%)	

City of Playford
Uniform Presentation of Finances
For the year ended 30 June 2024

Attachment 1

2022/23 Actual		2023/24 Original Budget	2023/24 Revised Budget 1	2023/24 Revised Budget 2	Variance Fav/ (Unfav)	Variance Fav/ (Unfav)	Explanation of variance where considered material
\$000's		\$000's	\$000's	\$000's	\$000's	%	
	INCOME	-					
91,750	Rates	102,004	102,004	102,004	-	0%	
3,169	Statutory Charges	2,888	2,888	2,888	-	0%	
3,881	User Charges	6,047	6,047	6,047	-	0%	
56	Investment Income	52	52	52	-	0%	
1,094	Reimbursements	637	637	637	-	0%	
710	Other Income	177	177	177	-	0%	
8,675	Grants, Subsidies and Contributions - capital	7,202	9,154	8,820	(334)	(4%)	
24,012	Grants, Subsidies and Contributions - operating	19,985	21,002	21,336	334	2%	
-	Net Gain - Equity Accounted Council Businesses	-	-	-	-	0%	
133,347	TOTAL INCOME	138,992	141,961	141,961	-	0%	
	EXPENSES						
42,828	Employee costs	47,719	47,785	47,785	-	0%	
41,243	Materials, Contracts & Other Expenses	47,625	48,181	48,372	191	0%	
3,895	Finance costs	4,756	4,793	5,181	388	8%	New capital projects
28,029	Depreciation, Amortisation and Impairment	30,502	30,595	30,782	187	1%	
303	Net Loss - Equity Accounted Council Businesses	585	585	585	-	0%	
116,298	TOTAL EXPENSES	131,187	131,939	132,705	766	1%	
17,049	Operating Surplus / (Deficit)	7,805	10,022	9,256	(766)	(8%)	
11,919	Adjusted Operating surplus/ (deficit)	2,675	4,892	4,126	(766)	(16%)	
	Net outlays on existing assets						
(12,098)	Capital expenditure on renewal and replacement of existing assets	(24,145)	(34,322)	(29,635)	4,687	14%	Delayed projects carry out
28,029	add back Depreciation, Amortisation and Impairment	30,502	30,595	30,782	187	1%	
1,610	add back Proceeds from Sale of Replaced Assets	-	-	-	-	0%	
17,541	Net Outlays on Existing Assets	6,357	(3,727)	1,147	4,874	(131%)	
	Net outlays on new and upgraded assets						
(24,950)	Capital expenditure on new and upgraded assets	(38,079)	(49,155)	(25,362)	23,793	48%	Delayed projects carry out
5,220	add back Amounts Received Specifically for New and Upgraded Assets	8,668	8,804	9,356	552	6%	
11,606	add back Proceeds from sale of surplus assets	17,540	17,540	-	(17,540)	(100%)	
(8,124)	Outlays on New and Upgraded Assets	(11,871)	(22,811)	(16,006)	6,805	30%	
21,336	NET LENDING / (BORROWING) FOR FINANCIAL YEAR	(2,839)	(21,646)	(10,733)	10,913	50%	

City of Playford
Financial Indicators
For the year ended 30 June 2024

Attachment 1

2022/23 Actual	Financial Indicator	Explanation	2023/24 Original Budget	2023/24 Revised Budget 1	2023/24 Revised Budget 2	Target	Comments
12.8%	Operating Surplus Ratio	Performance Indicator This ratio expresses Council's operating result as a percentage of Council's total income	5.6%	7.1%	6.5%	1%-10%	Within target
9.3%		<i>Adjusted for FAGS prepaid grants</i>	N/A	N/A	N/A		
7.6%	Structural Surplus Ratio	Performance Indicator This ratio expresses Council's operating result as a percentage of Council's total income excluding once-off operating grants and contributions <i>relating to capital spend</i>	1.1%	1.5%	1.0%	1%-4%	Within target
3.6%		<i>Adjusted for FAGS prepaid grants</i>	N/A	N/A	N/A		
74.8%	Net Financial Liabilities Ratio	Debt Indicator This ratio shows net financial liabilities as a percentage of Total Operating Income.	88.9%	84.3%	88.1%	50%-160%	Within target
89.8%		<i>Adjusted for FAGS prepaid grants</i>	N/A	N/A	N/A		
4.2%	Interest Expense Ratio	Debt Indicator Shows how much discretionary income is used to pay interest on borrowings	4.7%	4.7%	5.1%	Between 4% and 8%	Within target
64.9%	Asset Renewal Funding Ratio	Infrastructure Indicator This ratio shows whether or not Council is replacing assets at the rate as required in the Asset Management Plan.	121.6%	172.9%	149.3%	Between 90% and 110%	Above target range due to delayed AMP from 21/22 & 22/23
166.3%	Cash Flow from Operations Ratio	Infrastructure Indicator Measures whether Council is generating enough cash from its operations to cover the replacement of assets over time.	161.4%	105.2%	102.7%	Between 90% and 110%	Within target
137.0%		<i>Adjusted for FAGS prepaid grants</i>	N/A	N/A	N/A		

15.2 CONSULTATION PAPER- CEO REMUNERATION- REMUNERATION TRIBUNAL OF SOUTH AUSTRALIA

Responsible Executive Manager : Paula Paterson

Report Author : Paula Paterson

Delegated Authority : Matters which cannot be delegated to a Committee or Staff

Attachments : 1 [↓](#). CEO Remuneration Consultation Paper

PURPOSE

For Council to consider the consultation paper (Attachment 1) released by the Remuneration Tribunal of South Australia (Tribunal) on the minimum and maximum remuneration for Local Government Chief Executive Officers and determine the submission to be provided to the Tribunal.

STAFF RECOMMENDATION

That Council endorse:

1. A submission to be made to the Tribunal based on the following:
 - Consider aligning CEO remuneration bands with those already established for Elected Member allowances.
 - That once the bands are established that a specialist consultancy firm be engaged by the Tribunal to determine the appropriate minimum/maximum remuneration package for each band.
 - The bands should be reviewed at the same frequency as the Elected Members bands
 - Encourage future reviews to reflect the changing nature of individual councils particularly the complexities of growing communities.
2. The CEO is delegated to prepare the submission for the Tribunal to be signed by the CEO and Mayor.

EXECUTIVE SUMMARY

The Tribunal has issued a consultation paper to the Local Government sector regarding the minimum and maximum remuneration for Local Government Chief Executive Officers. The consultation paper has proposed two options for consideration as well as seeking alternative ideas from councils. The CEO Review Committee has considered the consultation paper and has recommended that a submission be made to the Tribunal that the remuneration bands be aligned and reviewed to the same frequency as those already established for the Elected Member allowances.

1. BACKGROUND

On 31 January 2024, the Tribunal issued a consultation paper to the Local Government sector regarding the minimum and maximum remuneration for Local Government Chief Executive Officers.

The purpose of this consultation paper is to outline the likely approach to be adopted by the Tribunal over the coming months and offer the Local Government sector an opportunity to engage with the Tribunal to provide input and suggestions for the next review.

The consultation paper was discussed at the CEO Review Committee meeting on 12 February 2024 and the following resolution was passed.

COMMITTEE RESOLUTION		5724
Moved:	Cr Marsh	Seconded: Cr Baker
The Committee having considered the consultation paper from the Remuneration tribunal of South Australia provided the following feedback to be incorporated into a report to Council:		
<ul style="list-style-type: none">• Considers aligning CEO remuneration bands with those already established for Elected Member allowances• That once the bands are established that a specialist consultancy firm be engaged by the tribunal to determine the appropriate minimum/maximum remuneration package for each band• The bands should be reviewed at the same frequency as the Elected Members bands• Encourage future reviews to reflect the changing nature of individual councils particularly the complexities of growing communities		
		CARRIED

2. RELEVANCE TO STRATEGIC PLAN

This matter does not have direct relevance to the delivery of the Strategic Plan.

3. PUBLIC CONSULTATION

There is no legal or policy requirement to consult the community on this issue.

4. DISCUSSION

- 4.1 On 16 June 2023 the Tribunal determined that CEO remuneration would be grouped into eight bands with remuneration at the discretion of each council so long as it is within the minimum and maximum remuneration for the applicable band.
- 4.2 The Tribunal does not consider this approach to be a long-term sustainable position and is considering various options to improve the evaluation method of the

remuneration amounts for CEO's ahead of the next review scheduled for July 2024.

- 4.3 The Tribunal has released a consultation paper to outline the approach to be adopted by the Tribunal over the coming months and offer the Local Government sector an opportunity to provide input and suggestions.
- 4.4 The Tribunal presented options for councils to consider. Option 1 to progressively review remuneration arrangements at the request of individual councils. Option 2 to engage a professional remuneration specialist. A further option is for Councils to provide alternative ideas for the Tribunal to consider.
- 4.5 Option 1 would allow individual councils to make an application requesting an increase or decrease to the minimum and maximum remuneration levels applicable to its CEO. This option would be time consuming for the Tribunal and may raise costing issues for local government who bear the reasonable costs of the Tribunal. Additionally, each council would need to invest resources into the application and evaluation process. This approach could result in 67 separate bands being applied as each council is assessed individually on application.
- 4.6 Option 2 would be for the Tribunal to engage a remuneration specialist to undertake a detailed evaluation of the remuneration framework. This would be a lengthy process, implemented at significant cost to local government and require investment of council resources to provide information. The Tribunal has indicated this could cost upwards of \$350,000 across the local government sector and take up to 22 weeks to complete.
- 4.7 The CEO Review Committee discussed both option 1 and 2 and given the time, effort and cost involved in both options decided to put forward an alternative position to realign the CEO remuneration bands to those already established for Elected Member allowances.
- 4.8 Elected Member allowance bands are already established so this option could be implemented for CEO remuneration without a need for lengthy review at a significant cost. A specialist consultancy firm could then be engaged to determine the minimum and maximum amounts within each of the six bands.

5. OPTIONS

Recommendation

That Council endorse:

1. A submission to be made to the Tribunal based on the following:

- Consider aligning CEO remuneration bands with those already established for Elected Member allowances.
- That once the bands are established that a specialist consultancy firm be engaged by the Tribunal to determine the appropriate minimum/maximum remuneration package for each band.
- The bands should be reviewed at the same frequency as the Elected Members bands
- Encourage future reviews to reflect the changing nature of individual councils particularly the complexities of growing communities.

2. The CEO is delegated to prepare the submission for the Tribunal to be signed by the CEO and Mayor.

Option 2

That Council endorse:

1. A submission to be made to the Tribunal based on the following:
 - _____
 - _____
 - _____
2. The CEO is delegated to prepare the submission to be signed by the CEO and Mayor

Option 3

That Council does not make a submission to the Tribunal.

6. ANALYSIS OF OPTIONS

6.1 Recommendation Analysis

6.1.1 Analysis & Implications of the Recommendation

The recommended option will enable a submission to be made the Tribunal. Aligning the CEO remuneration bands to those of elected members is an idea that the Tribunal may not have considered yet. These bands are already established so this would save time and money versus undertaking a review to establish a separate band structure.

Risk Appetite

Reputation

Council has a low appetite for negative perceptions that compromise its credibility and reputation, achievement of its long-term vision (Playford Community Vision 2043) and strategic objectives, or ability to maintain its status as a progressive and major growth Council.

This decision will ensure that the City of Playford has had input into the remuneration review with the Tribunal.

6.1.2 Financial Implications

There are no financial or resource implications related to Council making a submission.

6.2 Option 2 Analysis

6.2.1 Analysis & Implications of Option 2

Council may choose to support the Tribunals option 1 or 2 for submission, or provide a different submission to what has been recommended.

6.2.2 Financial Implications

There are no financial or resource implications related to Council making a submission.

6.3 Option 3 Analysis

6.3.1 Analysis & Implications of Option 3

Making a submission is voluntary and Council may choose to not make a submission.

6.3.2 Financial Implications

There are no financial or resource implications related to Council not making a submission.

From: "City of Playford" <PLAYFORD@PLAYFORD.SA.GOV.AU>
Sent: Wed, 31 Jan 2024 11:34:25 +1030
To: "Records Management" <recordsmanagement@playford.sa.gov.au>
Subject: Consultation Paper - Local Government CEOs - Remuneration Tribunal of SA - submission due 15-04-2024
Attachments: Consultation Paper - Local Government CEOs.pdf

-----Original Message-----

From: RemunerationTribunal@sa.gov.au
Sent: Wednesday, 31 January 2024 10:28:07 AM
To:
Subject: Consultation Paper - Local Government CEOs

⚠ **EXTERNAL EMAIL:** Do not click any links or open any attachments unless you trust the sender and know the content is safe. ⚠

OFFICIAL: Sensitive

Good morning

Please see attached Consultation Paper from the Remuneration Tribunal.

Could you please ensure that the Mayor and CEO receive a copy, noting that submissions are due **15 April 2024**.

Kind regards

Cristalle Vandenberg

Senior Advisor Remuneration Tribunal

Remuneration Tribunal of South Australia | www.remtribunal.sa.gov.au

T | 08 8429 4031 **E** | remunerationtribunal@sa.gov.au

A | State Administration Centre, Ground Floor, 200 Victoria Square, Adelaide, SA, 5000 | GPO 464 Adelaide SA 5001 | DX336

Mon	Tues	Wed	Thurs	Fri
✓	✓	✓	n/a	n/a

**Remuneration Tribunal of South Australia****CONSULTATION PAPER****Minimum and Maximum Remuneration for Local Government Chief Executive Officers****January 2024****About this consultation paper**

On 16 June 2023, the Remuneration Tribunal of South Australia (**Tribunal**) issued [Determination 4 of 2023 \(Current Determination\)](#) and accompanying [Report 4 of 2023](#). The Current Determination covers 67 Councils who are grouped into eight bands. Each band contains a minimum and maximum remuneration amount that may be paid to a Council's Chief Executive Officer (**CEO**). The amount payable to a CEO is at the discretion of each Council, so long as it falls within the applicable band.

The eight bands are based on the current adjusted total remuneration packages of CEOs. The Tribunal does not consider this approach to be a long-term sustainable position and is therefore considering various options to improve the evaluation method of minimum and maximum remuneration amounts for CEOs ahead of the next review, scheduled for July 2024.

The Tribunal has some reservation about the extent of participation in the process. As the Tribunal has noted, it incorporates the substantial and unexplained diversity of remuneration arrangements between Councils which have at least some inherently similar characteristics. These are characteristics of current arrangements. Councils apply significantly different approaches to calculating and reporting on current remuneration arrangements. Those current arrangements create the potential for flow-on effects to senior staff reporting to CEOs and hence may exacerbate instability within the Local Government sector. The Tribunal is acutely aware that the effect of the current determination is to limit movements in current remuneration and that current remuneration levels require further review. That further review will require the provision of substantially more information from Local Government than that which has been provided to date.

The purpose of this consultation paper is to outline the likely approach to be adopted by the Tribunal over the coming months and offer the Local Government sector an opportunity to engage with the Tribunal to provide input and suggestions for the next review. The Tribunal emphasises that this review will be progressed in 2024. Comments and suggestions are invited but a protracted period for debate over how the review should be undertaken is not proposed.

The Tribunal is seeking to move toward a remuneration structure for Council CEOs which considers the following criteria:

- CEO position descriptions and responsibilities
- The skills and experience required
- The complexity of CEO roles
- The population size, density, and characteristics of a Council district
- The geographic size and characteristics of a Council district

- Industry issues specific to a Council district
- Social or cultural issues specific to a Council district
- Isolation and distance factors
- Accommodation issues
- Consideration of tenure and contract duration
- Specifically nominated performance criteria
- Consideration of objectively established remuneration for comparable positions
- Recognition of attraction and retention approaches.

In considering these issues the Tribunal will have regard to current remuneration arrangements but does not consider these to be determinative of future remuneration minima and maxima.

The Tribunal recognises two important considerations for Local Government relative to this review. Firstly, it is desirable that both CEOs and elected members have the capacity to have input into this review. The Tribunal recognises that this represents a complication in that arrangements and opportunities for elected members comment will need to be arranged. Secondly, the *Local Government Act 1999* (SA) provides that, following consultation with the Local Government Association, the costs of the proposed review are to be met by Councils. The Tribunal is committed to minimising these costs, provided the integrity of the review is not compromised.

This consultation paper canvasses options for consideration and comment. The Tribunal recognises there are various ways to analyse the minimum and maximum remuneration amounts to be set for Local Government CEOs and that there may be other options not covered in this consultation paper. Submissions are welcomed, however, please take into account the Tribunal's jurisdiction which is primarily contained in section 99A of the [Local Government Act 1999 \(SA\)](#).

Information required

It appears to the Tribunal that, irrespective of the approach to be taken in the future, Councils will ultimately need to provide the Tribunal with detailed position descriptions for CEOs. Further, that it is also appropriate that Councils provide a description of how current CEO remuneration arrangements have been developed and reviewed. **Consequently, the Tribunal requests that, irrespective of any submissions about the options outlined below, this information be provided to the Tribunal by no later than 15 April 2024.**

How to make a submission

Written submissions, position descriptions and/or procedures or practices in relation to the current remuneration arrangements can be sent via email to RemunerationTribunal@sa.gov.au by no later than **15 April 2024**.

Disclaimer

The views expressed in this discussion paper are of a preliminary nature only. The Tribunal's views may change as a result of the submissions it receives or as other circumstances change.

OPTION 1**PROGRESSIVELY REVIEW REMUNERATION ARRANGEMENTS
AT THE REQUEST OF INDIVIDUAL COUNCILS**

This option would allow individual Councils to make an application requesting an increase or decrease to the minimum and maximum remuneration levels applicable to its CEO. Over time, the Tribunal expects that this will result in a minimum and maximum remuneration structure that reflects objective consideration of the relevant criteria.

The Tribunal would require each application to address in sufficient detail the reasons why a Council submits an increase or decrease is warranted. Those details would need to extend beyond a simple comparison with one or more other Councils, to address the criteria already identified.

Given there are 67 Councils covered by the Current Determination, this option could be time consuming, costly for the Local Government sector who bear the reasonable costs of the Tribunal and could result in up to 67 bands applying.

More significantly, consideration of individual Councils is likely to expose the significant differences between remuneration arrangements as inconsistencies that require broader review.

The Tribunal expects to evaluate individual submissions by considering each of the criteria referenced above.

The outcome of such an individual review may differ substantially from current arrangements.

This option also raises potential costing issues. These go to whether the Local Government Association will determine whether individual reviews will be funded by Councils concerned or whether these costs should be shared amongst other Councils. If individual reviews highlight inconsistencies that require consideration, then the Local Government Association will need to consider how that is funded.

The Tribunal would need to receive strong support from a majority of Councils to consider this option and therefore those making submissions are encouraged to indicate their level of support and preparedness to be bound by this option. Those who do not believe this is a viable option should also indicate that in any submission.

OPTION 2**ENGAGE A PROFESSIONAL EXTERNAL REMUNERATION SPECIALIST**

The Tribunal is considering engaging an external remuneration specialist to undertake a detailed evaluation of the remuneration framework. The Tribunal notes that external expertise assisted in the development of the West Australian approach to developing remuneration minimums and maximums.

This process would provide an opportunity for consideration of all of the relevant criteria as they relate to each Council. It would also enable elected members from each Council to have input into a consistently applied approach.

If the external consultant reviews each Council individually, the indicative cost of such an approach is likely to be between \$300,000 - \$350,000. The Tribunal is aware that, consistent with the other options below, there may be scope to substantially reduce this cost, and will endeavour to incorporate cost reduction capacity into any arrangement reached with the selected remuneration consultant – noting that a competitive tender process will take place. The Tribunal proposes to begin conferring with the Minister about these cost estimates shortly.

The Tribunal has looked at what this approach would involve. On the information available to it, it appears the process could take up to 22 weeks, would involve cooperation from CEOs and Mayors who would need to work with the external consultant. Such a review may involve consideration of other Local Government staff functions and benchmarking with an appropriate comparator market.

OTHER OPTIONS

There are other options that might be suggested by the Local Government sector.

Without limiting these in any way, they include the potential for Councils who use established remuneration setting methodologies, to propose a broader application of these approaches to include the CEO.

In terms of the second option (engaging and external remuneration specialist) Councils which believe they have similar relevant characteristics and CEO remuneration arrangements, may wish to propose that they be collectively reviewed.

If Councils are prepared to provide all available information covering the criteria identified in this paper, the Tribunal is open to engaging with elected members and/or CEOs to consider how remuneration has been set, how Councils can be compared and the appropriate criteria for remuneration levels. Because of the number of Councils and CEOs involved, it would seem appropriate that a smaller group or groups be established with the capacity to convey information about the criteria used to establish remuneration. An important consideration in this respect will be the extent to which such an approach has unanimous support and can be expeditiously undertaken. The Tribunal estimates that such an approach would involve substantially reduced costs.

The Tribunal acknowledges that, if the Local Government sector can provide adequate information addressing each of the criteria identified in this paper, it may be possible for the Tribunal to undertake the remuneration assessment with limited additional resources and costs. However, the Tribunal's experience to date indicates this could not be achieved in a timely manner that takes into account the positions of both CEOs and elected members.

The Tribunal is open to considering other approaches that might be proposed by Councils but stresses that a consistent approach across the sector will be required.

15.3 GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY (GRFMA) - APPOINTMENT OF CHAIRPERSON / INDEPENDENT MEMBER

Responsible Executive Manager : Luke Culhane

Report Author : Samantha Grieve

Delegated Authority : Matters which cannot be delegated to a Committee or Staff

Attachments : 1¹. Correspondence from GRFMA - Seeking Appointment of GRFMA Chairperson and Independent Member

PURPOSE

To consider a request by the Gawler River Floodplain Management (GRFMA) to formally approve the appointment of a new Chairperson and Independent Member to the GRFMA Board.

STAFF RECOMMENDATION

Council approves the recommendation of the GRFMA to appoint Mr Lino Di Lernia to the position of Chairperson and Independent Member of the GRFMA Board for a term of three years, effective following formal appointment to the position by all the constituent councils of the GRFMA.

EXECUTIVE SUMMARY

The GRFMA is a Regional Subsidiary under the *Local Government Act 1999* (the Act) and the City of Playford is one of six GRFMA constituent councils. The GRFMA Executive Officer has written to Council seeking approval for the appointment of a new Chairperson and Independent Member to the GRFMA Board.

In 2023, the GRFMA sought to appoint a new Chairperson and Independent Member to the GRFMA Board. However, following an unsuccessful expression of interest process, a formal appointment was not achieved.

The current GRFMA Chairperson, Mr Ian Baldwin has been assisting temporarily until the substantive appointment is approved by the GRFMA Board and endorsed by constituent councils.

As a result of a new public call in 2024 by McArthur Recruitment Services and following panel interviews, and extensive reference and background checks, Mr Lino Di Lernia has been determined as the preferred candidate.

The GRFMA is now seeking Council's response on this appointment by Wednesday 17 April 2024, to enable the GRFMA to formally appoint the preferred candidate at its next meeting, to be held on Thursday 18 April 2024.

The staff recommendation is for Council to approve the appointment of Mr Lino Di Lernia.

1. BACKGROUND

The City of Playford is one of six Constituent Council Members of the GRFMA. The GRFMA was formed in 2002 and is a Regional Subsidiary under Section 43 and Schedule 2 of the Act.

The GRFMA is governed by a management Board. The Board comprises of:

- One independent member who is also appointed to the position of Chairperson for a term of three years
- Two members who are appointed from each of the six constituent Councils
- Deputy Board member as appointed by each constituent Council.

The GRFMA Charter requires the GRFMA to seek the approval of the constituent councils for the appointment of the Chairperson and Independent Member, extract is provided below:

4.4.1 – A person who is neither an officer, employee or member of a Constituent Council will be appointed by the Constituent Councils as a Board Member and the Chairperson for a term of up to three years and on such other terms and conditions as determined by the Constituent Councils.

In 2023, the GRFMA Board sought to appoint a new Chairperson and Independent Member as the term of the current chairperson, Mr Ian Baldwin, was due to conclude on 1 September 2023. Mr Ian Baldwin had advised the Board that he would not be submitting an expression of interest for a new term.

An expression of interest process was undertaken to fulfil this position in 2023. However, the process was unsuccessful and as a result, Mr Ian Baldwin has been continuing to assist the Board as Chairperson and Independent Member until a substantive appointment has been approved by the Board, endorsed by the constituent councils and the successful applicant commences in the position of Chairperson.

A report was presented to Councils Ordinary Council meeting on 25 July 2023 to appoint a new GRMFA Chairperson and Independent Member. A decision on this report was deferred to the next Ordinary Council meeting on 22 August 2023, at the request of the GRFMA.

At Council's Ordinary meeting held on 22 August 2023, the following resolution was passed:

COUNCIL RESOLUTION		5536
Moved:	Cr Marsh	Seconded: Cr Onuzans
That Council awaits further advice from GRFMA and on receipt of that advice consider the matter at a future meeting.		
		<u>CARRIED</u>

Since this time McArthur Recruitment Services facilitated the GRFMA Board to undertake a new public call for the new Chairperson and Independent Member. Following panel interviews, and extensive reference and background checks, Mr Lino Di Lerna has been recommended as the preferred candidate.

Further information on Mr Lerna's key positions and notable achievements is attached for Members' information (Attachment 1).

On 20 June 2024, the GRFMA Board wrote to each Constituent Council seeking its approval and a resolution for the formal appointment of the preferred candidate, Mr Lino Di Lernia to the position of GRFMA Chairperson and Independent Member. This appointment is for a period of 3 years.

2. RELEVANCE TO STRATEGIC PLAN

The Community Themes considered relevant to the management of the GRFMA activities are:

Community Theme 1: Improving Safety and Accessibility.

Gawler River flooding reduces access and poses a safety risk.

Community Theme 4: Supporting business and local employment opportunities.

Some primary production land in Playford is affected by Gawler River flooding and properly managing the risk supports business and employment.

Community Theme 5: Using money wisely.

Council support to the collective and holistic approach to managing Gawler River flood risk, via a Regional Subsidiary, achieves economies of scale and shares costs in an equitable manner.

3. PUBLIC CONSULTATION

There is no requirement to consult the public on this matter.

4. DISCUSSION

- 4.1 A public call for expressions of interest for the vacant position of Chairperson and Independent Member was facilitated by McArthur Recruitment Services.
- 4.2 Following candidate interviews, the panel determined, and unanimously agreed that the preferred candidate is Mr Lino Di Lernia.
- 4.3 Mr Lino Di Lernia extensive experience, skills and qualifications are provided in Attachment 1 for further reference.
- 4.4 At the GRFMA special meeting held on 7 March 2024, Mr Lino Di Lernia was endorsed as the preferred candidate to be appointed as the Chairperson and Independent Member of the GRFMA and was directed to seek approval for the appointment from the constituent councils pursuant to Clause 4.4.1 of the GRFMA Charter.
- 4.5 As required by the GRFMA charter, the GRFMA is now seeking Council approval to appoint Mr Lino Di Lernia to the position for a term of 3 years, effective following appointment to the position by all the constituent councils of the GRFMA.
- 4.6 A response is required by Wednesday 17 April 2024 to enable the GRFMA to formally confirm Mr Lino Di Lernia's appointment at the next GRFMA meeting to be held on Thursday 18 April 2024.

5. OPTIONS

Recommendation

Council approves the recommendation of the GRFMA to appoint Mr Lino Di Lernia to the position of Chairperson and Independent Member of the GRFMA Board for a term of three years, effective following formal appointment to the position by all the constituent councils of the GRFMA.

Option 2

Council does not approve the appointment of Mr Lino Di Lernia as Chairperson and Independent Member of the GRFMA Board.

6. ANALYSIS OF OPTIONS

6.1 Recommendation Analysis

6.1.1 Analysis & Implications of the Recommendation

It is recommended that Council support the appointment of Mr Lino Di Lernia to the position of GRFMA Chairperson and Independent Member, as per the recommendation of the GRFMA Interview Panel. Refer to Attachment 1 for his relevant skills and experience.

Risk Appetite

Regulatory Compliance

Council has a zero tolerance for non-compliance with applicable legislation including but not limited to: Local Government Act (LGA) 1999; Independent Commissioner Against Corruption (ICAC) Act 2012; Work Health & Safety (WHS) Act 2012; Environment Protection Act (EPA) 1993; Development Act 1993; Equal Employment Opportunity legislation; and Public Consultation legislation.

This decision will support the good governance of the GRFMA, ensuring the Board is compliant with its Charter.

6.1.2 Financial Implications

There are no financial implications related to the appointment of the GRFMA Chairperson and Independent Member.

6.2 Option 2 Analysis

6.2.1 Analysis & Implications of Option 2

The option of not supporting the appointment of Mr Lino Di Lernia to the position of GRFMA Chairperson and Independent Member, is not recommended due to the extensive and public recruitment process undertaken by the GRFMA. Not supporting the GRFMA proposal may require a new recruitment process and/or temporary backfill for the outgoing Chairperson.

6.2.2 Financial Implications

There are no financial implications related to the appointment of the GRFMA Chairperson and Independent Member.

Gawler River Floodplain Management Authority
PO Box 366 Seacliff Park, SA 5049
Telephone: 0407717368 Email: eo@grfma.com
Website: www.gawler.sa.gov.au/grfma

Mr. Sam Green
Chief Executive Officer
City of Playford
Playford Civic Centre, 10 Playford Boulevard
ELIZABETH SA 5112
By email playford@playford.sa.gov.au
12/03/2024

Dear Sam,

Appointment of GRFMA Chairperson, Independent Member.

I am writing seeking Councils approval and a resolution of formal appointment of Mr Lino Di Lerna as GRFMA Chairperson, Independent Member, for a term of three years.

The GRFMA Charter provides.

4.4.1 A person who is neither an officer, employee or member of a Constituent Council will be appointed by the Constituent Councils as a Board Member and the Chairperson for a term of up to three years and on such other terms and conditions as determined by the Constituent Councils

The GRFMA current Chairperson, Mr. Ian Baldwin has previously advised he will not be extending his current term of appointment and is assisting with temporary continuation, until a substantive appointment is approved by the Board, endorsed by Constituent Councils and the successful applicant commences in the position of Chairperson.

Following the unsuccessful expression of interest process in 2023, a new public call for the position has now been completed by Mc Arthur Recruitment Services.

On conclusion of candidate interviews, the panel established to manage the process determined and unanimously agreed that the preferred candidate is Mr Lino Di Lerna.

Following the panel interviews McArthur performed reference checks and background and social media checks which did not identify any concerns or issues.

Lino was determined as the preferred candidate due to his political acumen, leadership, knowledge, networks and understanding of local, state, and federal government.

Key positions held include.

- Deputy Chief Executive SA Department of Planning, Transport, and Infrastructure.
- Program Director, Advanced Train Management System Proof of Concept, Australian Rail Track Corporation.

- Director Projects, Office of Major Projects and Infrastructure, Department for Transport, Energy and Infrastructure.
- Managing Director and Chief Finance Officer, Australian National Railways Commission
- Chief Executive Officer Motor Accident Commission.

Notable achievements.

Managed

- \$800 million delivery of public transport infrastructure.
- \$50 million environmental remediation program of over 600 Australian National Railway Commission sites.
- \$185 million sale of the Adelaide Casino for superannuation fund manager, Funds SA.

Developed

- 5-year strategic plan for the State Bank of South Australia post its collapse.
- The design, development, integration, testing and documentation of a world-breaking train management technology.

Directed

- The public-private partnership development of the port of Adelaide and industrial areas.
- The closure of Australian National Railways Commission operations.
- The downsizing and closure of The State Bank of South Australia's International bank offices in London, New York and Auckland.

The 7/3/2024 GRFMA special meeting endorsed the recommendation of Mr. Di Lerna as preferred candidate GRFMA Chairperson, Independent Member and directed that I seek Constituent Council approval of appointment pursuant to clause 4.4.1 of the GRFMA Charter.

I would be pleased to receive Councils approval and a resolution of formal appointment of Mr. Lino Di Lerna as GRFMA Chairperson, Independent Member, for a term of three years: effective following formal appointment to the position by all the Constituent Councils of the GRFMA.

A response by Wednesday 17 April 2024 will assist in enabling the GRFMA to formally confirm Mr. Di Lerna's appointment at the Thursday 18 April 2024 GRFMA meeting.

Yours Sincerely



David Hitchcock, Executive Officer

STAFF REPORTS

Matters for Information

15.4 BUDGET UPDATE REPORT

Responsible Executive Manager : Luke Culhane

Report Author : Trisca Price

Delegated Authority : Matters for Information

Attachments : 1 [↓](#). Budget Update Report

PURPOSE

To inform Council on the organisation's financial performance to the end of February 2024.

STAFF RECOMMENDATION

Council notes the Budget Update Report (Attachment 1) for the period ending 29 February 2024.

RELEVANCE TO STRATEGIC PLAN

This item ensures Council meets its legislative requirements under the *Local Government (Financial Management) Regulations 2011* and Section 123(13) of the *Local Government Act 1999*. It also provides transparent financial reporting to the community by illustrating how our Finance Strategy is achieving long term financial sustainability.

RELEVANCE TO COMMUNITY ENGAGEMENT POLICY

There is no requirement to consult the public on this matter.

BACKGROUND

Council has responsibility under the *Local Government Financial Management Regulations 2011* and Section 123(13) of the *Local Government Act 1999* to consider financial reports on the Council's financial performance and budget position.

CURRENT SITUATION

Budget Position

A Revised Budget was adopted by Council on 24 October 2023 following the First Budget Review. There was an increase of \$2.2M to the overall operating surplus to \$10.0M, with a Structural Surplus increase of \$0.6M to \$2.1M. Favourable movements included increased Federal Assistance Grant allocation for 2023/24, increased grant funding for Supplementary Local Roads (SLR) and Special Local Roads (Kinkaid), and savings in interest costs. These were offset by increased operating costs associated with approved capital costs and other minor expenses not included in the Annual Business Plan.

The table below summarises the impact of budget review:

Operating Position 2023/24	Operating \$000's (Unfav)/Fav	Structural \$000's
Original Budget	7,805	1,462
Grant Funding (Financial Assistance Grant)	888	888
Grant Funding (Supplementary Local Rd)	688	-
Grant Funding (Special Local Rd)	930	-
Additional operating costs associated with increased capital	(224)	(224)
Other minor changes	(65)	(65)
Total Value of Changes	2,217	599
Revised Budget Surplus	10,022	2,061

The Net Capital budget increased in the First Budget Review by \$17M to \$63.3M as detailed in the table below.

Capital Budget 2023/24	Revenue \$000's	Expense \$000's	Net Capital \$000's
Original Budget	15,961	62,224	46,263
Approved Projects via Resolution	-	2,295	2,295
Realignment of project budgets	4,135	14,279	10,144
New Grant Funded Projects	70	1,000	930
Additional Scope	-	179	179
Additional budget request on existing projects	-	5,386	5,386
Projects not being delivered	-	(1,928)	(1,928)
Other Minor Project variations	-	42	42
Total Value of Changes	4,205	21,253	17,048
Revised Capital Budget	20,166	83,477	63,311

Operating Position

Year to Date

The result as at 29 February 2024 is an operating surplus of \$0.6M compared with a budgeted surplus of \$0.1M.

The structural deficit result of \$2.4M compares with a budgeted structural deficit of \$2.9M. The structural surplus excludes the one-off operating grants/contributions which will fund future infrastructure projects and other one-off non recurrent items.

Full Year Forecast

As at 29 February 2024, the forecast is an operating deficit of \$4.4M compared with a budgeted operating surplus of \$10.0M, unfavourable by \$14.4M and structural deficit of \$11.7M compared with a budgeted structural surplus of \$2.1M. This largely reflects the reduced forecasted FA Grant's income due to brought forward payment of \$15.3M (93% of the 2023/24 allocation) last financial year.

Capital Position

The full year net capital forecast of \$38.3M is \$25M less than the net capital budget of \$63.3M.

This reflects a retiming of capital expenditure due to multiyear projects that will be carried out as they continue into 2024/25. Further detail in relation to this Budget Update Report can be found in Attachment 1.

Debt Position

On 27 June 2023 Council adopted the 2023/24 Annual Business Plan and Budget and approved in accordance with Section 134 of the *Local Government Act 1999*, a maximum debt facility of \$150 million. No change was made to the approved facility as part of Budget Review 1.

Actual borrowings as at 29 February 2024 were \$91.5 million, well below the approved maximum debt facility.

FUTURE ACTION

Further updates to be provided on a monthly basis.

Budget Update Report

February 2024

YTD Result as at February 2024

The table below shows the year to date position for income and expense with a year to date net Deficit of \$2.4M (excluding non-structural items) which is favourable to YTD Budget by \$0.5M.

	YTD Actual \$'000	YTD Budget \$'000	Variance Fav/(Unfav) \$'000	%	Explanation of variance where considered material
Income					
RATES REVENUES	68,038	67,904	134	0%	
STATUTORY CHARGES	2,134	2,106	28	1%	Additional application fees and Section 7 Searches
USER CHARGES	3,979	3,810	169	4%	Additional Internal ASR water revenue
INVESTMENT INCOME	52	33	19	58%	Additional interest income due to higher interest rates
REIMBURSEMENTS	602	325	277	85%	Additional Aquadome and tree services reimbursements
OTHER INCOME	277	172	105	61%	Additional event sponsorship and LGFA bonus
GRANTS, SUBSIDIES, CONTRIBUTIONS	7,303	6,881	422	6%	Additional grants
Total Income	82,385	81,231	1,154	1%	
Expense					
EMPLOYEE COSTS	29,672	30,386	714	2%	Staff vacancies
MATERIALS CONTRACTS OTHER EXPENSES	30,263	28,708	(1,555)	(5%)	Cost pressures in electricity and SA Water with additional legal costs, recruitment costs and increased Internal ASR water expense
FINANCE COSTS	2,579	2,748	169	6%	Lower debt balance
DEPRECIATION, AMORTISATION & IMPAIRMENT	19,271	19,298	27	0%	
Total Expense	81,785	81,140	(645)	(1%)	
Net Surplus/(Deficit)	600	91	509		
Non-Structural Items ¹	3,021	2,978	43		
Net Structural Surplus/(Deficit)	(2,421)	(2,887)	466		

Notes:

1. Developer contributions, operating grants used for capital projects, reserves & one off investment decisions not part of recurrent base budget or for future use on infrastructure projects

Budget Update Report

February 2024

Full Year Forecast Result as at February 2024

The table below shows the full year forecasted result for income and expense with a net Deficit of \$11.7M (excluding non-structural items) which is unfavourable to Budget by \$13.7M.

	Full Year Forecast \$'000	Full Year Budget \$'000	Variance Fav/(Unfav) \$'000	%	Explanation of variance where considered material
Income					
RATES REVENUES	102,235	102,004	231	0%	
STATUTORY CHARGES	2,948	2,888	60	2%	Additional application fees and Section 7 Searches
USER CHARGES	6,164	6,047	117	2%	Additional Internal ASR water revenue
INVESTMENT INCOME	82	52	30	58%	Additional interest income due to higher interest rates
REIMBURSEMENTS	844	637	207	32%	Additional Aquadome and tree services reimbursements
OTHER INCOME	278	177	101	57%	Additional event sponsorship and LGFA bonus
GRANTS, SUBSIDIES, CONTRIBUTIONS	13,580	30,156	(16,576)	(55%)	Financial assistance grants prepaid in 2022-23, part LRCI grant to be claimed in FY24 offset by higher developer contributions and additional grants
Total Income	126,131	141,961	(15,830)	(11%)	
Expense					
EMPLOYEE COSTS	46,579	47,785	1,206	3%	Staff vacancies
MATERIALS CONTRACTS OTHER EXPENSES	48,333	48,181	(152)	0%	Cost pressures in electricity and SA Water with additional legal costs, recruitment costs and increased Internal ASR water expense by operating costs associated with delayed capital spend
FINANCE COSTS	4,376	4,793	417	9%	Delay in capital spend
DEPRECIATION, AMORTISATION & IMPAIRMENT	30,745	30,595	(150)	0%	
NET LOSS- JOINT VENTURES & ASSOCIATES	446	585	139	24%	NAWMA revised deficit following BR1
Total Expense	130,479	131,939	1,460	1%	
Net Surplus/(Deficit)	(4,348)	10,022	(14,370)		
Non-Structural Items ¹	7,331	7,961	(630)		
Net Structural Surplus/(Deficit)	(11,679)	2,061	(13,740)		
<i>For comparative purposes only</i>					
Adjustment for advance payment of FA Grants	15,345		15,345		
Adjusted Net Structural Surplus/(Deficit)	3,666	2,061	1,605		

Notes:

1. Developer contributions, operating grants used for capital projects, reserves & one off investment decisions not part of recurrent base budget or for future use on infrastructure projects

Budget Update Report

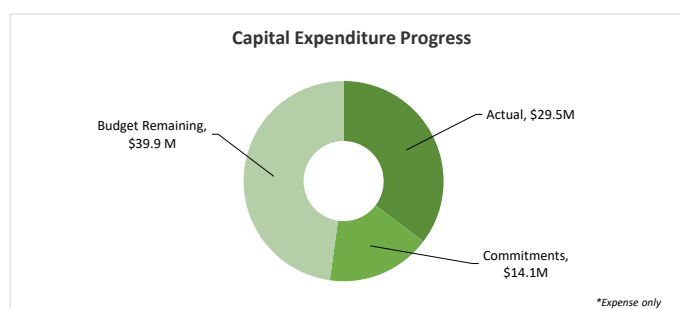
February 2024

Capital Full Year Movement (2023-2024)

The table below shows the full year forecasted net capital expenditure of \$38.3M which is less than Budget by \$25.0M.

	Full Year Forecast	Full Year Budget	Variance Less/ (Greater)	Explanation of variance where considered material
Revenue	(8,281)	(20,166)	11,885	Grants deferred until construction for Park Road Drainage, McGilp Reserve Redevelopment, Virgo St Reserve and Barrow St Reserve Upgrades, Munno Para Sportsground Stage 1, Kalara Reserve Upgrades, Argana Park Shared Change Facilities, Blackspot Stebonheath/Dalkeith Rd Intersection, Curtis Rd/Frisby Rd Intersection Upgrade and Argana Park Oval Lighting.
Expenses	46,567	83,477	36,910	Deferred construction for above projects as well as deferred works in AMP buildings, AMP Kerbs and Reseal and delay in delivery of AMP Fleet vehicles.
Total Net Capital Expenditure	38,286	63,311	25,025	

	Full Year Forecast \$'000	Full Year Budget \$'000	Variance Less/ (Greater) \$'000	Explanation of variance where considered material
Buildings	1,216	2,210	994	Deferral of ATCO Transportable renewal.
Fleet	3,241	4,972	1,731	Delay in delivery of vehicles offset by plant being bought forward.
IT	1,169	1,213	44	
Northern CBD	118	1,451	1,333	NCBD development costs incurred in FY25, Prince Charles Street construction to commence in FY25.
Other	2,464	5,050	2,586	Development costs under negotiation with developers and Munno Para West Reserve (Peerless Rd) construction to continue in FY25.
Playford Alive	765	885	120	PA Open Space Upgrade (Pete Smith) construction to continue in FY25.
Parks	4,415	8,739	4,324	McGilp Reserve Redevelopment, Kalara Reserve-Andrews Farm Soccer Upgrades, Argana Park - Shared Change Facilities and McEvoy Rd Mega Basin and Culvert Upgrade in design stage.
Stormwater	472	1,711	1,239	Park Rd Drainage construction in FY25.
Streetscapes	9,375	10,311	936	ACH Verge works incurred in FY24.
Transport	14,678	26,375	11,697	Argana Park - Car Parking, Munno Para Sportsground Stage 1 and AMP -Sheedy Rd in design stage, Traffic Management Minor Works, Curtis Rd/Andrews Rd to continue in FY25 and Curtis Rd/Frisby Rd Upgrade and AMP Kerbs and Reseal works on hold or not progressing.
Wetlands	373	394	21	
Total Net Capital Expenditure	38,286	63,311	25,025	

Capital Expenditure Progress as at February

Budget Update Report

February 2024

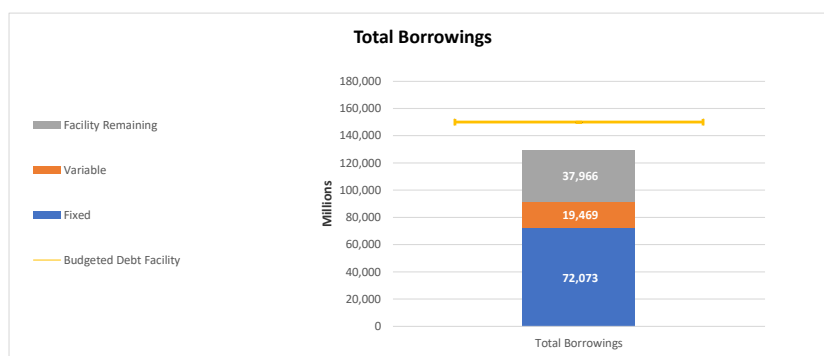
Borrowings/Investment Summary (2023/2024)**Debt Mix:**

As at February 2024 the balance of Council's short-term investments is \$0.3M.

Council's total borrowings as at the end of February 2024 are \$91.5M, comprising \$72.1M in fixed rate borrowings and \$19.5M of variable rate borrowings; total facilities accumulate to \$129.5M.

Total borrowings, net of repayments, have decreased \$3.9M from \$95.4M the prior month. This is consistent with Council's capital spend timing and receipts.

The LTFP has a budgeted debt facility of \$150.0M based on the assumption of full delivery of capital programs and an allowance for Treasury cash flow management. These borrowings fall within the approved budget, Council's adopted financial indicators and the LTFP. Forecasted Debt as at 30 June 2024 is \$102.5M.

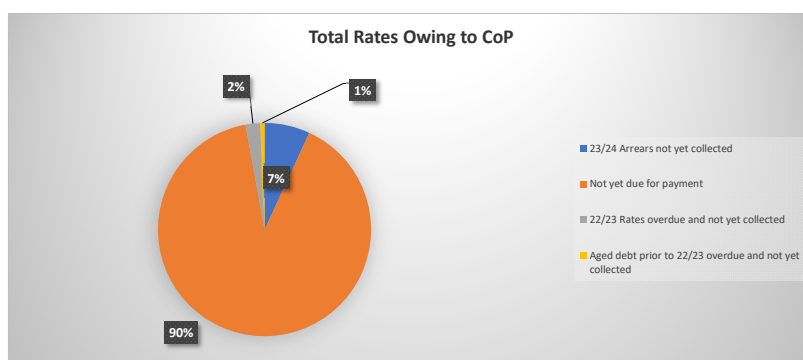
**Rates Recovery:**

Rates recovery has a direct impact on positive cash flow which then correlates to borrowings. By maximising cashflows, less borrowings are required to fund operational expenditure.

Total rates owing of \$32.6M (30.9%) as at February 2024 reflects an decrease of 0.7% compared to February 2023.

8.1% of ratepayers are proactively utilising Council's bill smoothing options including direct debit and centrepay.

0.7% of councils ratepayers have arrangements in place under councils hardship policy.



Reserves

The reserves are a collation of developer contributions received over a number of periods and are managed as a cash offset against our debt. Under legislation we are required to apply interest income to the balance in reserves using the RBA average cash rate.

The forecasted balance of reserves as at 30 June 2024 is \$14.8M.

Below is a summary of the forecasted contributions, expenditure and estimated interest as at February 2024.

Reserve	Opening Balance	Forecasted Developer Contributions & State Govt Grants	Forecasted Expenditure	Estimated Interest	Forecasted Closing balance
	\$'000	\$'000	\$'000	\$'000	23/24
Open Space Reserve	9,563	1,487	(4,457)	279	6,872
Stormwater Infrastructure Deed - Virginia	(157)	-	-	(7)	(164)
Stormwater Infrastructure Deed - Angle Vale	505	1,664	(10)	91	2,250
Stormwater Infrastructure Deed - Playford North Extension	(609)	-	-	(26)	(635)
Social Infrastructure Deed - Virginia	159	44	-	9	212
Social Infrastructure Deed - Angle Vale	1,493	226	-	0	1,719
Social Infrastructure Deed - PNE	379	194	-	24	597
Supplementary Local Roads	2,721	688	(1,068)	99	2,440
Playford Alive Initiative Fund	147	208	(175)	8	188
Urban fund tree	23	5	-	1	29
Gawler Rail Vegetation Offset	232	-	(87)	6	151
Other one-off Reserves	1,485	-	(423)	45	1,107
	15,941	4,516	(6,220)	529	14,766

Budget Update Report

February 2024

Financial Indicators

Financial sustainability is achieved when Council can deliver the services it provides to the community at an agreed and consistent standard across a long period, without the need for significant rate increases or significant service reductions, whilst maintaining inter-generational equity.

Financial sustainability enables Council to:

- Deliver and maintain intergenerational equity
- Maintain a solid and healthy financial position
- Maintain a degree of stability and predictability for future rate increases
- Manage its debt levels

Council has six financial indicators used to measure its financial sustainability.

Financial Indicator	Explanation	Target	Forecast	Adjusted Forecast	Budget	Points to note on indicators outside of target range
Operating Surplus Ratio	Gives an indication of Councils ability to service its operations from expected income, while maintaining long term financial sustainability.	Between 1% and 10%	✗ -3.4%	✓ 7.8%	✓ 7.1%	Adjusted for prepayment of 23/24 FA Grants in 22/23 and part LRCI grant to be claimed in FY25
Structural Surplus Ratio	Operating Surplus Ratio excluding one off grants, contributions, reserves and investments	Between 1% and 4%	✗ -9.8%	✓ 2.6%	✓ 1.5%	Adjusted for prepayment of 23/24 FA Grants in 22/23
Cash Flow from Operations Ratio*	Measures whether Council is generating enough cash from its operations to cover the replacement of assets over time.	Between 90% and 110%	✗ 42.8%	✓ 105.2%	✓ 105.2%	Adjusted for prepayment of 23/24 FA Grants in 22/23
Asset Renewal Funding Ratio	Shows whether or not Council is replacing assets at the rate as required in the Asset Management Plan.	Between 90% and 110%	✗ 127.4%	✗ 127.4%	✗ 172.9%	Above target as a result of deferred AMP Program from 2022/23 carried over to 2023/24
Net Financial Liabilities Ratio**	Shows the extent to which Council is managing its debt.	Between 50% and 160%	✓ 74.8%	✓ 66.7%	✓ 84.3%	
Interest Expense Ratio	Shows how much discretionary income is used to pay interest on borrowings	Between 4% and 8%	✓ 4.3%	✓ 4.3%	✓ 4.7%	

*Note that the Cashflow from Operation Ratio Forecast is only updated at BR1, Mid Year, BR2

**Note that forecast for Net Financial Liabilities Ratio is based on current period balance

Adjusted Forecast corrects the distortion created due to accounting treatment of the advance payment of FA Grants allocation, and creates a more accurate basis for comparison.

COMMITTEE REPORTS

STRATEGY AND SERVICES COMMITTEE

***Confidential Matters which
cannot be delegated to a
Committee or Staff***

17.1 COUNCIL TO INITIATE A CODE AMENDMENT

Contact Person: Sam Green

Why is this matter before the Council or Committee?

Matters which cannot be delegated to a Committee or Staff

Purpose

For Council to make a determination on whether to deal with this matter in confidence.

A. COMMITTEE TO MOVE MOTION TO GO INTO CONFIDENCE**STAFF RECOMMENDATION**

Pursuant to Section 90(2) of the *Local Government Act 1999* an order is made that the public be excluded from attendance at the meeting, with the exception of:

- Chief Executive Officer
- General Manager City Assets
- General Manager City Services
- General Manager Corporate Services
- Executive Strategic Advisor
- Senior Manager Assets and Delivery
- Senior Manager City and Corporate Plans
- Senior Manager City Property
- Senior Manager Community Engagement and Experience
- Senior Manager Development Services
- Senior Manager Families and Young People
- Senior Manager Financial Services
- Senior Manager Information, Technology and Governance
- Acting Manager Governance
- Manager Marketing and Communications
- Urban Policy Planner
- Strategic Land Use Planner
- Governance Support
- ICT Support
- Minute Taker

in order to consider in confidence agenda item 17.1 under Section 90(3)(m) of the *Local Government Act 1999* on the basis that:

- (m) information relating to a proposal to prepare or amend a designated instrument under Part 5 Division 2 of the *Planning, Development and Infrastructure Act 2016* before the draft instrument or amendment is released for public consultation under that Act.

This matter is Confidential because allows for confidential endorsement on the potential rezoning of land prior to the Minister for Planning approval for the Initiation of the Code Amendment at which point the initiation documentation is published on the SA Planning Portal

On the basis of this information, the principle that meetings should be conducted in a place open to the public has been outweighed in this instance; the Committee consider it necessary to consider this matter in confidence.

Section B below to be discussed in the confidential section of the agenda once the meeting moves into confidence for each item.

B. The Matters as per item 17.1

C. COMMITTEE TO DECIDE HOW LONG ITEM 17.1 IS TO BE KEPT IN CONFIDENCE

PURPOSE

To resolve how long agenda item 17.1 is to be kept confidential.

STAFF RECOMMENDATION

Pursuant to Section 91(7) of the *Local Government Act 1999*, the Committee orders that the following aspects of Item 17.1 be kept confidential in accordance with reasons to deal with this item in confidence pursuant to Section 90(3)(m) of the *Local Government Act 1999*:

- Report for Item 17.1
- Attachment(s) for Item 17.1
- Minutes for Item 17.1

This order shall operate until the Minister for Planning approves the Initiation of the Code Amendment at which point the initiation documentation is published on the SA Planning Portal or will be reviewed and determined as part of the annual review by Council in accordance with Section 91(9)(a) of the *Local Government Act 1999*, whichever comes first.

COMMITTEE RESOLUTION

5774

Pursuant to Section 91(7) of the *Local Government Act 1999*, the Committee orders that the following aspects of Item 8.1 be kept confidential in accordance with reasons to deal with this item in confidence pursuant to Section 90(3)(m) of the *Local Government Act 1999*:

- Report for Item 8.1
- Attachment(s) for Item 8.1
- Minutes for Item 8.1

This order shall operate until the Minister for Planning approves the Initiation of the Code Amendment at which point the initiation documentation is published on the SA Planning Portal or will be reviewed and determined as part of the annual review by Council in accordance with Section 91(9)(a) of the *Local Government Act 1999*, whichever comes first.

17.2 POSITIVE AGEING REVIEW

Contact Person: Tina Hudson

Why is this matter before the Council or Committee?

Matters which cannot be delegated to a Committee or Staff

Purpose

This report discloses information on the potential future of service changes which could be contrary to the public interest.

For Council to make a determination on whether to deal with this matter in confidence.

A. COMMITTEE TO MOVE MOTION TO GO INTO CONFIDENCE

STAFF RECOMMENDATION

Pursuant to Section 90(2) of the *Local Government Act 1999* an order is made that the public be excluded from attendance at the meeting, with the exception of:

- Chief Executive Officer;
- General Manager City Assets;
- General Manager City Services;
- General Manager Corporate Services;
- Executive Strategic Advisor;
- Senior Manager Assets and Delivery;
- Senior Manager City and Corporate Plans;
- Senior Manager City Property;
- Senior Manager Community Engagement and Experience;
- Senior Manager Development Services;
- Senior Manager Families and Young People;
- Senior Manager Financial Services;
- Senior Manager Information, Technology and Governance;
- Manager Connection and Inclusion;
- Acting Manager Governance;
- Manager Marketing and Communications
- Manager Positive Ageing;
- Governance Support;
- ICT Support;
- Minute Taker;

in order to consider in confidence agenda item 17.2 under Section 90(3)(b) of the *Local Government Act 1999* on the basis that:

(b) information the disclosure of which -

i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and

ii) would, on balance, be contrary to the public interest.

This matter is Confidential because This report discloses information on the potential future of service changes which could be contrary to the public interest.

On the basis of this information, the principle that meetings should be conducted in a place

open to the public has been outweighed in this instance; the Committee consider it necessary to consider this matter in confidence.

Section B below to be discussed in the confidential section of the agenda once the meeting moves into confidence for each item.

B. The Matters as per item 17.2

C. COMMITTEE TO DECIDE HOW LONG ITEM 17.2 IS TO BE KEPT IN CONFIDENCE

PURPOSE

To resolve how long agenda item 17.2 is to be kept confidential.

STAFF RECOMMENDATION

Pursuant to Section 91(7) of the *Local Government Act 1999*, the Committee orders that the following aspects of Item 17.2 be kept confidential in accordance with reasons to deal with this item in confidence pursuant to Section 90(3)(b) of the *Local Government Act 1999*:

- Report for Item 17.2
- Minutes for Item 17.2

This order shall operate until the next scheduled annual review of confidential items by Council at which time this order will be reviewed and determined in accordance with Section 91(9)(a) of the *Local Government Act 1999*.

COMMITTEE RESOLUTION

5777

Pursuant to Section 91(7) of the *Local Government Act 1999*, the Committee orders that the following aspects of Item 8.2 be kept confidential in accordance with reasons to deal with this item in confidence pursuant to Section 90(3)(b) of the *Local Government Act 1999*:

- Report for Item 8.2
- Minutes for Item 8.2

This order shall operate until the next scheduled annual review of confidential items by Council at which time this order will be reviewed and determined in accordance with Section 91(9)(a) of the *Local Government Act 1999*.