

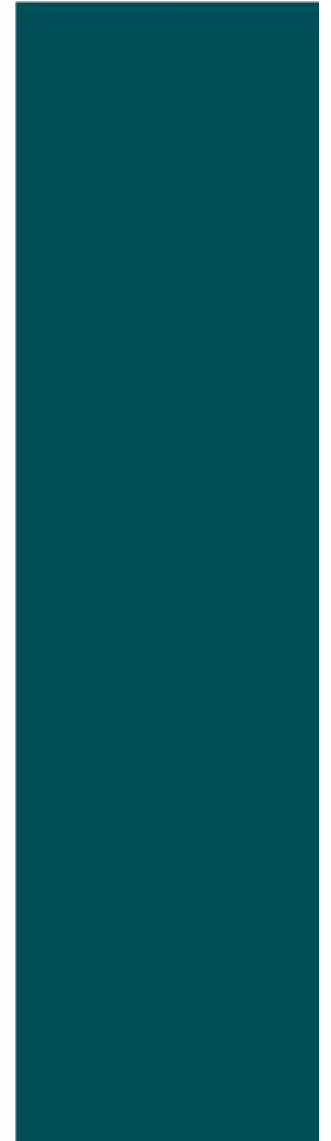
Corporate Governance Committee

2026/27 Business Plans

7 April 2026

Purpose

- Rating Framework recap
- 2026/27 Annual Business Plan – Budget
- Sustainable Finance and Rate Rise



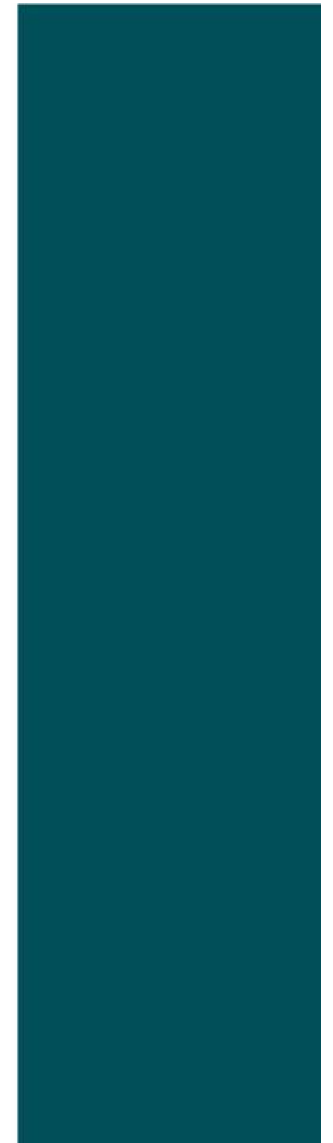
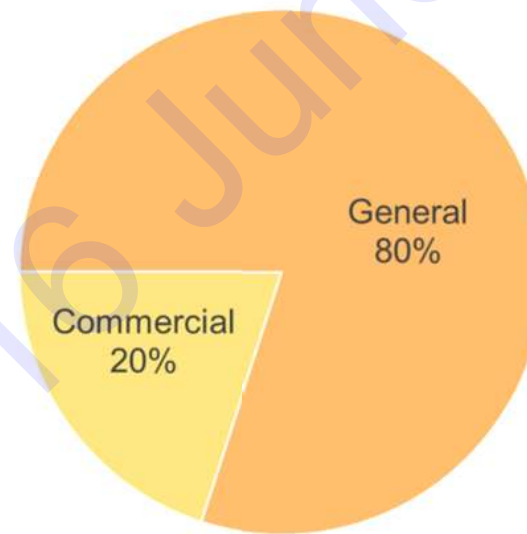
Rating Framework Recap

Rating Framework

Rating Policy and Rate Rebate Policy were endorsed by Council on 24 March 2026

Rating Policy	Rate Rebate Policy	Hardship Policy
Policy Author General Manager Corporate Services Date of next review June 2027 1. Statement of Intent In South Australia, council rates are a form of property tax levied by local government as the primary source of funding for the many mandatory and discretionary services provided by councils. Rates are administered by each council in line with the <i>Local Government Act 1999</i> (the Act). This document sets out the Council's policy for setting and collecting rates from its community. Council rates are not a fee for service but a system of taxation for local government purposes. All land within the Council's area is rateable except land that is subject to an exemption under the Act. Council considers a general rate, which consists of two components – one based on the value of the land and the other a fixed charge – to be the fairest and most equitable method of imposing rates. A fixed charge is a means of ensuring all ratepayers contribute equally to Council services and the development and maintenance of community infrastructure. Council may impose differential general rates that vary based on land use. It assesses rates against each piece or section of land subject to separate occupation, except for land with a commercial or industrial land use where rates are assessed against each piece or section of such land subject to separate ownership. Council's rates are based on the capital values of land in its area as assessed by the Valuer-General. An owner of land may, in accordance with the <i>Valuation of Land Act 1971</i>, object to a valuation made by the Valuer-General of their land. Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers on the following basis: • Rates constitute a system of taxation, and the equity principle of taxation requires that ratepayers of similar wealth pay similar taxes, and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth. • Property value is considered a relatively good indicator of wealth, and the capital value, which closely approximates the market value of a property, provides the best indicator of overall property value. Council is required to collect a separate rate, the Regional Landscape Levy, to reimburse the Council for the funding contribution required by the <i>Landscape South Australia Act 2019</i> for the Green Adelaide Board. The total value of this contribution is fully recoverable. This separate rate is effectively a state tax and Council does not retain the revenue collected by way of the separate rate. Council may apply rate remissions, postponements, and rebates in accordance with the Act and the Rate Rebate Policy. In addition, if a ratepayer is experiencing hardship with paying their rates, they may make an application for rate relief by way of a remission or postponement in accordance with the Act and Council's Hardship Policy. Fines and interest apply to overdue rates and if an amount payable by way of rates is in arrears for three years or more, Council may sell the land for non-payment of rates.	Policy Author General Manager Corporate Services Date of next review June 2027 1. Statement of Intent The objective of this Policy is to ensure that all applications for rate rebates are considered in an equal and fair manner in line with the provisions set out under the <i>Local Government Act 1999</i> (the Act) and this Policy. Rates are a form of taxation and provide the main revenue stream for Council to deliver services to the community. Rates are levied under the Act on the basis of land value and use, which is widely accepted as a reasonable indicator of capacity to pay. Recognising that there may be circumstances where this may not always be the case, the Act makes provision for Council to consider applications for rate rebates. This supports the provision of equitable services and facilities to meet the needs of the whole community. This Policy is intended to provide guidance as to the grounds upon which relief of rates payable is available to a person, body, or organisation, in the form of rebates. Council will consider each application to ensure the requirements under the Act have been met. When assessing requests for rebates, Council may take into account, but is not limited to, the following: • the availability of rebates under the Act • the applicant's need for financial assistance • whether, and to what extent, the applicant provides a benefit or service to the local community • whether the applicant is a public sector, not-for-profit or commercial entity • whether the rebate will assist in securing new development in the City of Playford • if the applicant has been subject to a substantial change in rating or valuation • the impact of adverse environmental impacts on existing business • the extent of other financial assistance, if any, available to the applicant from other sources (e.g. Commonwealth or State government) • whether there are any historical considerations that may be relevant • the level of rates that would be applied by neighbouring councils • the financial consequences of the rebate for the Council • any other matters, and policies of the Council, which the Council considers relevant.	Policy Author General Manager Corporate Services Date of next review April 2028 1. Statement of Intent This Policy reinforces the commitment of the Council to assist ratepayers and debtors experiencing financial hardship, with the aim of recovering council rates and charges in a fair and financially responsible manner. Ratepayers should: • Be treated in a fair, equitable and respectful manner; • Be offered mutually negotiated and agreed payment plans, or an extension of time to pay that addresses arrears and ongoing rates charges; • Have their capacity to pay considered; • Be offered Centrepay and direct debit payment options; • Have debts to be paid within fair and reasonable timeframes; • Receive empathetic, confidential and consistent assistance; • Be offered referral to financial counselling and other services where required; and • Be protected from legal action and additional costs while meeting their obligations. 2. Scope This Policy endorses consistent application of assistance for ratepayers seeking relief from rates and charges due to hardship or extenuating circumstances. Relief and assistance may be in the form of postponement or remission of rates, negotiated flexible debt repayment plans, or referring the ratepayer to see an accredited financial counsellor. A ratepayer experiencing financial hardship is someone who is identified by themselves, by Council, by an accredited financial counsellor, or by a welfare agency as having the intention but not the financial capacity to make required payments in accordance with Council's payment terms. This Policy also endorses appropriate and consistent action that meets delegation requirements in relation to sundry debtors. 3. Legislation and References This Policy is to be read in conjunction with the Hardship Procedure. Related documents include: • <i>Local Government Act 1999</i> ◦ Section 177 – advises that rates imposed on land are a charge on the land. ◦ Section 178 – advises that liability for the rates charged on the land is the principal ratepayer

Rates distribution

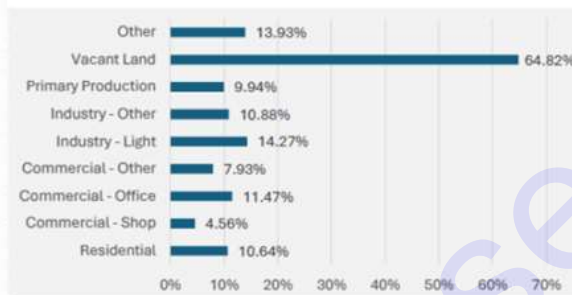


GENERAL VALUATION 2026-2027 DASHBOARD | PLAYFORD

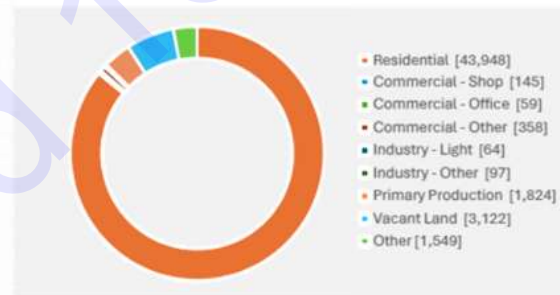
Overview of overall General Valuation value movement and counts collated by Local Government Code as of 20 March 2026.



Value Movement by Local Government Code



Valuation Records by Local Government Code



GENERAL VALUATION 2026-2027 DASHBOARD | PLAYFORD

Overview of overall General Valuation value movement and counts FYTD collated by Local Government Code as of 20 March 2026.



 Residential Proposed Rating Value \$28,218,716,000 ↑ 10.64% Proposed Valuation Records 43,948 ↑ 0.64% - The market has demonstrated consistent and sustained growth throughout 2025. Growth continues to be underpinned by affordability and constrained supply. - Many properties have experienced 2 to 15% change in value.	 Commercial Proposed Rating Value \$2,364,003,000 ↑ 6.80% Proposed Valuation Records 562 ↑ 6.64% - Value growth across this sector have stabilised on the back of softening yields and moderate increases in rentals. - Many properties have experienced 5 to 20% change in value.	 Industry Proposed Rating Value \$340,196,000 ↑ 11.48% Proposed Valuation Records 161 Many properties have experienced 5 to 20% change in value with some specific properties experiencing adjustments outside of this range due to the impact of growth in underlying land values.
 Vacant Land Proposed Rating Value \$1,308,962,520 ↑ 64.82% Proposed Valuation Records 3,122 ↑ 41.52% - Percentage growth has been influenced by increases to Site Values and the number of Vacant Land Valuation Records. - Adjustments vary based on zone and location and typically range between 10 to 70%.	 Primary Production Proposed Rating Value \$2,435,384,900 ↑ 9.94% Proposed Valuation Records 1,824 ↓ -0.27% - Demand in this sector continues to be influenced by productivity of land and commodity prices. - Capital Value typically moved in the range of 0 to 20%.	The Playford Revisit Program remains ongoing and is scheduled for completion 29 May 2025. As a result, ongoing changes of rating values and Local Government Codes associated with individual properties will occur up until this date.

Hardship Assistance

Ratepayers who have the intention, but not the financial capacity to make required payments.

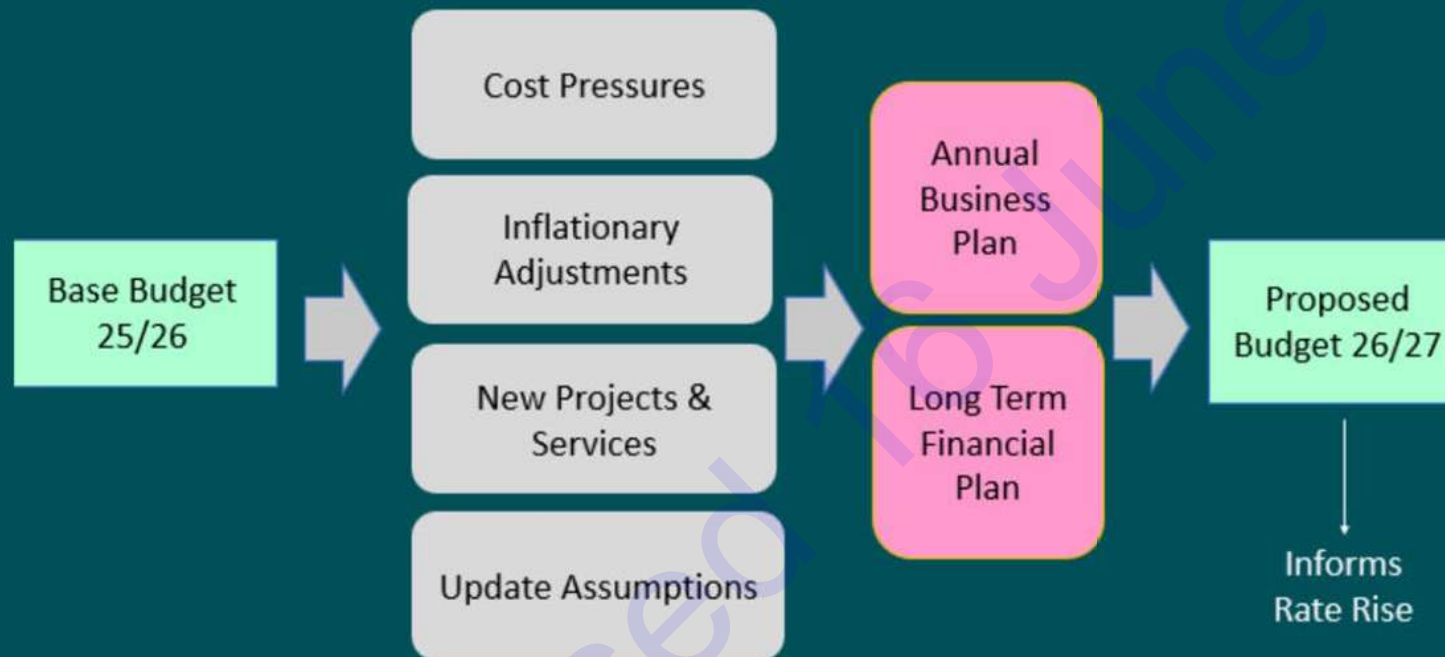
Assistance can include:

- Fair and reasonable Payment Plan – 416 ratepayers (0.82%)*
- Setting up Centrepay or Direct Debit
- Referral to accredited financial counsellor
- Protection from debt recovery
- Waiving of overdue fines where meet payment plan
- Seniors Rates Postponement – 34 ratepayers (0.07%)*

* As at the end of February 2026

26/27 Budget Breakdown

Budget Approach



Capital Budget

	\$M
Carry Ins	60.9
AMP	36.4
New Capital 2026/27	11.8
Total Capital Spend 2026/27	109.1
Donated Assets	75.3

New Capital Projects & Services

Asset Class	Capital Budget \$'000	Operating Budget \$'000
Footpaths	3,241	199
Stormwater	-	-
Sport & Recreation	8,460	1,000
Transport	55	5
Open Space	-	-
Road Deeds	-	-
Buildings	40	6
Corporate	31	8
New Services*	-	220
Total	11,828	1,218

* Not all new services have a capital cost component

Existing Assets (AMP)

AMP Asset Category	AMP \$M	Supplementary \$M	Total Budget \$M
Transport (including bridges)	13.9	0.0	13.9
Stormwater	0.4	0.0	0.5
Streetscapes	6.8	0.5	7.3
Water Delivery	1.5	0.0	1.5
Buildings	6.3	0.0	6.3
Parks and Sportsfields	1.8	0.0	1.8
Minor Plant	0.1	0.0	0.1
Fleet	4.0	0.0	4.0
Technology and Office	1.6	0.0	1.6
Grand Total	36.4	0.5	36.9

**Budget figures are subject to change up until the adoption of the LTFP and ABP.*

Financial Assumptions 26/27

Consumer Price Index



- Last year applied 2.5% 2025/26 budget
- Dec 25 Actual 3.3% applied 2026/27 budget

Wage Price Index



- Last year applied 5.5% EA negotiation 2025/26 budget
- Mar 26 based on current EA 4.0% 2026/27 budget

Interest Rates



- Existing fixed debt at existing rates
- Variable debt 5.44% compared to 6.10% this time last year

Cost Pressures - Estimates

Item	Description	\$'000
Animal Welfare League	New service agreement	482
GRFMA	Council's contribution	35
Valuation Role Rates	VG valuation fee	42
Waste	Increase due to new contract	1,295
TOTAL		1,854

Funding Challenge

	\$'000	Rate Rise % equivalent
Inflationary Costs	3,729	3.07%
FY26 Delayed OPEX	982	0.81%
Cost Pressures	1,854	1.53%
New Services/Assets	413	0.34%
New Services/Assets - Growth	1,024	0.84%
Growth Existing Services	3,321	2.74%
Overall	11,323	9.33%

Sustainable Finance & Rate Rise

Finance Strategy

A Commitment to Financial Sustainability:

- Council has the means to fund the services and projects it provides to the community now and into the future.
- Council has a long-term financial position that enables us to manage debt and support growth of the city.

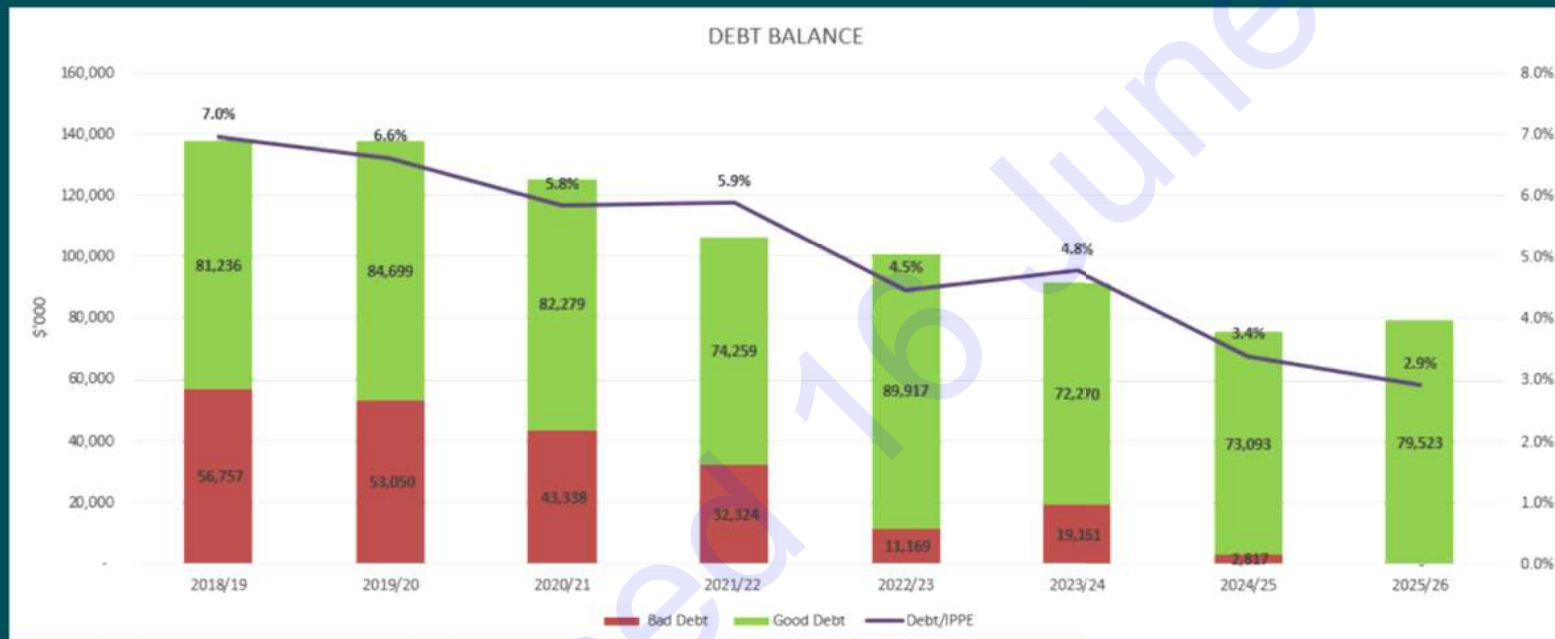
Three Key Actions:

1. No more debt from deficits
2. Reduce bad debt through surpluses and asset repurposing
3. Invest in good debt to ensure inter-generational equity

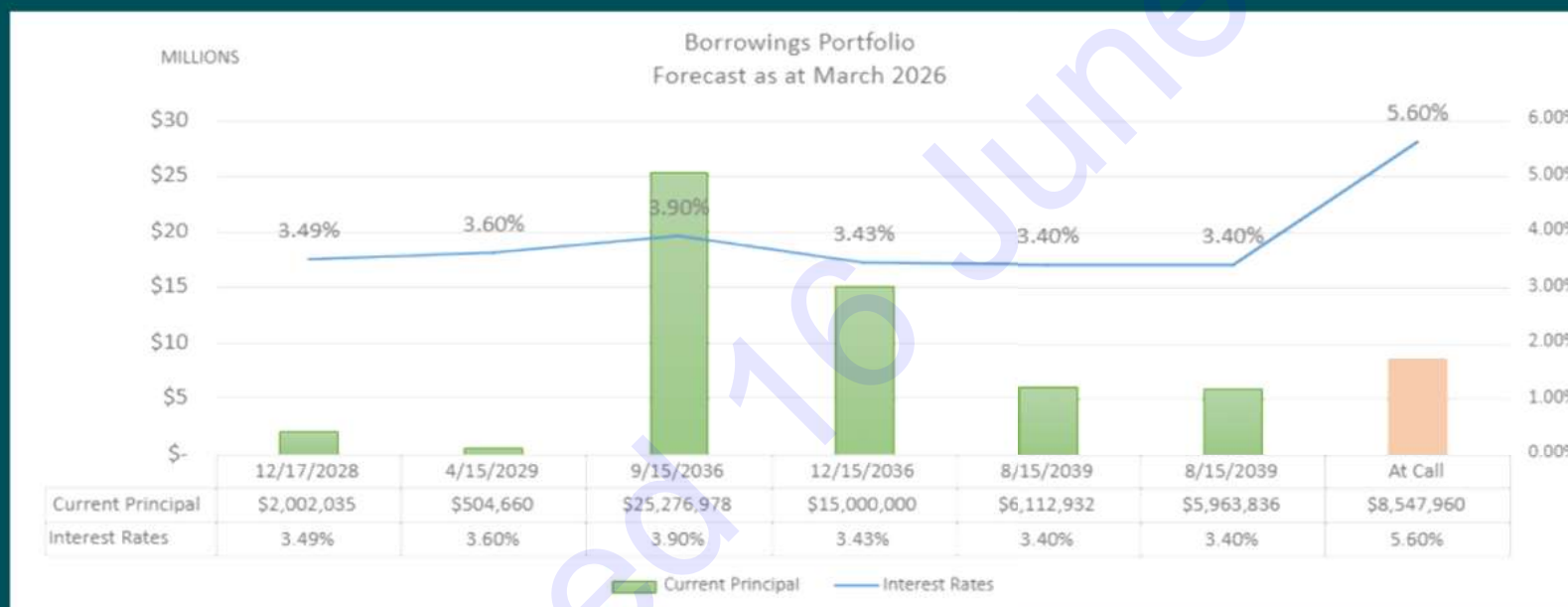
Monitoring our Strategy

Item	Endorsed Ratio	Mandated/ Discretionary	External/ Internal	Target Range
Financial Performance	Operating Surplus Ratio	Mandated	External	Between 1% and 10%
	Structural Surplus Ratio	Discretionary	External	Between 1% and 4%
Debt Management	Net Financial Liabilities Ratio	Mandated	External	Between 50% and 160%
	Interest Expense Ratio	Discretionary	External	Between 0% and 8%
Asset Management	Asset Renewal Funding Ratio	Mandated	External	Between 90% and 110%
	Cash Flow from Operations	Discretionary	External	Between 90% and 110%

Debt



Debt



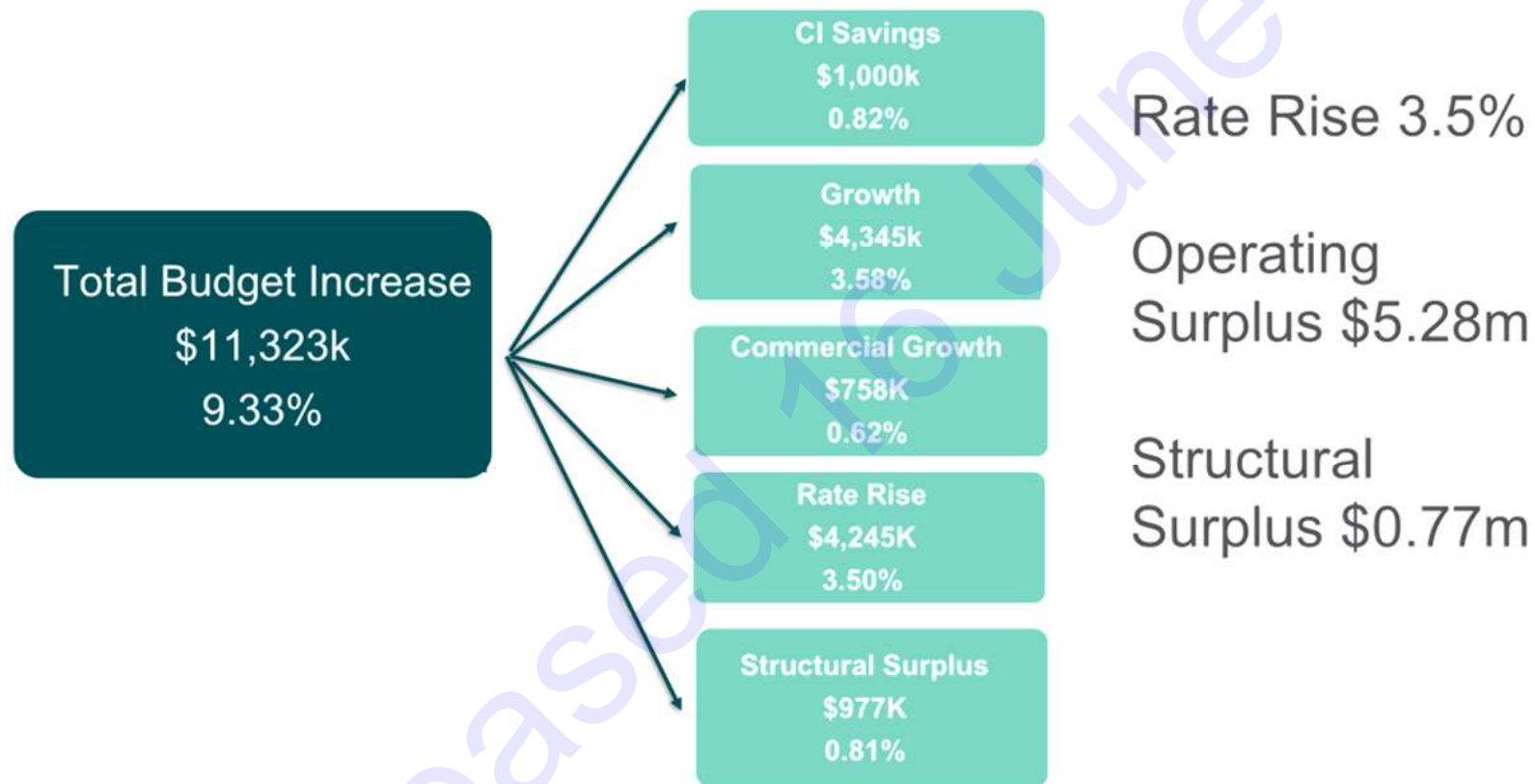
Long Term Financial Plan (Adopted)

Long Term Financial Plan 2025/26	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000	2034/35 \$'000
Operating Result - Surplus (Deficit)	10,682	6,976	7,174	7,208	6,990	6,880	6,960	7,042	7,107	7,177
Non-Structural Items	8,642	5,288	5,414	5,377	5,079	4,892	4,883	4,874	4,849	4,823
Structural Operating Surplus/(Deficit)	2,040	1,687	1,760	1,831	1,911	1,988	2,077	2,168	2,258	2,355
Operating Surplus/(Deficit) Ratio (1-10%)	6.5%	4.1%	4.0%	3.9%	3.6%	3.4%	3.3%	3.2%	3.1%	3.0%
Structural Surplus Ratio (1-4%)	1.3%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%

Updated for BR2

Long Term Financial Plan 2026/27	2025/26 \$'000
Operating Result - Surplus (Deficit)	11,113
Non-Structural Items	9,362
Structural Operating Surplus/(Deficit)	1,751
Operating Surplus/(Deficit) Ratio (1-10%)	6.7%
Structural Surplus Ratio (1-4%)	1.1%

Proposed Funding Pathway



Draft LTFP Structural Surplus Target 2026/27

Long Term Financial Plan 2026/27	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Result - Surplus (Deficit)	11,113	5,280	8,785	8,852	8,501	7,922	7,813	7,576	7,887	8,022	8,055
Non-Structural Items	9,362	4,505	6,978	6,955	6,498	5,810	5,592	5,237	5,429	5,434	5,328
Structural Operating Surplus/(Deficit)	1,751	775	1,807	1,896	2,003	2,111	2,220	2,339	2,458	2,588	2,727
Operating Surplus/(Deficit) Ratio (1-10%)	6.7%	3.1%	4.7%	4.5%	4.1%	3.7%	3.4%	3.2%	3.1%	3.0%	2.9%
Structural Surplus Ratio (1-4%)	1.1%	0.5%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%

Rate Rise 3.5%

Increase per Average Rates bill p.a. \$71.43, \$1.37 per week

Financial Ratios

Ratio	Target Range	26/27 Budget
Operating Surplus Ratio	Between 1% - 10%	3.1%
Structural Surplus Ratio	Between 1% - 4%	0.5%
Interest Expense Ratio	Between 0% - 8%	3.4%
Net Financial Liabilities Ratio	Between 50% - 160%	89.3%
Asset Renewal Funding Ratio	Between 90% - 110%	117.3%
Cashflow from Operations	Between 90% - 110%	122.9%

Discussion & feedback

Next steps

Next steps

Date	Meeting Type	Item
PHASE 1 – Shape the ABP and SAMP (discuss the new projects and services + renewal program)		
13 January 2026	Info Session	Budget Context, Set Budget Parameters
3 February 2026	CGC	LTFP assumptions
9 February 2026	Memo	Information Pack
17 February 2026	Info Session	Review the 4YDP, Year 1 ABP 26/27, Asset Renewal and Finance update
PHASE 2 - draft the ABP, budget, LTFP and SAMP		
17 March 2026	Info Session	26/27 Budget + funding pathways + LTFP
7 April 2026	CGC	Overview of draft ABP, LTFP and SAMP
14 April 2026	SSC	Fees and Charges
21 April 2026	Info Session	Overview of draft ABP, LTFP and SAMP
28 April 2026	Council	Draft Plans endorsed for public consultation (Ordinary Council only)
PHASE 3 – consultation on the ABP, budget, LTFP and SAMP		
May 2026	Council	28-day public consultation period, including public hearing at Ordinary Council Meeting (26 May)
PHASE 4 – adoption of the ABP, budget, LTFP and SAMP		
9/23 June 2026	SSC & Council	Adoption of ABP and Budget, LTFP and SAMP
July 2026	N/A	Post adoption activities – rates summary flyer, website, social media, Playford News

Thank you

visit playford.sa.gov.au

