

Draft Version



DRAFT STRATEGIC PLAN DELIVERY PROGRAM
2016/17-2018/19
Inclusive of 2016/17 Annual Business Plan and Budget





This document forms part of the Deliver Section of the City of Playford Business Planning Framework

Title	Strategic Plan Delivery Program 2016/17-2018/19 Inclusive of 2016/17 Annual Business Plan and Budget
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Endorsement Date	TBC



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PUBLIC CONSULTATION AND SUBMISSIONS PROCESS

The City of Playford is committed to operating in an open and accountable manner. This includes ensuring that our vision and goals are clear and communicated to the community and that residents and other stakeholders are invited to participate in decision making.

This draft Strategic Plan Delivery Program provides an opportunity for Council to articulate its plans and priorities for the next three years. The community are invited to take provide feedback on the draft Plan during a 21-day public consultation period.

This public consultation period is also in accordance with Sections 122 and 123 of the *Local Government Act 1999*, which states that Council must adopt a process or processes to ensure that members of the public are given a reasonable opportunity to be involved in the development and review of its strategic management plans.

Specifically the *Act* requires Council to make its Annual Business Plan and Budget available for public consultation for a period of not less than 21 days.

In accordance with the above and the City of Playford Public Consultation Policy this Strategic Plan Delivery Program (inclusive of the Annual Business Plan and Budget 2016/17) is open for a 21-day public consultation period from 4-24 May 2016.

During this time the following activities will be undertaken:

- Adverts in local newspapers advising the community that the draft Plan is available for consultation
- Feedback form for written submissions
- Copies of draft Plan available at Customer Care locations
- Draft Plans and Feedback Forms available on Council's website
- Public Meeting to be held on 24 May 2016 at the start of the Ordinary Council meeting

See www.playford.sa.gov.au/businessplans for more information

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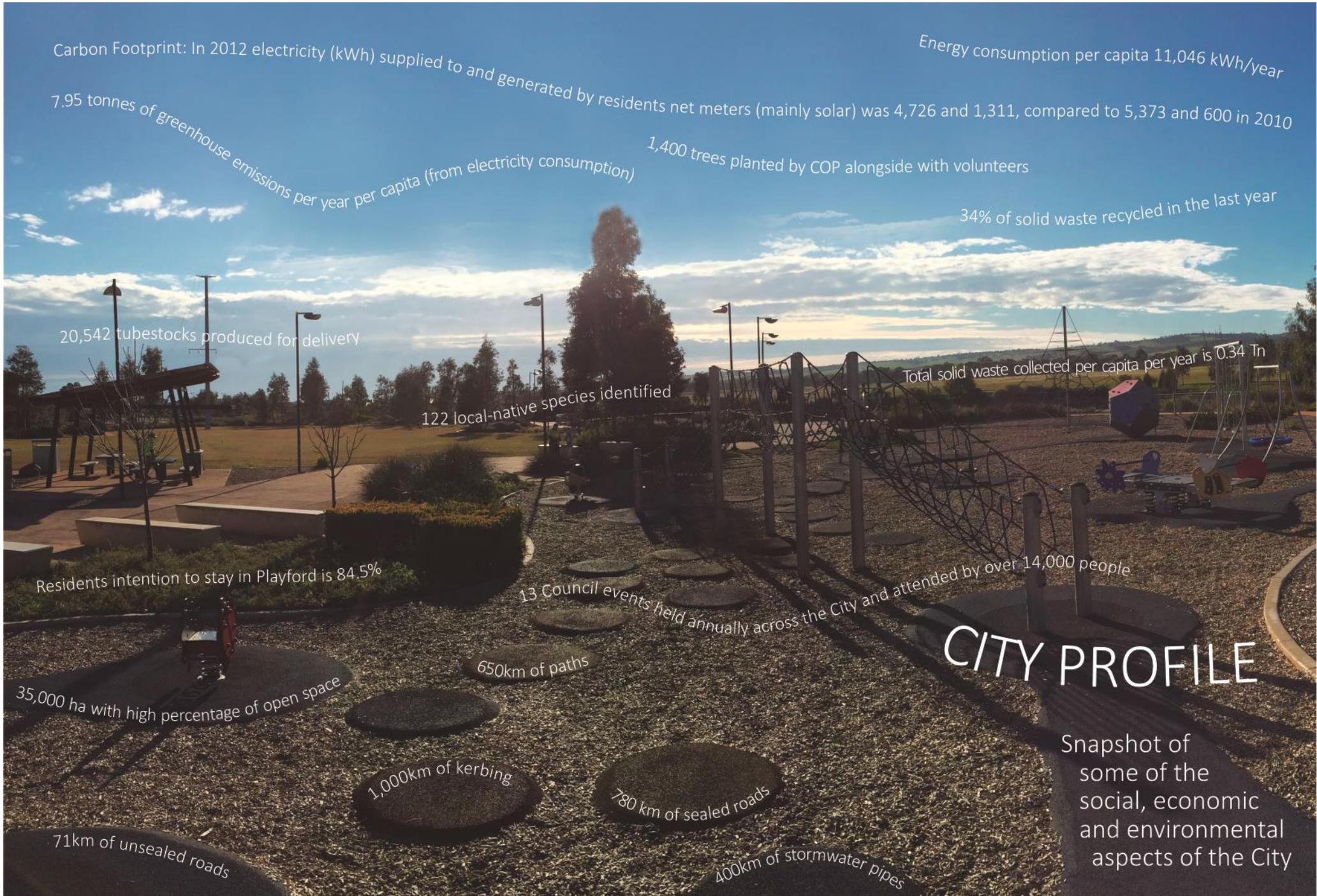
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Tabled at the Meeting**

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PART 1 – ABOUT PLAYFORD





Carbon Footprint: In 2012 electricity (kWh) supplied to and generated by residents net meters (mainly solar) was 4,726 and 1,311, compared to 5,373 and 600 in 2010

7.95 tonnes of greenhouse emissions per year per capita (from electricity consumption)

Energy consumption per capita 11,046 kWh/year

1,400 trees planted by COP alongside with volunteers

34% of solid waste recycled in the last year

20,542 tubestocks produced for delivery

122 local-native species identified

Total solid waste collected per capita per year is 0.34 Tn

Residents intention to stay in Playford is 84.5%

13 Council events held annually across the City and attended by over 14,000 people

CITY PROFILE

Snapshot of some of the social, economic and environmental aspects of the City

35,000 ha with high percentage of open space

650km of paths

1,000km of kerbing

780 km of sealed roads

400km of stormwater pipes

71km of unsealed roads

The City has 15 sporting grounds used for football, soccer, cricket and netball among other sports. An Aquadome caters for aquatic sports and recreation

3% of the population belongs to indigenous communities. 21.7% of residents were born overseas and came from 27 different countries

9,734 ML of water used for agricultural purposes

Current stored stormwater is 763 ML, 57% higher than 2014-15 period

The City's Gross Regional Product is \$2,66 Billion, which represents \$30,563 per capita

Playford has one of the fastest population growth rates in SA at 2,62%

23% of the population were aged 15-29 years in 2011

12 Council initiatives for young people with 1,500 participants annually

Playford is the second largest of South Australia's 19 metropolitan councils

The City of Playford is located in Adelaide's outer northern suburbs, about 30 kilometres from the Adelaide CBD

YOUR COUNCILLORS



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City of Playford Ward Map



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COUNCIL PROFILE

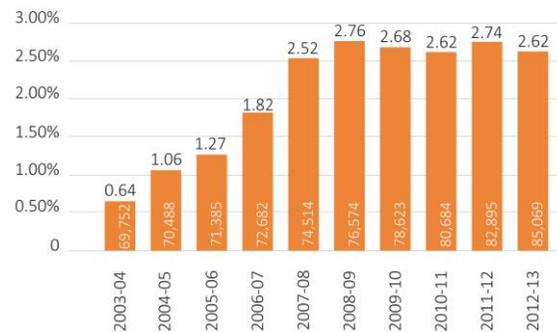
The following data analyses key influences on the City of Playford's operational performance, rating policy and delivery of services. The data benchmarks Playford against Group 1A and 1B councils in South Australia¹.

The City of Playford is the second largest of this group of councils comprising 34,433 hectares, around 85% of which is open space.

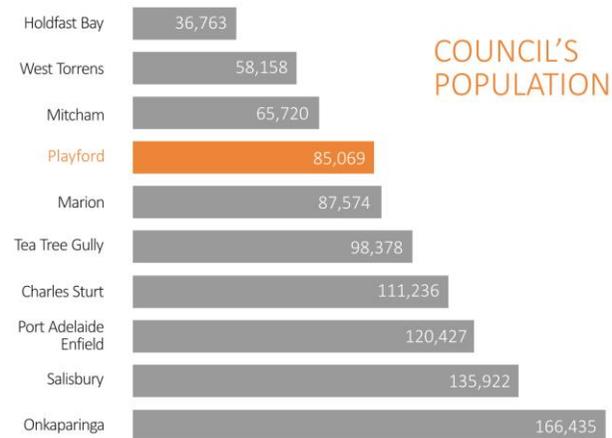
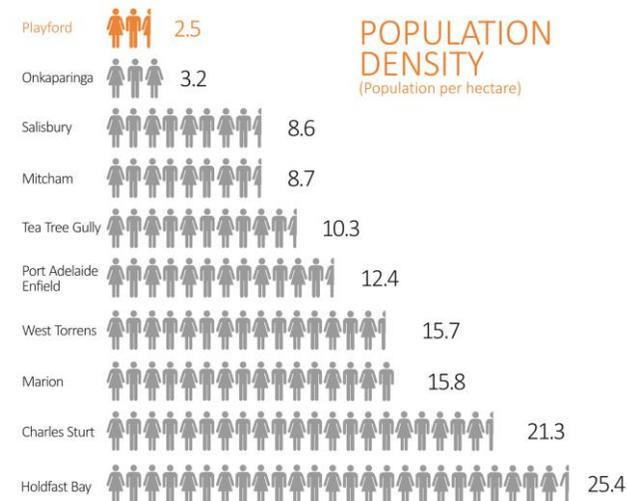
Although the City is experiencing a high growth rate of 2.68% average per year over the last 10 years, with a current population of 85,069 our population density is only 2.5 persons per hectare – the lowest of all councils in Group 1A and 1B.



POPULATION GROWTH BY PERCENTAGE



The City of Playford faces a number of challenges in servicing a relatively low population in a large area. For example we have a higher percentage of hectares of open space and kilometres of sealed roads to maintain per 1,000 residents than other council areas.

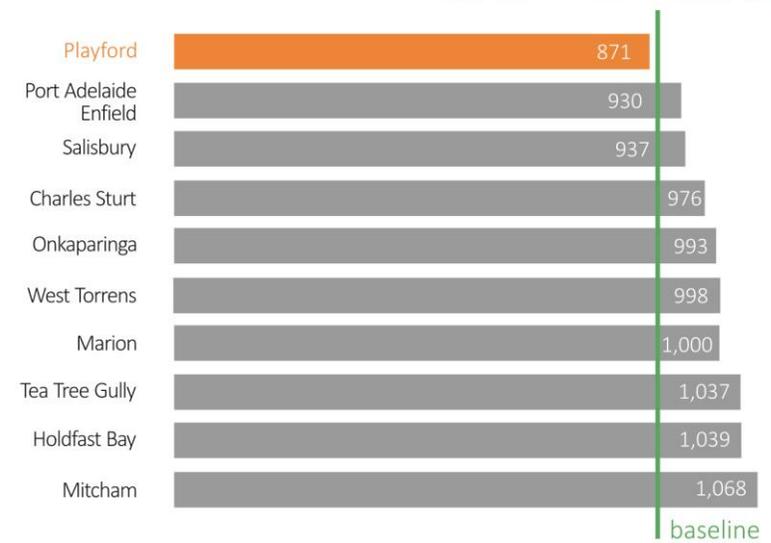


¹ This data compares the City of Playford against 'Group 1A' and 'Group 1B' Councils in South Australia including the Cities of Charles Sturt, Onkaparinga, Port Adelaide Enfield and Salisbury (Group 1A) and the Cities of Holdfast Bay, Marion, Mitcham, Tea Tree Gully and West Torrens (Group 1B). Due to recent changes in groupings, the City of Playford now falls within 'Group 1B'.

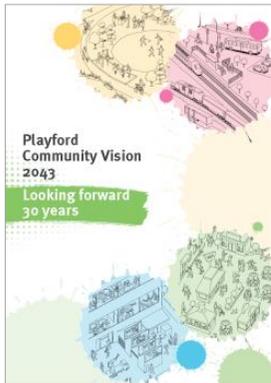
The City of Playford experiences a high level of socio-economic disadvantage with our SEIFA Index score making us the most disadvantaged of these councils.

This level of disadvantage means that it is crucial that we continue to provide the breadth of community services to our residents. It is also a major consideration for Council in determining the level of rates each year in terms of balancing the community's needs with its ability and willingness to pay.

SEIFA INDEX (Measure of social disadvantage)



OUR PLANS FOR THE FUTURE



PLAYFORD COMMUNITY VISION 2043

The Playford Community Vision 2043 has been developed by the Playford community and identifies its preferred vision for the growth of the City expected over the next 30 years, as determined by The 30 Year Plan for Greater Adelaide.

In 2012, Council undertook one of the most detailed and extensive community consultations in its history, and from this we were able to articulate the collective

values and vision for how Playford will look and feel in 30 years. The vision is for Playford to be:

“...the City of Opportunity, supporting the community’s hopes and aspirations to be vibrant, thriving and sustainable. It provides an enviable lifestyle that is connected, healthy, happy and proud, where each individual can take advantage of the many opportunities offered, making the City prosperous, liveable and happy.”

The Playford Community Vision 2043 will facilitate the community, government and stakeholders working together on this shared vision.



STRATEGIC PLAN

The Strategic Plan, adopted in January 2014, responds to the aspirations of prosperity, liveability and happiness in the Playford Community Vision 2043 and sets down what Council needs to do in the next five years and beyond to deliver this vision.

There are five strategies that collectively build the future of the City.

The first strategy sets the foundation for a liveable City connected socially and physically through ongoing improvement in its appearance and presentation, and the provision of new services, building in particular on the extensive investment made in water re-use across the City.

The second strategy ensures that the diverse services needed by future generations can be delivered based on appropriate uses of land in the City and the construction of essential infrastructure for future urban and economic development.

The third strategy provides for an expanding range of commercial, retail, cultural and education services needed to support a thriving and vibrant community through the development of the Elizabeth Regional Centre as Adelaide’s CBD of the North. This will expand into the sports and health precincts, defence precinct, education and training precinct and on to the manufacturing zone at Greater Edinburgh Parks.

The fourth strategy broadens the economic base of the City by establishing next generation industries in advanced manufacturing, food and wine and associated supply chains to provide a long term employment base for our community and regional wealth creation.

The fifth strategy expresses the role that the City of Playford will play in the achievement of the Strategic Plan. It emphasises ongoing financial and operational performance and the central role that advocacy, partnerships and innovation will play in engaging all stakeholders in jointly contributing to the achievement of this Plan.

Visit www.playford.sa.gov.au for copies of the Playford Community Vision 2043 and the Strategic Plan.

STRATEGIC PLAN DELIVERY PROGRAM

This document – Council’s Strategic Plan Delivery Program - was first developed in 2015/16 and has been updated for 2016/17 and outlines Council’s intentions for delivering against its Strategic Plan over the next three years, between now and June 2019. Therefore, in terms of Council’s Business Planning Framework, it includes both ‘Plan’ and ‘Deliver’ components.

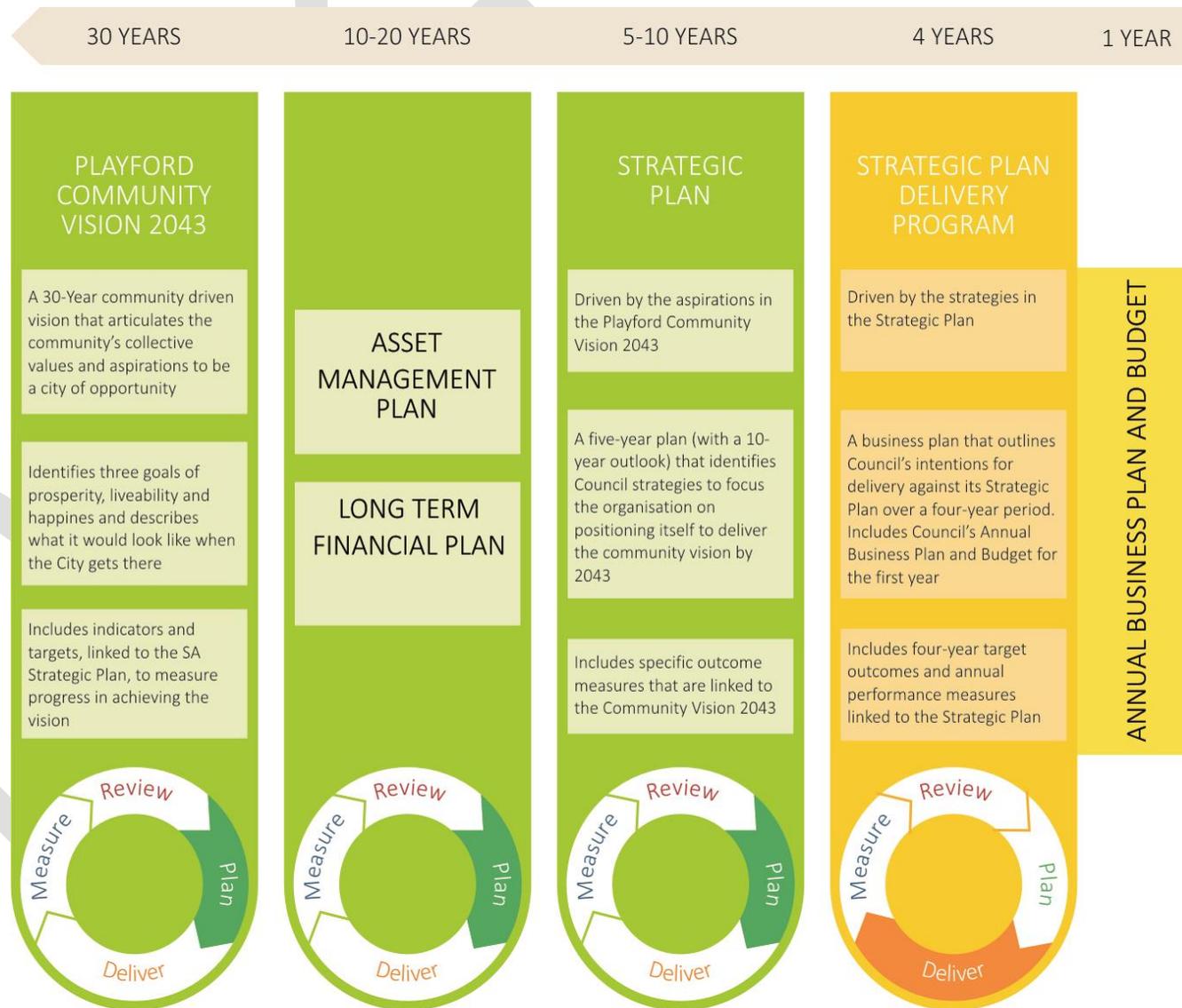
Part 1 provides the local context including a brief overview of the Playford community and Council. Part 2 outlines the current strategic priorities that Council plans to progress over the next three years. Part 3 provides further detail of what Council will deliver over the next 12 months - Council’s 2016/17 Annual Business Plan and Budget.

How does this document fit in with other Council documents?

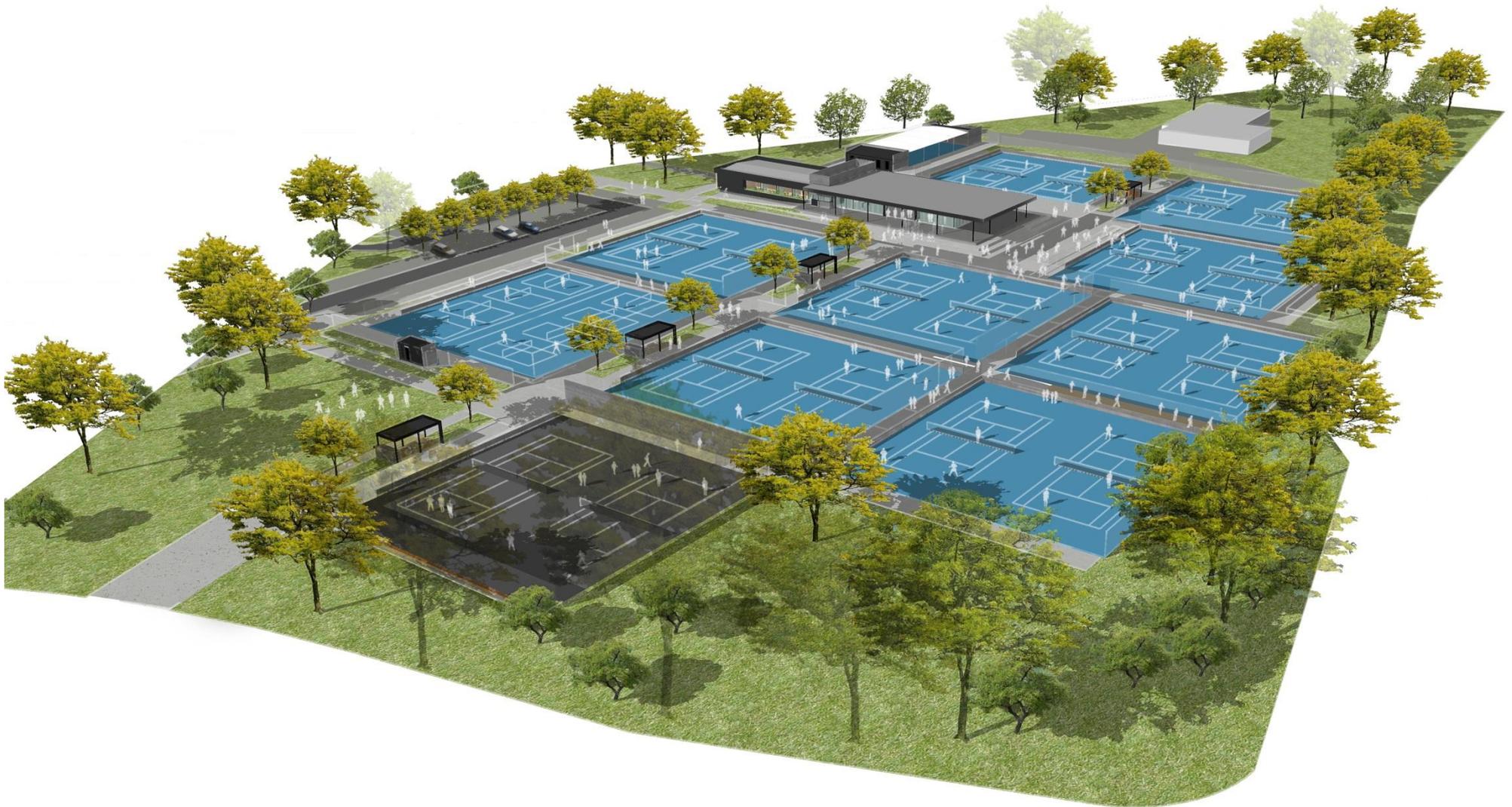
For the purposes of the *Local Government Act 1999*, the documents included in the diagram opposite meet the requirements set out for the “strategic management plans” (S122) and the “annual business plan and budget” (S123) for the City of Playford. Council’s current Strategic Plan was endorsed in January 2014 and is a five- to ten-year plan that identifies five key strategies to guide Council’s delivery against the Playford Community Vision 2043. Under each of the five strategies, the Strategic Plan lists the key Lighthouse Projects that will be critical to delivering that strategy. Part 2 of this Strategic Plan Delivery Program provides more detail around the next three years including the high priority Lighthouse Projects, the anticipated three-year outcomes and the

investment that Council is planning to enable delivery. As Council can only formally commit budget and resources for the coming twelve months, the information in Part 2 should be treated as indicative only. It is, of course, subject to change due to a range

of factors as summarised in ‘The Challenges Ahead’. Part 3 contains Council’s detailed Annual Business Plan and Budget for the 2016/17 financial year and, once endorsed, formally commits Council’s resources to delivering the stated services and projects.



PART 2 – THE NEXT THREE YEARS



Playford Sports Precinct (Artists Impression)

DELIVERING ON THE STRATEGIC PLAN

Council's Strategic Plan was endorsed by the previously elected council members and identifies five strategies and 21 Lighthouse Projects which are key to City of Playford progressing towards the community's long-term vision of creating a more liveable, prosperous and happy City.

This section describes the progress that the current Council is aiming to make against each strategy and Lighthouse Project over the coming three years through to June 2019. It includes information on which of the Lighthouse Projects are the highest priorities for investment, and also the high-level financial issues associated with funding this investment.

Please note, while this section foreshadows the priority areas for investment over the coming years, there are many variables that can impact year-to-year on relative priorities and available resources (both internal and external to Council). For this reason, the information provided for 2017/18 and 2018/19 in this section should be taken as indicative only, and does not represent a formal commitment of Council at this time. Part 3 of this document details Council's Annual Business Plan and Budget for the 2016/17 financial year.

PRIORITIES FOR DELIVERY

Following the local government election in November 2014, the newly elected Council of the City of Playford ranked the Strategic Plan Lighthouse Projects in terms of the priorities for delivery over their term. The highest priority projects are listed below:

- Lyell McEwin Health Precinct
- CBD of the North
- Playford Sports Precinct
- Service Delivery
- Advanced Manufacturing
- Managing our Rate Base
- Water
- Efficiency and Effectiveness.

These projects have since become a key focus for Council's activities and influence budget prioritisation decisions and allocation of resources.

Collectively the Lyell McEwin Health Precinct, CBD of the North and Playford Sports Precinct will be pivotal in enhancing the profile and vibrancy of the City, attracting greater commercial investment, expanding the range of services and facilities available within the City and enhancing job opportunities for the northern Adelaide community. Council will also maintain its focus on the future of Advanced Manufacturing in the Playford and northern Adelaide region and will continue to actively lobby to ensure that benefits from the Northern Economic Plan flow to the local community and economy.

However, in pursuing these projects, Council will also maintain its focus on continually improving its core Service Delivery and the presentation of the City. Through elements of its Water projects, Council aims to both enhance the appearance and liveability of the City, as well as improve the organisation's financial sustainability for the longer term.

Through its focus on Managing our Rate Base Council will commence implementation of its Commercial Rate Reduction Strategy, which again is aimed at attracting greater commercial and industrial investment to the City. By achieving this, and diversifying Council's rate base, Council's long term financial sustainability will be enhanced, allowing the remainder of ratepayers to benefit from service and infrastructure enhancements without as large an impact on the rates they pay. Following the success of its 5 Year Efficiency and Effectiveness program, which concludes in June 2016, Council has now committed to embedding continuous improvement into its ongoing business processes with targets to be set on an annual basis. This will keep the focus on delivering value for money services to our community and further contribute to Council's long term financial sustainability.

PROGRESS AGAINST LIGHTHOUSE PROJECTS – THE NEXT THREE YEARS

The tables on the following pages describe the outcomes that Council is aiming to achieve against each Lighthouse Project between now and June 2019.

STRATEGY 1

Our Foundations – Services, City Presentation and Community Pride



LIGHTHOUSE PROJECT	DESCRIPTION	TARGET OUTCOME BY JUNE 2019	KEY ACTIVITY / SERVICES
Service Delivery	The appearance and presentation of the City will be progressively enhanced, complementing major developments to create a liveable City.	Council will deliver more integrated service planning that delivers the right funding, to the right asset, at the right time. This will involve decisions by the Council about service standards that meet the strategic plans objectives for future years while remaining focussed on delivery of services today.	Continue delivery of existing 'city presentation' services. Enhance the standard of a number of priority services: 2015/16: <ul style="list-style-type: none"> Stormwater Network Maintenance Olive Grove Management Illegal Dumping 2016/17: <ul style="list-style-type: none"> Streetscape Maintenance
Water	The collection and reuse of rainwater will continue with an expanding network providing further opportunities for greening the City with sustainable environmental and financial benefits.	A secondary water source will be secured to ensure the security of Council's water business with 700ML injected per year. A water pricing model will be in place for the water business.	Continue delivery of Council's existing Water Business. In 2015/16, connect existing infrastructure to Bolivar recycled water infrastructure and secure water supply for internal and external customers. In 2016/17, further enhance the infrastructure to improve water security and grow the network.
Image and Reputation	Presenting the growth and renewal of the City, with its comparative advantages and distinguishing characteristics and opportunities, as an attractive place to live and work.	Council will deliver best practice for image and reputation through application of a Council Marketing Framework resulting in a styled City where everything has purpose. Diversification of the community will help to create a unique cultural vibe. People will want to come to Playford to live, work and socialise.	Continue delivery of Council's existing services including: <ul style="list-style-type: none"> Marketing Business Support and Industry Development

STRATEGY 1

Our Foundations – Services, City Presentation and Community Pride



LIGHTHOUSE PROJECT	DESCRIPTION	TARGET OUTCOME BY JUNE 2019	KEY ACTIVITY / SERVICES
Community Renewal	The progressive improvement in City services, facilitation of new services, the provision of improved infrastructure and increased community engagement will improve the wellbeing and health of the community.	Council will have upgraded or enhanced a number of existing assets and community services in line with available resources, to complement delivery of high priority Lighthouse Projects. Council will use a triple bottom line approach to underpin its priority-setting, and will include community outcomes, urban design and ongoing maintenance as considerations when setting policy and standards for the provision of Council services.	<p>Continue delivery of Council’s existing community services.</p> <p>Enhance the standard of a number of priority services, including the following identified for 2015/16:</p> <ul style="list-style-type: none"> ● Club Development <p>Improve existing infrastructure in established areas through new/enhanced infrastructure programs, including the following identified for 2015/16 and 2016/17:</p> <ul style="list-style-type: none"> ● Stormwater and Road Infrastructure ● Disability Infrastructure ● Public Lighting ● Footpaths ● Rural Road Sealing
Sustainable Trails	A tree lined network of people movement corridors providing non-car transport, community health and recreation, and the natural environment as a feature of the City.	Council will have progressed implementation of its Cycling and Walking Strategy, particularly where trail development and upgrades complement high priority Lighthouse Projects. This will improve key pedestrian and cycling corridors, improving the health outcomes and non-car movements for Playford residents.	<p>Council will progress this Lighthouse Project through allocations from the Open Space Fund where appropriate.</p> <p>Trail development elements may also be funded as part of progressing other Lighthouse Projects.</p>

STRATEGY 2

Securing Playford's Future and Building Value



LIGHTHOUSE PROJECT	DESCRIPTION	TARGET OUTCOME BY JUNE 2019	KEY ACTIVITY / SERVICES
Lyell McEwin Health Precinct	A regional hospital featuring tertiary training, research, allied health facilities and residential accommodation, with potential links to advanced manufacturing in assistive devices in health, aged and disability.	Council will have divested itself of its Mark Road land within the Lyell McEwin Health Precinct to see it being developed in accordance with the precinct master plan. A high-value development on the land will have commenced, delivering economic benefits to the precinct.	Finalise sale of Council land within the precinct to a suitable developer in alignment with the objectives of the precinct master plan. Commence public realm improvements within the precinct.
Urban Renewal	Develop an innovative approach to the housing, social and civic infrastructure renewal of the older Playford suburbs with a focus on those adjoining Elizabeth, Adelaide's CBD of the North, in partnership with State, Commonwealth and non-government organisations.	Council will have progressed the Playford Alive urban renewal project and be on track to finalise it by 2022. The future use of the current Holden site will have been determined and its transformation will have commenced.	Continue Council's commitment to the Playford Alive urban renewal project. Continue to assign existing recurrent resources to progress this Lighthouse Project including the following key services: <ul style="list-style-type: none"> • Planning Policy and Standards • Strategic Planning • Advocacy
New Urban Developments	A number of significant urban greenfield developments are under way or being planned for the City that will result in a doubling of the population and will increase the diversity and amenity of the housing stock in Playford.	Playford's population will have grown further in line with market conditions, and the diversity of housing options available in the City will better reflect that of Greater Adelaide. New urban developments will respond to the aspirations of the Playford Community Vision 2043 and differential service standards for new development will be evaluated.	Continue to assign existing recurrent resources to growth areas including Blakeview, Munno Para West, Virginia, Angle Vale and Buckland Park by delivery of the following key services: <ul style="list-style-type: none"> • Major Urban Project Coordination • Development Assessment • Planning Policy and Standards • Strategic Planning
Structure Planning	Undertake structure planning and build assets and infrastructure that secure the social, environmental and economic future of the City	Council will have in place integrated city-wide structure plans to support achievement of the Playford Community Vision 2043 and the State's 30-Year Plan for Greater Adelaide. Infrastructure Agreements will be in place to facilitate the efficient and orderly development of Council's urban and employment growth areas, and key Lighthouse Projects.	Continue to assign existing recurrent resources to progress this Lighthouse Project including the following key services: <ul style="list-style-type: none"> • Planning Policy and Standards • Strategic Planning • Advocacy

STRATEGY 3

Elizabeth, Adelaide's Northern CBD



LIGHTHOUSE PROJECT	DESCRIPTION	TARGET OUTCOME BY JUNE 2019	KEY ACTIVITY / SERVICES
CBD of the North	The re-development and expansion of the Elizabeth Regional Centre into a contemporary, environmentally sustainable CBD for the north of Adelaide providing a full range of retail, commercial, social, cultural, educational and accommodation services needed by a diverse and growing community.	Council will have commenced redevelopment of the Civic Precinct, incorporating an updated Grenville Centre. The development of Prince George Plaza will also be underway as well as an associated multi-storey carpark to service the expanding CBD of the North. A mixed use multi-storey building will showcase the potential of the area, having increased the residential population component.	Implementation of Stage 1 of the CBD of the North project.
Playford Sports Precinct	A fifty-hectare development adjacent to the Elizabeth Regional Centre providing local community, state and national level sports facilities. The precinct will create a focus on community health and support the renewal of adjoining suburbs.	Council will have completed Stages 1 and 2a of the precinct, with lawn bowls, tennis and soccer components in use. Existing clubs affected by these works will be relocated and operating from other facilities. Planning will be underway for further stages of the precinct.	Implementation of Stages 1 and 2a of the Playford Sports Precinct project.
Education and Training Precinct	An expansion of education and training facilities adjacent to the Regional Centre and beyond to provide learning to employment pathways for local people into new and emerging industries in the northern region of Adelaide.	Council will have facilitated an increased tertiary education presence within Playford. Programs and research conducted through the Stretton Centre will ensure that education and training options available to Playford residents better match the future jobs opportunities within the region.	Assign existing recurrent resources to progress this Lighthouse Project including the following key services: <ul style="list-style-type: none"> • Strategic Planning • Advocacy
Civic Precinct	The re-development of the Civic Precinct incorporating expanded Council services, art and entertainment, boutique hotel convention facilities, commercial office space and other accommodation.	This Lighthouse Project now forms Stage 1 of the CBD of the North Lighthouse Project – refer above.	

STRATEGY 2

Securing Playford's Future and Building Value



LIGHTHOUSE PROJECT	DESCRIPTION	TARGET OUTCOME BY JUNE 2019	KEY ACTIVITY / SERVICES
City Art and Culture	Within the new Adelaide CBD of the North and beyond, art and cultural facilities and events will create a vibrant City catering locally for the entertainment and other leisure needs of the community.	Council's Events Calendar will better showcase and celebrate Playford's vibrant and diverse community. Art and cultural activities within the CBD of the North will be a focus and public art will feature in the new Prince George Plaza as well as throughout new urban developments. Council will have a Reconciliation Action Plan in place to acknowledge its indigenous community.	Continue to assign existing recurrent resources to progress this Lighthouse Project including the following key services: <ul style="list-style-type: none">• Planning Policy and Standards• Event Management• Various community services

DRY

STRATEGY 4

Securing Playford's Position in the Global Economy



LIGHTHOUSE PROJECT	DESCRIPTION	TARGET OUTCOME BY JUNE 2019	KEY ACTIVITY / SERVICES
Advanced Manufacturing	The development of a diverse and sustainable industry and employment base in the City recognising the comparative advantages the City has to expand and establish defence, aerospace, health, ageing and disability, mining, energy and food industry sectors supported by transport and logistics and other supply chain sectors.	New industries and businesses will have established in Playford as the local economy rebounds following the automotive industry closure. Programs and research conducted through the Stretton Centre will underpin the diversification of the advanced manufacturing sector and new clusters will be formed.	Council will continue to assign existing recurrent resources including the following key services: <ul style="list-style-type: none"> • Business Support and Industry Development • Advocacy
Stretton Centre	A new facility in the north of the City providing integrated services for community learning, library services, training to employment, workforce development and industry development in advanced manufacturing, horticulture and other sectors in which the region has a comparative advantage. The Stretton Centre will house the University of Adelaide Stretton Research Centre.	Council will have constructed and opened the Stretton Centre - a showcase for good urban and sustainable building design. By June 2019, Council will have agreements in place with the Stretton Centre to ensure the centre is <ul style="list-style-type: none"> • demonstrating innovative ways in which the digital economy can be used, • improving conditions for the creation of local jobs • creating long term benefits for distribution and diversity of employment in the area. 	Complete construction of the Stretton Centre Contribute to the establishment of an effective management structure for the Centre.
Adelaide Plains Food and Wine Region	An expansion of the Virginia horticulture region into an extensive globally recognised food and wine region with potential for food technology-based value- adding in adjacent manufacturing precincts leading to expanded national and global exports and local employment.	The development of the Adelaide Plains Food and Wine Region will have progressed, with the Virginia Horticulture Centre and Stretton Centre bringing best practice to the region. The benefits of this will be realised through increased economic output.	Council will continue to support this project via provision of the Virginia Horticulture Centre facility and will continue to assign existing recurrent resources including the following key services: <ul style="list-style-type: none"> • Advocacy • Business Support and Industry Development • Planning Policy and Standards

STRATEGY 5

Building our Capabilities



LIGHTHOUSE PROJECT	DESCRIPTION	TARGET OUTCOME BY JUNE 2019	KEY ACTIVITY / SERVICES
Managing our Rate Base	It is critical that the City of Playford commercial rate in the dollar complies with the general principles of taxation and the rate in the dollar is competitive with like metropolitan councils, and represents value to our growing business community.	Council will be operating in surplus. By June 2019, an equitable rating structure will be in place, based on the general principles of taxation. Council will be part of the way towards achieving its commercial rate reduction target. It is estimated that between 7-12% reduction in the rate in the dollar will be achieved compared with the overall target of up to 40%.	Implementation of Council's Commercial Rate Reduction Strategy.
Efficiency and Effectiveness	A program of work with the primary aim to improve the value for money aspect of Council services. These efforts are expected to strengthen and solidify financial improvements made over the previous years.	These key internal projects will be progressed over the next three years to deliver: <ul style="list-style-type: none"> • Better value for money for residents • Reduced reliance on rates • Reduced reliance on other forms of revenue • Better use of our assets to deliver a more liveable city 	
Commercialisation	Long-term asset management plans have been developed to ensure that best use is made of Council assets.		
Requisite Organisation	A work system designed to optimise efficiency and effectiveness through the management of work and tasks at the five levels within the organisation. Roles will be provided with clear accountabilities and authorities to make decisions to deliver on the accountabilities. There will also be a focus on ensuring that all roles within the organisation receive value added leadership		

RESOURCING STRATEGY

COUNCIL'S EXISTING RESOURCES

Council provides a mix of services and infrastructure to meet the needs of its community and stakeholders and in 2016/17 it is set to invest \$96.4 million in these ongoing recurrent services. All of these services and infrastructure contribute to the City's liveability, prosperity and happiness in support of the community's long term vision. It is important not to overlook this large recurrent investment in service delivery, which is a key part of Council's overall commitment to delivering on its Strategic Plan.

ADDITIONAL INVESTMENT IN PRIORITY PROJECTS

Council's existing recurrent resources, together with forecast developer contributions and rates to be received from new developments will be sufficient to ensure progress against some of the Strategic Plan's Lighthouse Projects (e.g. New Urban Developments, Structure Planning).

However, to implement other high priority projects and deliver enhanced services and infrastructure for the community in a financially sustainable way, Council needs to identify how it will meet the associated new and increased costs.

Council's ongoing focus on value for money services will be key to achieving this, however Council will also pursue other avenues include expanding the commercial and industrial rate base, and/or increasing the revenue received from Council assets. A further option is to increase Council rates over and above the rate of inflation, however Council is cognisant that the Playford community and the broader northern Adelaide region are facing significant financial uncertainty at present. More than ever, any decision to increase rates over and above inflation would not be taken lightly.

For 2016/17, Council rates will increase by 3.1% above the projected inflation figure, as outlined on Page 30. However, for planning purposes, Council is not assuming any rate increase above inflation in the following financial years. Council will closely monitor the progress of its Lighthouse Project priorities as well as external impacts on its revenue and expenses and will formalise its rating decision annually.

KEY CHALLENGES AND OPPORTUNITIES

INVESTMENT BY EXTERNAL STAKEHOLDERS

The success of Council's Strategic Plan Delivery Program depends on the engagement and input by all of Playford's stakeholders, encompassing the Commonwealth and State Governments, business and industry and the community at large. Playford has a strong track record with advocacy, partnerships and relationship building, and will continue to pursue opportunities to leverage further investment from external stakeholders with a common interest in the achievement of its Strategic Plan.

AUTOMOTIVE INDUSTRY

The decision by General Motors to cease assembling Holden vehicles in Australia is a significant blow to the Playford, northern Adelaide, South Australian and Australian economies. As well as the direct employment impacts, it has impacts on supplier companies in the region and across the State, as well as a range of further flow-on consequences.

As previously mentioned, this poses challenges for the City of Playford in terms of being able to strike an appropriate balance in its forward plan between embarking on initiatives that will promote and enhance optimism in the future of Playford, while also being cognisant of its rate base's capacity to pay for those initiatives..

OTHER RISKS AND INFLUENCES

Delivering on Council's Strategic Plan is subject to a broad range of inherent risks and influences. Included among the external factors that Council is most sensitive to are:

- Movements in interest rates
- Changes to Federal Assistance Grants
- Movements in Consumer Price Index

Key internal factors include:

- Delivery of Council's Continuous Improvement program
- Salaries and wages
- Infrastructure asset management

These and other risk factors are discussed in further detail in Council's Long Term Financial Plan (LTFP) and Asset Management Plan.

PART 3 – 2016/17 ANNUAL BUSINESS PLAN AND BUDGET



FOREWORD

This section of the Strategic Plan Delivery Program comprises of the 2016/17 Annual Business Plan and Budget and details the services and programs that we will deliver to the community in the next 12 months.

Councils' budget is made up of a number of categories:

- Asset Renewal
- Capital Budget
- Recurrent Services
- New and Enhanced Services
- Reserves and Other Funded Projects
- Strategic Projects

The **Asset Management Plans** (AMPs) identify the renewal or replacement costs of our existing assets to ensure the sustainable provision of these assets to service the needs of our community.

Council manages a substantial asset base including some 780km of sealed roads, 71km of unsealed roads, 1000km of kerbing, 650km of footpaths and 400km of stormwater pipes. This is in addition to over 190 buildings and 79 playgrounds. The renewal or replacement of our assets is based on the principle that existing infrastructure will be maintained to its current service level and ensure that its economic life is maximised as a priority over building new infrastructure.

In 2016/17 Council will continue to maintain this asset base with a budget of \$18.6 million for work to be undertaken on various key community assets across the City. See Page 36 for more information about the range of renewal work that the community will benefit from in 2016/17.

The remainder of Council's **capital** budget is made up of the delivery of any new or enhanced services that are identified for funding. For 2016/17 Council this expenditure is \$44.864 million, bringing our total capital works program to \$63.504 million.

Council's ongoing operating budget is also a large component of our overall budget with our **existing service delivery** accounting for 76% of our overall operating expenditure, excluding depreciation and finance costs. Council has defined a number of service standards which are an articulation of a service Council delivers and the benefit the community receives as a result. It defines the expected community outcome, the investment made and provides employees with the level of service they are expected to deliver. This process also gives Council Members and ratepayers a clear understanding of the level of service to expect and/or deliver. It also increases transparency to allow the Playford community to have a voice and input into each of the services, with satisfaction levels of services surveyed annually via our Resident Satisfaction Survey. Our ongoing service delivery budget for 2016/17 is \$73M and these services are explained in more detail on Pages 36-43.

During the annual business planning process, Council also considers whether it wishes to approve funding for its existing services and assets base to be further expanded or enhanced.

This year a range of **new and enhanced services** linked to Lighthouse Project implementation, legislative requirements, pre-commitments and aspirational Service Standards were reviewed and prioritised by Council Members for funding. These services will further enhance our existing service delivery to meet the needs of the Playford community. Further details of the new and enhanced services to be introduced in 2016/17 can be found on Pages 36-43.

To fund some of these new and enhanced services Council also has access to Growth revenue and cash contributions from developers in relation to: open space reserve contribution; social and stormwater infrastructure deed agreements; and construction of footpaths and kerbs and street-tree planting.

For 2016/17, a total of \$678K of ongoing operating revenue is available for allocation towards eligible infrastructure projects and these projects are listed on Page 34 with further details included on Pages 36-43.

In order to progress the delivery of Council's Strategic Plan, a range of initiatives and funding mechanisms are required. **Strategic Projects** are focussed on the delivery of Council's Strategic Plan, particularly in terms of infrastructure

investigations, feasibility studies, concept plans and so forth that are required in the early stages of developing Lighthouse Project. A number of Strategic Projects have been identified for 2016/17 and details can be found on Pages 36-43.

KEY BUDGET DATA

Draft

Key Budget Data

Rates

There will be an overall rate increase of 4.5% raising \$2.79 million:

- \$0.868 million—1.4% General Index (inflationary impact on existing services)
- \$1.921 million—3.1% for new and enhanced services

Key budget data

Item	2015/16 Mid Year Forecast \$M	2016/17 Budget \$M
Operating income	87.9	95.9
Operating expenses	90.6	96.4
Operating result	(2.7)	(0.5)
Amounts received specifically for new or upgraded assets	6.0	11.6
Capital works excluding donated assets (physical resources received free of charge)	39.7	63.5
Net borrowing balance	96.5	127.6

Recurrent Services

The City of Playford provides a mix of services and programs to meet the needs of its community and stakeholders. In 2016/17 Council will deliver over \$96.374 million of ongoing/recurrent services. These 'business as usual' services are the core of Council's service delivery and fulfil our obligations under the *Local Government Act 1999* as the principal role of a council, being: *to provide and co-ordinate various public services and facilities and to develop its community and resources in a socially just and ecologically sustainable manner;*... Council is continually reviewing the services it provides, working towards improved outcomes for the community. A list of Service Standards and outcomes as they relate to each strategy can be found in the following sections.

"These core services are what keep the City of Playford ticking on a day-today basis, but they also have a wider influence and contribute to the aspirations of the Playford Community Vision 2043 and the Strategic Plan".



Capital Projects

Capital projects create assets that have lives greater than one year. The budget includes a capital expenditure of \$63.504 million and is summarised below:

Renewal and replacement of existing assets (AMP) \$18.640 million
 Delivery of new or enhanced assets \$44.864 million

ASSET MANAGEMENT PLAN

Council will continue to provide for the renewal and/or replacement of needed assets (e.g. road and footpaths) to ensure they can continue to provide community benefit. Council supports the principle that existing infrastructure will be maintained to its current service level and ensure that its economic life is maximised as a priority over building new infrastructure.

Council also needs to fund any ongoing maintenance costs associated with new infrastructure

Council’s Asset Management Plans (AMPs) identify the renewal or replacement costs of Council’s existing assets to ensure the sustainable provision of built and natural assets continues to service the needs of the community.

The full listing of Council’s capital projects follows:

Item	Capital expenditure 2016/17 \$'000
Buildings	1,827
Fleet and Plant	2,759
Office (audio/visual equipment)	105
Parks	2,078
Streetscape	2,109
Technology (ICT equipment)	613
Transport	8,846
Water (stormwater)	303
<i>Subtotal AMP(indexed)</i>	18,640



Donated Assets

The budget for donated assets relates to the transfer of assets to Council at no monetary cost to Council. However Council is then responsible for the ongoing maintenance and depreciation of these assets. For 2016/17 donated assets amount to \$11.061 million. This is an estimate of the value of land and infrastructure assets, the ownership of which is transferred to Council by developers as part of the process of creating a new sub-division. The estimate for 2016/17 relates largely to land and drainage assets expected to be received as part of significant new developments.

Projects continuing in 2016/17	Capital expenditure 2016/17 \$'000
Peachey Road Stage 3	1,700
Playford Alive	1,642
Roads to Recovery	1,218
Open Space Project Delivery	318
Fremont Park - Development and Infrastructure	875
Penfield Reserve	1,000
Recycled Water - Infrastructure Upgrade	964
Northern Adelaide Senior College	460
Northern CBD	469
Sports Precinct	11,972
Elizabeth Park Upgrade	265
SUBTOTAL	20,883

Projects to commence in 2016/17	Capital expenditure 2016/17 \$'000
Stormwater Infrastructure Upgrade Program-NEXY Basin and Growth Areas	3,189
Penfield Reserve-District Level Sportsground	1,500
Dauntsey Reserve Floodlighting	273
Fremont Park Stage 2	1,650
Road Upgrades Program-Roads to Recovery	4,818
Angle Vale Sports Complex Masterplan Delivery-Carpark	500
Disability Discrimination Act (DDA) Program	750
New Footpath Program	345
Rural Road Sealing Program	900
Growing Council's Water Business	910
Northern CBD Stage 1 Civil Construction	5,158
School & Pedestrian Crossing Facilities	275
Lyell McEwin Health Precinct Project	500
Playford Sports Precinct Stage 2-Soccer and Softball*	2,700
Road Upgrades Program-Black Spot	513
SUBTOTAL	23,981
TOTAL CAPITAL EXPENDITURE	44,864

* Subject to Federal Grant funding. Total expenditure budgeted for 2017-18 is \$7.2 million.

New and Enhanced Services

New and enhanced services are the services to be introduced that Council will continue to provide on an ongoing basis. Twenty one new or enhanced services will be introduced as listed below:

SERVICE	Operating Budget \$'000
NAWMA - Solid Waste Levy	111
Angle Vale School Oval Maintenance	37.5
Asset and Mutual Liability Scheme Insurance Premiums	41
Penfield Reserve - District Level Sportsground*	164
Road Upgrades Program - Roads to Recovery*	192
Stormwater Infrastructure Upgrade Program - NEXY Basin*	155
Dauntsey Reserve Floodlighting*	39
Angle Vale Sports Complex Carparking*	52
Northern CBD Stage 1 Civil Construction	370
Lyell McEwin Health Precinct Project	54
Growing Council's Water Business*	76
Fremont Park Stage 2	78
Playford Sports Precinct Stage 2 - Soccer and Softball	185
Streetscape Maintenance	434.5
New Footpath Program	36
School & Pedestrian Crossing Facilities	31
Accelerated Rate Reduction	207
Road Upgrades Program - Black Spot	41
Financial Sustainability	125
Rural Road Sealing Program	93
Disability Discrimination Act (DDA) Program	77
SUB TOTAL	2,599
Less: Growth funding*	(678)
TOTAL	1,921

Strategic Projects are focussed on the delivery of Council's Strategic Plan, particularly in terms of infrastructure investigations, feasibility studies, concept plans and so forth that are required in the early stages on developing a Lighthouse Project.

The table below lists the projects that have received funding for 2016/17:

Strategic Projects

PROJECT	Budget \$'000
<i>Continuing projects commenced prior to 2016/17</i>	
Playford Projects – Infrastructure Negotiations	120
City-wide Stormwater Management Planning	150
Lyell McEwin Health Precinct	30
Playford Open Space Strategy	30
Playford Sports Precinct – Stage 2b Preliminary Design	40
<i>Projects to commence in 2016-17</i>	
Stretton Centre Independent Governance Review	50
Developing Greenhouses	50
Road Safety Audits	100
Adapting Northern Adelaide	70
Social Housing: Exploring Council's Role and Opportunities	75
TOTAL	715

*These services are funded via allocation of growth revenue. See Page 28 for further information

THE BUDGET BY STRATEGY

The following pages give an overview of the services and projects that make up Council's overall budget and how they relate to each of the strategies in our Strategic Plan.

STRATEGIC PROJECTS

This section gives a description of the Strategic Projects to be undertaken in 2016/17.

Strategic Projects are focused on the delivery of Council's Strategic Plan, particularly in terms of infrastructure investigations, feasibility studies, concept plans and so forth that are required in the early stages of developing a Lighthouse Project.

EXISTING SERVICES

This section gives a description of our service standards and associated community outcomes, that are already being provided on an ongoing basis.

Council provides an extensive range of services to our community on an ongoing basis in areas such as city presentation, community programs, sports and open

space, and health and the environment.

ASSET RENEWAL PROGRAM *(Strategy 1 only)*

This section gives a description of the asset renewal work that will take place across the City in 2016/17, such as roads, footpaths and kerbing, and forms part of Council's existing renewal budget.

NEW & ENHANCED SERVICES

This section gives a description of the new and enhanced services which will be introduced in 2016/17 and that Council will continue to provide on an ongoing basis.

Twenty one services will be introduced in 2016/17 ranging from services in city presentation and road and footpath programs, to sports facilities and the Northern CBD.

STRATEGIC PROJECTS

The **Road Safety Audits** project will provide Council with the appropriate data for managing our road safety risks and identify high risk locations to motorists and pedestrians. Audits will be undertaken in both rural and urban roads including Craigmores Road (rural portion), Cornishmans Hill Road, Crosshill Road, Tozer Road and President Avenue.

EXISTING SERVICES

CITY PRESENTATION

Environmental Health

Enhance the quality of life of our community through the assessment, improvement, and prevention of factors that pose a risk to human health. Three components to Environmental Health services: Public Health, Food Safety and Waste Water Compliance.

Graffiti Operations

A clean and attractive city with a reduction in overall visible graffiti. This is achieved by proactively removing graffiti from Council assets and engaging community in graffiti reduction initiatives.

ASSET RENEWAL PROGRAM

Our 2016/17 asset renewal program will include some:

- 29.5km of footpaths
- 44.5km of kerbing
- 43.5km of sealed roads
- 362m of stormwater pipes and 16 pits

In addition bridges over Old Port Wakefield Road, Heaslip Road and Winterslow Road will undergo repairs. The Broadmeadows Reserve will benefit from renewal of the Playford baseball changerooms and the Little Athletic clubrooms at Kooranowa will also see renewal work taking place.

Fremont Park among many others is one of the City's parks that will also be part of the 2016/17 asset renewal program.

Strategy 1

Our foundations – services, city presentation and community pride

- Liveable City with mix of services and facilities
- Environmental responsibility
- Attractive and sustainable open spaces
- Improved visual amenity
- Enhanced reputation

City Presentation

NEW AND ENHANCED SERVICES

ROADS/FOOTPATHS

The **Roads Upgrade Program – Roads to Recovery** progressively upgrades roads impacted by urban development, as well as providing the installation of traffic safety devices and signage on a prioritised basis across the City. In 2016/17 this project will deliver upgrades to Peerless Road/Brandis Road (Stage 2), Olive Grove and Peachey Road (Stage 4).

The **New Footpath Program** incorporates the missing links program, new footpaths and footpaths to be upgraded and will bring approximately 3.8km of identified paths up to an acceptable safety standard. The community will benefit from greater access and walkability throughout the City.

EXISTING SERVICES

Illegal Dumping

The collection and disposal of illegally dumped rubbish in urban and rural areas throughout the City.

Kerbside Waste

To maintain public health we provide our community with the ability to dispose of waste in an environmentally responsible manner. The kerbside waste management service includes household waste, recycling, green organics and hard waste.

Rapid Response

A rapid response to urgent situations that represent an immediate risk to our community in a public space. The primary objective is to make the situation safe. Work may then be referred onto other teams to be completed.

Regulatory Services

Enhance the quality of life of our community by maintaining several key regulatory requirements to minimise the risk to public safety. Four components of Regulatory Services: Animal Management, Parking Compliance, Fire Prevention, By-Laws and Local Government Act Compliance.

Rural Road Maintenance

A programmed, proactive approach to undertake regular road maintenance in rural areas, based on risk. This is to enable a safe and connected community.

Urban Streetscape

Streetscape is the term given to the collective appearance and usage of all footpaths, pedestrian zones, verges, kerbs, signage, roads, gardens and trees along a street. Safety and City presentation is achieved by providing safe pedestrian access, a safe orderly urban road network and improved appearance of street frontages

City Presentation

NEW AND ENHANCED SERVICES

The **Road Upgrade Program – Black Spot** will provide traffic safety devices and signage in the identified black spots of Supple/Ryan Roads and Midway Road/Seaway Road/Innes Street. Other minor traffic safety upgrades will also take place across the City providing the community with a safer road infrastructure.

The **Rural Road Sealing Program** will provide a sealed rural road network capable of improving the economic development of the rural areas. Martin Road and Downer Drive, Virginia and Hodgson Road, Penfield, will benefit from this ongoing program in 2016/17.

The **School and Pedestrian Crossing Facilities** project will see pedestrian and vehicle surveys undertaken to determine priorities for crossings around schools and other high volume traffic areas. This project will deliver signalised facilities such as koala and wombat crossings dependent on the identified need.

Council's assets in some of the older areas of the City are in a poorer condition than those in the newer suburbs. The **Streetscape Maintenance** aspirational service standard will allow for these older areas of Playford and the main roads across the city to be serviced at a greater frequency than the current 18 month program. A programmed, proactive approach to increase

service frequency to the older areas where the condition of Councils assets are in poorer condition will be provided while undertaking less regular maintenance work required. Streetscape is the term given to the collective appearance and usage of all footpaths, pedestrian zones, verges, kerbs, signage, roads, gardens and trees along a street. The community will see increased city presentation in the older suburbs across the City, leading to higher levels of Resident Satisfaction.

EXISTING SERVICES

COMMUNITY PROGRAMS & SERVICES

Community Empowerment

Support knowledge and skills development of communities and families.

Community Inclusion

Connecting older or vulnerable people to the community through community services and programs.

Event Management

Provide event management services for events that celebrate and promote the sense of being part of the community.

Volunteer Strategy and Development

Build strong communities through volunteering and provide a range of resources and services to support volunteering activity.

Library

The Library Service provides access to information, technology, educational programs, cultural engagement, local history, social interactions, entertainment and leisure to the local and state communities. These are provided through two branch locations as well as online and via both mobile and an outreach service for community members who are unable visit branches.

Community Venues

City of Playford own community venues which are accessible to the community, are well equipped to cater for a diverse range of events and offer a high quality experience.

Customer Service

Provision of efficient, prompt and accurate customer information and transactional services.

Development Services*

Responsive services that facilitate safe and desired City development by assessing development, providing advice and ensuring that development is compliant.

SPORTS / OPEN SPACE

Club Development and Access to Sporting Facilities

Engage with clubs / user groups to maximise opportunities for effective management, administration, compliance and utilisation of Council's social capital assets for community access and benefit.

Sportsfield Maintenance

The service provides fit for purpose sports fields and furnishings that offer an opportunity for the community to engage and participate in sporting activities, and a healthy lifestyle.

Community Programs & Services/ Sports & Open Space

NEW AND ENHANCED SERVICES

The **Disability Discrimination Act (DDA) Program** provides hard stand areas at bus stops in accordance with Disability Standards for Accessible Public Transport (DSAPT) 2002. Some 50-60 updated bus pads will be delivered in 2016/17 resulting in unobstructed continual paths of travel for all persons including those with disabilities.

SPORTS

Funding for the **Angle Vale School Oval Maintenance** will ensure that the playing surface is maintained to the appropriate standard. The oval and surrounding grounds form part of the Angle Vale Primary School and are used by Council as an overflow facility.

Dauntsey Reserve will benefit from the installation of floodlights meaning the Elizabeth Grove Soccer Club will be able to significantly

increase their use of the ground during the winter season.

The **Angle Vale Sports Complex Carparking** project will be undertaken in response to the population growth and demand in this greenfield area. The expanded carparking takes into account the increase in use of the facility by the netball and football clubs hosting weekly Adelaide Plains League games.

Parks and Reserves*

Public open space (Parks and Reserves) provides opportunities for social interaction and physical activity, which contribute to mental and physical benefits and positively impacts on health and wellbeing of Playford residents and visitors.

WATER

Stormwater

The stormwater network provides for the collection and transportation of stormwater throughout the City of Playford. Maintenance of the network mitigates the risk of flooding to properties; prevent localised flooding and property damage. The stormwater network also improves the water quality to wetlands and protects against water damage to road infrastructure.

Environmental Sustainability

To enhance environmental outcomes and protect environmental assets in collaboration with our community.

HEALTH

Environmental Health

Enhance the quality of life of our community through the assessment, improvement, and prevention of factors that pose a risk to human health. Three components to Environmental Health services: Public Health, Food Safety and Waste Water Compliance.

Health Initiatives and Playford Community Food Cooperatives

Support the community to actively participate in maintaining and improving their health and wellbeing by adopting a healthy lifestyle with a focus on healthy eating and physical activity.

Immunisation

Provision of immunisation services to minimise the incidence of vaccine preventable diseases. Four components for immunisation: School, New Arrival Refugee Immunisation (NARI), Public, and Business Services.

* please note these service standards are still to be endorsed by Council.

Health/ Environment/ Water

NEW AND ENHANCED SERVICES

WATER

The **Stormwater Infrastructure Upgrade – NEXY Basin** will see the construction of a functional basin adjacent to Smith Creek which will increase flood protection downstream. Provision of infrastructure to assist in the redevelopment of the new growth areas of Angle Vale, Playford North Extension and Virginia will also be delivered.

Developing Council's Water Business by the delivery of new infrastructure such as tanks and piping will assist with the delivery and sales of Council's recycled water across the Council area. The expansion of the water business in 2016/17 will see the community benefit from the extension of the existing reticulation main to provide recycled water to the Penfield Eyre district level playing fields, tanks at other large recreation sites such as Mofflin Reserve, the Playford Sports Precinct, Uley Reserve and Argana Park, and associated infrastructure.

ENVIRONMENT

The **NAWMA - Solid Waste Levy** is a State imposed levy on waste disposed at landfill through the provision of kerbside waste management services provided to Council by NAWMA.



Strategy 1
Our foundations – services, city presentation and community pride

- Liveable City with mix of services and facilities
- Environmental responsibility
- Attractive and sustainable open spaces
- Improved visual amenity
- Enhanced reputation

STRATEGIC PROJECTS

The **Playford Projects – Infrastructure Negotiations** project will finalise the Infrastructure Deeds for the Playford Projects areas of Greater Edingburgh Parks, Virginia, Angle Vale and Playford North Extension. These Deeds are at various stages of completion and this project will ensure that a transparent, workable system is in place to ensure infrastructure is delivered within the growth areas in a timely manner as the developments proceed.

The **City-wide Stormwater Management Planning** project will ensure that Council understands its stormwater needs both now and into the future to underpin the economic development, renewal and growth priorities for the area. A City-Wide Stormwater Management Plan will be developed to address current stormwater issues and ensure suitable infrastructure is provided to our growing community.

Funding for the **Lyell McEwin Health Precinct Project** will finalise the sale of the parcel of Council owned land on Mark Road and allow the tenderer to progress with the design and construction of the proposed health facility on that site.

An updated **Open Space Strategy** will be developed in 2016/17 to ensure that

our high proportion of open space is managed in a strategic manner and that available resources can be utilised to provide the maximum benefit to the community.

The **Social Housing: Exploring Council's Role and Opportunities** project will look at the role that Council could potentially play in the social housing sector and what benefits could be realised for the Playford community, particularly in terms of initiating urban renewal.

EXISTING SERVICES

Business Support and Industry Development

Facilitate business and industry development opportunities and liaise with other government and community supported agencies to help businesses relocate in Playford or to help existing businesses expand and prosper.

Playford Alive is one of the biggest urban renewal projects in Australia combining an extensive program of physical and social renewal that is rejuvenating around 1,000 hectares of land in the north of Adelaide. In 2016/17 work will be undertaken on Open Space upgrades, stormwater, street lighting upgrades, streetscapes, local roads upgrades and the Crittenden Road bridge crossing.

NEW AND ENHANCED SERVICES

The **Lyell McEwin Health Precinct** project will progress the expansion of health services and upgrades of the road, landscape and infrastructure around the precinct area. This is the start of a longer term project which over the next three to five years will see the surrounding residents and wider community benefitting from new precinct signage, the upgrade of Haydown and Oldham Roads, streetscape improvements of John Rice, Haydown and Oldham Roads and intersection improvements.

Strategy 2

Securing Playford's future and building value

- Well planned and sustainable City
- Diversified and expanding economic base

STRATEGIC PROJECTS

The future stages of the Playford Sports Precinct will be progressed with funding for the **Playford Sports Precinct Stage 2b Preliminary Design** allowing for preliminary designs including the soccer complex, softball complex and DECD ovals to be developed. This process will enable Council to continue to submit funding submissions to the State and Federal government and lobby national sporting associations.

EXISTING SERVICES

Business Support and Industry Development

Business Support and Industry Development

Facilitate business and industry development opportunities and liaise with other government and community supported agencies to help businesses relocate in Playford or to help existing businesses expand and prosper.

NEW AND ENHANCED SERVICES

SPORTS

Council has allowed an allocation of funding in the 2016/17 budget to match a Federal Grant for the **Playford Sports Precinct Stage 2 – soccer and softball** project. The progress of this project is dependent on the grant application which if successful will establish the softball complex and further extend the soccer complex in line with the Precinct Masterplan endorsed in 2013.

The Penfield Reserve – District Level

Sportsground will be established on Womma Road, within the AV Jennings Eyre Development area. This reserve is a priority due to the construction of the new tennis complex on Spruance Reserve which creates a net loss in playing fields. The reserve includes one district level clubroom building and one senior oval, which will be able to cater for either Rugby League, Australian Rules, Soccer and Cricket depending on demand.

Strategy 3 Elizabeth, Adelaide's northern CBD

- Provision of CBD facilities and services
- Vibrant, walkable and cosmopolitan lifestyle
- Opportunities for social interactions

CBD

Funding for the **Northern CBD Stage 1 Civil Construction** project will be used for detailed design work for the redevelopment of the Grenville Centre as well as the delivery of Stage 1 Infrastructure on the land south of the Civic Centre, consisting of the creation of 12 fully serviced development allotments, new street

and streetscape infrastructure and Prince George Plaza. The transformation of the CBD will also see a central public space developed with opportunities for public art including the incorporation of the historical Windsor Fountain.

Fremont Park Stage 2 works will include the upgrade of the playgrounds, the creation of a new lake, and the conversion of the existing lake into a major events venue, a new ride safe park, new lighting, planting, picnic areas, barbeques and improvement of overall amenity. The upgrade of the park will provide the community with enhanced recreation and leisure facilities, providing rejuvenated spaces for all ages to enjoy.

EXISTING SERVICES

Business Support and Industry Development

Facilitate business and industry development opportunities and liaise with other government and community supported agencies to help businesses relocate in Playford or to help existing businesses expand and prosper.

The Northern Economic Plan was launched in January 2016 and sees a total of \$24.65 million in new initiatives for the northern Adelaide region. As a key partner in the development of the Northern Economic Plan, the City of Playford is continuing to play an important role in shaping the development, and supporting the roll out, of programs and projects which have been identified.

Through our involvement, we have successfully ensured that Council lighthouse projects were highlighted in the Plan. Council continues to work closely with the Automotive

Transformation Taskforce, Department of Employment and the Holden Transition Centre to ensure that automotive workers are aware of up-skilling and workforce development opportunities.

The City of Playford is actively supporting businesses through providing connections to State and Federal Government initiatives and delivering workshops and events aimed at skills development and promotion of cross sector collaboration. We are actively supporting our local businesses to attend the State lead China mission and gain access to export markets.

Council continues to engage with applied research bodies to make industry and business connections and has also initiated a number of activities to assist local businesses access the supply chain for Council's and the State Government.

Strategy 4

Securing Playford's future in the global economy

- Key economic drive of the State
- Robust local economy with local job opportunities
- Part of Southern Food Bowl with national and international links
- Re-focused manufacturing to support economic growth in the north of the State

STRATEGIC PROJECTS

The City of Playford will continue to manage the Stretton Centre until June 2017 after which time it will contract another entity to manage the centre. The **Stretton Centre Independent Governance Review** will determine the best governance model for the centre from this time to ensure it is in the best position to deliver on its Suburban Jobs Program Funding obligations and objectives as well as its'

capacity to deliver, enable and sustain economic development outcomes for Northern Adelaide. The future growth of the Adelaide Plains Food and Wine Region is strongly related to the development of greenhouses as an efficient and productive way of growing produce. The

Developing Greenhouses project will determine the best ways to facilitate greenhouse horticulture to enable the ongoing growth of the industry.

The **Adapting Northern Adelaide** project will implement the Regional Climate Change Adaptation Plan developed in conjunction with the City of Salisbury and the State Government. This will include the development of a Green Industries sector in Northern Adelaide to help to secure a

Advocacy is action designed to influence those who hold governmental (bureaucratic), political or economic power to implement public policies and projects to the benefit of a particular group of people or interests; these being Playford residents and businesses. Advocacy activities have continued to focus on the key areas contained in the City of Playford Strategic Plan, namely the lighthouse projects and supporting the attraction of funds for the Northern CBD, Sports Precinct, Health Precinct and working with the State Government on Structural Planning for Greater Edinburgh Parks. Through the National Growth Areas Alliance (NGAA) Council is heavily involved in the renewed interest and promotion of the completion of the Gawler Rail Electrification Project. At the local level work continues with the peak bodies including the LGA and UDIA on policy proposals that would benefit the City of Playford.

place for the regions skilled manufacturing, research and innovation workers and make use of the regions rich capacity to be part of a changing low carbon and green industries economy.

EXISTING SERVICES

Business Improvement

The five year Efficiency & Effectiveness (Business Improvement) program endorsed in 2011 was based on achieving a cost reduction of \$9m by 2015/16. Although the program has come to an end there is still a need to continue to deliver value for money for our community. Council's future financial sustainability also needs to be secured by reducing operating costs while

maintaining service levels in a long term sustainable way. As such Council is now shifting to embed a longer term Continuous Improvement methodology into our operations that incorporates the learning and successes of the Business Improvement five year program. Efficiency targets will be endorsed each year to support ongoing continuous improvement delivery.



NEW AND ENHANCED SERVICES

Councils **Asset and Liability Scheme Insurance Premiums** will increase by 6% this year taking into account CPI and an increase in our asset base. This is an unavoidable cost pressure that requires funding in 2016/17.

The **Accelerated Commercial Rate Reduction** initiative looks to accelerate Councils

Commercial Rating Strategy endorsed in June 2014 by reducing the commercial rates in the dollar. The final 2016/17 rate reduction will be finalised by June 2016 and the impact on individual businesses remains subject to changes in property valuations.

MEASURES AND TARGETS

ORGANISATIONAL PERFORMANCE MEASURES

Organisational Performance Measures are set by Council to monitor our achievements against our overall strategic goals and to provide focus areas for staff in their day-to-day service delivery.

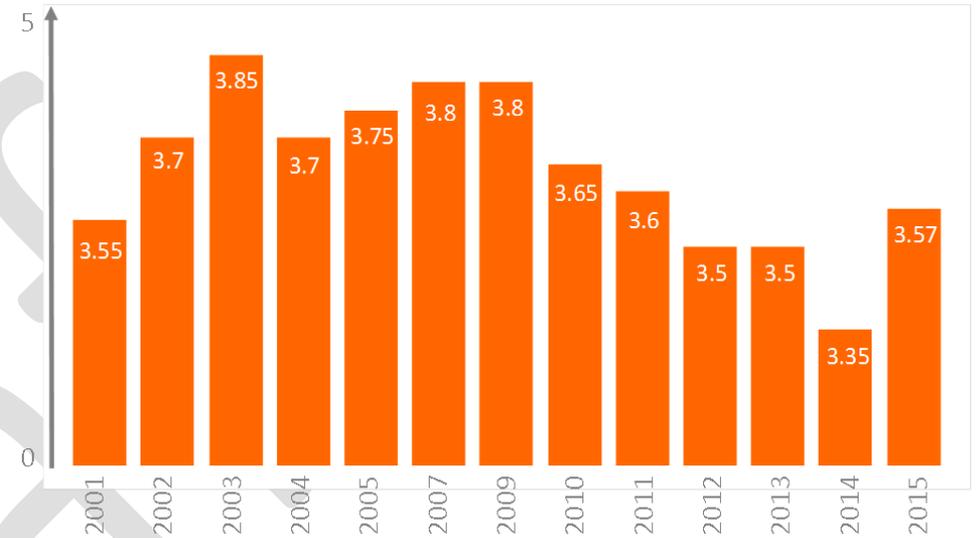
The measures relate to the areas of community interest, organisational accountability and key organisational priorities and fulfil our obligations under Section 123 of the *Local Government Act (1999)*.

The Annual Resident Satisfaction Survey acts as the primary mechanism for gathering the results of our work in these areas.

Council has been undertaking this survey for a number of years and the graph opposite illustrates our rating for overall satisfaction with the City of Playford as an organisation since 2001. On average our residents have given us a rating of 3.64 over the last 13 years.

The overall satisfaction rating takes into account the following areas of Councils performance:

- Customer Service
- City-wide presentation
- Accountability
- Managing growth
- Efficiency and Effectiveness
- Community Engagement



The table overleaf shows the targets for 2015/16 in addition to the 2014/15 targets and 2013/14 results.

The 2015/16 results will be available by September 2016 and will be reported and monitored in the 2015/16 Annual Report and the Quarterly Organisational Performance Reports in 2016/17.

ORGANISATIONAL PERFORMANCE MEASURES

Indicator	Measure	2014/15 Result	2015/16 Target	2016/17 Target
Overall Council Satisfaction	Overall customer satisfaction with the City of Playford as an organisation	3.57	3.55	An overall score between 3.00 – 3.59 (Moderate Satisfaction)
City-wide Presentation	Customer Satisfaction with the level of appearance of public realms	3.57	3.45	Achievement of a 3.50 score
Customer Service¹	Satisfaction rating with the level of customer service and experience	3.76	3.95	An overall score between 3.60 – 3.89 (Moderately High Satisfaction)
Accountability	Satisfaction rating with Council being open and accountable to the community in its operations	3.32	3.25	An overall score between 3.00 – 3.59 (Moderate Satisfaction)
Community Engagement	Satisfaction rating with how Council invites community participation in decision making	3.23	3.05	An overall score between 3.00 – 3.59 (Moderate Satisfaction)
Managing Growth	Customer rating for how Council plans for the future	3.55	3.50	An overall score between 3.00 – 3.59 (Moderate Satisfaction)
Efficiency and Effectiveness	Customer satisfaction with value for money ²	3.00	2.85	Identification of \$2.4M in savings

¹Customer service refers to the way Council deals with, takes care of and responds to its customers.

²Value for money refers to the value residents believe they get from their rates or fee for services.

Key to rating bands:

Interpreting the Mean Score (1-5)

1.99 or lower	Very low satisfaction	3.60 – 3.89	Moderately high satisfaction
2.00 – 2.49	Low satisfaction	3.90 – 4.19	High satisfaction
2.50 – 2.99	Moderately low satisfaction	4.20 – 4.49	Very high satisfaction
3.00 – 3.59	Moderate satisfaction	4.50 +	Extremely high satisfaction

FINANCIAL INDICATORS

Council's short term position is adversely affected by joint venture impacts and inclusion of grants that are committed in capital. Excluding these abnormal items, Council's operating surplus indicator normalises in the medium to long term.

In the short to medium timeframe Council's debt position is expected to marginally exceed the target range established by Council. This is primarily due to expenditure associated with the Northern CBD and the Playford Sports Precinct, which are examples of the initiatives being undertaken as part of the expansion of the city. As these projects complete expenditure levels and hence, debt normalise to levels within the target range. In the long term Council will need to consistently operate in a surplus to ensure it is able to fund the replacement of ageing infrastructure when required.

In 2011, Council developed five financial indicators of its own to measure, understand and report on financial sustainability. Council utilises these five indicators as the primary financial indicators for assessing financial sustainability and further refers to the LGA indicators as a second set of measures that are also used to comply with mandatory reporting requirements.

The table overleaf shows the 2015/16 revised budget and 2016/17 budget estimate for these indicators. Council is forecasting budgeted ratios to all be within the ranges adopted by Council in the medium to long term. However, it is noted that these ranges set by Council in 2011 will be reviewed in line with Council policy to reflect current situation and strategic direction.

It should be noted that the 2016/17 Budgeted Operating result is impacted by an abnormal item associated with our involvement in the NAWMA joint venture, which is subject to Council endorsing the purchase.

In addition to Council's financial indicators, we also report against the mandatory financial indicators developed by the Local Government Association's (LGA) Independent Financial Sustainability Inquiry in 2005.

PRIMARY FINANCIAL INDICATORS AS APPROVED BY COUNCIL

Financial Indicator	Explanation	Target	2015/16 Mid Year Forecast	2016/17 Budget	5 Year Average	10 Year Average
Operating Result Ratio	This ratio expresses Council operating result as a percentage of Council's discretionary income. That is the percentage amount of discretionary income required to achieve a breakeven operating result.	0%-5%	(3.8)%	(0.7)%	0.0%	3.5%
Gross Debt Ratio	This ratio measures Council's liabilities as a percentage of its economically realisable assets. To what extent are Council's assets reasonably able to be converted into cash cover Council's total liabilities at any point in time.	10%-30% of realisable assets	30.1%	36.3%	36.9%	35.7%
Asset Sustainability Ratio	This ratio shows whether or not Council is replacing assets at the rate as required in the Asset Management Plan.	Between 90% and 110% and not less than 100% over 10-year period	95.6%	82.0%	91.2%	100.0%
Interest Cover Ratio	This ratio shows how much discretionary income is used to pay interest on borrowings	<10% of discretionary income	5.9%	5.7%	7.5%	6.3%
Cash Flow from Operations Ratio	The cash generated each year from operations compared to the 10 year average requirements in the Asset Management Plan. This ratio measures whether Council is generating enough cash from its operations to cover the replacement of assets over time.	Between 90% and 110% and not less than 100% over the 10-year period	68.3%	76.7%	85.6%	106.9%

SECONDARY FINANCIAL INDICATORS AS APPROVED BY COUNCIL

Financial Indicator	Explanation	Target	2015/16 Mid Year Forecast	2016/17 Budget	5 Year Average	10 Year Average
Net Financial Liabilities Ratio	This ratio shows Net financial liabilities as a percentage of Total Operating Revenue (Less NRM Levy).	<=150% Operating Income	128.0%	149.6%	149.0%	137.6%

LGA MANDATORY INDICATORS

Financial Indicator	Explanation	Target	2015/16 Mid Year Forecast	2016/17 Budget	5 Year Average	10 Year Average
Operating Result Ratio	Operating result as a percentage of Total Operating Income	0-10%	(3.1)%	(0.5)%	0.2%	2.9%
Asset Sustainability Ratio	Capital outlays on renewal as a percentage of level in AMP	90-110%	81.0%	82.0%	91.2%	100.0%
Net Financial Liabilities Ratio	Net financial liability as percentage of Total Operating Income	50-150%	126.6%	148.1%	147.6%	136.5%

BUDGETED FINANCIAL STATEMENTS & EXPLANATIONS

FINANCIAL SUMMARY

Resource Group	Budget 2016/17
Operating Income	95,856
Operating Expenditure	96,374
Operating Result	(518)

The result for 2016/17 of \$0.518 million deficit has been adversely impacted by the abnormal item associated with joint venture impairment, which is subject to Council endorsing the purchase. The joint venture result of \$0.377 million loss is a turn around on previous years of approximately \$0.600 million. Had this not occurred the result would be in surplus or at least break even.

STATEMENT OF COMPREHENSIVE INCOME

Resource Group	Mid-Year Forecast 2015/16	Budget 2016/17	Increase (Decrease) \$'000	Increase (Decrease) %
Income				
Rates Revenues	67,742	71,587	3,845	5.7%
Statutory Charges	2,051	2,514	463	22.6%
User Charges	4,411	4,571	160	3.6%
Investment Income	105	74	(31)	(29.5%)
Reimbursements	1,003	880	(123)	(12.3%)
Other Income	1,140	199	(941)	(82.5%)
Grants, Subsidies and Contributions	11,361	16,031	4,670	41.1%

Net Gain – Equity Accounted Council Businesses	126	-	(126)	(100.0%)
Revenue Total	87,939	95,856	7,917	9.0%

RATES INCOME - \$71.6 MILLION

Increases in council rates allow Council to meet the community service delivery expectations and achieve its LTFP objectives. The 2016/17 Budget includes the following:

- A rates increase of 4.5% based on the general index of 1.4% and a further 3.1% for unavoidable cost pressures and new and enhanced services.
- Additional rate income of \$0.875 million from new developments in the City, and the Accelerated rate reduction of \$0.207 million, fines and legal costs recovery.
- A levy for Natural Resources Management collected on behalf of the Adelaide and Mount Lofty Ranges Natural Resources Management Board (\$0.983 million).

STATUTORY CHARGE - \$2.5 MILLION

Statutory charges are fees for the provision of regulatory services. They are associated with the granting of a permit or license or with the regulation of an activity, including Development Act fees, parking fines and dog registration fees.

Most fees are set by State Government legislation and administered by Council.

Council is notified of the fee amounts in late June of each year and these will be adopted by Council in July 2016.

The 2016/17 Budget includes an increase in Statutory Charges of 22.6% from \$2.051 million in 2015/16 to \$2.514 million in 2016/17.

USER CHARGES - \$4.6 MILLION

User charges income is received from individuals, sporting groups and various other bodies that utilise user pay services, hire or lease Council owned property.

Council also receives commercial activity income from the operation of the theatres, café, function centre and the Northern Sound System, with a minor amount coming from the hiring of Council facilities for functions or meetings.

User charges for 2016/17 have increased by \$0.160 million from \$4.411 million in 2015/16 to \$4.571 million.

INVESTMENT INCOME - \$0.1 MILLION

Council's interest revenue of \$74,000 is predominantly interest received on cash investments. It is a decrease of \$31,000 over investment income budgeted to be received in 2015/16 (\$105,000).

Council's approach to treasury management has moved towards the mixed use of traditional credit financier loans (which have fixed half yearly repayments of principal and interest) and variable loans that allow principal to be repaid when cash funds are available – thus reducing interest expense but also reducing interest income.

REIMBURSEMENT - \$0.9 MILLION

Reimbursement income consists of all reimbursements paid to Council by insurance companies, ratepayers, developers and other tiers of government.

There is a decrease of \$123,000 or 12.3% over the reimbursement income budgeted to be received in 2015/16 (\$1.003 million compared to \$0.880 million).

OTHER INCOME - \$0.2 MILLION

Other Income is comprised of donations, sponsorships, income from private works, and other miscellaneous receipts, and varies from year to year.

Other income is budgeted to decrease by \$0.941 million.

GRANTS, SUBSIDIES AND CONTRIBUTIONS - \$16.0 MILLION

Grants, subsidies and contributions are income from Federal and State governments as well as contributions from developers. Revenue received specifically to fund the construction or purchase of new or upgraded assets is included in a separate section of the Financial Statement.

Grants and Subsidies have increased by \$4.670 million from \$11.361 million to \$16.031 million.

Grants, subsidies and contributions income has increased due to the Federal Assistant Grants (FAGs) grants being paid in advance in the 2014/15 financial year. In 2016/17 we have budgeted to receive FAGs in the relevant year.

The Federal government has frozen indexation on their Financial Assistance Grants for 3 years and stopped their supplementary grant.

OPERATING EXPENSE BY CATEGORY

Resource Group	Mid Year Forecast 2015/16	Budget 2016/17	Increase (Decrease) \$'000	Increase (Decrease) %
Expenses				
Employee Costs	35,489	35,664	175	0.5%
Materials, Contracts and Other	32,913	37,426	4,513	13.7%
Finance Costs	4,420	4,500	80	1.8%
Depreciation	17,800	18,407	607	3.4%
Net Loss – Equity Accounted Council Businesses	-	377	377	
Expenses Total	90,622	96,374	5,752	6.3%

EMPLOYEE COSTS - \$35.7 MILLION

Employee costs include base salary and all relevant on-costs, such as superannuation and work cover, as well as agency labour costs. The budget covers recurrent labour, project labour and externally funded labour.

Employee costs are budgeted to increase by \$0.175 million from \$35.489 million to \$35.664 million. In addition there has been an increase in salaries under the City of Playford's Enterprise Agreement.

CONTRACTS, MATERIALS & OTHER EXPENSES - \$37.4 MILLION

Contracts covers costs such as contractors, waste collection, equipment hire, software license fees, consultants and operating lease payments.

Materials cover many different expenses of Council including utility payments for water and electricity, library books and consumable materials.

Other Expenditure includes audit and legal fees, contributions, communication expenses, insurance and registration, levies paid to other organisations, elected member allowances, advertising, fringe benefits tax, training and travel expenses.

Overall the budget has increased by \$4.513 million or 13.7% from the budget for 2015/16 \$32.913 million, to \$37.426 million in 2016/17.

FINANCE COSTS - \$4.5 MILLION

Finance Costs include interest payable on borrowings and finance leases and other banking charges.

Council is budgeting for an increase of \$0.080 million from the budget of \$4.420 million in 2015/16 to \$4.500 million.

Council's treasury management allows principal to be repaid when surplus funds are available to reduce interest expenses whenever possible.

DEPRECIATION - \$18.4 MILLION

Depreciation is a non-cash expense that recognises the systematic allocation of the service potential (cost or replacement value) of an asset over its useful life. Over the long-term, depreciation represents the minimum amount which, on average, Council needs to allocate each year towards asset replacement. This is a different concept from maintenance expenditure, which is the amount Council needs to spend each year to ensure that its assets last as long as planned.

Depreciation is increasing by \$0.607 million or 3.3% from the 2015/16 budget depreciation of \$17.800 million to \$18.407 million in 2016/17.

LOSS ON ASSOCIATES AND JOINT VENTURES - \$0.4 MILLION

Council's share of the Northern Waste Management Authority (NAWMA) and Gawler River Floodplain Management Authority (GRFMA) will result in a net loss in 2016/17, based on advice. The losses are a result of an impairment in the financial statements for the 2016/17 year only.

CASH FLOW STATEMENT

Net cash from financing activities show \$31.2 million to be provided in 2016/17. That is an increase on 2015/16 of \$20.7 million due to undertaking significant capital works in the CBD of the North and Playford Sports Precinct projects.

BALANCE SHEET

Total Non-Current Assets are projected to rise to \$1,091.0 million in 2016/17. This is an increase of \$65.1 million. This increase is a result of the capital expenditure program.

Total borrowings are projected to increase to \$124.8 million in 2016/17. This level of borrowings is within acceptable limits and required to fund the capital works program. Please see the financial indicator section for more information.

UNIFORM PRESENTATION OF FINANCES

OPERATING SURPLUS / (DEFICIT)

The operating surplus or deficit indicates the extent to which income is sufficient, or insufficient, to fund the cost of services. A surplus indicates Council is raising enough operating income to cover its operating expenses whereas a deficit indicates it is not.

NET OUTLAYS ON EXISTING ASSETS

This is expenditure that returns the service potential of existing assets back towards their original level. Consistent negative outlays on existing assets indicate that, overall, existing assets may be deteriorating as expenditure on their renewal or replacement is less than the rate of depreciation.

NET OUTLAYS ON NEW AND UPGRADED ASSETS

Outlays on new and upgraded assets indicate the net cost to Council of acquiring or creating new assets. Outlays on new or upgraded assets will increase depreciation and maintenance expenses in future periods.

NET LENDING / (BORROWING) FOR FINANCIAL YEAR

Net Lending, a positive result, indicates that Council will reduce its level of borrowings over the period. Net Borrowings, a negative result, means Council is required to borrow additional funds increasing the level of net borrowings over the period.

City of Playford
Budgeted Statement of Comprehensive Income
For the year ended 30 June 2017

Actual Results 2014/15 \$000's		Mid Year Forecast * 2015/16 \$000's	Proposed Budget 2016/17 \$000's
	INCOME		
64,213	Rates Revenues	67,742	71,587
2,171	Statutory Charges	2,051	2,514
2,837	User Charges	4,411	4,571
188	Investment Income	105	74
1,195	Reimbursements	1,003	880
1,307	Other Income	1,140	199
20,526	Grants, Subsidies & Contributions	11,361	16,031
482	Net Gain - Equity Accounted Council Businesses	126	-
92,919	TOTAL INCOME	87,939	95,856
	EXPENSES		
33,721	Employee costs	35,489	35,664
32,987	Materials, Contracts & Other Expenses	32,913	37,426
4,027	Finance costs	4,420	4,500
16,643	Depreciation	17,800	18,407
125	Net Loss - Equity Accounted Council Businesses	-	377
87,503	TOTAL EXPENSES	90,622	96,374
5,416	Operating Surplus / (Deficit)	(2,683)	(518)
(4,667)	Asset Disposal & Fair Value Adjustments	(710)	3,401
9,174	Amounts Received Specifically for New or Upgraded Assets	5,976	11,565
13,332	Physical Resources Received Free of Charge	8,496	11,061
23,255	NET SURPLUS / (DEFICIT)	11,079	25,509
	transferred to Equity Statement		
	Other Comprehensive Income		
1,612	Changes in Revaluation Surplus - I,PP&E	9,540	9,936
(400)	Share of Other Comprehensive Income - Equity Accounted Council Businesses	-	-
(203)	Impairment (Expense) / Recoupments Offset to Asset Revaluation Reserve	-	-
1,009	Total Other Comprehensive Income	9,540	9,936
24,264	TOTAL COMPREHENSIVE INCOME	20,619	35,445

* Mid Year Forecast presented to Council on 8 March 2016

City of Playford
Budgeted Balance Sheet
For the year ended 30 June 2017

Actual Results 2014/15 \$000's		Mid Year Forecast * 2015/16 \$000's	Proposed Budget 2016/17 \$000's
	CURRENT ASSETS		
6,131	Cash and Cash Equivalents	1,370	1,377
6,762	Trade & Other Receivables	7,083	7,291
123	Inventories	126	127
13,016	TOTAL CURRENT ASSETS	8,579	8,795
	NON-CURRENT ASSETS		
403	Financial Assets	403	403
7,614	Equity Accounted Investments in Council Businesses	7,614	7,614
965,713	Infrastructure, Property, Plant & Equipment	1,004,979	1,071,073
15,766	Other Non-Current Assets	15,766	15,766
989,496	TOTAL NON-CURRENT ASSETS	1,028,762	1,094,856
1,002,512	TOTAL ASSETS	1,037,341	1,103,651
	CURRENT LIABILITIES		
18,153	Trade & other payables	18,849	18,480
4,898	Borrowings	16,971	5,094
3,932	Short-term provisions	3,932	4,052
26,983	TOTAL CURRENT LIABILITIES	39,752	27,626
	NON-CURRENT LIABILITIES		
78,142	Long-term borrowings	79,554	122,534
863	Long-term provisions	893	905
79,005	TOTAL NON-CURRENT LIABILITIES	80,447	123,439
105,988	TOTAL LIABILITIES	120,199	151,065
896,524	NET ASSETS	917,142	952,586
	EQUITY		
404,269	Accumulated Surplus	418,431	446,356
481,360	Asset Revaluation Reserve	490,900	500,472
10,895	Other Reserves	7,811	5,758
896,524	TOTAL EQUITY	917,142	952,586

* Mid Year Forecast presented to Council on 8 March 2016

City of Playford
Budgeted Statement of Changes in Equity
For the year ended 30 June 2017

Actual Results 2014/15 \$000's		Mid Year Forecast * 2015/16 \$000's	Proposed Budget 2016/17 \$000's
	ACCUMULATED SURPLUS		
381,584	Balance at end of previous reporting period	404,268	418,431
23,255	Net Surplus (Deficit) for year	11,079	25,509
	Other Comprehensive Income		
22	Share of other comprehensive income - joint ventures and associates	-	-
309	Transfers from other Reserves	3,500	2,891
(901)	Transfers to Other Reserves	(416)	(475)
404,269	Balance at end of reporting period	418,431	446,356
	ASSET REVALUATION RESERVE		
480,373	Balance at end of previous reporting period	481,360	490,900
	Other Comprehensive Income		
1,190	Gain on revaluation of infrastructure, property, plant & equipment	9,540	9,936
(203)	Impairment (expense) / recoupsments offset to asset revaluation reserve	-	-
481,360	Balance at end of reporting period	490,900	500,836
	OTHER RESERVES		
10,303	Balance at end of previous reporting period	10,895	7,810
901	Transfers from accumulated surplus	416	475
(309)	Transfers to accumulated surplus	(3,500)	(2,891)
10,895	Balance at end of reporting period	7,811	5,394
896,524	TOTAL EQUITY AT END OF REPORTING PERIOD	917,142	952,586
404,269	Accumulated Surplus	418,431	446,356
492,255	Reserves	498,711	506,230
896,524	TOTAL EQUITY AT END OF REPORTING PERIOD	917,142	952,586

* Mid Year Forecast presented to Council on 8 March 2016

City of Playford
Budgeted Statement of Cash Flows
For the year ended 30 June 2017

Actual Results 2014/15 \$000's		Mid Year Forecast * 2015/16 \$000's	Proposed Budget 2016/17 \$000's
	Inflows / (Outflows)		
	CASHFLOWS FROM OPERATING ACTIVITIES		
	Receipts		
188	Investment Receipts	231	74
95,433	Operating Receipts	87,525	95,501
	Payments		
(4,027)	Finance Payments	(4,420)	(4,500)
(70,523)	Operating Payments to Suppliers and Employees	(67,817)	(73,632)
21,071	NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	15,519	17,443
	CASH FLOWS FROM FINANCING ACTIVITIES		
	Receipts		
19,238	Proceeds from borrowings	19,071	48,074
	Payments		
(12,350)	Repayment of borrowings	(5,586)	(16,971)
6,888	NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	13,485	31,103
	CASH FLOWS FROM INVESTMENT ACTIVITIES		
	Receipts		
493	Sale of Replaced Assets	-	-
104	Sale of Surplus Assets	-	3,400
9,174	Amounts Received Specifically for New/Upgraded Assets	5,976	11,565
39	Repayments of Loans by Community Groups	-	-
	Payments		
(13,603)	Expenditure on Renewal/Replacement of Assets	(17,009)	(18,640)
(19,508)	Expenditure on New/Upgraded Assets	(22,732)	(44,864)
(23,320)	NET CASH PROVIDED BY (USED IN) INVESTMENT ACTIVITIES	(33,765)	(48,539)
4,639	NET INCREASE (DECREASE) IN CASH HELD	(4,761)	7
1,492	CASH AT BEGINNING OF REPORTING PERIOD	6,131	1,370
6,131	PROJECTED CASH AT END OF REPORTING PERIOD	1,370	1,377

* Mid Year Forecast presented to Council on 8 March 2016

City of Playford
Budgeted Uniform Presentation of Finances
For the year ended 30 June 2017

Actual Results 2014/15 \$000's		Mid Year Forecast * 2015/16 \$000's	Proposed Budget 2016/17 \$000's
92,919	Operating income	87,939	95,856
(87,503)	Less: Operating expenditure	(90,622)	(96,374)
5,416	Operating Surplus / (Deficit)	(2,683)	(518)
	Less: Net outlays on existing assets		
13,603	Capital expenditure on renewal and replacement of existing assets	17,009	18,640
(16,643)	Less: Depreciation	(17,800)	(18,407)
(493)	Less: Proceeds from sale of replaced assets	-	-
(3,533)	Net Outlays on Existing Assets	(791)	233
	Less: Net outlays on new and upgraded assets		
19,508	Capital expenditure on new and upgraded assets	22,732	44,864
(9,174)	Less: Grants and contributions specifically for new and upgraded assets	(5,976)	(11,565)
(104)	Less: Proceeds from sale of surplus assets	-	(3,400)
10,230	Outlays on New and Upgraded Assets	16,756	29,899
(1,281)	NET LENDING / (BORROWING) FOR FINANCIAL YEAR	(18,648)	(30,650)

* Mid Year Forecast presented to Council on 8 March 2016

RATES

WHAT IS COUNCIL'S RATING ENVIRONMENT?

RATES IN THE CITY OF PLAYFORD

Council considers the fairest and most equitable method of charging rates to our community is through the combined use of a fixed charge component and a variable rate per rateable property.

Fixed Charge

A fixed charge is a component of rates applied equally to all rateable properties irrespective of land use and capital value.

Council considers a fixed charge to be the most fair and equitable means of ensuring that all ratepayers contribute equally to the administration of Council's services and the development and maintenance of the community's infrastructure.

Council complies with legislation by ensuring that no more than 50% of total rate revenue will be recovered by a fixed charge in the 2016/17 financial year.

Variable (differential) rates

In addition to a fixed charge, Council can apply a differential rate, a variable component of rates, calculated on a rate in the dollar basis according to the location of land or the use of land, i.e. for different categories of rateable land. Council uses two categories of differential rates; a Commercial and Industrial Rate which is applied to all commercial or industrial properties and a General Rate for all other properties (including residential, primary production, vacant land and other land uses).

In the City of Playford a differential rate is declared based on the permissible factors of land use listed within Regulation 10(2) of the *Local Government (General) Regulations 1999*.

Commercial properties include shops, offices and any other commercial land use within the meaning of Regulation 10 of the *Local Government (General) Regulations 1999*.

Industrial properties include land uses of light industry and any other industrial use within the meaning of Regulation 10 of the *Local Government (General) Regulations 1999*.

A 10% rural rate rebate will be automatically applied to all properties on the general rate that are outside the Township Boundary on the basis that they have accepted a lower direct reliance on Council infrastructure and services.

The differential general rate for rateable land that has a Commercial or Industrial land use has a higher rate in the dollar than remaining properties that are subject to a lower differential General Rate. This difference is on the basis that:-

- a. Commercial/ Industrial properties pay rates out of pre-tax revenue; and
- b. Commercial/Industrial properties have a greater impact on core Council infrastructure.

Commercial Rating Strategy

In June 2014, the Council approved a Commercial Rating Strategy, with 75% of new commercial rate revenue received from growth to fund rate reductions to all business. The Commercial Rating Strategy forms part of a greater objective to encourage business development and employment opportunities in the City.

The City of Playford is aiming to gradually reduce rates by up to 40 per cent in a staged approach, balancing the demands from business for rate relief with the needs from residential rate payers for Council to continue to provide a sustainable level of services.

In addition as part of the 2016/17 budget process the Council is planning to allocation additional funds to accelerate the Commercial rate reduction.

The City of Playford Commercial Rating Strategy rate reductions will occur the year following surplus years. The final 2016/17 rate reduction is still in the process of being calculated and will be finalised in June 2016 once Council has adopted the 2016/17 budget. The impact of the Commercial Rating Strategy on individual business rates remains subject to changes in property valuations.

Method used to value land

All land within a council area, except land specifically exempt (e.g. Crown land, Council owned land), is rateable.

Under section 148(1) of the Act rates can be assessed against any piece or section of land subject to separate ownership or occupation. Section 148(2) of the Act provides that decisions in regards to the basis on which rates are assessed must be made fairly and in accordance with principles and practices that apply on a uniform basis across the whole of Council. Council policy is for rates to be assessed based on land ownership.

The City of Playford uses Capital Value (as supplied by the State Valuation Office) as the basis for valuing land within the Council area. This method values the land and all the improvements on the 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 a relatively good and generally accepted indicator of wealth, and capital value, which closely approximates the market value of a property, provides the best indicator of overall property value.
- Council adopts the Capital Valuations made by Council's Valuer, the State Valuation Office, as effective on 1 July 2016 for the purposes of 2016/17 rating and in the development of the annual budget.

Separate rates

The City of Playford is in the Adelaide and Mount Lofty Ranges Natural Resources Management Board area and is required under the Natural Resource Management Act 2004 to fund the operations of the Board. It does so by imposing a separate rate for all properties within the council area.

Council operates as a revenue collector for the Natural Resources Management Board in this regard. It does not retain any of the revenue, nor calculate the amount required or determine how the revenue is spent.

The Natural Resources Management (NRM) Levy is declared as a separate rate and will appear separately on rate notices. For 2016/17 there will be an estimated 4.08% increase on the levy amount that was raised in 2015/16. The amount raised through the NRM Levy will help to ensure effective management of the regions natural resources.

Any questions in relation to the Natural Resources Management Levy should be directed to the Adelaide and Mount Lofty Ranges Natural Resources Management Board on (08) 8273 9100.

Additional detail on rates in the City of Playford can be found in the Rating Policy 2016/17 located on Council's website.

Rebates and remissions

The City of Playford supports the provision of equitable services and facilities that meet the needs of the whole community.

In accordance with section 166 of the *Local Government Act 1999*, the City of Playford will consider a rebate of rates, remission of rates or postponement of rates payable on some land upon assessment of its merits against the provisions outlined in the Act.

For further details please see the Rate Relief Policy.