



CITY OF
TEA TREE GULLY
Naturally Better



2021–2022

Annual Business Plan and Budget

The City of Tea Tree Gully's Annual Business Plan and Budget are key documents in our overall planning framework, and set out our projects, services and programs for the financial year and how we intend to finance them.

The Annual Business Plan and Budget have been developed through an extensive process of consultation and review by Elected Members, council staff and consultation with the community.

These documents support our long-term strategic direction, which is outlined in Council's Strategic Plan 2025, as well as our Long-Term Financial Plan and asset management plans.

The Annual Business Plan is designed to meet the legislative requirements of the Local Government Act 1999.

For more information call 8397 7444 or visit cttg.sa.gov.au/abp

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Introduction

In 2021–2022 we will continue to progress important projects by investing more than \$40 million in community infrastructure.

This year, we will commence stage 1 of a proposed \$12 million community building at Harpers Field (Golden Grove). The jointly funded project with the State Government will generate much-needed jobs during construction. Upon completion, it will also offer long-term health and wellbeing benefits to those who use the facility.

To ensure our existing buildings remain fit for purpose, we have allocated a combined \$5.2 million to building renewal and upgrades, including an accessibility audit.

We will invest heavily in roads and footpath spending about \$7.6 million on improving safety and accessibility across the City.

The Road and Cycle Safety Centre will be modified to allow it to open for families to ride bikes in a safe and secure environment, without having to book.

Our commitment to the revitalisation of the Modbury Precinct will see the proposed Australia Avenue housing development enter the planning phase. There will also be more upgrades for the Meadowvale Inclusive Precinct and streetscape improvements for Golden Grove, Montague and North East Roads.

More playgrounds will be improved, with playground equipment to be installed at Alicante, Kaplan and Verdant reserves.

Our major event program will excite many residents (subject to COVID-19 restrictions), with several new events to be offered. This will complement our Civic Park Carols, Summer Garden Festival and outdoor movie events.

Much of the remainder of our budget will fund essential services, such as waste collection, verge mowing, library services and community centres.

This vital investment in our City and the wellbeing of our community will help accelerate economic recovery, which could be further bolstered if more State and Federal government funding becomes available for strategic funding partnerships.

To fund this year's draft Annual Business Plan and Budget, we have proposed a 2.7% rate increase, excluding any increases due to growth. This will more than \$100.8 million in operating income.

As a Council, we have worked hard to balance community needs with affordability, having absorbed many cost pressures in 2020–2021, after delivering a 0% increase in rate revenue. These include significant costs for waste removal and processing, as well as those caused by COVID-19.

Our resilience and commitment to our community have enabled us to pull through this challenging period more united and focused than ever. Our strong and proactive plan commits us to provide genuine, meaningful and sustainable value to our residents, while seeking ways to reduce our reliance on rates revenue. In 2021–2022, we will accelerate this process by restructuring our organisation, and reviewing our service standards and how we ultimately define success.

The plan for 2021–2022 reflects the vision and aspirations of our five-year strategic plan. It builds on the progress we have made to improve our City, strengthen our economy and foster a resilient community.



City profile



9,521 ha

Total land area



590 km

Sealed roads

1,229 km

Kerbs and gutters

560 km

Sealed footpaths

107.2 km

Unsealed footpaths



606

Parks and reserves

1,305 ha

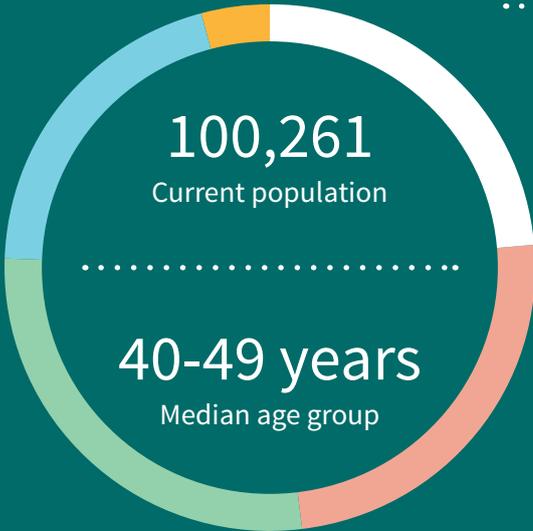
Open space

500,000+

Street and reserve trees

119

Playgrounds



- 0-19 years (23.8%)
- 20-39 years (24.5%)
- 40-59 years (27.4%)
- 60-79 years (20.2%)
- 80+ (4.1%)



27.7%
of residents
born overseas

19.5%
undertaking
voluntary work

50.3%
with tertiary
qualifications



41,944*
Number of
dwellings



5,479
Registered businesses

\$3.2 B
Gross Regional
Product

*Estimated number of dwellings in the City of Tea Tree Gully region in 2021 - Remplan

Strategic direction

Council uses a suite of strategic management plans to set its priorities and guide its decision making and annual business planning, including budgeting.

The Strategic Plan 2025 is the lead document in Council’s strategic planning framework. It articulates our vision and aspirations for the community – that is, everyone who lives in, works in or visits the City of Tea Tree Gully.

This plan builds on the progress we have made to improve our city, strengthen our economy, enhance our open spaces and parks, create a quality lifestyle and foster a resilient and resourceful community.

Community wellbeing is at the heart of the plan, which aims to build a healthy community that enjoys a quality lifestyle. The plan is structured around five aspirations, each with its own objectives:

- Community
- Environment
- Economy
- Places
- Leadership.

To achieve these wellbeing outcomes we will need to think differently, show strong leadership and adopt a genuinely collaborative approach to working with state and federal governments, local businesses and our communities.

Council endorsed the Strategic Plan 2025 on 24 September 2019.

To ensure that we have the flexibility to adjust to changing priorities and build our capacity, we have also developed a plan geared towards improving the way we do business. The Organisation Plan 2025 is structured around four themes:

- Customer care
- Learning and growth
- Future capability
- Sustainable operations.

In working towards this vision, the 2021–2022 Annual Business Plan and Budget identifies key projects, programs and services that will deliver the aspirations and objectives identified in these plans.

The chart below illustrates how we are tracking against the KPIs for each theme outlined in our previous Strategic Plan.

Strategic Plan 2025: Summary progress report to Q2 2020–2021

Community	100%
Environment	98%
Economy	100%
Places	100%
Leadership	93%
Overall	100%

1. Community

We create opportunities for people to connect with one another and to their local community.

Objectives

- 1.1 People feel a sense of belonging, inclusion and connection with places, spaces and the community
- 1.2 Diversity is welcome and celebrated
- 1.3 There are opportunities for people to volunteer, give back and share their skills with others in the community
- 1.4 Our services are accessible to all and respond to changing community needs
- 1.5 People can have a say in decisions that affect them and the key decisions of the Council.

Relevant community wellbeing pillars: Healthy, Prosperous, Connected, Liveable.

2. Environment

We are leaders in how we manage and care for our environment, we minimise the impacts of climate change, protect our community from public and environmental health risks, and actively promote sustainable and healthy living.

Objectives

- 2.1 Environmentally valuable places and sites that are flourishing and well cared for
- 2.2 A community that is protected from public and environmental health risks
- 2.3 The carbon footprint of our city is reduced through the collective efforts of community and Council, including business
- 2.4 Our consumption of natural resources is minimised by reducing, reusing and recycling products and materials, and using renewable resources
- 2.5 We are resilient to climate change and equipped to manage the impact of extreme weather events
- 2.6 Our tree canopy is increasing.

Relevant community wellbeing pillars: Healthy, Safe, Prosperous, Liveable.

3. Economy

We support a thriving local economy where businesses are successful and people have access to a range of employment and education opportunities.

Objectives

- 3.1 Modbury Precinct is revitalised as the city's key activity centre
- 3.2 A population profile that supports a growing economy
- 3.3 A local economy that is resilient and thrives, where businesses are supported to grow and prosper, provide local jobs and sustain our community and visitors and utilise technology to improve the liveability of our City
- 3.4 People are supported to develop their leadership and employment capabilities
- 3.5 Support the efficient use of land for valuable mineral extraction and energy resources.

Relevant community wellbeing pillars: Healthy, Safe, Connected, Prosperous, Vibrant, Liveable.

4. Places

We create places where people enjoy living and spending time because they are appealing, safe, accessible and interesting.

Objectives

- 4.1 Streets, paths, open spaces and parks are appealing, safe and accessible
- 4.2 Opportunities exist to express and experience art and culture
- 4.3 Neighbourhoods are easy to move around and are well connected with pedestrian and cycle paths that offer an alternative to cars

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- 4.4 Buildings and places are well designed, energy efficient and display a uniqueness of character and identity
 - 4.5 Housing is well designed and affordable and responds to the changing needs of existing and future residents
 - 4.6 Infrastructure and community facilities are fit for purpose, constructed using sustainable practices and well maintained.

Relevant community wellbeing pillars: Healthy, Safe, Connected, Prosperous, Vibrant, Liveable.

5. Leadership

We are trusted to make good decisions that are in the best interests of our community.

Objectives

- 5.1 Leadership and advocacy is focused on the long-term interests of the community
- 5.2 Customer service provides a positive experience for people, is based on honesty and transparency
- 5.3 Planning considers current and future community needs
- 5.4 Delivery of services is sustainable and adaptable
- 5.5 Decision making is informed, based on evidence and is consistent
- 5.6 Major strategic decisions are made after considering the views of our community.

Relevant community wellbeing pillars: Healthy, Safe, Connected, Prosperous, Vibrant, Liveable.



Measuring our performance

The measure of our success is driven by the achievement of the objectives outlined in our Strategic Plan and our Organisation Plan.

A series of performance indicators have been developed to measure our progress against our objectives. These are measured in our annual community survey and the results are summarised in our Annual Report.

In addition to these indicators we also use a number of financial measures to assess the achievements of our organisation, which are detailed on pages 42-43.

Full details of Council’s projects and priorities for 2021–2022 are available at cttg.sa.gov.au/abp

Measures of success

	2020–2021	2021–2022
Wellbeing indicators	Result	Target
Overall community wellbeing score	78.9	75
Resident satisfaction with their life as a whole	67%	65%
Resident satisfaction with how safe they feel	76%	71%
Resident satisfaction with feeling part of the community	49%	46%
Resident satisfaction with opportunities to have their say	59%	57%
Resident satisfaction with the provision of community centres, services and programs	70%	68%
Resident satisfaction with the provision of arts and cultural performances and activities	64%	65%
Resident satisfaction with Council-run major events	82%	88%
Resident satisfaction with library services	88%	90%

Capital works indicators	2020–2021 Result	2021–2022 Target
Capital works projects completed by 30 June 2021	73.4%	90%
Resident satisfaction with the provision of footpaths (local)	54%	59%
Resident satisfaction with the maintenance of footpaths	50%	49%
Resident satisfaction with the appearance of roadside verges	56%	53%
Resident satisfaction with the maintenance of street trees	60%	55%
Resident satisfaction with waste and collection services	74%	93%
Resident satisfaction with the control of litter and rubbish	76%	74%
Customer service indicators		
Overall resident satisfaction with customer experience	7.3	7.0
Overall resident satisfaction with Council communications	67%	75%
Enquiry resolution at the first point of contact	8.7	6.5



Continuing services

We provide a range of services, programs and infrastructure to meet the needs of our community and to fulfill our legislative requirements under the *Local Government Act 1999*.

Under the *Local Government Act 1999* and other relevant legislation, all councils have basic responsibilities, which include:

- Regulatory activities, including development planning and control, and fire safety
- Setting rates, preparing an annual business plan, including budgets, and developing longer-term strategic management plans, asset management plans and financial plans
- Management of infrastructure and other assets, including roads, footpaths, parks, street lighting and stormwater drainage
- Street cleaning and rubbish collection
- Environmental health services, including public health inspections, immunisation and pest control.

These services, programs and facilities provide important community benefits and generate revenue, which allows us to minimise rate increases while still providing funding for services and new initiatives that benefit our City and community.

Infrastructure management

Services include:

- Roads, footpaths and shared-use paths
- Streetscape maintenance
- Public lighting
- Community Waste Water Management System
- Stormwater management
- Traffic management and street signage
- Community halls and buildings
- Playgrounds
- Cycling and walking trails
- Cemeteries
- Works depot administration
- Garffiti removal
(provided by our volunteers).

Waste and recycling

Services include:

- Kerbside collection of household waste, recyclables and green organics
- Hard waste collections on call
- Enviro Care Sunday
- Public litter bins
- Illegal dumping.

Trees, parks, sport and recreation

Services include:

- Reserve maintenance, planning and planting
- Sports and recreational facilities
- Street tree planting and maintenance
- Weed control
- Waterworld Aquatic Centre.

Community, health, aged and youth services

Services include:

- Community support and development
- Community programs
- Home care assistance
- Respite and Carer Support Program
- Youth services
- Aboriginal Elders Program
- Reconciliation activities
- Immunisation
- Community engagement
- Justice of the Peace
(provided by our volunteers)
- Awards, sponsorships and grants .

Economic development, regulatory services, environment and planning

Services include:

- City planning
- Building approvals and inspections
- Urban design and planning advice
- Business support and advisory
- Investment attraction
- Health services
- Food premises inspections
- By-laws, permits and access control
- Traffic management and street signage
- Parking management
- Animal and pest control
- Fire prevention
- Creek management.

Community events, arts and heritage

Services include:

- Community events and celebrations
- Performing and visual arts
- Placemaking
- Citizenship ceremonies.

Library and community facilities

Services include:

- Library services
- Lifelong learning programs
- Facility hire (casual and long term)
- Road and Cycle Safety Centre.

Governance, communications and administration

Services include:

- Corporate governance
- Policy development and review
- Financial management and services
- Information management and services
- Customer services
- People and organisational development
- Volunteer services
- Internal and external communications
- Media liaison and marketing.



2021–2022 Capital Works Program

Capital works	Expenditure \$'000
Road reconstruction/renovation	
Flockhart Avenue (Wahroonga Avenue to North East Road), Valley View	105
Chatswood Grove (Elysium Drive to end), Golden Grove	424
Pinehurst Street (Holly Place to end), Golden Grove	230
Terry Crescent (Tasman Avenue to Brenda Avenue), Gilles Plains	196
Birch Grove (Tristiana Terrace to Parson Road), Dernancourt	334
Lowan Avenue (North East Road to Valiant Road), Holden Hill	281
Green Valley Drive, Greenwith – Design	70
Rifle Range Road, Greenwith – Design	50
	1,690
Road resealing	
Watts Road (Lawrence Avenue to end), Dernancourt	67
Marie Clark Drive (Bicentennial Drive to Sutherland Place), Golden Grove	51
Josephine Street (Amber Road to Lower North East Road), Highbury	26
Bell Court (Mitchell Avenue to end), Highbury	18
Duncan Crescent (Mitchell Avenue to Beckman Avenue), Highbury	39
Aqueduct Way (Majestic Grove to end), Highbury	30
Rega Avenue (Aries Avenue to Canopus Avenue), Hope Valley	17
Canopus Avenue (Rega Avenue to Aries Avenue), Hope Valley	45
Sirius Avenue (Tolley Road to Canopus Avenue), Hope Valley	31
Aries Avenue (Sirius Avenue to end), Hope Valley	20
Hele Court (Molvig Avenue to end), Hope Valley	11
Berryman Drive (Connie Street to Montague Road), Modbury	60
Berryman Drive (Wright Road to Connie Street), Modbury	44
Page Street (Australia Avenue to end), Modbury	9
Bayclay Street (Billabong Road to Carribean Terrace), Modbury Heights	25
Carribean Terrace (Manooka Street to Kelly Road), Modbury Heights	49
Shakespeare Way (Manooka Street to Bayclay Street), Modbury Heights	32
Eros Street (Kelly Road to Noya Avenue), Modbury Heights	15
Hadrian Court (Robling Street to end), Modbury Heights	9
Sherwell Avenue (Burra Street to Alexander Avenue), Modbury North	46
Isambard Court (Brunel Drive to end), Modbury Heights	9
Magnus Court (Maxlay Road to end), Modbury Heights	5
Monash Court (De Sassenay Crescent to end), Modbury Heights	7
Yeates Court (Tresauget Street to end), Modbury Heights	7
Iliad Grove (Fairleigh Avenue to end), Modbury North	26

Capital works	Expenditure \$'000
Road resealing (continued)	
Bimba Court (Oratanga Road to end), Modbury North	13
Fairleigh Avenue (Montague Road to end), Modbury North	35
Alawa Avenue (Beltana Avenue to Fairleigh Avenue), Modbury North	35
Beltana Avenue (Fairleigh Avenue to end), Modbury North	59
Cinnamon Avenue (Whiting Road to end), St Agnes	46
Claridge Court (Sarnia Farm Road to end), St Agnes	33
Zed Court (Zara Court to end), Surrey Downs	6
Frontignac Court (Surrey Farm Drive to end), Wynn Vale	50
Pedro Place (Frontignac Court to end), Wynn Vale	14
Pinot Place (Frontignac Court to end), Wynn Vale	15
Reisling Road (Park Lake Drive to Alicante Avenue), Wynn Vale	30
Jacaranda Grove (Juniper Street to end), Golden Grove	12
Rostrum Place (Rotary Court to end), Modbury North	6
Mobius Crescent (Einstein Drive to Einstein Drive), Golden Grove	109
Einstein Drive (Mobius Crescent to end), Golden Grove	85
Citronelle Place (Grenadine Avenue to end), Golden Grove	23
Underwood Close (Reiby Place to end), Golden Grove	52
Ruse Court (Bennelong Court to end), Golden Grove	22
Verdelho Street (Palomino Parade to Cabernet Avenue), Wynn Vale	24
	1,367
Roads to Recovery	
Golden Grove Road (Rifle Range Road to Tongariro Road), Greenwith	332
Memorial Drive (bridge to Dowding Terrace), Tea Tree Gully	800
	1,132
Re-sheeting unsealed roads	
Falkenburg Road, Golden Grove	25
Ross Road, Golden Grove	35
Melville Road, Gould Creek	40
Castrees Road, Upper Hermitage	30
Milne Road, extension Banksia Park	17
	147
New footpaths and bus stop Disability Discrimination Act (DDA) upgrades	
Wongabeena Drive to number 10 Casuarina Avenue, Surrey Downs	95
Balmoral Road (laneway near Lower North East Road to Balmoral Reserve), Dernancourt	26
Balmoral Road (Lyons Road to opposite Wells Road), Dernancourt	15
Minerva Crescent (Olympus Avenue to number 16 Minerva Crescent), Modbury Heights	79
Chapel Road (Byre Street to number 32 Chapel Road), Modbury North	67
Chrysler Drive (Southern Terrace to Lyons Road), Holden Hill	94
Crissoula Avenue (Barracks Road to number 32 Crissoula Avenue), Hope Valley	29

Capital works	Expenditure \$'000
New footpaths and bus stop DDA upgrades (continued)	
Trim Drive (opposite Mattison Drive to Karyn Place), Ridgheaven	13
Shakespeare Way, Modbury Heights	43
Willson Road, Gilles Plains	51
Lake Eyre Close (Reserve connection to Lakeside Court), Greenwith	4
Margate Avenue (Kennington Road to Italia Street), Hope Valley	18
Pauline Drive (Yatala Vale Road to Amanda Drive), Surrey Downs	74
Reisling Road (Alicante Avenue to Park Lake Drive), Wynn Vale	36
Carribean Street (Manooka Street to Kelly Road), Modbury Heights	67
Harris Road (Stevens Road to Barkala Court), Redwood Park	9
Sherwood Drive (Essex Street to Harris Road), Redwood Park	54
Wakefield Crescent (McPharlin Avenue – Farrow Street), Redwood Park	65
Yanakie Avenue (Baxter Avenue to Pringle Avenue), Surrey Downs	18
Hancock Road (Palmer Street to 345 Hancock Road), Greenwith	72
Dundee Road / Edinburgh Road / Reserve, Modbury	100
Wirilda Avenue, Surrey Downs	100
Golden Grove Road footpath stage 1 - CTTG contribution	600
Golden Grove Road footpath stage 2 - CTTG contribution	350
Disability Discrimination Act (DDA) compliant bus stop upgrades	500
	2,579
Unsealed footpaths	
Beckman Avenue Reserve, Highbury	25
Dresden Road Reserve, Modbury Heights	19
Mallett Street Reserve, Surrey Downs	31
Noya Avenue Reserve, Modbury Heights	38
Hargrave Street Reserve, Modbury Heights	18
Von Braun Plantation Reserve, Modbury North	39
Solandra Crescent Reserve, Modbury North	39
Zephyr Court Reserve, Surrey Downs	43
Veronica Avenue Reserve, Modbury North	40
Nicholas Court, Tea Tree Gully	20
Rose Crescent, Modbury North	20
Vaucluse Reserve, Valley View	30
Sandpiper Court, Modbury Heights	18
Coalport Terrace, Modbury Heights	25
Rodeo Drive, Wynn Vale	20
Golden Fields, Golden Grove	25
	450
Bridge renewal	
Mulkarra Street bridge renewal, Ridgheaven	670
	670

Capital works	Expenditure \$'000
Lighting	
Lighting – Streetlight changeover to LED	544
Bulkana Oval lighting	191
Sports lighting renewals and upgrades	138
Tango Netball and Modbury Tennis Club lights	300
Modbury Sporting and Community Club lighting upgrade	307
	1,480
Water and drainage	
Community Wastewater Management System (CWMS) – Install infrastructure for property owners	282
Community Wastewater Management System (CWMS) – Asset renewal and upgrade	378
Pegasus Pony Club irrigation	33
Drainage renewal program – Asset Management Plan	450
Ladywood Reserve irrigation and drainage	270
Backflow prevention device installation	125
Irrigation flow sensor installation	100
Harpers Field irrigation pump	25
Recycled water control equipment	30
Stormwater infra assessment of Dry Creek catchment stage 1	80
Creek rehabilitation program	180
	1,953
Traffic management and signage	
Traffic – Lyons Road and Tarton Road roundabout, Holden Hill	150
Traffic – Montague Road Junction deceleration lane, Modbury	275
Signage – community and various site replacements	100
Traffic management treatments – general various improvements	50
Replacement of advisory and regulatory signage	268
284 Milne Road pedestrian crossing, Modbury Heights	30
Milne Road and Lokan Street, Redwood Park	25
Greenwith Community Centre (entry and exit), Greenwith	45
	943
Open space – sporting, park and playground upgrades	
Shade structure replacement – various	28
Bentley Reserve skate bowl, Holden Hill	440
Balmoral playground resurfacing	130
Ridgehaven playground, Ridgehaven	98
Greenwith campus playground, Greenwith (includes shade)	144
Alicante Reserve playground, Wynn Vale	150
Verdant Reserve playground (Bent Court), Wynn Vale	140
Kaplan Reserve playground, St Agnes	140
Golden Fields Adventure Playspace, Golden Grove	1,500
Playgrounds – various	100

Capital works	Expenditure \$'000
Open space – sporting, park and playground upgrades (continued)	
Court upgrades – hard court audit	90
Golden Grove Tennis Club court resurfacing and paving	90
Hope Valley Tennis Club court resurfacing, Hope Valley	30
Turrumurra Recreation Centre – squash court conversion	70
Upgrade of cricket practice net – Morawa Reserve, Gilles Plains	15
Shared fencing	50
Fencing – Ridgehaven Reserve, Ridgehaven	25
Fencing – Boronia Reserve Valley Road, Hope Valley	7
Fencing – Kathleen Mellor Kindergarten, Tea Tree Gully	8
Fencing – Memorial Drive tennis court, Tea Tree Gully	95
Fencing – Tea Tree Gully Motorcross Club, Greenwith	40
Linear Park aqueduct headwall, Highbury	6
Wicks Reserve headwall, Highbury	5
Cycleway fence River Torrens Linear Park (Gallery Road), Highbury	20
Ladywood Reserve bollards, Modbury North	10
Solandra Reserve boardwalk, Modbury North	100
Outdoor furniture	50
	3,580
City beautification works	
City beautification – Meadowvale Aged Friendly Precinct, Modbury	1,300
City beautification – Reservoir Road streetscape works	735
City beautification – Golden Grove Road streetscape works	300
City beautification – Richardson Drive streetscape works	5
City beautification – Golden Grove Road revegetation	160
City beautification – The Golden Way (Marie Clark Drive to Carden Court)	25
City beautification – North East Road, Modbury	515
City beautification – Lot 50 Golden Grove Road, Modbury North	500
Main Roads and Gateways - Montague Road design	450
Open space - Solandra Reserve, Modbury North	350
Open space – Edinburgh Reserve, Modbury (includes playspace)	1,000
Upgrade streetscape Montague Road – Ladywood and North East Road, Modbury	500
Tree screen – Grenfell Road (1 Planica Court to 18 Baraga Grove), Modbury Heights	135
Tree screen – The Golden Way and The Golden Way (south west)	13
Tree screen – The Golden Way (20 Hillrise Court to 11 Hillrise Court), Wynn Vale	197
Tree screen – The Golden Way (Grenfell Road to 103 The Golden Way)	15
Tree screen – Scarborough Plantation (Friendship Crescent to Keithcot Farm Drive), Wynn Vale	135
Tree screen – Linwood plantation (Wynn Vale Drive to Keithcot Farm Drive), Wynn Vale	100
	6,435

Capital works	Expenditure \$'000
Capital buildings renewal	
Operational – Library air conditioning replacement stage 1	215
Operational – Civic Centre air conditioning replacement stage 2	550
Traffic – Road and Cycle Safety Centre upgrade	452
Asset Management Plan renewals – Community buildings	123
Asset Management Plan renewals – Recreational buildings	604
Asset Management Plan renewals – Sporting buildings	145
Asset Management Plan renewals – Operational buildings	253
Asset Management Plan renewals – Amenities buildings	40
	2,382
Capital buildings – new and upgrades	
Richardson Reserve multi-use facility stage 2	1,000
Building future project fund	930
Operational - Animal shelter (joint project with Salisbury Council)	300
Various building fire safety improvements	30
Disability Access and inclusion Plan (DAIP) building upgrades – community buildings audit	140
Immunisation clinic – uninterrupted power supply (battery)	8
Keyless building access system	80
Redevelopment of occasional care room, Surrey Downs Community Centre	20
Tea Tree Gully CFS building fire safety improvements	30
Men's Shed dust extractor and ducting system	20
Waterworld – entrance turnstile and foyer works	150
Service Centre improvement	150
Linear Park toilet – Location to be determined by Council	190
Linear Park toilet – Location to be determined by Council	190
Harpers Field Community Building and Sporting Clubroom	3,000
Modbury Bowling Club	1,589
Modbury Soccer Club upgrade, Modbury	1,342
	9,169
Environmental projects	
Green bins – compostable waste per audit findings	87
Solar Energy program – Service Centre – Shed 2	189
	276
Information technology	
Customer First portal	80
Booking systems stage 2	25
Website and intranet	30
Complimentary workflow engine	50
Recreation Centre point of sales system upgrade	60
ITS – Information Technology Asset Management Plan (ITAMP) – Infrastructure	1,050
Open data program – ITAMP	150

Capital works	Expenditure \$'000
Information technology (continued)	
Enterprise information management – ITAMP	100
eServices automation	250
Enterprise content management	200
Identity and access management	100
Enterprise software module – works and assets, property and rating	350
Internet of Things phase 2	50
Immunisation clinic – booking system	24
Dial Before You Dig automation – Council infrastructure	10
	2,529
Other	
Community buildings – replacement of chairs and tables	24
Projects to be grant funded (to be determined)	650
Plant and equipment replacement program	2,624
Library books	366
	3,664
Total capital works program 2021–2022	40,446



Infrastructure asset management plans

Our infrastructure asset management plans are key components of our Long-Term Financial Plan and are used to guide the planning, construction, maintenance and operation of our assets.

We are responsible for the management, operation and maintenance of approximately \$1.57 billion of infrastructure assets on behalf of the community.

It is important that these assets are provided in a continuous and financially sustainable manner, taking into consideration our strategic priorities, legislative obligations, community expectations and available resources.

Collectively our Asset Management Strategy 2016–2026 and set of infrastructure asset management plans (IAMPs) provide a robust planning framework for short- and long-term service delivery and will ensure that we continue to effectively manage our asset portfolio.

The following IAMPs were updated in December 2020 following community consultation in mid to late 2020:

- Transport Asset Management Plan
- Buildings Asset Management Plan
- Open Space Asset Management Plan
- Stormwater Asset Management Plan
- CWMS Asset Management Plan.

These IAMPs include detailed information about each asset and define which services will be provided, how they will be provided and what funding is required to cost-effectively deliver them.

Full details of Council's IAMPs are available on our website at cttg.sa.gov.au

Review of assets

We regularly review our assets to ensure they continue to meet our strategic planning priorities. If we consider assets to be surplus to Council's or the community's needs, we will seek community feedback on their sale.

Any money received from the sale of our assets is used to fund capital or refurbishment works in line with our Land Strategy and Long-Term Financial Plan (LTFP).

In purchasing new assets, we consider:

- Our current operating surplus or deficit
- Any additional depreciation, maintenance costs and interest expense on borrowings
- The impact of purchase on our operating surplus or deficit
- Any need to increase council rates to fund the purchase and/or ongoing maintenance costs
- The age, life expectancy, suitability and service potential of any asset
- The discounted cash flow analysis, where appropriate.



Funding the Annual Business Plan

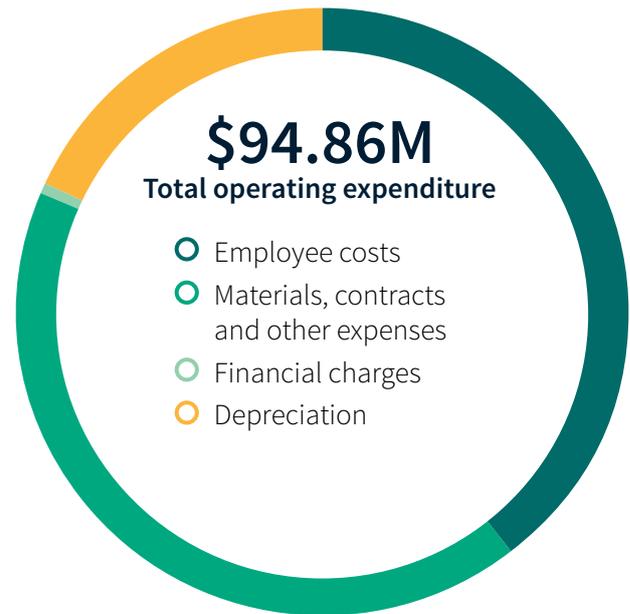
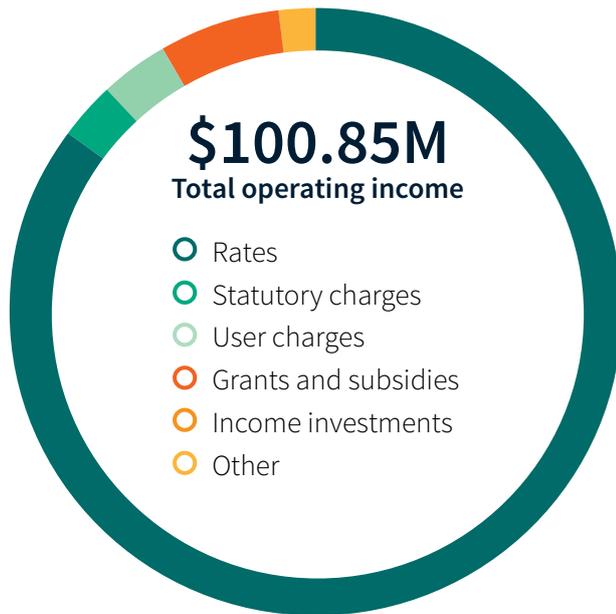
Our ability to deliver on the strategic directions included in the Strategic Plan 2025 and the projects, programs and services set out in this plan is dependent on Council having sufficient funds.



2.7%

Average rate increase
in 2021–2022.

- Rates are our main source of funding and represent approximately 85% of our total revenue.
- Rates are set in line with our Financial Sustainability Policy and are impacted by our many plans, including our Strategic Plan, Organisation Plan, IAMPs and Long-Term Financial Plan.
- This year, the average general rate will increase by 2.7% (apart from any increases due to growth), which means a total of \$85.9 million will be collected in rates this year.
- Our rate revenue will be supplemented with \$14.9 million in funding from other sources, such as fees and charges and state and federal government grants, investment income and loan borrowings.
- The collected funds will help pay for essential services such as waste collection, management of infrastructure, public health and safety, as well as major capital projects and the provision of community programs and events.
- We are mindful that borrowing levels still need to be managed and they will remain within the target range of 25%–35% during 2021–2022. To achieve this, we have budgeted for a modest operating surplus of \$5.99 million in 2021–2022.
- This surplus (i.e. the difference between operating revenue and expenses for the financial year) will help us to achieve the key principles set out in our Long-Term Financial Plan 2022–2031 (LTFP).
- Set over a ten-year period, the LTFP ensures that we operate in a financially sustainable manner, controlling our debt levels, while delivering services, maintaining assets and appropriately funding new initiatives that support our strategic direction.



Significant influences and priorities

In preparing the 2021–2022 Annual Business Plan and Budget and setting the rate adjustment, we have taken into account a range of factors:

- The impact of COVID-19 on Council’s operations and financial position
- The continued year-on-year increases in the State Government’s Solid Waste Levy, which increased to \$1.40 per tonne in January 2020, costing Council an additional \$454,000
- Increased costs associated with receiving and processing residential recycled waste material
- The impact of the Adelaide Consumer Price Index (CPI) of 1.0% (as at December 2020)
- Local Government Price Index (LGPI)
- The maintenance and renewal of existing assets, including roads, footpaths, stormwater drainage, lighting, council-owned properties and open space (parks and reserves)
- Our Enterprise Bargaining Agreements (EBA), which provide for employee wage and salary increases of 1.8% in 2021–2022
- Transition to ‘pay as you go’ model for our ICT systems
- Expanding service and infrastructure needs of our community, including playground audits.
- Cost associated with maintaining the renewed Modbury Precinct.



Financial statements

The budget was developed through an extensive process of consultation and review by Elected Members and council staff.

This year's Budget is based on the principle of financial sustainability and aims to ensure that emerging and continuing priorities are appropriately resourced.

Our financial statements are set out below together with an explanation on the following pages.

Statement of comprehensive income for the 2021–2022 financial year

	2019–2020 Actuals \$'000	2020–2021 Original budget \$'000	2020–2021 Current forecast \$'000	2021–2022 Budget \$'000
Income				
Rates	81,946	82,927	82,927	85,890
Statutory charges	2,594	2,956	2,837	2,874
User charges	3,134	3,835	3,099	3,754
Grants and subsidies	6,518	8,060	7,720	6,523
Investment income	66	20	40	20
Reimbursements	57	81	81	83
Other revenue	2,856	1,683	2,069	1,710
Equity accounted Council business	(14)	-	-	-
Total income	97,156	99,517	98,773	100,855
Expenses				
Employee costs	37,260	37,534	36,862	37,648
Materials, contracts and other expenses	37,361	38,394	38,107	39,570
Finance charges	1,027	550	550	550
Depreciation	16,424	16,679	16,679	17,096
Total expenses	92,072	93,157	92,198	94,864
Operating surplus or (deficit)	5,084	6,361	6,576	5,991
Net gain / (loss) on disposal or revaluation of assets	(1,929)	626	340	912
Capital grants	1,642	2,715	3,079	7,862
Capital contributions	-	690	781	406
Physical resources received free of charge	196	255	255	232
Net surplus / (deficit) resulting from operations	4,992	10,647	11,031	15,402

Operating revenue

Rates

For 2021–2022 our total rate revenue is projected to be \$85.9 million. This is an increase of \$2.9 million (or 3.6%) over the previous year. This figure includes a \$20 increase per property in the Community Wastewater System service charge.

We propose a general rate revenue increase of 2.7% for 2021–2022. This is based on the cost of maintaining existing services and the projected costs included in the infrastructure asset management plans and the Long Term Financial Plan.

In addition, we expect to receive a 1.0% increase in rates revenue due to new developments, subject to confirmation from the Valuer-General.

A total of 15% of our general rate revenue will be derived from our commercial, industrial and vacant land use, with the remaining 85% of rate revenue to come from residential, primary production and other land use.

Statutory charges

Statutory charges are fees for regulatory services, such as permits and licences, or the regulation of an activity. They include Development Act fees, parking fines and dog registration fees.

These fees are set by the State Government. Notification of these fees is provided annually in July.

User charges

User charges are fees that relate mainly to the recovery of the costs of delivering some of Council's services. These are fees charged for the use of community facilities and recreation centres.

User charges in 2021–2022 are projected to decrease by \$81,000 compared with the previous year.

Grants and subsidies

This item includes grants and subsidies from all sources, except amounts received specifically for new or upgraded assets. Total grant revenue is budgeted to decrease in 2021–2022 by \$1.537 million, due partly to a reduction in funding through the Australian Government's Roads to Recovery program.

Investment income

Council earns interest from money held with financial institutions. The interest earned on these funds is estimated to be \$20,000 in 2021–2022. This sum will be offset against borrowings.

Reimbursements

Reimbursements are payments for work Council has performed as an agent for others – for example, employee services we have provided to other councils. We estimate a reimbursement revenue of \$83,000 in 2021–2022.

Other revenues

This is revenue not classified in the six categories above. Of the estimated \$1.7 million of other revenue projected for 2021–2022, \$500,000 is for estimated workers' compensation insurance rebate and \$470,000 is the estimated amount for sickness and income protection.

Operating expenses

Employee costs

Employee costs include all labour-related expenses, such as wages, salaries, and additional costs such as allowances, leave entitlements and employer superannuation.

Employee costs are budgeted to increase by \$114,000. This reflects the rising costs of a 1.8% (\$675,610) increase in the Enterprise Bargaining Agreement, which has been off-set by identified savings to ensure the LTFP efficiency dividend of \$500,000 is achieved.

In 2021–2022 we have provided for a total of 366 FTE employees in the budget. This represents a 4% decrease in the number of FTEs in comparison to 2020–2021 financial year. This reduction has been achieved through vacancy management and efficiency reviews throughout the organisation without impacting frontline services to the community.

We allocate employee costs directly related to capital projects separately within the capital budget. These represent an additional sum of \$1.6 million.

Materials, contracts and other expenses

Materials are physical goods, such as consumables, water and energy. Contractual services are payments for external service providers, including labour, materials or subcontractors who are hired under contract.

Other expenses are those other than the costs of employees, materials and contractual services.

We forecast the cost of materials, contractual services and other expenses to increase by \$1.2 million in 2021–2022.

Finance charges

Finance charges are the costs of financing our activities through borrowings or financial leases. We forecast finance charges to remain in-line with the previous financial year.

Depreciation

In 2021–2022 our depreciation expense is forecast to be \$17 million, representing an increase of \$417,000 due to the increase of assets being added.

Uniform presentation of finances for 2021-2022 financial year

	2019–2020 Actuals \$'000	2020–2021 Original budget \$'000	2020–2021 Current forecast \$'000	2021–2022 Budget \$'000
Operating				
Operating revenue	97,156	99,517	98,773	100,885
Less operating expenses	(92,072)	(93,157)	(92,198)	(94,864)
Operating surplus / (deficit) before capital amounts	5,084	6,361	6,576	5,991
Less net outlays on existing assets				
Capital expenditure on renewal and replacement of existing assets	17,035	16,564	14,612	19,450
Less depreciation, amortisation and impairment	(16,424)	(16,679)	(16,679)	(17,096)
Less proceeds from sale of replacement assets	(593)	(626)	(340)	(912)
Net outlay on existing assets	18	(741)	(2,407)	1,442
Less net outlays on new and upgraded assets				
Capital expenditure on new and upgraded assets	7,326	13,584	11,156	20,764
Less amounts received specifically for new and upgraded assets	(1,642)	(3,405)	(3,860)	(8,268)
Less proceeds from sale of surplus assets	(3,561)	-	-	-
Net outlay on new and upgraded assets	2,123	10,179	7,296	12,496
Net lending / (borrowing) for financial year	2,943	(3,077)	1,687	(7,947)

Net outlays on existing assets

We will allocate \$19.45 million for the renewal of existing assets. We aim to keep our level of spending in line with the infrastructure asset management plan forecasts.

Net outlays on new and upgraded assets

We will allocate \$20.8 million to new and upgraded assets, with \$3 million allocated to the commencement of stage 1 of the new Greenwith Community Building and Sporting Clubroom.

We will factor the ongoing maintenance and depreciation expenses associated with capital expenditure on new and upgraded assets into our future budgets and updates of the Long-Term Financial Plan.

Financing strategy

We have determined that borrowings will increase in 2021–2022 by \$7.39 million. This is due to the 2020–2021 carry forward projects.

Statement of cash flows for the 2021–2022 financial year

	2019–2020 Actuals \$'000	2020–2021 Original budget \$'000	2020–2021 Current forecast \$'000	2021–2022 Budget \$'000
Cash flows from operating activities				
Receipts				
Operating receipts	103,914	99,498	98,733	100,835
Investment receipts	66	20	40	20
Payments				
Operating payments to suppliers and employees	84,775	75,928	74,969	77,218
Financial payments	1,027	550	550	550
Net cash provided (or used in) operating activities	21,508	23,040	23,255	23,087
Cash flows from investing activities				
Receipts				
Grants specifically from new or upgraded assets	1,642	2,715	3,079	7,862
Contributions specifically from new or upgraded assets	-	690	781	406
Sale of replaced assets	593	626	340	912
Sale of surplus assets	3,561	-	-	-
Distributions received from equity accounted Council business	124	-	-	-
Payments				
Expenditure on renewal and replacement of assets	17,035	16,564	14,612	19,450
Expenditure on new and upgraded assets	7,326	13,584	11,156	20,764
Net cash provided by (or used in) investing activities	(18,441)	(26,117)	(21,568)	(31,034)
Cash flows from financing activities				
Receipts				
Proceeds from borrowings	139	-	-	-
New borrowings required	24	-	-	-
New borrowings required	-	3,077	-	7,396
Payments				
Repayment of borrowings	-	-	1,687	-
Repayment of finance lease liabilities	-	-	-	-
Net cash provided (or used in) financing activities	163	3,077	(1,687)	7,396
Net increase (decrease) in cash held	(100)	(1)	(0)	(551)
Cash and cash equivalents at beginning of reporting period	2,773	773	673	673
Cash and cash equivalents at end of reporting period	2,673	773	673	122

Balance sheet for the 2021–2022 financial year

	2019–2020 Actuals \$'000	2020–2021 Original budget \$'000	2020–2021 Current forecast \$'000	2021–2022 Budget \$'000
Assets				
Current assets				
Cash and cash equivalents	2,673	773	673	122
Trade and other receivables	4,432	4,145	4,432	4,432
Other financial assets (non-current assets held for sale)	511	-	511	511
Inventories	116	215	116	116
Total current assets	7,731	5,133	5,732	5,181
Non-current assets				
Financial assets	1,538,374	1,555,581	1,547,712	1,571,062
Infrastructure, property, plant and equipment	2,394	3,803	2,394	2,394
Total non-current assets	1,540,767	1,559,384	1,550,106	1,573,456
Total assets	1,548,499	1,564,517	1,555,838	1,578,637
Liabilities				
Current liabilities				
Trade and other payables	12,211	15,564	12,212	12,212
Short-term borrowings	4,158	3,991	4,158	4,158
Total current liabilities	16,369	19,555	16,370	16,370
Non-current liabilities				
Long-term borrowings	19,000	18,913	15,314	22,710
Long-term provisions	584	515	584	584
Total non-current liabilities	19,584	19,428	15,898	23,294
Total liabilities	35,953	38,983	32,268	39,664
Net assets	1,512,546	1,525,534	1,523,571	1,538,973
Equity				
Accumulated surplus	387,173	394,293	392,163	403,194
Year-to-date	4,992	10,647	11,031	15,402
Asset revaluation reserves	1,118,349	1,116,209	1,118,346	1,118,346
Other reserves	2,032	4,385	2,031	2,031
Net surplus or (deficit) resulting from operations	1,512,546	1,525,534	1,523,571	1,538,973

Statement of changes in equity for the 2021–2022 financial year

	2019–2020 Actuals \$'000	2020–2021 Original budget \$'000	2020–2021 Current forecast \$'000	2021–2022 Budget \$'000
Net surplus or (Deficit) for year				
Balance at end of previous reporting period	387,173	394,293	392,163	403,194
Net result for year	4,992	10,647	11,031	15,402
Balance at end of period	392,165	404,940	403,194	418,596
Asset revaluation reserve				
Balance at end of previous reporting period	1,118,349	1,116,209	1,118,346	1,118,346
Gain or revaluation of infrastructure / property	-	-	-	-
Balance at end of period	1,118,349	1,116,209	1,118,346	1,118,346
Other reserves				
Balance at end of previous reporting period	4,169	4,385	2,031	2,031
Transfer between reserves	2,138	-	-	-
Balance at end of period	2,032	4,385	2,031	2,031
Total equity at end of period	1,512,546	1,525,534	1,523,571	1,538,973



Rates

We seek to achieve rate stability over time, while ensuring that community services, projects and infrastructure needs are met.

As prescribed in the *Local Government Act 1999*, Council can charge rates on all land in its area except for exempt land, such as Crown land and land owned by Council.

In setting rates for 2021–2022, we have taken into account the priorities set out in our Strategic Plan 2025, the current economic climate, our debt reduction strategy, legislative changes and the need to maintain and improve community infrastructure, amenity and wellbeing.

We have also considered the impact of rate rises on our ratepayers, the need to keep rates at a reasonable level and the need to equitably share the rates burden.

Having determined the total expenditure budget and the consequent impact on revenue, we divide the portion of the budget to be raised from rates by the total of all individual property valuations to determine the ‘rate-in-the-dollar’ figure. The ‘rate-in-the-dollar’ is then applied to individual property valuations to determine the rates for each property.

This year, the average general rate will increase by 2.7% (apart from any increases due to growth), which means a total of \$85.9 million will be collected in rates this year.

Differential rates

Following community consultation, it was decided in February 2012 to adopt differential rates as of 1 July 2012.

We continue to apply differential rates on the basis of land use, to allow for the equitable distribution of the rate burden and to accommodate variations in the community’s capacity to pay.

A differential rating strategy means that different classes of land use attract different rates. The definitions of land use are prescribed by regulation and are categorised for rating purposes.

Having a differential rating strategy provides us with increased flexibility to accommodate movements in valuations that regularly occur in the market, to recognise the value of a specific aspect of land use, and to better reflect the consumption of our services.

This method also allows us to increase rates at different levels to ensure commercial and industrial properties contribute appropriately, despite category-specific fluctuations in property market valuations.

The table on page 36 shows the valuations and rates applied to the various land use categories and also the general revenue forecast for 2021–2022 (Note: these figures do not show rebates. In 2021–2022 we estimate we will provide \$1.6 million in rebates).

The majority of these rebates are mandatory, as required under the *Local Government Act 1999*. Further details of our rebates are given on page 40.

Land use	General rate revenue 2020–2021 \$'000	Valuation 2020–2021 \$'000	General rate revenue 2021–2022 \$'000	Valuation 2021–2022 \$'000	General rate revenue % income 2021–2022
Commercial office	0.43	71	0.38	61	-11.6%
Commercial other	2.42	406	2.65	438	9.5%
Commercial shop	6.17	1,036	5.51	921	-10.7%
Industrial light	0.23	38	0.26	39	13%
Industrial other	0.58	97	0.57	91	-1.7%
Other	0.74	184	0.86	206	16.2%
Primary production	0.58	94	0.39	92	-32.8%
Residential	65.81	16,443	69.89	17,295	6.2%
Vacant land	1.32	166	1.52	206	15.2%
Total	78.08	18,535	82.03	19,394	5.1%

Method used to value land

We use capital value as the basis for valuing land within our council area. It is considered that this provides the fairest and most equitable method of distributing the rate burden across all ratepayers.

The South Australian Valuer-General establishes the value of land in our City for rating purposes. The basis for valuation is the capital value of the land, including all improvements such as buildings and sheds.

On 29 June 2021, it is proposed Council will adopted the most recent valuations made by the Valuer-General.

Variation of valuations

If a ratepayer is dissatisfied with their valuation, they can object to the Valuer-General in writing, within 60 days from the date of their rates notice.

Trends in valuations and rate modelling

We have undertaken comprehensive rate modelling to assess the likely impact within each land category based on anticipated valuation movements prior to the adoption of the final Annual Business Plan.

Each year, anticipated movements in valuations are estimated for each rate category. Valuations in 2021–2022 are anticipated to remain fairly steady.

We have been advised by the Valuer-General that the average increase in valuation for residential properties is currently 4.2%; for commercial and industrial properties it is -3.3%; for primary production it is 0.9%; and for vacant land is 21.7%.

The following table shows the impact on types of properties and the number of properties that fall within selected percentage changes.

Rate assessment increase	Number of residential properties
Less than zero	185
0–0.4%	0
0.4–0.5%	1,964
0.5–1%	96
1–2%	31
2–6%	32,973
6–10%	3,534
Greater than 10%	341
New assessments	126
Total	39,250

Minimum rate

We have set a minimum rate of \$1,245, which represents a 2.6% increase. The minimum rate will be applied to approximately 3,606 properties.

We consider it appropriate that all rateable properties make a contribution to the cost of delivering Council's services and maintaining community infrastructure.

In determining the minimum rate, Council is ensuring that all rateable properties make a base-level contribution to the costs of:

- Services provided that are available for use by all ratepayers (e.g. library and parks and gardens)
- Provision of the physical infrastructure that supports each property and is available for use by all ratepayers
- Administering council activities.

Independent living units in a retirement village are exempt from paying the minimum rate under section 158 of the *Local Government Act 1999*.

Other charges related to rates

Regional Landscape Levy (RLL)

From 1 July 2020, the *Landscape South Australia Act 2019* replaced the *Natural Resources Management Act 2004* as the new framework for managing the state's land, water, pest animals and plants and biodiversity.

Under the *Landscape South Australia Act 2019* there is no provision for exemptions. All properties are subject to a Regional Landscape Levy.

Council is required to make a specified contribution to the Landscape Administration Fund and then collect this contribution from property owners through a separate rate based on capital value. Such a rate must be fixed and calculated so as to raise the same amount as Council's contribution (taking into account any rebates/remissions under Section 159–166 of the Act).

Council does not keep this money and does not determine how it is spent. The Regional Landscape Levy Board advises us what the amount will be at the end of each financial year.

We have been advised of a 1.0% increase to the Regional Landscape Levy for 2021–2022. Council's contribution to Green Adelaide via the levy for the financial year will be \$1.8 million.

Community Wastewater Management System (CWMS) conversions

In 2001–2002 a program was started to convert some properties from Council's CWMS to SA Water's sewerage system. If you own one of these properties, in addition to paying SA Water for their services, you are legally obliged to pay a separate rate to Council for the CWMS. This rate was approved by the Minister for Local Government, and will be charged until the capital cost of the conversion is repaid.

The rate for 2021–2022 will be \$505.

Community Wastewater Management System (CWMS) service charge

Our CWMS services approximately 4,720 properties.

For 2021–2022 we have budgeted \$4.2 million to operate, maintain, renew and upgrade the system infrastructure. This figure may be subject to change based on SA Water charges (which will be announced prior to the adoption of the 2021–2022 Annual Business Plan and Budget).

The budgeted amount includes an allowance for infrastructure replacement, which will be funded through a service fee paid by each connected property unit and each unconnected property unit that uses the system. If your property is connected to the CWMS system and is next to the SA Water sewer mains (meaning you are also paying SA Water rates), this fee will be reduced.

If you are receiving the CWMS service on non-rateable land, a service charge will be levied against the land. We can provide more information about the CWMS scheme, including details of what constitutes a service charge.

The service charge for a connected property in 2021–2022 is \$745 (\$725 in 2020–2021).

The service charge for an unconnected property or reduced charge in 2021–2022 is \$505 (\$480 in 2020–2021).

The City of Tea Tree Gully are intermediate water retailers licensed by the Essential Services Commission of South Australia (ESCOSA) and are legislatively required to comply with ESCOSA's price determination. Under the price determination, Council must operate as a water retailer with full cost attribution adopting a user pay system, eliminating cross subsidisation from revenue obtained through general rates.

The annual CWMS service fee covers the cost of the following activities:

- Operation and maintenance of the network
- SA Water fees and charges for discharging of CWMS wastewater into SA Water network
- Cleaning of septic tanks Capital renewal and upgrade.

For more information visit cttg.sa.gov.au/cwms

Payment of rates

The payment of rates can be either by full payment or by quarterly installments, due and payable on the fourth business day of September, December, March and June.

Council has the authority to enter into special payment arrangements with ratepayers as required.

If you are having difficulty paying your rates, please contact us to discuss payment options.

Postponement of rates

Ratepayers who have a State Seniors Card, or those who are experiencing hardship, can apply to Council to postpone payment of rates on their principal place of residence.

The amount and timeframe for postponement is at the discretion of the Chief Executive Officer.

- Under *Section 182A of the Local Government Act 1999*, those who hold a State Government Seniors Card can apply to postpone their council rates on a long-term basis. The deferred amount will still incur a monthly interest charge, and the accrued debt will become payable when your property is sold or disposed of. In this way, postponement is similar to a reverse mortgage.

- Under *Section 182 of the Local Government Act 1999*, you can apply to postpone your rates if payment would cause you hardship. You will need to meet set criteria.

Applications must be from the principal ratepayer, in writing, on Council's approved form. The application should identify the relevant property and include sufficient detail to support the request. It should be addressed to the Chief Executive Officer, City of Tea Tree Gully, 571 Montague Road, Modbury SA 5092. All information provided will be kept confidential.

For more information or to ask for an application form, please call 8397 7444.

Rebate of rates

Mandatory rebates

Under Sections 159–165 of the *Local Government Act 1999* we are required to grant rebates of between 75% and 100% to certain properties, including those that meet the Act’s requirements for land used for religious or educational purposes, or for community uses, as specified in the Act.

Discretionary rebates

Section 166 of the *Local Government Act 1999* sets out the circumstances in which we can grant discretionary rebates of up to 100%.

We have the option to grant a rebate of rates or service charges and to determine the rebate amount we take into account the following factors:

- The rebate will support some desirable development of the area
- The rebate will assist or support a local business
- The rebate relates to common property or land vested in a community corporation under the *Community Titles Act 1996* within which the public must have unrestricted right of access and enjoyment.

A rebate may also be judged appropriate in circumstances where a ratepayer would otherwise face a substantial rise in rates due to:

- A redistribution of the rates burden within the community arising from a change to the basis or structure of the council’s rates
- A change to the basis on which land is valued for the purpose of rating, rapid changes in valuations, or anomalies in valuations.

Referring to Section 159(5) of the Act, we look at the land for which the rebate is sought and

consider:

- The type and number of services we provide on the land compared with similar services we provide elsewhere in the community
- Whether a community need is met by the activities on the land
- Whether activities on the land provide assistance or relief to disadvantaged people.

We may also take into account other factors, such as:

- Why the applicant needs financial assistance in the form of a rebate
- How much rebate is sought, as a percentage and dollar amount, and why it is appropriate
- How much financial assistance is being given to that applicant by federal or state agencies and whether it applies to that land
- Whether the applicant has applied or will apply to another council
- Whether the applicant is or will be providing a service in our area and the extent of that service
- Whether the applicant is a public sector body, a private not-for-profit body or a private for-profit body
- Whether the applicant is gaining a financial profit for the members of the body, or is engaging in trade or commerce and therefore has the ability to distribute profit to its members
- Whether there are any historical considerations that may be relevant for all or any part of the current council term
- The financial consequences for Council of granting the rebate
- The date the application is received

- The availability of any community grant to the person or body making the application
- Whether the applicant has received a community grant.

If you or your organisation wishes to apply for a rebate for the current rating period, you must do so by 1 September 2021. We reserve the right to not consider late applications. However, if you are eligible for a mandatory rebate, this can be granted at any time during the current rating period.

If you or your organisation's eligibility for a rebate no longer applies, we can recover rates proportionately to the end of the current financial year.

When considering applications for rates rebates, we are mindful of the contribution ratepayers make to our City, and that profitable organisations who receive government funding may still need additional help to achieve their goals. However, we need to balance the desire to support community organisations with the impact that rebates have on our revenue.

We provide a discretionary rebate of 100% for community sporting and social groups that occupy council-owned properties, including the University of the Third Age. This supports the strategic directions (set out in our Strategic Plan) to provide and maintain a high standard of recreation

and leisure opportunities for all sections of the community.

If you believe that your not-for-profit organisation is impacted adversely by our rating strategy for commercial and industrial land uses, we encourage you to apply for a discretionary rebate. We will assess each application on its own merits.

If you are a not-for-profit land owner you may apply for a discretionary rebate on your council rates by 1 September of each year. A report summarising Council's consideration of requests for rebates will be completed, as specified under Section 166 of the *Local Government Act 1999* in October of each year.

The discretionary rebate for not-for-profit organisations will only be available to organisations that are not already receiving a rebate under Section 161.

The maximum rebate granted will be capped at the difference between the residential rate and the industrial/commercial vacant land rate.

Maximum rate increase – rate capping

In considering the maximum rate increase, any substantial rate increases can be considered and remedial action can be taken in the form of a rebate or remission of residential rates.



NOM!

⚠ DANGER
STAND CLEAR
When the
arm is
operating

TEA TREE GREEN
Landfill

Financial indicators

To ensure we deliver on our financial goals, we have committed to achieving a number of specific outcomes. The indicators detailed below are required under the *Local Government Act 1999*.

	LGA suggested range	Council target	2019-2020 Actuals	2020-2021 Original budget	2020-2021 Current forecast	2021-2022 Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating surplus	Break even or better over 5 years	Break even or better over 3 years	5,067	6,361	6,576	5,991
Operating surplus ratio	0% – 15%	0% – 10%	6.2%	7.64%	7.93%	6.97%
Asset sustainability ratio	90% – 110% over a rolling 3-year period	90% – 110% over a rolling 3-year period	100.1%	96%	86%	108%
Fiscal balance	-	-	2,927	(3,077)	1,687	(7,947)
Adjusted fiscal balance	-	-	2,927	(3,077)	1,687	(7,947)
Net financial liabilities ratio including non-current assets held for sale	0% – 100%	25% – 35%	29.2%	34%	27%	34%
Net financial liabilities including non-current assets held for sale	-	-	28,338	33,849	26,536	34,483
Net financial liabilities ratio excluding non-current assets held for sale	-	-	29.7%	34%	27%	35%
Net financial liabilities excluding non-current assets held for sale	-	-	28,849	33,849	27,047	34,994
Interest cover ratio	-	-	1.1%	0.70%	0.66%	0.64%

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- **Operating surplus**
Operating income less operating expenses.
 - **Operating surplus ratio (OSR)**
Operating surplus as a percentage of general and other rates, net of Regional Landscape Levy.
 - **Asset sustainability ratio (ASR)**
Expenditure on renewal and replacement of assets less disposal proceeds from replaced assets divided by depreciation expense.
 - **Fiscal balance**
Net lending position or net borrowing requirement in the Uniform Presentation of Finances Table.
 - **Adjusted fiscal balance**
Net lending position or net borrowing requirement in the Uniform Presentation of Finances Table, adjusted for grants in advance.
 - **Net financial liabilities ratio including non-current assets held for sale**
Total liabilities less financial assets as a percentage of total operating revenue, net of Regional Landscape Levy.
 - **Net financial liabilities including non-current assets held for sale**
Total liabilities less financial assets.
 - **Net financial liabilities ratio excluding non-current assets held for sale**
Total liabilities less financial assets as a percentage of total operating revenue, net of Regional Landscape Levy.
 - **Net financial liabilities excluding non-current assets held for sale**
Total liabilities less financial assets.
 - **Interest cover ratio**
Total finance charges expressed as a percentage of rates revenue, net of Regional Landscape Levy.

Operating surplus ratio

The operating surplus ratio (OSR) is a key measure of financial stability. It highlights the operating result as a percentage of total rate revenue, excluding revenue from the Regional Landscape Levy. The Council’s target range is between 0% and 10%.

An operating surplus occurs when the operating revenue is more than the operating expenses for the period.

This year, we expect to deliver a modest surplus of \$5,991 million. These funds are used to enhance and improve services, fund new capital works and reduce Council’s debt levels.

Operating surplus 2013–2022



Assets sustainability ratio

The asset sustainability ratio (ASR) represents the ratio of new capital expenditure on renewal or replacement of assets, relative to the rate of depreciation for the same period.

Our target is for the cost of renewal to be between 90% and 110%, when averaged over a three-year period.

We have invested significantly in the renewal of our core infrastructure assets over the last five years to ensure they continue to meet the service level standards as outlined in the infrastructure

asset management plans. Our 2021–2022 budget includes capital renewal works of \$19.45 million (excludes any grant income and sale of assets). This represents an ASR of 108%, which is in the target range specified in the LTFFP.

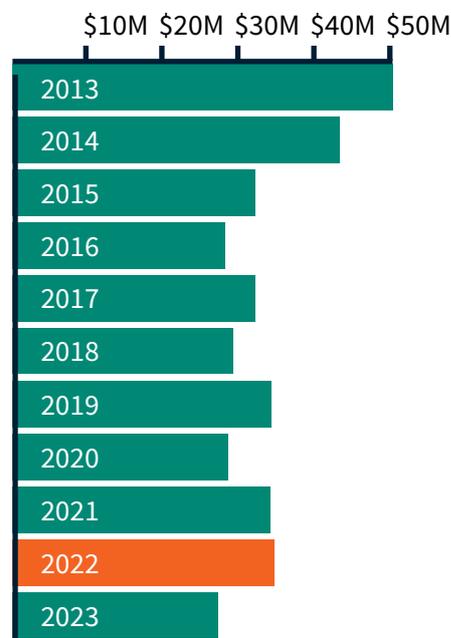
We have reviewed the IAMPs in the context of the LTFFP and have considered strategies to help us maintain performance within the targeted range. We will also continue to review the ASR target range to ensure the set targets remain appropriate.

Net financial liabilities ratio

We believe it is appropriate to operate with a certain level of debt, particularly given the extensive portfolio of assets held by Council.

The net financial liabilities ratio (NFLR) demonstrates the relative size of our net financial liabilities against total operating income. It is expressed as a percentage of total operating revenue, excluding water catchment and Regional Landscape Levy income.

Net financial liabilities 2013–2023





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