

# City of Marion Annual Business Plan 2017-2018





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## 1. Introduction

This Annual Business Plan 2017/18 describes the services and projects that council will deliver over the next 12 months and the financial decisions that underpin them, so that we can progress the community's aspirations in the City of Marion Community Vision - 'Towards 2040'.

This plan supports the delivery of the second year of the 2016-2019 Business Plan, along with a number of new strategic projects and service improvements.

Council is committed to delivering value to our ratepayers. We continue to focus on identifying on-going savings that can be passed on to ratepayers. This strong efficiency focus has enabled a further reduction in the average rate increase down to 2.2% while maintaining current service levels.

During 2017/18, the City and Community will continue to be improved through investment in projects including:

- LED Streetlight Replacement across the City
  - Council is working towards replacing all of its streetlights with energy efficient LED fittings over the next three years. Key benefits include reducing energy use by over 75%, which reduces our carbon footprint. LED lighting makes objects clearer to see, minimises glare, reduces environmental impact, decreases operating and maintenance costs and improves amenity. It has an estimated payback period of less than six years.
- The Edwardstown Soldiers Memorial Oval redevelopment
  - Council will commence the \$8.0m redevelopment of the Edwardstown Soldiers Memorial Oval with \$4.0m in grant funding from the federal government's National Stronger Regions Fund. This redevelopment will particularly improve social connectedness, active and healthy lifestyles, developing neighbourhoods that are activated, attractive and safe, and empowering communities to work in partnership with Council.
- The Oaklands Crossing redevelopment
  - The State and Federal Governments together with the City of Marion have committed \$174.3 million to fixing the road and rail intersection on the corner of Morphett and Diagonal Roads at Oaklands Park. Design work is underway and construction is expected to start in the first half of 2018. The announcement follows a major community campaign led by the City of Marion to end more than 40 years of daily traffic jams.
- The Hallett Cove Foreshore redevelopment
  - Staged works at Hallett Cove Foreshore on Heron Way will continue with an amphitheatre and events space to be developed plus plans for the playground and reserve.

- Development of the Sam Willoughby UCI BMX Track
  - In partnership with the State Government and the neighbouring City of Onkaparinga, work will start on an international standard BMX Facility on Majors Road.
- Improvements in our Streetscapes
  - Guided by our Streetscape Policy, we will improve the attractiveness, amenity, character and functionality of streetscapes in the City of Marion to improve the environment and add value to people's experience in the City.
- Refurbishment of our Sports Courts
  - Following on from the Tennis and Netball review, Council is delivering a three year program for the refurbishment of its sports courts and associated facilities to significantly improve the service provision of courts across the city.

## 2. Our Purpose, Vision and Values

<b>OUR PURPOSE</b> (Why we exist)	To improve our residents' quality of life; continuously, smartly and efficiently
<b>OUR COMMUNITY VISION</b> (What we want to become)	A community that is Liveable, Valuing Nature, Engaged, Prosperous, Innovative and Connected
<b>OUR VALUES</b>	<p>With the community and safety at the forefront of everything we do, we value:</p> <p><b>Respect</b> - Treating everyone as we want to be treated, where all contributions are valued</p> <p><b>Integrity</b> - Fostering trust and honesty in all of our interactions</p> <p><b>Achievement</b> - Enhancing our knowledge and performance to reach our shared goals, while being dedicated to supporting one another</p> <p><b>Innovation</b> - Encouraging new ideas, and learning from our experience to do things better</p>

The six themes of our community vision represent the shared values and aspirations that guide how our city develops, towards 2040'. These outcomes are important for this community now and into the future:



### Engaged

By 2040 our city will be a community where people are engaged, empowered to make decisions, and work together to build strong neighborhoods.

### Liveable

By 2040 our city will be well planned, safe and welcoming, with high quality and environmentally sensitive housing, and where cultural diversity, arts, heritage and healthy lifestyles are celebrated.

### Valuing Nature

By 2040 our city will be deeply connected with nature to enhance peoples' lives, while minimizing the impact on the climate, and protecting the natural environment.

### Prosperous

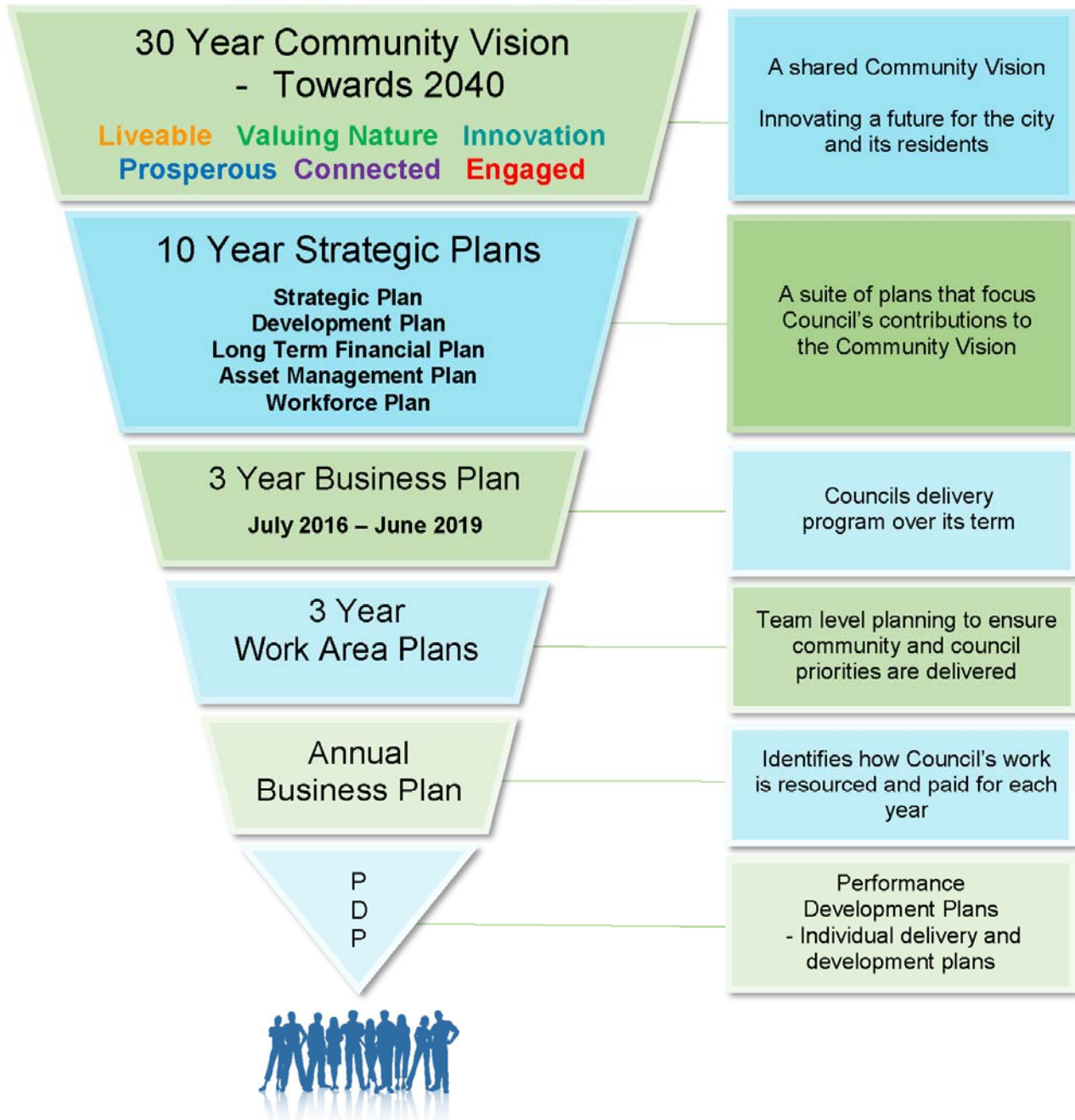
By 2040 our city will be a diverse and clean economy that attracts investment and jobs, and creates exports in sustainable business precincts while providing access to education and skills development.

### Innovative

By 2040 our city will be a leader in embracing and developing new ideas and technology to create a vibrant community with opportunities for all.

### Connected

By 2040 our city will be linked by a quality road, footpath and public transport network that brings people together socially, and harnesses technology to enable them to access services and facilities.



This Annual Business Plan 2017/18 is an integral part of council's strategic management framework (SMF). The SMF ensures that strategic and operational plans, management systems and processes work together. This enables Council to effectively deliver its strategic goals and the Community Vision.

### 3. Significant influences and priorities

A comprehensive environmental scan of internal and external political, economic, environmental, social and technological issues was conducted, providing a context for the development of this plan, the 2016-2019 Business Plan and the review of the 10 year Strategic Plan. A summary of the latest environmental scan is provided in the tables below.

<b>External issues and opportunities</b>	
<b>Political</b> <ul style="list-style-type: none"> <li>• Maximising ratepayer/community value</li> <li>• Maximising opportunities in the lead up to the next state election, noting changes in electoral boundaries and candidates</li> <li>• Implications of introduction of rate capping through potential change in Government at state level</li> <li>• Ongoing changes to Federal, State and Local Government policies and funding programs</li> </ul>	<b>Economic</b> <ul style="list-style-type: none"> <li>• Compromised financial capacity of ratepayers in economic climate</li> <li>• The number of GST registered businesses in Marion is falling</li> <li>• The number of jobs in Marion remains static although our population is increasing</li> <li>• Maximising opportunities to support small business</li> <li>• Development of the Tonsley site</li> </ul>
<b>Technological</b> <ul style="list-style-type: none"> <li>• Rapid technological change, specifically the rollout of NBN in some City of Marion areas</li> <li>• Digital divide</li> <li>• Access to data and information</li> <li>• Opportunities through the transition to 'smart' LED lighting across the City</li> </ul>	<b>Social and Cultural</b> <ul style="list-style-type: none"> <li>• Concerning public health demographics</li> <li>• HACC transitioning to national and regional customer led wellbeing and home support programs</li> <li>• Population growth and changing demographics</li> <li>• Increasing community interest in volunteerism is providing a varied skill base</li> <li>• Potential health issues around noise and air pollution around major traffic routes &amp; building work</li> </ul>
<b>Transport &amp; Connectivity</b> <ul style="list-style-type: none"> <li>• South Road &amp; Darlington Interchange upgrades</li> <li>• Poor transport linkages to public places and spaces, goods and services, local business and industry</li> <li>• Potential risk of isolation to residents that are ageing and mobility impaired</li> <li>• Opportunity to expand and integrate walking &amp; cycling networks with major transport infrastructure upgrades</li> <li>• Commitment to Flinders Link Rail extension</li> <li>• Connections in and around Tonsley, Darlington and Flinders developments, with impacts on traffic, parking, pedestrian/cycling movements</li> <li>• Opportunities to progress an Oaklands Hub development through the redesign of the Oaklands Rail Crossing</li> <li>• Opportunities to improve East-West connectivity through Sturt Rd, in conjunction with the Darlington, Tonsley and Flinders Link project</li> </ul>	<b>Urban environment</b> <ul style="list-style-type: none"> <li>• Limited housing choice to meet the needs of everyone in the community</li> <li>• Population growth and urban infill cause increased traffic and limited on-street parking with increasing demands on public places and spaces and public services</li> <li>• Opportunities in integrating nature into the urban environment, WSUD, energy efficiency and green infrastructure</li> <li>• Opportunities to lift vibrancy of commercial/retail areas through infrastructure upgrades and activation</li> <li>• Increased implementation of planning reforms</li> </ul>
<b>Natural environment</b> <ul style="list-style-type: none"> <li>• Impacts of climate change</li> <li>• Growth of localism</li> <li>• Emergence of Nature Play</li> </ul>	

<b>Internal issues and opportunities</b>	
<p><b>Long Term Financial sustainability</b></p> <ul style="list-style-type: none"> <li>• Need for greater collaboration, partnering and innovative funding solutions to achieve community outcomes in a challenging fiscal environment</li> </ul>	<p><b>Service provision</b></p> <p>Limited funding capacity for competing strategic projects or incremental service improvements given current rates assumptions and funding position. Could be exacerbated if change in Government at next State Election and rate capping introduced</p>
<p><b>Workforce</b></p> <ul style="list-style-type: none"> <li>• Embedding Work Health &amp; Safety system improvements throughout the organisation</li> <li>• Need to provide the appropriate technology tools and information resources for staff to connect, collaborate and do their jobs efficiently and effectively</li> <li>• Continued building leadership and workforce capability and skills, particularly in the areas of project management, partnership models and industry experience</li> <li>• Managing an ageing workforce, with provision of opportunities for transition programs, mentoring and training</li> </ul>	<p><b>Asset reliability and sustainability</b></p> <p>Reviewing our existing asset base:</p> <ul style="list-style-type: none"> <li>• In light of increasing costs and customer service requests to maintain and renew our existing asset base</li> <li>• Understanding which assets could be repurposed, reused or disposed of in order to enhance other assets to better meet community needs</li> <li>• Investigating innovative asset management models e.g. share community use, public private partnerships and related business and retail opportunities</li> <li>• Increased unreliability of power supply, with impacts to businesses (including council) and residents</li> </ul>
<p><b>Risk and strategic alignment</b></p> <ul style="list-style-type: none"> <li>• Alignment of the organisation to deliver the aspirations of the Strategic and Council/Business Plans</li> <li>• Transition to an agile &amp; responsive delivery model whilst maintaining prudent financial management</li> <li>• Alignment of risk management throughout the organisation</li> <li>• Changes to regional emergency management planning</li> </ul>	



## 4 Framework of the Annual Business Plan

The Annual Business Plan 2017/18 has been prepared on the basis of a framework that aims to inform the community and hold the City of Marion accountable to its stakeholders. The key items in this framework are as follows.

### **Support the achievement of the City of Marion's Strategic Directions.**

This Annual Business Plan has been reviewed against the Community Vision and Strategic Plans to ensure that council's activities over the next 12 months make the best possible progress towards achieving the community's vision for the future City of Marion.

### **Address issues arising and opportunities identified from internal audit reviews, service reviews and business excellence assessments.**

Every year council undertakes a number of internal audits. These reviews and assessments have identified a number of key opportunities or requirements for council to improve its operations. This document includes the necessary resources to continue council's independent review process and implement recommendations accordingly.

### **Maintain, on average, a break-even or positive funding (cash) position over the Long Term Financial Plan**

With a primary focus on cash flow and ensuring Council's asset renewal and upgrades are fully funded, this target is currently being met. To ensure ongoing financial sustainability Council monitors and reviews all its financial indicators together.

### **Continue to improve the maintenance of assets in accordance with Council's Asset Management Plans, with a priority on maintenance before renewal, and renewal before new when it is cost effective to do so**

The Annual Business Plan has been prepared taking into consideration Asset Management Plan requirements, outcomes of recent infrastructure audits, targets set for renewal versus depreciation (95-100% as per Asset Management Policy) and a focus on maintaining council's asset base.

### **Review existing services and assets to ensure they meet prioritised community needs**

The council continues its rolling process of Service Reviews, aimed at maximising community value through continuously improving its operating efficiency and service performance to the community. This Annual Business Plan has been prepared on the basis of continuing existing services, noting that a rolling program of review is being implemented.

### **Council only approve new Major Projects where it has the identified funding capacity to do so**

Council debt is forecast to decrease from \$9.1m to \$7.9m between 30 June 2017 and 30 June 2018. With consideration given to its financial ratios, this means that Council has the funding capacity to consider new strategic Major Projects and is currently investigating partnerships to aid in the development of a number of sporting facilities.

### **Maintain Council's position for an average residential rate which remains among the lower rating metropolitan councils**

Comparative 2016/17 data shows that council's average residential rate continues to remain among the lower rating metropolitan councils, with its current position ranking being the 5th lowest of 18 metropolitan councils.

## 5. Continuing and improving services

All councils have responsibilities under the *Local Government Act 1999* and other relevant legislation to deliver services for the community. Council is committed to maintaining all services including, but not limited to:

Ongoing Services	
Land use and development planning	Reserves, parks and gardens management
Development and building assessments	Arts and cultural promotion and support
Facilitation of urban developments	Library services
Local Government searches	Sports & recreation promotion and support
Economic planning and leadership	Community capacity building and development
Environmental planning & leadership	Inspection, regulation and control
Biodiversity management	Emergency planning & response
Waste services	Community care
Water management	Immunisation services
Infrastructure management	Public health planning
Community facilities management	

Enabling Services	
Strategic management	Communications & marketing
Organisational excellence	Human resources & workforce planning
Strategic asset management	ICT & knowledge management
Financial management	Operational support
Governance support	

## 6. Project priorities

Council plans to commence or continue working on the following strategic initiatives, as set out in our 2016-2019 Business Plan:

Liveable	
Strategies	2017/18 Initiatives
<b>An inclusive Community embracing diverse cultures, active living, and healthy lifestyles</b>	Amend the zoning of key sporting areas/hubs to support revitalised, modern sports facilities
	Deliver excellent Sport and Recreational Facilities across the City: <ul style="list-style-type: none"> <li>• Community Club and indoor sports stadium at Mitchell Park</li> <li>• Sports and community complex at the Edwardstown Soldiers Memorial Oval</li> <li>• A new regional soccer facility in the South in partnership with Football SA</li> <li>• An International standard BMX complex in the South, led by BMX SA</li> <li>• Capella Reserve redevelopment in partnership with the Cove Football Club to pursue funding opportunities</li> <li>• Modern sustainable tennis and netball facilities across the City to meet the needs of the Community now and into the future</li> </ul>
	Complete the detailed design of the Marion Outdoor Pool update and seek grant/partnership funding
	Deliver Open Spaces and Playgrounds across the city <ul style="list-style-type: none"> <li>• South Australia's first inclusive Playground at Hendrie St Reserve</li> <li>• Hallett Cove Foreshore precinct redevelopment</li> <li>• Location and design for a second dedicated dog park</li> <li>• 8 local/neighbourhood scale playgrounds and plans for a further 4 playgrounds</li> <li>• High quality public toilets in our priority reserves and parks</li> </ul>
<b>Access to housing choice and services for a growing and diverse population</b>	Review housing zones to preserve the character of areas in the north of our city and create housing choice in the south
	In partnership with State Government, the SA Jockey Club and adjoining councils, support the housing development at Morphettville Racecourse
	Support our community to 'age well' through participation in the Adelaide Living Laboratory
	Continue implementation of priorities from the review of reserves and facilities
	Undertake an evaluation and review of at least a further 12 council services to ensure they continue to provide maximum value to our community, now and into the future
<b>Neighbourhoods that reflect local character, heritage and enable a sense of belonging</b>	Celebrate and recognise our Kaurna heritage through committed delivery of the 2016-2019 Reconciliation Action Plan (RAP)
	Build strong relationships with the Elders of the Kaurna community, facilitated by the RAP Committee
	Deliver youth partnership programs focussed on providing diverse and exciting opportunities for youth leadership, engagement and services Deliverer youth partnerships

## Valuing Nature

Strategies	2017/18 Initiatives
<b>A healthy and climate resilient urban environment</b>	Significantly increase energy efficiency across our council facilities
	Deliver sustainable lighting program priorities
	Implement the Climate Change Policy and Plan ( Resilient South Program)
	Ensure all elements of the Oaklands Reserve redevelopment project are in place to support construction
	Expand the Oakland's Wetland water distribution network to maximise sustainable irrigation of our parks and reserves
	Investigate the potential to establish a water supply business using the Oakland's Wetlands water distribution network
	Advocate for residents across our city on toxic contamination mitigation measures
	Manage stormwater in close partnership with our neighbours
	Target an allocation of 5% of drainage and traffic capital works budgets to Water Sensitive Urban Design outcomes
	Continue to transform the Glade Crescent Wetlands scheme
	Develop and deliver a Regional Coastal Management Plan to support sustainable coastal management
<b>A City that reflects a deep value of the natural world</b>	Plan and deliver a program for the protection of precious remnant native vegetation in our reserves
<b>Improved condition, diversity and connectivity of ecosystems</b>	Working closely with key partners to maximise Glenthorne Farm community benefits

## Engaged

Strategies	2017/18 Initiatives
<b>Communities that embrace volunteering and social interaction</b>	Strive to become renowned for volunteers through targeted growth and diversity, and harnessing the skills and experience of our volunteers
	Launch a Marketing Plan to enhance community engagement and partnering in council's services
<b>Meaningful opportunities for community engagement, partnerships and co-creation</b>	Support our lease and license holders to develop their club management capacity
	Work in partnership with the Edwardstown Region Business Association and the Hallett Cove Business Association to grow membership and sustainability
	Maximise community benefits through community led initiatives
	Implement our reformed Community Grants programs with emphasis on diversity and community capacity building
	Expand our network of community gardens in partnership with community groups
	Subject to the outcomes of a pilot on place activation projects expand the place activation program
	Develop and deliver a Business Engagement Plan in consultation with the local business community to provide valuable business information to support small business growth
	Grow the Community Leadership Program to support and harness the ideas and skills of emerging leaders within our community



Innovative	
Strategies	2017/18 Initiatives
A Community that harnesses creativity, research and collaboration to pursue innovative ideas	Establish partnerships with innovation mentors, including hosting university students to work on innovation projects
	Maximise community feedback through a range of surveys, tools and campaigns to support our ongoing focus on innovation and improvement
A City that provides infrastructure and support that enables innovation to flourish	Expand the solar panel network to maximise the use of renewable energy at council facilities
	Continue to promote and provide valuable programs at the Cove Enterprise Hub to support start-ups and small businesses in the southern region
	Investigate 'Smart City' technology and infrastructure opportunities

Prosperous	
Strategies	2017/18 Initiatives
An exciting urban environment that attracts business investment and economic activation	Work in partnership to progress the Tonsley Redevelopment as a state of the art advanced manufacturing and urban environment
	Work with key partners on the Darlington project and the Flinders Link rail project to maximise business and employment opportunities
	Advocate for the future development of the North-South Corridor to improve east-west connectivity, which maximises community access and connection with the valuable adjacent areas
	Review Edwardstown Industry/Commerce Planning framework to support future business needs
	Facilitate the development of priority precincts that cater for a range of residential and business needs, and services that are aligned with the 30 Year Plan for Greater Adelaide
A City that promotes and supports business growth and offers increased local employment and skills development opportunities	Develop, in close cooperation with other councils and State Government, a business attraction plan that support jobs growth
	Implement the priority actions of the Southern Adelaide Economic Development Board
	Work with key partners in the region and State Government to extend the Tonsley Small Business Advisory Services beyond June 2017
	Reduce red-tape to support and promote business growth and employment opportunities
	Deliver digital economy education programs for businesses to capitalise on the NBN roll-out
A welcoming City offering both residents and visitors a wide range of leisure and cultural experiences	In partnership with local businesses, grow visitation and increase spending in the region to secure additional economic benefit and increased jobs through the delivery of a Visitor Economy Strategy

Connected	
Strategies	2017/18 Initiatives
<b>A road network that connects neighbourhoods and supports safe walking, cycling and vehicle travel</b>	Subject to funding, deliver key extensions to the shared use path along the Adelaide to Marino Rocks Greenway
	Complete Glandore Laneways project to finalise council ownership of the laneways and improve safety and traffic flow
	Deliver a Policy and Program to enhance streetscapes across the City
<b>A City that advocates improved public transport systems, linkages and networks that connect people to destinations</b>	Progress, in partnership with State and Federal Governments, the development of key rail infrastructure including the grade separation at the Oaklands Rail crossing
	Support the rail expansion from Tonsley to Flinders Medical and University Precinct
<b>A City that supports equitable access to diverse information sources and reliable digital technologies</b>	Expand our communication and engagement network through our website and social media platforms
	Deliver valuable digital literacy programs in our libraries and neighbourhood centres
	Subject to funding, deliver the 'Maker Space' and a range of programs to harness technologies and equipment

## 7. Asset Management

Council has been moving towards a stronger long-term planning approach to community assets – it manages over \$1 billion of assets including roads, footpaths, drains, community buildings, parks and reserves on behalf of the community. The asset management planning process provides a long term approach to ensuring infrastructure and facilities continue to provide the services required by the community. Council continues to develop, implement and review its Asset Management Policy and Plans with a focus on whole-of-life asset management, including maintenance and renewal of assets.

Asset management planning ensures delivery of services from infrastructure assets in the most cost effective manner. Council's Asset Management Plans detail information about our assets and define the services to be provided, how the services are provided, and what funds are required to provide the services.

Council's Asset Management Policy sets the principles that govern the provision and management of assets. The Policy includes a Strategic Asset Management Framework, made up of an assessment of asset criticality (based on priority 1-critical, priority 2-important, and priority 3-aspirational/discretionary) and asset priority (based on asset maintenance before renewal and renewal before new/upgrade, where it is cost effective to do so).

Principle 7 within the Policy specifies that *“Prioritisation of new asset investments and asset disposal decisions are based on an evaluation of potential public value, encompassing consideration of such criteria as asset utilisation potential, benefits, risks, ownership and management options, life cycles and costs in accordance with Council's Prudential Management Policy and Disposal of Land and Assets Policy.”*

The process for developing capital works infrastructure projects is determined by criteria including condition, risk, technical, environmental and budgetary considerations. These criteria are assessed to prioritise a list of projects across the Council area that informs the capital works program, meaning that poorest condition and highest risk assets are responded to first.

Key asset management initiatives include:

- Reviewing our existing asset base in light of:
  - Increasing costs to maintain and renew our existing asset base
  - Understanding which assets could better meet community needs
  - Investigating innovative asset management models e.g. share community use, public private partnerships and related opportunities
- The renewal of council's assets with forecast spends of approximately \$14.766m, including:
  - Capital renewal of council's roads and kerbs with a forecast spend of approximately \$4.3m.
  - Improving Marion's existing footpath network at a cost of \$1.5m.
- Preparation of building renewal plans for all council buildings.
- Actively exploring and investing in technology solutions that will deliver enhanced outcomes and services for the community.

## 8. Measuring our success

Monitoring performance is a critical element of strategic management. It is the mechanism for critically ensuring that Council is contributing to the achievement of both the Strategic Plan and the 3-year Business Plan 2016-19.

Our Key Performance Indicator (KPI) dashboard for 2017/18 (provided in the table below) takes account of Council's objectives over the next three years.

Key Performance Indicator	Core Target	Stretch Target
Financial Sustainability	Council maintains a break even or positive cash funding position in delivering its annual budget	
Delivery of agreed projects identified in the Annual Business Plan and the second year targets in the 3 year Plan	Greater than or equal to 95%	
Lost Time Injury Frequency Rate	Greater than or equal to 25% reduction from the previous year's result	Greater than or equal to 30% reduction from the previous year's result
Total employee costs (including agency staff)	Less than or equal to 3% increase in actual employee costs (including agency staff) against prior year's actual costs	Less than or equal to 2% increase in actual employee costs (including agency staff) against prior year's actual costs
Retention of key staff	Greater than or equal to 80% key staff retained	Greater than or equal to 90% key staff retained
Overall satisfaction with Council's performance	Greater than or equal to 75% rated as satisfied or above	Greater than or equal to 85% rated as satisfied or above
Asset Sustainability	Asset Sustainability Ratio greater than or equal to 80%	Asset Sustainability Ratio greater than or equal to 90%
Delivery of Council's capital works program	Greater than or equal to 80% delivery of Council's planned capital works program (adjusted for extraordinary items)	Greater than or equal to 90% delivery of Council's planned capital works program (adjusted for extraordinary items)

We will report on our progress against our 2017/18 KPI dashboard quarterly at Council meetings and in our 2017/18 Annual Report.



## 9. Funding the Annual Business Plan

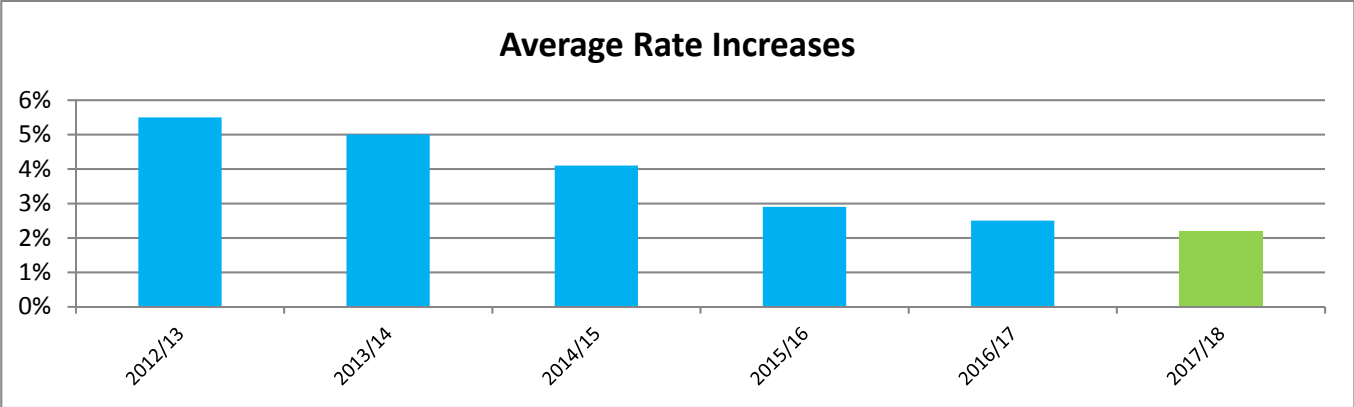
### 9.1 Your rates in 2017/18

The Annual Business Plan is based on an average rate increase of 2.2%. In setting rates for 2017/18, council has forecast the revenue required to meet the costs of delivering the services and projects that will be provided to the community in 2017/18.

Rates account for 86% percent of council's operating revenue with others sources including fees, charges and grants. These revenues contribute to the necessary funding for planned capital renewal programs in 2017/18.

While the average rate increase is 2.2%, it is to be noted that actual rates payable by a rate payer will vary according to individual property valuations, the attributed land use, and whether there has been any new development or capital improvement at the land.

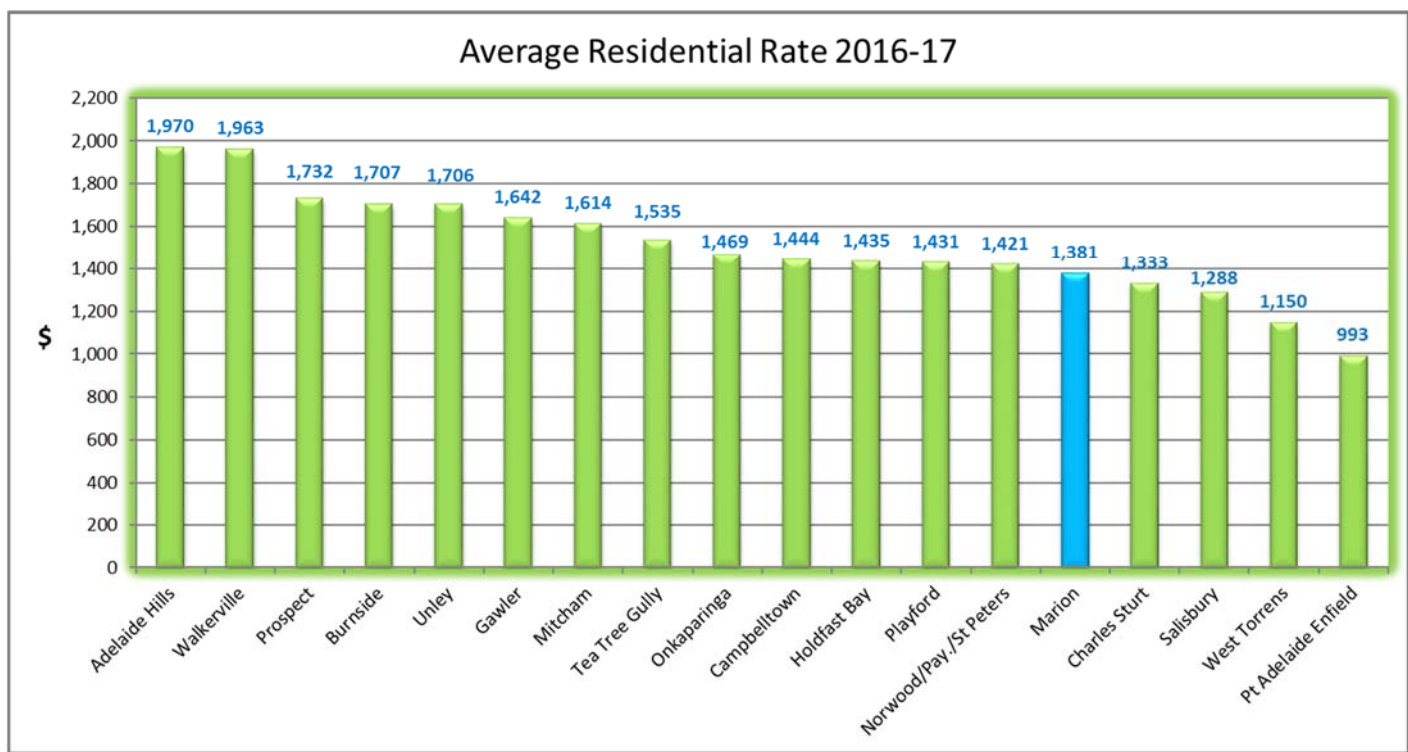
Over the past years, we have listened to your feedback and Council is aware of the impact of rate increases on the community. We are continually looking for opportunities that allow this burden to be reduced and as a result our rate increases have been decreasing steadily over the past five years. The 2017/18 rate increase is the lowest in over 10 years, and continues to head in the desired downward direction.



With changing community needs and other external influences impacting on the community, there is a need for council to consider how to plan more effectively, both for the longer term and more immediate community benefit. The rate increase is set at a level that provides confidence that services will be maintained and that a sufficient capital expenditure program is planned to maintain council's assets.

The outcomes of the community consultation, as well as a balance between achieving the strategic directions, maintaining services and assets, ensuring financial and environmental sustainability, supporting intergenerational equity and making provision for those in the community who are experiencing hardship, have been considered in setting the rate increase for the Annual Business Plan.

The graph presented below illustrates council’s relative rating effort compared to other Adelaide metropolitan councils. Marion was ranked 5<sup>th</sup> lowest average residential rate in 2016/17.



Note: Comparative data for the 2017/18 year will be available following the release of the LGA Council Rates Survey which is typically released in the first quarter of the next calendar year.

### 9.2 Differential Rating

Council currently derives 18% (2016/17: 18%) of its rate revenue from the Commercial and Industrial sectors. Commercial and Industrial users consume a greater proportion of council resources than residential properties, particularly in regard to the use of roads, footpaths, traffic, parking, storm water drainage, public health and environment.

Council uses a differential rating system to raise revenue based upon its Land Use and will continue to do so to ensure a fair and equitable distribution of rates within the City of Marion. The differential rate is charged in addition to the normal rate. In applying this approach, council will take into consideration all prevailing economic conditions and changes and adjust its differential rates accordingly, to ensure an appropriate and fair equalisation of rates across all land use categories. Differential rates to apply to land use are as follows:

Commercial	85%	(2016/17: 85%)
Industrial	70%	(2016/17: 70%)
Vacant Land	100%	(2016/17: 100%)

### 9.3 Budgeted Income Statement

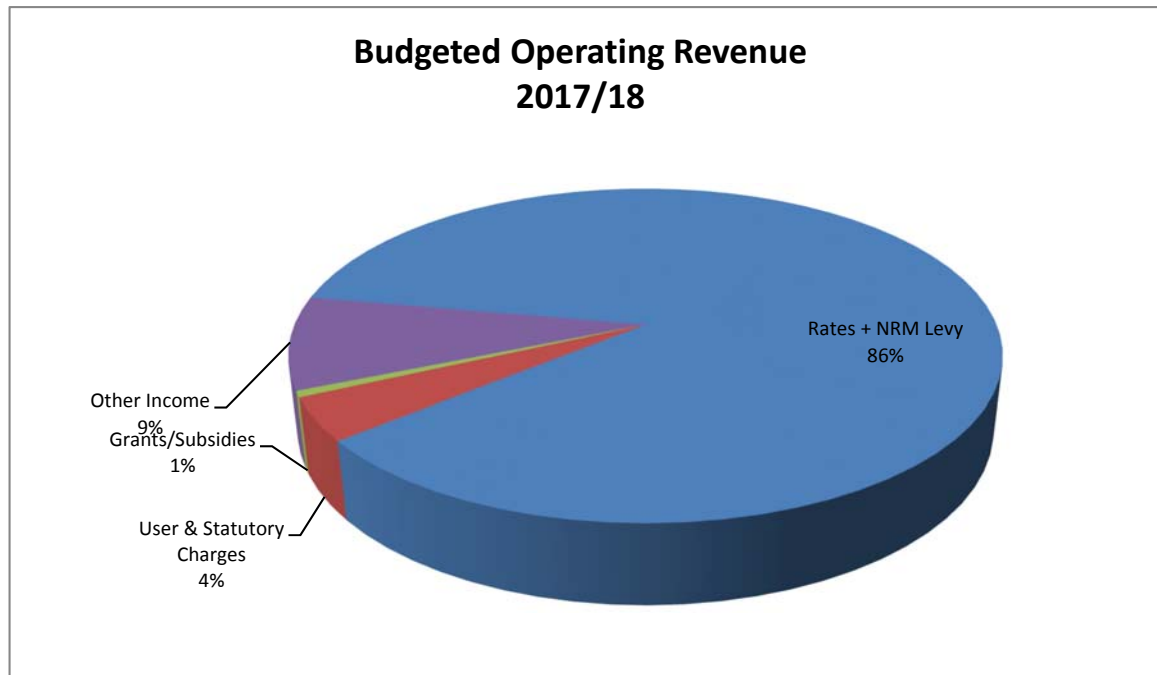
An operating surplus of \$6.318m before capital revenues is forecast for 2017/18. An operating surplus is required to fund the renewal of existing infrastructure in accordance with council's asset management plans.

	3rd Review 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
<b>Budgeted Income Statement</b>			
<b>Operating Revenue</b>			
Rates - General	70,858	73,130	2,272
Rates - NRM Levy *	1,683	1,767	84
Statutory Charges	1,750	1,812	62
User Charges	1,795	1,752	(43)
Grants/Subsidies	7,587	5,509	(2,078)
Investment Income	854	754	(100)
Reimbursements	788	681	(107)
Other Revenue	763	1,233	470
Share of Profit/(Loss) Regional Subsidiaries	324	334	10
<b>Total Operating Revenue</b>	<b>86,402</b>	<b>86,972</b>	<b>570</b>
<b>Operating Expenditure</b>			
Employee Costs	32,928	34,013	1,086
Contractor Services	18,053	17,326	(726)
Materials	4,632	5,044	412
Finance Charges	613	545	(68)
Depreciation	17,104	17,030	(74)
Other Expenses	6,476	8,005	1,529
<b>Total Operating Expenditure</b>	<b>79,805</b>	<b>81,964</b>	<b>2,159</b>
<b>Operating Surplus/(Deficit) before Capital Revenues</b>	<b>6,597</b>	<b>5,008</b>	<b>(1,589)</b>
Capital Grants and Contributions	2,114	1,710	(404)
Physical resources received free of charge	1,500	1,500	-
<b>Net Surplus/(Deficit) resulting from Operations</b>	<b>10,211</b>	<b>8,218</b>	<b>(1,993)</b>

\* Note: The NRM Levy is collected by Council on behalf of the Adelaide and Mt Lofty Ranges Natural Resources Management Board.

## 9.4 Operating Revenue

The main source of income for council is rate revenue; making up 86% of total council revenue in 2017/18, with other sources being government regulated fees for statutory services, an environment of diminishing levels of untied federal grant monies, as well as other grants from State and Federal government.



### General Rates

Council's revenue in 2017/18 includes \$73.1m to be raised in general rates. The budget has been developed on the basis of an average rate increase of 2.2% (excluding new developments and capital improvements). In setting rates for 2017/18, council has forecast the revenue required to meet the costs of delivering the services and projects that will be provided to the community in 2017/18.

Growth for new developments and capital improvements is forecast at 1% for 2017/18. This predominantly is the result of new housing in Marion and property improvements as reported by the Valuer General. The revenue created by this growth will cover the increased costs of servicing a growing community which includes the requirement to maintain and provide for the replacement of infrastructure such as stormwater drainage and transport networks.

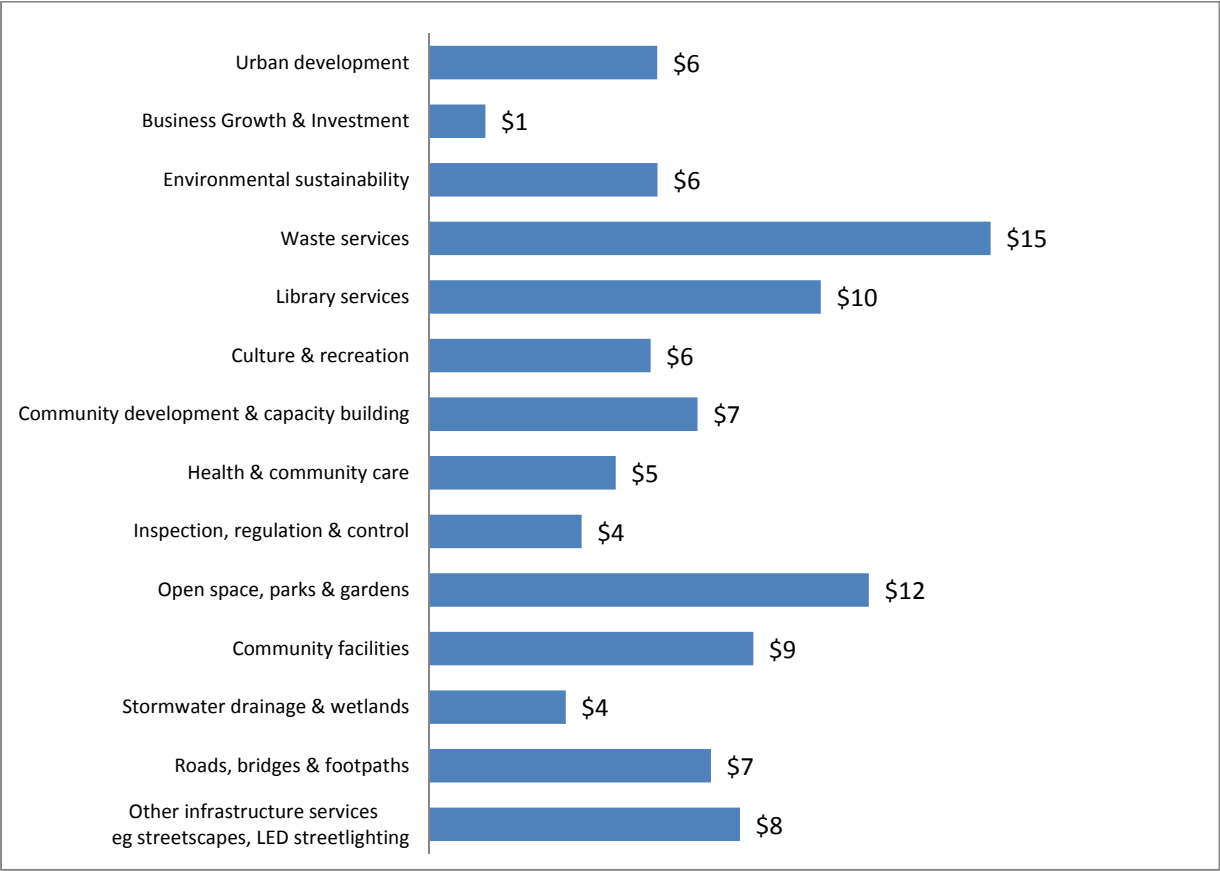
### Other Sources of Revenue

- **User Charges set by council** – Relate mainly to the recovery of service delivery costs through the charging of fees to users of council's services. These include charges for the use of council's community facilities, swimming pool admission and the like.
- **Statutory Charges set by State Government** – Relate mainly to fees and fines levied in accordance with legislation and include development application fees, health act registrations and parking fines.
- **Grants and Subsidies** – Grants include all monies received from State and Federal sources for the purpose of funding the delivery of council's services to ratepayers and for the funding of the capital works program. Due to the receipt of 50% the Commonwealth 'Financial Assistance Grants' for 2017/18 in June 2017, this has had the impact of reducing grant revenue by \$1.3m in 2017/18.



9.5 Operating Expenditure

Council’s operating expenses are forecast to increase to \$81.964m in 2017/18. The following graph shows a breakdown of operating expenditure across council services for every \$100 spent:



Employee Costs

Employees are responsible for the provision of Council’s key services, including the ongoing maintenance of open space areas, libraries, neighbourhood centres, the Marion Outdoor Pool, urban development, health and community care. Employees are either directly employed by council, or indirectly through an employment agency (i.e. agency staff) where temporary workforce requirements have arisen through seasonal demand or short-term vacancies of existing positions.

Employee costs are forecast to increase by \$1.08m primarily because of increases in existing staff Enterprise Agreements (currently 2.0%, in line with the March 2017 CPI).

There are two Enterprise Agreements (EA’s) covering our indoor and outdoor staff. The indoor (clerical) staff EA is negotiated with the Australian Services Union and staff last year agreed to a 2% per annum increase, or CPI if greater, for the 3 years to 30 June 2019 (the previous 3-year agreement gave average annual increases of 3.43%). The outdoor staff EA is negotiated with the Australian Workers Union. The current EA expires on 30 June 2017 and is currently being renegotiated (the existing 3 year EA has given average annual increases of 3.41%).

Contractor Services

Contractor services relate mainly to the provision of council services by external providers. Council uses contractors to assist in the provision of major services such as waste collection, and also where specialist services or advice is required where it is not warranted for Council to have permanent in-house resources. A decrease of \$726k is forecast in the 2017/18 budget.

## Materials

Council's Materials budget includes utilities, products utilised in the delivery of community services and maintenance of council's infrastructure, open space, and other assets, as well as fuel for the fleet of vehicles used to deliver services.

Despite significant projected price increases in 2017/18 for electricity and gas, an increase of \$412k in materials is forecast in the 2017/18 budget.

## Other Expenses

The key increases in Council's Other Expense category, include a \$1.0m contribution towards its LED Streetlight replacement program, and a one-off contribution towards drainage works of \$600k which has been redirected from its Capital Works program.

## 9.6 Capital Revenue

### Capital Grants and Contributions

Council has forecast \$1.7m in capital grants and contributions towards works planned in 2017/18. The contributions are made up of \$1.6m towards the Edwardstown Oval Redevelopment and \$0.1m towards South Australia's first inclusive playground – a playground that will take into account the needs of children with disabilities.

## 9.7 Budgeted Capital Expenditure

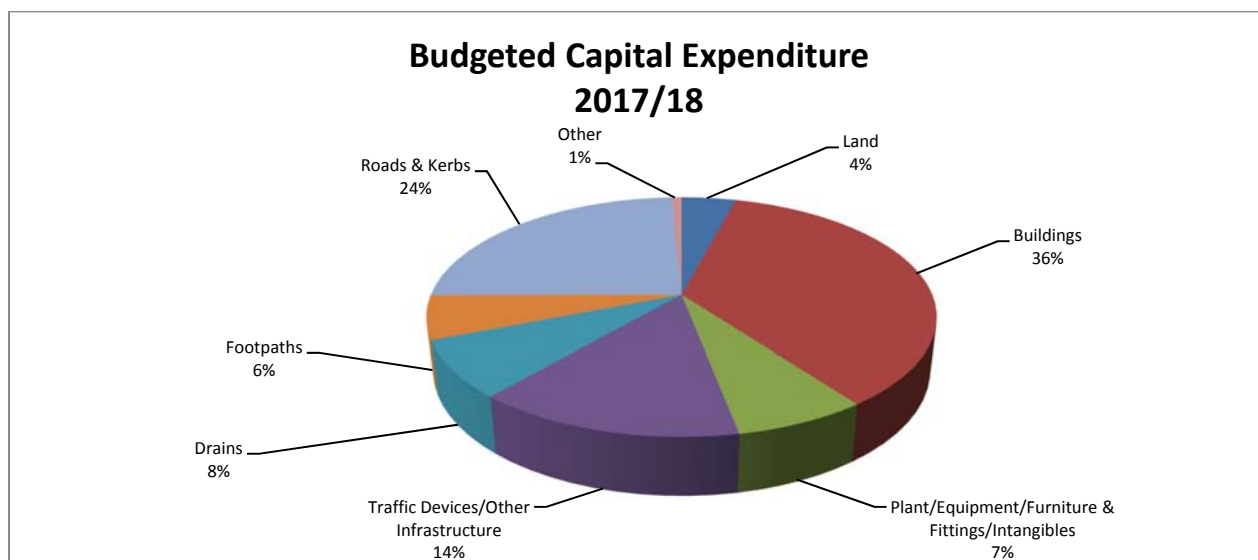
The 2017/18 Budgeted Statement of Capital Expenditure forecasts total capital expenditure of \$25.327m including \$14.766m renewal and \$10.561m new and upgrade.

The following table summarises council's planned Capital Works Program for 2017/18.

	3rd Review 2016/17 \$'000	Budget 2017/18 \$'000
<b>Capital Expenditure</b>		
Land	3,261	1,041
Buildings	4,016	9,049
Infrastructure:		
Roads & Kerbs	6,691	6,160
Drains	2,900	1,933
Footpaths	1,755	1,500
Traffic Control Devices	185	378
Other Infrastructure	3,715	3,269
Plant and Equipment	3,293	1,759
Furniture and Fittings	100	50
Other	311	188
<b>Total Capital expenditure</b>	<b>26,227</b>	<b>25,327</b>
Represented By:		
Capital Expenditure		
Assets - New	10,362	10,561
Assets - Renewal	15,865	14,766
	<b>26,227</b>	<b>25,327</b>

Key capital projects included in the budget are the commencement of construction of the Edwardstown Soldiers Memorial Oval redevelopment (\$3.7m), the development of an international standard BMX Track (\$0.8m) in partnership with the City of Onkaparinga and the State Government and improvements in the amenity of our Streetscapes (\$1.8m).

A detailed listing of other projects is included at Appendix 2.



## 9.8 Financing the Budget

Financing the budget refers to the use of borrowings or available cash balances to meet any shortfall between expenditure (both operating and capital) and revenue.

	3rd Review 2016/17 \$'000	Budget 2017/18 \$'000
<b>Net Lending/(Borrowing)</b>		
Operating Surplus/Deficit before Capital Amounts	6,597	5,008
<u>less: Net Outlay on Existing Assets</u>		
Capital expenditure on asset renewal/replacement	15,865	14,766
less Depreciation/Ammortisation	(17,104)	(17,030)
	<b>(1,239)</b>	<b>(2,265)</b>
<u>less: Net Outlay on New/Upgrade Assets</u>		
Capital expenditure on New & Upgrade Assets	10,362	10,561
less Capital Grants	(2,114)	(1,710)
	<b>8,248</b>	<b>8,851</b>
Adjustments		
Proceeds from Sale of Surplus Land	1,572	0
Share of Equity - Regional Subsidiaries	(324)	(334)
	<b>1,248</b>	<b>(334)</b>
<b>Net funding increase/(decrease)</b>	<b>836</b>	<b>(1,912)</b>

The table above identifies the council's net funding result. Council's budget for 2017/18 is expected to result in a net decrease in funding of \$1.912m.

Financing transactions associated with accommodating the expected net lending result in 2017/18 are as follows:

	<b>3rd Review 2016/17 \$'000</b>	<b>Budget 2017/18 \$'000</b>
<b>Financing Transactions</b>		
New Borrowings	0	0
less: Repayment of Principal on Borrowings	(1,126)	(1,197)
less: Increase/(Decrease) in Cash & Investments		
Transfers from/(to) Reserves	2,252	3,109
Cash Drawdowns/(Investment)	(1,962)	0
<b>Equals: Financing Transactions</b>	<b>(836)</b>	<b>1,912</b>

No additional borrowings are forecast in 2017/18, and as such principal repayments of existing loans will result in a forecast balance outstanding as at 30 June 2018 of \$7.905m.

## 9.9 Financial Ratios

To assist council in meeting its objective of financial sustainability a series of financial indicators endorsed by the Local Government Association are provided. Where a council target has not been adopted, the recommended Local Government Association (LGA) target has been used. The following table details these financial indicators and whether or not the prescribed target has been achieved over the five years up to the end of 2017/18.

<b>Ratio</b>	<b>Council Target</b>	<b>2017/18 Budget</b>	<b>5 Year Average</b>
Operating Surplus	0% - 5%	5.76%	8.32%
Asset Sustainability	95% - 100%	86.70%	88.52%
Asset Consumption	80% - 100%	76.87%	75.48%
Net Financial Liabilities	0% - 50%	1.37%	N/A
Debt Servicing	0% - 5%	2.0%	N/A

The Operating Surplus Ratio is forecast to exceed the currently adopted target of 0–5%. The forecast surplus is required to provide the funding necessary to meet the costs of delivering services and projects to the community in 2017/18 including the renewal and upgrade of existing community assets over time to maintain community service standards and expectations.

Council's Asset Sustainability and Asset Consumption ratios both fall outside of their targets. This indicates that Council's asset base requires further renewal, with continuing work on its Asset Management Plans and strategies relating to specific asset classes in progress to set a good foundation for improving this in future.

All other ratios are within their targeted ranges. Meeting these targeted ranges is consistent with Council meeting its objective of long-term financial sustainability.



## APPENDICES

### Budget 2017/18

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## Appendix 1. Budgeted Income Statement

CITY OF MARION			
Budgeted Income Statement			
Budget 2016/17 \$'000	3rd Review 2016/17 \$'000		Budget 2017/18 \$'000
		<b>Operating Revenue</b>	
70,829	70,858	Rates - General	73,130
1,628	1,683	Rates - NRM Levy	1,767
1,751	1,750	Statutory Charges	1,812
1,599	1,795	User Charges	1,752
7,211	7,587	Grants/Subsidies	5,509
265	854	Investment Income	754
619	788	Reimbursements	681
384	763	Other Revenue	1,233
324	324	Share of Profit/(Loss) SRWRA	334
<b>84,610</b>	<b>86,402</b>	<b>Total Operating Revenue</b>	<b>86,972</b>
		<b>Operating Expenditure</b>	
33,021	32,928	Employee Costs	34,013
16,886	18,052	Contractor Services	17,326
5,193	4,633	Materials	5,044
948	613	Finance Charges	545
14,020	17,104	Depreciation	17,030
6,889	6,476	Other Expenses	8,005
<b>76,957</b>	<b>79,805</b>	<b>Total Operating Expenditure</b>	<b>81,964</b>
<b>7,653</b>	<b>6,597</b>	<b>Operating Surplus/(Deficit) before Capital Revenues</b>	<b>5,008</b>
-	2,114	Capital Grants and Contributions	1,710
1,500	1,500	Physical resources received free of charge	1,500
<b>9,153</b>	<b>10,211</b>	<b>Net Surplus/(Deficit) resulting from Operations</b>	<b>8,218</b>

## Appendix 2. Budgeted Statement of Financial Position

CITY OF MARION			
Budgeted Statement of Financial Position			
Budget 2016/17 \$'000	3rd Review 2016/17 \$'000		Budget 2017/18 \$'000
		<b><u>Current Assets</u></b>	
21,747	19,899	Cash	15,358
4,036	3,929	Receivables	5,290
166	226	Inventory	236
<b>25,949</b>	<b>24,054</b>	<b>Total Current Assets</b>	<b>20,884</b>
		<b><u>Current Liabilities</u></b>	
10,142	7,696	Creditors	7,999
2,291	5,140	Provisions	5,140
1,444	1,197	Loans	1,100
<b>13,877</b>	<b>14,033</b>	<b>Total Current Liabilities</b>	<b>14,239</b>
<b>12,072</b>	<b>10,021</b>	<b>Net Current Assets/(Liabilities)</b>	<b>6,645</b>
		<b><u>Non-Current Assets</u></b>	
5,759	5,983	Investment in Regional Subsidiaries	6,317
1,133,420	1,129,721	Infrastructure, Property, Plant & Equipment	1,139,881
<b>1,139,179</b>	<b>1,135,704</b>	<b>Total Non-Current Assets</b>	<b>1,146,198</b>
		<b><u>Non-Current Liabilities</u></b>	
857	796	Provisions	796
12,645	7,905	Loans	6,805
<b>13,502</b>	<b>8,701</b>	<b>Total Non-Current Liabilities</b>	<b>7,601</b>
<b>1,137,749</b>	<b>1,137,024</b>	<b>Net Assets</b>	<b>1,145,242</b>
		<b><u>Equity</u></b>	
379,196	381,674	Accumulated Surplus	393,001
758,553	755,350	Reserves	752,241
<b>1,137,749</b>	<b>1,137,024</b>	<b>Total Equity</b>	<b>1,145,242</b>

### Appendix 3. Budgeted Statement of Changes in Equity

CITY OF MARION			
Budgeted Statement of Changes in Equity			
Budget 2016/17 \$'000	3rd Review 2016/17 \$'000		Budget 2017/18 \$'000
		<b>Accumulated Surplus</b>	
372,074	369,211	Balance at beginning of period	<b>381,674</b>
9,153	10,211	Net Surplus/(Deficit)	8,218
127	7,517	Transfers from Reserves	7,651
(2,158)	(5,265)	Transfers to Reserves	(4,543)
<b>379,196</b>	<b>381,674</b>	<b>Balance at end of period</b>	<b>393,001</b>
		<b>Asset Revaluation Reserve</b>	
740,335	735,835	Balance at beginning of period	735,835
<b>740,335</b>	<b>735,835</b>	<b>Balance at end of period</b>	<b>735,835</b>
		<b>Open Space Reserve</b>	
867	1,014	Balance at beginning of period	1,164
18	150	Net change	22
<b>885</b>	<b>1,164</b>	<b>Balance at end of period</b>	<b>1,186</b>
		<b>Other Reserves</b>	
15,320	20,753	Balance at beginning of period	18,351
2,013	(2,402)	Net change	(3,131)
<b>17,333</b>	<b>18,351</b>	<b>Balance at end of period</b>	<b>15,220</b>
<b>758,553</b>	<b>755,350</b>	<b>Total Reserves</b>	<b>752,241</b>
<b>1,137,749</b>	<b>1,137,024</b>	<b>Total Equity</b>	<b>1,145,242</b>

## Appendix 4. Budgeted Statement of Cash Flows

CITY OF MARION			
Budgeted Statement of Cash Flows			
Budget 2016/17 \$'000	3rd Review 2016/17 \$'000		Budget 2017/18 \$'000
		<b>Cash Flows from Operating Activities</b>	
84,286	87,140	<i>Receipts</i>	85,308
(62,937)	(68,045)	<i>Payments</i>	(65,035)
<b>21,349</b>	<b>19,095</b>	<b>Net Cash Provided by Operating Activities</b>	<b>20,273</b>
		<b>Cash Flows from Financing Activities</b>	
		<i>Receipts</i>	
0	0	Loans Received	0
		<i>Payments</i>	
(1,400)	(1,126)	Principal	(1,197)
<b>(1,400)</b>	<b>(1,126)</b>	<b>Net Cash (Used In) Financing Activities</b>	<b>(1,197)</b>
		<b>Cash Flows from Investing Activities</b>	
		<i>Receipts</i>	
0	2,114	Capital Grants/Subsidies & Contributions/Investments	1,710
		<i>Payments</i>	
(18,599)	(24,655)	Purchase of IPP&E	(25,327)
<b>(18,599)</b>	<b>(22,541)</b>	<b>Net Cash (Used In) Investing Activities</b>	<b>(23,617)</b>
		<b>Net Increase/(Decrease) in Cash Held</b>	<b>(4,541)</b>
1,350	(4,572)	<b>Cash at Beginning of Reporting Period</b>	<b>19,899</b>
20,397	24,471	<b>Cash at End of Reporting Period</b>	<b>15,358</b>
<b>21,747</b>	<b>19,899</b>		

## Appendix 5. Budgeted Funding Statement

CITY OF MARION			
Budgeted Funding Statement			
Budget			
Budget 2016/17 \$'000	3rd Review 2016/17 \$'000		Budget 2017/18 \$'000
		<b>Operating Revenue</b>	
72,457	72,541	Rates	74,897
1,751	1,750	Statutory Charges	1,812
1,599	1,795	User Charges	1,752
7,211	7,587	Operating Grants & Subsidies	5,509
265	854	Investment Income	754
619	788	Reimbursements	681
384	763	Other	1,233
324	324	Net gain - SRWRA	334
<b>84,610</b>	<b>86,402</b>		<b>86,972</b>
		<b>Operating Expenses</b>	
33,021	32,928	Employee Costs	34,013
16,886	18,052	Contractual Services	17,326
5,193	4,633	Materials	5,044
948	613	Finance Charges	545
14,020	17,104	Depreciation	17,030
6,889	6,476	Other	8,005
<b>76,957</b>	<b>79,805</b>		<b>81,964</b>
<b>7,653</b>	<b>6,597</b>	<b>Operating Surplus/(Deficit) before Capital Revenues</b>	<b>5,008</b>
		<b>Capital Revenue</b>	
-	2,114	Capital Grants & Subsidies	1,710
1,500	1,500	Contributed Assets	1,500
-	-	Gain/(Loss) on Asset Disposal	-
<b>1,500</b>	<b>3,614</b>		<b>3,210</b>
<b>9,153</b>	<b>10,211</b>	<b>Net Surplus/(Deficit) resulting from operations</b>	<b>8,218</b>
<b>14,020</b>	17,104	<b>add Depreciation</b>	<b>17,030</b>
324	324	<b>less Share of Profit SRWRA (excluding dividend)</b>	334
<b>22,849</b>	<b>26,991</b>	<b>Funding available for Capital Investment</b>	<b>24,915</b>
		<b>Capital</b>	
13,673	15,865	<b>less Capital Expenditure - Renewal</b>	14,766
4,925	10,362	<b>less Capital Expenditure - New</b>	10,561
1,500	1,500	<b>less Capital - contributed assets</b>	1,500
-	(1,572)	<b>add Proceeds from Sale of Surplus Land</b>	-
<b>2,751</b>	<b>836</b>	<b>Net funding increase/(decrease)</b>	<b>(1,912)</b>



Budgeted Funding Statement			
Budget 2016/17 \$'000	3rd Review 2016/17 \$'000		Budget 2017/18 \$'000
		Funded by;	
		Loans	
-	-	Loan Principal Receipts (Net)	-
-	-	Loan Receipts/(Payments) from Sporting Clubs (Net)	-
1,400	1,126	less Loan Principal Repayments	1,197
<u>(1,400)</u>	<u>(1,126)</u>	Loan Funding (Net)	<u>(1,197)</u>
		Movement in level of cash, investments and accruals	
(680)	1,962	Cash Surplus/(Deficit) funding requirements	-
2,031	(2,252)	Reserves Net transfer to/(transfer from)	(3,109)
<u>1,351</u>	<u>(290)</u>	Cash/Investments/Accruals Funding	<u>(3,109)</u>
<u>(2,751)</u>	<u>(836)</u>	Funding Transactions	<u>1,912</u>

## Appendix 6. Capital Works Program

ROAD RESEAL PROGRAM 2017/18				
Road Name	Suburb	Ward	From	To
Allambee Avenue	Edwardstown	Woodlands	Daws Road	Conmurra Avenue
Allison Street	Ascot Park	Woodlands	John Street	Robert Street
Ballara Avenue	Warradale	Warracowie	Ormonde Avenue	Astrid Avenue
Barclay Avenue	Glengowrie	Mullawirra	Gowrie Avenue	Fisk Avenue
Barham Avenue	Morphettville	Mullawirra	Nilpena Avenue	Nunyah Avenue
Barham Cds	Morphettville	Mullawirra	Barham Avenue	Barham Avenue
Barramundi/Capella Roundabout	Hallett Cove	Coastal		
Bay Street	Seacombe Gardens	Warracowie	Morphett Road	Russell Avenue
Beaconsfield Terrace	Ascot Park	Woodlands	Marion Road	Linda Street
Beaumont Street	Clovelly Park	Woodlands	Norrie Street	English Avenue
Boyd Court	Trott Park	Southern Hills	Meldrum Street	Cul-De-Sac
Bradman Street	Sturt	Warriparinga	Travers Street	Ralph Street
Browning Avenue	Plympton Park	Mullawirra	South Terrace	Acacia Street
Butler Crescent	Glengowrie	Mullawirra	Maxwell Terrace	Fisk Avenue
Cameron Court	Mitchell Park	Warriparinga	Bruce Avenue	Cul-De-Sac
Carlow Street	Sturt	Warriparinga	Diagonal Road	Duncan Street
Chalfont Way	Glengowrie	Mullawirra	Oaklands Road	St Peters Way
Charles Street	Ascot Park	Woodlands	Daws Road	Adelaide Terrace
Clare Avenue	Sheidow Park	Southern Hills	Clare Court	Westall Way
Cummings Crescent	Mitchell Park	Warriparinga	Lutana Crescent	Mary Street
Darling Street	Sturt	Warriparinga	Diagonal Road	Bradman Street
David Avenue	Mitchell Park	Warriparinga	Daws Road	Bruce Avenue
Davidson Avenue	Park Holme	Mullawirra	Sandison Avenue	O'Halloran Terrace
De Laine Avenue	Edwardstown	Woodlands	Macklin Street	Towers Terrace
Dunbar Avenue	Morphettville	Mullawirra	Denham Avenue	Claines Avenue
Dunorlan Road	Edwardstown	Woodlands	House #80	Calstock Avenue
Edgeworth Street	South Plympton	Woodlands	Raglan Avenue	Wood Street
Egmont Avenue	Warradale	Warracowie	Diagonal Road	Jeffrey Avenue
Elder Terrace	Glengowrie	Mullawirra	Maxwell Terrace	Fisk Avenue
Embert Street	Sturt	Warriparinga	Melbourne Street	Ralph Street
Emma Close	Mitchell Park	Warriparinga	Bradley Grove	Dead End
English Avenue	Clovelly Park	Woodlands	Beaumont Street	Hendon Avenue
Erudina Avenue	Edwardstown	Woodlands	Conmurra Avenue	Konando Terrace
Esplanade	Marino	Coastal	Cul-De-Sac	Road Widening O/S #2
Everest Street	Morphettville	Mullawirra	Tensing Street	Hunt Avenue
Fetlar Avenue	Marion	Warriparinga	Rathlin Avenue	Stroma Road
Franklin Street	Sturt	Warriparinga	Melbourne Street	Day Street
French Crescent	Trott Park	Southern Hills	Bovard Court	Heysen Drive
Furner Road	Mitchell Park	Warriparinga	Bradley Grove North	#15/17 (At Station)
Garden Street	South Plympton	Woodlands	Thomas Street	Vincent Street
Greenock Drive	Sturt	Warriparinga	Parkmore Avenue	Grandview Road
Gretel Crescent	Hallett Cove	Coastal	Grand Central Avenue	Aurora Street
Gulfview Road	Seaview Downs	Southern Hills	Morphett Road	Fowler Street
Hamilton Avenue	Warradale	Warracowie	Hamilton Court	Sienna Avenue
Harkin Avenue	Mitchell Park	Warriparinga	Trowbridge Avenue	Kelly Grove
Harlow Street	Mitchell Park	Warriparinga	Quick Road	Thorne Crescent
Harris Street	Edwardstown	Woodlands	De Laine Avenue	Angus Avenue
Harrow Street	Dover Gardens	Warracowie	Crown Street	Clacton Road
Helmsdale Avenue	Glengowrie	Mullawirra	Francis Avenue	Kersely Avenue
Hessing Crescent	Trott Park	Southern Hills	Brack Court	Insley Court
Hester Avenue	Mitchell Park	Warriparinga	Bradley Grove	Kelly Grove
Jervois Terrace	Marino	Coastal	Spinks Road	Short Street
Johnstone Road	Oaklands Park	Warracowie	Crozier Terrace	Perrin Street
Joyner Street	Dover Gardens	Warracowie	Morphett Rd	Branksome Terrace

ROAD RESEAL PROGRAM 2017/18 (continued)				
Road Name	Suburb	Ward	From	To
Kathleen Street	Dover Gardens	Warracowie	Ella Street	Laurence Street
Kelly Grove	Mitchell Park	Warriparinga	Harkin Avenue	Cul-De-Sac
Kingston Avenue	Seacombe Gardens	Warracowie	Glamis Avenue	Alderman Avenue
Konando Terrace	Edwardstown	Woodlands	Yanyarrie Avenue	Allambee Avenue
Kooraweera Street	Hallett Cove	Coastal	Nungamoorra Street	Pindee Street
Kurrajong Place	Seacombe Gardens	Warracowie	Pitt Street	Kent Avenue
Lagunta Avenue	Edwardstown	Woodlands	Konando Terrace	Daws Road
Laurence Street	South Plympton	Woodlands	Thomas Street	Vincent Street
Letcher Road	Oaklands Park	Warracowie	Crozier Terrace	Dwyer Road
Macklin Street	Sturt	Warriparinga	Service Lane	Bradman Street
Maldon Avenue	Mitchell Park	Warriparinga	Alawoona Avenue	Barkuna Avenue
Maxwell Avenue	Edwardstown	Woodlands	Towers Terrace	Railway Terrace
Mikasa Court	Trott Park	Southern Hills	Doulton Drive	End
Milton Avenue	Plympton Park	Mullawirra	Swinburne Avenue	Ferry Avenue
New Street	South Plympton	Woodlands	Cross Road	Pleasant Avenue
Nilpena Avenue	Morphettville	Mullawirra	Hendrie Street	Appleby Road
Nottingham Crescent	Glandore	Woodlands	Maud Street	South Road
Oakbank Crescent	Sheidow Park	Southern Hills	Bathbank Crescent	Cul-De-Sac
Omar Avenue	Warradale	Warracowie	Macarthur Avenue	Virgo Avenue
Parkmore Avenue	Sturt	Warriparinga	Rosefield Lane	Travers Street
Penrith Court	Mitchell Park	Warriparinga	Bradley Grove	Cul-De-Sac
Pildappa Avenue	Park Holme	Mullawirra	Bowaka Street	Rotorua Avenue
Portland Avenue	Sturt	Warriparinga	Diagonal Road	Torquay Road
Price Street	Plympton Park	Mullawirra	Taranna Road	Cul-De-Sac
Princes Parade	Clovelly Park	Woodlands	South Road	York Avenue
Ralph Street	Sturt	Warriparinga	Bradman Street	Day Street
Ramsay Avenue	Seacombe Gardens	Warracowie	Morphett Road	Miller Street
Ranford Crescent	Mitchell Park	Warriparinga	Byard Terrace	Egan Crescent
Richard Avenue	Mitchell Park	Warriparinga	Daws Road	The End
Rider Street	Seacombe Gardens	Warracowie	Sutton Avenue	Limbert Avenue
Rogana Crescent	Hallett Cove	Coastal	Coorabie Crescent	Goroke Street
Rotorua Avenue	Park Holme	Mullawirra	Tarranna Avenue	Weroona Avenue
Rotorua Avenue	Park Holme	Mullawirra	Nilpena Avenue	Tiparra Avenue
Rotorua Avenue	Park Holme	Mullawirra	Condada Avenue	Pildappa Avenue
Scott Street	Plympton Park	Mullawirra	Arthur Street	Clement Street
Seacombe Crescent	Seacombe Heights	Warriparinga	Waite Avenue	Grandview Drive
Service Lane	Edwardstown	Woodlands	South Road	Gumbowie Avenue
Shearing Street	Oaklands Park	Warracowie	Morphett Road	Barry Road
Stanton Street	Edwardstown	Woodlands	Wright Street	Fuller Street
Sunshine Avenue	Warradale	Warracowie	Morphett Road	Lincoln Avenue
Sunshine Avenue	Warradale	Warracowie	Struan Avenue	Council Boundary
Tarnham Road	Seacombe Heights	Warriparinga	Morphett Road	Calum Grove
Taylor Court	South Plympton	Woodlands	Thomas Street	Cul-De-Sac
Terra Avenue	Mitchell Park	Warriparinga	Percy Avenue	Cul-De-Sac
Waverley Avenue	Edwardstown	Woodlands	Conmurra Avenue	Deloraine Road
Wentworth Street	Seacombe Gardens	Warracowie	Miller Street	Kent Avenue
Western Avenue	Park Holme	Mullawirra	Copley Street	Duncan Avenue
Whiteley Drive	Trott Park	Southern Hills	Counihan Court	Olsen Court
Wooton Road	Edwardstown	Woodlands	Cross Road	Castle Street

RESIDENTIAL FOOTPATH PROGRAM 2017/18				
Road Name	Suburb	Ward	From	To
Proactive Footpath Works	Various	Various		
Argyll Street (east)	Marino	Coastal	Frank St	Jervois Terrace
Ocean Boulevard (east)	Seacliff Park	Southern Hills	Gardenia	No 54
Mulga Street (east)	Seacombe Gardens	Warracowie	Ramsay Ave	Syme Street
Doreen St - Laneway	Oaklands Park	Warracowie	Doreen St	Bombay Street
River Parade	Hallett Cove	Coastal	Osprey Ct	River Parade
Nottingham Terrace	Glandore	Woodlands	Tram Stop 7	Hall
Maldon Avenue	Mitchell Park	Warriparinga	Karu Cres	No 25
Young Street	Trott Park	Southern Hills	School	Fisher Avenue
Brooklyn Laneway	Hallett Cove	Southern Hills	Brooklyn Drive	Lonsdale Road

TRAFFIC DEVICES PROGRAM 2017/18			
Road Name	Suburb	Ward	Description
Sixth Avenue	Ascot Park	Woodlands	Bike crossing
Parson Grove	Park Holme	Mullawirra	Median parking
Boonga Street	Hallett Cove	Coastal	Installation of bollards
Hazelmere Road	Glengowrie	Mullawirra	Parking bay
The Cove Road	Hallett Cove	Coastal	Car park
Trott Grove	Oaklands Park	Warracowie	Median car park
Various	Various	Various	Street signs
Various minor works	Various	Various	signs, equipment, traffic islands

STORMWATER DRAINAGE PROGRAM 2017/18		
Road Name	Suburb	Ward
Mitchell Street	Glengowrie	Mullawirra
Barramundi Drive	Hallett Cove	Coastal
Crozier/Johnstone	Oaklands Park	Warracowie
Glade Crescent	Hallett Cove	Coastal
Grey Road	Hallett Cove	Coastal
Coolah Terrace	Marion	Warracowie

IRRIGATION & WETLANDS PROGRAM 2017/18		
Location	Suburb	Ward
Oakland's distribution network	Various	Various
Plympton Oval	Plympton Park	Mullawirra
Capella Drive Oval	Hallett Cove	Coastal
Glade Crescent Reserve	Hallett Cove	Coastal
Marion Swim Centre Reserve	Park Holme	Mullawirra
Bandon Terrace Reserve	Marino	Coastal
Scarborough Terrace Reserve	Dover Gardens	Warracowie
Aroona Road Reserve	Hallett Cove	Coastal
Sixth Avenue Reserve	Ascot Park	Woodlands
Various small Reserves	Various	Various

OTHER INFRASTRUCTURE PROGRAM 2017/18		
Details	Suburb	Ward
Streetscapes	Various	Various
Sturt Linear Path	Morphettville	Mullawirra
Walking & Cycling Pathways	Various	Various
Kerb & Water Table	Various	Various
Bus Shelters	Various	Various

OPEN SPACE & RECREATION WORKS PROGRAM 2017/18			
Location	Suburb	Ward	Description
<b>Playground Implementation Program</b>			
Sixth Avenue Reserve	Ascot Park	Woodlands	Construction
Clare Avenue Reserve	Sheidow Park	Southern Hills	Construction
Breakout Creek Reserve (YMCA)	Glengowrie	Mullawirra	Construction
Gully Road Reserve	Seacliff Park	Southern Hills	Construction
Appleby Road Reserve	Morphettville	Mullawirra	Construction
Hendrie Street Inclusive Playground	Park Holme	Mullawirra	Construction
Bandon Terrace Reserve	Marino	Coastal	Consultation, Concept and Detail Design
Shamrock Road Reserve	Hallett Cove	Coastal	Consultation, Concept and Detail Design
First Avenue Reserve	Ascot Park	Woodlands	Consultation, Concept and Detail Design
Mitchell Park Oval	Mitchell Park	Warraparinga	Consultation, Concept and Detail Design
Various*	Various	Various	Remove Playground without replacement
* Council is currently finalising the exact locations for playground removals for 17/18			
<b>Reserve Improvements</b>			
Hallett Cove Beach (Grand Central Reserve)	Hallett Cove	Coastal	Construction Amphitheatre works
Hallett Cove Beach (Reserve & Playground)	Hallett Cove	Coastal	Detail design
Stage 2 Recreation Plaza Oaklands Wetlands	Oaklands Park	Warracowie	Detail design and construction
Oaklands Estate (Reserve & Playground)	Oaklands Park	Warracowie	Detail design
2nd Dog Park	TBC	TBC	Determine location, consultation, concept design
Jervois Street Reserve	South Plympton	Woodlands	Install double shelter and tables
Reserve Street Reserve Dog Park	Trott Park	Southern Hills	Install shelter and seating
Capella Reserve	Hallett Cove	Coastal	Consultation and develop Precinct Plan
Various*	Various	Various	Installation of shade sails
*Council is currently finalising the exact location for the provision of shade in 17/18			
<b>Public Toilets</b>			
Gully Road Reserve	Seacliff Park	Southern Hills	Install new facility
<b>Tennis &amp; Netball Courts</b>			
Woodforde Family Reserve	Park Holme	Mullawirra	Courts and facility improvements
Hallett Cove Beach Tennis Club	Hallett Cove	Coastal	Courts and facility improvements
Warradale Park Tennis Club	Warradale	Warracowie	Courts and facility improvements
Southbank Tennis Club	Trott Park	Southern Hills	Courts and facility improvements
Marion Tennis Club	Marion	Warraparinga	Courts and facility improvements
Sandery Avenue Courts	Seacombe Gardens	Warracowie	New shelter, site power and storage

PROPERTY/BUILDING WORKS PROGRAM 2017/18			
Location	Suburb	Ward	Description
Various	Various	Various	Solar infrastructure installations
Majors Road	O'Halloran Hill	Southern Hills	BMX Track Development
Edwardstown Sports Club	Edwardstown	Woodlands	Sporting club redevelopment
Marion Sports Club	Marion	Warraparinga	Car park and drainage works
Fitzgerald James Building	Glandore	Woodlands	Replace ceiling, carpets, walls
Marion Leisure & Fitness Centre	Morphettville	Mullawirra	Replace carpet and car park works
Seaview Downs Kindergarten	Seaview Downs	Southern Hills	Replace fence
Cove Civic Centre	Hallett Cove	Coastal	Internal signage
Plympton Park Sports Club	Plympton Park	Mullawirra	Replace windows and doors
Marion Band Edwardstown	Edwardstown	Woodlands	Replace kitchen and remove asbestos
Southbank Tennis Club	Trott Park	Southern Hills	Replace carpet
YMCA Glengowrie	Glengowrie	Mullawirra	Replace kitchen
Perry Barr Farm	Hallett Cove	Coastal	Bitumen back laneway and stormwater treatment
Marion Golf Park	Seacliff Park	Coastal	Car park works
Coastal Walking Trail	Hallett Cove	Coastal	Replacement of handrails and balustrade
Marion Swim Centre	Park Holme	Mullawirra	Line ceiling
Perry Barr Farm Shearing Shed	Hallett Cove	Coastal	Replace ceiling

# Rating Policy



## Rating

### (1) Valuation Methodology and Adoption

Council uses Capital Value as the basis for valuing land within the Council area. Capital Value is the value of the land and all of the improvements on the land. The Council also continues to adopt the capital valuations distributed by the Valuer-General.

(See Annexure 1)

### (2) Differential General Rates

All land within a council area, except for land specifically exempt under section 147 (2) of the Act is rateable. The Act provides for a council to raise revenue through a general rate, which applies to all rateable land, or through differential general rates, which differentially apply to classes of rateable land. Council uses a differential rating system to raise revenue based upon Land Use and will continue to do so to ensure a fair and equitable distribution of rates within the City of Marion. In applying this approach Council will take into consideration all prevailing economic conditions and changes and adjust its differential rates accordingly, to ensure an appropriate and fair equalisation of rates across all land use categories.

The differential general rate Land Use categories are as follows

- Category 1 Residential
- Category 2 Commercial – Shop
- Category 3 Commercial – Office
- Category 4 Commercial – Other
- Category 5 Industrial – Light
- Category 6 Industrial – Other
- Category 7 Primary Production
- Category 8 Vacant
- Category 9 Other

These differential rates will be used to determine the rates in the dollar for all properties within the City of Marion area for the financial year. These rates will be specified in Council's rate declaration for each financial year.

(See Annexure 1)

### (3) Minimum Rate

A minimum amount payable by way of general rates is determined to apply to the whole of an allotment (including land under a separate lease or licence) and only one minimum amount is payable in respect of two or more pieces of adjoining land (whether intercepted by a road or not) if they are owned by the same owner and occupied by the same occupier.

The Minimum Rate to apply to properties within the City of Marion will be detailed in Council's rate declaration for each financial year.

(See Annexure 1)

### (4) Service Charge

The Council has decided not to impose any service charges for this financial year.



## **(5) Natural Resources Management (NRM) levy**

The Council, under the Natural Resource Management Act 2004, is required to collect this levy. It does so by imposing a separate rate for all rateable properties within the Council area.

For each financial year, the levy for each property will be determined by the total capital valuation within the City of Marion. The calculation is as follows;

- Total Capital Value divided by the Total Amount Required, (set for the financial year by the NRM Board) determines an appropriate rate in the dollar, this rate in the dollar will then be adopted to each property.

(See Annexure 1)

## **(6) Payment of Rates**

The Council has determined that payment of rates for the 2017/18 financial year will be by four instalments, due on 1 September 2017, 1 December 2017, 1 March 2018 and 1 June 2018. However, the total amount of rates may be paid in full at any time.

Council has determined that rates may be paid by the following methods;

- Australia Post – Post Office, Telephone or Internet
- Bpay – Telephone or internet payments
- Centrepay – Deductions directly from Centrelink deductions
- Direct Debit – Direct from either a Cheque or Savings account
- Eservices – Direct through the Councils Internet system
- In person - At Council Offices
- By Mail - Locked Bag 1 Oaklands Park SA 5046

## **(7) Late Payment of Rates**

Council imposes an initial penalty (a fine) of 2% as prescribed under the Act on any payment for rates, whether by instalment or otherwise, that is received late. A payment that continues to be late is then charged a prescribed interest rate (which includes the amount of any previous unpaid fine and interest) on the expiration of each month that it continues to be late.

When the Council receives a payment in respect of overdue rates the Council applies the money received in the order set out below in accordance with Section 183 of the Act,

- First – to satisfy any costs awarded in connection with court proceedings;
- Second – to satisfy any interest costs;
- Third – in payment of any fines imposed;
- Fourth – in payment of rates, in chronological order (starting with the oldest account first).

(See Annexure 1)

## **(8) Rebates and Postponement of Rates**

### **(8.1) Rate Rebate Policy**

Refer to the Rate Rebate Policy attached.

## **(8.2) Rate Capping**

Section 166 (1) (l) (ii) of the Act provides for the discretionary rebate of rates where, among other things, there has been a rapid change in valuations.

Council will provide relief against a substantial increase in rates payable on residential land due to large increases in capital value by applying a rebate (capping) of general rates to eligible ratepayers.

For the current financial year, the rate cap is set at 12% with a \$20 minimum and a \$200 maximum (excluding new or improved properties) for ratepayers who meet the Qualifying Criteria set out below:

Qualifying Criteria:

- The property is the owner's principal place of residence.
- The property has not had more than \$20,000 of improvements.
- The property value has not increased due to zoning changes.
- The land use for rating purposes has not changed since 1<sup>st</sup> July of the previous financial year.
- The property has not sold since the 1<sup>st</sup> January of the previous financial year.

Rate capping will be applied automatically to properties that can be readily identified as being eligible. Where this rebate is not applied automatically, ratepayers who consider they could be eligible for rate capping may apply in writing to council. Applications will be assessed against the eligible criteria. Only applications for the current financial year will be accepted and must be received in the current financial year.

### **(8.3) Residential Construction on Vacant Land**

Under Section 166 (1) (a) of the Act, and for the purpose of securing the proper development of the area, a discretionary rebate of general rates for the 2017/18 financial year will be granted in respect of an Assessment classed as vacant land by the Council, where:

- The Principal Ratepayer of the Assessment applies to the Council for the rebate prior to 30 June 2018, and
- The footings have been poured on the property by 30 June 2018

The amount of the rebate will be the difference between the general rate in the dollar applicable to Vacant land, and the general rate in the dollar applicable to Residential land. This is calculated by the number of days remaining between 1 July 2017 and 30 June 2018 from the date footings are poured for a residence on the land. Minimum Rate is still applicable.

### **(8.4) Postponement of Rates – Hardship**

Section 182 of The Act permits the Council, on the application of the ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship. Where a ratepayer is suffering hardship in paying rates he/she is invited to submit an application in writing to the Council's Team Leader Rating Services. The Council treats such inquiries confidentially.

### **(8.5) Postponement of Rates – Seniors**

An Application may be made to Council by ratepayers who meet the criteria required for qualification for the postponement under Section 182A of The Act. (see Annexure 1 for criteria)

### **(9) Sale of Land for Non-Payment of Rates**

The Act provides that a council may sell any land where the rates have been in arrears for three years or more. Except in extraordinary circumstances, the Council enforces the sale of land for arrears of rates.

### **(10) Concessions**

#### **Cost of Living Concession**

Pensioners, low-income earners and self-funded retirees holding a Commonwealth Seniors Health Card can receive up to \$200 per year. Eligibility includes pensioners and low-income earners who are tenants.

For further information contact the Concessions Hotline on 1800 307 758.

## **RATE REBATES**

### **(1) Policy Statement**

Council has decided to adopt a Rate Rebate Policy for all rateable land within the Council's area which is applied in accordance with Sections 159 to 166 of the Act. This Policy will assist the Council as a decision making function and is intended to provide guidance to the community as to the matters that the Council will take into account in deciding an application for a rebate.

The Policy also sets out the type of land use for which the Council must grant a mandatory rebate of rates and the percentage amount applicable, and those types of land use where the Council has the ability to grant a discretionary rebate of rates. Rebates will only be available when the applicant satisfies the requirements under both the Act and, where appropriate, the requirements of this Policy.

### **(2) Mandatory Rebates**

Mandatory rate rebates will be granted by Council at the prescribed rate in accordance with Sections 159 to 165 of The Act.

- S160 – Health Services 100% Rebate
- S161 – Community Services (Including Housing Associations) 75% Rebate
- S162 – Religious Purposes 100% Rebate
- S163 – Public Cemeteries 100% Rebate
- S164 – Royal Zoological Society of SA 100% Rebate
- S165 – Educational Purposes 75% Rebate

Where the Council is satisfied from its own records, or from other sources, that a person or body meets the necessary criteria for a mandatory rate rebate, the Council will grant the rebate accordingly. Where the Council is not satisfied based upon the information in its possession or otherwise does not hold relevant information it will require the person or body to lodge an application in accordance with this Policy.

Where a person or body is entitled to mandatory rate rebate of 75% only, the Council may increase the rebate up to a further 25%. The Council may grant this further 25% rebate upon application. Where an application is made to the Council for a rebate of up to a further 25% the application will be determined and written notice will be provided to the applicant of its determination of that application.

### **(3) Discretionary Rebates**

A discretionary rate rebate may be granted by the Council at its absolute discretion up to and including 100% relief to any cases pursuant to Section 166 of the Act.

Any persons or bodies seeking a discretionary rebate, will be required to submit an application form to the Council and provide to the Council such information as stipulated on the application form and any other information that the Council may reasonably require.

### **(4) Application**

The Council will inform the community of the provisions for rate rebate under the Act by the inclusion of suitable details in the Rating Policy Summary distributed with the annual rate notice.

Application forms may be obtained from the Council office located at 245 Sturt Road, Sturt.

The Council will advise an applicant for a rebate of its determination of that application in due course, after receiving the application and receiving all information requested by the Council. The advice will state –

- if the application has been granted, the amount of the rebate; or
- if the application has not been granted, the reasons why.

**(5) In regards to prescribed discretionary rate rebates the Council will take into account, in accordance with Section 166(1a) of the Act, the following matters –**

- The nature and extent of Council services provided in respect of the land for which the rebate is sought, in comparison to similar services provided elsewhere in the Council area;
- The community need that is being met by activities carried out on the land for which the rebate is sought; and
- The extent to which activities carried out on the land, for which the rebate is sought, provides assistance or relief to disadvantaged persons; and
- Such other matters as the Council considers relevant.

**(6) The Council may take into account other matters considered relevant by the Council including, but not limited to, the following–**

- Why there is a need for financial assistance through a rebate;
- The level of rebate (percentage and dollar amount) being sought and why it is appropriate;
- The extent of financial assistance, if any, being provided to the applicant and/or in respect of the land by Commonwealth or State agencies;
- Whether the applicant has made/intends to make applications to another Council;
- Whether, and if so to what extent, the applicant is or will be providing a service within the Council area;
- Whether the applicant is a public sector body, a private not for profit body or a private for profit body;
- Whether there are any relevant historical considerations that may be relevant for all or any part of the current Council term;
- The desirability of granting a rebate for more than one year;
- Consideration of the full financial consequences of the rebate for the Council;
- The time the application is received;
- The availability of any community grant to the person or body making the application;
- Whether the applicant is in receipt of a community grant; and
- Any other matters and policies of the Council, which the Council considers relevant.

All persons or bodies wishing to apply to the Council for a discretionary rebate of rates must do so on or before 31 May in that financial year for which the rebate is sought.

- The Council may grant a rebate of rates on such conditions as the Council thinks fit.
- The Council may, for proper cause, determine that an entitlement to a rebate of rates under the Act no longer applies.
- Where an entitlement to a rebate of rates ceases or no longer applies during the course of a financial year, the Council is entitled to recover rates, or rates at the increased level (as the case may be), proportionate to the remaining part of the financial year.

It is an offence for a person or body to make a false or misleading statement or representation in an application, or to provide false or misleading information or evidence in support of an application made (or purporting to be made) under the Act.

The maximum penalty for this offence is \$5,000.

If a person or body has the benefit of a rebate of rates and the grounds on which the rebate has been granted cease to exist, the person or body must immediately inform the Council of that fact and (whether or not the Council is so informed) the entitlement to a rebate ceases. If a person or body fails to do so that person or body is guilty of an offence.

The maximum penalty for this offence is \$5,000.

### **(7) Delegation**

The Council has delegated its power, pursuant to Section 44 of the Act, to grant applications for mandatory rebates that meet the requirements of the Act, to the Chief Executive Officer.

The Council has delegated its power, pursuant to Section 44 of the Act to determine applications and to grant a discretionary rebate of rates, to the Chief Executive Officer subject to the following condition:

- Where the discretionary rebate is not more than \$5,000.

### **(8) Review of Rebate**

A person or a body aggrieved by a determination of the Council in respect of an application for a rebate may, within 14 days of the date of the notice of determination, seek a review of that decision in accordance with the Council's Internal Review of Council Decisions Policy.

### **(9) Community Grants**

If an application for a rebate is unsuccessful, the Council has an absolute discretion to then treat the application as one for a community grant and to determine it in accordance with the Council's Community Grant's Policy.

### **(10) Availability of Policy Documents**

Policy documents are available for inspection at the Council offices and on the website at [www.marion.sa.gov.au](http://www.marion.sa.gov.au). Persons may obtain a copy of any Policy document upon payment of the fee set by the Council.

### **DISCLAIMER**

A rate cannot be challenged on the basis of non-compliance with this Policy and must be paid in accordance with the required payment provisions.



Where a ratepayer believes that the Council has failed to properly apply this Policy he/she/ it should raise the matter with the Council. In the first instance contact the Council's Team Leader – Rating Services on 8375 6617 to discuss the matter. If, after this initial contact, a ratepayer is still dissatisfied they should write to the Chief Executive Officer, City of Marion, PO Box 21, Oaklands Park, SA 5046.

## **Annexure 1**

### **1. Valuation Methodology and Adoption**

Under the Act, the Council may adopt one of three valuation methodologies to value the properties in its area. They are:

- Capital Value – the value of the land and all of the improvements on the land.
- Site Value – the value of the land and any improvements which permanently affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements.
- Annual Value – a valuation of the rental potential of the property

The Council considers that the Capital Value method of valuing land provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- 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 indicator of wealth and capital value, which closely approximates the market value of a property, provides the best indicator of overall property value;
- The distribution of property values throughout the Council area is such that few residential ratepayers will pay significantly more than the average rate per property.

Any ratepayer dissatisfied with the valuation made by the Valuer General may object in writing to the Valuer General, served personally or by post, within 60 days of receiving a rate notice, explaining the basis for the objection. This is provided that ratepayer has not:

- (a) previously received a notice of this valuation under the Act, in which case the objection period is 60 days from the receipt of the first notice; or
- (b) previously raised an objection to that valuation.

The 60 day objection period may be extended by the Valuer-General where it can be shown there is reasonable cause to do so.

It is important to note that the lodgement of an objection does not change the due date for payment of rates.

## **2. Differential General Rates**

All land within a council area, except for land specifically exempt (e.g. crown land, council occupied land and other land prescribed under the Act – refer to Section 147), is rateable. The Act provides for a council to raise revenue for the broad purposes of the council through the imposition of a single general rate or through differential general rates that apply to all rateable properties within the council area.

Following a review of rating options available under the Act during the 2002/2003 financial year, the Council consulted extensively with the community on this issue and concluded that a differential rating system would improve the equity in rate distribution across the community. The review included a comparison of rating methods and rates by land use within the Adelaide metropolitan area.

Differential general rates are based on Land Use as determined in the Local Government (General) Regulations 2013 under the Act. If a ratepayer believes that a particular property has been wrongly classified by the Council as to its land use, then they may object (to the Council) to that land use within 60 days of being notified. A ratepayer may discuss the matter with a Rates Officer, on 8375 6600 in the first instance. The Council will provide, on request, a copy of Section 156 of the Act which sets out the rights and obligations of ratepayers in respect of objections to a land use.

An objection to the land use:

- must be in writing
- must set out-
  - the grounds of the objection; and
  - the land use (being a land use being used by the Council as a differentiating factor) that should, in the objector's opinion, have been attributed to the land; and
- must be made within 60 days after the objector receives notice of the particular land use to which the objection relates.
- this 60 day objection period may be extended where it can be shown there is reasonable cause to do so.

The Council may then decide the objection as it sees fit and notify the ratepayer. A ratepayer also has the right to appeal against the Council's decision to the Land and Valuation Court. It is important to note that the lodgement of an objection does not change the due date for payment of rates.

## **3. Minimum Rate**

The reasons for imposing a minimum amount payable by way of general rates are:

- The Council considers it appropriate that all rateable properties make a contribution to the cost of administering the Council's activities;
- The Council considers it appropriate that all rateable properties make a contribution to the cost of creating and maintaining the physical infrastructure that supports each property.

No more than 35% of properties will be subject to the minimum amount.

## **4. Natural Resource Management Levy**

It is important to note that Council is required to collect this levy under the Natural Resource Management Act 2004 and operates as a revenue collector for the Natural Resources Management Board in this regard. It does not retain this revenue or determine how the revenue is spent.

For further information contact the board by phone 8273 9100, email [reception@adelaide.nrm.sa.gov.au](mailto:reception@adelaide.nrm.sa.gov.au)

## **5. Late Payment of Rates**

Under the Act, the Council applies penalties (fines and interest) to arrears of rates (i.e rates which are not paid on or before the due date). The Council issues a final notice for payment of rates when rates are overdue i.e. unpaid by the due date. If rates remain unpaid more than 21 days after the issue of the final notice then the Council may refer the debt to a debt collection agency for collection. The debt collection agency may charge collection fees to the ratepayer.

The Council has adopted a policy to assist ratepayers experiencing difficulty in making their rate payment by the due date. The Council will consider approving extended payment provisions or, in circumstances where hardship can be demonstrated, deferring the payment of rates.

The Council may be prepared to remit penalties for late payment of rates where ratepayers can demonstrate hardship or sufficient other reason for late payment.

All applications for remissions must be in writing, addressed to: Rating Services Section, City of Marion, PO Box 21, Oaklands Park, SA 5046.

## **6. Discretionary Rebate**

The Act requires the Council to rebate the rates payable on certain land ('mandatory rebates'). The Act, at section 166, also empowers the Council to grant discretionary rebates of rates of up to 100% of the rates and/or charges payable. The Council, in considering discretionary rebates, must balance the benefits of providing rebates, with the impact that such rebates have on its overall income (and hence upon the general ratepayer base). To promote the transparency of this process the Council has adopted a Rate Rebate Policy. A copy of this Policy is available at the Council offices or on Council's website at [www.marion.sa.gov.au](http://www.marion.sa.gov.au).

## **7. Postponement of Rates – Seniors**

The following criteria must be satisfied before the postponement is granted.

- The person is a prescribed ratepayer, or the spouse of a prescribed ratepayer;
- A prescribed ratepayer means the holder of a current State Seniors Card or a person eligible to hold such a card who has applied but is yet to be issued with a card.
- Rates are payable on the principal place of residence.
- The land is owned by the prescribed ratepayer, or the prescribed ratepayer and his or her spouse, and no other person has an interest, as owner, in the land.
- Any current mortgage over the property which was registered prior to 25 January 2007 will be no more than 50% of the Valuer-General's capital value of the property.

An application must be made in the prescribed manner and form and be accompanied by such information as the Council may require. Any rates which are postponed will become due and payable when:

- the title to the land is transferred to another person; or
- there is failure to comply with a condition of postponement.

A minimum amount of \$500 of the annual rates must be paid.

An entitlement to a remission will be applied to the proportion of the rates that has not been postponed, unless notice to the contrary is received in writing from the owner.

Interest will accrue on the amount postponed at the prescribed rate per month, under the Act until the amount is paid.

Should the entitlement to a postponement cease to exist, the owner of the land must inform the Council in writing, unless the rates and any interest have been paid in full.

## Appendix 8. Glossary

### **Asset Consumption Ratio**

The Asset Consumption Ratio highlights the potential service level remaining in Council's assets. The ratio is calculated by measuring the written down value of the assets against their replacement cost. If the Asset Consumption Ratio is high, this indicates that Council's assets are in relatively good condition - that is they are either relatively new or have been maintained in good condition. If the Asset Consumption Ratio is low, this indicates that Council's assets are in relatively poor condition - that is assets have not been renewed at a time when renewal was expected to occur.

### **Asset Sustainability Ratio**

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

### **Financial Assets**

Financial Assets include cash, investments, loans to community groups, receivables and prepayments, but excludes equity held in Council businesses, inventories and land held for resale.

### **Financial Sustainability**

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

### **Key Objectives**

A high level expression of what Council seeks to achieve on an annual basis, the key objectives guide Council's activities in the coming year. They can be seen as steps towards achievement of the long-term Vision.

### **Local Government Price Index (LGPI)**

The LGPI is a reliable and independent measure of the inflationary effect on price changes in the South Australian Local Government sector. It is prepared and updated on a quarterly basis by the South Australian Centre for Economic Studies. The index is similar in nature to the

Consumer Price Index (CPI), however represents the movements of prices associated with the goods and services consumed by local government in South Australia as opposed to the basket of goods and services consumed by the 'average metropolitan household'. Unlike the CPI however, the LGPI is not an "official" ABS publication.

### **Net Financial Liabilities**

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

### **Net Financial Liabilities Ratio**

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

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

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

### **Non-financial or Physical Assets**

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

### **Operating Deficit**

Operating Deficit is where operating revenues are less than operating expenses (i.e. operating revenue is therefore not sufficient to cover all operating expenses).

### **Operating Expenses**

Operating Expenses are expenses shown in the Income Statement, including depreciation, but excluding losses on disposal or revaluation of non-financial assets.



**Operating Revenues**

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

**Operating Surplus**

Operating Surplus is where operating revenues are greater than operating expenses (i.e. operating revenue is therefore sufficient to cover all operating expenses).