CITY OF
MITCHAM

DRAFT 2022/23 ANNUAL BUSINESS PLAN, BUDGET & LONG TERM FINANCIAL PLAN.





ACKNOWLEDGEMENT TO COUNTRY

We acknowledge the Kaurna people as the traditional custodians and caretakers of the land that includes much of the City of Mitcham, known as Tarndanyannga Country, which means "the place of the red kangaroo dreaming".

The Kaurna people's rich cultural heritage and spiritual belief connects them with this land and we look forward to nurturing our relationship with the members of the Kaurna Community.

City of Mitcham has pledged to have a low emission passenger fleet by 2030

CONTENTS

WELCOME FROM THE MAYOR....3
OUR STRATEGIC PLANNING AND REPORTING FRAMEWORK....3
OUR VISION, GOALS & THEMES - MITCHAM 2030....4
OUR MITCHAM....5
OUR SERVICES, PROJECTS, GOVERNMENT COMMITMENTS & AREAS OF MEASUREMENT....6
New Services and Projects....6
Operating Projects – Once-off Initiatives and Programs....8
Government Commitments....9
Ongoing Services....11
Areas of Measurement....12
OUR 2022/23 ANNUAL BUSINESS PLAN & BUDGET....14
Council's Expenditure In 2022/23....15
Council's Income In 2022/23....18
Council's Rates In 2022/23....19
OUR LONG TERM FINANCIAL PLAN....23
CEO's Statement on Financial Sustainability....31
10 Year Key Financial Indicators....33
Forecast Financial Statements....39
APPENDICES....44
Appendix 1: Budgeted Financial Statements....45
Appendix 2: Capital Works Program 2022/23....48
Appendix 3: Rating Policy 2022/23....63
Appendix 3.1: Postponement of Rates Scheme for State Seniors Card Holders....72
Appendix 3.2 - Application Form: Postponement of Rates Scheme for State Seniors Card Holders....74
Appendix 3.3 - Rate Rebates....77
Appendix 3.4: Statement on expected Rate Revenue....79



A large scale mural depicting water in all of its forms has been created by Seb Humphries, at the Belair Water Tower, supported by a City of Mitcham Public Art Grant

WELCOME FROM THE MAYOR

On behalf of the City of Mitcham, I'm pleased to present the 2022/2023 Annual Business Plan, Budget and Long-Term Financial Plan.

This is a community building budget that delivers significant investments in facilities to support active lifestyles and to strengthen community connections.

After several years of advocating for our community, we are looking forward to partnering with state and federal governments to inject significant funding to deliver important community infrastructure.

With this budget, Council has committed to delivering existing services for a cost equal or less than the cost of inflation. We will continue to address the capital renewal backlog and respond to climate change by investing in increased tree planting, stormwater infrastructure, flood mitigation works and water sensitive urban design.

Exciting community projects on the horizon include the activation of the new Pasadena Community Centre, set to create a much-needed local meeting place for residents of the western suburbs.

We're looking forward to partnering with government and community groups to deliver upgrades at some of our popular community spaces including Mortlock Oval in Colonel Light Gardens and CC Hood Reserve in Panorama.

In Blackwood, a new pedestrian connection on Young Street will connect the new Blackwood Community Hub with the heart of Blackwood, complemented by an upgrade of adjoining Waite Street Reserve.

We're also set to support the Blackwood Lion's expansion, subject to federal funding, and Eden Hills Scouts and Blackwood Rotary Redevelopment, subject to additional grant funding.

Young families are set to benefit from additional shade sails installed at playgrounds across the city.

I encourage you to have your say on the services and projects proposed in this plan. Your feedback will help shape the decisions that support our community and help make the City of Mitcham a great place to live, work and visit.



Dr Heather Holmes-Ross
Mayor, City of Mitcham



Australia Day celebrations at St Marys Park, 2021

OUR STRATEGIC PLANNING AND REPORTING FRAMEWORK

Council has a suite of strategic documents that work together to describe Council's long-term aspirations, prioritise key areas of focus, and identify specific funded actions to deliver each year.



Mitcham 2030 sets the high level vision and strategic direction for Council over ten years. It provides 12 Themes which capture Council's services and projects, and identifies the high level outcomes that we will strive to deliver.

To turn the ambitions of Mitcham 2030 into actions, a **Four Year Delivery Plan** identifies 'Priority Themes' as areas that Council will focus additional effort and/or investment for a four year period. This enables Council to prioritise investment and assign resources to particular challenges or opportunities.

The Delivery Plan maps priority investments across four years with a particular focus on these investments being within the Priority Themes.

The priority investments of the Delivery Plan inform Council's Annual Business Plan and Budget which sets out the actions that Council will deliver each financial year, including existing services and new services / projects.

Council has several other documents that are used in varying ways to reference, inform, deliver and report on its work, such as a Long Term Financial Plan, Asset Management Plans, and other strategies/plans.

Community insights (high level indicators) are included in the Delivery Plan to track Council's progress towards achieving its vision. The indicators formed a community survey which was undertaken in late 2020 and again in late 2021, to baseline community satisfaction and perception with Council. The indicators will be supported by other data sources as necessary.

Quarterly Performance Reports to Council, documents the organisations progress in delivering the activities, projects and ongoing services captured in Council's Annual Business Plan. Council's Annual Report identifies Council's activities and achievements towards achieving its goals and outcomes. Performance measures are identified against projects and ongoing services in this plan.

OUR VISION, GOALS & THEMES - MITCHAM 2030

CITY OF MITCHAM

2030 MITCHAM

WE ARE A WELCOMING AND INCLUSIVE COMMUNITY THAT VALUES ITS HERITAGE AND NATURAL ENVIRONMENT.

GOAL 1

ACCESSIBLE, HEALTHY & CONNECTED COMMUNITY

We connect our community with each other and with their places, and empower them to live healthy lives.

THEME 1. 1 TRANSPORT NETWORK

We are a City that is connected to places through an integrated, efficient and people friendly transport network for motorists, cyclists and pedestrians.



THEME 1. 2 HEALTH & WELLBEING



We build capacity for people to be active, healthy and connected, and provide inclusive and safe environments for all.

THEME 1. 3 SERVICES & FACILITIES

We provide convenient access to a diverse range of information, services, activities and facilities for our community.



GOAL 2

SUSTAINABLE CITY

We sustain and improve our natural and built environments for today's and future generations.

THEME 2. 1 CLIMATE CHANGE MITIGATION & RESILIENCE

We limit our impact on the climate, and are prepared and adaptable to the impacts of climate change.



THEME 2. 2 SUSTAINABLE RESOURCES



We conserve resources through efficient practices, investment in technology, waste avoidance, and a commitment to reuse, recycle and repurpose.

THEME 2. 3 NATURAL ENVIRONMENT

We protect and enhance the environment and its biodiversity across natural landscapes, waterways, open spaces and across our suburbs.



GOAL 3

DYNAMIC & PROSPEROUS PLACES

We have a strong and competitive economy that supports our unique and vibrant places and culture.

THEME 3. 1 PLACEMAKING

We have a spatial vision that guides the development of integrated, attractive and vibrant precincts that support diverse land uses and housing choice.



THEME 3. 2 CITY VIBRANCY



We are a City well recognised for our social and cultural diversity, creativity, arts, events, heritage, natural environment, educational and medical facilities.

THEME 3. 3 PARTNERSHIPS

We partner with neighbouring Councils, Government, universities, the private sector, not-for-profit organisations and community groups to maximise community and economic outcomes.



GOAL 4

EXCELLENCE IN LEADERSHIP

We are a professional and innovative Council with responsible leadership that is valued by its people, community and partners.

THEME 4. 1 GOOD GOVERNANCE

We are transparent and accountable, make informed decisions, demonstrate integrity and empower our community to have a voice and participate in a meaningful way.



THEME 4. 2 ORGANISATIONAL IMPROVEMENT



We are efficient and effective with a culture of positive change and innovation to deliver sustainable outcomes and value-for-money services that meet community needs.

THEME 4. 3 COMMUNITY EXPERIENCE

We are easy to do business with and commit to a customer-centric approach that delivers positive experiences and builds trust.

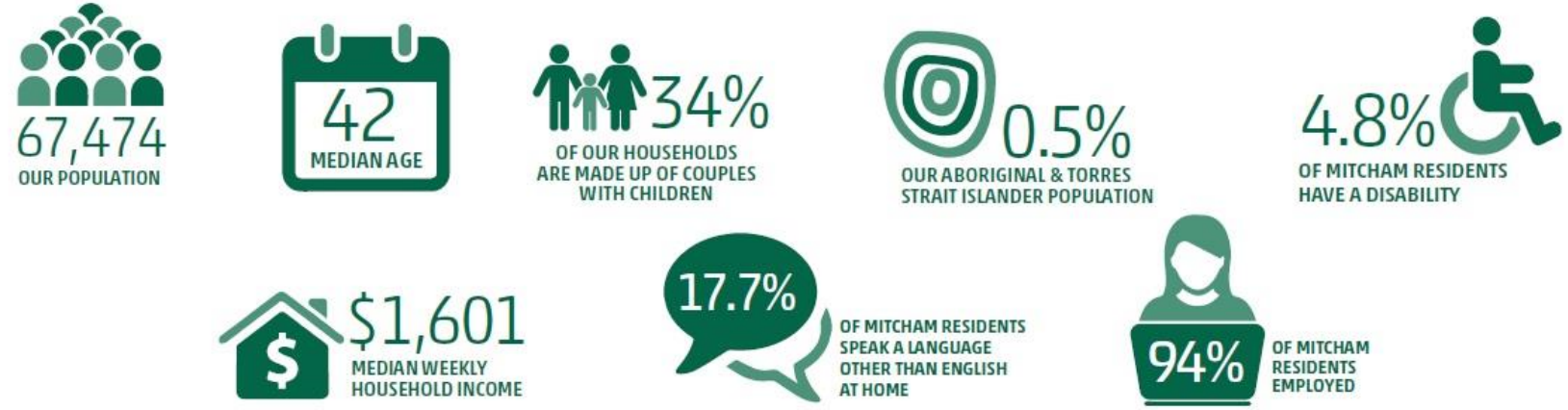


OUR MITCHAM

COUNCIL MANAGES



COMMUNITY PROFILE



OUR SERVICES, PROJECTS, GOVERNMENT COMMITMENTS & AREAS OF MEASUREMENT

Council delivers a range of ongoing services to the community each year. In addition, Council funds specific new services and projects, and once-off operating projects aligned to the Four Year Delivery Plan and Mitcham 2030. Council is also set to receive funding contributions from the Government towards a number of projects.

Community Insights (high level indicators) are included to enable ongoing monitoring and review of Council's progress and effectiveness towards achieving its goals and outcomes.

New Services and Projects

Council has identified a number of new services and projects that it will deliver in 2022/23, aligned to the Four Year Delivery Plan and Mitcham 2030.

Service / Project	Primary Mitcham 2030 Theme
Investing in the Asset Renewal Backlog (to be completed by 2027) Undertake accelerated renewals of our civil infrastructure (e.g. roads and footpaths) to address our backlog by 2027.	1.1 Transport Network*
Investing in additional Water Sensitive Urban Design Invest in continued implementation of Council's Smart Water Management Plan through installation of tree inlets and soakage pits across the City in conjunction with kerbing works.	2.2 Sustainable Resources*
Establishing an Annual Community Facilities Grant Fund Establish an annual fund to provide grant support to Community Groups with up to $5,000 in matched funding for minor capital improvements to their facilities and grounds that would otherwise not be funded via the other City of Mitcham grant streams.	3.3 Partnerships
Activating Pasadena Community Centre ($500k total investment financed by a State Government commitment) Invest in a minimum level of site works, upgrades and modifications to activate and deliver a fit-for-purpose community facility, at the recently purchased property at Pasadena.	1.3 Services & Facilities*
Installing additional Playground Shade Sails Install new shade sails at playground sites across the City.	1.2 Health & Wellbeing
Implementing Young Street Works & Pedestrian Connection, Blackwood Construct a strategic pedestrian link to improve pedestrian connectivity from the new Blackwood Hub (when constructed), through to Shepherds Hill Road.	3.1 Placemaking*

Service / Project	Primary Mitcham 2030 Theme
Upgrading Stormwater Pits in heavy traffic areas Funding to upgrade existing stormwater pit lids that are repeatedly damaged in high/heavy traffic areas.	1.1 Transport Network*
Expanding the Blackwood Lions (subject to additional grant funding) Expand sheds, car parking and an online shop at the Council leased site on Shepherds Hill Road, Eden Hills.	1.3 Services & Facilities*
Improving the Eden Hills Scouts and Blackwood Rotary Facility, Eden Hills (subject to additional grant funding) Construction of a new facility and community hall that meets the needs of the Eden Hills Scouts and Blackwood Rotary Group as well as being available for community groups to hire when not in use.	1.3 Services & Facilities*
Enhancing CC Hood Reserve, Panorama Upgrade the community open space asset for leisure and recreation.	1.3 Services & Facilities*
Improving Mortlock Oval Facilities, Colonel Light Gardens Upgrade the Gil Langley Building at Mortlock Park to meet relevant standards, including women's changerooms.	1.3 Services & Facilities*
Upgrading Drainage and Carparking at Manson Oval, Bellevue Heights Improve parking and drainage to support a key community asset.	1.3 Services & Facilities*

Note: Priority Themes are indicated by an asterisk (*)

Operating Projects – Once-off Initiatives and Programs

In addition to the new service investments, Council will undertake several operating projects, which are once-off expenditures that are essential for Council to plan for future service delivery. They do not generate ongoing expenditure or create assets that need to be maintained or replaced. This can include things such as feasibility studies, plans or one-off events. Council is considering the following projects for 2022/23:

- Land and Buildings Revaluations
- Open Space Condition Audit – Stage 2
- Environment Sustainability Temporary Resourcing (part funded)
- Access & Inclusion / Community Wellbeing Temporary Resourcing
- Cyber Security Enhancements
- Local Government Elections (promotional activities)
- Local Government Elections – Meet the Candidate Sessions
- Blackwood Library and Nursery site disposal
- Structural Roof Assessment (i.e. for increased solar PV on Council buildings)
- Mitcham Court Precinct Master Plan and CLMP (RAAF Building, Stables and green space)
- City-Wide Cultural Heritage Survey (Phase 1 of 2)
- Sport and Recreation Strategy Review
- Sustainability Audits
- Batchelor Reserve, Westbourne Park Activation Study
- Community Centres Resourcing Review
- City Wide Tree Planting Partnership Program
- Acoustic treatment of spaces - Stage 1
- Online Chat
- BMX/ Jump Track Service Level Review & Recommendations
- Environmentally Sustainable Development Guidelines
- Improving Health Outcomes
- Brand Strategy
- Land Management Program
- Traffic and parking study – Kingswood Oval

Government Commitments

The recently elected State Government has committed to provide funding towards several new projects which will be owned and managed by City of Mitcham and there may be further similar projects as a result of the federal election. This funding will see additional projects delivered or completed sooner than originally planned. All such projects will be required to be managed by the City of Mitcham. This will involve the City of Mitcham providing capital funding in some instances and in all instances being responsible for ongoing costs. Council would like to know if there is community support to increase rates to include any of these projects in the budget. We invite your feedback by completing the survey at yoursay.mitchamcouncil.sa.gov.au/draft-annual-business-plan before **5pm, Saturday 21 May 2022.** The following table identifies the State Government commitments and known Federal Government promises. Note, there may be additional commitments made by the Federal Government during the election.

New Government Commitments	Promised Government Funding	Indicative Council Rate Increase required for capital / ongoing costs
Upgrading Drainage and Carparking at AA Bailey Reserve, Clarence Gardens Improve parking and drainage to support a key community asset.	$300,000	0.05%
Implementing the Fund My Footpath Program, Panorama and Pasadena Build additional footpaths and upgrade existing footpaths in Panorama and Pasadena.	$500,000	0.04%
Improving the Colonel Light West Tennis Club, Colonel Light Gardens Upgrade the facilities including improvements to the façade, fencing, court surfaces and clubrooms.	$120,000	0.03%
Revitalising Rozelle Reserve, Melrose Park Revitalisation of the space in in consultation with the community.	$150,000	0.02%
Improving Reade Park, Colonel Light Gardens – Lawn Tennis Club Upgrade to the entrance, and surface upgrades for the Lawn Tennis Club.	$490,000	0.05%
Improving Reade Park, Colonel Light Gardens – Bowling Club Upgrade to the greens, kitchen and solar.	$35,190	0.01%
Improving St Marys Park Club, St Marys Park (Kenilworth Football Club) Redevelop St Marys Park facilities including a playground, additional car parking, landscaping, and new changerooms, scoreboard and goal nets for Kenilworth Footbal Club.	$540,000	0.06%
Revitalising Green Spaces in St Marys Revitalise green spaces in St Marys including at Thurles Street Reserve, St Marys Reserve and Donald Street Reserve.	$520,000	0.06%

New Government Commitments	Promised Government Funding	Indicative Council Rate Increase required for capital / ongoing costs
Installing an Arch at Ludgate Circus, Colonel Light Gardens Build a heritage arch at Ludgate Circus, matching the arch at Oxford Circus.	$150,000	0.01%

Additional Government commitments sought (not confirmed)	Potential Government Funding	Indicative Council Rate Increase required for capital / ongoing costs
Upgrading Pasadena Community Centre, Pasadena Undertake significant enhancements (additional to minimum level) to deliver a contemporary facility to connect our community.	$500,000	0.05%
Activating Waite Street Reserve, Blackwood (subject to receiving additional funding) Activate Waite Street Reserve, incorporating the Young Street pedestrian connection.	$963,545	0.23%

Ongoing Services

Council delivers a range of ongoing services to the community each year. The services are identified at a high level in the following table against Mitcham 2030 goals and themes.

Goal 1: Accessible, Healthy & Connected Community		
Theme 1.1 Transport Network	**Theme 1.2 Health & Wellbeing**	**Theme 1.3 Services & Facilities**
Traffic and transport infrastructure management	Regulations, registrations, inspections and controls	Community facilities hire and management
	Bushfire management	Library
	Immunisation	Open space, sport facilities and Council buildings management
	Youth development	Community programs
	Community care	Sports support
Goal 2: Sustainable City		
Theme 2.1 Climate Change Mitigation & Resilience	**Theme 2.2 Sustainable Resources**	**Theme 2.3 Natural Environment**
Environmental planning and project implementation	Water management	Native vegetation management
	Waste collection, management and education	Tree maintenance and planting
Goal 3: Dynamic & Prosperous Places		
Theme 3.1 Placemaking	**Theme 3.2 City Vibrancy**	**Theme 3.3 Partnerships**
Planning and development	Events	Grants programs
Precinct / key site master planning	Local history	Capacity building and community connections
		Volunteer management
Goal 4: Excellence In Leadership		
Theme 4.1 Good Governance	**Theme 4.2 Organisational Improvement**	**Theme 4.3 Community Experience**
Corporate reporting and financial management	Efficiency and effectiveness	Communications and marketing
Asset management and planning	ICT management and development	Information management
Community engagement	Service reviews	
Governance and Council support	Workforce planning	
Strategic planning		
Risk and emergency management		

Areas of Measurement

Community Insights (high level indicators) are included in the Four Year Delivery Plan, and enable ongoing monitoring and review of Council's progress and effectiveness towards achieving its goals and outcomes. Community perception research on the insights periodically provides Council with insight into how the community perceive progress in these areas. The community insights are listed in the following table against Mitcham 2030 goals and theme and are supported by other measures and data sources as necessary. Council's Performance Reports are available at www.mitchamcouncil.sa.gov.au and provide detailed measures.

Goal 1: Accessible, Healthy & Connected Community
Pride Rate
Support Rate
Theme 1.1 Transport Network
Connected Paths Rate
Safety when Travelling Rate
Ease of Travel Rate
Theme 1.2 Health & Wellbeing
Safety in the Community Rate
Involvement in Sport, Activities & Programs Rate
Volunteer Participation Rate
Theme 1.3 Services & Facilities
Amenities in Public Places (libraries, community centres, sports facilities, playgrounds, reserves) Rate
Enjoyment using Public Places Rate
Information to make Connections Rate

Goal 2: Sustainable City
Valuing the Natural Environment Rate
Theme 2.1 Climate Change Mitigation & Resilience
Response to Climate Change Rate
Steps to Limit Impacts of Emergency Events Rate
Theme 2.2 Sustainable Resources
Use of Alternative Materials to lower impact on Natural Environment Rate
Waste Rate
Theme 2.3 Natural Environment
Protection of Natural Environment

Goal 3: Dynamic & Prosperous Places
City Vibrancy Rate
Theme 3.1 Placemaking
Attractive Local Area Rate
Public Places free of Graffiti & Rubbish Rate
Well Maintained & Appealing Streets Rate
Theme 3.2 City Vibrancy
Events Rate
Use of Public Places Rate
Creativity and the Arts Rate
Theme 3.3 Partnerships
Thriving Local Businesses Rate
Employment Opportunities Rate

Goal 4: Excellence in Leadership
Trusted Council Rate
Theme 4.1 Good Governance
Council Decisions reflect Community Feedback Rate
Council Decisions based on Evidence Rate
Theme 4.2 Organisational Improvement
Access to Information & Services Rate
Value for Money Services Rate
New ways of doing things Rate
Theme 4.3 Community Experience
Consistent Communication Rate
Consistent Response to Service Requests Rate



The new clubroom and changeroom development at Kingswood Oval opened in November 2021 and has been welcomed by local sports clubs

OUR 2022/23 ANNUAL BUSINESS PLAN & BUDGET

The 2022/23 Annual Business Plan and Budget maintains Council's commitment to deliver services to the community at or below the cost of inflation which we are achieving in 2022/23, through efficiencies, savings and innovation.

In addition to this, Council is investing in the long term vision, goals and themes set out in Mitcham 2030 through the delivery of new projects and services. The 2022/23 Annual Business Plan and Budget is a community building budget that delivers significant investments in community facilities that support active lifestyles and strengthens the connections our community has with each other.

This 2022/23 Annual Business Plan and Budget is projecting an underlying operating surplus of $164,000 including recurrent financial savings of $400,000.

Council is budgeting $69.5 million in expenditure to continue existing services and invest in new service provision as well as investing $30.0 million on asset replacement and creation, continuing the delivery of services to the community and providing new projects and services aligned to *Mitcham 2030.*

The major income source required to deliver the operations of the Annual Business Plan is rate revenue. Rates make up $61.5 million or 87% of Council's total budgeted income for 2022/23. The general rate increase for 2022/23 is $72 on average for residential (3.93%) and $190 for commercial (3.93%) which will be used to fund new services and infrastructure.

A financial overview is provided below:

- $69.5 million Operating Expenditure
- $70.9 million Operating Income
- $30.0 million Capital Expenditure
- $1.9 million Operating surplus excluding subsidiaries



Pasadena Biodiversity Corridor project aims to take underground stormwater flows above ground through vegetated swales to improve biodiversity, sustainability and amenity of the Sierra Nevada and Grant Jacob Reserves

Council's Expenditure In 2022/23

In striving to achieve the community's objectives as documented in Council's strategic management plans, this budget funds significant investment in new community building infrastructure. Emphasis has also been placed on ensuring adequate funding to maintain existing infrastructure, existing services levels and eliminating the infrastructure renewal backlog by 2027.

The 3.93% rate increase is comprised of 0.32% towards new service decisions made during the course of the previous year and 0.88% for the introduction of the new services for 2022/23 listed below. There is also a net rate increase of 2.73% reflecting the cost increase of existing services less financial and efficiency savings of $400,000.

Services to the Community

New and Improved Services
The following services are new services or improvements to existing services that are being introduced in 2022/23 and generate new ongoing operating costs each year. They include, in some cases, the construction of new assets (one off capital) which creates ongoing operating expenses in the form of maintenance, depreciation and interest expenses (or foregone interest income).

The total of the new and improved services for 2022/23 is $583,000 ongoing rate funding expenditure1, with an associated one-off $10.0 million capital investment (including $0.54m of new capital re-budgeted from 2021/22). These new and improved services are as follows:

- Activating the new Pasadena Community Centre
- Installing additional Playground Shade Sails
- Enhancing CC Hood Reserve in Panorama
- Developing a new pedestrian connection on Young Street, Blackwood that will connect the new Blackwood Community Hub with the heart of Blackwood
- Supporting the Blackwood Lion's expansion (subject to federal funding)
- Supporting the Eden Hills Scouts and Blackwood Rotary Redevelopment (subject to additional grant funding)
- Partnering to deliver facilities upgrades at Mortlock Oval in Colonel Light Gardens.
- Investing in the asset renewal backlog (to be completed by 2027)
- Investing in additional water sensitive urban design
- Funding further Community Facilities Grants
- Upgrading of stormwater pits in heavy traffic areas
- Providing drainage and carpark upgrades at Manson Oval in Bellevue Heights

These projects build on several years of successfully advocating for our community, resulting in a rare opportunity to partner with federal and state governments to inject significant funding to deliver important community infrastructure.

Ongoing Services
Council has budgeted $69.5 million for services provided on an ongoing basis (including the State Government Landscape Levy, previously NRM Levy).

Our Commitment to Improving Community Assets
Council is committed to maintaining and improving fit for purpose assets which meet the needs of the community today and into the future. Council's Asset Management Plans set out the strategies for achieving this.

New Asset Program
New capital expenditure is one-off expenditure that creates a new asset. These assets incur ongoing costs, such as interest, maintenance and depreciation, which have been built into the budget. These include the new services and projects where there is capital expenditure.

1 Includes estimated ongoing operating expenses in the form of maintenance and average cost of capital (interest and debt repayment over defined timeframe).

Asset Replacement Program
Capital replacement is one-off expenditure to renew an existing Council asset. Even though all assets incur ongoing costs, such as maintenance and depreciation, capital replacement expenditure does not increase Council's ongoing costs as maintenance and depreciation is already built into the budget. Council has endorsed an asset replacement program to the value of $20.0 million (including $4.1 million re-budgeted from 2021/22).

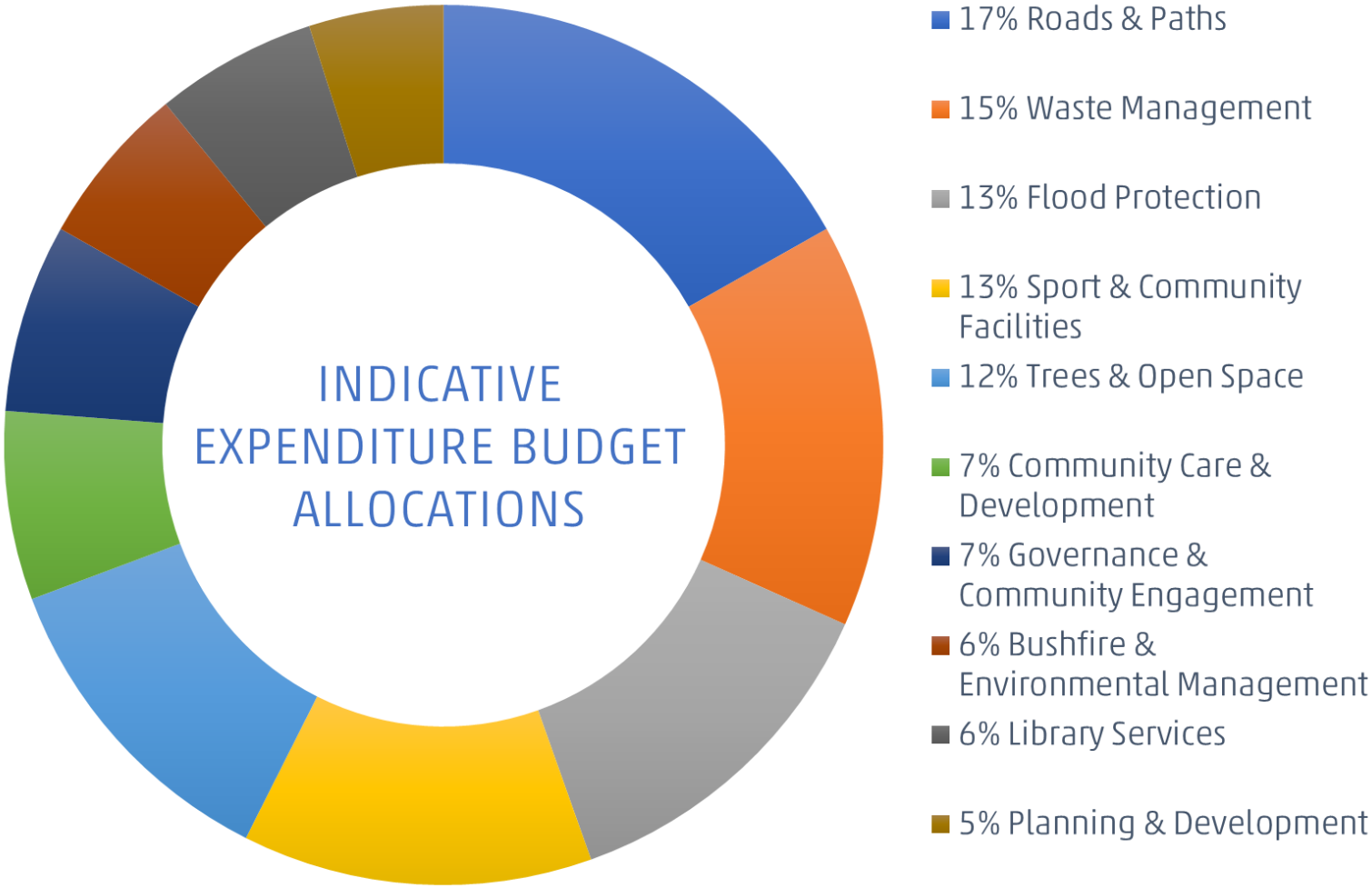
Asset Backlog
Underinvestment in asset renewal has contributed to an asset renewal backlog. This backlog (identified in 2011/12) has been systematically addressed over recent years in tandem with the new and replacement asset program. The backlog (assets past their renewal date) is scheduled to be addressed by 2027.

A summary of capital works expenditure by asset category is provided below. Details of the full capital works program for all assets can be found in Appendix 2.

Asset Category	Renewal ($m)	Renewal Backlog ($m)	New ($m)	Total ($m)
Bridges	0.19	0.00	-	0.19
Bus Shelters	0.03	0.00	-	0.03
Car Parks	0.03	-	-	0.03
Buildings & Land	1.53	-	5.51	7.04
Footpath	0.71	1.25	0.00	1.96
IT Equipment	0.44	-	0.06	0.50
Office Furniture & Equipment	0.09	-	-	0.09
Open Space (incl. parks, gardens, playgrounds, lighting)	0.72	0.05	1.12	1.89
Plant & Equipment (incl Fleet)	1.38	-	-	1.38
Retaining Walls	0.09	-	-	0.09
Roads	11.34	0.60	1.65	13.59
Stormwater & Drainage (incl Brownhill & Keswick Creeks)	1.50	-	1.70	3.19
TOTAL	**18.05**	**1.91**	**10.03**	**29.99**

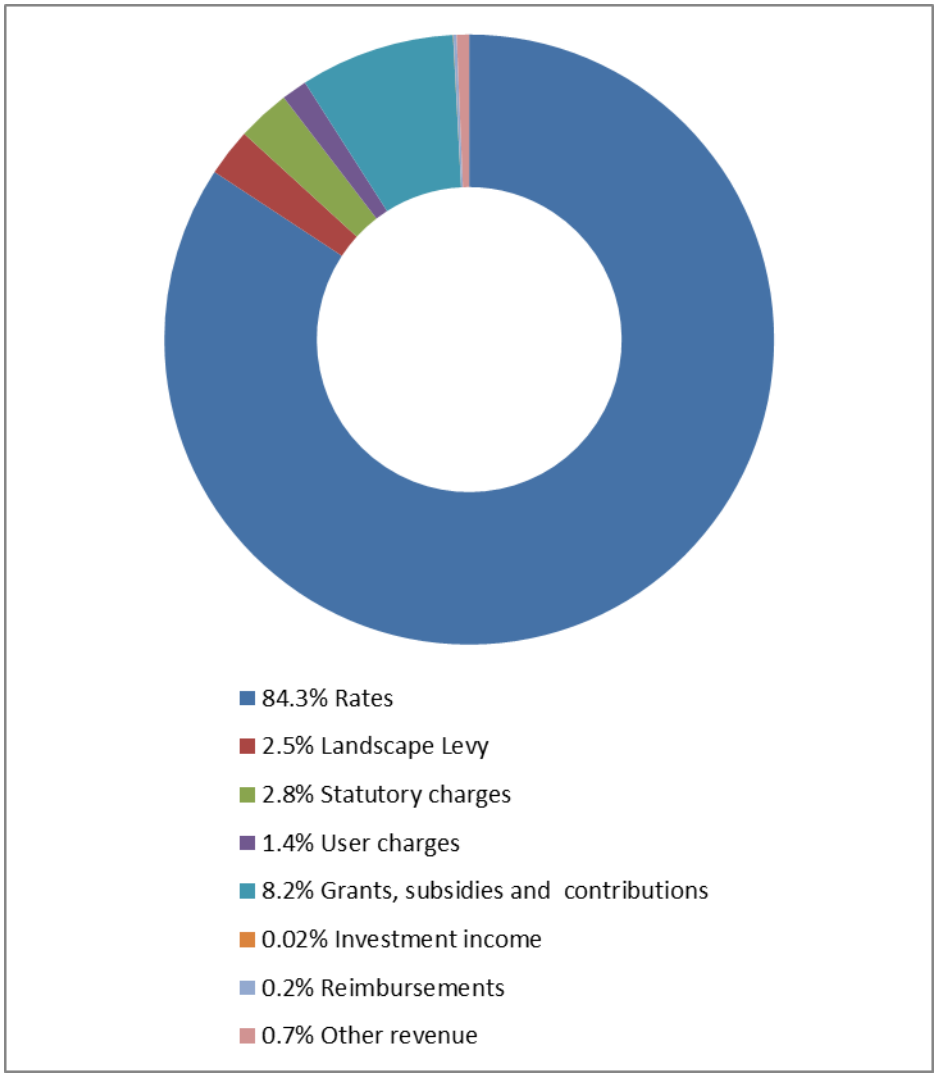

The newly upgraded playground at Barrans Reserve, Lower Mitcham

Indicative Expenditure Budget Allocations



Council's Income In 2022/23

Budgeted 2022/23 Operating Income



Statutory Charges set by the State Government (2.8% of Total Operating Income)

These are fees and charges set by regulation and collected by the Council for regulatory functions such as, assessment of development applications, dog registrations and parking fines.

User Pay Charges set by Council (1.4% of Total Operating Income)

These comprise of charges for the Council's fee based facilities such as, hire of sporting and community venues.

Grants and Subsidies (8.2% of Total Operating Income)

The Council normally seeks to attract as much grant funding as possible from other levels of government, and major projects of wider State benefit are usually jointly funded in partnership with the State Government and other relevant parties.

Investment Income (0.02% of Total Operating Income)

Investment income is the interest that Council receives on surplus funds held on deposit with the bank. Council seeks to maximise the balance between surplus cash and borrowings, to minimise net interest expenses wherever possible.

Reimbursements and Other Income (0.2% of Total Operating Income)

Reimbursements and other income are generally one-off payments or donations received usually to offset or reimburse Council for expenditure incurred.

State Government Landscape Levy (Previously NRM Levy, 2.5% of Total Operating Income)

The City of Mitcham is part of the Green Adelaide Landscape Management Region and is required under the Landscape South Australia Act 2019 to raise a defined amount of revenue on behalf of the state government to fund the state governments operations of the Green Adelaide Board.

Additional Sources of Income

Capital Income (Grants, Sale of Assets, Contributions), made up of grants received from State & Federal governments to fund specific projects. Proceeds can also be received from the sale of assets.

Council's Rates In 2022/23

What rates will I pay?

In formulating the planned rates for the financial year, Council takes into consideration the economic environment, the supply of rate contributions by various classifications of ratepayers and all sources of revenue required to fund the delivery of services and projects set out in the Annual Business Plan.

In order to sustainably fund the activities in this business plan the total amount of rate revenue to be raised for 2022/23 is $72 (3.93%) residential and $190 (3.93%) commercial average rate increase.

Council's draft Rating Policy for 2022/23 is included in in Appendix 3.

How are properties valued?

In setting rates each year, Council determines the rate revenue required then divides this by the sum of all property values in the Council area. The number arrived at is called the 'rate in the dollar'. The value of each rateable property is then multiplied by the 'rate in the dollar' to produce the rates bill for the property. Each year Council resets the 'rate in the dollar' so that only the required rate income is received in total. The total rates payable by the community will equal the amount required as part of the budget process.

The way in which the 'rate in the dollar' is calculated allows it to react to changes in property values. When the total value of all properties within a council increase more than the amount of rate revenue required, the rate in the dollar will decrease. Alternatively, when the total value of all properties decreases or increases less than the amount of rate revenue required, the 'rate in the dollar' will increase. This change to the 'rate in the' dollar ensures that only the required amount of rate revenue is raised, regardless of valuation movements. In summary:

- Total valuation drives the R.I.D needed to raise the required rate revenue in total.
- Individual valuations relative to each other in the City determine the portion of the total required rate revenue paid by each property.
- Valuations do not influence the total rate revenue received.

Rating Structure

Council's Rating Structure is developed in accordance with the requirements of The Act. Additionally, in determining this structure, the Council takes into account impacts Councils Strategic Management Plans, Annual Business Plan and Long Term Financial Plans, including:

- The competing demands of community priorities identified through the consultation process.
- Its role as custodian of significant community assets held and managed on behalf of the local community and future generations.
- The need for significant capital works to replace and upgrade infrastructure assets.
- The obligation to operate as effectively and efficiently as possible.
- The need to reassess the use and viability of community facilities.
- The impact of rates on all sectors of the community (householders and businesses) based on factors, such as the broad principle that the rate in the dollar should be the same for all properties, except where there is either a different level of services available to ratepayers, or some other circumstance exists which warrants variation from the broad principle. Council has addressed this through the application of differential rates on commercial, industrial and vacant land properties – refer to the section entitled "Differential Rates".

Reasons for Valuation Method and Equity

The Council uses capital value as the basis for valuing land within the Council area. The Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers, for the following reasons:

- 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 and 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 an increase significantly greater than the increase in average rates.

Impact of Rates Structure

Council considers the impact of rates on all businesses in the Council area. In doing so, Council considers and assesses the following matters:

- The demand made on Council services by commercial and industrial users as a proportion of rate revenue.
- Council's Strategic Management Plan and those priorities relating to business development mentioned above.
- Specific Council projects for the coming year that will solely or principally benefit businesses.
- Preference for local suppliers where price, quality and service provision are comparable to suppliers outside the Council area.
- Current local, state and national economic conditions and expected changes during the next financial year. The expectation is that relatively low rates of inflation and current levels of interest rates will prevail.
- Changes in the valuation of commercial and industrial properties in comparison to residential properties.

Differential Rates

The Local Government Act 1999 allows the Council to 'differentiate' rates based on the use of land, the locality of land, the use and locality of the land combined or on some other basis determined by Council. The City of Mitcham applies different rates on the basis of land use.

Differentiation assists in ensuring that the after tax cost of rates for businesses is fair and equitable in comparison with residential ratepayers. Additionally, in City of Mitcham, where there are commercial and business areas, businesses contribute to the early deterioration of Council infrastructure and the environment, which requires additional resource allocation by Council to address.

Rate Capping

Council has a rate capping scheme available to all rate payers, subject to eligibility criteria. This is designed to assist ratepayers who would otherwise have incurred a rate increase greater than 12.5%. For details of eligibility call 8372 8888 or visit www.mitchamcouncil.sa.gov.au.

Rebates

Council is required to provide mandatory rebates under Sections 160 to 165 of the Local Government Act 1999 in relation to properties:

- Primarily used for service delivery or administration by a hospital or health centre (Section 160).
- Primarily used for service delivery or administration by a community service organisation (Section 161).
- Containing a church or other building used for public worship or used solely for religious purposes (Section 162).
- Being used for the purpose of a public cemetery (Section 163).
- Occupied by a government school under a lease or licence or a non-government school being used for educational purposes (Section 165).

Residential Construction Rebate (Discretionary Rebate)

Further, we may provide discretionary rebates under Section 166. One of these is for the purpose of securing the proper development of the area. A discretionary rebate of general rates for the 2022/23 financial year will be granted in respect of an Assessment classed as vacant land where the:

- Principal Ratepayer of the Assessment applies to the council, in writing, for the rebate prior to 30 June 2023.
- Foundations or slab have been laid on the property by 30 June 2023, proof of the date the footings were laid must accompany the application.
- Land which has been subdivided in the current financial year will not be eligible for the rebate.
- Principal Ratepayer has confirmed, in writing, that the property will be their principal place of residence upon completion.

The amount of the rebate will be based on:

- The difference between the general rate in the dollar applicable to Vacant land, and the general rate in the dollar applicable to Residential land; and
- The number of days remaining between 1 July 2022 and 30 June 2023 from the date footings are poured for a residence on the land. The rebate will not fall below the Minimum Rate.

Vacant Land Rebate (Discretionary Rebate)

Council has agreed to apply a rebate on Vacant Land, where the land use has changed from Residential land use to Vacant Land in any given financial year. The rebate will apply within the first 12 months to the residential rate in the dollar adopted for properties that become vacant land and will be applied either by Council of its own initiative, where the Council is in possession of sufficient information to determine entitlement to the rebate, or otherwise on application to Council.

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 2022/23 financial year will be granted in respect of an Assessment attributed as vacant land where:

- The Land Use is noted as Residential or Primary Production by the Valuer-General in the current year following a subdivision/development and the Council attributed the land use as Residential or Primary Production.
- The actual use of the land has changed to Vacant Land and the Valuer-General has determined a Vacant Land use code to the land in the following year and the Council has also attributed a rate in the dollar for Vacant Land.
- The principal rate-payer applies in writing prior to 31 December 2022 for a rebate the current year, confirming that the property will be their principal place of residence on completion of any development. The Council may consider any application received after 31 December 2022 for the 2022/23 financial year, solely at its discretion.
- The rebate will only apply for a maximum period of 12 months in the (same) financial year.
- The property will be re-assessed the following financial year - If the use of the land is still classified as Vacant Land by the Valuer General, and the Council also attributes this land use, then the rate in the dollar for Vacant Land will apply.
- Refer to the Residential Construction Rebate beyond the first 12 months.

Remission of Rates

Council, on the written application of a ratepayer, may partially or wholly remit rates or postpone rates on the basis of hardship.

Minimum Rates

Council has fixed a minimum amount payable by way of the general rates of $1,166.

City of Mitcham is taking steps to open a Community Centre in Pasadena following the purchase of the former Sea Scout Hall at 47 Adelaide Terrace





The second stage of a major upgrade of Mortlock Park at Colonel Light Gardens has been completed and includes new play equipment, a toilet block and drink fountain

OUR LONG TERM FINANCIAL PLAN

The Long Term Financial Plan is an important part of Council's budgeting and financial management framework as it helps Council to monitor long term financial sustainability while working to address the needs and expectations of the community reflected in the strategic management plans. It sets the high level financial parameters that guide the development and refinement of Council's budgeted plans, strategies and actions and generates information that assists decisions about the mix, timing and affordability of future outlays on operating activities, renewal and replacement of existing assets and funding of additional assets and services.

In 2012 a review of Council's long term financial planning, budget management systems and asset management processes identified that Council was operating at an underlying annual deficit of $1.7 million. It also established that, whilst Council had no net debt, it had generated a significant asset renewal deficit (backlog) as a result of under investing asset renewal over many years. Since 2012 Council has focused on achieving substantial operational savings and efficiencies, and on addressing the asset renewal deficit over a period of time. This focus has delivered:

- ongoing savings of $7.3 million (includes an additional efficiency savings target of $400,000x in 2022/23), and
- a Capital Renewal Program that will address the asset renewal backlog by 2027.

Council has continued to innovate and develop its financial modelling and decision making processes. As part of the 2022/23 budget deliberations a number of strategic aspects were considered including:

- service levels
- cost drivers
- cost shifting; budget pressures
- new recurrent expenditure (new services / new capital)
- operating projects (once-off expenditure)
- timeframe of addressing capital backlog
- debt levels
- savings and efficiencies
- rate levels
- strategic priorities (Mitcham 2030)
- economic environment
- financial ratios and forward projections.

The 2022/23 Long Term Financial Plan is based on the following principles:

- Maintaining existing service levels at or below CPI whilst continuing to drive efficiencies and financial savings.
- Improving service levels and closing service gaps within financial capacity.
- Monitoring and measurement of cash from operations in determining a balanced budget position, ensuring that Council is funding its asset renewals over the 10 year Long Term Financial Plan and repaying debt over a considered timeframe taking into account the balance between funding costs and intergenerational equity.
- Budgeting of ongoing costs associated with new capital in the year they are included rather than in the following year when maintenance costs and depreciation commence, thus avoiding pre-commitment of rates increases in the following year.
- Maintaining rates at a comparable and sustainable level whilst funding services and debt repayment sustainably in line with Council's considered position on intergenerational equity.

With these principles in mind, this Long Term Financial Plan is based on the following:

- 3.93% Rate Increase for 2022/23, on average
- generation of sufficient cash from operations to fund Asset Renewal over the life of the 10 year plan
- targeted financial and efficiency savings of $400,000
- a provision of $442,000 per annum to undertake operating projects and other one-off priorities
- new and improved services totalling $583,000 per annum (with an associated once-off $9.5 million capital investment)
- capital replacement program of $20.0 million for 2022/23 in line with Council's Asset Management Plans and schedules working towards addressing the asset renewal deficit (and including $4.1 million re-budgeted from 2021/22)
- new capital expenditure of $10.0 million for 2022/23 (including $0.5 million re-budgeted from 2021/22)
- a projected underlying operating surplus for 2022/23 of $164,000 (excluding non-cash gains / losses from subsidiaries and once-off income and expenditure).
- a ten-year average net financial liabilities ratio of 64%, reaching a peak of 73% in 2023/24.

The following tables are a summary of some items of key financial data used for the purposes of modelling. It is the result of the application of all the assumptions within the Long Term Financial Plan, using the current financial position and budget as the base. As part of Council's responsible approach to financial sustainability, non-cash gains and losses from Council subsidiaries and one-off items are not included when using Council's operating result for modelling and ratio calculation purposes. The reason for not including non-cash items is that if they were included when determining if Council has a balanced budget, Council would actually need to borrow funds (either as borrowings or as reductions in surplus cash) equivalent to those non-cash gains in order to fund operating expenses, creating a false sense of sustainability. Borrowing to fund operating expenses is not sustainable and, therefore, this financial discipline being employed by Council is a key element to ensuring financial sustainability in the future from Council operations. Further, by not including one-off items Council is ensuring that it is focusing on the underlying long term financial position of Council providing additional robustness to Council's measure of long term financial sustainability.

FINANCIAL PLAN SUMMARY	2022/23 Year 1 Plan $'000	2023/24 Year 2 Plan $'000	2024/25 Year 3 Plan $'000	2025/26 Year 4 Plan $'000	2026/27 Year 5 Plan $'000	2027/28 Year 6 Plan $'000	2028/29 Year 7 Plan $'000	2029/30 Year 8 Plan $'000	2030/31 Year 9 Plan $'000	2031/32 Year 10 Plan $'000
Operating Income	**70,911**	**71,766**	**73,823**	**76,053**	**78,536**	**80,771**	**83,129**	**85,668**	**88,115**	**90,566**
Including non cash gains on Subsidiaries	-	-	-	24	160	294	418	573	722	722
Operating Expenses	**69,486**	**71,302**	**72,881**	**74,596**	**76,524**	**78,458**	**80,624**	**82,859**	**84,980**	**87,241**
Including non cash losses on Subsidiaries	479	275	123	-	-	-	-	-	-	-
Operating Result	**1,425**	**464**	**942**	**1,457**	**2,012**	**2,313**	**2,505**	**2,809**	**3,135**	**3,325**
Roads to Recovery Grant	766	766	766	766	766	766	766	766	766	766
Land Management costs	(185)	(36)								
Local Roads & Community Grants	1,082									
Covid-19 Service allocation	(100)									
State Government Grant Resourcing	(125)									
New service expenditure timing	303									
One off items	**1,740**	**730**	**766**	**766**	**766**	**766**	**766**	**766**	**766**	**766**
Operating Result (excluding non cash gains/losses from subsidiaries and other one off items)	**164**	**9**	**299**	**667**	**1,086**	**1,253**	**1,321**	**1,470**	**1,647**	**1,837**
Net Financial Liabilities	43,446	44,849	44,870	43,945	43,374	44,349	43,403	42,031	40,582	39,547

Operating Result

This is the operating result as reported in Council's end of year financial statements in accordance with accounting standards. It reflects whether in each year income was enough to cover expenses, including depreciation, one-off items and non-cash items from subsidiaries. Whilst this result is necessary to report and forms part of Council's annual financial statements, it is not that useful for measuring Council's underlying operating result from operations and, therefore, financial sustainability.

Underlying Operating Result (Excluding future Subsidiaries and Other One-off Items)

This is the operating result from direct Council operations only without the non-cash impacts of operating results of Council's subsidiaries, such as Centennial Park Cemetery Authority and East Waste Management Authority and without any one-off items. It is important to focus on this result because it represents a better view of the ongoing funding requirements of Council operations. If Council balances its budget, including these non-cash or one-off items it can give a false impression of financial sustainability.

Borrowings

This Long Term Financial Plan shows that net financial liabilities ratio peaks in Year 2 at 73% of forecast rate revenue in that year with a ten-year average of 64%. The increase in net financial liabilities from current levels is primarily due to redressing the asset renewal deficit that has accumulated over prior years and investing in key new infrastructure over the next 10 years. The significant strategic investment budgeted in this plan will not result in Council exceeding its self-imposed Net Financial Ratio Limit of 80%.



Stobie pole artwork along Shepherds Hill Road, by Kristy O'Neil

How does this plan compare to the 2021/22 plan?

A broad comparison of this Long Term Financial Plan with the 2022/23 projections contained in the previous Long Term Financial Plan shows a decrease in the operating result from a surplus projected last year of $2,105,000 to a surplus of $1,425,000, a decrease of $680,000.

The main difference between this Long Term Financial Plan and the equivalent period of the previous Long Term Financial Plan are captured in the adjacent table.

The increase in rates revenue of $830,000 is primarily a result of Council setting a 3.93% general rate increase, on average for 2022/23. This was opposed to a 2.38% rate increase that was projected for 2022/23 in the previous Long Term Financial Plan of 12 months ago. This is primarily due to an increase in inflation as the world economy recovers from the Covid-19 global pandemic. The March CPI forecast was made prior to the conflict in Ukraine and flooding across northern Australia which has contributed to further significant price increases. It is therefore likely that the March CPI (released April 28th) will be higher than the forecast in this draft plan and is one of many key cost drivers of the budget.

Other income categories have since been reviewed and forecasting updated to take in consideration actual income being received. Grants, subsidies, contributions experienced an increase as a result of additional grant funding allocated for Roads to Recovery and Local Roads and Community Infrastructure Grants.

Employee costs are estimated based on the current forecasted CPI and superannuation guarantee increases which come into effect on the 1st July 2022. The previous plan was based on a 1.6% forecast in CPI compared to 3.4%, increasing employee cost projection by $638,000.

Materials, contracts & other expenses has increased by $2,259,000 from prior year projections as a result of additional new services and one off costs. The Local government price index moved up from last years plan of 1.86% to 2.6% increasing the cost of services but this was partially offset by an increase in efficiency savings

The increase in capital new and capital renewal is primarily as a result of additional new and improved services and re-budgeted capital projects from 2021/22.

	Previous Plan 2022/23 $'000	This Plan 2022/23 $'000	Variation $'000
Rates	58,919	59,749	830
State Government Landscape Levy	1,779	1,793	14
Statutory Charges	1,891	1,986	95
User Charges	807	962	155
Grants, subsidies, contributions	4,381	5,819	1,438
Investment Income	17	15	(2)
Reimbursements	107	118	11
Other Income	424	469	45
Gain - Joint ventures & associates	-	-	-
Operating Income	**68,325**	**70,911**	**2,586**
Employee costs	26,320	26,958	638
Materials, contracts & other expenses	20,966	23,225	2,259
State Government Landscape Levy	1,779	1,793	14
Finance costs	1,029	1,163	134
Depreciation and Amortisation	15,857	15,868	11
Loss - Joint ventures & associates	269	479	210
Operating Expense	**66,220**	**69,486**	**3,266**
Operating Result Surplus/(Deficit)	**2,105**	**1,425**	**(680)**
Renewal Capital Expenditure	16,600	19,956	3,356
New Capital Expenditure	4,411	10,032	5,621
Net Financial Liabilities	42,148	43,446	1,297

External and Internal Influences

This Long Term Financial Plan generates information which is used to guide decisions about Council operations into the future. However, as with any long term plan, the accuracy of this Long Term Financial Plan is subject to many inherent influences.

In order to minimise the inherent risks of long term financial planning, Council reviews and updates its Long Term Financial Plan on a regular basis. Further to this, where possible, the assumptions within the Long Term Financial Plan are based on published Australian Bureau of Statistics data or other independent data sources. The assumptions are also subject to review and comment by Council's Audit Committee.

Key Economic Assumptions

It is important that Council's Long Term Financial Plan reflects the most recent economic data and forecasts available as Year 1 of the Long Term Financial Plan forms the basis for developing Council's Annual Business Plan and Budget. A review is conducted each year to ensure that the underlying parameters and assumptions are reasonable given the current economic conditions and expectations.

The forecast Consumer Price Index (CPI) for the March quarter drives non-rates income, while the Local Government Price Index (LGPI), which drives expenditure on contractual services and materials is 2.60% (as at December 2021). Whilst the CPI is regarded as a key measure of household expenditure inflation and is designed to provide a general measure of price inflation for household purchases, the LGPI is considered more suitable for measuring the inflation of Local Government sector services. The projections for Years 2 - 10 are based on the average of the past five years. Notwithstanding the costs of Council service provision going up greater than CPI, Council is committed to keep the cost of existing services to CPI or less through its efficiencies, financial savings and innovation. $400,000 of operating efficiencies and savings are included in 2022/23.

The loan interest rates are based on Local Government Financing Authority (LGFA) lending rates for Year 1. Years 2 -10, the Long Term Financial Plan has assumed no movement in the rate. However, regular review of this Plan will ensure that the economic assumptions are reflective of the current market.

Administration undertakes a review of the parameters and assumptions underpinning the Long Term Financial Plan on an annual basis to ensure that the most appropriate forecast economic indicators are used.



Woodwork in the Community Shed at Mitcham Cultural Village

Economic Indicator / Assumption	Drives	2022/23 Year 1	2023/24 Year 2	2024/25 Year 3	2025/26 Year 4	2026/27 to 2031/32 Year 5 to 10
Revenue						
Residential / Other Rate Increase / Commercial / Industrial / Vacant Land Rate Increase	Rates required for existing services plus additional new services (excluding growth)	3.93%	2.69%	2.82%	2.94%	Between 2.58% - 3.04%
Residential / Other Rate Increase / Commercial / Industrial / Vacant Land Rate Increase	Rates from additional properties (growth)	0.18%	0.18%	0.18%	0.18%	Between 0.18% - 0.18%
Consumer Price Index (March quarter 2022)	Statutory Charges, Grants and Subsidiaries, Reimbursements, Other Revenue	3.40%	2.30%	2.20%	2.30%	Between 2.30% - 2.50%
Local Government Price Index (Weighted Total)	User Charges	3.02%	2.43%	2.33%	2.43%	Between 2.43% - 2.63%
Investment Interest Rate	Investment Income	1.05%	1.05%	1.05%	1.05%	1.05%
Expenditure						
Local Government Price Index (Recurrent)	Contractual Services, Materials, Other Expenses	2.60%	2.38%	2.28%	2.38%	Between 2.38% - 2.58%
Local Government Price Index (Capital)	Capital Expenditure Indexation, Depreciation, Asset Revaluations	3.90%	2.54%	2.44%	2.54%	Between 2.54% - 2.74%
Enterprise Bargaining Agreement & Consumer Price Index	Employee Costs	3.40%	2.80%	2.20%	2.30%	Between 2.30% - 2.50%
Superannuation (headline rate)	Employee Costs (Currently 9.5%)	10.00%	10.50%	11.00%	11.50%	Increasing to 12% by 2025/26
Loan Interest Rate – Fixed Term	Long Term Loan Interest Expenses	3.40%	3.40%	3.40%	3.40%	3.40%

External Influences and Risks

Interest Rates
Council has taken a simple but conservative approach and has allowed for interest rates of 3.4% over the next 10 years. If changes are made to official interest rates by the Reserve Bank of Australia in excess of those included in the Long Term Financial Plan then this could have a financial impact on Council. However, regular review and update of the Long Term Financial Plan in conjunction with Council's financial indicators in relation to debt, interest coverage and debt repayment term are key strategies for mitigating this risk.

Consumer Price Index (All Adelaide)
The Consumer Price Index (CPI) is regarded as Australia's key measure of inflation for household consumables. It is designed to provide a general measure of price inflation for the Australian household sector as a whole. The CPI measures change over time in the prices of a wide range of consumer goods and services acquired by Australian metropolitan households. This Long Term Financial Plan is based on CPI of 3.4% for 2022/23 and 2.3%-2.5% for the years 2 to 10.

Federal Assistance Grants
The South Australian Grants Commission is responsible for the distribution of untied Commonwealth Financial Assistance Grants to local governing authorities in South Australia in accordance with State and Federal legislative requirements. Council currently receives around $2.3 million per year in Financial Assistance Grants. The allocation of this grant is based on a predetermined methodology involving analysis of Council's income raising capacity and expenditure requirements compared with State averages and other factors such as Council's demographic profile, the movement in its population relative to the movement in both South Australia's and Australia's population and the community's ability to pay relative to other council communities. Changes to the total grant funding pool, the methodology or even Council's demographics have the potential to impact on the amount of grant assistance provided to Council.

In addition to the quantum of this grant, the timing of when the grant is paid could also have a potential impact on the Long Term Financial Plan. The Australian Accounting Standards applying to Local Government require that grants received within a financial year are shown as income in that year, notwithstanding that the purpose for which the grants were given have not been fulfilled.

This issue has impacted on Council in the past but is not anticipated with the Long Term Financial Plan. Whilst it is a requirement to report extra income in Council's operating result, it has not been included in the ratio calculations. This is in accordance with Council's philosophy of focusing on the underlying financial position and not the one-offs that occur from time to time.

Local Government Price Index
The Local Government Price Index (LGPI) is an independent measure of the inflationary effect on price changes in the South Australian Local Government sector, developed by the Australian Bureau of Statistics (ABS) and updated by the South Australian Centre for Economic Studies on a quarterly basis. The LGPI is a historical measure and as such does not have forecast data available, Council takes the most recent LGPI figure and adjusts it for any significant one off effects from the previous year and then uses its relativity to CPI in order to generate forecasts across the 10 years.

Superannuation Guarantee
As part of the 2014 Federal Budget, the Federal Government determined superannuation will increase progressively from 9% to 12% as follows:

Year	Contribution Rate
1 July 2021 – 30 June 2022	10%
1 July 2022 – 30 June 2023	10.5%
1 July 2023 – 30 June 2024	11%
1 July 2024 – 30 June 2025	11.5%
1 July 2025 – 30 June 2026	12%
1 July 2026 – 30 June 2027	12%
1 July 2027 – 30 June 2028 and onwards	12%

Any future changes to the superannuation legislation outside of the current projected trajectory to 12.0% as shown above, has the potential to impact the Plan and Council's financial position.

Natural Resources – Fuel
The volume of fuel required to operate Council's plant, equipment and vehicle fleet is significant and movements in the price of fuel above the general rate of inflation have the potential to significantly affect Council's financial position.

Natural Resources - Water
A critical element of the City of Mitcham's prosperity is the provision of a sustainable water supply that can be used to provide a high level of amenity to the City's open space, parks and gardens and movements in the price of water above the general rate of inflation have the potential to significantly affect Council's financial position. Council continues to explore ways and opportunities to minimise the reliance on water and improve the use of water flows from rain and storm water to irrigate streetscapes and other open space areas.

Energy Market – Electricity and Gas
The cost of energy (i.e. electricity and gas) to the City of Mitcham is significant and movements in the price of energy above the general rate of inflation have the potential to significantly affect Council's financial position. Council is investing in LED street lighting and exploring other ways and opportunities to reduce energy use and reliance.

Cost Shifting
Each year Council is impacted to some extent by cost increases through legislative change, additional compliance requirements, reductions in funding and / or increases in taxes or levies.

Rate Capping
Rate capping could be introduced by the State Government, which would mean that the Council's future ability to generate income and provide services (particularly new services) to the community would potentially be restricted.

The format of any rate capping regime, if introduced, is not certain and therefore its effect on Council's ability to deliver services to the Community cannot be accurately predicted. Any rate capping system would likely affect Council's ability to invest in new infrastructure and services and would potentially challenge the notion of local democracy and potentially moves service provision and investment decisions to the State Government.


Arbour Day activities at the Mitcham Memorial Library

CEO's Statement on Financial Sustainability

Council employs a prudent and strategic financial management approach along with robust budget development principles which, together with a focus on efficiency measures and cost savings, ensures that Council can keep the cost of maintaining services sustainably at or below cpi while funding the lifecycle cost of new services sustainably at the time that they are implemented.

Over the last decade, this approach has delivered over $7.3 million in ongoing cost savings and allowed Council to turn around an annual operating deficit (loss) of $1.7 million, put in place a plan to fund and address a significant asset renewal backlog and meet increasing service delivery expectations and legislative cost imposts.

Council is well placed to deliver on its strategic priorities (Mitcham 2030) with a particular focus this year in community building with significant investments in community facilities and a continued focus on climate and environment.

The Draft 2022/23 Annual Business Plan and Long-Term financial projections incorporate the following financial principles:

- continued effort to reduce operating costs through efficiencies
- a commitment to maintaining existing service provision at or below the cost of CPI, through cost savings and efficiencies*
- the responsible application of a rate rise required to fund new services in the year they are introduced (i.e. when they cannot be funded via savings over and above those required to maintain the cost of existing services at or below CPI)
- investment to respond to a changing climate and deliver important community services and infrastructure
- increased accuracy in forecasting Council's renewal requirements of its infrastructure assets.

**Council's forward projections incorporate these required efficiencies and savings but do not assume any further savings until they are identified and confirmed.*

Council is a very asset intensive service organisation and has recently reviewed and re-cast the forward infrastructure asset renewal requirements based on ever increasing data accuracy and condition-based methodology. This review has been incorporated into the Plan's budget projections and ten-year forecast and has further increased their accuracy and robustness.

Council, as part of a suite of financial management framework ratios, has a conservative self-imposed upper limit in terms of the amount of debt it carries, equal to 80% of annual rate revenue (set at 60% with ability to increase to 80% in relation to projects / investments that Council considers being of strategic significance). This is called the Net Financial Liabilities Ratio. The Plan forecasts, based on the service projections it contains, that this ratio will peak at 73% before returning to 51% over the ten-year period. This reflects Council's investment in key strategic projects including the Blackwood Hub, infrastructure backlog, and Brown Hill and Keswick Creek flood mitigation. Whilst 73% is close to Council's self-imposed upper limit, it is well within the upper limit recommended for the sector by the Local Government Association (LGA), being 100% of all operating revenue, or the equivalent of 120% of annual rate revenue for Council.

Debt is actively monitored and managed in a robust financial framework, which Council has established and had in place over the past decade, reviewing and updating the framework on a four-year cycle. Using this framework and outlined in this Draft Plan, Council's level of debt is affordable and sustainable and not at a level that would place any limitations on future flexibility with regard to new service and asset introduction over the forward estimates, to the extent that such flexibility would not otherwise be achieved by exchanging future proposed investments in the Plan with other (different) investments.

In addition to managing financial sustainability, Council needs to focus on service sustainability to ensure that Council's planned long term service and infrastructure levels, as prioritised through community engagement and Mitcham 2030, can be met without unplanned increases in rates and charges and without unplanned service cuts or degradation to existing service levels over time. The Draft 2022/23 Annual Business Plan and Long-Term Financial Plan introduces several new and enhanced services in recognition that service sustainability is an important obligation. Assisting to achieve service sustainability, in conjunction with Council's robust long term financial planning, will be the continued resourcing of an ongoing efficiency, effectiveness and continuous improvement framework that is maturing from a simple focus on financial

savings to also focusing on value for money and service mix, including strategic service reviews.

As with any Budget and Long-Term financial forecast, and particularly in the current health and economic climate/uncertainty, there are risks and external factors that have the potential to influence and affect Council's forecast financial position. These include:

- The uncertainty regarding the global economic environment as a result of the COVID-19 pandemic and recent geopolitical unrest. Local government has experienced supply and labour shortages that have increased its costs and reduced its ability to deliver a consistent level of service to the community.
- Accuracy in relation to future forecasts for economic assumptions such as the Consumer Price Index and Local Government Price Index which are used to drive the forward projections to a large extent in the Plan. This is currently exacerbated due to the significant price fluctuations caused by the COVID-19 pandemic, geopolitical unrest and flooding across northern Australia. To reduce this inherent risk, the plan is reviewed and updated on a regular basis, based on external forecasts of these assumptions and other known and emerging issues and Council decisions, in conjunction with the principle of funding the life cycle cost of new services at the time they are introduced.
- The impact of cost increases resulting through legislative change, additional compliance requirements, reductions in funding, claims or litigation against Council and/or increases in taxes or levies. These are generally not known until the year in question and are not forecast in the long-term projections. The impact of the COVID-19 pandemic on Federal and State budgets increases this risk of costs, levies or service responsibilities being passed down to local government.
- The Asset Management Plans are in varying stages of maturity and always have the potential to impact on the forward estimates as they are constantly refined and updated. Whilst a major review of Council's Infrastructure Asset Management Plans has further increased the accuracy of renewal forecasts, there may be a number of unknowns that come to light as part of the continued refinement of these plans, including identification of existing assets not yet registered, asset conditions different from those currently recorded and assets past their technical useful life but still in service. This Plan is based on the most up to date information at this time. Further work is continuing on the forecasting of costs of maintenance and renewal of sporting facilities and other buildings.
- Centennial Park (a subsidiary of the Council) operates in a complex and highly competitive business environment and is an important part of the community. It faces its own challenges in the future through increased competition and recovering from the financial impacts by COVID-19 density restrictions. The Cemetery's recently endorsed strategic management plans have been incorporated into Councils forward projections and its performance will continue to be monitored annually.
- Brown Hill Keswick Creeks Stormwater Board (a subsidiary of the Council) has complexities and challenges in the form of asset recognition and asset maintenance across numerous jurisdictions in a coordinated infrastructure network. The recently developed draft Infrastructure Asset management Plan (IAMP) has led to a more detailed knowledge and forecasting of maintenance costs. City of Mitcham's current draft Long-Term Plan does not contain an ongoing provision for the maintenance and operations of additional assets intended to be constructed by the subsidiary to complete the implementation of the masterplan. Furthermore, the total capital cost of implementing the master plan is under review. Once the draft IAMP is finalised it will be incorporated into Council's current and future financial projections and monitored regularly.
- East Waste (a subsidiary of the Council) also operates in a complex and highly competitive business with domestic and international market exposure and provides an essential service to the community on behalf of Council. Changes in the market and environment in which it operates present challenges in the future, which will continue to be monitored and reflected in current and future financial projections and service planning.
- The changing climate will present a number of future challenges including the potential to impact on the cost of service and asset provision as assets are subject to harsher weather conditions and require more frequent maintenance and intervention. Demand for social services may also be impacted by more extreme climate conditions in the future. This will need to be monitored and modelled in service plans and asset renewal and maintenance programs on a regular basis in conjunction with investment in climate mitigations and resilience activities and initiatives.

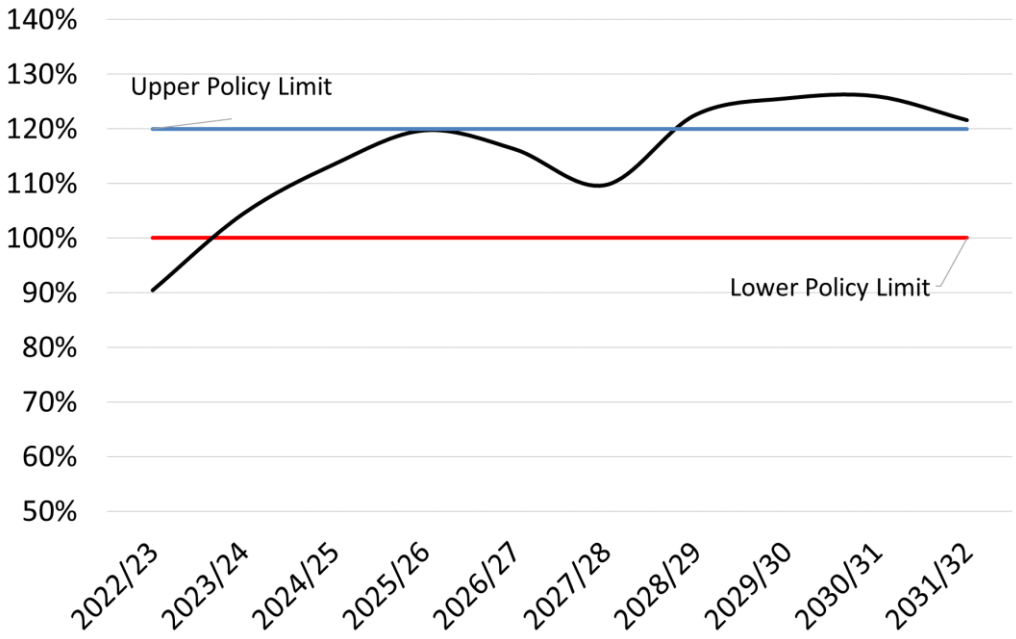
10 Year Key Financial Indicators

On 8 September 2020 Council adopted the Financial Sustainability Policy which sets the ratios and targets with regard to financial sustainability to be used by Council in the development of the Annual Budget / Business Plan, Long Term Financial Plan, Asset Management Plans, budget reviews and other financial decisions. It outlines the measures by which Council will assess the implications of financial decisions on its financial position and financial sustainability.

The following tables provides a summary of Council's financial indicators and are in line with the Financial Sustainability Policy.

KEY FINANCIAL INDICATORS	2021/22 Current Year Estimate	2022/23 Year 1 Plan	2023/24 Year 2 Plan	2024/25 Year 3 Plan	2025/26 Year 4 Plan	2026/27 Year 5 Plan	2027/28 Year 6 Plan	2028/29 Year 7 Plan	2029/30 Year 8 Plan	2030/31 Year 9 Plan	2031/32 Year 10 Plan
City of Mitcham Financial Indicators											
Asset Renewal Cashflow Ratio - %	53%	90%	104%	113%	120%	116%	110%	123%	126%	126%	122%
- 10 year average	108%	115%									
- Healthy / sustainable lower limit		100%									
- Healthy / sustainable upper limit		120%									
Operating Result Ratio - %	(3.7)%	0.3%	0.0%	0.5%	1.1%	1.7%	1.9%	1.9%	2.1%	2.3%	2.4%
- 10 year average	1.2%	1.4%									
- Healthy / sustainable lower limit		1.0%									
- Healthy / sustainable upper limit		4.0%									
Asset Renewal Funding Ratio - %	116%	117%	100%	100%	100%	100%	100%	100%	100%	100%	100%
- 10 year average	103%	102%									
- Healthy / sustainable lower limit		95%									
- Healthy / sustainable upper limit		105%									
Net Financial Liabilities Ratio - %	70%	73%	73%	71%	67%	65%	64%	61%	58%	54%	51%
- 10 year average	66%	64%									
- Healthy / sustainable lower limit		25%									
- Healthy / sustainable upper limit		80%									
Interest Cover Ratio - %	1.2%	1.9%	2.0%	1.9%	1.8%	1.7%	1.6%	1.6%	1.5%	1.4%	1.2%
- 10 year average	1.7%	1.7%									
- Healthy / sustainable lower limit		0.0%									
- Healthy / sustainable upper limit		6.0%									
Industry Mandated Financial Indicators											
Operating Surplus Ratio	0.1%	2.0%	0.6%	1.3%	1.9%	2.6%	2.9%	3.0%	3.3%	3.6%	3.7%
Net Financial Liabilities Ratio	58%	61%	62%	61%	58%	55%	55%	52%	49%	46%	44%
Asset Renewal Funding Ratio	112%	100.0%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Asset Renewal Cashflow Ratio



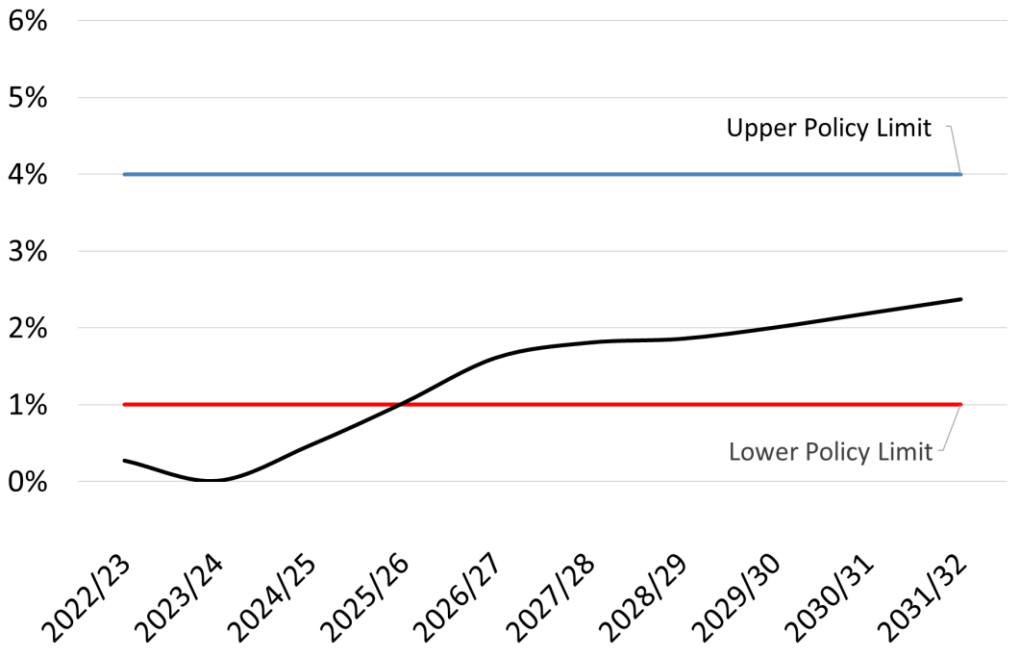
Calculated as:
Cash flow from operations expressed as a percentage of the average asset replacement requirement from the Asset Management Plans and Schedules.

Purpose:
This indicator measures whether Council is generating enough cash from its operations to cover the replacement of assets over time. This ensures that Council is delivering intergenerational equity across the lifecycle of asset replacement.

Target Range:
In general Council should be targeting an average of at least 100%. It is considered appropriate to use the 20 year asset renewal information. However, at this stage, and until all the Asset Management Plans are finalised, Council will be basing it on the 10 years asset renewal information as included within Council's Long Term Financial Plan.

Long Term Financial Plan Commentary:
Council is generating sufficient cash from operations to fund asset renewal over the life of the 10 year plan to fund the average asset replacement requirement from the Asset Management Plans and Schedules. The ratio is within the policy limit in the short to medium term, as a result of addressing the current asset renewal backlog via a combination of debt and rates.

Operating Result Ratio



Calculated as:
Operating result (excluding non-cash gains / losses from equity accounted subsidiaries and other one off items) expressed as a percentage of Council rates income.

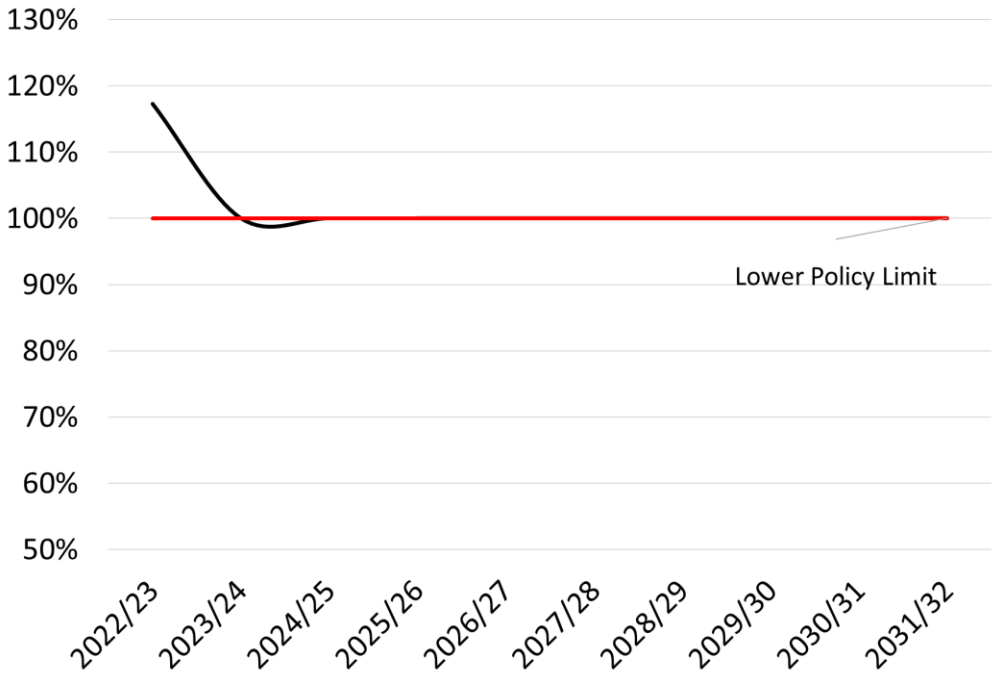
Purpose:
This ratio is designed to identify the portion of Council's rates (the main source of Council controlled income) that is contributing to a surplus result, or alternatively the additional portion of Council's rates needed to address a deficit result. The ratio expresses the operating result as a percentage of Council's rates.

A positive result on this ratio indicates the percentage of Council's rates that are available to fund new initiatives or to repay debt. A negative result indicates the percentage increase in Council's rates, on top of that already proposed for that year, required to achieve a break even position.

Target Range:
In general, Council should not be targeting operating deficits, nor should it be targeting large operating surpluses. Both of these results negatively affect intergenerational equity. The adopted Council target for this ratio is between 1% and 4% across the 10 year Long Term Financial Plan term.

Long Term Financial Plan Commentary:
Council is generating a moderate level of operating result as a percentage of Council rates over the life of the 10 year plan to alleviate the risk of a negative impact on intergenerational equity. The ratio has been revised downwards by over 1 percentage point as a result of the reclassification of Roads to Recovery grant funding as 'one off' and therefore is not included in the calculation of this ratio.

Asset Sustainability Ratio



Calculated as:
Amount spent on replacement of existing assets expressed as a percentage of the amount planned to be spent according to the endorsed Asset Management Plans and Schedules.

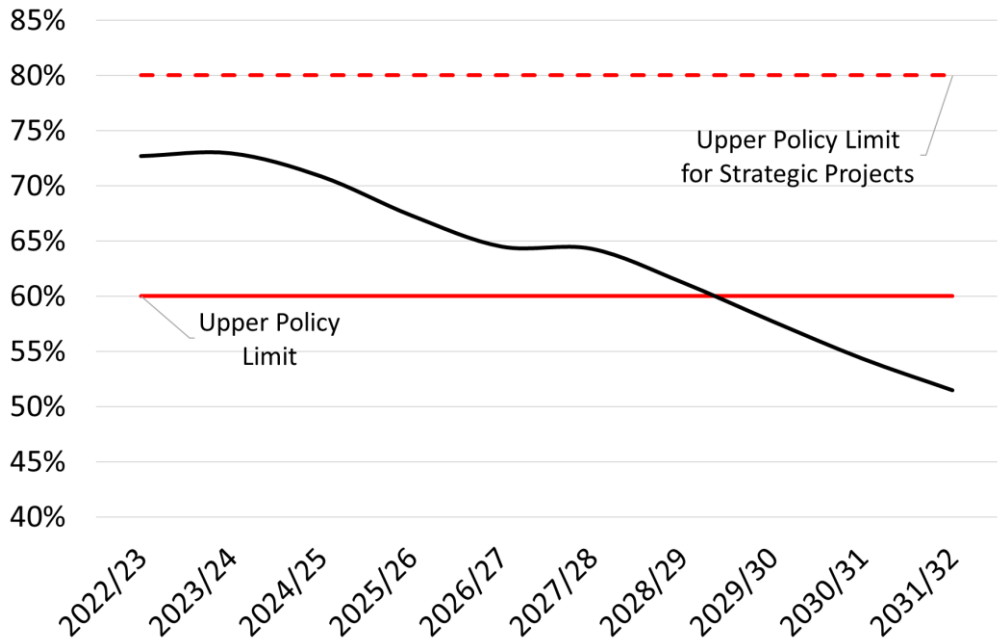
Purpose:
This indicator measures the extent to which Council is replacing assets compared to the rate at which it needs to be replacing assets to ensure consistent service delivery. In effect, it measures whether Council is spending the amount required annually to deliver the Asset Management Plans and Schedules.

It is important to note that this indicator does not measure if Council is funding the asset replacement requirements from sustainable sources (refer Asset Renewal Funding Ratio) but is simply measuring if Council is performing the required work to replace assets and maintain the level of service and asset conditions.

Target Range:
In general Council should be targeting on average to spend at least 100% of the gross replacement requirements over time in relation to Council's existing assets. It is considered appropriate to use the 20 year asset information contained in the Asset Management Plans. However, at this stage, and until all the Asset Management Plans are finalised, Council will be basing it on the 10 years asset information included within Council's Long Term Financial Plan.

Long Term Financial Plan Commentary:
Over the life of the 10 year plan, Council sits comfortably at 100% with the exception of Year 1 and based on the fact that the Asset Management Plans include both the planned renewal over the next 10 years as well as addressing the backlog over the coming years, this ratio indicates that Council is replacing its assets at the rate at which they are planned to be replaced as well as addressing the backlog.

Net Financial Liabilities Ratio



Calculated as:
Net financial liabilities and reserves as a percentage of Council rates revenue. Net financial liabilities being total liabilities less cash and other financial assets readily convertible to cash.

Purpose:
This ratio measures Council's net financial liabilities as a percentage of its rates income. It measures the absolute level of Council debt (including potential debt in the form of undrawn reserves) and articulates how much of Council's annual rates income would be required to repay that debt if Council were to wind up.

Any organisation involved in long term projects, perpetual service delivery and asset creation requires access to debt. Debt is a healthy source of finance if used appropriately and for the right purpose, and if associated with an income source to facilitate its repayment over time. Total debt should not be too low or too high so as to create a negative impact on intergenerational equity.

If total debt is too high it is arguable that current ratepayers are not paying their way, leaving too much of the burden to future generations. Equally, if total debt is too low it is arguable that current ratepayers are being asked to pay too much of the burden at the benefit of future ratepayers, or alternatively that infrastructure renewal is being deferred and assets run down for future generations to deal with.

It is also important to note that when considering the net financial liabilities as a percentage of rates income, Council is an organisation that exists in perpetuity. This is different to considering an individual's level of debt as a portion of their discretionary income, given the individual has a finite working life and therefore a finite source of income.

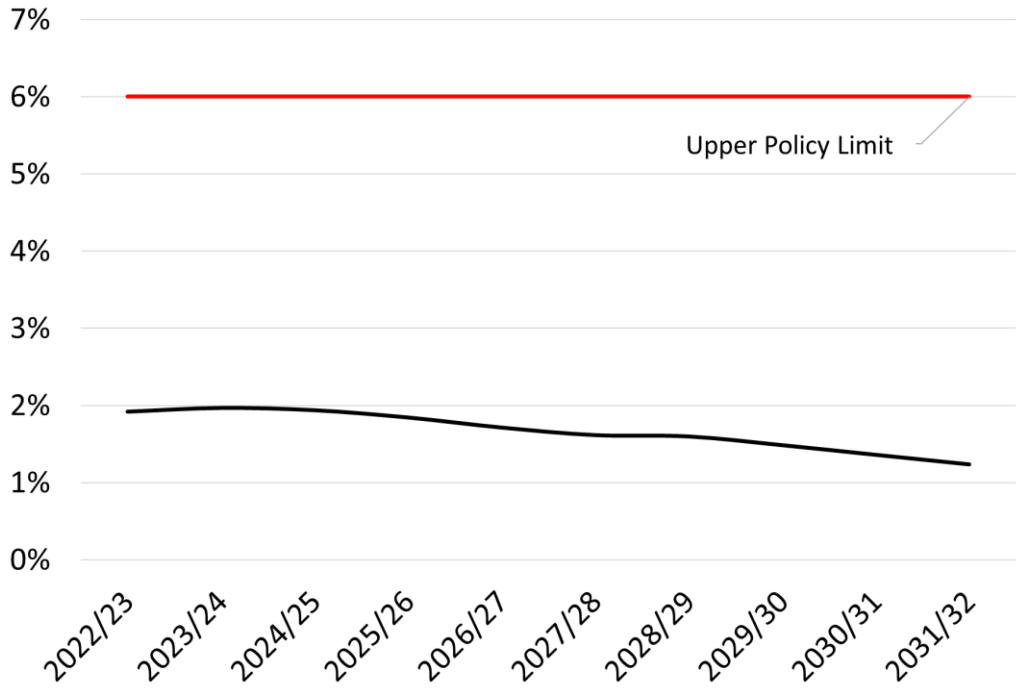
Target Range
In general, Council should be managing a level of debt to ensure the best balance between current and future ratepayers for long-lived infrastructure costs, thus delivering intergenerational equity. The adopted Council target for the ratio is to be within 60% over the 10 year Long Term Financial Plan term with ability to increase to 80% in relation to projects / investments that Council considers being of strategic significance.

This plan includes a significant strategic investment regarding;

- Addressing the asset backlog
- Extend and upgrade the Stormwater network
- Construction of the Blackwood Community Hub
- Implement Brownhill Keswick Creek Flood Mitigation Works

Long Term Financial Plan Commentary:
Council's net financial liabilities increase as a percentage of income and as a result of redressing the asset renewal backlog that has accumulated over prior years and investing in new capital assets over the next 10 years. The ratio is at its peak of 73% in 2023/24 and is predicted to return within normal policy parameters by 2029/30. The level of debt is regarded as affordable and sustainable during a period of significant strategic investment and low borrowing costs.

Interest Coverage Ratio



Calculated as:
Net interest expense expressed as a percentage of rates income.

Purpose:
This indicator measures the affordability of Council's debt and articulates the portion of Council's rates income that is being used to pay interest. When considered in conjunction with the Net Financial Liabilities Ratio, this ratio forms part of a picture in terms of the level and affordability of Council's debt.

Upper Limit:
Council considers that interest expense of greater than 6% of its rates income (6 cents in every $1 of rates income) indicates a servicing cost of debt that is too high and working against the principle of intergenerational equity.

Long Term Financial Plan Commentary:
Over the period of the Long Term Financial Plan Council's projected cost of borrowings remains well within the maximum target of 6% adopted by Council under the assumption that interest rates remain at or around 3.40% over the life of the Long Term Financial Plan. Council's interest costs increase as a portion of total operating income over Years 2- 3 of the Long Term Financial Plan, as a result of investing in the reduction of Council's infrastructure backlog and the introduction new and enhanced services. However, the ratio on average is 1.7% over the 10 year plan reflecting the affordability of the additional investment into new and enhanced services over the forward estimates.

Forecast Financial Statements

Forecast Statement of Comprehensive Income

STATEMENT OF COMPREHENSIVE INCOME	2021/22 Current Year Estimate $'000	2022/23 Year 1 Plan $'000	2023/24 Year 2 Plan $'000	2024/25 Year 3 Plan $'000	2025/26 Year 4 Plan $'000	2026/27 Year 5 Plan $'000	2027/28 Year 6 Plan $'000	2028/29 Year 7 Plan $'000	2029/30 Year 8 Plan $'000	2030/31 Year 9 Plan $'000	2031/32 Year 10 Plan $'000
INCOME											
Rates	57,356	59,749	61,468	63,315	65,294	67,401	69,265	71,249	73,362	75,391	77,550
State Government Landscape Levy	1,751	1,793	1,834	1,875	1,918	1,964	2,009	2,057	2,109	2,157	2,209
Statutory Charges	1,936	1,986	2,032	2,077	2,124	2,175	2,225	2,279	2,336	2,389	2,447
User Charges	898	962	985	1,008	1,033	1,059	1,085	1,112	1,141	1,169	1,199
Grants, subsidies, contributions	6,318	5,819	4,829	4,918	5,014	5,116	5,216	5,322	5,436	5,561	5,695
Investment Income	16	15	17	17	18	18	19	19	20	20	21
Reimbursements	218	118	121	123	126	129	132	135	139	142	145
Other Income	453	469	480	490	502	514	526	538	552	564	578
Gain - Joint ventures & associates	-	-	-	-	24	160	294	418	573	722	722
Total Revenues	**68,946**	**70,911**	**71,766**	**73,823**	**76,053**	**78,536**	**80,771**	**83,129**	**85,668**	**88,115**	**90,566**
EXPENSES											
Employee costs	26,197	26,958	27,718	28,467	29,264	29,966	30,655	31,391	32,176	32,916	33,706
Materials, contracts & other expenses	24,790	23,225	23,540	23,997	24,524	25,227	25,925	26,668	27,458	28,217	29,024
State Government Landscape Levy	1,751	1,793	1,834	1,875	1,918	1,964	2,009	2,057	2,109	2,157	2,209
Finance costs	704	1,163	1,228	1,246	1,223	1,174	1,138	1,158	1,109	1,044	977
Depreciation and Amortisation	14,861	15,868	16,707	17,173	17,667	18,193	18,731	19,350	20,007	20,646	21,325
Loss - Joint ventures & associates	555	479	275	123	-	-	-	-	-	-	-
Total Expenses	**68,858**	**69,486**	**71,302**	**72,881**	**74,596**	**76,524**	**78,458**	**80,624**	**82,859**	**84,980**	**87,241**
OPERATING SURPLUS/(DEFICIT)	**88**	**1,425**	**464**	**942**	**1,457**	**2,012**	**2,313**	**2,505**	**2,809**	**3,135**	**3,325**
Asset disposal and fair value adjustments	-	-	-	-	-	-	-	-	-	-	-
Amounts received specifically for new or upgraded assets	11,485	5,938	-	-	-	-	-	-	-	-	-
Physical resources free of charge	-	-	-	-	-	-	-	-	-	-	-
NET SURPLUS/(DEFICIT)	**11,573**	**7,363**	**464**	**942**	**1,457**	**2,012**	**2,313**	**2,505**	**2,809**	**3,135**	**3,325**
Other Comprehensive Income											
Changes in revaluation surplus - infrastructure, property, plant and equipment	4,063	25,973	17,838	17,623	18,821	20,072	19,854	21,239	22,657	21,600	23,046
Share of other comprehensive income - equity accounted Council businesses	-	-	-	-	-	-	-	-	-	-	-
Other Equity Adjustments - Equity Accounted Council Businesses											
Total Other Comprehensive Income	**4,063**	**25,973**	**17,838**	**17,623**	**18,821**	**20,072**	**19,854**	**21,239**	**22,657**	**21,600**	**23,046**
TOTAL COMPREHENSIVE INCOME	**15,636**	**33,336**	**18,302**	**18,565**	**20,278**	**22,084**	**22,167**	**23,744**	**25,466**	**24,735**	**26,371**

Forecast Statement of Financial Position

BALANCE SHEET	2021/22 Current Year Estimate $'000	2022/23 Year 1 Plan $'000	2023/24 Year 2 Plan $'000	2024/25 Year 3 Plan $'000	2025/26 Year 4 Plan $'000	2026/27 Year 5 Plan $'000	2027/28 Year 6 Plan $'000	2028/29 Year 7 Plan $'000	2029/30 Year 8 Plan $'000	2030/31 Year 9 Plan $'000	2031/32 Year 10 Plan $'000
ASSETS											
Current Assets											
Cash and cash equivalents	1,663	2,144	2,195	2,245	2,299	2,356	2,412	2,472	2,535	2,596	2,660
Trade and other receivables	5,721	5,916	6,052	6,185	6,327	6,479	6,628	6,787	6,957	7,117	7,287
Inventories	33	34	35	36	37	38	38	40	41	42	43
	7,417	**8,094**	**8,282**	**8,466**	**8,663**	**8,873**	**9,078**	**9,299**	**9,533**	**9,755**	**9,990**
Non-Current Assets											
Equity accounted investments in council businesses	17,901	18,278	18,003	17,881	17,905	18,065	18,359	18,777	19,350	20,072	20,794
Infrastructure, property, plant and equipment	665,975	702,289	722,267	740,977	760,305	781,657	804,501	826,882	850,401	872,965	897,578
Other non-current assets	3,767	3,767	3,767	3,767	3,767	3,767	3,767	3,767	3,767	3,767	3,767
	687,643	**724,334**	**744,037**	**762,625**	**781,977**	**803,489**	**826,627**	**849,426**	**873,518**	**896,804**	**922,139**
Total Assets	**695,060**	**732,428**	**752,319**	**771,091**	**790,640**	**812,362**	**835,705**	**858,725**	**883,051**	**906,559**	**932,129**
LIABILITIES											
Current Liabilities											
Trade and other payables	9,375	10,475	10,724	10,969	11,230	11,508	11,782	12,075	12,386	12,681	12,995
Short term borrowings	2,974	3,595	4,006	4,278	4,531	5,008	5,150	5,668	6,210	6,813	4,850
Short term provisions	5,944	6,146	6,318	6,457	6,606	6,764	6,920	7,086	7,263	7,430	7,608
	18,293	**20,216**	**21,048**	**21,704**	**22,367**	**23,280**	**23,852**	**24,829**	**25,859**	**26,924**	**25,453**
Non-Current Liabilities											
Long term borrowings	28,624	30,713	31,456	30,991	29,586	28,294	28,888	27,169	24,983	22,674	23,328
Long term provisions	557	576	592	605	619	634	648	664	681	696	713
	29,181	**31,289**	**32,048**	**31,596**	**30,205**	**28,928**	**29,536**	**27,833**	**25,664**	**23,370**	**24,041**
Total Liabilities	**47,474**	**51,505**	**53,096**	**53,300**	**52,572**	**52,208**	**53,388**	**52,662**	**51,523**	**50,294**	**49,494**
NET ASSETS	**647,586**	**680,923**	**699,223**	**717,791**	**738,068**	**760,154**	**782,317**	**806,063**	**831,528**	**856,265**	**882,635**
EQUITY											
Accumulated surplus	370,758	378,122	378,584	379,528	380,985	382,997	385,308	387,814	390,623	393,759	397,083
Asset revaluation reserve	276,817	302,790	320,628	338,252	357,072	377,144	396,998	418,237	440,894	462,494	485,540
Other Reserves	11	11	11	11	11	11	11	11	11	11	11
TOTAL EQUITY	**647,586**	**680,923**	**699,223**	**717,791**	**738,068**	**760,154**	**782,317**	**806,063**	**831,528**	**856,265**	**882,635**

Forecast Statement of Cash Flows

STATEMENT OF CASH FLOWS	2021/22 Current Year Estimate $'000	2022/23 Year 1 Plan $'000	2023/24 Year 2 Plan $'000	2024/25 Year 3 Plan $'000	2025/26 Year 4 Plan $'000	2026/27 Year 5 Plan $'000	2027/28 Year 6 Plan $'000	2028/29 Year 7 Plan $'000	2029/30 Year 8 Plan $'000	2030/31 Year 9 Plan $'000	2031/32 Year 10 Plan $'000
CASH FLOWS FROM OPERATING ACTIVITIES											
Receipts											
Operating receipts	68,863	70,702	71,612	73,673	75,868	78,205	80,308	82,534	84,905	87,214	89,652
Investment receipts	16	15	17	17	18	18	19	19	20	20	21
Payments											
Finance payments	704	1,163	1,228	1,246	1,223	1,174	1,138	1,158	1,109	1,044	977
Operating payments to suppliers and employees	52,582	51,512	52,656	53,943	55,283	56,706	58,147	59,643	61,239	62,815	64,430
Net Cash provided by (or used in) Operating Activities	**15,593**	**18,042**	**17,745**	**18,501**	**19,380**	**20,343**	**21,042**	**21,752**	**22,577**	**23,375**	**24,266**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Amounts received specifically for new or upgraded assets	11,485	5,938	-	-	-	-	-	-	-	-	-
Sale of replaced assets	985	629	801	728	754	834	956	841	793	725	941
Sale of surplus assets	1,430	3,150	-	-	-	-	-	-	-	-	-
Payments											
Investment in Joint Venture Activities	-	-	-	-	-	-	-	-	-	-	-
Expenditure on Renewal/Replacement of Assets	29,238	19,956	16,996	16,311	16,196	17,501	19,191	17,754	17,986	18,565	19,963
Expenditure on New/Upgraded Assets	24,713	10,032	2,653	2,677	2,733	2,805	3,487	3,579	3,677	3,770	3,870
Capital Contributed to Equity Accounted Council Businesses											
Net Cash Provided by (or used in) Investing Activities	**(40,051)**	**(20,271)**	**(18,848)**	**(18,260)**	**(18,175)**	**(19,472)**	**(21,722)**	**(20,492)**	**(20,870)**	**(21,610)**	**(22,892)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Proceeds from Borrowings	22,293	5,848	4,748	3,814	3,125	3,716	5,744	3,949	4,024	4,504	5,503
Payments											
Repayments of Borrowings	1,250	3,138	3,595	4,006	4,278	4,531	5,008	5,150	5,668	6,210	6,813
Net Cash provided by (or used in) Financing Activities	**21,043**	**2,710**	**1,153**	**(192)**	**(1,153)**	**(815)**	**736**	**(1,201)**	**(1,644)**	**(1,706)**	**(1,310)**
Net Increase/(Decrease) in cash held	**(3,415)**	**481**	**50**	**49**	**52**	**56**	**56**	**59**	**63**	**59**	**64**
Opening cash, cash equivalents or (bank overdraft)	5,079	1,663	2,144	2,195	2,245	2,299	2,356	2,412	2,472	2,535	2,596
Closing cash, cash equivalents or (bank overdraft)	**1,663**	**2,144**	**2,195**	**2,245**	**2,299**	**2,356**	**2,412**	**2,472**	**2,535**	**2,596**	**2,660**

Forecast Statement of Changes in Equity

STATEMENT OF CHANGES IN EQUITY	2021/22 Current Year Estimate $'000	2022/23 Year 1 Plan $'000	2023/24 Year 2 Plan $'000	2024/25 Year 3 Plan $'000	2025/26 Year 4 Plan $'000	2026/27 Year 5 Plan $'000	2027/28 Year 6 Plan $'000	2028/29 Year 7 Plan $'000	2029/30 Year 8 Plan $'000	2030/31 Year 9 Plan $'000	2031/32 Year 10 Plan $'000
ACCUMULATED SURPLUS											
Balance at beginning of period	**359,186**	**370,758**	**378,122**	**378,584**	**379,528**	**380,985**	**382,997**	**385,308**	**387,814**	**390,623**	**393,759**
Net surplus / (deficit) for year	11,572	7,363	463	944	1,457	2,012	2,311	2,507	2,808	3,136	3,325
Share of OCI - Equity Accounted Council Businesses											
Other Equity Adjustments - Equity Accounted Council Businesses											
Transfers to Other Reserves	-	-	-	-	-	-	-	-	-	-	-
Transfers from Other Reserves	-	-	-	-	-	-	-	-	-	-	-
Balance at end of period	**370,758**	**378,121**	**378,585**	**379,528**	**380,985**	**382,997**	**385,308**	**387,815**	**390,622**	**393,759**	**397,084**
ASSET REVALUATION RESERVE											
Balance at beginning of period	**272,754**	**276,817**	**302,790**	**320,628**	**338,252**	**357,072**	**377,144**	**396,998**	**418,237**	**440,894**	**462,494**
Transfer to reserve - revaluation increment/(decrement)	4,063	25,973	17,838	17,623	18,821	20,072	19,854	21,239	22,657	21,600	23,046
Share of other comprehensive income - equity accounted Council businesses	-	-	-	-	-	-	-	-	-	-	-
Balance at end of period	**276,817**	**302,790**	**320,628**	**338,251**	**357,073**	**377,144**	**396,998**	**418,237**	**440,894**	**462,494**	**485,540**
OTHER RESERVES											
Balance at end of previous reporting period	**11**	**11**	**11**	**11**	**11**	**11**	**11**	**11**	**11**	**11**	**11**
Transfers from Accumulated Surplus	-	-	-	-	-	-	-	-	-	-	-
Transfers to Accumulated Surplus	-	-	-	-	-	-	-	-	-	-	-
Balance at end of period	**11**	**11**	**11**	**11**	**11**	**11**	**11**	**11**	**11**	**11**	**11**
TOTAL EQUITY AT END OF REPORTING PERIOD	**647,586**	**680,923**	**699,223**	**717,791**	**738,069**	**760,154**	**782,317**	**806,063**	**831,528**	**856,265**	**882,635**

Forecast Uniform Presentation of Finances

UNIFORM PRESENTATION OF FINANCES	2022/23 Year 1 Plan $'000	2023/24 Year 2 Plan $'000	2024/25 Year 3 Plan $'000	2025/26 Year 4 Plan $'000	2026/27 Year 5 Plan $'000	2027/28 Year 6 Plan $'000	2028/29 Year 7 Plan $'000	2029/30 Year 8 Plan $'000	2030/31 Year 9 Plan $'000	2031/32 Year 10 Plan $'000
Operating Revenues	70,911	71,766	73,823	76,053	78,536	80,771	83,129	85,668	88,115	90,566
less; Operating Expenses	69,486	71,302	72,881	74,596	76,524	78,458	80,624	82,859	84,980	87,241
Operating Surplus/(Deficit)	**1,425**	**464**	**942**	**1,457**	**2,012**	**2,313**	**2,505**	**2,809**	**3,135**	**3,325**
Less: Net Outlays on Existing Assets										
Capital Expenditure on Renewal/Replacement of Existing Assets	(19,956)	(16,996)	(16,311)	(16,196)	(17,501)	(19,191)	(17,754)	(17,986)	(18,565)	(19,963)
less; Depreciation, Amortisation & Impairment	15,868	16,707	17,173	17,667	18,193	18,731	19,350	20,007	20,646	21,325
less; Proceeds from Sale of Replaced Assets	629	801	728	754	834	956	841	793	725	941
	(3,459)	**512**	**1,590**	**2,225**	**1,526**	**496**	**2,437**	**2,814**	**2,806**	**2,303**
Less: Net Outlays on New and Upgraded Assets										
Capital Expenditure on New/Upgraded Assets	(10,032)	(2,653)	(2,677)	(2,733)	(2,805)	(3,487)	(3,579)	(3,677)	(3,770)	(3,870)
less; Amounts Specifically for New/Upgraded Assets	5,938	-	-	-	-	-	-	-	-	-
less; Proceeds from Sale of Surplus Assets	3,150	-	-	-	-	-	-	-	-	-
	(944)	**(2,653)**	**(2,677)**	**(2,733)**	**(2,805)**	**(3,487)**	**(3,579)**	**(3,677)**	**(3,770)**	**(3,870)**
Net Lending / (Borrowing) for Financial Year	**(2,978)**	**(1,677)**	**(145)**	**949**	**733**	**(678)**	**1,363**	**1,946**	**2,171**	**1,758**

APPENDICES



Christmas Carols at Kingswood Oval, 2021

Appendix 1: Budgeted Financial Statements

Budgeted Statement of Comprehensive Income

The statement of comprehensive income presents the operating income, expenses and result. It also presents those amounts classified as capital income and other comprehensive income. It is based on the Model Financial Statements as required under the Local Government Act 1999. Amounts included in this statement are used to calculate a number of the financial indicators that assist in assessing the long-term financial performance and viability.

Year Ended 30 June:	2020/21 ACTUALS $,000	2021/22 ESTIMATE Current Year $,000	2022/23 PLAN $,000
INCOME			
Rates Revenues	57,467	59,107	61,542
Statutory Charges	2,225	1,936	1,986
User Charges	697	898	962
Grants, Subsidies and Contributions	7,003	6,318	5,819
Investment Income	44	16	15
Reimbursements	87	218	118
Other Income	261	453	469
Net Gain - Equity Accounted Council Businesses	804	-	-
Total Income	68,588	68,946	70,911
EXPENSES			
Employee costs	25,848	26,197	26,958
Materials, Contracts & Other Expenses	24,170	24,790	23,225
State Government Landscape Levy	-	1,751	1,793
Finance costs	565	704	1,163
Depreciation, Amortisation & Impairment	15,682	14,861	15,868
Loss - Joint ventures & associates	-	555	479
Total Expenses	66,265	68,858	69,486
OPERATING SURPLUS/(DEFICIT)	2,323	88	1,425
Asset disposal & Fair Value Adjustments	(1,954)	-	-
Amounts Received Specifically for New or Upgraded Assets	2,180	11,485	5,938
Physical Resources Received Free of Charge	5,674	-	-
NET SURPLUS/(DEFICIT)	8,223	11,572	7,363
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant and equipment	(12,021)	4,063	25,973
Share of Other Comprehensive Income - Equity Accounted Council businesses	34	-	-
Other Equity Adjustments - Equity Accounted Council Businesses	23		
Total Other Comprehensive Income	(11,964)	4,063	25,973
TOTAL COMPREHENSIVE INCOME	(3,741)	15,636	33,336

Budgeted Statement of Financial Position

The statement of financial position provides a projection of total 'community wealth' (total equity). It summarises our financial worth at a specific point in time, including assets, liabilities and net equity. Amounts included within the balance sheet are used to calculate a number of financial indicators that assist in assessing the long-term financial position and viability.

Year Ended 30 June:	2020/21 ACTUALS $,000	2021/22 ESTIMATE Current Year $,000	2022/23 PLAN $,000
ASSETS			
Current Assets			
Cash and cash equivalents	5,079	1,663	2,144
Trade and other receivables	5,652	5,721	5,916
Inventories	32	33	34
Total Current Assets	10,763	7,417	8,092
Non-Current Assets			
Equity accounted investments in council businesses	18,758	17,901	18,278
Infrastructure, property, plant and equipment	625,641	665,975	702,289
Other non-current assets	3,766	3,767	3,767
Total Non-Current Assets	648,165	687,643	724,334
Total Assets	658,928	695,060	732,426
LIABILITIES			
Current Liabilities			
Trade and other payables	9,996	9,375	10,475
Borrowings	1,250	2,974	3,595
Provisions	5,877	5,944	6,146
Total Current Liabilities	17,123	18,293	20,216
Non-Current Liabilities			
Borrowings	9,305	28,624	30,713
Provisions	549	557	576
Total Non-Current Liabilities	9,854	29,181	31,289
Total Liabilities	26,977	47,474	51,505
NET ASSETS	631,951	647,586	680,921
EQUITY			
Accumulated surplus	359,186	370,758	378,122
Asset revaluation reserve	272,754	276,817	302,790
Other Reserves	11	11	11
TOTAL EQUITY	631,951	647,586	680,921

The statement of cash flows forecasts incoming and outgoing cash for the financial year. It also explains changes in the balance sheet and statement of comprehensive income affected by cash and cash equivalents. The statement is useful in determining the short-term viability of our organisation, particularly our ability to meet cash commitments.

Year Ended 30 June:	2020/21 ACTUALS $,000	2021/22 ESTIMATE Current Year $,000	2022/23 PLAN $,000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Operating receipts	67,648	68,863	70,702
Investment receipts	44	16	15
Payments			
Operating payments to suppliers and employees	(48,403)	(52,582)	(51,512)
Finance payments	(576)	(704)	(1,163)
Net Cash provided by (or used in) Operating Activities	18,713	**15,593**	**18,042**
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Amounts received specifically for new or upgraded assets	2,180	11,485	5,938
Sale of surplus assets	-	1,430	3,150
Sale of replaced assets	626	985	629
Payments			
Expenditure on Renewal/Replacement of Assets	(17,213)	(29,238)	(19,956)
Expenditure on New/Upgraded Assets	(2,979)	(24,713)	(10,032)
Capital Contributed to Equity Accounted Council Businesses	(564)	-	-
Net Cash Provided by (or used in) Investing Activities	(17,950)	**(40,051)**	**(20,271)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts			
Proceeds from Borrowings	(0)	22,293	5,848
Payments	-	-	-
Repayments of Borrowings	(1,287)	(1,250)	(3,138)
Net Cash provided by (or used in) Financing Activities	(1,287)	**21,043**	**2,710**
Net Increase/(Decrease) in cash held	(524)	**(3,415)**	**481**
Opening cash, cash equivalents or (bank overdraft)	5,603	5,079	1,663
Closing cash, cash equivalents or (bank overdraft)	5,079	**1,663**	**2,144**

Budgeted Statement of Changes in Equity

The statement of changes in equity is used to compare equity between the beginning and end of an accounting period. It also provides details of reserves currently held including forecast movements.

Year Ended 30 June:	2020/21 ACTUALS $,000	2021/22 ESTIMATE Current Year $,000	2022/23 PLAN $,000
ACCUMULATED SURPLUS			
Balance at beginning of period	350,925	359,186	370,758
Net surplus / (deficit) for year	8,223	11,572	7,363
Other Comprehensive Income - Other Equity Adjustments - Equity Accounted Council Businesses	15		
Other Equity Adjustments - Equity Accounted Council Businesses	23		
Transfers Between Reserves	-	-	-
Balance at end of period	359,186	**370,758**	**378,121**
ASSET REVALUATION RESERVE			
Balance at beginning of period	284,756	272,754	276,817
Other Comprehensive Income - Gain(Loss) on Revaluation of I,PP&E	(12,021)	4,063	25,973
Shre of OCI - Equity Accounted Council Businesses	19		
Balance at end of period	272,754	**276,817**	**302,791**
OTHER RESERVES			
Balance at end of previous reporting period	11	11	11
Transfers to Accumulated Surplus	-	-	-
Balance at end of period	11	**11**	**11**
TOTAL EQUITY AT END OF REPORTING PERIOD	631,951	**647,586**	**680,921**

Budgeted Uniform Presentation of Finances

The uniform presentations of finances provides a high level summary of both operating and capital investment activities enabling comparisons between councils.

In any one year, the above financing transactions are associated with either surplus funds stemming from a net lending result or accommodating the funding requirements stemming from a net borrow.

Year Ended 30 June:	2020/21 ACTUALS $,000	2021/22 ESTIMATE Current Year $,000	2022/23 PLAN $,000
Operating Surplus/(Deficit)			
Operating Revenues	68,588	68,946	70,911
less Operating Expenses	(66,265)	(68,858)	(69,486)
	2,323	88	1,425
Less: Net Outlays on Existing Assets			
Capital Expenditure on Renewal/Replacement of Existing Assets	(17,213)	(29,238)	(19,956)
less Depreciation, Amortisation & Impairment	15,682	14,861	15,868
less Amounts Received Specifically for Replacement of Existing Assets			
less Proceeds from Sale of Replaced Assets	626	985	629
	(905)	(13,392)	(3,459)
Less: Net Outlays on New and Upgraded Assets			
Capital Expenditure on New/Upgraded Assets	(2,979)	(24,713)	(10,032)
less Amounts Specifically for New/Upgraded Assets	2,180	11,485	5,938
less Proceeds from Sale of Surplus Assets	-	1,430	3,150
	(799)	(11,798)	(944)
Net Lending / (Borrowing) for Financial Year	619	(25,102)	(2,978)

Appendix 2: Capital Works Program 2022/23

NEW CAPITAL WORKS PROGRAM

ROADS - NEW		
Projects with grant funding are approved subject to approval of grant funding		
Suburb	Location	Project details
Blackwood	Young St	Young Street Pedestrian Connection
CARPARKS - NEW		
Projects with grant funding are approved subject to approval of grant funding		
Suburb	Location	Project details
Bellevue Heights	Manson Oval	Manson Oval enhancements
STORMWATER DRAINAGE - BROWNHILL CREEK SUBSIDIARY		
Suburb	Location	Project details
Various	Brownhill Creek	BHCK Capital Contribution 21-22 (Mitcham 10%)
STORMWATER DRAINAGE - NEW		
Suburb	Location	Project details
		Upgrade of stormwater pits in heavy traffic areas
Projects not completed in 2021/2022- rebudgeted for 2022/2023		
Netherby	Hill St	Stormwater system upgrade
Netherby	Smith-Dorrien St	Kitchener to End
SMART WATER DESIGN - FOUR YEAR DELIVERY PLAN		
Suburb	Location	Project details
Clarence Gardens	Nieass Reserve	Survey and Design

City Wide	City Wide	Future 23/24 Smart Water Designs
Kingswood	Seafield Avenue	Road permeable pavement upgrade
Pasadena	Thiselton Crescent Reserve	Soakage design
Hawthorn	Monmouth Rd	Inlets for new tree planting
OPEN SPACE - PLAYGROUNDS - NEW		
Suburb	**Location**	**Project details**
Various	Various	Playground Shade Sails
OPEN SPACE - SPORT & RECREATION - NEW		
Projects with grant funding are approved subject to approval of grant funding		
Suburb	**Location**	**Project details**
Panorama	CC Hood Reserve	CC Hood Reserve Enhancements
IT - NEW		
Suburb	**Location**	**Project details**
N/A	N/A	IT infrastructure growth
LOCAL ROADS & COMMUNITY INFRASTRUCTURE GRANT FUNDED PROJECTS - NEW		
Suburb	**Location**	**Project details**
Various	Various	Infrastructure replacement, mobility enablement and network extension
COMMUNITY FACILITIES GRANT - NEW		
Suburb	**Location**	**Project details**
Various	Various	Community Facilities Grant 2022-2023
BUILDINGS - NEW		
Projects with grant funding are approved subject to approval of grant funding		
Suburb	**Location**	**Project details**
Pasadena	Pasadena Community Centre	Pasadena Community Centre

Eden Hills	Eden Hills Scout Hall	Eden Hills Scouts and Blackwood Rotary Redevelopment
Blackwood	Blackwood Lions Club	Blackwood Lions expansion
Colonel Light Gardens	Mortlock Park	Mortlock Oval Facilities Upgrade

CAPITAL WORKS RENEWAL PROGRAM

ROAD RENEWAL			
Suburb	**Road**	**Location**	**Detail**
Bellevue Heights	Adare WK	Ridgehaven Dr to Cul-de-sac	Asphalt Overlay
Belair	Alta Mira CR	Sheoak Rd West to Sheoak Rd East	Asphalt Overlay
Belair	Ambrose ST	Linsday Tce to Upper Sturt Rd	Asphalt Overlay
Blackwood	Ashby AVE	Johnson Pde to Brighton Pde	Asphalt Overlay
Daw Park	Aver AVE	Winston Ave to Goodwood Rd	Asphalt Overlay
Clapham	Barretts RD	Strathcona Ave to Railway Line	Asphalt Overlay
Panorama	Bligh AVE	Eliza Pl to Hillview Ave	Asphalt Overlay
Belair	Bowman AVE	Gault Rd to Yorke Ave	Asphalt Overlay
Belair	Caroline AVE	High St to Gloucester Ave	Asphalt Overlay
Blackwood	Cedar AVE	Acorn Ave to Penno Pde South	Asphalt Overlay
Blackwood	Chapman ST	Melton St to Main Rd	Asphalt Reseal with partial reconstruction
Lower Mitcham	Cheviot AVE	The Grove to Murray St	Asphalt Overlay
Pasadena	Colyer ST	Jamestown Ave to End	Asphalt Overlay
Springfield	Coreega AVE	Carrick Hill Dr to end (including cul de sac and service Road)	Asphalt Overlay
Pasadena	Daphne GR	Grant Jacob Cr to Scott Griffiths Cr	Asphalt Overlay
Clarence Gardens	Edith ST	Gladys St to AA Bailey Reserve	Asphalt Overlay
Mitcham	Evans AVE	Muggs Hill to College Oval/Reserve	Asphalt Overlay
Pasadena	Eyre LA	Port Lincoln to Eyre Blvd	Reconstruction
Hawthorn	Frimley GR	Durdin Rd to Angas Rd	Reconstruction
Clarence Gardens	Fulton PL	Mid-section aligned with kerb renewal	Reconstruction
Glenalta	Glengarry LA	Main Rd To Cul-de-sac	Asphalt Overlay

Springfield	Glenwood RD	Oakdene Cl to Hillside Rd	Reconstruction
Hawthorndene	Goldney GR	Suffolk Rd to Cul-de-sac	Asphalt Overlay
Pasadena	Grant Jacob CR	Scott Griffiths Cr to End	Asphalt Overlay
Pasadena	Gunther PDE	30 - Toohey Cr to Grandview Dr	Asphalt Overlay
Glenalta	Hawthorndene DR	Watahuna Ave to Upper Sturt Rd	Asphalt Reseal with partial reconstruction
Mitcham	High ST	Maitland St to Albert St	Asphalt Overlay
Craigburn Farm	Highfield DR	Grand Blvd to Kaufman Pl	Reconstruction
Clarence Gardens	Hilda ST	Albert St to Gladys St	Reconstruction
Melrose Park	Iris ST	Ferry Ave to Bennet Ave	Asphalt Overlay
Pasadena	Jamestown AVE	Colyer St to Goodwood Rd	Asphalt Overlay
Melrose Park	Kegworth RD	Closure (Car Park Entrance) to Wheaton Rd	Asphalt Overlay
Hawthorndene	Lois LA	Hewett Ave to End	Asphalt Overlay
Hawthorndene	McGough Rd	Olave Hill Rd Intersection west to No.24 McGough Rd	Reconstruction
Bedford Park	Milton ST	Francis St to Malcolm St	Asphalt Overlay
Pasadena	Mullins ST	Yorketown Ave to Colyer St	Asphalt Overlay
Belair	Neate AVE	Ash Ave to Acorn Ave	Asphalt Overlay
Kingswood	Princes RD	Belair Rd to North Pde	Reconstruction
Melrose Park	Regent ST	Brett St to Romsey Gr	Reconstruction
Bedford Park	Riverside DR	South Rd to End	Asphalt Overlay
Pasadena	Scott Griffiths CR	Grandview Dr to Gunther Pde	Asphalt Overlay
Clarence Gardens	Solent ST	Gladys St to Edward St	Asphalt Overlay
Pasadena	Spiers AVE	Rugby St to Cash Gr	Asphalt Overlay
Springfield	Springfield AVE	Delamere Ave to Glenwood Dr	Asphalt Overlay
Glenalta	Sun Valley DR	Laffers Rd to Rosella Ave	Asphalt Overlay
Melrose Park	Swift AVE	Price Ave to End	Reconstruction
Hawthorndene	Turners AVE	Myrtle Rd to Main Rd	Asphalt Overlay
Panorama	Vancouver AVE	Springbank Rd to Bonview Ave	Asphalt Reseal with partial reconstruction
Coromandel Valley	Watchman DR	Boronia Ave to No.14 Watchman Dr	Asphalt Overlay
Bedford Park	Wentworth AVE	Franklin St to Rupert St	Asphalt Overlay
Melrose Park	Wheaton RD	Price St to Rozelle Ave	Asphalt Reseal with partial reconstruction

Belair	Yorke AVE	Gloucester Ave to Bowman Ave	Asphalt Overlay
Bellevue Heights	Yurilla DR	Glenwood Dr to Heathfield Rd	Asphalt Overlay
Various	Various	Various	Heavy Patching
Various	Various	Various	Road Seal Preservation and Crack Sealing
Projects not completed in 2021/2022- rebudgeted for 2022/2023			
Netherby	Haig ST	Smith Dorrien St to Fullarton Rd	Pavement Reconstruction
Mitcham	Hill ST	Smith Dorrien St to Fullarton Rd	Pavement Reconstruction
ROADS TO RECOVERY			
Projects with grant funding are approved subject to approval of grant funding			
Suburb	**Road**	**Location**	**Detail**
St Marys	Dorene ST	Merriton Ave to Quinlan Ave	Road Reconstruction
Projects not completed in 2021/2022- rebudgeted for 2022/2023			
St Marys	Dorene ST	Merriton Ave to Quinlan Ave	Road Reconstruction
		To be reallocated to 2023/2024 program	
ROAD RENEWAL - DESIGN ONLY FOR PAVEMENT RECONSTRUCTION IN 2023/24			
Suburb	**Road**	**Location**	**Detail**
Westbourne Park	Angas RD	Goodwood Rd to Sussex Tce	Pavement Design
Belair	Belair RD	Service Road - no. 453 to no. 449	Survey, Design and Consultation Only
Brown Hill Creek	Brown Hill Creek RD	Brown Hill Creek Reserve Bdy (East) to End	Pavement Design
Glenalta	Colorado DR	Laffers Rd to Cul-de-sac	Pavement Design
Pasadena	Day LN	Spiers Ave to Cawthorne Ave	Laneway Design

Torrens Park	Eli ST	Cul-de-sac to Braemar Rd	Pavement, Kerb and Footpath Design
Westbourne Park	Grange RD	Goodwood Rd to Belair Rd	Pavement Design
Eden Hills	Kinedana LN	Hillcrest La to Shepherds Hill La	Laneway Design
Lower Mitcham	Price AVE	Wattlebury Rd to No.2 Price Ave (End)	Pavement, Road-shape, Stormwater and Parking Design
Eden Hills	Ronald LN	Hillcrest Dr to Ronald Ave	Laneway Design
Mitcham	Welbourne ST	Princes Rd to Albert St	Pavement Design
		RD- Project Management Salary 2022/23	
KERB RENEWAL			
Suburb	**Road**	**Location**	**Detail**
Hawthorndene	Acheron AVE	Darwin Av to Scroop Rd (L&R)	Partial Kerb Renewal
Blackwood	Alison AVE	Trevor Tce to Brighton Pde (L&R)	Partial Kerb Renewal
Westbourne Park	Almond GR	Angas Rd to Constance St	Partial Kerb Renewal
Torrens Park	Alton AVE	Parkers Rd to Culdesac (L&R)	Partial Kerb Renewal
Westbourne Park	Angas RD	Goodwood Rd to Sussex Tce (L&R)	Partial Kerb Renewal
Kingswood	Ashbourne AVE	Rugby St to Cul-de-sac (L&R)	Partial Kerb Renewal
Glenalta	Beale AVE	Miner Av to Hawthorndene Dr (L&R)	Partial Kerb Renewal
Panorama	Beta CR	Hillrise Rd to Alpha Cr (L&R)	Partial Kerb Renewal
Pasadena	Cawthorne AVE	Spiers Av to Branson Blv (L&R)	Partial Kerb Renewal
Belair	Christine AVE	Caroline Av to Gloucester Av (L&R)	Partial Kerb Renewal
Glenalta	Colorado DR	Laffers Rd to Cul-de-sac (L&R)	Partial Kerb Renewal
Springfield	Coreega AVE	No7 to Carick Hill Dr (L&R)	Partial Kerb Renewal
Eden Hills	Cooper ST	Kinedana St to Hillcrest Dr (L&R)	Partial Kerb Renewal
Hawthorndene	Devonshire RD	Sturt Rd to End (L&R)	Partial Kerb Renewal
Bellevue Heights	Donnybrook RD	Sherwood Av to Bellevue Dr (L&R)	Partial Kerb Renewal
St.Marys	Dorene ST	Merriton Ave to Quinlan Ave (L&R)	Kerb Reconstruction
Bellevue Heights	Flinders RD	University Way to End (L&R)	Partial Kerb Renewal
Clarence Gardens	Fulton PL	Caulfield Ave to End (L&R)	Partial Kerb Renewal

Belair	Gault RD	Gloucester Av to Longview Av (L&R)	Partial Kerb Renewal
Glenalta	Glengarry LN	Byrne St to Rosella Av (L&R)	Partial Kerb Renewal
Clarence Gardens	Hilda ST	Albert St to Gladys St (L&R)	Partial Kerb Renewal
Eden Hills	Kinedana ST	Hillcrest Dr to Shepherds Hill Rd Service Road (L&R)	Partial Kerb Renewal
Glenalta	Lowan AVE	Minnow Dr to Rosella Av (L&R)	Partial Kerb Renewal
Clapham	Macpherson ST	Catherine St to Price Av (L&R)	Partial Kerb Renewal
St.Marys	Manse TCE	Cashel St to Cemetery gates (L&R)	Partial Kerb Renewal
Eden Hills	Manson AVE	Shepherds Hill Rd to End (L&R)	Partial Kerb Renewal
Glenalta	Miner AVE	Minnow Dr to Hawthorndene Dr (L&R)	Partial Kerb Renewal
Glenalta	Minnow Dr	Hawthorndene Dr to Lowan Av (L&R)	Partial Kerb Renewal
Springfield	Oakdene RD	Meadowvale Rd to Hillside Rd (L&R)	Partial Kerb Renewal
Hawthorndene	Panorama AVE	Rankeys Hill Rd to Orchard Gr (L&R)	Partial Kerb Renewal
Lower Mitcham	Price AVE	Wattlebury Rd to End of Kerb (L&R)	Partial Kerb Renewal
Pasadena	Pritchard GR (Cul-de-Sac)	Re-align Cul-de-Sac	Partial Kerb Renewal
Pasadena	Quinlan AVE	McDiarmid Av to Fiveash Dr (L&R)	Partial Kerb Renewal
Melrose Park	Regent ST	Brett St to Romsey Gr (L&R)	Partial Kerb Renewal
Hawthorn	Rosevear ST	Cross Rd to Hampton St (L&R)	Partial Kerb Renewal
Panorama	Seaview CR	Sth Culdesac to Nth Culdesac (L&R)	Partial Kerb Renewal
Hawthorndene	Sloan RD	Hawthorndene Dr to Sycamore Cr (L&R)	Partial Kerb Renewal
Netherby	Smith-Dorrien ST	Kitchener St to End	Kerb Reconstruction
Melrose Park	Swift AVE	Price Av to End (L&R)	Partial Kerb Renewal
Eden Hills	Willunga CL	Willunga St to Cul-de-sac (L&R)	Partial Kerb Renewal
Eden Hills	Willunga ST	Willowie St to Sheperds Hill Rd (L&R)	Partial Kerb Renewal
Clapham	Windermere AVE	Quebec Av to Dunkirk Av (L&R)	Partial Kerb Renewal
		KB- Project Management Salary 2022/23	
Projects not completed in 2021/2022- rebudgeted for 2022/2023			
St.Marys	Dorene ST	Merriton Ave to Quinlan Ave	Kerb Reconstruction
Netherby	Haig ST	Smith-Dorrien St to Fullarton Rd	Kerb Reconstruction
Mitcham	Hill ST	Smith-Dorrien St to Fullarton Rd	Kerb Reconstruction

Netherby	Smith Dorrien St	Kitchener St to End	Kerb Reconstruction
FOOTPATH - RENEWAL			
Suburb	**Road**	**Location**	**Detail**
St. Marys	Adelaide TCE	Pinn St to Benjamin St	North
Melrose Park	Ayers AVE	Goodwood Rd to Stephen St	South
Kingswood	Cambridge TCE	No.10 Cambridge to Seafield Ave	West
Mitcham (MVB)	Church RD	Brown Hill Ck Rd to Carrick Hill Dr	South
Mitcham (MVB)	Church RD	St.Michaels Rd to Carrick Hill Dr	North
Colonel Light Gardens	Corunna AVE	South Rd to Light Pl	North
Panorama	Daniels RD	Springbank Rd to Boothby St	East
Clarence Gardens	Fulton PL	Caulfield Av to End	West
Melrose Park	Jose ST	Winston Ct to Morgan Ave	East
Melrose Park	Jose ST	Ayers Ave to Rozelle Ave	East
Melrose Park	Jose ST	Richmond Ave to Price St	East
Melrose Park	Jose ST	Bennet Ave to Ayers Ave	West
Bedford Park	Mark ST	No.19 Riverside Dr (Driveway) to Heath St	South
Bedford Park	Mark ST	Riverside Dr to Heath St	North
Cumberland Park	Mersey ST	Caulfield Ave to Edward St	East
St. Marys	Pinn ST	Southern Ave to Adelaide Tce	West
St. Marys	Pinn ST	Southern Ave to Adelaide Tce	East
Panorama	Stella ST	O'Neil St to Alma St	West
Lower Mitcham	The Grove	East Parkway to Price Ave	North
Colonel Light Gardens	Walkway (Rozells Reserve)	Rozells Ave to Reserve	West
Melrose Park	Walkway (Wheaton Rd / Regent St)	Wheaton Ave to Regent St	South
St. Marys	Walsh AVE	Alfred St to Norman Ave	South
Colonel Light Gardens	York PL	Salisbury Cr to Tidworth Cr	East
Pasadena	Quinlan AVE	McDiarmid Ave to Fiveash Dr	North
Various	Various	DDA Pedestrian Ramp Renewals	

		FP - Project Management Salary 2022/23	
Projects not completed in 2021/2022- rebudgeted for 2022/2023			
St. Marys	Dorene Street	Southern Ave to Merriton Ave	West
Netherby	Haig ST	Fullarton Rd to Smith Dorrien St	North
Netherby	Smith-Dorrien ST	French St to Hill St	East
CARPARKS - RENEWAL			
Suburb	**Location**	**Project details**	
Hawthorn	Price Memorial Oval	Design for Price Memorial Southern	
Hawthorndene	Hawthorndene Oval	DDA compliant space and linking footpath	
St Marys	Denis Street	Carpark asphalt sealing	
RETAINING WALLS - RENEWAL			
Suburb	**Location**	**Project details**	
Coromandel Valley	No. 349 Main Road	Remove and replace displaced wall tiles and installation of precast concrete tree protection	
Coromandel Valley	No. 13 Kirawina Gr	Remove vegetation, replace displaced and rotated portions of the wall	
Hawthorndene	Gorse Ave	Remove and replace damaged stones and vegetation	
Belair	Pony Ridge Road	Remove and replace displaced stones and vegetation	
BRIDGE - RENEWAL			
Suburb	**Location**	**Project details**	
Hawthorndene	Batley Ave	Batley Av Pedestrian Bridge Steel Painting, gap filling, scour remediation	
Coromandel Valley	Madden Reserve	Madden Reserve Pedestrian Bridge Concrete Patching	
Craigburn Farm	Grand Blvd	Grand Blvd Reserve Pedestrian Bridge Scouring Remediation	
Craigburn Farm	Highfield Reserve	Highfield Reserve Pedestrian Bridge Scouring Remediation	
Hawthorndene	Apex Park	Apex Park Pedestrian Bridge Steel Painting	
Glenalta	Rosella Ave	Rosella Ave Vehicle Bridge Steel Painting & Crack Filling	

Upper Sturt	Pole Rd Bridge	Vehicle Bridge Abutment Repair	
Glenalta	Pine Creek	Pedestrian Weir Apron Reinstatement	
STORMWATER - RENEWAL			
Suburb	**Location**	**Project details**	
Various	Various	Renewal to misjointed pipes identified through CCTV	
Daw Park	Goodwood Rd / Aver Ave Stage 1	Sturt SMP output - Upgrade system to prevent Goodwood Rd flooding	
		SW - Project Management Salary 2022/23	
BUS SHELTERS - RENEWAL			
Suburb	**Location**	**Project details**	
Cumberland Park	Stop 10 Goodwood Rd	Standard Shelter Renewal	Northbound
OPEN SPACE RENEWAL - ENVIRONMENTAL AND WASTE			
Suburb	**Location**	**Project details**	
PASADENA	Naomi Reserve	Irrigation System Renewal	
KINGSWOOD	Balham Reserve	Irrigation System Renewal	
HAWTHORN	Delwood Reserve	Irrigation System Renewal	
Various	Various	Various Irrigation System Renewals	
Various	Various	Various Bin Renewals	
Projects not completed in 2021/2022- rebudgeted for 2022/2023			
Bellevue Heights	Manson Reserve	Irrigation system renewal	
Blackwood	Blackwood Oval	Renewal of Fencing and gates	
Pasadena	Branson Reserve	Fence and signage renewal	
St Marys	Donald St Reserve	Fencing and park furniture renewal	
St Marys	Denis St Reserve	Renewal of fencing	
Mitcham	McElligotts Reserve	Renewal of BBQ and park furniture	
OPEN SPACE RENEWAL - FENCES			

Suburb	Location	Project details	
MITCHAM	Mitcham Reserve	Renew Permapine log boundary fence along Evans Avenue	
BLACKWOOD	Davies Thomas Reserve	Remove Permapine post and log fence across southern boundary & Install trail entrance features & drop in bollard	
BLACKWOOD	Davies Thomas Reserve	Replace Permapine fence along northern boundary	
BLACKWOOD	Blackwood Oval	Permapine post and wire fence at end of Allson Avenue - replace post and wire sections and leave trail heads	
MELROSE PARK	Marion Street Reserve	Renew Timber post fencing with tubular metal rail along northern boundary of reserve	
COROMANDEL VALLEY	Winns Bakehouse Museum	Replace Permapine post and rail segment at southern end	
CRAIGBURN FARM	Coromandel Parade Reserve	Replace Permapine log fence on north side with Recycled bollard and galv rail fence	
CRAIGBURN FARM	Coromandel Parade Reserve	Replace Permapine log fence on east side with Recycled bollard and Galv rail fence	
CRAIGBURN FARM	Coromandel Parade Reserve	Replace Permapine bollard fence at Cochrane Street entrance with Recycled bollard and galv rail fence	
CRAIGBURN FARM	Farm Lane Reserve	Replace Permapine post and rail fence at end of The Farm Lane with recycled bollard and galv rail fence	
BELAIR	Windy Point Reserve	Replace Post and wire fence at eastern carpark entrance with recycled bollard and galv rail fence	
Various	Various	Various Fences Renewal	
OPEN SPACE RENEWAL - FURNITURE			
Suburb	**Location**	**Project details**	
CLAPHAM	Haddington Reserve	Table & Benches Renewal	
KINGSWOOD	Balham Reserve	Park Bench Renewal	
BELAIR	Monalta Reserve Drinking Fountain	Drinking Fountain	
CRAIGBURN FARM	Highfield Reserve	Handrail	
CLARENCE GARDENS	Nieass Reserve	Drinking Fountain	
Various	Various	Various Furniture Renewals	

OPEN SPACE RENEWAL - MISCELLANEOUS			
Suburb	**Location**	**Project details**	
Pasadena	Sierra Nevada Reserve	Replace Permapine sign for Sierra Nevada playground	
St Marys	Thurles Street Reserve	Replace Permapine Thurles street reserve name sign	
Colonel Light Gardens	Light Place Reserve	Replace Reserve name sign	
Various	Various	Various Miscellaneous Renewals	
OPEN SPACE RENEWAL - PLAYGROUNDS			
Suburb	**Location**	**Project details**	
KINGSWOOD	Kingswood Oval	Playground Renewal	
Various	Various	Future Designs	
Various	Various	Various Playground Renewals	
OPEN SPACE RENEWAL - SPORT & RECREATION			
Suburb	**Location**	**Project details**	
CUMBERLAND PARK	Avenue Road Reserve	Basketball Court Renewal	
Various	Various	Various Sport & Recreation Renewals	
Projects not completed in 2021/2022- rebudgeted for 2022/2023			
Colonel Light Gardens	Mortlock Park	Lighting Renewal	
Colonel Light Gardens	Mortlock Park	Renewal of Power Board	
Colonel Light Gardens	Reade Park	Renewal of lighting	
OPEN SPACE RENEWAL - STRUCTURES			
Suburb	**Location**	**Project details**	
PANORAMA	Gully Reserve	Stacked stone retaining wall	

PANORAMA	Gully Reserve	Steel shelter structure	
Various	Various	Various Structures Renewals	
LAND & BUILDING SALES			
Suburb	**Location**	**Project details**	
Blackwood	Main Road	207 Main Road	
Blackwood	Main Road	217 Main Road	
COMMUNITY BUILDINGS - RENEWAL			
Suburb	**Location**	**Project details**	
	Hawthorn Community Centre	Toilet Renewal and Accessibility Works	
	Mitcham Cultural Village	Toilet Renewal and Accessibility Works	
	Mitcham Cultural Village	Carpet Renewal	
	Mitcham Community Centre	Access Ramps	
	Price Memorial Oval - The Meeting Place	Roof Renewal	
	Eden Hills Kindergarten	Roof Works	
OPERATIONAL BUILDINGS - RENEWAL			
Suburb	**Location**	**Project details**	
	Civic Centre	Recessed Entry Floor Mats	
	Various	BD- Project Management Salary 2022/23	
SPORT & RECREATIONAL BUILDINGS - RENEWAL			
Suburb	**Location**	**Project details**	
	Colonel Light West Tennis Club	Accessible Toilet Renewal	
	Colonel Light Gardens Uniting Church Tennis Club	Entry and Access Ramp Works	
	Reade Park Lawn Tennis Club	Accessible Toilet Modifications	
	Hawthorn Lawn Tennis Club	Accessible Entrance Ramp and Door Hardware	
	Denman Tennis Club	Toilet Renewal and Accessibility Works	
	Bellevue Heights Tennis Club	Accessible Toilet Renewal	

	Hope Ward Tennis Club	Roof Renewal	
	Mitcham Football Club	Water Pump and Flooring	
Projects not completed in 2021/2022- rebudgeted for 2022/2023			
Cumberland Park	Cumberland United Football Club	Changeroom Bathroom/Toilet refurbishment, Accessible Toilet Renewal, Kitchen Grease Trap, Wall Linings	
PLANT AND TRAILER REPLACEMENT - RENEWAL			
Major Plant - Renewal			
Fleet No.	**Type**	**Plant Description**	
D328	Skid	Case SR200 Series 3	
VM531	EWP	Hydralada 640 EWP	
B405	BUS	Mitsubishi Rosa Bus	
Major Plant Trailers - Renewal			
Fleet No.	**Type**	**Plant Description**	
T015	Trailer	Single Axle Trailer Skidsteer	
T120	Trailer	Trailer Hydralada	
MAJOR AND MINOR FLEET REPLACEMENT - RENEWAL			
Major Light Fleet - Renewal			
Fleet No.	**Type**	**Vehicle Description**	
D147	UTE	Holden Colorado	
D152	UTE	Isuzu D-Max Ute	
D153	UTE	Isuzu D-max ute	
D154	UTE	Ford Ranger Ute	
D160	UTE	Ford Ranger Ute	
D163	UTE	Holden Colorado	
D178	UTE	Holden Colorado	

D164	VAN	VW Caddy van	
D166	UTE	Holden Colorado Ute	
D170	UTE	Ford Ranger Ute	
D176	VAN	VW Caddy van	
702	CAR	Holden Commodore Wagon	
D173	UTE	Nissan Navara	
485	CAR	Mazda CX5 2 years	
703	CAR	Mazda CX5 2 years	
705	CAR	Mitsubishi Pajero 2 years	
715	CAR	Nissan X Trail 2 years	
717	CAR	Nissan X-Trail 2 years	
721	CAR	Nissan X Trail 2 years	
725	CAR	Mazda CX5 2 years	
727	CAR	Honda CRV 2 years	
729	CAR	Mitsubishi Pajero 2 years	
D150	UTE	Ford Ranger 2 years	
Various	Chain, pole,saw cutter	Small plant	
OFFICE FURNITURE & EQUIPMENT - RENEWAL			
Suburb	**Location**	**Project details**	
Various	Various	Office Furniture & Equipment	
INFORMATION & TECHNOLOGY - RENEWAL			
Information Systems			
Suburb	**Location**	**Project details**	
		Infrastructure replacement, mobilisation enablement and network extension	

Appendix 3: Rating Policy 2022/23

1. PREAMBLE

Council's powers to raise rates are found in Chapter 10 of the *Local Government Act 1999* ("the Act"). The Act provides the framework within which the Council must operate, but also leaves room for the Council to make a range of policy choices. Council is required to comply with the requirements of the Act and in particular Section 123.

Rates are not fees for services. They constitute a system of taxation for Local Government purposes; Local Government functions are defined broadly in the Act. All systems of taxation try to balance various principles of taxation.

In addition to rates, Council also raises some revenue through:

- Statutory Charges;
- Optional user charges (eg hire of community facilities);
- Expiation fees (eg for parking infringements);
- Grants, subsidies and contributions; and
- Investment Income;

2. PURPOSE

To set out Council's rating structure and policy for the financial year and the principles used by Council in determining the rating policy for the 2022/2023 financial year.

3. SCOPE

All land within the Council area, except for land specifically exempt (eg Crown Land, Council occupied land and other limited categories as set out at Section 147 of the Act) is rateable.

4. DEFINITIONS

This Policy represents the Council's commitment to balancing the five main principles of taxation:

(i) Capacity to pay: This principle suggests that a person who has less capacity to pay should pay less and that persons of similar means should pay similar amounts.

(ii) Benefits received (ie services provided, or resources consumed): Reliance on this principle suggests that (all other things being equal) a person who receives more benefits should pay a higher share of tax. This is not to suggest that the *benefit* must be equivalent to the tax paid. The tax paid by an individual is not a 'fee for service'. To some extent, every action of Council affects the amenity of life of individual taxpayers; however, the totality of services provided by Council act to maintain and enhance the value of all properties in the Council area.

(iii) Administrative simplicity: This principle refers to the costs involved in applying and collecting the tax and how difficult it is to avoid.

(iv) Economic efficiency: This refers to whether or not the tax distorts economic behaviour.

(v) Policy consistency: This principle is that taxes should be internally consistent and based on transparent, predictable rules that are understandable and acceptable to taxpayers.

5. PRINCIPLES

To ensure the fair and equitable assessment and collection of Council rates from ratepayers.

6. POLICY STATEMENT

In determining its rating structure Council has taken into account the impact on Council's Strategic Management Plans, Annual Business Plan and Long Term Financial Plan and:

- the competing demands of community priorities identified through the consultation process, (ie the imperative of maintaining existing infrastructure);
- its role as custodian of significant community assets held and managed on behalf of the local community and future generations;
- the need for significant capital works to replace and upgrade infrastructure assets;
- the obligation to operate as effectively and efficiently as possible;
- the need to reassess the use and viability of community facilities; and
- the impact of rates on all sectors of the community (householders and businesses) based on factors, such as:

- the broad principle that the rate in the dollar should be the same for all properties, except where there is either a different level of services available to ratepayers, or some other circumstance exists which warrants variation from the broad principle. Council has addressed this through the application of differential rates on commercial, industrial and vacant land uses – refer to the section entitled "Differential Rates";
- the fact that community surveys undertaken over the last 10 years show a clear preference that service levels not be reduced in order to contain rate increases; and
- that while Council is committed to minimising rate increases, its priority is striking a rate which maintains community assets and existing services in an equal or better condition.

6.1 Valuation

Method of Valuation

Council may adopt one of three valuation methodologies to value land in its area. They are:

- Capital Value: the value of the land and all 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: valuation of the rental potential of the property.

The Council has decided to continue to use capital value as the basis for valuing land within the Council area. The Council considers that this 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 and provides the best indicator of overall property value; and
- the distribution of property values throughout the Council area is such that few residential ratepayers will pay an increase significantly greater than the increase in average rates.

Adoption of Valuations

Council proposes to adopt the rate in the dollar based on valuations made by the Valuer-General as provided to Council in June 2022. If a ratepayer is dissatisfied with the valuation made by the Valuer-General, the ratepayer may object to the Valuer-General in writing, within 60 days of receiving the notice of the valuation, explaining the basis for the objection, provided they have 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 had an objection to the valuation considered by the Valuer-General.

It is to be noted, however, that regardless of the 60 day limitation period for lodging an objection to the valuation, the Valuer-General may, for good reason, determine to accept an objection lodged outside this time period.

The address of the Office of the Valuer-General is:

State Valuation Office
GPO Box 1354
ADELAIDE SA 5001
Email: lsgobjections@sa.gov.au
Phone: 1300 653 345

Please note that Council has no role in this process. It is also important to note that the lodgement of an objection does not change the due date for the payment of rates.

Notional Values

Certain properties may be eligible for a notional value under the Valuation of Land Act 1971 where the property is the principal place of residence of a ratepayer. This can relate to certain primary production land or where there is State heritage recognition. A notional value is generally less than the capital value and this will result in reduced rates, unless the minimum amount payable by way of general rates already applies. Application for a notional value must be made to the State Valuation Office.

6.2 Council's Revenue Raising Powers

All land within the Council area, except for land specifically exempt (e.g. Crown land, Council occupied land and other land prescribed in the Act (Section 147), is rateable. The Act provides for the Council to raise revenue for the broad purposes of the Council through a general rate, which applies to all rateable properties, or through differential general rates, which apply to classes of properties.

In addition, Council can raise separate rates for specific areas of the Council. It can also raise service rates or charges for specific services. Council also raises revenue through fees and charges that are set in consideration of the cost of the service provided and any equity issues.

The list of applicable fees and charges is available at the City of Mitcham offices, the Mitcham Library and the Blackwood Library.

Land Against Which Rates May Be Assessed

Rates are assessed as follows:

- against any piece or section of land subject to separate ownership or occupation;
- against all land subject to separate occupation (eg tenancy apportionments in a shopping centre or units) will be subject to a separate assessment;
- against any aggregation of contiguous land subject to the same ownership or occupation; and / or
- against all contiguous land (ie a house with an adjoining allotment used as part of the residential property or two shops being used as one) will be assessed as being contiguous and therefore will not attract a minimum rate.

Council relies on information from the Valuer-General for this process.

6.3 Differential Rates

The Act allows the Council to 'differentiate' rates based on the use of land, the locality of land, the use and locality of the land combined or on some other basis determined by Council. The City of Mitcham applies different rates on the basis of land use.

Additionally, Council has reviewed the differential rates to apply for 2022/23 and is proposing that the rate increase applicable to commercial/industrial properties, remains consistent with the general rate at 3.93%. Capping provisions of 12.5% apply to all eligible properties.

Land use, as determined in the *Local Government (General) Regulations 2013* under the Act is used as the factor to apply differential rates. Land that has been identified (coded) by the Valuer-General as vacant land, and is contiguous to a residential dwelling, will be rated at the general rate applied to residential properties if it is owned by the same owner and occupied by the same occupier. Vacant land that is contiguous to a non-residential property will be rated according to the predominant use of the whole of the land.

If ratepayers believe that a particular property has been incorrectly classified as to its land use, then they may object (to Council) to that land use within 60 days of being notified. A ratepayer may discuss the matter with a Rates Officer on 8372 8888 in the first instance. 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 classification.

Objections to Council's decision may be lodged with the Chief Executive Officer, City of Mitcham, PO Box 21, Mitcham Shopping Centre, Torrens Park, SA 5062. The objection must be made within 60 days of receiving notice of the land use classification and must set out the basis for the

objection and details of the land use classification that (in the opinion of the ratepayer) should be attributed to that property.
Council also may, for good reason, accept an objection to a land use attribution outside of the 60 day period.

Council will make a decision on the objection as it sees fit and will then notify the ratepayer.

A ratepayer also has the right to appeal against 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.

6.4 Minimum Rate

Section 158 of the Act provides that the Councils may fix a minimum amount payable by way of rates (a minimum rate).

Council believes that the adoption of a minimum rate recognises that each rateable property within the Council area benefits from a minimal level of service and should therefore make a minimum level of contribution.

The minimum rate is levied against the whole of an allotment (including land under a separate lease or licence) and only one minimum rate is levied against two or more pieces of adjoining land owned by the same owner and occupied by the same occupier. The reasons for imposing a minimum rate are that Council considers it appropriate that all rateable properties make a contribution to:

- the cost of administering the Council's activities; and
- the cost of creating and maintaining the physical infrastructure that supports and underpins the value of each property.

Council has adopted a policy of setting its minimum rate at a level not exceeding 65% of the average rate of all rateable properties. The minimum rate for 2022/23 is proposed to be set at $1,166.00.

6.5 Landscape Levy

The Council is in the Green Adelaide Landscape Management Region and is required under the *Landscape South Australia Act 2019* to fund the operations of the Green Adelaide Board. For 2022/23 the Board has advised Council that the amount of $1,793,077 is required to be collected from ratepayers.

The Council will do so by imposing a separate rate against all rateable properties in the Council area. Council is operating as a revenue collector for the Green Adelaide Landscape Board in this regard and does not retain this revenue.

6.6 Business Impact Statement

Council considers the impact of rates on all businesses in the Council area. In doing so, Council considers and assesses the following matters:

- the demand made on Council services by commercial and industrial users as a proportion of rate revenue;
- Council's Strategic Management Plan and those priorities relating to business development mentioned above;
- specific Council projects for the coming year that will solely or principally benefit businesses;
- preference for local suppliers where price, quality and service provision are comparable to suppliers outside the Council area;
- current local, state and national economic conditions and expected changes during the next financial year. The expectation is that relatively low rates of inflation and current levels of interest rates will prevail; and
- changes in the valuation of commercial and industrial properties in comparison to residential properties.

6.7 Rebates, Capping and Remissions

The Act requires Council to rebate rates payable on specific uses of land. Further information is set out in Attachment 3.3 to this Policy.

Rate Capping

Rate Capping provides relief against what would otherwise amount to a substantial change in rates payable from one year to the next, due to

rapid changes in valuation or changes in Council policy. A rate capping rebate will be applied to all properties under Section 166(1) (l) of the Act. The rate capping rebate will be applied either by Council of its own initiative, where the Council is in possession of sufficient information to determine entitlement to the rebate, or otherwise on application to Council.

A rebate will be granted, subject to the eligibility criteria below, such that the increase in rates payable in any one year is limited to a maximum of 12.5%. Rate capping rebates will not be subject to a formal application and will be deducted from the first rate notice. If ratepayers believe they are eligible for a rate capping rebate and it has not been automatically granted, an application can be made by 31 December 2022 for the 2022/23 financial year.

The rate capping rebate will not apply, and therefore the full rates amount will be payable, where:

- any such increase in general rates is due or partly due to an increase in valuation of the land in the assessment because of significant capital improvements on the property (development) worth more than $25,000;
- any such increase in general rates is due or partly due to a change in land use for the land in the assessment between that declared for the 2022/23 financial year and that declared for the prior financial year;
- the ownership of the rateable property has changed since 1 July 2021.

The Capping Rebate will not apply where a Mandatory or Discretionary rebate has already been applied.

Rate capping for residential properties (subject to certain criteria) recognises that in some circumstances residents have no control over increases in property valuations. Where a significant valuation increase is as a result of market forces and not as a result of purchasing the property, the rates levied as a result of that valuation increases should be capped at a level that minimises the impact to a reasonable level.

For Vacant Land, the rate capping rebate will not apply and, therefore, the full rates amount will be payable, where the Vacant Land has not been rated previously, (ie new land division).

The rate capping rebate will be calculated based on the amount of general rates payable in 2021/22 (inclusive of any capping) and will exclude the Landscape Levy and any Separate rates applicable.

The rate capping strategy addresses the following objectives:

- Improves equity in rate distribution across the community
- Prevents inequitable shifts in rate responsibility
- Minimises the impact of property valuation movements
- Ranks highly against the principles of taxation.

The rate capping rebate 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 the rate capping rebate may lodge an application form, which will be assessed against the eligibility criteria. Council rebates or remissions are not included in the capping calculation process. The application must be lodged by 31 December 2022.

Vacant Land Rebate (Discretionary Rebate)

Council has agreed to apply a rebate on Vacant Land, where the land use has changed in any given financial year from Residential land use to Vacant Land. The rebate will apply within the first 12 months to the residential rate in the dollar adopted for properties that become vacant land and will be applied either by Council of its own initiative, where the Council is in possession of sufficient information to determine entitlement to the rebate, or otherwise on application to Council.

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 2022/23 financial year will be granted in respect of an Assessment attributed as vacant land where:

- The Land Use is noted as Residential or Primary Production by the Valuer- General in the preceding year following a sub-division/development and the Council attributed the land use as Residential or Primary Production.
- The actual use of the land has changed to Vacant Land and the Valuer-General has determined a Vacant Land use code to the land in the following year and the Council has also attributed a rate in the dollar for Vacant Land.
- The principal rate-payer applies in writing prior to 31 December 2022 for a rebate the current year, confirming that the property will be their principal place of residence on completion of any development. The Council may consider any application received after 31 December 2022 for the 2022/23 financial year, but reserves its right to refuse to consider applications received after this date.
- The rebate will only apply for a maximum period of 12 months in the (same) financial year.
- The property will be re-assessed the following financial year - If the use of the land is still classified as Vacant Land by the Valuer-General and the Council also attributes this land use, then the rate in the dollar for Vacant Land will apply.
- Refer to the Residential Construction Rebate beyond the first 12 months.

Residential Construction on Vacant Land (Discretionary Rebate)

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 2022/23 financial year will be granted in respect of an Assessment classed as vacant land where the:

- Principal Ratepayer of the Assessment applies to the council, in writing, for the rebate prior to 30 June 2023;
- Foundations or slab have been laid on the property by 30 June 2023, proof of the date the footings were laid must accompany the application;
- Principal Ratepayer has confirmed, in writing, that the property will be their principal place of residence upon completion.

Land which has been subdivided in the current or preceding financial year will not be eligible for the rebate.

The amount of the rebate will be based on:

- The difference between the general rate in the dollar applicable to Vacant land, and the general rate in the dollar applicable to Residential land; and
- The number of days remaining between 1 July 2022 and 30 June 2023 from the date footings are poured for a residence on the land. The rebate will not fall below the Minimum Rate.

Community Services Rebate for Scout and Guide Halls

Under Section 166 (1)(j) rateable properties with a land use classification as Boy Scout Hall or Girl Guide Hall would be considered by Council to be providing a benefit or service to the local community and will be rebated at 100%.

Remission of Rates

Section 182 of the Act permits Council, on the written application of a ratepayer, to partially or wholly remit rates and charges, fines and interest or to postpone rates on the basis of hardship. Where a ratepayer is suffering hardship in paying rates he/she is invited to contact the Senior Rating Services Officer on 8372 8888 to discuss the matter. Such enquiries are treated confidentially by the Council.

Flexible Rate Payments Scheme

Any ratepayer who may, or is likely to experience difficulty in meeting the standard payment arrangements of Council, is invited to contact a Rating Services Officer to discuss alternative payment arrangements. Late payment fines and interest may apply. All such enquires will be treated confidentially by Council.

Rate Deferral Scheme

Section 182(1)(a) and (2) of the Act provides for the postponement of rates if Council is satisfied that the payment of these rates would cause hardship.

Council may, on written application and subject to a ratepayer substantiating the hardship to the satisfaction of Council, consider granting a postponement of payment of rates in respect of an assessment on the condition that a ratepayer agrees to pay interest on the amount affected by the postponement at the "prescribed percentage" as defined in the Act and that the ratepayer also satisfies the following criteria:

a) the property is the principal place of residence of the ratepayer and is the only property owned by the ratepayer; and
b) the property has been owned by the ratepayer:
   i. for a minimum of 10 years; or
   ii. for a minimum of five years with an immediately previous continuous ownership within the City of Mitcham of five years as the principal place of residence; and
c) the ratepayer is able to satisfy one of the following:
   i. produce a Pension Card from Centrelink; or
   ii. produce a Pension Card from Veteran Affairs; or
   iii. produce a TPI Pension Card from Veteran Affairs; or
   iv. can demonstrate to Council that he/she is a self-funded retiree and is earning less than $25,000 per annum.

Postponement of Rates Scheme for State Seniors Card Holders

Section 182A of the Act provides for postponement of rates on the principal place of residence by seniors who meet the eligibility criteria, make application and hold a current Seniors Card. The amount which can be postponed is any amount greater than $500 ($125 per quarter). In accordance with Section 182A (12) of the Act, interest will accrue on the postponed balances at a rate which is 1% above the cash advance debenture rate. The accrued debt is payable on the disposal or sale of the property. Further information is set out in Attachments 1 and 2 to this policy.

6.8 Payment of Rates

Frequency of Payment of Rates

Council rates are due quarterly on:

- 15 September 2022,
- 15 December 2022,
- 15 March 2023, and
- 15 June 2023.

Council offers a discount of 1%, off the amount of general rates (excluding State Landscape Levy), for the payment of the full year's rates by 15th of September 2022.

Electronic Rate Notices

Rate Notices can be received through email or through your financial institution.
To receive notices by Electronic Mail (Email) please sign up by going to mitchamcouncil.enotices.com.au and enter your email address and the unique code shown on your latest rates notice.

Rate Notices can be received electronically through your financial institution by registering for BPAY View. There is no obligation to pay through BPAY. Ratepayers should contact their bank for further information.

A paper bill will not be issued once rate-payers have signed up to one of these services.

Methods of Paying Rates

Direct debit

Payment can be debited from a nominated bank account on the due date of rates or the following banking business day. This will only be for the normal annual or quarterly amounts (as selected on your Direct Debit Request Form) and any arrears will need to be brought up to date via an alternate payment method prior to the quarterly debit date.

BPAY

Payment may be made by phone or the internet through a bank, Credit Union or Building Society. A financial institution must be contacted to make this payment from cheque, savings or credit card accounts.

Australia Post
Payment may be made at any Australia Post Office with a "One Stop Bill Pay" service. Ratepayers should present the notice at the Post Office.

Centrepay
Centrepay is a direct bill paying service offered to customers receiving payments from Centrelink. The rate payment is deducted from the ratepayer's Centrelink payment before it goes into their bank. The minimum payment amount is $10 per fortnight. Ratepayers should call Centrelink on their normal payment number or register online. Forms are also available from Council.

Telephone
Payment may be made by calling 1300 303 201 for an Interactive Voice Response (IVR) Service. This payment option is by credit card only.

Internet
Payment may be made via the internet by accessing Council's website at www.mitchamcouncil.sa.gov.au, selecting "Payments" on the home screen, then selecting "Rates Payment" and following the prompts. This payment option is by credit card only.

Mail
By Cheque only, made payable to: City of Mitcham and marked 'Not Negotiable'. Ratepayers should attach the tear off slip and send to:

City of Mitcham
PO Box 21
Mitcham Shopping Centre
TORRENS PARK SA 5062

Receipts will not be issued unless requested.

In Person
Ratepayers should present the rate notice at the Customer Service Centre:

City of Mitcham
131 Belair Road
TORRENS PARK SA 5062

EFTPOS and credit card facilities are available at the Council Office. Debit Cards, Visa and MasterCard may be used, however, no cash out facility is available.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment arrangements is invited to contact Rating Services to discuss alternative payment arrangements. Such enquiries are treated confidentially by Council.

Late Payment of Rates
The Act provides that the Council imposes a penalty of a 2% fine on any payment for rates, whether instalment or otherwise, that is received late. A payment that continues to be late is then charged a prescribed interest rate, set each year according to a formula in the Act for each month the rates remain unpaid.

The purpose of this penalty is to act as a genuine deterrent to ratepayers who might otherwise fail to pay their rates on time and enables the Council to recover the administrative cost of following up unpaid rates and any interest payable because the rates have not been received.

Council allows a further three working days following the due date for payment as a grace period. Fines are payable under the Act but Council will remit this amount if payment is received within the three days grace period. Thereafter, fines for late payment are fully imposed.

Council is prepared to remit penalties for late payment of rates where ratepayers can demonstrate hardship. Applications to remit penalties must be in writing.

Council issues a final notice for payment of rates when rates are overdue (i.e. unpaid) by the due date. Should rates remain unpaid more than 21 days after the issue of the final notice, then Council refers the debt to a debt collection agency. The debt collection agency charges collection fees recoverable from the ratepayer.

When Council receives a payment in respect of overdue rates, the Council applies the money received as follows:

- first – to satisfy any costs awarded in connection with court proceedings (which may include legal fees);
- second – to satisfy any interest costs;
- third – in payment of any fines imposed; and
- fourth – in payment of rates, in chronological order (starting with the oldest account first).

Sale of Land for Non-Payment of Rates

The Act provides that the Council may sell any property where the rates have been in arrears for three years or more. Council is required to notify the owner of the land of its intention to sell the land, provide the owner with details of the outstanding amounts, and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month.

Overpayment of Rates

Council is required, pursuant to provisions in the Act to refund balances that are in credit as a result of an overpayment of rates. In some instances interest may be calculated on these credit balances.
Council will not refund amounts less than $20 due to the administrative costs associated with processing refunds. In these instances the credit balance will be applied against the next instalment of rates. If a request for refund is sought based on grounds of hardship, the refund will be made irrespective of the minimum ($20) balance requirement.

6.9 Changes to Assessment Records

All changes to the postal address of a ratepayer/owner and changes of ownership of a property must be notified promptly to Council in writing.

6.10 Application of the Policy

Where a ratepayer believes that Council has failed to properly apply this Policy it should raise the matter with the Council. In the first instance the ratepayer should contact the Senior Rating Services Officer on 8372 8888 to discuss the matter. If, after this initial contact, a ratepayer is still dissatisfied they should write to Mr Matthew Pears, Chief Executive Officer, City of Mitcham, PO Box 21, Mitcham Shopping Centre, Torrens Park SA 5062.

6.11 Applications for Review of the Financial Impact of the Declaration of Rates

In accord with Section 270 of the Act ratepayers may seek a review of the impact of Council's declaration of rates. In accord with Council's '*Internal Review of a Council Decision Policy*', if Council receives an application for a review of a decision concerning the financial impact of Council rates, these will be dealt with as a matter of priority. Where circumstances warrant, Council may consider financial relief or the granting of concessions in line with the provisions of Section 166 of the Act.

An application for review must be in writing and set out the reasons for applying for the review. Although Council can be expected to have information and material relevant to the matter under review, an application for review may also include new, relevant information or evidence to support the application.

All applications for a review of a decision concerning the financial impact of the declaration of Council rates should be titled "Internal Review Request on the Financial Impact of the Declaration of Rates" and submitted to:

Senior Rates Officer
City of Mitcham
PO Box 21
Mitcham Shopping Centre
TORRENS PARK SA 5062

Or emailed to: mitcham@mitchamcouncil.sa.gov.au

6.12 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.

Appendix 3.1: Postponement of Rates Scheme for State Seniors Card Holders

Information Sheet (LGA 32018)

Over the past several years significant and, in some areas, uneven movement in property values has caused a substantial redistribution of council rates amongst ratepayers within some council areas. In response, councils have implemented flexible payment arrangements and where appropriate rate capping measures. However some seniors, many of whom are pensioners, have found it difficult to pay their council rates. Even though they own property and are "asset rich", their low income means they are "cash poor".

The Act (as amended) provides the option for State Seniors Card Holders to apply to postpone on a long-term basis part of their council rates. The deferred amount is subject to a monthly interest charge, with the accrued debt being payable on the disposal or sale of the property. However, the debt may be paid earlier at the ratepayer's discretion.

Who is eligible to apply for postponement of rates?

A ratepayer who holds or is in the process of applying for a State Seniors Card may apply for postponement of a portion of the council rates payable on property they own or are buying if it is their principal place of residence (that, is the place lived in most of the time) and if no other person other than their spouse has an interest as owner of the property.

How much equity do I need to have in the property?

If you have a current mortgage over the property, which was registered prior to 25 January 2007, you are required to have at least 50% equity in your property. If you currently have any mortgages or encumbrances on the property registered before that date you will need to obtain a statement from your financial institution, which indicates the maximum credit limit secured by the mortgage to include with this application form.

If you have a mortgage that was registered after 25 January 2007 there is no restriction on the level of equity held.

How much of the total rates can be postponed?

At least $500 of the total council rates bill must be paid, but an application can be made for any amount in excess of $500 to be postponed. You may pay the amount due in four quarterly instalments in the same way that the total amount of annual rates are payable. An example follows.

Total rates amount	$1,500.00
Minimum amount payable	$ 500.00
Amount of rates postponed	$1,000.00

What is the interest rate?

Interest is calculated and compounded monthly on the postponed rate debt. The interest rate is prescribed in the Act and is set annually on 1 July, and may vary from year-to-year. By way of example, during the 2021/22 rating period the charge would be based on an interest rate of 3.05% per annum.

A simple example of how the charge is applied.

Mr and Mrs Senior's total council rates amount for the rating period is $1,500.00. That means they will pay $500.00 and postpone the remaining balance of $1,000.00.

Mr and Mrs Senior then pay the $500.00 over four quarterly instalments.

The total charge on the $1,000.00 rates postponed for the rating period will be 3.05% per annum or 0.254% monthly (that is, 3.05% divided by 12). Interest will be compounded on a monthly basis, included any subsequent year's outstanding rates, until all outstanding rates have been paid in full.

You can talk to the Rating Officer at Council for an explanation of how your quarterly payments and monthly charge would be calculated on the amount of rates you wish to postpone, and the exact amount of charges that would apply.

How do I keep track of what I owe to Council in postponed rates?

You will receive a statement with each rates notice which sets out:

- the amount of postponed rates;
- the interest accrued; and
- advice of your ongoing entitlement to postpone future rates, or to pay off the debt at any time prior to the disposal or sale of the property.

The statement may be in the form of a separate notice or may be included on your quarterly rates notice.

You may also talk to the Council's Rating Officer at any time if you have any queries or want additional information.

Can payment of Council rates be postponed year after year?

Payment of your council rates may be postponed for one year only, or for any number of future years. Postponement of your council rates will continue automatically in each subsequent year after your initial application is approved, until either the property is sold or disposed of, you no longer meet the eligibility criteria for postponement, or you advise Council that you do not want to continue with the arrangement to postpone rates.

Council may issue an annual declaration form with the annual rates notice to check you are still eligible and that you wish to continue to postpone future rates.

You may choose to pay off all or any portion of the postponed rates debt at any time if your financial circumstances change.

How does my eligibility change, and what do I need to do then?

Your eligibility changes if you move out of your home, or are no longer entitled to have a State Seniors Card.

When your eligibility changes you must inform the Council in writing within six months. In these circumstances you are no longer entitled to postpone future rates. However, the postponed amount and accrued interest is not payable until the date of disposal of the property.

The agent or broker who is organising the sale, disposal and settlement of your property will ask you to sign a form, which advises of the requirement to, and authorises payment of all outstanding Council rate charges at the time of settlement.

Is there anything else I need to know?

The rates debt and interest accrued will decrease the value of your equity in the property at the time of disposal or sale.

Seniors are encouraged to seek independent financial advice prior to making the decision to postpone rates. You may also like to discuss the option with a family member, beneficiaries or another person you trust.

Remember, you can choose to pay off the postponed rates debt and accrued interest at any time if your financial circumstances change.

How do I apply for postponement of rates?

You will be required to complete an application form to enable Council to assess your application and to verify your eligibility.

Please contact the Senior Rating Officer at the Council office to arrange a convenient time and place to discuss your application and lodge your application form. This will provide an opportunity for you to obtain more information about the Postponement of Rates Scheme, the conditions that will apply, and for any questions or concerns you might wish to discuss.

Appendix 3.2 - Application Form: Postponement of Rates Scheme for State Seniors Card Holders

Ratepayers who hold a State Seniors Card are now able to apply to Council to postpone payment of council rates on their principal place of residence. This application form will enable Council to assess your eligibility to postpone the payment of your rates. Please also refer to the explanatory notes overleaf.

Please contact the Council office to arrange a convenient time and place to discuss your application and lodge your application form.

Applicant's Name: (if different to the Contact Name)	
Contact Name: (if different to the Applicant Name)	
Telephone:	
Appointment – Date and Time:	
Place:	
Name of State Seniors Card Holder:	
State Seniors Card Number:	
Property Address for Postponement of Rates:	
Postal Address:	
Telephone:	
Are there currently mortgages over the property registered prior to 25 January 2007? (Please tick ✓ the relevant box below). ☐ Yes If yes, please attach a statement from the financial institution indicating the maximum credit limited secured by the mortgage. ☐ No If no, please attach a copy of the Certificate of Title.	

Declaration

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.

Please complete the declaration below to affirm that the information provided on the application is correct.

- I declare that the above property is the principal place of residence of the State Seniors Card Holder and/or spouse (that is, the property lived in most of the time).
- I declare that I am either the State Seniors Card Holder or his/her spouse.
- I declare that no person other than the State Seniors Card Holder and/or his/her spouse has an interest as an owner in the property.
- I declare that I have been informed and understand the conditions which apply to the postponement of rates scheme.
- I declare that the information I have provided on this application form, to the best of my knowledge, is true and correct.

Owner / Applicant's Name:	
Signature:	
Date:	
Witness Name (optional):	
Signature:	
Date:	

Explanatory Notes

- You are eligible for postponement of rates if:
  - You are a State Seniors Card Holder (or have applied for the card); and
  - The property is your principal place of residence (where you live most of the time); and
  - No other person, other than your spouse, has an interest as an owner of the property.
- If you have a current mortgage over the property, which was registered prior to 25 January 2007, you are required to have at least 50% equity in your property. If you currently have any mortgages or encumbrances on the property registered before that date you will need to obtain a statement from your financial institution, which indicates the maximum credit limit secured by the mortgage to include with this application form.
- A minimum amount of $500 of the annual rates must be paid.
- The interest rate which will apply to the amount of rates postponed is prescribed in the *Local Government Act 1999* (as amended) Section 182A(12). Interest will be charged and compounded monthly on the total amount postponed, until the debt is paid.
- The accrued debt including interest is payable at the time of disposal or sale of the property. However, you have the discretion to pay all or any part of the debt at an earlier time.
- You must inform Council in writing within six months if your eligibility changes. For example, if you move out of your home or are no longer entitled to have a State Seniors Card.
  Note: A $5,000 maximum penalty applies for failure to inform Council in writing within six months of the change in eligibility [Local Government Act 1999 Section 182A(8)].
- Council will provide information about the postponed rates debt, and the interest accrued with future rate notices.
  Note: It is unlawful to make a false or misleading statement in your application. A $10,000 maximum penalty applies [Local Government Act 1999 Section 182A(9)].

Assessment of Your Application

Your application will be assessed and if approved, arrangements for the postponement of a portion of your council rates will be confirmed in writing to you and all owner/s of the property. If your application is denied, you will be advised in writing of the reasons for the denial. In this event, you will have the right to ask for a review of Council's decision.

Appendix 3.3 - Rate Rebates

Council is required to rebate rates on specific land. This policy will assist Council as a decision making function and is intended to provide guidance to the community as to the matters that Council will take into account in deciding an application for a rebate. Specific provisions are made for land used for health services, community services, religious purposes, public cemeteries, the Royal Zoological Society and educational institutions.

The policy also sets out the type of land use for which Council must grant a mandatory rebate of rates and the percentage amount applicable, and those types of land use where 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.

Note: It is unlawful to make a false or misleading statement in your application. A $5,000 maximum penalty applies [Local Government Act 1999 Section159 (2)]

Mandatory Rebates

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

- S160: Health Services 100% Rebate
- S161: Community Services 75% Rebate (this section now applied to Housing Associations and Cooperatives)
- S162: Religious Purposes 100% Rebate
- S163: Public Cemeteries 100% Rebate
- S164: Royal Zoological Society of SA 100% Rebate
- S165: Educational Purposes 75% Rebate

Where 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, Council will grant the rebate accordingly.

Where Council is not satisfied it will require the person or body to lodge an application in accordance with this policy.

Where a person or body is entitled to a mandatory rate rebate of 75% only, Council may increase the rebate up to a further 25%.

Council may grant this further 25% rebate upon application.

Discretionary Rebates

Council may apply discretionary rebates under Section 166 of the Act.

Council currently provides discretionary rebates for Council owned land that is leased or licensed by sporting bodies and various community organisations.

Council may also provide a discretionary rebate to community service organisations that occupy land that would otherwise be exempt or non-rateable.

Eligibility for a rebate is based on the provision of evidence, to Council's satisfaction, that significant community service has been, and continues to be provided to the community by that organisation.

Applications for a discretionary rebate by community services organisations under Section 161 of the Act must be in writing and require the following information and documentation to be provided:

- A Statutory Declaration signed by an officer of the organisation, who has the appropriate delegated authority, attesting to eligibility under the Act. Council has Statutory Declarations prepared in a specific format and these must be used when applying for a rebate. These forms will be supplied upon application to Council's Senior Officer – Rating Services on 8372 8888.
- A copy of the organisation's Constitution.
- A set of financial statements or documentation that confirms the applicant provides community services without charge or for a charge that is below the cost to the body of providing the services – eg an auditor's letter of confirmation.
- Any other documentation applicable to support the application.

Council, having addressed issues of equity arising from circumstances where ratepayers claim to provide or maintain infrastructure that might otherwise be provided or maintained by the Council, has decided there will be no adjustment to the rates payable unless exceptional circumstances can be demonstrated.

In this context, infrastructure provided by retirement villages for the use of their residents upon the land owned and/or occupied by the villages will, therefore, generally not be eligible for a rebate of rates.

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.

With regard to prescribed discretionary rate rebates 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's area;
- The community need that is being met by activities carried out on the land for which the rebate is sought;
- 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 Council considers relevant.
-

Council may take into account other matters considered relevant by 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 or 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 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 Council, which Council considers relevant.

Council may grant a rebate of rates on such conditions as Council thinks fit.
Council may, for proper cause, determine that an entitlement to a rebate of rates under the Act no longer applies.

The Chief Executive Officer has delegated authority from Council to assess all applications for rebates or remissions. The Chief Executive Officer advises Council of his assessment of each application and prepares an annual report of all applications.

Appendix 3.4: Statement on expected Rate Revenue

Please note: These figures represent a considered estimate of Expected Rate Revenue based on the most current information available at the time of going out to consultation on the DRAFT Annual Business Plan and Budget (ABP&B). This information is updated regularly and therefore these figures may be subject to confirmation at the time of actual adoption of the ABP&B.

Expected Rates Revenue						
General Rates Revenue	**2021/22 (as adopted)**	**2022/23 (estimated)**		**Change**		**Comments**
General Rates (existing properties)		$60,650,385	*(a)*			Rates are budgeted to increase by the general increase of 3.93% plus 0.18% from development
General Rates (new properties)		$109,171	*(b)*			
General Rates (GROSS)	**$58,356,957**	**$60,759,556**	*(c)*			
Less: Mandatory Rebates	($897,664)	($932,942)	*(d)*			
General Rates (NET)	**$57,459,293**	**$59,826,614**	*(e)*	**4.1%**		
	(e)=(c)+(d)					
Other Rates (inc. service charges)						
Regional Landscape Levy	$1,750,868	$1,793,077	*(f)*	The Regional Landscape Levy is a State tax, it is **not retained** by council.		
	$59,210,161	$61,619,691				
Less: Discretionary Rebates	$0	$0	*(g)*			
Expected Total Rates Revenue	**$57,459,293**	**$59,826,614**	*(h)*	**4.1%**		Excluding the Regional Landscape Levy and minus Mandatory & Discretionary Rebates.
	(h)=(e)+(g)					
Estimated growth in number of rateable properties						
Number of rateable properties	**29,141**	**29,193**	*(i)*	**0.2%**		The number of rateable properties will be subject to confirmation at the time of actual adoption of the ABP&B
	Actual	*Estimate*				
'Growth' is defined in the regulations as where new properties have been created which has added rateable properties to council's ratepayer base. Growth can also increase the need and expenditure related to infrastructure, services and programs which support these properties and residents.						
Estimated average General Rates per rateable property						
Average per rateable property	**$2,003**	**$2,081**	*(j)*	**3.9%**		Represents both General and Commercial rates
	(j)=(c)/(i)					
Councils use property valuations to calculate each rateable property's contribution to the required rate revenue total. Councils do not automatically receive more money because property values increase but this may alter how rates are apportioned (or divided) across each ratepayer (ie. some people may pay more or less rates, this is dependent on the change in value of their property relative to the overall valuation changes across the council area). The total General Rates paid by all rateable properties will equal the amount adopted in the budget.						

Notes

(d)	Councils are **required** under the Local Government Act to provide a rebate to qualifying properties under a number of categories: Health Services - 100 per cent Community Services - 75 per cent Religious purposes - 100 per cent Public Cemeteries - 100 per cent Royal Zoological Society of SA - 100 per cent Educational purposes - 75 per cent The rates which are foregone via Mandatory Rebates are redistributed across the ratepayer base (ie. all other ratepayers are subsidising the rates contribution for those properties who receive the rebate).
(e)	Presented as required by the *Local Government (Financial Management) Regulations 2011* reg 6(1)(ea) **Please Note:** The percentage figure in *(e)* relates to the change in the total amount of General Rates revenue to be collected from all rateable properties, not from individual rateable properties (ie. individual rates will not necessarily change by this figure).
(f)	Councils are required under the *Landscape South Australia Act 2019* to collect the levy on all rateable properties on behalf of the State Government. The levy helps to fund the operations of regional landscape boards who have responsibility for the management of the State's natural resources.
(g)	A council **may** grant a rebate of rates or service charges in a number of circumstances. The rates which are foregone via Discretionary Rebates are redistributed across the ratepayer base (ie. all other ratepayers are subsidising the rates contribution for those properties who receive the rebate).
(h)	Expected Total Rates Revenue excludes other charges such as penalties for late payment and legal and other costs recovered.

(i)	'Growth' as defined in the *Local Government (Financial Management) Regulations 2011* reg 6(2)

Statement on Expected Rate Revenue

Please note: These figures represent a considered estimate of Expected Rate Revenue based on the most current information available at the time of going out to consultation on the DRAFT Annual Business Plan and Budget (ABP&B). This information is updated regularly and therefore these figures may be subject to confirmation at the time of actual adoption of the ABP&B.

Expected Rates Revenue

	Total expected revenue			No. of rateable properties		Average per rateable property			
	2021/22	2022/23	Change	2021/22	2022/23	2021/22	2022/23		Change
Land Use (General Rates - GROSS)									
General	$51,025,493	$53,126,250	4.1%	27,409	27,458	$1,862	$1,935	*(k)*	$73
Commercial / Vacant Land	$7,331,464	$7,633,305	4.1%	1,732	1,735	$4,233	$4,399	*(k)*	$166
Total Land Use	$58,356,957	$60,759,556	4.1%	29,141	29,193	$2,003	$2,081	*(k)*	$79
GRAND TOTAL (GROSS)	$58,356,957	$60,759,556	4.1%	29,141	29,193	$2,003	$2,081	*(k)*	$79

Council considers four commonly used principles for taxation being Efficiency, Equity, Simplicity and Sustainability in developing its rating policy. The use of a differential rate assists Council in applying the Equity principle by ensuring those who benefit more or have higher economic means contribute more. The City of Mitcham has applied the broad principle that the rate in the dollar should be the same for all properties, except where there is either a different level of services available to ratepayers, or some other circumstance exists which warrants variation from the broad principle. Council has addressed this through the application of differential rates on commercial, industrial and vacant land properties.

Minimum Rate

	No. of properties to which rate will apply		Rate			
	2022/23	% of total rateable properties	2021/22	2022/23		Change
Minimum Rate	3,879	13.3%	$1,122	$1,166	*(l)*	$44

Council believes that the adoption of a minimum rate recognises that each rateable property within the Council area benefits from a minimal level of service and shout therefore make a minimum level of contribution. Council has adopted a policy of setting its minimum rate at a level not exceeding 65% of the average rate of all rateable properties.

Adopted valuation method

Capital Value/Site Value/Annual Value

Council has the option of adopting one of three valuation methodologies to assess the properties in its area for rating purposes:
Capital Value – the value of the land and all improvements on the land;
Site Value – the value of the land and any improvements which predominantly affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements (Note: Site Value will cease to be an option from 1 Sept 2023); or
Annual Value – a valuation of the rental potential of the property.

Council has decided to continue to use Capital Value as the basis for valuing land within the Council area. The Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers.

Notes

(k)	Average per rateable property calculated as General Rates for category, including minimum rate but excluding any separate rates, *divided* by number of rateable properties within that category in the relevant financial year.
(l)	Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer.