



2023/24 *Annual* BUSINESS PLAN

CONSULTATION

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The public consultation period for the 2023/24 Annual Business Plan and Budget occurred between **Thursday, June 15 to Thursday, July 6, 2023**.

As part of the consultation the Annual Business Plan and Budget was advertised in the local media and on Council's website, community engagement page and social media.

The document was also made available for download from Council's website at www.wattlerange.sa.gov.au and hard copies of the document were made available for viewing from Council's Millicent office, and the Visitor Information Centres at Penola and Beachport.

SUBMISSIONS

In total 10 written submissions for the Annual Business Plan were received throughout the 21 Day consultation period.

PUBLIC MEETINGS

A public meeting was held in the Millicent Council Chambers, Civic Centre, Millicent, on **Tuesday, 11 July 2023** where 2 verbal submissions were received in relation to the Annual Business Plan and Budget.

POST CONSULTATION AMENDMENTS

Following is a list of significant amendments made to the Annual Business Plan after the consultation.

The Operating Income increased by \$80K with key changes including.

- Increased rating income of \$15K from a further increase in growth of rateable properties.
- Increased childcare fees of \$124K income reviewed based on 2022/23 end result and occupancy rates.
- Decrease in Saleyard fees of \$55K, stock sales have ceased.
- Library Grant funding \$4K decrease.

The Operating Expense decreased by \$93K with key changes including.

- Saleyards operating costs decrease by \$96K due to cessation of cattle sales.
- Change in allocation of wages from operating to capital expenditure decreased expenses by \$128K.
- Increased University Scholarships for local students by \$5K.
- Increase of ICT budget \$22K for improved wireless connection to Council satellite offices
- Carried over projects for architectural and interior design Penola & Beachport Visitor Information Centres increase of \$80K.
- Minor changes various budget lines increase \$24K.

Capital Income decreased by \$280K, co-funding Coastal Protection grant for revetment works not granted.

Decrease Capital Expenditure \$285K, changes included.

- Decrease \$350K revetment works Beachport unsuccessful in obtaining grant for works.
- Inclusion of \$35K emergency capital repairs Old School Building Millicent.
- Increase of \$30K for the detailed design of a footpath Cape Buffon Drive, Southend

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MAYOR & CEO'S MESSAGE

Wattle Range Council's Annual Business Plan for 2023/24 provides an overview of the services, programs and strategic projects Council plans to deliver to the community.

In 2023/24 the business plan has an increased focus on renewal of existing assets and the implementation of strategies that capitalise on attracting residents and tourists to the Council area.

The following initiatives are a particular focus for 2023/24:

- Finalisation of designs and commencement of construction of the Council Service Centre Offices,
- Increased investment and extension of services on Council's Road network,
- Implementation of the Strategic Planning Zoning Review across the district,
- Continuation of increased focus on delivering tourism strategies, community events, support & activities Council wide,
- Commencement of the implementation of the wayfinding signage strategy across the district.

In addition, Council will continue a number of initiatives that were implemented as part of prior years' response to the COVID 19 emergency:

- Focus on generating economic stimulus to the greater community through major infrastructure projects;
- Continuation of the allocation of \$100,000 to enable community groups an opportunity to access these funds for major infrastructure projects; and
- Prepare "Shovel Ready" strategies that can be utilised to leverage future grant opportunities for major infrastructure projects.

In developing this Annual Business Plan, Council encountered many competing demands for community projects, annual cost increases, and the ongoing requirement for asset renewals all need to be prioritised.

The challenge for Council is to deliver a budget that meets current and future community expectations whilst limiting any rate increases and minimising the impact to ratepayers under the current circumstances. In consideration of this, Council is set to raise rates by 7.9% (plus growth of 0.59% from new properties).

BUDGET *highlights*

Major Plant

Replacement **\$1.63M**

Major Road Construction

Unsealed

Various Re-Sheets 37.8 KM **\$1.33M**

Sealed

Various Re-Seals 27.2 KM **\$1.53M**

Footpaths (Various)

Renewal **\$174K**

Upgrade / New **\$51K**

Kerbing

Renewal **\$220K**

Projects

Council Service Centre Office -
(Stage 1 - Construction) **\$3M**

Queen Street - Penola Stormwater
(Stage 1- Construction) **\$300K**

Millicent Swimming Lake
Repairs Concrete Shell Lining **\$600K**

Beachport Recreation Centre
Seal Carpark **\$165K**

Strategic Planning & Zoning
Code Amendments **\$30K**

Wayfinding Signage
Commence Installation of Signs
Penola & Millicent **\$100K**

The forecasted rate increase is in line with current Consumer Price Index (CPI) rates. It should be noted that Inflation will continue to cause pressure on the operations of Council with increased pricing having direct impacts on the delivery of services and ratepayer affordability.

For the 2023/24 financial year, Council is seeking to deliver an operational budget of \$33.93 Million and a capital expenditure budget of \$10.77 Million. Within this budget, Council will continue to focus on increasing asset renewals. In 2023/24 \$6.42 Million has been allocated for the renewal of a wide range of existing facilities and infrastructure. Council has also committed \$4.35 Million for the upgrade and acquisition of new assets.

A strong focus of the capital budget is the funding of roads. \$1.33 Million has been allocated to the re-sheeting of unsealed roads and a further \$1.53 Million for sealed roads across the district. In addition, Council is expending funds to purchase the replacement of \$1.63 Million of plant and equipment.

For the forth coming year, Council is focused on delivering the strategies contained within the Annual Business Plan including delivery of an extensive capital works program.

DES NOLL
OAM MAYOR

BEN GOWER
CHIEF EXECUTIVE OFFICER



FINANCIAL *snapshot*

Capital Budget

Renewals	\$6.42M
Upgrade	\$4.35M
Total Capital Expenditure	\$10.77M

Operating Budget

Income	\$31.66M
Expenditure	\$33.93M
Operating Deficit	(\$2.27M)

Financial Indicators

Operating Surplus Deficit Ratio -	-7.1%
Net Financial Liabilities Ratio	31.4%
Asset Renewal Funding Ratio	92.6%

RATES *snapshot*

Total Capital Valuation	\$8.12 Billion
Rateable Properties	9,239
Rate Increase	7.9% (Plus growth 0.59%)
Waste Management Service Charge Increase	5.4%
CWMS Charge Increase	7.9%
Landscapes Levy Increase	6.5%

YOUR COUNCIL

Wattle Range Council comprises 13 communities, covers an area of 394,602 hectares and is home to 12,127 residents.

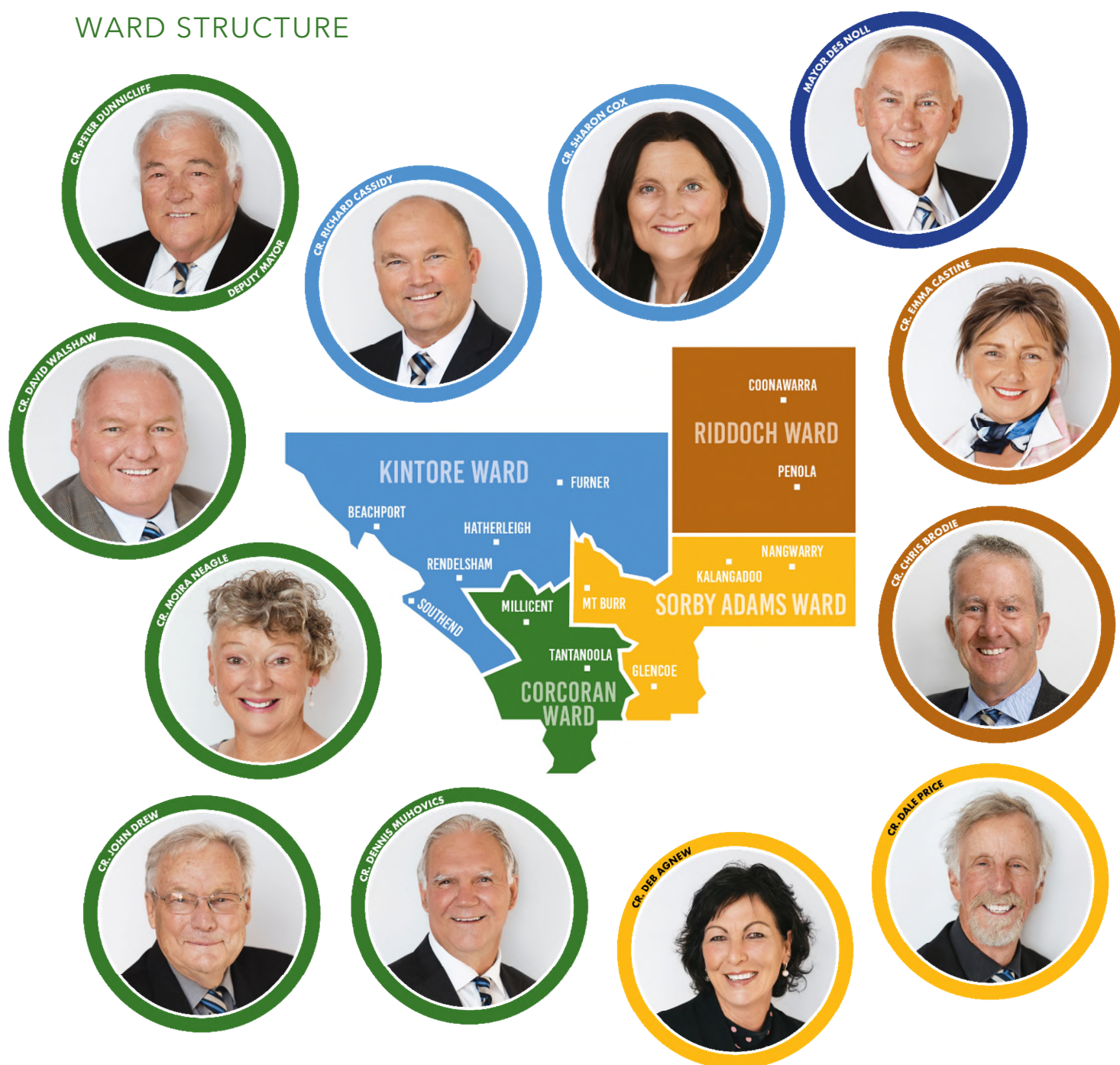
The Council extends from the coast to the Victorian border incorporating the seaside towns of Beachport and Southend, extending inland to Millicent as the major service centre and easterly across to the historic town of Penola and the world-renowned wine region of Coonawarra.

The Council was formed on 1 July 1997 following the amalgamation of the former district Councils of Beachport, Millicent and Penola.

"...one of the most diverse and productive rural areas in South Australia"

- Regional Australia Institute

WARD STRUCTURE



EXECUTIVE LEADERSHIP TEAM



ENGINEERING SERVICES

CORPORATE SERVICES

DEVELOPMENT SERVICES

- Asset Management
- Building Maintenance
- Fleet Management
- Parks & Gardens
- Road Construction / Maintenance
- Footpaths, Street Furniture and Signage
- Waste Management
- Pool & Lake Management
- Coastal Protection
- Stormwater & Kerbing

- Governance & Administration
- Finance and Rates
- Purchasing
- Records Management
- Information Technology
- Human Resources
- WHS & Risk Management
- Early Learning Centre

- Economic Development
- Tourism & Events
- Planning & Building
- Environmental Health
- Animal Control
- Fire Prevention
- Community Development
- Libraries & Galleries
- Caravan Parks

OUR VISION & CORE VALUES

VISION

'Wattle Range - a great place to live and work.'

VALUES



Trust

Trust is the glue that binds us all together as a community. Doing what we say we are going to do and being honest and transparent in both our intentions and actions helps build trusted relationships.



Teamwork

Teamwork is the cornerstone of high performing organisations, embracing the diversity of thoughts and experiences that exist within a team generates a broader range of innovative ideas and leads to better decision making.

Individuals perform better when they are a valued member of a team, they are more confident, they have more fun and they are more productive. We become more resilient when we know that someone is watching our back, and we are more likely to cope under stressful or difficult circumstances.



Fun

Fun, the importance of enjoying what we do and how we do it should never be underestimated. Having fun at work builds stronger teams and enhances relationships. Recognising and celebrating our successes no matter how big or small they are - encourages the right behaviours in the workplace and ultimately enhances our performance.



OUR STRATEGIC DIRECTION

Wattle Range Council's Strategic Plan 2023 – 2027 was completed and adopted in 2023. The 2023 -2027 Strategic Plan focuses on four key themes and objectives.



Full details of the content of the Strategic Plan are attached at Appendix 2.

SIGNIFICANT INFLUENCES

A number of significant factors have influenced the preparation of the 2023/24 Annual Business Plan, these include:

- Consumer Price Index (CPI) of 7.9% (March 2023) & Local Government Price Index 6.4% (March 2023) on relevant goods and services for the previous year;
- Increase of costs over and above CPI such as electricity, insurance, fuel and waste management;
- Increase in superannuation guarantee payments from 10.5% to 11% in 2023/24;
- Enterprise bargaining agreements with wage and salary increases in line with the State Wage Case decisions;
- Increases in interest rates over the past year has increased both the cost of borrowings and returns from interest on investments.
- Lack of funding provided to the Coastal Protection Board to assist with protection/rehabilitation of coastal assets and townships;
- Maintaining asset management (renewal) expenditure at a sufficient level to ensure long term maintenance of Council assets;
- Ongoing impact of Federal Government funding changes both positive and negative:
 - The Federal Assisted Grants programme have previously been prepaid partially from the year ahead allocation. The receipt of these funds has created timing issues in Council cashflows. In 2022/23 this prepayment practice ceased and normalised funding will return in 2023/24.
 - In 2023/24 Council is expected to receive \$0.547M from the final round of the Roads to Recovery programme. In total \$2.73 Million in funds will be provided by the programme for roads renewal over the five-year funding period.
- Ongoing impact of State Government cost shifting and changes in policy in previous years:
 - Changes to the *Local Government Act 1999*, effective 2022/23 created a new requirement for the Essential Services Commission of SA (ESCOSA) to review Councils long term financial sustainability. ESCOSA's charge for this review is \$40K.
 - For 2023/24 waste management costs are set to escalate by 34%. In previous years the increase is the Solid Waste Levy (a levy imposed on the disposal of waste) has impacted costs significantly with increases of 40% in 2019/20, 15% in 2018/19 and 20% in 2017/18 respectively received;
 - In 2017/18 Housing SA - Community Housing stock located within the Wattle Range Council area was transferred to Unity Housing (a private entity). This transfer resulted in a financial impact to ratepayers of \$96K annually, as Unity Housing was deemed eligible for a 75% mandatory rebate of rates;
 - In 2016/17 ratepayers were significantly impacted by an increase of 213% in South-East Natural Resources Management Levy in 2022/23 the now Regional Landscape Levy is set to increase by 6.5%.

SIGNIFICANT PRIORITIES

The Council's priorities for 2023/24 include:

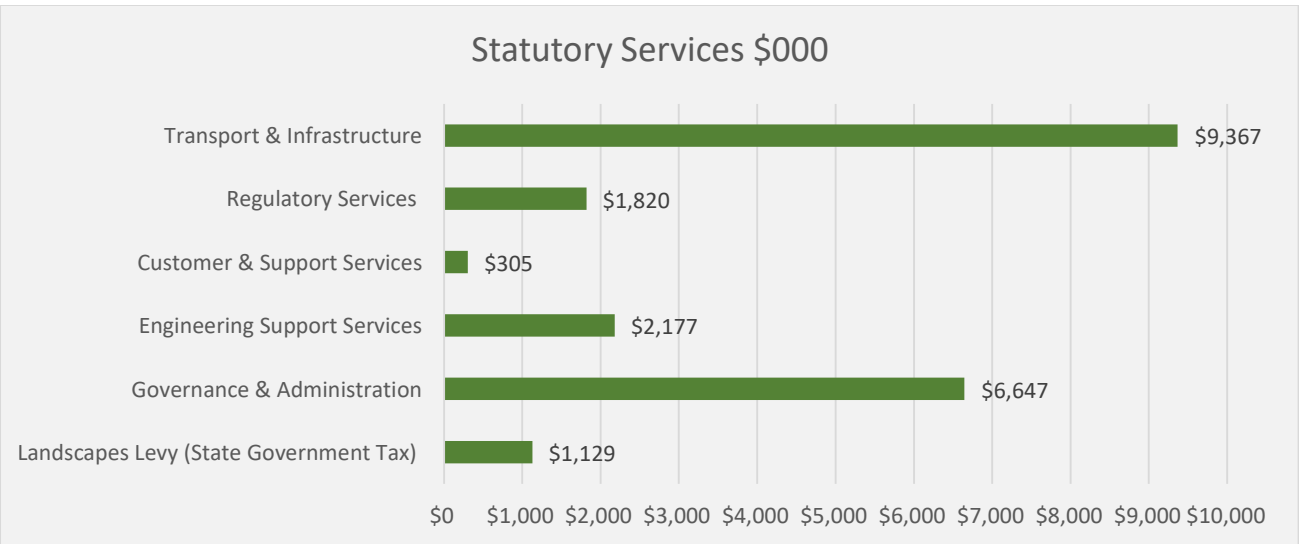
- Increased investment into Council's road network;
- Construction of the Council Service Centre office;
- Increased investment into resources and plant & equipment to sustain previous years increase in service delivery across the Council area;
- Implementation of the Strategic Planning Review, planning for code amendments for zonings across the district;
- An increased focus on delivering community events, support & activities Council wide;
- Greater focus on supporting tourism strategies across the district;
- The improvement of the visual amenity and tourist direction in Millicent and Penola through installation of wayfinding signage,
- Increased capital expenditure on footpaths both renewal and new footpaths across the Council area, the increased focus is due in part to the footpath survey responses from the Community as well as Community need;
- Continual development of Asset Management Plans for asset categories;
- Advocate and progress avenues for major electricity generating facilities and forestry to pay an equitable amount of general rates;
- Improvement of infrastructure delivery to the region including:
 - Improvement of high volume / heavy vehicle trafficable roads across the district;
 - Telecommunications - mobile phone towers for blackspot areas;
 - Advocate for improved access to mains gas and electricity supply to the Council area.
- Lobby the State Government for increased funding for the Coastal Protection Board and South East Drainage Boards;
- Review operations of Council's business units to make them more sustainable in the longer term;
- Advocate for the remediation and development of Crown lands;
- Progress the development of arts and culture and tourism events across the district;
- Partner with Limestone Coast Councils and Telstra to reduce blackspot telecommunication areas;
- Lobby the State Government for improvement in health services to the region;
- Lobby the State Government for the reduction and or removal of cost shifted services such as mandatory rebates for Community Housing and the Regional Landscape Levy administration.

CONTINUING SERVICES TO THE COMMUNITY

Council provides an extensive list of services to the Community. Some services are mandated due to Acts of Parliament, including the *Local Government Act 1999* and are deemed Statutory Services that Council must provide. In addition, Council also provides a variety of programs and services to the Community, whilst not required by specific legislation, they are provided on the basis of Community need or expectation. These services are deemed Discretionary Services.

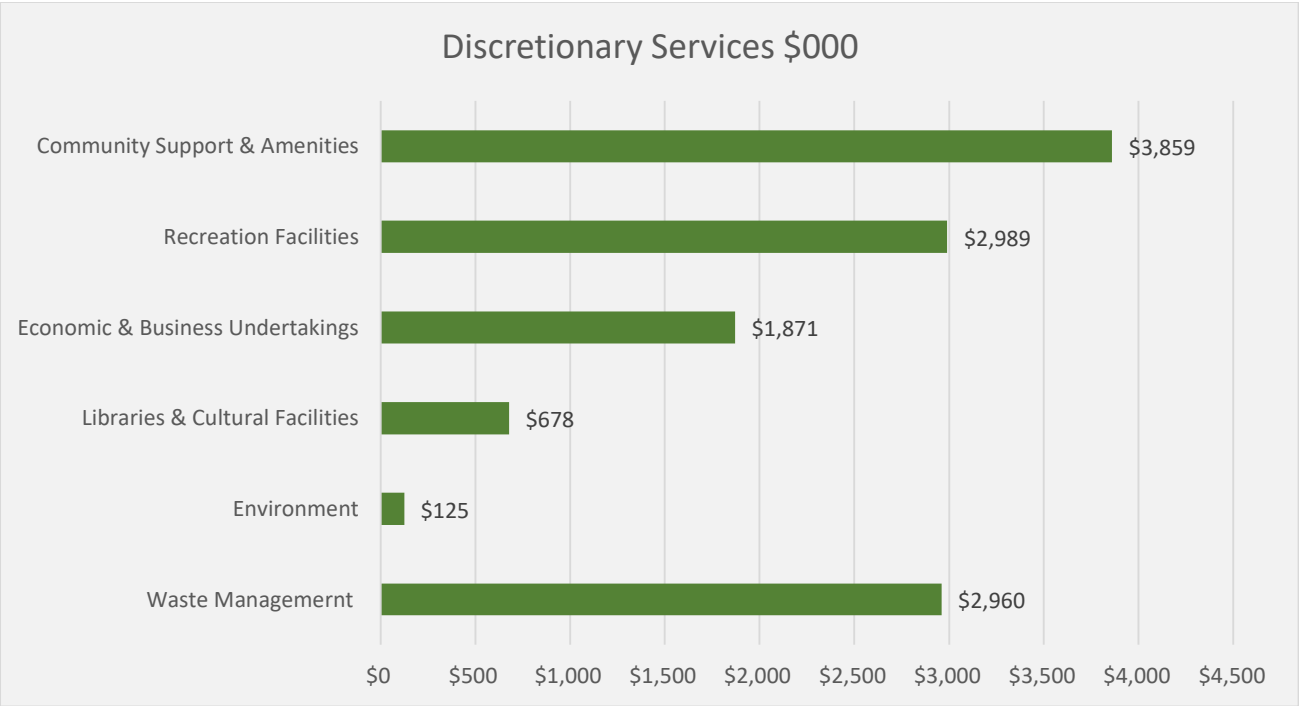
STATUTORY SERVICES

In 2023/24, Council plans to commit \$21.45 Million or 63% of Total Operating Expenditure on the provision of Statutory Services (Operating Expenditure includes all direct expenditures incurred in providing the service and depreciation of assets). In many cases, expenditure is offset by user charges or separate rates associated with delivery of the service. The following graph provides a functional breakdown of the services for which this expenditure is planned.



DISCRETIONARY SERVICES

Councils also provide a variety of programs and services to the Community which, whilst not required by specific legislation, are provided based on community need or expectation, for the benefit of the Community. In 2023/24, Council plans to commit \$12.48 Million or 37% of Total Operating Expenditure on the provision of Discretionary Services (Operating Expenditure includes all direct expenditures incurred in providing the service and depreciation of assets). In many cases, expenditure is offset by user charges or separate rates associated with delivery of the service. The following graph and table provide a functional breakdown of the services for which this expenditure is planned.



PROJECT PRIORITIES

To provide alignment to Council's organisational structure, the Capital & Operational Budgets have been split across Council's three main organisational departments being Corporate, Development & Engineering Services.

The following is a list of Capital and Operational Projects for 2023/24.

CORPORATE SERVICES

The Corporate Services Department incorporates the administrative and governance areas of Council.

Function	Operating Expenses \$000	Operating Income \$000	Capital New/Upgrade \$000	Capital Renewal \$000	Capital Income \$000	Net Total \$000
Childcare	\$1,520 ⁴	-\$1,736	\$0	\$125 ¹	\$0	-\$91
Corporate Services	\$1,612 ⁵	-\$11	\$0	\$0	\$0	\$1,601
Customer Service	\$305	-\$5	\$0	\$0	\$0	\$300
Elected Members	\$378	\$0	\$0	\$0	\$0	\$378
Finance Charges	\$75	-\$195	\$0	\$0	\$0	-\$120
Finance & Support Services	\$2,315	-\$31	\$0	\$0	\$0	\$2,284
Governance	\$596	-\$1	\$0	\$0	\$0	\$595
Grant Commission Funding	\$0	-\$2,996	\$0	\$0	\$0	-\$2,996
Human Res, Risk & WHS	\$605 ⁶	\$0	\$0	\$0	\$0	\$605
ICT	\$1,133	\$0	\$20 ³	\$41 ²	\$0	\$1,194
Land Management	\$22	-\$25	\$0	\$0	\$0	-\$3
Other Funding	\$0	-\$992	\$0	\$0	\$0	-\$992
Rates	\$374	-\$22,531	\$0	\$0	\$0	-\$22,157
Records Management	\$179	\$0	\$0	\$0	\$0	\$179
Road Closures	\$33	-\$46	\$0	\$0	\$0	-\$13
TOTAL	\$9,147	-\$28,569	\$20	\$166	\$0	-\$19,236

CAPITAL PROJECTS

1. Renewal of Wallaby Room Gladys Smith Early Learning Centre project includes room renewal, fence & air conditioner replacement **\$125K**
- 2a. Annual computer replacement program (staff) **\$35K**
- 2b. Annual computer replacement program (public computers) **\$6K**
3. Pursue mobile IT solution that improves connectivity and productivity in the field **\$20K**

OPERATIONAL PROJECTS

- 4a. Design works for a new climbing structure at the Gladys Smith Early Learning Centre **\$11K**
- 4b. Painting externals & shed at the Gladys Smith Early Learning Centre **\$15K**
- 5. Financial contribution towards the Millicent Hospital student nurse's accommodation **\$6K**
- 6. Digital Media Records Management Software System **\$14K**

DEVELOPMENT SERVICES

The Development Services Department incorporates the economic development & tourism, libraries & galleries, planning & building and statutory compliance areas of Council.

Function	Operating Expenses \$000	Operating Income \$000	Capital New/Upgrade \$000	Capital Renewal \$000	Capital Income \$000	Net Total \$000
Animal Control	\$248 9	-\$132	\$7 1	\$0	\$0	\$123
Building	\$239	\$0	\$0	\$0	\$0	\$239
Caravan Parks	\$614	-\$794	\$0	\$48 4	\$0	-\$132
Community Events	\$35 10	\$0	\$0	\$0	\$0	\$35
Community Support	\$808 11	-\$6	\$7 2	\$339 5	\$0	\$1,148
Development Services	\$569	-\$49	\$0	\$0	\$0	\$520
Economic Development	\$90 12	-\$3	\$0	\$0	\$0	\$87
Environmental Health	\$159	-\$24	\$0	\$0	\$0	\$135
Fire Prevention / Protection	\$107	\$0	\$0	\$0	\$0	\$107
Galleries	\$34	-\$3	\$0	\$0	\$0	\$31
Heritage	\$60	-\$4	\$0	\$35 6	\$0	\$91
Impounding	\$58	\$0	\$0	\$0	\$0	\$58
Libraries	\$584 13	-\$36	\$0	\$0	\$0	\$548
Parking	\$60	-\$1	\$0	\$0	\$0	\$59
Planning	\$380 14	-\$200	\$0	\$0	\$0	\$180
Regional Development	\$0	\$0	\$0	\$20 7	\$0	\$20
Septic Pump-outs	\$60	\$0	\$0	\$0	\$0	\$60
Tourism	\$968	-\$40	\$100 3	\$10 8	\$0	\$1,038
TOTAL	\$5,073	-\$1,292	\$114	\$452	\$0	\$4,347



CAPITAL PROJECTS

1. Construction of a cat impound facility **\$7K**
2. Purchase of a storage container for Lake McIntyre **\$7K**
3. Implementation of pedestrian wayfinding signage **\$100K**
4. Stage 1 electrical renewal works at the Southern Ocean Tourist Park **\$48K**
- 5a. Review and upgrade fire hydrant coverage to McLaughlin Park Millicent **\$282K**
- 5b. Review and upgrade fire hydrant coverage to McCorquindale Park, Penola **\$42K**
- 5c. Replacement of boundary fence Lakeside Caravan Park & Rotary Park, Millicent **\$15K**
6. Renewal works to the roof of the Old School House building, Millicent **\$35K**
7. Replacement of Millicent town entrance signs **\$20K**
8. Part refurbishment of Council's Visitor Information Centres into community hub facilities **\$10K**

OPERATIONAL PROJECTS

9. Annual dog & cat owner community engagement event **\$2K**
- 10a. Event Assistance for the Coonawarra Cabernet Celebrations **\$6K**
- 10b. Event Assistance for the Beachport New Years Eve Fireworks Display **\$5K**
- 10c. Continuation of Council's School Holiday program **\$20K**
- 11a. Youth week event at the Millicent Skate Park **\$8K**
- 11b. Donations Foodbank **\$2K**, Stand Like Stone **\$2K**
- 11c. Operational Budget, Youth Advisory Council **\$10K**, Disability Access & Inclusion Committee **\$6K**
- 11d. Disability access audit training **\$4K**
- 11e. Purchase of wheelchair hoists & signage for beach buggy **\$8K**
- 11f. Funding support for the Penola late night shopping event **\$2K**
- 11g. Purchase of Disc Golf equipment and infrastructure **\$6K**
- 11h. Installation of uplighting Norfolk Island pine Jubilee Park, Millicent **\$5K**
- 11i. Financial assistance for Imagine Millicent **\$3K**
- 11j. Funding phase 1 Telstra South East Australia Regional Connectivity Program **\$138K**
- 11k. Event Assistance Teagles Pines Enduro **\$2K**, Penola Rodeo **\$3K**
- 11l. Removal of pine trees near the Southend tennis courts **\$15K**
- 11m. Funding program to promote public art opportunities on private assets **\$20K**
- 11n. Town centre shop front upgrade program **\$20K**
12. Event assistance Beachport Crayfish by the Sea Festival **\$3K**
13. Purchase new adaptive technology at the Millicent Public Library **\$5K**
14. Undertake a planning code amendment **\$30K**

ENGINEERING SERVICES

The Engineering Services Department delivers the construction & maintenance of Council's extensive infrastructure network.

Function	Operating Expenses \$000	Operating Income \$000	Capital New/Upgrade \$000	Capital Renewal \$000	Capital Income \$000	Net Total \$000
Aerodromes	\$58	-\$39	\$0	\$0	\$0	\$19
Asset Management	\$998	\$0	\$0	\$0	\$0	\$998
Bridges	\$1	\$0	\$0	\$0	\$0	\$1
Cemeteries	\$276	-\$126	\$0	\$0	\$0	\$150
Coastal Protection	\$15	\$0	\$150 1	\$0	\$0	\$165
Council Housing	\$9	-\$3	\$0	\$0	\$0	\$6
Council Offices	\$454 23	-\$2	\$3,000 2	\$20 8	\$0	\$3,472
CWMS	\$1,369	\$0	\$0	\$405 9	\$0	\$1,774
Depots	\$1,888	\$0	\$0	\$60 10	\$0	\$1,9480
Engineering Services	\$1,179	\$0	\$0	\$0	\$0	\$1,179
Environment	\$50	\$0	\$0	\$0	\$0	\$50
Footpaths	\$664	\$0	\$177 3	\$174 11	\$0	\$1,015
Halls	\$471 24	-\$9	\$25 4	\$103 12	\$0	\$590
Indirect Cost Recovery	-\$4,245	\$0	\$0	\$0	\$0	-\$4,245
Kerbing	\$552	\$0	\$0	\$220 13	\$0	\$772
Marine Facilities	\$136 25	-\$24	\$0	\$0	\$0	\$112
Parks & Gardens	\$2,168 26	\$0	\$11 5	\$105 14	\$0	\$2,284
Plant	\$2,719	-\$75	\$0	\$1,590 15	\$0	\$4,234
Private Works	\$0	\$0	\$0	\$0	\$0	\$0
Public Conveniences	\$286 27	\$0	\$0	\$0	\$0	\$286
Quarries	\$358	\$0	\$0	\$0	\$0	\$358
Road Traffic School	\$10	-\$1	\$0	\$0	\$0	\$9
Saleyards	\$164	-\$16	\$0	\$50 16	\$0	\$198
Sealed Roads	\$2,631 28	-\$1,490	\$522 6	\$865 17	\$0	\$2,528
Sporting Facilities	\$179	-\$4	\$0	\$0	\$0	\$175
Storm Water	\$332	\$0	\$330 7	\$202 18	\$0	\$864
Street Lighting	\$219	\$0	\$0	\$0	\$0	\$219
Streetscaping	\$0	\$0	\$0	\$20 19	\$0	\$20
Street Sweeping	\$134	-\$8	\$0	\$0	\$0	\$126
Swimming Pools	\$632 29	-\$4	\$0	\$600 20	\$0	\$1,228
Unsealed Roads	\$3,040	\$0	\$0	\$1,331 21	\$0	\$4,371
Waste Management	\$2,960	-\$4	\$0	\$61 22	\$0	\$3,017
TOTAL	\$19,707	-\$1,805	\$4,215	\$5,806	\$0	\$27,293

CAPITAL PROJECTS

1. Prepare a detailed design for the realignment of Scenic Drive around the Pool of Siloam **\$150K**
2. Staged construction of the new Council Service Centre Office **\$3.0M**
- 3a & 11 Annual footpath renewal and upgrade program **\$196K**
(Church Street - Penola \$100K, Arthur Street - Penola \$30K, Ridge Terrace - Millicent \$25K, Fifth Street - Millicent \$8K, Adelaide Road - Millicent - \$15K, Mount Gambier Road - Millicent \$18K)
- 3b. Installation of Signage for the Coonawarra Rail Trail **\$80K**
- 3c. Construction & installation of lighting on the Millicent Road, Beachport Footpath **\$45K**
- 3d. Design works for the construction of a footpath on Cape Buffon Drive, Southend **\$30K**
4. Upgrade of the sound system in the Millicent Civic & Arts Centre **\$25K**
5. Supply & fit new seat, table at bins at children's playground North Terrace, Tantanoola **\$11K**
- 6a. Sealing of Beachport Recreation Centre carpark **\$165K**
- 6b. Completion of the upgrade seal on Kennedy Road, Glencoe **\$357K**
- 7a. Stage 1 upgrade stormwater drainage Queen Street, Penola **\$300K**
- 7b & 18 Increase stormwater retention basin size at Nangwarry **\$30K**
8. Renewal works Beachport Visitor Information Centre (VIC) **\$20K**
- 9a. Replacement of sprinklers at wastewater treatment facility, Beachport **\$20K**, Penola **\$80K**
- 9b. Renewal works CWMS pump stations Penola **\$170K**, Kalangadoo **\$90K**, Beachport **\$45K**
10. Millicent depot front fence installation and landscaping **\$60K**
- 12a. Replacement of sections of roof & walls at the Beachport Recreation Centre **\$60K**
- 12b. Building renewal works at the Beachport Cinema repair wall and paint **\$9K**
- 12c. Building renewal works at the Beachport Medical Centre repair roof and awnings **\$14K**
- 12d. Replacement of foldup table furniture at the Millicent Civic & Arts Centre **\$20K**
13. Annual kerb renewal program based on 10 year renewal program **\$220K**
(Lanky Street - Beachport \$30K, Railway Terrace - Beachport \$48K, Fourth Street - Millicent \$15K, Millhouse Street - Millicent \$20K, Seventh Street - Millicent \$17K, Mount Gambier Road - Millicent \$45K, Bonshor Street - Millicent \$7K, Church Street - Penola \$8K, Riddoch Street - Penola \$30K)
- 14a. Replacement rubberised softfall at the Millicent Domain playground **\$90K**
- 14b. Replacement of BBQ and renewal of shelter at Mt Burr **\$15K**
- 15a. Annual replacement of Council vehicles & replacement of major plant **\$1.55M**
(Flocon - Isuzu (SB59KS)- \$350K Trade-in of \$70K, Caterpillar Backhoe Loader (S56SUW)- \$200K Trade-in of \$45K, Caterpillar Grader 12M (S35SYL) - \$450K Trade-in of \$130K, Caterpillar self-propelled vibrating roller (NVP-092)- \$200K Trade-in of \$40K, Hino tip truck (SB35BI) - \$150K Trade-in of \$30K, Toyota Rav 4 GXL (S160CCZ)- \$45K Trade-in of \$15K, Toyota Hilux dual cab (S926BYJ)- \$45K Trade-in of \$20K, Ford Ranger crewcab 4wd- \$45K Trade-in of \$20K, Ford Ranger (includes lifting device) (S744BOS)- \$65K Trade-in of \$15K)
- 15b. Replacement of Council's minor plant **\$40K**
16. Saleyards minor capital emergency replacements **\$50K**

17. Capital renewals - Reseals based on 10 year asset renewal list **\$865K**

(Aberle Street- Millicent \$7K, Beachport-Penola Road - Thornlea \$192K, Bonshor Street - Millicent \$26K, Burrungle Road- Burrungle \$75K, Cameron Road- Furner \$84K, Canunda Frontage Road- Millicent \$7K, Carthew Street - Beachport - \$9K, Edwards Street - Glencoe \$10K, Glencoe Road- Glencoe \$59K, Glens Lane- Tantanoola \$16K, Guerin Lane- Glencoe \$21K, Henty Street - Beachport \$7K, Herbert Street- Beachport \$10K, Kongorong-Tantanoola Road- Tantanoola \$30K, Lossie Road- Millicent \$107k, McCourt Street- Beachport \$25K, North-West Terrace Beachport \$7K, Plunkett Terrace- Millicent \$26K, Smelt Road- Glencoe \$9K, Somerville Street- Beachport \$10K, South Terrace- Tantanoola \$6K, Tenth Street- Millicent \$32K, Varcoe Street- Beachport \$8K, Walker Street- Millicent \$11K, Willowbank Road- Millicent \$29K, Wylie Road- Millicent \$43K)

18a. Renewal of stormwater pump and weir Centennial Park, Beachport **\$165K**18b. Annual Stormwater Drainage renewal program based on 10 year renewal list **\$37K**

(Culvert replacements on various unsealed roads \$37K)

19. Review current street lighting network priority black spot areas for infill and/or expansion **\$20K**20. Repair concrete shell Millicent Swimming Lake **\$600K**21. Annual resheet program based on 10 year renewal program **\$1.331M**

(Agars Road- Glencoe \$12K, Catalpa-Redhill Road- Furner \$102K, Dow Road- Glencoe \$44K, Elgin Lane- Thornlea \$77K, Graney's Lane- Tri Hi \$95K, Koorine Road- Kalangadoo \$82K, Majors Road- Millicent \$103K, Manga Road- Wattle Range \$119K, Mount Hope Road- Thornlea \$26K, Mules Lane- Tri Hi \$37K, Mullins Lane- Millicent \$19K, Old Medhurst Road- Wepar \$67K, Peach Tree Road- Thornlea \$19K, Pinchgut Road- Millicent \$53K, Poonada Road- Tantanoola \$61K, Rabbits Road- Glenroy \$47K, Smith Road - Maaoupe \$155K, Sunnymede Road- Mount McIntyre \$105K, V & A Lane- Maaoupe \$41K)

22. Renewal works at the Penola Resource Recovery Centre **\$61K**

OPERATIONAL PROJECTS

- 23a Interior design plan Beachport Visitor Information Centre (VIC) **\$10K**
- 23b Architectural & interior design plan of the Penola VIC **\$70K**
- 24. Replacement program to upgrade power meters to smart meters **\$20K**
- 25. Continuation of the dredging program at the Beachport Boatramp **\$100K**
- 26a Maintenance of the Millicent Town Drain **\$13K**
- 26b Landscaping South Terrace, Penola **\$10K**
- 27. Installation of lighting at the Beachport Boatramp Toilets **\$6K**
- 28a Undertake revaluations and condition assessments Roads, Kerbs & Footpath Assets **\$115K**
- 28b Survey & design for the renewal of infrastructure on Petticoat Lane, Penola **\$20K**
- 29. Development of a swimming facilities strategic plan **\$10K**



HOW WILL COUNCIL FUND THIS PLAN

The 2023/24 Annual Business Plan has been prepared on the basis of maintaining a sustainable level of both statutory and discretionary services to the community, whilst pursuing the Strategic Directions in Council's Strategic Plan.

One of the key strategies in the Council's Strategic Plan is to govern in a responsible and responsive way. Council strives to attain this through financial accountability and ensuring that the Council is financially sustainable into the future. Council's long term financial plan provides a pivotal role in providing guidance to ensure that on average, Council should operate with an annual operating surplus over the life of the plan, whilst at the same time ensuring that Capital Expenditure on the replacement and renewal of existing assets is at least equivalent to the annual depreciation of those assets.

In delivering the services and projects detailed in this Annual Business Plan, Council plans to operate a deficit of \$2.263 Million (before Capital Amounts). In addition to the operational budget expenditure of \$33.93 Million, included within the 2023/24 Annual Business Plan is a capital expenditure budget of \$10.77 Million (\$6.42 Million on replacing and renewing existing assets and \$4.35 Million for new and upgraded assets).

In funding the deficit and forecasted capital budget, it should be noted that Council has over the past seven (7) years reduced debt to debt free levels which has given Council financial capacity to fund Councils operating and capital budget programs. Whilst it is expected that Council's Net Financial Liabilities Ratio will return to a positive 31%, Council has the financial capacity to fund both the forecasted deficit and extensive capital expenditure program for 2023/24 without impacting the long-term financial sustainability of Council.

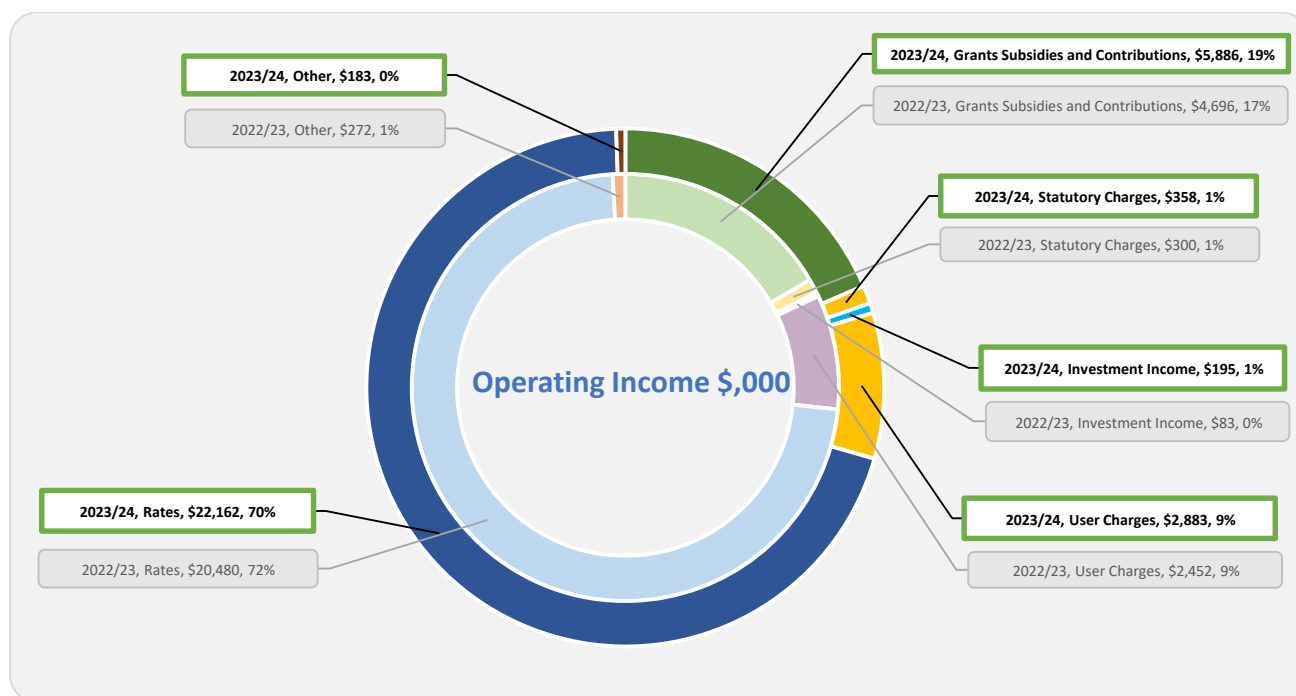
For further details of the Budgeted Annual Financial Statements refer to Appendix 1.

OPERATING INCOME

Council has budgeted to receive Operating Income of \$31.667 Million in 2023/24 which is an increase of \$3.38 Million compared to 2022/23.

The Operational Income for any given year is derived from a number of different sources including Rates and Charges, Statutory and User Charges, Grants, Subsidies and Contributions, Investment Income and Other Income. Appendix 4 details the full listing of fees and charges and increases for 2023/24.

The following graph details the split in funds between the incomes.



RATES & CHARGES

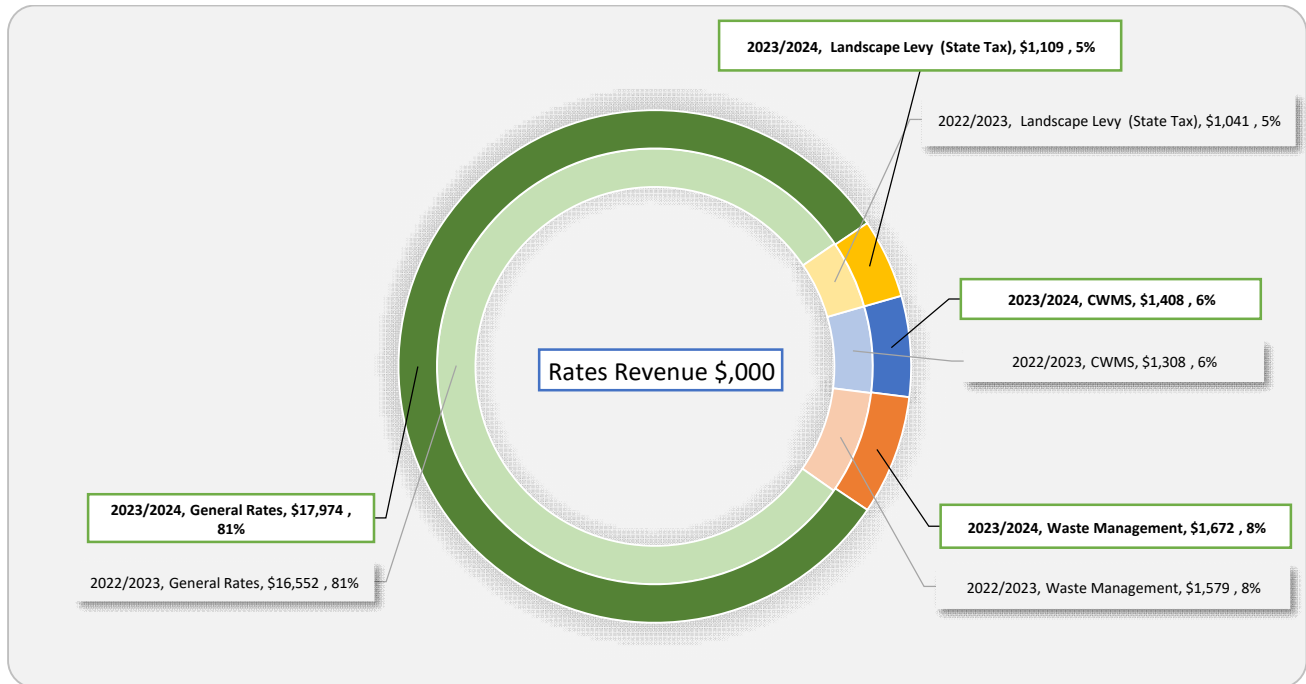
Council is proposing to raise \$22.16 Million in total rates and charges for 2023/24, of which \$17.97 Million is to be raised from general rates. The change is 7.9% plus growth of 0.59%.

The following factors were considered as part of this decision:

- The forecast high property valuation increases anticipated for primary production assessments,
- Consumer Price Index of 7.9% (March 2023) & Local Government Price Index 6.4% (March 2023) on relevant goods and services for the previous year,
- Increase in costs for electricity, insurance, fuel and waste management that exceed the current CPI increase,
- The 0.5% increase in superannuation guarantee payments,
- Enterprise bargaining agreements with wage and salary estimated increases are matched to the State Wage Case for ASU & AWU employees.
- Increased spending on asset renewal and asset & infrastructure upgrades.

Also forming part of this income stream is service charges levied for Community Wastewater Management Schemes (CWMS) and Waste Collection Service Charge. For 2023/24 the CWMS charges are set to increase by CPI, and the Waste Collection Service Charge will increase by 5.4% in 2023/24. Council also administers a separate rate known as the Limestone Coast Landscape Board (LCLB) Levy (State Tax). This levy is raised on behalf of the State Government for the purposes of funding management of environmental projects across the Limestone Coast region. For the 2023/24 rating year, the LCLB has declared that the Levy will increase by 8.6% but Council's overall contribution increases by \$68K or 6.5% in the amount collected.

The following graph details the revenues received from the different rate funding streams and highlights no significant change in the proportions of rates raised for 2023/24 comparative to 2022/23.



NB: General Rates totals include mandatory rebates of \$0.195 Million (23/24) and \$0.180 Million (22/23).

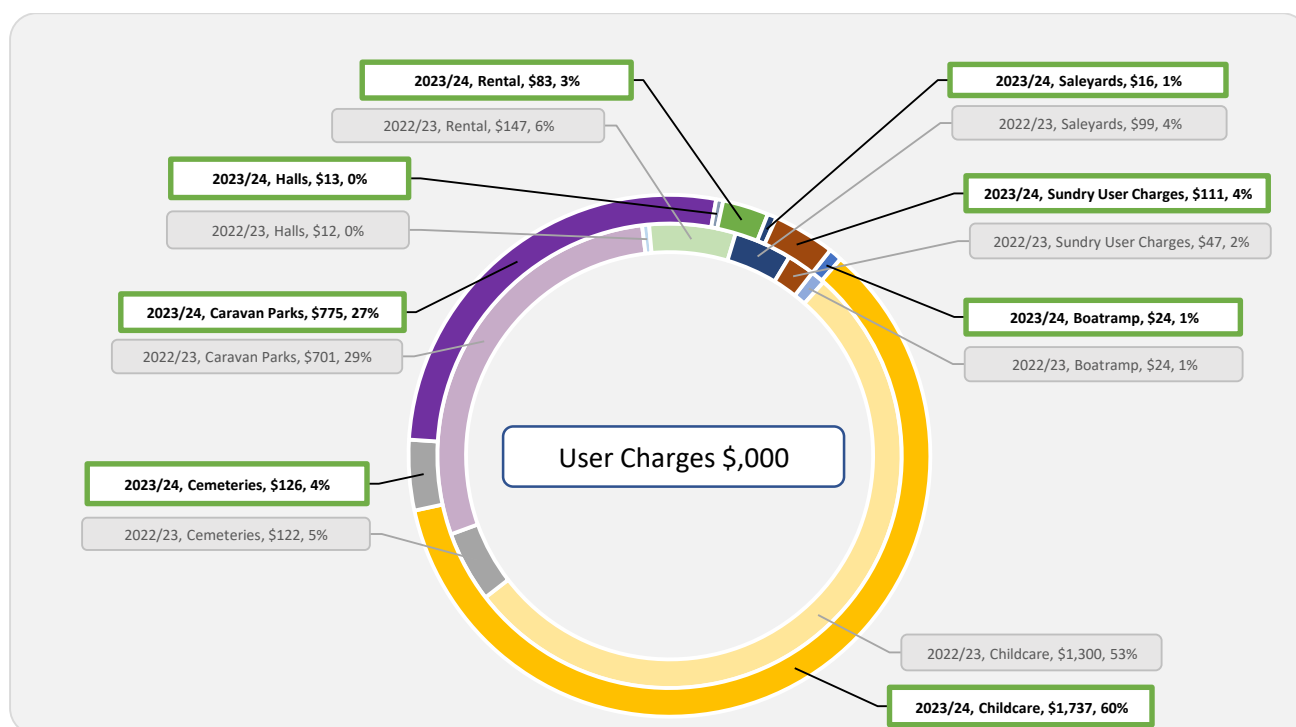
Details pertaining to Government and Council Rate Concessions, Discretionary and Mandatory Rebates, provisions for assisting cases of hardship in the payment of rates and Council's rights to sell land for the non-payment of rates can be found in Appendix 3 of this Annual Business Plan.

STATUTORY CHARGES

These charges consist of income derived from dog registration fees and fines, development and building fees, regulatory fees and fines. Council is expected to generate \$0.358 Million from this income stream in 2023/24. A majority of these fees and charges are set and/or approved by the State Government through legislation and Council has limited control over increases.

USER CHARGES

Income generated from fees and charges for Council's caravan parks, cemeteries, childcare centre, various leasing and licensing arrangements and saleyards is budgeted here. In 2023/24 Council is expected to generate \$2.883 Million from this income stream as follows:



The following factors were considered when setting user fees and charges for 2023/24:

- Competitor's pricing
- CPI / LGPI indexation
- Loss of business and use of facilities
- Operating and capital costs of Council facilities
- Cost Recovery versus Community Service
- Contractual agreements / arrangements
- Affordability and capacity to pay
- Minimising increases due to current economic circumstances

GRANTS SUBSIDIES & CONTRIBUTIONS

Council receives operating grants and subsidies for the following major areas:

- Financial Assistance (General and Roads component)
- Special Local Roads Program
- Coastal Protection Board
- Roads to Recovery
- Libraries
- Local Roads Community Infrastructure

Council has budgeted to receive \$5.886 Million in grants subsidies and contributions in 2023/24. This is an increase of \$1.19 Million compared to 2022/23. A key factor for the increase is attributed to additional grant income from the Local Roads and Community Infrastructure Program and Supplementary Local Roads funding.

INVESTMENT INCOME

Council's interest income from investment is expected to be \$0.195 Million for the 2023/24 year. The increase from the previous financial year is due largely to the increases in interest rates over the past year. Council's Treasury Management Policy details that the use of excess cash funds will be prioritised to pay down debt when available. Currently, Council's debt profile is geared towards borrowings on a fixed

interest basis. Although through the course of 2023/24 Council will draw down on variable loans to fund capital projects and will utilise excess funds to offset interest paid.

OTHER

Other income consists of income generated from reimbursement of legal fees, rebates and distributions from Council's Insurance schemes and other sundry income from Council activities.

For 2023/24 it is anticipated that this will amount to \$0.183 Million.

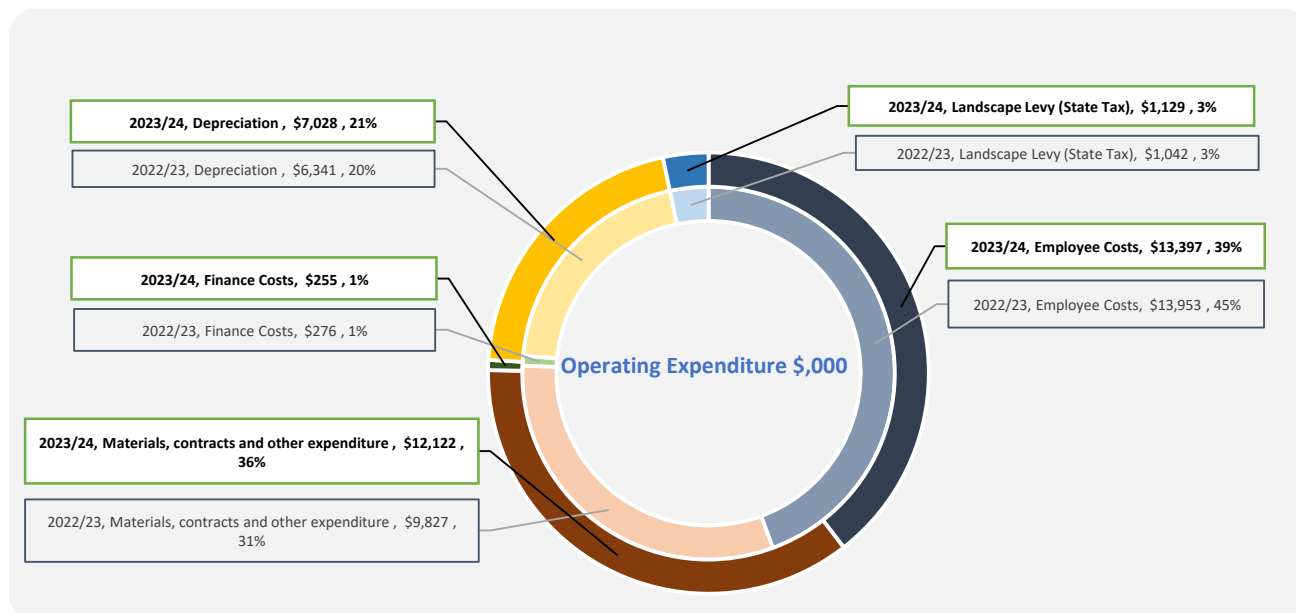
LOAN BORROWINGS

Total borrowings for 2023/24 is expected to increase throughout the year. If all capital works are completed a total of \$4 Million in borrowings will be required to fund increased capital expenditure particularly on new assets such as the Council Service Centre Office and Penola Queen Steet Stormwater.

In previous years Council has recorded a negative net debt position, which gave Council significant borrowing capacity to absorb future increased capital expenditure. Whilst it is expected that new borrowings will be required in the latter half of 2023/24, Council will continue to repay existing debt with loan repayments of \$0.355 Million expected in 2023/24.

OPERATING EXPENDITURE

In 2023/24 Council has budgeted for operating expenditure of \$33.93 Million including depreciation of \$7.02 Million. This is a 7.9% or \$2.49 Million increase in budgeted expenditure comparative to the 2022/23 original operating expenditure budget.



EMPLOYEE COSTS

This expenditure budget consists of operating costs associated with salaries and wages, superannuation, annual leave increment, long service leave liability, sick leave, public holiday pays and workers' compensation insurance.

The employee costs for 2023/24 is \$13.397 Million. This represents a \$0.556 Million decrease from 2022/23. The decrease can be attributed to a combination of the following factors:

- Decline in full time equivalent staff and
- Full year costs budgeted for all new positions filled in 2023/24.

Full Time Equivalents (FTE) Employees Per Department	2022/23 FTE	2022/23 FTE (30 June 23)	2023/24 Budget FTE
Executive	5.00	5.00	5.00
Corporate	43.77	42.20	41.80
Development	24.61	25.70	24.70
Engineering	69.49	73.20	70.70
TOTAL	142.87	146.10	142.20

Variance in FTE from 2022/23 is represented by the following:

Decline in 3.4 Full Time Equivalents (FTE's) is proposed for the 2023/24 financial year and the changes are summarised as follows:

Corporate

- Decrease in Part Time Rates Officer 0.37 FTE.

Development

- Decrease in Senior Planning Officer 1 FTE.

Engineering

- Decrease in Senior Engineer and Assets Management Officer of 2 FTE.
- Decrease in Saleyard Staff of 0.53 FTE

MATERIALS, CONTRACTS & OTHER EXPENSES

Contributing to 36% of the operational expenditure; materials, contracts and other expenses is the second largest portion of outgoings in the operational expenditure budget.

Included within this area are items such as:

- Limestone Coast Landscape Board Levy (State Tax);
- Plant and building maintenance;
- Administration costs such as printing, stationery, postage, Fringe Benefits Tax (FBT), software licensing;
- Operational overhead costs such as insurances, water, fuel and electricity;
- Contracts for service; waste management, auditor and cleaning; and
- Event contributions, community grants, sponsorship.

The budget for materials, contracts and other expenses is \$13.251 Million (inclusive of the LCLB levy of \$1.129 Million), which is an increase of \$2.38 Million compared to 2022/23.

FINANCE COSTS

Council has budgeted for a total amount of \$0.255 Million in interest repayments, which is a decrease of \$0.021 Million compared to 2022/23.

New borrowings of \$4 Million are expected to be drawn upon in 2023/24, however these borrowings are expected to be required in the latter part of 2023/24 particularly if all capital works are completed. To minimise the impact of increased interest payments, Council will utilise periods where funds received from income will be utilised to pay down debt throughout 2023/24 to minimise interest payment requirements.

DEPRECIATION

Council's budgeted Depreciation is \$7.02 Million. Depreciation has increased by \$0.687 Million from 2022/23 following the completion of an indexation revaluation on infrastructure assets including roads, kerbs, footpaths, CWMS and Stormwater assets.

Council continues to review all assets classes when revaluations are due. In the past few years, Council's data collection and revaluation methodology has improved. This information is now providing Council with more accurate data, which is informing both decision-making in respect to assets and asset management processes.

IMPACT ON COUNCIL'S FINANCIAL POSITION

Local Government in South Australia has adopted a set of Key Financial Indicators which provide both an indication of the current Financial Health (and hence Sustainability) of Council and can also demonstrate the improving (or declining) trend in Council's Financial Position over time.

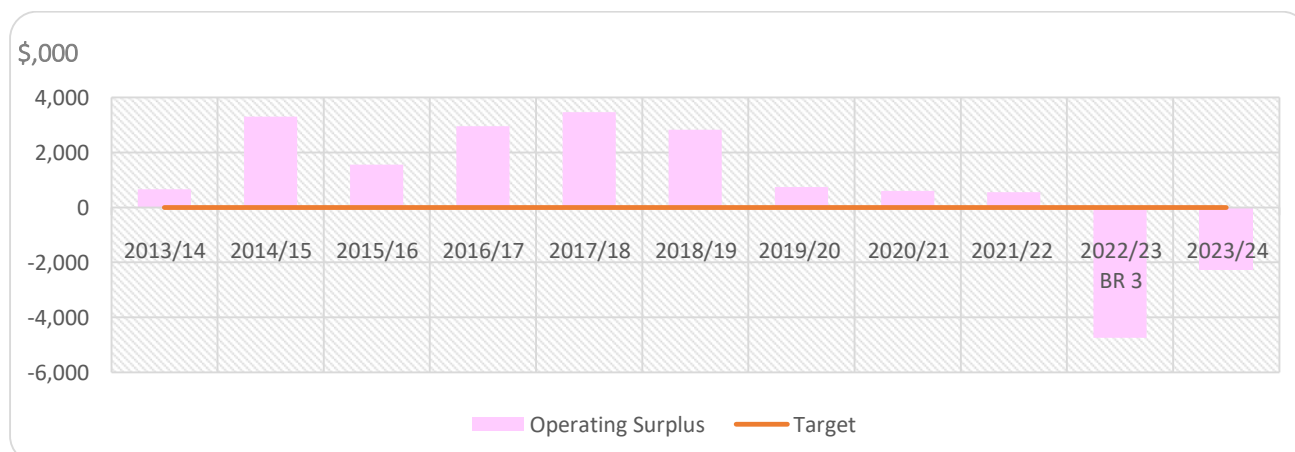
Council's current Strategic Targets as adopted by Council in its 10 Year Long Term Financial Plan for each of the Local Government Financial Indicators are:

Financial Indicator	Strategic Target
Operating Surplus (Deficit) before Capital Amounts	> \$0.00
Operating Surplus (Deficit) Ratio	> 0.00%
Net Financial Liabilities Ratio	80% - 110%
Asset Renewal Funding Ratio	< 100%

The following graphs show the Key Financial Indicator trends for Wattle Range Council over the last 10 years, in addition to the Key Financial Indicators pertaining to Council's 2023/24 Annual Business Plan.

OPERATING SURPLUS/(DEFICIT)

An operating surplus indicates the extent to which operating revenues are sufficient to meet all operating expenses including depreciation.

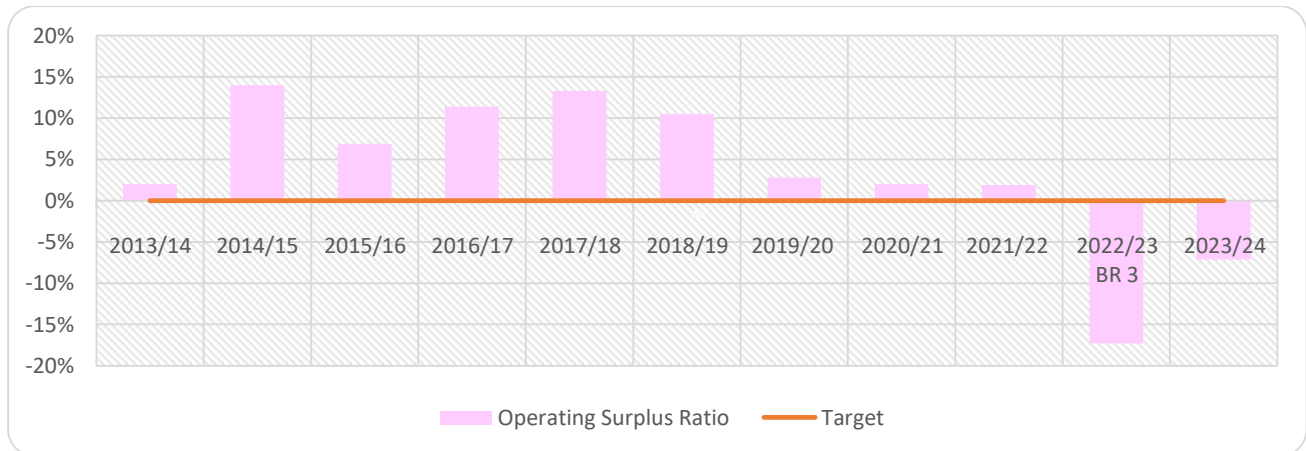


Council's 2023/24 budgeted operating deficit of \$2.263 Million is below the adjusted Long-Term Financial Plan (LTFP) target of "better than breakeven".

Maintaining operating surpluses is a key indication that Council is financially sustainable in the longer term and is generating enough funds to renew its existing assets as they are consumed. It is envisaged that whilst Council is expected to have an operating deficit in 2023/24, the previous operating surplus results recorded throughout the past 10 years have put Council in a strong financial position to absorb the impact of the operating deficit in 2023/24.

OPERATING SURPLUS/(DEFICIT) RATIO

This ratio expresses the operating surplus (deficit) as a percentage of general and other rates, net of rebates.



Council's 2023/24 budgeted operating surplus ratio is below the key LTFP target of better than breakeven. Maintaining operating surpluses is a key indication that Council is financially sustainable and is generating enough funds to renew its existing assets as they are consumed.

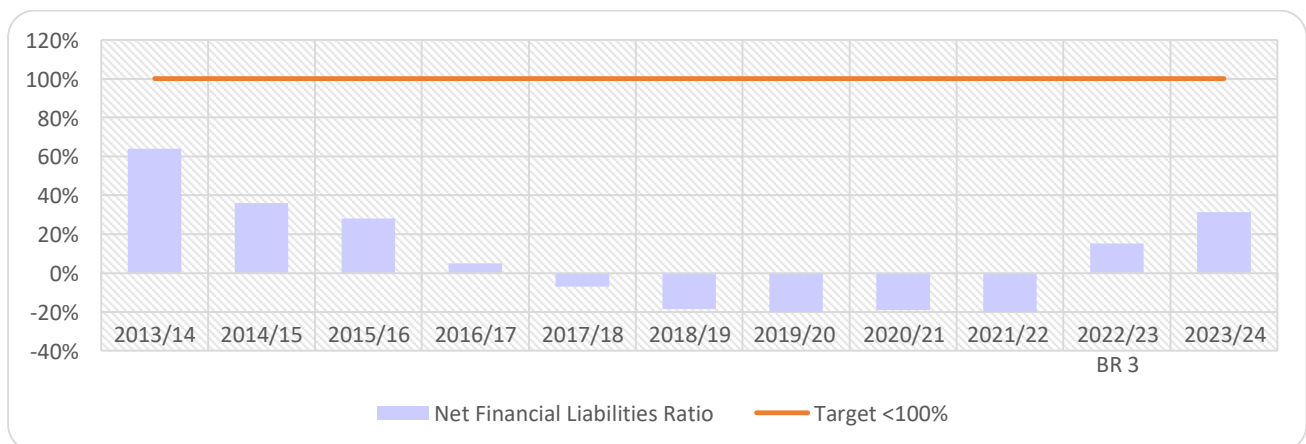
Whilst Council has forecasted an operating deficit for 2023/24, Council's previous financial performance over the past ten years has placed Council well to absorb the impact of the deficit in 2023/24 with very little detriment to its long-term financial sustainability.

NET FINANCIAL LIABILITIES RATIO

The Net Financial Liabilities ratio measures Council's total indebtedness.

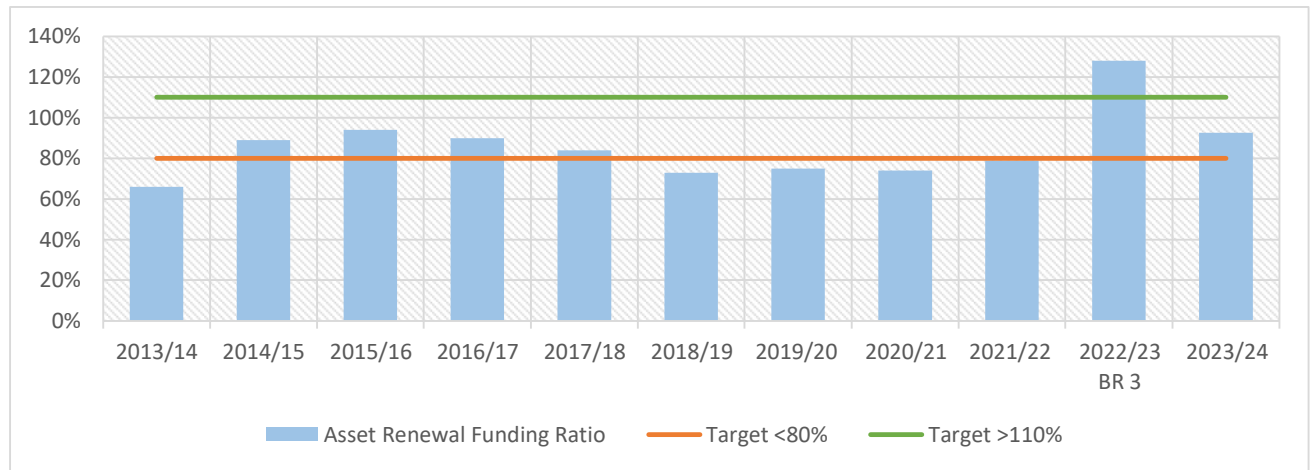
Council's 2023/24 budgeted net financial liabilities ratio is below its LTFP target of 100% and this has been the case for the last ten (10) years. Maintaining this ratio below the LTFP target indicates that Council has capacity to borrow should it need to fund upgrade and/or acquisition of assets in the future if required.

Maintaining this result below the LTFP target indicates that Council's capacity to meet its financial obligations from operating revenues is still very strong.



ASSET RENEWAL FUNDING RATIO

This ratio indicates whether the Council is renewing or replacing existing physical assets at the rate at which they are wearing out.



Council's 2023/24 budgeted asset renewal ratio is 92.64%, which is within the LTFP target range of between 80% - 110% of the budgeted future asset replacement works for a given year. With the result expected to be within the LTFP target range, it indicates that Council will renew its assets at a rate that is similar to the rate of decline of existing assets.

LONG TERM FINANCIAL PLANNING

On average, Council has continued to achieve long-term maintenance and improvement of all the Local Government Financial Indicators over the last ten (10) years with sustained operating surpluses for most years, reduced debt levels and sustained high asset renewal levels.

During the 2022/23 financial year, Council adopted its Long-Term Financial Plan 2023/33 (LTFP) to incorporate key actions and strategies from both the new Council's Strategic Plan 2023/27 and all completed asset management plans. Included within the LTFP, was a projection that the 2023/24 operating deficit would be \$4.839 Million and capital expenditure \$10.83 Million. The 2023/24 budget deviates away from this with a forecasted operating deficit of \$2.263 Million and capital expenditure of \$10.77 Million.

Key reasons for the differences occurring can be attributed to:

- In developing the Budget 2023/24 the financials were based on the end position projected in the Budget Review 3 2022/23. Comparatively the LTFP forecast 2023/24 financial position was based on the Budget Review 2 2022/23. A major variation between the two documents relates to timing issues surrounding the cessation of prepayments of Federal Assisted Grants of grant funds in 2022/23.
- Another key variation is attributed to the waste management and collection costs for 2023/24. Mount Gambier City Council has informed Council that their current landfill charges are proposed to increase from \$205 per tonne to \$275 per tonne. This represents an increase of approximately 34%. Whilst this increase will be incrementally applied to waste disposal for Wattle Range Council, these cost escalations were not foreseen at the time of production of the LTFP 2023/33.
- In 2022/23 Council completed an indexation revaluation of its infrastructure assets, which has increased the depreciation applied to these assets. The difference equates to \$0.453 Million, due to timing of when preparation of the revaluation was completed it was not included within the LTFP financial projections.
- Carryover projects in both operating and capital have been included in the 2023/24 budget. Some of these known carryover projects were included in the LTFP projections for expenditure in 2023/24 but not all due to timing issues between adoption of the LTFP and production of the 2023/24 budget.

Whilst some deviations from the LTFP have occurred, Council continues to maintain relatively lower debt levels and high capital renewals.

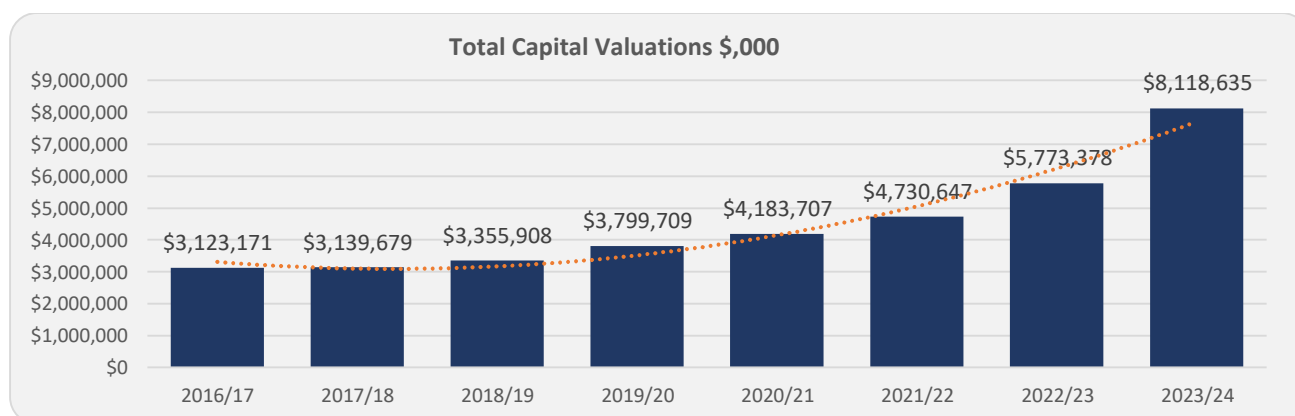
For 2023/24, Council plans to commit \$6.42 Million of its capital expenditure to the renewal of a wide range of existing community infrastructure which is consistent with Council's asset management plans that have been developed.

HOW COUNCIL WILL RAISE RATES & SERVICE CHARGES

GENERAL RATES

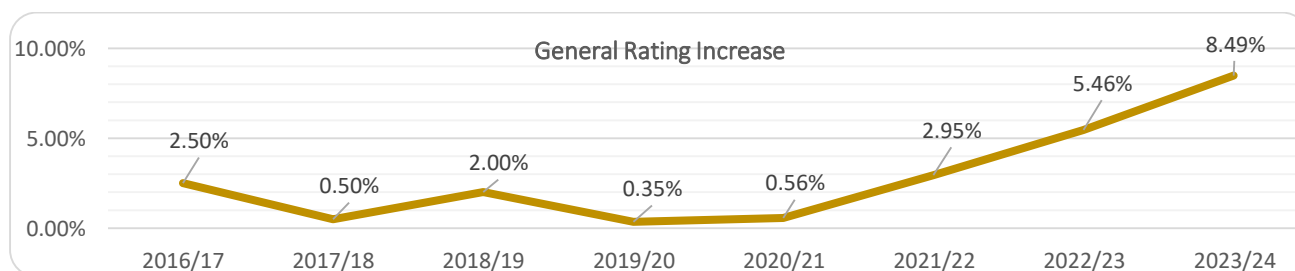
Rate revenue is an integral part of the Council's financial resource base, the value of which is determined through Council's desire, on behalf of the community, to achieve the strategies articulated in Council's Strategic Plan and Annual Business Plan. In determining the rate revenue increases, consideration is given to the current economic climate, movements in inflation and interest rates, increased legislative responsibilities and the need to manage, maintain and improve the community's infrastructure assets.

Council has adopted a Capital Valuation methodology for applying rates meaning any capital improvements added to the land, forms part of the valuation for the rateable assessment and is multiplied by the rate in the dollar to calculate general rates. The Office of the Valuer General determines the valuations for the Council district and is subject to change between now and final raising of rates. Current data supplied by the Valuer General indicates that total capital values in the Council area have increased by 40.62% from the previous year and the total capital valuation for the rate base is now \$8,118,634,520.



For 2023/24 the total rateable assessments are 9,239, of which more than half of the rateable assessments are residential and a further third of the assessments are primary production. Growth from new properties in 2023/24 is 62 which equates to a 0.59% increase in new rate revenue.

Council has over the past 7 years shown restraint when increasing rates, restricting increases to CPI or less plus growth in order to mitigate impacts of both large valuation increases and the financial effects of COVID 19. For 2023/24 Council is seeking to continue to increase rates by CPI being 7.9% plus growth of 0.59% from new rateable assessments.



In determining how the rates are to be distributed across ratepayers, in 2018 Council commissioned a thorough review of Council's rating model. The review focussed on different aspects of the current rating model and how Council could change the system to improve equity across the system.

Following the review, Council endorsed a change to the rating methodology moving from the previous locality based three (3) rate code system (Township, Rural Living and Rural) to a land-use based rating system of nine (9) rate codes (Residential, Commercial, Commercial Shop, Commercial Other, Industrial, Industrial Other, Primary Production, Vacant Land and Other Land).

The following table outlines the rating differentials percentages proposed for 2023/24 and the proposed changes comparative to 2022/23.

Rating Differential	Residential	Commercial	Industrial	Primary Production	Vacant Land	Other Land
2022/23	100%	92%	92%	67%	130%	130%
2023/24	100%	100%	100%	55%	150%	150%
% Change	0.00%	8.70%	8.70%	(17.91%)	15.38%	15.38%

Council for 2023/24 is proposing to change the rating differentials to smooth the impact of the significant valuation increases particularly for residential, primary production and vacant properties.

For 2023/24 residential properties which account for over 51% of the rateable properties are set to increase on average by 24.89% in valuations. Comparatively, Primary Production properties (inclusive of forestry) account for 35.83% of the rateable properties and are expected to have valuation increase of 46.58% on average. Whilst the valuation increases are greater for primary production properties there are more residential properties that help redistribute the rate burden annually.

In determining what the 'rate in the dollar' is to be charged in order to raise the correct amount of rates, due consideration must be given to the capital valuations of properties across the rate base. The table below outlines the percentage change in valuations per rate code.

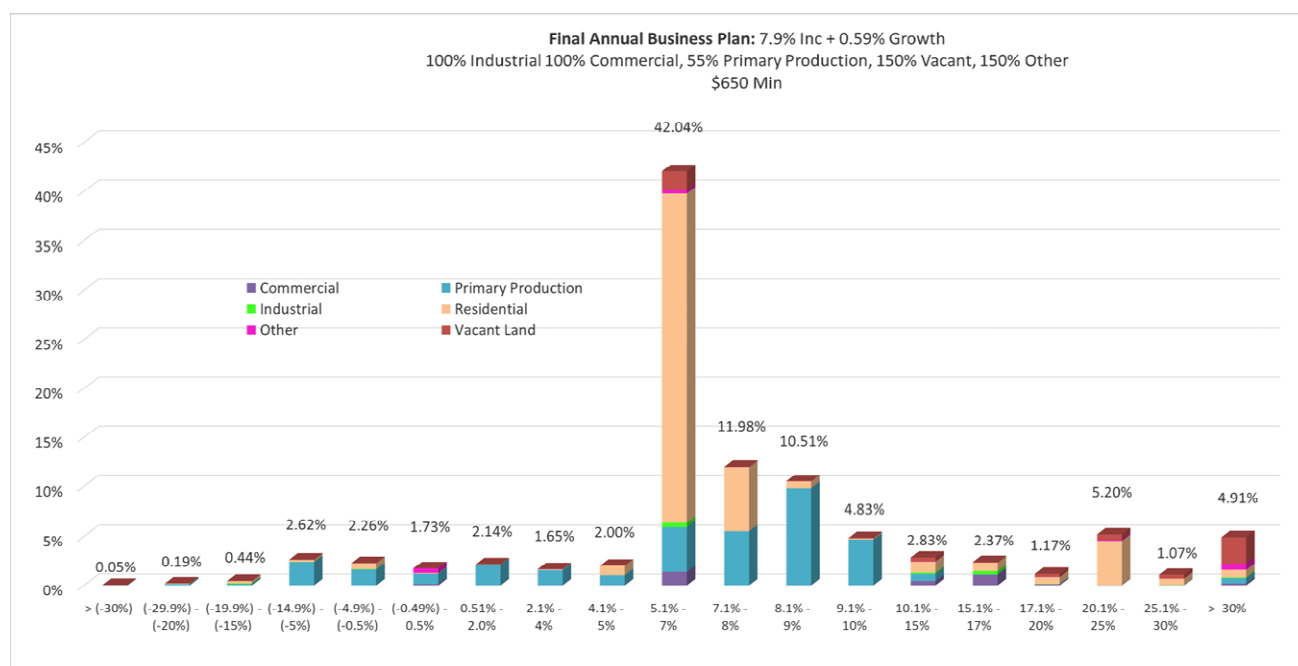
Valuation % Change	Residential	Commercial	Industrial	Primary Production	Vacant Land	Other Land	Total
2022/23	13.69%	10.44%	6.56%	25.16%	44.63%	13.02%	22.04%
2023/24	24.89%	20.33%	13.55%	46.58%	33.71%	22.05%	40.62%

Due to the increased valuations across the entire rate base the 'rate in the dollar' for each rating differential comparative to 2022/23 is set to decrease by on average 6.69%, providing some relief for a majority of ratepayers to the valuation increases.

Rates in Dollar Differential	Residential	Commercial	Industrial	Primary Production	Vacant Land	Other Land
2022/23	0.3829	0.3525	0.3525	0.2549	0.4969	0.4969
2023/24	0.3398	0.3398	0.3398	0.1858	0.5102	0.5102
% Change	(11.25%)	(3.60%)	(3.60%)	(27.11%)	2.68%	2.68%

When the 'rate in the dollar' differentials detailed above are applied to the various valuations expected in 2023/24, it was modelled that 67% of rateable assessments will receive a rating increase or decrease less than CPI being (7.9%).

The following graph highlights the individual changes anticipated per rate code when the above rating model is applied.



The average dollar changes per rateable assessment as a result of application of the above rates modelling is:

Average \$ Increase	Residential	Commercial	Industrial	Primary Production	Vacant Land	Other Land
2023/24	\$114	\$160	\$254	\$222	\$7	\$334

The decision to increase the rating differentials for Commercial, Industrial, Vacant and Other Lands was based on the following rationale. Commercial and Industrial properties had previously obtained benefit of rating differential decreases through the Covid 19 pandemic, restoration of the rating differential back to 100% from 92% was based on the pandemic emergency order ceasing. The Vacant and Other lands were both increased from 130% to 150%. The structured increases in the rating differentials in these rating codes is part of a longer term strategy to encourage the lands development for other purposes and promoting economic development within Council's district.

Due to the significant increases in valuations for primary producing lands of 46.58%, the rating differential for primary producing land was decreased from 67% to 55%. The reduction of the rating differential has partially mitigated the impact of the 46.58% increase in valuations.

Further, it was noted that forestry assessment valuations, (which form part of the overall primary production rating category) have also had a significant valuation increases similar to primary producing lands. Council has advocated for over the past 4 years for forestry valuations to increase, to close the disparity in land valuations between farming land and neighbouring forestry lands. In 2023/24 some relief has been given to primary producers through the lowering of the rate in the dollar and rating differential, but further work is required through advocacy, to correct the disparity between the per hectare valuation of forestry lands comparative to primary producers to ensure equity in rating distribution.

The above considerations provide the rationale for the modelling of the rates for 2023/24 financial year.

In addition to the rate calculations Council does provide a number of rebates / remissions to a variety of ratepayers. Mandatory rebates are mandated rebates given to specific organisations that meet the criteria under the *Local Government Act 1999*. Likewise, Council can provide Discretionary Rebates under section 166 which are annually reviewed, details of these rebates are stated below:

Rebate	Mandatory		Discretionary		Landscape Levy	
	No. of properties	Amount rebated	No. of properties	Amount rebated	No. of properties	Amount rebated
2022/23	231	\$180,479	66	\$56,218	289	\$19,243
2023/24	229	\$194,914	64	\$66,159	285	\$20,234

Further details of Council's Rating Policy, including discretionary and mandatory rebates, provisions for assisting cases of hardship in the payment of rates and Council's rights to sell land for the non-payment of rates, can be found in Appendix 3 of this Annual Business Plan.

MINIMUM RATE

Council considers it appropriate that all rateable properties make a contribution to Council's costs in providing services and amenities for the Community, including creating and maintaining the physical infrastructure that supports each property. Section 158 of the *Local Government Act 1999* provides for the application of a Minimum General Rate.

The minimum rate is levied against the whole of an allotment. Only one minimum rate is levied against two or more pieces of adjoining land (whether intercepted by a road or not) if they are owned by the same owner and occupied by the same occupier. This is described as Contiguous Land. Council may not apply the minimum rate to more than 35% of rateable assessments in the Council area.

The minimum rate will be applied to 2,098 or 22.7% of rateable assessments. For 2023/24, the minimum rate has increased from \$610 in 2022/23 to \$650 in 2023/24.

SERVICE CHARGES

WASTE COLLECTION

Consistent with Council's long-term strategy to reduce the volume of waste going into landfill and reducing the overall environmental impact of waste collection and disposal services, Council provides 2-bin and 3-bin kerbside collection and recycling services in defined collection areas within the Council area.

The 2-bin service is provided to properties in residential rural living areas and commercial CBD areas, utilising a 140-litre bin for the collection and disposal of putrescible (non-recyclable) waste and a 240-litre bin for the collection and disposal of recyclable waste. The 3-bin service is provided to properties in defined township areas, utilising the same putrescible and recyclable bins as the 2-bin service, plus a 240-litre bin for the collection and disposal of green organic (garden) waste.

In 2023/24, the Annual Waste Collection Service Charge for both the 3-bin service and 2-bin services will increase by 5.4%. This increase is less than CPI, however there are some underlying cost escalations surrounding both the waste collection and waste disposal costs that will create future cost pressures. Council have been advised by the City of Mount Gambier who are the owners of the Caroline landfill site that the gate price for disposal of waste will increase by 34% to offset costs of construction of a new waste management cell at the facility.

To partly offset these cost escalations, Council will continue to offer a Discretionary Pensioner Concession Rebate to eligible ratepayers of \$120 for those eligible pensioners who have a 3-bin service and a \$90 fixed discretionary pensioner concession for eligible pensioners who have a 2-bin service. The following table details the Waste Collection Service Charges for 2023/24.

Waste Collection Service Charge	Charge per unit	
	2022/23	2023/24
3 Bin	\$334	\$352
2 Bin	\$261	\$275
3 Bin (with Pensioner Concession)	\$214	\$232
2 Bin (with Pensioner Concession)	\$171	\$185

COMMUNITY WASTEWATER MANAGEMENT SYSTEMS (CWMS)

Wattle Range Council provides Community Wastewater Management Systems (CWMS) to the townships of Beachport, Penola, Southend and Kalangadoo to provide for the removal, treatment and environmentally appropriate disposal of domestic wastewater. An annual CWMS Service Charge is applied to all properties serviced by these systems to meet the establishment, refurbishment and ongoing operating costs of providing the service, under the provisions of Section 155 of the *Local Government Act 1999*.

An annual review of the Service Charge is undertaken to account for variations in the cost of goods and services used in providing the CWMS services and takes into consideration the long-term financial sustainability of the schemes on a (Whole of Life) basis. Council applies Annual CWMS Service Charges to properties based on a "Unit Charge" system in accordance with the "Code for Establishing and Applying Property Units", as referred to in Section 155 of the *Local Government Act 1999* and Regulation 9A of the Local Government Regulations.

A differential of 25% between Occupied and Vacant unit charges is applied to reflect the difference between the infrastructure construction Capital costs (incurred for both vacant & occupied properties) and operational effluent treatment & disposal costs (incurred only for occupied properties).

The Annual CWMS Service Charges for the four existing schemes for 2022/23 are proposed to increase by 7.9%, reflecting the forecast increase in Council's costs of providing the CWMS services and similar to the SA Water country sewerage charge increase. The following table details the CWMS Service Charges for 2023/24.

CWMS Schemes	Charge per unit			
	2023/22		2023/24	
	Occupied	Vacant	Occupied	Vacant
Penola	\$667	\$499	\$720	\$538
Southend	\$667	\$499	\$720	\$538
Kalangadoo	\$667	\$499	\$720	\$538
Beachport	\$757	\$568	\$817	\$613

SEPARATE RATES

LIMESTONE COAST LANDSCAPE BOARD LEVY

Council is required to pay a Regional Landscape Board Levy (a State Government Tax) each year to the Limestone Coast Landscape Board (LCLB). The purpose of the Landscape Board is to expend levy funds to manage and protect priority water, land, marine and biodiversity assets in the South East area of South Australia.

As legislated, the Wattle Range Council is required to apply the levy to all rateable properties and on a differential, based on the land use of the rating assessment. To undertake this, Council applies a separate rate against all rateable properties and in effect, Council is acting as a revenue collector for the Board. The LCLB has declared that the Levy will increase by 8.4% however Councils overall contribution has increased by \$68K or 6.5% in the amount collected.

Limestone Coast Landscapes Board Levy (Rating Code)	2022/23	2023/24
Residential, Vacant & Other	\$84.40	\$90.30
Commercial	\$122.25	\$135.25
Industrial	\$195.20	\$211.70
Primary Production	\$353.30	\$389.30

EVERY \$100 OF YOUR RATES IS SPENT ON...



\$5.22
per \$100

Tourism + Events

- Community Events Support + Management
- Tourism + Marketing
- Visitor Information Services
- Caravan Parks



\$43.89
per \$100

Assets + Infrastructure

- Asset Management
- Plant + Machinery
- Roads, Kerbs + Footpaths
- Traffic Management
- Stormwater
- Streetlighting
- CWMS
- Coastal Management



\$11.02
per \$100

Parks, Playgrounds, Pools, Sport + Recreation

- Parks + Playgrounds
- Pools & Swimming Lake
- Sport + Recreational Facilities
- Boat Ramp
- Cemeteries



\$8.37
per \$100

Waste + Recycling

- Kerbside Waste Collection
- Public Waste Bins
- Waste Initiatives



\$1.02
per \$100

Community, Health, Aged + Youth Services

- Community Support
- Youth + Aged Programs
- Social Issues
- Child Care
- Truck Wash



\$2.07
per \$100

Libraries + Community Facilities

- Libraries
- Cultural Facilities
- Public Art
- Halls
- Public Conveniences



\$5.62
per \$100

Economic Development, Regulatory Services, Environment + Planning

- Building Regulation
- Planning + Development
- Public Order + Safety
- Fire Prevention
- Dog Management
- Parking
- Environmental Health



\$22.79
per \$100

Governance, Communications + Administration

- Governance + Legal Compliance
- Administration + Customer Service
- Financial Management
- Information Management
- Communications (Internal + External)

APPENDIX 1 | BUDGETED FINANCIAL STATEMENTS 2023/2024



STATEMENT OF COMPREHENSIVE INCOME

BUDGET REVIEW 3
2022/23

\$,000

BUDGET 2023/24

\$,000

INCOME		
20,471	Rates	22,162
361	Statutory Charges	358
3,003	User Charges	2,883
2,909	Grants Subsidies and Contributions	5,886
323	Investment Income	195
301	Other	183
27,367	Total Revenues	31,667

EXPENSES		
12,942	Employee Costs	13,397
11,898	Materials, Contracts & Other Expenses	13,250
278	Finance Costs	255
6,990	Depreciation, Amortisation & Impairment	7,028
32,107	Total Expenses	33,930

OPERATING SURPLUS/(DEFICIT)		
(4,740)		(2,263)
18	Net Gain (Loss) on Disposal or Revaluation of Assets	156
45	Amounts Specifically for New or Upgraded Assets	-
	Other Comprehensive Income	
-	Changes in Revaluation Surplus - Infrastructure, Property, Plant & Equipment	-
(4,677)	Total Comprehensive Income	(2,107)

CASH FLOW STATEMENT

BUDGET REVIEW 3
2022/23

\$,000

INFLOWS
(OUTFLOWS)

BUDGET 2023/24

\$,000

INFLOWS
(OUTFLOWS)

CASHFLOWS FROM OPERATING ACTIVITIES		
	Receipts	
27,044	Operating Receipts	31,472
323	Investment Receipts	195
	Payments	
(24,840)	Operating Payments to Suppliers & Employees	(26,647)
(278)	Finance Payments	(255)
2,250	Net Cash provided by (or used in) Operating Activities	4,765

CASHFLOWS FROM INVESTING ACTIVITIES		
	Receipts	
45	Grants specifically for New or Upgraded Assets	-
277	Sale of Assets	385
7	Repayment of Loans by Community Groups	7
	Payments	
(12,384)	Capital Expenditure	(10,773)
(12,055)	Net Cash provided by (or used in) Operating Activities	(10,381)

CASHFLOWS FROM INVESTING ACTIVITIES		
	Receipts	
-	Proceeds from Borrowings	4,000
	Payments	
(411)	Repayment of Borrowings	(355)
(411)	Net Cash used in Financing Activities	3,645

(10,216)	Net Increase (Decrease) in Cash Held	(1,971)
12,839	Cash at Beginning of Year	2,623
2,623	Cash at End of Year	651

BALANCE SHEET

BUDGET REVIEW 3
2022/23
\$,000

BUDGET 2023/24
\$,000

ASSETS		
CURRENT ASSETS		
2,623	Cash & Cash Equivalents	651
1,200	Trade & Other Receivables	1,250
400	Inventories	430
4,223	Total Current Assets	2,331

NON-CURRENT ASSETS		
117	Financial Assets	110
247,441	Infrastructure, Property, Plant & Equipment	251,067
247,558	Total Non-Current Assets	251,177

251,781	TOTAL ASSETS	253,508
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LIABILITIES		
CURRENT LIABILITIES		
2,700	Trade & Other Payables	2,750
355	Borrowings	378
2,000	Short-term Provisions	2,200
5,055	Total Current Liabilities	5,328

NON-CURRENT LIABILITIES		
2,773	Long-term Borrowings	6,394
355	Long-term Provisions	240
3,073	Total Non-Current Liabilities	6,634

8,128	TOTAL LIABILITIES	11,962
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243,653	NET ASSETS	241,546
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EQUITY		
64,517	Accumulated Surplus	62,380
176,280	Asset Revaluation	176,280
2,855	Other Reserves	2,885
243,653	TOTAL EQUITY	241,546

STATEMENT OF CHANGES IN EQUITY

BUDGET REVIEW 3
2022/23

\$,000

BUDGET 2023/24

\$,000

ACCUMULATED SURPLUS		
69,333	Balance at end of previous reporting period	64,517
(4,677)	Net result for year	(2,107)
2,830	Transfer from Reserves	3,182
(2,969)	Transfer to Reserves	(3,212)
64,517	Balance at End of Period	62,380

ASSET REVALUATION RESERVE		
173,496	Balance at end of previous reporting period	176,280
2,784	Gain on revaluation of Infrastructure, Property, Plant & Equipment	-
-	Transfer to Accumulated Surplus on sale of Infrastructure, Property, Plant & Equipment Revaluations	-
176,280	Balance at End of Period	176,280

SPECIFIC FUND RESERVE		
2,474	Balance at end of previous reporting period	2,613
2,969	Transfer to Reserve from Accumulated Surplus	3,212
(2,830)	Transfer from Reserve from Accumulated Surplus	(3,182)
2,613	Balance at End of Period	2,643

OTHER RESERVES		
242	Balance at end of previous reporting period	242
-	Transfer to Reserve from Accumulated Surplus	-
-	Transfer from Reserve from Accumulated Surplus	-
242	Balance at End of Period	242

243,653	TOTAL EQUITY AT END OF REPORTING PERIOD	241,546
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UNIFORM PRESENTATION OF FINANCES

BUDGET REVIEW 3
2022/23
\$,000

BUDGET 2023/24
\$,000

27,367	Operating Revenues	31,667
(32,107)	<i>Less Operating Expenses</i>	(33,930)
(4,740)	Operating Surplus/(Deficit)	(2,263)

LESS NET OUTLAYS IN EXISTING ASSETS

6,628	Capital expenditure on renewal & replacement of existing assets	6,425
(6,990)	<i>Less depreciation, amortisation and impairment</i>	(7,028)
(277)	<i>Less proceeds from sale of replaced assets</i>	(385)
(639)		(988)

LESS NET OUTLAYS ON NEW AND UPGRADED ASSETS

5,756	Capital expenditure on new and upgraded assets	4,349
(45)	<i>Less amounts received specifically for new and upgraded assets</i>	-
-	<i>Less proceeds from sale of surplus assets</i>	-
5,711		4,349

(9,812)	NET LENDING/(BORROWING) FOR FINANCIAL YEAR	(5,623)
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FINANCIAL INDICATORS

BUDGET REVIEW 3
2022/23
\$,000

BUDGET 2023/24
\$,000

OPERATING SURPLUS		
(4,740)	Being the Operating Surplus/(Deficit) before Capital Amounts	(2,263)
-17.3%	OPERATING SURPLUS RATIO	-7.1%
	$\frac{\text{OPERATING SURPLUS}}{\text{Rates - General \& Other (less Landscape Levy)}}$ <p><i>This ratio expresses the Operating Surplus as a percentage of general and other rates, net of Landscape Levy</i></p>	
NET FINANCIAL LIABILITIES		
\$4,188	Net Financial Liabilities are defined as Total Liabilities less Financial Assets (excluding equity accounted investments in Council Businesses)	\$9,951
15.3%	NET FINANCIAL LIABILITIES RATIO	31.4%
	$\frac{\text{NET FINANCIAL LIABILITIES}}{\text{Total Operating Revenue (less Landscape Levy)}}$	
128.0%	ASSET RENEWAL FUNDING RATIO	92.6%
	<u>NET ASSET RENEWALS</u> Depreciation Expense <i>Net Asset Renewals Expenditure is defined as Net Capital Expenditure on the renewal and replacement of existing assets, and excludes new Capital Expenditure on the acquisition of additional assets</i>	

APPENDIX 2 | STRATEGIC PLAN 2023/2027





THEME ONE: Community Vibrancy & Presentation

OBJECTIVE

Generate and support community vibrancy through advocacy and maintenance of community services and enhanced public facilities.

STRATEGIES & ACTIONS

- 1.1 Maintain and enhance public space areas including parks, public places, car parking, street lighting and streetscapes to provide vibrant, attractive areas.**
 - Develop service standards and master plans for renewal and upgrade of parks and gardens.
 - Update the Community Land Register and identify opportunities to develop Crown lands.
 - Expand the existing street lighting network and retrofit existing lighting with energy efficient LED.
 - Progress the staged implementation of the Millicent and Penola streetscaping projects.
- 1.2 Through appropriate planning, develop vibrant, presentable townships throughout the Wattle Range area.**
 - Advance the development of the Community Township Plans.
 - Implement Code Amendments and other actions from the 25 Year Strategic Land Use Plan.
 - Continue the development of a scheme to incentivise the upgrade of shop facades.
 - Encourage and/or take legal steps to ensure property owners and occupants maintain the appearance of their properties so as not to cause nuisance or loss of amenity to the township or landscape.
- 1.3 Continue to provide sustainable, vibrant community facilities.**
 - Continue to evolve Council's Libraries into community information, technology and learning hubs.
 - Promote and support local arts and culture through Council's art galleries and community art projects.
 - Review, rationalise and develop a Playground Maintenance and Renewal Plan that is aligned with community needs.
 - Progress the staged renewal of the Gladys Smith Early Learning Centre Facility.
- 1.4 Advocate and where possible collaborate for the expansion of healthcare, education, transport, community and welfare services throughout the Wattle Range area.**
 - Advocate for continued funding and support for the healthcare, education, transport and welfare services for the Council area.
- 1.5 Support Community Events that are sustainable and provide longer term benefit to the Community & Visitors.**
 - Encourage community responsibility for events and support where appropriate these events through the provision of Council services.
- 1.6 Promote and support the establishment of strong, sustainable clubs and volunteer organisations throughout the Wattle Range area.**
 - Advocate for improved governance and consolidation of sporting clubs into multi-user facilities.
- 1.7 Support and advocate for improved infrastructure that enhances and creates economic and business opportunities.**
 - Advocate for the expansion of telecommunications and green energy infrastructure across the Council area.
- 1.8 Promote Wattle Range as a tourism destination through provision of appropriate tourist facilities and advocacy.**
 - Finalise and implement the Wayfinding signage strategy.
 - Develop a strategic management plan for Southern Ocean Tourist Park.
 - Evolve Council's Visitor Information Centres into community hub facilities.

1.9 Strengthen and support the retention of youth and job creation opportunities for the area.

- Continue to promote opportunities to invest in Tertiary Education and Traineeships within Council.

KEY MEASURES

- The development of service standards and plans for parks & gardens
- Hierarchy of parks and gardens developed
- Update of Community Land Register completed
- LED lights installed and black spot area for lighting identified
- Streetscaping projects commenced and completed
- Township Plans are reviewed for all townships
- Code amendments commenced and completed
- Shop façade program is implemented and reviewed for success
- Property residents assisted/encouraged in maintaining appearance of properties
- Library Services funding for technology projects continued
- Annual schedule of art and culture events compiled and funding for attracting major exhibitions supported
- Renewal plan for playgrounds developed
- Staged renewal of the Gladys Smith Early Learning Childcare Centre is continued
- Number of advocacies of healthcare, education, transport and welfare services undertaken
- Staged implementation of actions from the Disability Access & Inclusion Plan
- Number of provisions of support for community events undertaken
- Number of advocacies of cohabitation of sporting clubs
- Number of advocacies for expansion of telecommunications and green energy infrastructure
- Completion of the implementation of the wayfinding signage strategy
- Strategic plan for the Southern Ocean Tourist Park completed
- Investment in Visitor Information Centres supported
- Number of training opportunities provided



THEME TWO: Environmentally Sustainable

OBJECTIVE

Protect the natural assets and infrastructure of the region by leveraging additional environmental programs that will protect the environment for future generations.

STRATEGIES & ACTIONS

2.1 Protect Council's natural assets through proactive planning in climate adaptation and structured infrastructure replacement and enhancements.

- Develop and implement a Council specific Climate Action Plan.
- In collaboration with Government agencies, implement actions from the Rivoli Bay study including coastal revetment and renewal works on groyne infrastructure and retreat strategies from at risk coastal locations.
- Install green energy generation and storage to Council's buildings and commence transition of Council's light fleet to hybrid or electric vehicles.

2.2 Maintain strong and positive relationships with Federal and State Government departments, advocating for increased investment in coastal and environmental protection within the Council area.

- Actively participate in environmental projects and lobby State Government Agencies for additional resources and funding towards these projects.
- Lobby State Government Agencies for the construction of a groyne near the Beachport Jetty and minimisation of coastal erosion as a result of outflows from the Southend drain.
- Lobby State Government Agencies to investigate and implement improvement strategies to the flows and health of Lake George.

2.3 Minimise the financial impact of Waste Management on the Community and provide a service that meets the current and future needs of the community.

- Update Council's waste management strategy and advocate for funding to implement the Limestone Coast Infrastructure Plan.
- Design and construct a new waste transfer station at Beachport.
- Lobby the State Government to limit the financial and resourcing impacts of waste management reforms including increases to the solid waste levy.

KEY MEASURES

- Climate Adaptation Plan developed and implemented
- Implement action plan for renewal of groynes within Rivoli Bay
- Number of installations of green energy and storage infrastructure on Council buildings
- Number of Council light vehicles converted to electricity or hybrid vehicles
- Number of environmental projects participated & partnering in
- Number of advocacies with State Government for construction of a groyne near the Beachport jetty
- Number of advocacies with State Government to minimise coastal erosion effect from the Southend drain
- Number of advocacies with State Government to improve health and flows to Lake George
- Waste Management Strategy is updated
- Number of advocacies with State Government for funding to enact the Limestone Coast Infrastructure Plan
- Waste Transfer Station at Beachport is designed and constructed
- Number of advocacies with State Government to limit the financing and resource impacts of the Solid Waste Levy



THEME THREE: Infrastructure & Asset Sustainability

OBJECTIVE

Provide functional, safe, fit for purpose assets that meet the changing needs of the community.

STRATEGIES & ACTIONS

3.1 Create a sustainable stock of assets, with appropriate long term asset planning and optimal use.

- Review, update and implement Asset Management Plans for all major asset classes.
- Develop management plans for cemeteries, swimming pools / lake and airfield.
- Review and implement the operation, irrigation and monitoring plans for all Community Wastewater Management Schemes.
- Ensure that the Millicent Saleyards are maintained to a safe, compliant and sustainable standard.

3.2 Plan and provide for a safe local road network that meets the future and current needs of our community.

- Update the Regional Transport Plan.
- Review and update the Roadside Vegetation Plan.
- Review and update the rolling dust mitigation program.

3.3 Advocate for safe and trafficable network of State Roads.

- Advocate and lobby State Government for the upgrade of State owned roads.

3.4 Plan for and optimise Council's stock of building assets whilst meeting the future and current needs of community.

- Conduct a comprehensive review of ongoing maintenance and improve utilisation of the Library and Civic & Arts building.
- Review, improve, retrofit Council's halls.
- Conclude the design, procurement and construction phases of the new Council Service Centre.
- Review the current public toilet facilities and identify opportunities for expansion, improvements and rationalisation.
- Develop a masterplan for the upgrade of the Engineering Depots.
- Schedule the staged removal of asbestos from all Council buildings.

3.5 Plan for the expansion and replacement of Council's stock of footpaths, walkways and trails, to meet the future and current needs of our community.

- In conjunction with State Government agencies, explore lineal trail development within the Council area on abandoned railway lands.

KEY MEASURES

- Review of asset management plans for all major asset classes completed
- Management plans are developed for cemeteries /swimming pools & lakes /airfield
- Irrigation, operation and management plans for Community Wastewater Management Schemes developed
- Millicent Saleyards are maintained in a safe, compliant and sustainable standard
- Regional Transport Plan is updated
- Roadside Vegetation Plan is reviewed and updated
- Number of dust mitigation treatments completed on rural roads
- Number of advocacies of State Government for the upgrade of State owned roads
- Library and Civic & Arts Building review completed
- Review of Council Halls completed
- Council offices procurement and construction is completed
- Public Toilets review is completed
- Council depots upgrade masterplan is completed and actions implemented
- Staged removal of asbestos from Council buildings completed
- Number of advocacies with State Government to develop the lineal trails on abandoned railway lines



THEME FOUR: Organisational Excellence

OBJECTIVE

A great place to work where innovation and efficiency is expected and customers are our focus.

STRATEGIES & ACTIONS

4.1 Streamline operational decision-making processes through technology-based improvements.

- Develop automated reports, dashboards and workflows that informs decision making and operating efficiency.
- Conclude the transition to the Datascape Enterprise Software Solution.
- Implement emerging Information Technologies such as Internet of Things (IoT) and mobile Information Technology Solutions.

4.2 Govern in a responsible and responsive way.

- Strengthen Council's risk management framework through development and review of Council's internal controls, business continuity plan and deployment of a cloud based and mobile friendly risk management reporting system.
- Prepare for the Local Government Elections and develop the training and induction for the newly elected Council.
- Manage and update Council's policies, procedures and delegations of authority as per nominated review cycles.

4.3 Increase community input into Council decision making, through adoption of quality Community Engagement principles and practices.

- Develop, evolve and promote Council's community engagement and communication platforms.

4.4 Optimise Council operation of businesses and assets, to ensure value for money is returned to the community.

- Investigate options to transfer ownership of non-essential assets to an alternative organisation (public or private) and reinvest capital into other key infrastructure projects.

4.5 Ensure Council has the right people to succeed in delivering outcomes.


- Strengthen Council's human resources framework through the implementation of an online reporting tool that delivers performance development reviews, training registers, succession planning and online induction to staff, contractors and volunteers.

KEY MEASURES

- Automated reports and dashboards are created and operating
- Datascape Enterprise Software implementation is completed
- Internet of Things (IoT) programs and sensors are installed, and data collated to inform decisions
- Cloud based risk management system deployed
- Local Government Elections are completed and training delivered
- System of review and management of policies & procedures developed
- Website reviewed
- Community engagement software implemented
- Customer Service Charter developed
- Assets identified and options evaluated for transfer of non-essential assets
- Online performance development review system developed
- Online induction for employees, volunteers and contractors developed
- Online training register developed
- Succession plan developed

APPENDIX 3 | RATING POLICY 2023/2024 (CONCESSIONS & REBATES)



	POLICY 184	Version:	8
	Rating Policy (Concessions and Rebates)	Date Adopted:	July 2023
		Next Review Due:	July 2024

1. STATEMENT

To outline Council's approach towards Rating Concessions & Rebates within its community.

2. DEFINITIONS

There are no known definitions related to this Policy.

3. PRINCIPLES

3.1 REMISSIONS (COUNCIL CONCESSIONS)

Council provides a concession for the purposes of providing relief from the Waste Collection Service Charge to eligible full pensioners. The concession is provided to eligible pensioner concession holders, who were full pensioners prior to 13th September 2023 and have one of the following eligibility cards 1) Aged Pension, 2) Disability Pension or 3) Veteran Affairs Gold Concession Card. The Concession is only available for the principal place of residence and excludes Self-Funded Retirees.

In 2023/24, Council has declared that a concession of \$120.00 will apply for a 3 Bin Waste Collection Service and a concession of \$90.00 will apply for a 2 Bin Waste Collection Service.

To be eligible for the current financial year applications need to be submitted prior to 29 September 2023. Late applications will not be considered.

3.2 PAYMENT OF RATES

Rates are due and payable in full or in quarterly instalments, with the last day for payment of each instalment being the second Wednesday of September and first Wednesday, December, March and June of each financial year. Council provides a broad range of options for the payment of rates.

Any ratepayer who may or is likely to experience difficulty with meeting the standard rate payment arrangements should contact the Rates Officer to discuss options for alternative payment arrangements. Such enquiries are treated confidentially by Council.

3.3 LATE PAYMENT OF RATES

Section 181 of the *Local Government Act 1999* ('the Act') provides that if an instalment of rates is not paid on or before the last day for payment, the unpaid rates will be regarded as being in arrears, and a fine of 2% is payable.


Any payment that continues in arrears then accrues monthly interest on the amount in arrears, (including any fines). The rate of interest is variable according to current cash advance debenture rate as at 1 July and is prescribed in Section 181 of the Act.

The purpose of this penalty is to act as a deterrent to ratepayers who might otherwise fail to pay their rates on time, to allow Council to cover the administrative cost of following up unpaid rates and to cover any interest cost the Council may meet because it has not received the rates on time.

Council allows a further three working days after the due date for payment as a grace period. Council remits the late payment penalties allowed by the Act if payment is received within the grace period.

Council will consider requests for the remission of fines and/or penalties for late payment of rates for a limited range of circumstances, including:-

File Ref:	Classification:	Department:	Position Responsible:	Review Frequency:
7.63.1 & 7.11.3	Public	Corporate Services	Director Corporate Services	Annual
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	POLICY 184	Version:	8
	Rating Policy (Concessions and Rebates)	Date Adopted:	July 2023
		Next Review Due:	July 2024

- Delayed applications for pensioner remission for Waste Collection Service Charge
- Delayed applications for financial assistance through Families SA
- Accidents or sudden hospitalisation

Council will not consider requests for the remission of fines and/or penalties for late payment of rates under the following circumstances:-

- Loss of cheques for payment of rates in the post.
- Late receipt of payments due to postal delay.
- Late remittances for payments made by Financial Institutions on the client's behalf.
- Absenteeism from the area due to business or pleasure purposes.
- Intentional late payment as an objection for alleged non-receipt of expected services.
- Simple oversight and no other explanation given.

Council issues a letter for payment of rates when rates are more than five days overdue i.e., unpaid by the due date. Should rates continue to remain unpaid when the next instalment is due, a further letter is sent to the ratepayer.

3.4 SALE OF LAND FOR NON-PAYMENT OF RATES

Section 184(1) of the Act provides that "If an amount payable by way of rates in respect of land has been in arrears for three years or more, Council may sell the land".

In the first instance a letter will be forwarded to the ratepayer/s advising of Council's ability to recover rates by the sale of land and requesting their cooperation by arranging payment of the debt. A copy of the letter will also be forwarded to any registered mortgagee of the land for their information. If the property is already for sale, contact is to be made with the relevant real estate agent to obtain a briefing regarding the status of the property.

Where no response to the written notice has been received within 30 days, Council will proceed with the sale of land for non-payment of rates in accordance with Section 184 of the Act.

3.5 POSTPONEMENT OF RATES

3.5.1 SENIORS


Application may be made to Council for a postponement of the payment of any amount of rates in excess of \$500, for the current or a future financial year by:-

- A ratepayer who holds a current State Seniors Card issued by the State Government, (prescribed ratepayer) or the spouse of a prescribed ratepayer;
- The rates are payable on the principal place of residence;
- The land is owned by the prescribed ratepayer, or the prescribed ratepayer and his or her spouse, and no other person has an interest, as owner, in the land.

Any rates which are postponed will become due and payable:-

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

File Ref:	Classification:	Department:	Position Responsible:	Review Frequency:
7.63.1 & 7.11.3	Public	Corporate Services	Director Corporate Services	Annual
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	POLICY 184	Version:	8
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Interest will accrue on the amount postponed at the prescribed rate per month until the amount is paid.

Postponement is available as a right and can only be refused when the applicants have less than 50% equity in the property and their mortgage was registered prior to 25 January 2007.

3.5.2 HARDSHIP

Section 182 of the Act permits the Council, on the application of the ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship. Where a ratepayer is suffering hardship in paying rates, he/she is invited to contact the Council's Rates Officer on (08) 8733 0900 to discuss the matter. Council treats such inquiries confidentially.

3.5.3 RATE REBATES

It is the policy of Wattle Range Council that a rebate of rates in respect of any rateable land in the Council area will be available only when the applicant satisfies the requirements under the Act and, where appropriate, the requirements of this Policy.

3.5.3.1 INTRODUCTION

The Act sets out at Chapter 10, Division 5 (Sections 159 to 166) those provisions applicable to the Council granting a rebate of rates to persons or bodies.

The Council has decided to adopt a Policy to assist it in its decision-making functions relative to the operation of the rate rebate provisions contained in the Act.

This Policy is intended to provide guidance to the community as to the grounds upon which a person or body is, or may be, entitled to receive a rebate of rates and the matters that the Council will take into account in deciding an application for a rebate.

In accordance with the rebate provisions contained in the Act, this Policy sets out the type of use in respect of land which the Council must grant a rebate of rates and the amount that rebate must be, and those types of land use where the Council has a discretion to grant a rebate of rates.


3.5.3.2 LOCAL GOVERNMENT ACT 1999

- (a) Section 159(3) of the Act provides that the Council may grant a rebate of rates under the Act if it is satisfied that it is appropriate to do so.
- (b) The Act provides for a mandatory rebate of rates in specified cases and the amount of that mandatory rebate (see Clause (a) below).
- (c) The Act also provides that where the Council must grant a rebate of rates under the Act, and the amount of that rebate is fixed by the Act at less than 100%, the Council may increase the amount of the rebate.
- (d) The Act provides, at Section 166, for the Council to provide a discretionary rebate of rates in the cases set out in that Section.

3.5.3.3 MANDATORY REBATES

- (a) The Council must grant a rebate in the amount specified in respect of those land uses which the Act provides will be granted a rebate.
- (b) Rates on the following land will be rebated at 100%:
 - I. Health

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Land being predominantly used for service delivery or administration by a hospital or health centre.

II. Religious Purposes

Land containing a church or other building used for public worship (and any grounds), or land solely used for religious purposes;

III. Public Cemeteries

Land being used for the purposes of a public cemetery;

IV. Royal Zoological Society of SA

Land (other than land used as domestic premises) owned by, or under the care, control and management of, the Royal Zoological Society of South Australia Incorporated.

(c) Rates on the following land will be rebated at 75%:

I. Community Services

Land being predominantly used for service delivery and administration by a community services organisation. A “community services organisation” is defined in the Act as a body that –

- i. is incorporated on a not for profit basis for the benefit of the public; and
- ii. provides community services without charge or for a charge that is below the cost to the body of providing the services; and
- iii. does not restrict its services to persons who are members of the body.

It is necessary for a community services organisation to satisfy all of the above criteria to be entitled to the mandatory 75% rebate.

The Act further provides that eligibility for a rebate by a community services organisation is subject to it providing one or more of the following community services –

- iv. emergency accommodation;
- v. food or clothing for disadvantaged persons (i.e., persons who are disadvantaged by reason of poverty, illness, frailty, or mental, intellectual or physical disability);
- vi. supported accommodation (i.e., residential care facilities in receipt of Commonwealth funding or accommodation for persons with mental health, intellectual, physical or other difficulties who require support in order to live an independent life);
- vii. essential services, or employment support, for persons with mental health disabilities, or with intellectual or physical disabilities;
- viii. legal services for disadvantaged persons;
- ix. drug or alcohol rehabilitation services; or
- x. the conduct of research into, or the provision of community education about, diseases or illnesses, or the provision of palliative care to persons who suffer from diseases or illnesses.

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II. Educational Purposes

- i. Land occupied by a government school under a lease or licence and being used for educational purposes; or
 - ii. Land occupied by a non-government school registered under Part 5 of the *Education Act 1972* and being used for educational purposes; or
 - iii. Land being used by a University or University College to provide accommodation and other forms of support for students on a not for profit basis.
- (d) Where the Council is satisfied from its own records or from other sources that a person or body meets the necessary criteria for a mandatory 100% or 75% rebate, the Council will grant the rebate of its own initiative.
- Where the Council is not so satisfied it will require the person or body to apply for the rebate in accordance with Clause 3.5.3.4(a) of this Policy.
- (e) Where a person or body is entitled to a rebate of 75% the Council may, pursuant to Section 159(4) of the Act, increase the rebate up to a further 25%. The Council may grant the further 25% rebate upon application or on its own initiative. In either case, the Council will take into account those matters set out at Clauses 3.5.3.5(d) of this Policy and may take into account any or all of those matters set out at Clause 3.5.3.5 (e) of this Policy.
- (f) Where an application is made to the Council for a rebate of up to a further 25% the application will be made in accordance with Clause 3.5.3.4(a) of this Policy and the Council will provide written notice to the applicant of its determination of that application.

3.5.3.4 Discretionary Rebates


- (a) The Council may in its absolute discretion grant a rebate of rates or service charges in any of the following cases pursuant to Section 166 of the Act –
- I. where it is desirable for the purpose of securing the proper development of the area (or a part of the area);
 - II. where it is desirable for the purpose of assisting or supporting a business in its area;
 - III. where it will be conducive to the preservation of buildings or places of historic significance;
 - IV. where the land is being used for educational purposes;
 - V. where the land is being used for agricultural, horticultural or floricultural exhibitions;
 - VI. where the land is being used for a hospital or health centre;
 - VII. where the land is being used to provide facilities or services for children or young persons;
 - VIII. where the land is being used to provide accommodation for the aged or disabled;

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- IX. where the land is being used for a residential aged care facility that is approved for Commonwealth funding under the *Aged Care Act 1987* (Commonwealth) or a day therapy centre;
 - X. where the land is being used by an organisation which, in the opinion of the Council, provides a benefit or service to the local community;
 - XI. where the rebate relates to common property or land vested in a community corporation under the *Community Titles Act 1996* over which the public has a free and unrestricted right of access and enjoyment; and
 - XII. where the rebate is considered by the Council to be appropriate to provide relief against what would otherwise amount to;
 - a substantial change in rates payable due to a redistribution of the rate burden within the community arising from a change to the basis or structure of the Council's rates; or
 - a change to the basis on which the land is valued for the purpose of rating, rapid changes in valuations, or anomalies in valuations.
 - XIII. where the rebate is considered by Council to be more appropriate to provide relief in order to avoid what would otherwise constitute;
 - a liability to pay that is inconsistent with the liabilities that were anticipated by Council in its Annual Business Plan or
 - a liability that is unfair or unreasonable.
 - XIV. where the rebate is given effect to a review of a Council decision
- (b) Council may impose conditions as part of the granting of a discretionary rebate it sees fit and may grant a rebate of rates up to and including 100% of the relevant rates or service charges.
 - (c) In deciding to grant a rebate under clauses (IV), (V), (VI), (VII), (VIII), (IX), (X) above Council will take into account:
 - I. 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 Council's area; and
 - II. the community need that is being met by activities carried out on the land for which the rebate is sought; and
 - III. the extent to which activities carried out on the land for which the rebate is sought provides assistance or relief to disadvantaged persons, and
 - IV. any other matters considered relevant.
 - (d) In respect to rebates granted under (I), (II) & (XI) above, Council may grant a rebate for a period exceeding one year but not exceeding 10 years.
 - (e) In respect to rebates granted under (XII) above, Council may grant a rebate for a period exceeding one year but not exceeding 3 years.
 - (f) The Council has an absolute discretion –
 - I. to grant a rebate of rates or service charges in the above cases; and
 - II. to determine the amount of any such rebate.

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- (g) Persons who or bodies which seek a discretionary rebate will be required to submit an application form to the Council and provide to the Council such information as stipulated on the application form and any other information that the Council may reasonably require.

3.5.3.5 Applications

- (a) The Council will inform the community of the provisions for rate rebate under the Act by the inclusion of suitable details in the Annual Business Plan Summary distributed with the annual rate notice.
- (b) Persons or bodies who seek a rebate of rates (and/or service charges) either-
- I. pursuant to Section 159(4) of the Act and Clause 3.5.3.3(d) of this Policy; or
 - II. pursuant to Section 166 of the Act and Clause 3.5.3.4(a) of this Policy, unless otherwise stated, must make written application to the Council pursuant to Section 159(1) of the Act in the manner and form determined by the Council and supplying such information as the Council may reasonably require.
- (c) Application forms may be obtained from Council branch offices located at Millicent Civic Centre George Street Millicent, 27 Arthur Street Penola and Millicent Road Beachport.
- (d) The Council will take into account other matters referred to in clause 3.5.3.4(c), (iv) considered relevant by the Council including but not limited to, the following –
- I. why there is a need for financial assistance through a rebate;
 - II. the level of rebate (percentage and dollar amount) being sought and why it is appropriate;
 - III. the extent of financial assistance, if any, being provided to the applicant and/or in respect of the land by Commonwealth or State agencies;
 - IV. whether the applicant has made/intends to make applications to another Council;
 - V. whether, and if so to what extent, the applicant is or will be providing a service within the Council area;
 - VI. whether the applicant is a public-sector body, a private not for profit body or a private for profit body;
 - VII. whether there are any relevant historical considerations that may be relevant for all or any part of the current Council term;
 - VIII. the desirability of granting a rebate for more than one year in those circumstances identified in this policy;
 - IX. consideration of the full financial consequences of the rebate for the Council;
 - X. the time the application is received;
 - XI. the availability or any community grant to the person or body making the application;

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XII. whether the applicant is in receipt of a community grant; and

XIII. any other matters, and policies of the Council which the Council considers relevant.

(e) All persons or bodies who intend to apply to the Council for a rebate of rates must do so on or before 1st September. The Council reserves the right to refuse to consider applications received after that date. However, applicants that satisfy the criteria for a mandatory 100% rebate will be granted the rebate at any time.

(f) The Council may, for proper cause, determine that an entitlement to a rebate of rates under the Act no longer applies.

Where an entitlement to a rebate of rates ceases or no longer applies during the course of a financial year, the Council is entitled to recover rates, or rates at the increased level (as the case may be), proportionate to the remaining part of the financial year.

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

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

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

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

(i) The Council will, in writing, advise an applicant for a rebate of its determination of that application within 21 days of making its decision. The advice will state –

I. if the application has been granted, the amount of the rebate; or

II. if the application has not been granted, the reasons why.

3.5.3.6 Delegation


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

b) The Council has delegated its power, pursuant to Section 44 of the Act to determine applications and to grant a discretionary rebate of rates to the Chief Executive Officer.

3.5.3.7 Review

A person who or a body which is aggrieved by a determination of the Council in respect of an application for a rebate may seek a review of that decision in accordance with the Council's Internal Review of Council Decisions Policy within 21 days of the date of the notice of determination which is given pursuant to Clause 3.5.3.5(i) of this Policy.

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3.6 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.

4. REVIEW

This Policy will be reviewed annually as part of the Annual Business Plan and Budget process.

Reviews must be done in consultation with staff, the Executive Leadership Team and Elected Members. Public Consultation is also required.

5. AVAILABILITY

This Policy is available without charge on the Wattle Range Council website: www.wattlerange.sa.gov.au.

A copy of the Policy may be purchased from the Principal Council Office upon payment of a prescribed fee in accordance with Council's Schedule of Fees and Charges.

6. REFERENCES & FURTHER READING


Relevant Legislation:	<ul style="list-style-type: none"> • <i>Local Government Act 1999</i>;
Relevant Policies / Procedures / Guidelines	This Policy should be read in conjunction with:- <ul style="list-style-type: none"> • Policy 1.32 Recovery of Outstanding Debt • Policy 1.45 Hardship (for Residential Customers of Minor and Intermediate Retailers)

7. ADOPTION & AMENDMENT HISTORY

The table below sets out the adoption, review and amendment history of the policy.

Version No:	Issue Date:	Authorised by:	Description of Change:	Minutes Reference:
1	24/06/2014	Council	Adoption	Folio 5061; Item 4.1
2	09/08/2016	Council	Amended	Folio 6460; Item 13.1.1
3	29/06/2017	Council	Amended	Folio 7178; Item 5.1.1
4	28/06/2018	Council	Amended 3.1 Remissions of rates 3 Bin Concession \$140 & 2 Bin Concession \$105 3.2 Payment of Rates – change from first Thursday to first Wednesday	Folio 7669; Item 6.1.1
5	25/06/2019	Council	Reviewed and adopted with Annual Business Plan 3.1 Remissions Amended	Folio 8501; Item 7.2.1
6	11/05/2021	Council	3.3 Withdrawal of COVID-19 Changes from 2020-21 and 3.2 adjustment of payment date quarterly rates to second Wednesday of each quarter	Folio 9682; Item 6.1.2

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7	12/07/2022	Council	<p>Reviewed and adopted with Annual Business Plan</p> <p>Remission of rates dates updated</p> <p>Removal of date of application of Postponement of Rates</p> <p>Include Health 100% mandatory rebate</p> <p>Change to XII discretionary rebate reasons Inclusion of XIII & XIV</p> <p>Deletion of reference to S159(5)</p> <p>Update clauses 3.5.3.4 & 3.5.3.5</p> <p>Removal of availability of the policy inspection from Councils principal office through Business Hours.</p> <p>Update Review wording</p>	Folio 10260; Item 15.2.5
8	13/07/2023	Council	<p>Reviewed and adopted with Annual Business Plan</p> <p>Change 3.1 Remissions – dates and 3.2 payment dates</p>	Folio 10692; Item 8.2.1

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APPENDIX 4 | FEES & CHARGES SCHEDULE

FEE OR CHARGE		DESCRIPTION AND COMMENTS	GST TREATMENT	STATUTORY FEE	2023/2024
COMMUNITY SERVICES					
Hire of Buildings *Bookings under 4 hours Community Groups and Charitable Organisations Hire - 100% off the normal rate ** Bookings over 4 hours Community Groups and Charitable Organisations Hire - 75% off the normal rate **Registered Charities will be eligible for a 100% reduction on a facility hire fee	Millicent War Memorial Civic and Arts Centre / Gallery & Library		Taxable		
	Auditorium and Associated Areas				
	Bond payable for functions where alcohol is to be served				\$500.00
	Auditorium and Foyer				\$286.00
	Whole Facility (Auditorium, Function Room and Kitchen) - Unlicensed functions				\$395.00
	Whole Facility (Auditorium, Function Room and Kitchen) - Licensed functions				\$500.00
	Whole Facility (Auditorium, Function Room, Kitchen, Dressing Room) - Stage Productions				\$580.00
	Function Room				
	Function Room (excluding kitchen)				\$106.00
	Function Room (including kitchen)				\$186.00
	Extra Charges				
	Piano				\$110.00
	Hourly Hire Rehearsals/Set Up (maximum of 3 hours)				\$30.00
	Hire of Tablecloths				\$11.00
	Library and Gallery Complex		Taxable		
	Gallery Area				
	Full Day Hire				\$106.00
	Half Day Hire				\$64.00
	Meeting Room				
	Full Day Hire (excluding kitchen)				\$53.00
	Half Day Hire (excluding kitchen)				\$32.00
	Hourly Hire (up to 4 hours)				\$20.00
	History Room				
	Full Day Hire (excluding kitchen)				\$53.00
	Half Day Hire (excluding kitchen)				\$32.00
	Hourly Hire (up to 4 hours)				\$20.00
	Millicent Council Chambers				
	Full Day Hire (includes tea / coffee)				\$90.00
	Half Day Hire (includes tea / coffee)				\$65.00
	Hourly Hire (up to 4 hours)				\$20.00
	Millicent RSL Hall		Taxable		
	Bond payable for functions where alcohol is to be served				\$500.00
	Whole Facility				\$195.00
	Hall Only				\$151.00
	Hourly Hire (Hall Only) (up to 4 hours)				\$20.00
	Tantanoola Institute Hall		Taxable		
	Bond payable for functions where alcohol is to be served				\$500.00
	Whole Facility				\$150.00
	Supper Room Only				\$25.00
	Supper Room (including kitchen)				\$75.00
	Hourly Hire (Hall Only)				\$20.00

FEE OR CHARGE	DESCRIPTION AND COMMENTS	GST TREATMENT	STATUTORY FEE	2023/2024
Hire of Buildings (cont) *Bookings under 4 hours Community Groups and Charitable Organisations Hire - 100% off the normal rate ** Bookings over 4 hours Community Groups and Charitable Organisations Hire - 75% off the normal rate **Registered Charities will be eligible for a 100% reduction on a facility hire fee	Kalangadoo Hall	Taxable		
	Bond payable for functions where alcohol is to be served			\$500.00
	Whole Facility			\$150.00
	Supper Room Only			\$25.00
	Supper Room (including kitchen)			\$75.00
	Hourly Hire (Hall Only)			\$20.00
	Rendelsham Hall	Taxable		
	Bond payable for functions where alcohol is to be served			\$500.00
	Whole Facility			\$150.00
	Supper Room Only			\$25.00
	Supper Room (including kitchen)			\$75.00
	Hourly Hire (Hall Only)			\$20.00
	Rymill Hall	Taxable		
	Bond payable for functions where alcohol is to be served			\$500.00
	Whole Facility			\$195.00
	Hall Only			\$151.00
	Supper Room Only			\$111.00
	Hourly Hire (Hall Only) (up to 4 hours)			\$20.00
	Penola Visitor Information Centre	Taxable		
	History Room			
	Bond payable for functions where alcohol is to be served			\$500.00
	Full Day Hire			\$90.00
	Half Day Hire			\$65.00
	Hourly Hire (up to 4 hours)			\$20.00
	John Shaw Neilson Room			
	Bond payable for functions where alcohol is to be served			\$500.00
	Full Day Hire (includes tea / coffee)			\$90.00
	Half Day Hire (includes tea / coffee)			\$65.00
	Hourly Hire (up to 4 hours)			\$20.00
	Penola Stadium	Taxable		
	Bond payable for functions where alcohol is to be served			\$500.00
	Hourly Hire			\$20.00
	Beachport Recreation Centre	Taxable		
	Bond payable for functions where alcohol is to be served			\$500.00
	Whole Facility (Full Hire)			\$218.00
	Courts (excluding Kitchen)			\$164.00
	Kitchen Only			\$22.00
	Hourly Hire			\$20.00

FEE OR CHARGE	DESCRIPTION AND COMMENTS	GST TREATMENT	STATUTORY FEE	2023/2024
Road Traffic Centre	Amenities Building	Taxable		
	Full Day Hire			\$40.00
Key Deposit	Key Deposit	Taxable		
	Key Deposit for Council Buildings			\$35.00
Pre Function Set Up	Pre Function Set Up	GST Free		
	Hourly Hire Pre Function Set Up (maximum 3 hours)			\$30.00
Child Care	Gladys Smith Child Care Centre	GST Free		
	Permanent Full Day - Under 2's			\$123.00
	Permanent Full Day - Over 2's			\$119.00
	Permanent Half Day - Under 2's			\$62.00
	Permanent Half Day - Over 2's			\$60.00
	Casual Full Day - Under 2's			\$140.00
	Casual Full Day - Over 2's			\$137.00
	Casual Half Day - Under 2's			\$70.00
	Casual Half Day - Over 2's			\$68.00
	Late Collection Fee (Per 15 Minute intervals)			\$20.00
	Concessions available for eligible families through Centrelink			
Library fees	Millicent Library	Taxable		
	Microfilming (per page)			\$0.45
	Photocopying (per page)			\$0.30
	Printing (e.g. Internet) (per page)			\$0.30
	Material replacement charges			At Cost
	Library Bags			\$2.40
	Discarded Library materials			Ranging from \$0.20 to \$1.00
	Local History Photos	Taxable		
	A4 photocopy			\$0.30
	A4 laser printed/photo quality			\$0.50
	A4 laser printed/paper quality			\$0.30
	A5 laser printed/photo quality			\$0.50
	A5 laser printed/photo quality x 2 on A4			\$0.50
	A5 laser printed/paper quality			\$0.50
	A5 laser printed/paper quality x 2 on A4			\$0.50
	3D Printing (Community / Private / Student Use) (per 10 minute intervals)			\$1.50
	3D Printing (Business Use) (per 10 minute intervals)			\$3.00

FEE OR CHARGE		DESCRIPTION AND COMMENTS	GST TREATMENT	STATUTORY FEE	2023/2024
DEVELOPMENT SERVICES					
Notification Sign	Notification Sign - Printing & Installation (Per Set of Signs)		Taxable		\$121.00
	Notification Sign - Travel Fee		Taxable		\$92.00
Development Application	Lodgement Fees		Exempt		
Fees Under the Planning Development & Infrastructure Act*	Electronic Lodgement			S	\$193.00
	Hard Copy Lodgement (Processing Fee) - Additional			S	\$87.00
	Assessment - Planning Fee				
	Deemed to Satisfy (<\$10,000 development cost)		Taxable	S	\$138.00
	Deemed to Satisfy (>\$10,000 development cost)		Taxable	S	\$228.00
	Performance Assessed		Exempt	S	\$272 or 0.125% development cost up to a maximum of \$200,000 whichever is greater
	Impact Assessed (Restricted)		Exempt	S	0.25% of the total development up to \$300,000 whichever is greater
	Impact Assessed (Declared by the Minister)		Exempt	S	\$1,906 plus 0.25% of the total development cost up to a maximum of \$500,000
	Impact Assessed (Any other case)		Exempt	S	0.25% development cost up to a maximum of \$500,000
	Crown Development		Exempt	S	\$193 + 0.25% of the total development cost up to \$300,000
	Public Notification		Exempt	S	\$272
	Assessment - Land Division Fees		Exempt		
	Assessment (4 or less lots with no public road)			S	\$191.00
	Assessment (5 or more lots and/or a public road) - Fee to Council			S	\$191 plus \$17.40 per additional allotment
	Statement of Requirements (Regulation 76 advice) - Fee to Council			S	\$218.00
	Land Division Certificate (includes certificate, consultation report) - Fee to DPTI			S	\$1,120.00
	Assessment- Building Envelope Plan Fee			S	\$191.00 plus \$17.40 for each allotment
	Building Envelope Plan Publication			S	\$218.00

FEE OR CHARGE	DESCRIPTION AND COMMENTS	GST TREATMENT	STATUTORY FEE	2023/2024
Development Application Fees Under the Planning Development & Infrastructure Act* (cont)	Assessment - Building Fees	Taxable		
	Homebuilder Development Fees- Homebuilder Development			\$128.00
	Building Assessment - Class 1 (typically houses)		S	\$490 or 0.25% of the total development cost whichever is greater
	Building Assessment - Class 2-9 (eg Apartments, commercial, industrial buildings)		S	Up to and including \$20,000 development cost \$730.00 Greater than \$20,000 up to and including \$200,000 development cost \$730 plus 0.4% over \$20,000 Greater than \$200,000 up to and including \$1M development development cost \$1,513 plus 0.25% over \$200,000 Greater than \$1M development cost \$3,692 plus 0.15% over \$1M
	Building Assessment - Class 10 (Non-habitable structures e.g. sheds or carports)		S	\$141 or 0.25% of the total development cost whichever is greater
	Building Assessment (Demolition)		S	\$158.00
	Issue Essential Safety Provision (class 2-9 commercial)		S	\$262.00
	Change of Classification		S	\$184.00
	Referral to Commission (Concurrence)	Exempt	S	\$376.00
	Referral to Commission (Opinion)	Exempt	S	\$376.00
Development Application Fees Under the Planning Development & Infrastructure Act* (cont)	Compliance Fees			
	Certificate of Occupancy (To Council or Certifier)	Taxable	S	\$54.50
	Class 1 (e.g. houses) Inspection	Exempt	S	\$262.00
	Swimming Pool Inspection	Exempt	S	\$262.00
	Class 10 > \$10,000	Exempt	S	\$87.00
	Class 10 < \$10,000	Exempt	S	\$0.00
	Classes 2-9 Inspection (e.g. apartments, commercial buildings etc) (to Council)	Exempt	S	\$262 or 0.075% of the total development cost up to a maximum of \$2,724 whichever is greater
	Referral Agency Fees	Exempt		
	Referring Agency Fees - Standard Fee		S	\$434

FEE OR CHARGE	DESCRIPTION AND COMMENTS	GST TREATMENT	STATUTORY FEE	2023/2024
Waste Control System Fees Under the South Australian Public Health (Wastewater) Regulations 2013*	Application Fees	Exempt		
	Alteration to Waste Control System <5,000L		S	\$264.00
	Install Waste Control System to existing building <5,000L		S	\$403.00
	Install Waste Control System to new building <5,000L		S	\$542.00
	Additional fee for every 1,000L when >5,000L		S	\$27.50 / extra 1000L
	Fee for connection of new and existing allotments to Council CWMS Schemes	Exempt		\$3,500.00
	Additional Inspections		S	\$139.00
REGULATORY				
Dog Fees	Registration Fees	Exempt		
	Standard Dog - Annual Registration			\$35.00
	Standard Dog - 50% Rebate for Eligible Concession Card Holder			\$17.50
	Non Standard Dog - Annual Registration			\$70.00
	Non Standard Dog - 50% Rebate for Eligible Concession Card Holder			\$35.00
	Working Dogs (No other rebates applicable)			\$35.00
	Business Registration (Breeding/Training Kennels)			\$240.00
	Guide/Hearing/Disability Dog			No Charge
	Late Registration Penalty Fee			\$20.00
	% Rebate for Partial Year Registration-new dog only- (after 1st January - 30th June)			50%
	Impounding Fee			\$60.00
	Daily Holding Fee			\$15.00
	Impounded Dog - Microchipping by Council Staff			\$20.00
	Application fee to keep more than two (2) dogs (within township)			\$40.00
	Possum/Dog/Cat Cage Deposit Fee			\$50.00
	Possum/Dog/Cat Cage Fee (Per Working Day)			\$2.00
Impounding of Vehicles	Impounding Fees	Exempt		
	Removal		S	Actual towing charge by contractor
	Storage (per week or part thereof)			\$50.00
	Search Fees		S	Actual Cost
	Notification to owner			\$50.00
	Advertising/Tendering		S	Actual Cost
	Auctioneers Charge (if applicable)		S	Actual Cost
	Any other charges		S	Actual Cost
	Special overtime only for Council Officers (if applicable) in respect of a vehicle		S	Actual Cost
	Council Officer's wages during normal time		S	No Charge
	Administrative charge			\$203.00
High Risk Manufactured Water Systems (cooling towers)	Cooling Towers/ Warm Water Systems	GST Free		
	Registration of 1 system		S	\$44.00
	Registration of each additional system		S	\$29.25
	Renewal of registration for each system (relevant authority is Council)		S	\$22.20
	Inspection of High Risk Manufactured Water System (1 system)		S	\$176.00
	Inspection of each additional system		S	\$117.00
Expiations - By Laws	Fines & expiations in relation to Council by-laws	GST Free	S	\$312.50

FEE OR CHARGE	DESCRIPTION AND COMMENTS	GST TREATMENT	STATUTORY FEE	2023/2024
HEALTH SERVICES				
Provision of Food Safe Handling Kits & Videos	Provision of Food Safe Handling Kits & Videos	Taxable		\$168.00
Food Regulation Inspection Fees	Standard Inspections	Exempt		
	Annual first inspection		S	\$140.00
	Process Fees/Compliance Inspections	Exempt		
	Small Business		S	\$140.00
	Large Business		S	\$350.00
	Complaints Inspections	Taxable		
	Complaints Inspection - initial		S	\$140.00
	Follow up inspections - per inspection		S	\$140.00
	Community/Charitable Organisations (NFP)	Exempt		
	Inspection Fee		S	Nil
	Follow up inspections - if necessary		S	\$140.00
	Nominal Risk Business	Exempt		
	Inspection Fee		S	\$140.00
	Follow up inspections - if necessary		S	\$140.00
	Festivals, Fetes and Shows	Exempt		
	Follow up inspections - if necessary/stall		S	\$140.00
	Food Markets	Exempt		
	Follow up inspections - if necessary/stall		S	\$140.00
	Mobile Food Vans	Exempt		
	Inspection Fee		S	\$140.00
	Follow up inspections - if necessary		S	\$140.00
	Businesses with Food Safety Programs	Exempt		
	Inspection Fee		S	\$140.00
	Follow up inspections - if necessary - Small Business		S	\$140.00
	Follow up inspections - if necessary - Large Business		S	\$350.00
	Large Business		S	\$350.00

FEE OR CHARGE	DESCRIPTION AND COMMENTS	GST TREATMENT	STATUTORY FEE	2023/2024
INFORMATION SERVICES				
Council Documents (cost per page for printed copy)	Council Documents	Taxable		
	Public Access to Council and Committee Meetings and Associated Documents Code of Practice			\$0.50
	Annual Financial Statements			\$0.50
	Annual Report (Full Document)			\$10.00
	Annual Business Plan (Free in Consultation Period)			\$0.50
	Summary Annual Business Plan			Free
	Code of Conduct for Council Members			\$0.50
	Code of Conduct for Council Employees			\$0.50
	Community Engagement Policy			\$0.50
	Compliments and Complaints Handling Procedure			\$0.50
	Contracts and Tenders – Sale of Assets Policy and Procurement Policy			\$0.50
	Council Agenda and Minutes			\$0.50
	Council Assessment Panel Agenda and Minutes			\$0.50
	Council By-Laws			\$0.50
	Council Member Allowances and Benefits Policy			\$0.50
	Customer Experience Policy			\$0.50
	Delegations Register			\$0.50
	Order Making Policy			\$0.50
	Internal Review of Council Decisions Procedure			\$0.50
	Parking Register			\$0.50
	Register of Community Land			\$0.50
	Register of Members Allowances and Benefits			\$0.50
	Register of Members Interests			\$0.50
	Register of Public Roads			\$0.50
	Register of Salaries			\$0.50
	Representation Options Paper			\$0.50
	Schedule of Fees and Charges			\$0.50
	Standing Committee Agendas and Minutes (for committees created under the Local Government Act)			\$0.50
	Strategic Management Plan (Community Plan)			\$0.50
Council Documents - Freedom of Information under (Fees & Charges Variation Regulation)*	Freedom Of Information	Exempt		
	On Application for access to an agency's documents		S	\$40.75
	Up to the first two hours spent by the Agency		S	No Charge
	For each subsequent 15 minutes spent by the agency		S	\$15.40
	Photocopy of document		S	\$0.25
	Written transcript of words recorded or contained in the document		S	\$9.10
	Copy of photograph, X-ray, video tape, computer tape or computer disk		S	Actual Cost
	Post/delivery fee		S	Actual Cost
Rate Searches*	Application for review by the Agency of a determination made by the Agency		S	\$40.75
	Rate Searches	Exempt		
	Rate searches (section 7 & 187), certificates of liability & extracts from assessment book	Exempt	S	\$39.00 (Rates Only) \$66.75 (Normal) \$80.50 (Urgent)
	Certificate of Title	GST Free	S	\$33.50
Other	Administration			
	AO Plan Printing	Taxable		\$12.00
	Section 270 Review Application Fee	GST Free		\$20.00

FEE OR CHARGE		DESCRIPTION AND COMMENTS	GST TREATMENT	STATUTORY FEE	2023/2024
LEASES, LICENCES, PERMITS AND AUTHORISATIONS					
Leases	Leases		Taxable		
	Community Based Service				\$120.00
	Sporting & Community Clubs (non-licenced premises)				\$120.00
	Sporting & Community Clubs (licenced premises)				\$240.00
					% of VG valuation;
	Commercial Activities				Tender price or market comparables
	Mount Graham Radio Tower		Exempt		
	Occupation of Mount Graham Radio Tower				\$750.00
	Itinerant Vendors		Taxable		
	Permit for Mobile Ice Cream				\$50 per day
Licences & Permits (cont)	Outdoor Dining		Exempt		
	Application Fee (per application) - including amendments to existing permits				\$50.00
	One Setting (is up to) - 1 x table, 4 x chairs, 1x umbrella				\$40 per annum per setting, Minimum charge of \$80 per annum
	Additional chairs - per annum				\$8.50
	Additional tables - per annum				\$8.50
	Additional umbrellas - per annum				\$5.50
	Licensed Outdoor Dining				\$600.00
	Seasonal Licenced Outdoor Dining Fee (maximum 6 months)				\$300.00
	Parking		Exempt		
	Parking permit (including replacement permit)				\$0.00
	Road Closures		Exempt		
	All applications & consents (inc advertising fees charged) in relation to temporary road closures				No Charge
	Road Rents		Exempt		
	Road Reserves (Section 222 of the Local Government Act, 1999)				\$50.00 / hectare - minimum \$100
	Other Council Land (Section 200 of the Local Government Act, 1999)				\$75/ hectare - minimum \$150
	Seed Collection		Taxable		
	Authorisation for the collection of seeds for tree planting purposes				No Charge
	Under Road Pipelines		Exempt		
	All application & licence fees in relation to under road pipe laying. Refer to Private Works for reinstatement charges & Development for bonds (Section 221 - Authorisation to alter a Public Road)				No Charge
	Firewood		Exempt		
	Authority to collect roadside Firewood (per month)				\$25.00
	Special Event		Exempt		
	Authorisation to conduct an Event on land under the care and control of Council - Not for Profit				\$15.00
	Stall Holder		Exempt		
	Authority to conduct a Stall on land under the care and control of Council				\$15.00
Boat Launching	Boat Ramp		Taxable		
	Daily Fee				\$10.00
	Weekly Fee				\$40.00
	Annual Fee (1st July)				\$115.00
	Professional Fee (1st July)				\$300.00

FEE OR CHARGE		DESCRIPTION AND COMMENTS	GST TREATMENT	STATUTORY FEE	2023/2024
CARAVAN PARK					
Southern Ocean Tourist Park - Fees may be altered from time to time by the CEO to support marketing initiatives	6 Berth Deluxe Cabin - (* Peak Season 23rd December - 31st January & Easter Thursday - Monday) (NO PETS)		Taxable		Per Night
	2 Adults				\$163.00
	Extra Adults				\$16.00
	Child (4-15 years)				\$16.00
	6 Berth Deluxe Cabin - (**High Season - 1st September - 22nd December and 1st February - 30th April)		Taxable		Per Night
	2 Adults				\$137.00
	Extra Adults				\$13.00
	Child (4-15 years)				\$13.00
	6 Berth Deluxe Cabin - (**Low Season 1st May - 31st August)		Taxable		Per Night
	2 Adults				\$116.00
Southern Ocean Tourist Park (cont) - Fees may be altered from time to time by the CEO to support marketing initiatives	Extra Persons (over 4 yrs old)				\$10.00
	6 Berth Family Ensuite - (* Peak 23rd December - 31st January and Easter Thursday - Monday) (NO PETS)		Taxable		Per Night
	2 Adults				\$205.00
	Extra Persons (over 4 yrs old)				\$16.00
	6 Berth Family Ensuite - (**High Season - 1st September - 22nd December and 1st February - 30th April)		Taxable		Per Night
	2 Adults				\$168.00
	Extra Persons (over 4 yrs old)				\$13.00
	6 Berth Family Ensuite - (**Low Season 1st May - 31st August)		Taxable		Per Night
	2 Adults				\$158.00
	Extra Persons (over 4 yrs old)				\$10.00
	Linen Hire		Taxable		
	Single (per stay)				\$16.00
	Powered - Sites		Taxable		Per Night
	Powered - 2 Adults (Peak) 23rd December - 31st January and Easter - Thursday to Monday (NO PETS)				\$46.00
	Powered - 2 Adults (High Season) 1st September - 22nd December and 1st February - 30th April				\$35.00
	Powered - 2 Adults (Low Season) 1st May - 31st August				\$32.00
	Powered - Extra Persons (over 4 yrs old) (Peak) 23rd December - 31st January and Easter Thursday - Monday (NO PETS)				\$11.00
	Powered - Extra Persons (over 4 yrs old) (High Season) 1st Sept - 22nd Dec, 1st Feb - 30th April and 1st May - 31st Aug				\$11.00
	Powered - Extra Persons (over 4 yrs old) (Low Season) 1st Sept - 22nd Dec, 1st Feb - 30th April and 1st May - 31st Aug				\$10.00
	Unpowered - Sites		Taxable		Per Night
	Unpowered - 2 Adults (Peak) 23rd December - 31st January and Easter Thursday - Monday (NO PETS)				\$34.00
	Unpowered - 2 Adults (High Season) 1st September - 22nd December and 1st February - 30th April				\$31.00
	Unpowered - 2 Adults (Low Season) 1st May - 31st August				\$28.00
	Unpowered - Extra Persons (over 4 yrs old) (Peak) 23rd December - 31st January and Easter Thursday - Monday (NO PETS)				\$11.00
	Unpowered - Extra Persons (over 4 yrs old) (High Season) 1st Sept - 22nd Dec, 1st Feb - 30th April and 1st May - 31st Aug				\$11.00
	Unpowered - Extra Persons (over 4 yrs old) (Low Season) 1st Sept - 22nd Dec, 1st Feb - 30th April and 1st May - 31st Aug				\$10.00
	Other Charges		Taxable		
	Daily Visitor - Persons (over 4 yrs old)				\$9.00
	Extra Vehicles (subject to approval)				\$11.00
	Pensioner Discount (High/Low Season) 1st May - 22nd December and 1st February - 30th April				\$2 off per night
Southern Ocean Tourist Park (cont) - Fees may be altered from time to time by the CEO to support marketing initiatives	Storage Fees		Taxable		
	Daily Storage Fees (peak) 24th December - 31st January and Easter Weekend - Unplugged (per night)				\$16.00
	Daily Storage Fees (peak) 24th December - 31st January and Easter Weekend - Plugged in (per night)				\$21.00
	Daily Storage Fees (high & low) 1st May - 23rd December and 1st February - 20th April - Unplugged (per night)				\$11.00
	Daily Storage Fees (high & low) 1st May - 23rd December and 1st February - 20th April - Plugged in (per night)				\$16.00
	Christmas to Easter Storage- Unplugged				\$263.00
	Christmas to Easter Storage - Plugged				\$368.00
	Yearly Permanent Storage (Permanent Sites)				\$914.00

FEE OR CHARGE		DESCRIPTION AND COMMENTS	GST TREATMENT	STATUTORY FEE	2023/2024
CEMETERIES					
Cemeteries	Lawn Cemeteries - Millicent and Penola, Memorial Cemeteries - Penola (Old & New), Kalangadoo, Old Millicent, Tantanoola, Rendelsham, Beachport and Furner & Glencoe Memorial Wall		Taxable		
	For Persons aged 10 years and over				
	1st Interments				\$1,710.00
	2nd or 3rd Interments **				\$1,490.00
	Couch Coffin - Non Standard size Interment - Additional Fee				\$140.00
	Exhumation after minimum of 2 years				\$1,995.00
	Reinterment in grave following exhumation				\$420.00
	Burial Fees for Children under 10 years				\$645.00
	Granite/Bronze/Glass Plaques *				At Cost*
	Fixing Fee (*All plaque purchases to incur a Fixing Fee)				\$75.00
	** Applicability of 2nd or 3rd interments at memorial cemeteries are discussed on a case by case basis				
	Interment of cremation urns (Millicent, Penola, Rendelsham, Beachport & Kalangadoo) Tantanoola (interment in ground only)		Taxable		
	1st in ground (New Lease)				\$460.00
	2nd or 3rd in ground (Existing Lease)				\$245.00
	Family Interment of Urn (Existing Lease Only)				\$245.00
	In Memorial Wall				\$460.00
	In Memorial Wall (No Urn)				\$245.00
	Removal of Urn				\$125.00
	Granite/Bronze/Glass Plaques *				At Cost*
	Bronze Dual Conversion Plaques *				At Cost*
	Fixing Fee (*All plaque purchases to incur a Fixing Fee)				\$75.00
	Neonatal/Baby Section- Millicent Lawn Cemetery		Taxable		
	Memorial Plot (No Burial)				No Charge
	Neonatal / Baby				No Charge
	Special Size Plaque *				At Cost*
	Fixing Fee (*All plaque purchases to incur a Fixing Fee)				\$75.00
	Interment of Specimens		Taxable		
	Interment Costs				No Charge
	Interment Rights		Taxable		
	Interment Right Fee				\$75.00
	Interment Right (Cancellation / Transferral)				No Charge
	Interment Right Renewal Fee				\$75.00
Cemeteries (cont)	Additional Plaque Costs		Taxable		
	Refixing of plaques				\$75.00
	Surcharge and Other Fees		Taxable		
	Additional fees payable for burials on a Saturday, Sunday or Public Holiday				\$525.00
	Monumental Mason / Funeral Director Administration Fees				\$60.00
Supply of Cement Sloper (Memorial Cemeteries Only)					\$50.00

FEE OR CHARGE		DESCRIPTION AND COMMENTS	GST TREATMENT	STATUTORY FEE	2023/2024
MILLICENT SALEYARDS					
Saleyards	Transit (Yarding) Fees		Taxable		Per Animal
	* Cattle				\$3.75
	* Sheep / Lambs / Pigs				\$1.05
	Disposal of Dead Stock		Taxable		Per Animal
	* Cattle				\$165.00
	* Sheep / Lambs / Pigs				\$39.00
	Sale of Manure		Taxable		
	Trailer / Ute Load				\$16.00
	Truck Load				\$65.00
	Truck Wash		Taxable		
	Use of truck wash facilities & wash down bays - minimum				\$3.00
	Use of truck wash facilities & wash down bays - per minute				\$1.50
	Truck wash facility & wash down bay - purchase of key				\$30.00
WASTE MANAGEMENT					
Waste Management	Single Waste voucher for use at Council's resource recovery facilitie (Tandem Axle Trailer)		Taxable		\$85.00
	Six vouchers for segregated waste only (Tandem trailer) (buy 5 get 1 free)		Taxable		\$425.00
	Replacement of household food waste bin (each)		Taxable		\$8.00
MISCELLANEOUS					
All Engineering Private Works (Footpaths, Stormwater Pipes, Culverts, Inverts, Crossovers, Contract Mowing, Reinstatements)	Private Works				
	Labour		Taxable		\$76 per hour (Minimum Fee \$200)
	Plant Hire				At Cost + 20%
	Materials				At Cost + 20%
Rural Addressing	Provision of number plate- Supply Only		Taxable		\$61.70
Pool Permit Application	Authorisation to conduct an Event at Council owned pool.		Exempt		\$0.00
Lifeguard	Supply Council lifeguard for supervision at Council swimming facility (min 3 hours) Monday to Friday		Taxable		\$50.00 / per lifeguard per hour
	Supply Council lifeguard for supervision at Council swimming facility (min 3 hours) Saturday / Sunday & Public Holidays		Taxable		\$55.00 / per lifeguard per hour
Millicent showers	Hot water in showers at Millicent Swimming Lake		Taxable		\$1 / 2 mins
Penola showers	Hot water in showers at Penola Pool		Taxable		\$1 / 2 mins
Aerodrome Landing Fees (per landing)	Millicent Aerodrome		Taxable		\$12.00 / tonne Minimum Fee \$25.00

APPENDIX 5 | ESSENTIAL SERVICES COMMISSION OF SA REPORT



OFFICIAL



Advice

Local Government Advice

Wattle Range Council

February 2023

OFFICIAL

Enquiries concerning this advice should be addressed to:

Essential Services Commission
GPO Box 2605
Adelaide SA 5001

Telephone: (08) 8463 4444
Freecall: 1800 633 592 (SA and mobiles only)
E-mail: advice@escosa.sa.gov.au
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Glossary of terms

ABS	Australian Bureau of Statistics
AMP	Asset management plan (also called an IAMP)
Commission	Essential Services Commission, established under the <i>Essential Services Commission Act 2002</i>
CPI	Consumer Price Index (Adelaide, All Groups)
Council	Wattle Range Council
CWMS	Community Wastewater Management System
ESC Act	<i>Essential Services Commission Act 2002</i>
F&A	<u>Local Government Advice: Framework and Approach – Final Report</u>
FTE	Full Time Equivalent
IAMP	Infrastructure and asset management plan (also called an AMP)
LG Act	<i>Local Government Act 1999</i>
LGA SA Financial Indicators Paper	Local Government Association of South Australia, Financial Sustainability Information Paper 9 - Financial Indicators Revised May 2019
LGGC	Local Government Grants Commission
LGPI	Local Government Price Index
LTFP	Long-term financial plan
Regulations	<i>Local Government (Financial Management) Regulations 2011</i>
RBA	Reserve Bank of Australia
SACES	The South Australian Centre for Economic Studies
SEIFA	Socio-Economic Indexes for Areas
SMP	Strategic management plan
SG	Superannuation Guarantee
The scheme or advice	Local Government Advice Scheme

1 The Commission's key advice findings for the Wattle Range Council

The Essential Services Commission (**Commission**) finds the Wattle Range Council's (**Council's**) current financial position at risk of being unsustainable based on its forecast operating deficits and past high-cost growth, particularly related to staffing costs. However, the Council is projecting more spending constraint in later years to move into a more sustainable position over time. The Council's eventual projected operating surplus results from forecast rates growth exceeding forecast cost growth, but risks remain to its projections.

Acknowledging this outlook, the Commission considers that it would be appropriate for the Council to undertake the following steps to ensure that it budgets prudently and transparently, manages its cost base more efficiently, renews its asset base to meet sustainable service levels, and ultimately, looks for opportunities to constrain the extent of further rate increases:

Budgeting considerations

1. **Review** and **publish** its long-term financial plan annually (including its 10-year projections), to inform its decision-making and any relevant consultation processes.
2. **Ensure** that its long-term financial plan identifies annual inflation and other relevant assumptions for its cost and revenue estimates, reflecting an annual review of these assumptions.
3. **Consider** future coordination of annual updates to long-term financial plan projections with annual business plan and budget preparation to provide transparency to the community about changes to forward projections, including rate projections, and the longer-term impacts of its short-term decisions.

Demonstrating increased cost efficiency

4. **Review** the rationale for the recent high growth in 'employee' expenses and focus on constraining cost growth where possible, particularly related to 'employee' expenses.
5. **Report** its actual and projected cost savings in its annual budget, to provide evidence of constraining cost growth and achieving efficiency across its operations and service delivery.

Meeting asset renewal needs

6. **Adhere** to the principles underpinning its long-term financial plan projections to provide more funding to the renewal of its assets, rather than prioritising initiatives which involve new or upgraded infrastructure.

Refinements to asset management planning

7. **Review** the estimates of asset lives and valuations feeding into the forecast rate of asset consumption in its long-term financial plan and asset management plans.
8. **Finalise** updating its existing asset management plans as it has indicated in its forward program, with a focus on consideration of the community's desired service levels, proposed capital expenditure and alignment with its long-term financial plan projections.

Containing rate levels

9. **Monitor** the impact of further average rate increases, in consultation with its community, particularly on rate categories where average rates are already relatively high (such as 'primary production' categories) but with continued consideration of the capacity to pay for higher rates by different ratepayers.
10. **Focus** on constraining cost growth to reduce the pressure on all rate levels (as per **Finding 4**), including consideration of the community's desired service levels (as per **Finding 8**).

2 About the advice

The Essential Services Commission (**Commission**), South Australia's independent economic regulator and advisory body, has been given a role by the State Government to provide advice on material changes proposed by local councils in relation to elements of their strategic management plans (**SMPs**) and on the proposed revenue sources, including rates, which underpin those plans.¹

One of the main purposes of the Local Government Advice Scheme (**advice or the scheme**) is to support councils to make 'financially sustainable' decisions relating to their annual business plans and budgets in the context of their long-term financial plans (**LTFPs**) and infrastructure and asset management plans (**IAMPs**)² – both required as part of a council's SMP.³ Financial sustainability is considered to encompass intergenerational equity,⁴ as well as program (service level) and rates stability in this context.⁵ The other main purpose is for the Commission to consider ratepayer contributions in the context of revenue sources, outlined in the LTFP.⁶ In addition, the Commission has discretion to provide advice on any other aspect of a council's LTFP or IAMP it considers appropriate, having regard to the circumstances of that council.⁷

The first cycle of the scheme extends over four years from 2022-23 to 2025-26, and the Commission has selected 15 councils for advice in the first scheme year (2022-23), including the Wattle Range Council (**Council**).

This report provides the Local Government Advice for the Wattle Range Council in 2022-23.

The Council is obliged under the *Local Government Act 1999* (**LG Act**) to publish this advice and its response, if applicable, in its 2023-24 Annual Business Plan (including any draft Annual Business Plan) and subsequent plans until the next cycle of the scheme.⁸ It does not need to publish the attachment to the advice (these will be available with the advice on the Commission's website⁹), nor is it compelled under the LG Act to follow the advice. The Commission thanks the Wattle Range Council for providing relevant information to assist the Commission in preparing this advice.

2.1 Summary of advice

In general, the Commission finds the Wattle Range Council's current financial position at risk of being unsustainable, with forecast operating deficits resulting from its revenue base, including rates revenue, being stretched to meet the extent of recent infrastructure and cost growth.

Its forward projections from 2022-23 forecast a gradually improved financial sustainability outlook with the rate of operating revenue growth set to outpace expense growth and:

¹ Amendments to the *Local Government Act 1999* (s122(1c) to (1k) and (9)) specify the responsibilities for the Commission and local councils for the Local Government Scheme Advice. The Commission must provide advice to each council in accordance with the matters outlined in s122(1e), (1f) and (1g).

² Commonly referred to as asset management plans.

³ The objectives of the advice with reference to a council's LTFP and IAMPs are presented under LG Act, s122(1g). LG Act s122(1) specifies the requirements of a council's SMP, including the LTFP and IAMPs.

⁴ 'Intergenerational equity' relates to fairly sharing services and the revenue generated to fund the services between current and future ratepayers.

⁵ Commission, *Framework and Approach – Final Report*, August 2022, pp. 2-3, available at www.escosa.sa.gov.au/advice/advice-to-local-government.

⁶ LG Act s122(1f)(a) and (1g)(a)(ii).

⁷ LG Act s122(1f)(b) and (1g)(b).

⁸ LG Act s122(1h).

⁹ The Commission must publish its advice under LG Act s122(1i)(a).

- ▶ continued rate increases on the community, above the rate of the Reserve Bank of Australia (RBA)-based forecast inflation
- ▶ lower average cost growth than it has experienced over the past 10 years, and
- ▶ the prioritisation of its asset spending away from new and upgraded assets and more towards renewal and rehabilitation capital works projects.

However, the Commission has some reservations about the Council's financial projections from 2022-23 to 2031-32, given the Council has not yet published a draft LTFP 2022-23 for consultation. The Commission encourages the Council to reconsider the timing of when it adopts and reviews its LTFP in the future to avoid these types of issues with its projections and to ensure that it more consistently consults its community about the long-term impact of its short-term decisions.

The Commission notes the recent staffing cost growth for the Council has been very high, and that it would be prudent for the Council to review the rationale for the extent of these increases.

The Commission further encourages the Council to:

- ▶ look for opportunities to achieve greater savings and cost efficiencies in its recurrent budget
- ▶ engage its community about desired service levels for different assets and service priorities with reference to costs and rate contributions, as appropriate, and
- ▶ integrate these outcomes into its asset management and financial planning.

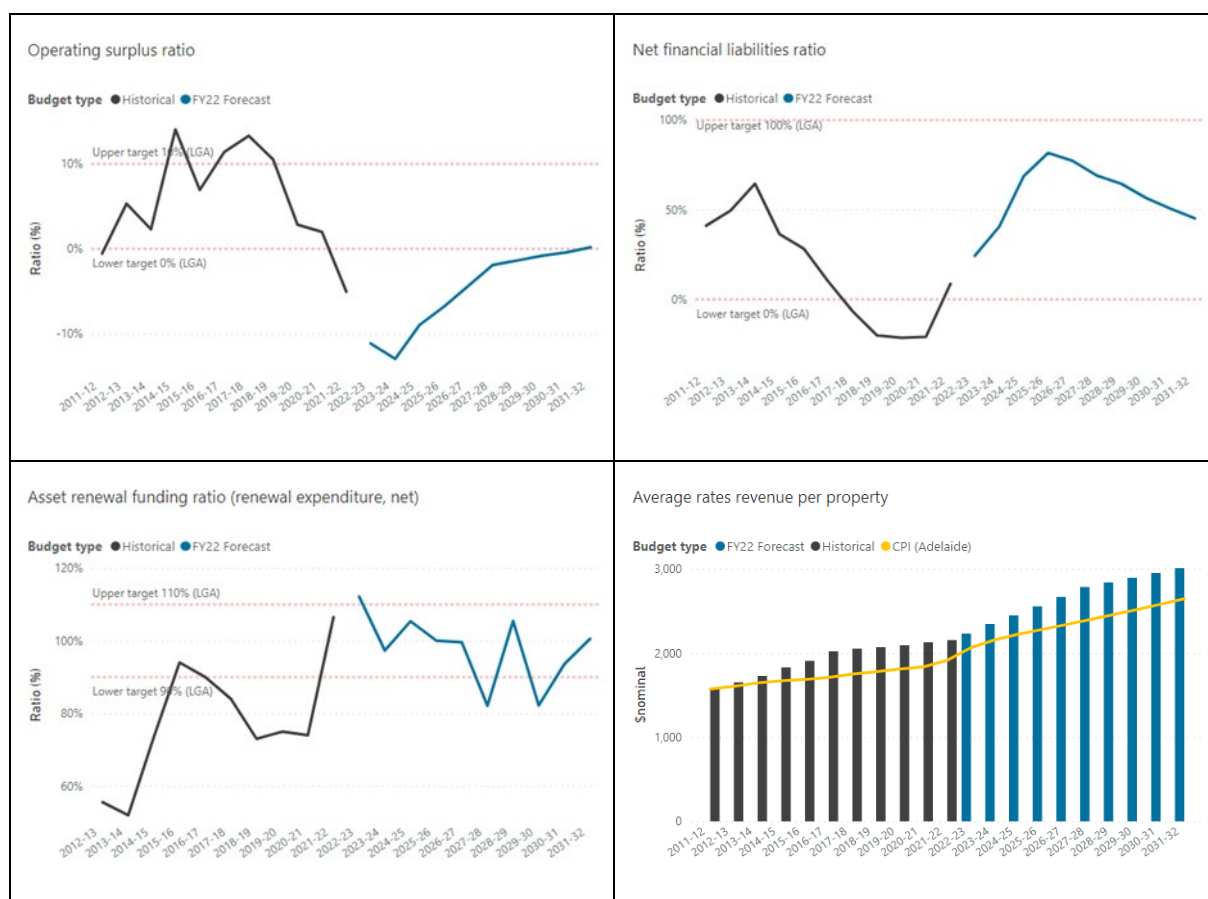
Looking ahead, the Wattle Range Council will need to balance maintaining a more sustainable operating position and addressing the backlog of asset renewals it has accumulated, while at the same time having regard to the community affordability risks stemming from higher rates. The Commission notes that the Council has already taken steps to limit the impact of rate increases on members of its community which might have less capacity to pay for higher rates (including residential and minimum rate ratepayers) but notes that its rural rates are relatively high¹⁰ and the ongoing impact on these ratepayers will warrant further monitoring and consideration.

The charts below of the Wattle Range Council's past and projected operating surplus ratio, net financial liabilities ratio, asset renewal funding ratio and average rate revenue per property, together support these findings.

The 'heat map' diagram over the page summarises the Commission's findings with reference to whether the Council has met the suggested Local Government Association (LGA) target ranges for the three main financial sustainability indicators¹¹ and the level of cost control and affordability risk identified for the Council over time.

¹⁰ Refer to Councils in Focus rates data for 2019-20 available at https://councilsinfocus.sa.gov.au/councils/wattle_range_council. The Commission is not relying on these rate comparisons for its advice; the data source provides one indicator, among many, which has informed its advice on the appropriateness of the rate levels.

¹¹ The suggested LGA target range for the ratios are discussed in more detail in the attachment.



Summary of the Wattle Range Council's financial sustainability performance and the Commission's risk assessment

Financial sustainability indicators:	Last 10 years from 2011-12 (Actual performance)	2021-22 estimate	Next 10 years from 2022-23 (Council forecasts)
Operating surplus ratio (target 0-10%)	Ratio generally met the target —>	Operating deficit	Forecast continued operating deficits and ratio target range not to be met —>
Net financial liabilities ratio (target 0-100%)	Ratio met until 2016-17 —> Ratio below target since 2017-18 —>	Ratio met from 2021-22 (as in projections from 2022-23) —>	
Asset renewal funding ratio (target 90-110%)	Spending on renewal works generally below requirements and ratio below target range —>	Ratio target range forecast to be met generally in projection years —>	
Identified Risks:			
Cost control risk	Average operating expenses per property growth of 3.5% p.a. to 2020-21 (CPI 1.7%) —>		Operating expenses per property forecast average growth of 1.8% p.a. to 2031-32 (CPI 2.8%) —>
Affordability risk	Rates revenue per property average growth 3.4% p.a. to 2020-21 —>		Rates revenue per property average growth forecast 3.4% p.a. to 2031-32 (CPI 2.8%) —>

- Ratio outside suggested target range or higher risk
- Ratio close to suggested target range or medium risk
- Ratio within suggested target range or lower risk

2.2 Detailed advice findings

The next sections summarise the Commission's more detailed observations and advice findings regarding the Wattle Range Council's financial sustainability (in the context of its long-term operating performance, net financial liabilities, and asset renewals expenditure) and its current and projected rate levels.

In providing this advice, the Commission has followed the approach it previously explained in the Framework and Approach – Final Report (F&A). The attachment explores these matters further.¹²

2.2.1 Advice on material plan amendments in 2022-23

The Wattle Range Council has not published its draft LTFP 2022-23 for consultation¹³ and the last time the Council reviewed or updated its LTFP was in November 2019 (LTFP 2020-2029).¹⁴ As such, the Commission cannot provide commentary on the material amendments that the Council has made in its LTFP.¹⁵ In this section, the Commission has focused on material changes in the Wattle Range Council's annual budget for 2022-23, compared with the budget for the previous year.¹⁶

For 2022-23, the Council's annual budget forecasts an operating deficit of \$3.2 million and capital expenditure of \$8.9 million (with \$5.7 million on asset renewal works).¹⁷ The Council's operating income growth is estimated to be relatively flat (increasing by 0.1 percent in 2022-23) with higher rate contributions for higher inflation (assumed to be 5.1 percent),¹⁸ generally offsetting lower revenue from other sources including lower grants revenue. The Council also increased its operating expenses (by 5.9 percent), driven in part by inflationary impacts but also by significantly higher employee expenses and depreciation expenses which were partially offset by a decline in 'materials contracts and other' expenses.¹⁹

The Council's 2022-23 budget included a 24.7 percent (or \$2.8 million) increase in 'employee' expenses, explained by the Council to cover a combination of additional staff and additional staff payments.²⁰ This followed growth in these expenses of 7.2 percent (or \$0.8 million) in 2021-22 (compared with 2020-21). Average employee expenses per property in Wattle Range area subsequently increased from \$1,161 in 2020-21 to \$1,520 in 2022-23. The need for greater cost constraint by the Council, particularly related to staffing, is discussed in section 2.2.2.

Regarding the timing of its LTFP, the Commission understands that the Council intended to review its updated LTFP (from 2022-23) in December 2022 and that it would endorse it by March 2023.²¹ The

¹² The attachment will be available on the Commission's website with the Advice.

¹³ LG Act s122(4)(a) requires an annual review of LTFPs.

¹⁴ Wattle Range Council, *Long Term Financial Plan 2020-2029*, November 2019, available at https://www.wattlerange.sa.gov.au/_data/assets/pdf_file/0042/299787/Long-Term-Financial-Plan-LTFP-2020-2029.pdf.

¹⁵ Estimates for the 2022-23 financial year in its current LTFP are now three years old.

¹⁶ The financial projections, including rate revenue projections, that the Council provided to the Commission (for 2022-23 to 2031-32) to formulate this advice, but which are not otherwise published by the Council, are further discussed in the context of the Commission's advice on financial sustainability and projected rate levels in section 2.2.2 and section 2.2.3.

¹⁷ Wattle Range Council, *2022/2023 Annual Business Plan*, July 2022, pp. 42-46, available at https://www.wattlerange.sa.gov.au/_data/assets/pdf_file/0025/1179034/WRC-Annual-Business-Plan-2022-2023-Final-Copy-Adopted-12-July-22.pdf.

¹⁸ Wattle Range Council, *2022/2023 Annual Business Plan*, July 2022, p. 10.

¹⁹ Wattle Range Council, *2022/2023 Annual Business Plan*, July 2022, Appendix 1 – Budgeted Financial Statements 2022/2023 and the Commission's calculations.

²⁰ Wattle Range Council, *2022/2023 Annual Business Plan*, July 2022, p. 26.

²¹ Wattle Range Council, *Audit and Risk Committee - 25 October 2022 Agenda*, Attachment 6.3.1 – Long Term Financial Plan, p. 78, available at

Commission notes that its current LTFP (2020-2029) identified the approach to formulating its estimates, including the modelling of Consumer Price Index (**CPI**) and other changes, and it is anticipated that its next LTFP will include similar detail. However, the Council did not identify the actual percentage growth inflation assumptions applied to the forward years, which are important for the community and other stakeholders to understand the projected inflationary impacts, as distinct from 'real' or service-related impacts.

With budgeting practice in mind, the Commission also encourages the Council to consider integrating its LTFP review into its annual business plan and budget process, to ensure better alignment between its projections and avoid substantial revisions to estimates.

For these reasons, the Commission considers that it would be appropriate for the Wattle Range Council to:

1. **Review** and **publish** its long-term financial plan annually (including its 10-year projections), to inform its decision-making and any relevant consultation processes.
2. **Ensure** that its long-term financial plan identifies its annual inflation and other relevant assumptions for its cost and revenue estimates, reflecting an annual review of these assumptions.
3. **Consider** future coordination of annual updates to long-term financial plan projections with annual business plan and budget preparation to provide transparency to the community about changes to forward projections, including rate projections, and the longer-term impacts of its short-term decisions.

2.2.2 Advice on financial sustainability

Operating performance

The Wattle Range Council has run recurring operating surpluses from 2011-12 to 2020-21 with the operating surplus ratio²² averaging 6.8 percent over this period. This reflects a period of strong operating performance for the Council.

The Council's operating income growth (which averaged 3.7 percent over this period) exceeded its operating expense growth (which averaged 3.4 percent per annum²³), while both were at least double the rate of CPI inflation growth (which averaged 1.7 percent per annum). At the same time, property (numbers) growth declined by a small margin (an average of 0.1 per cent per annum), although higher growth followed in 2021-22 and 2022-23. Costs were driven largely by employee, materials, contract-related and depreciation expenses, consistent with a period of service expansion, while rates growth led income growth.

In the forward years, the Council is projecting a negative operating surplus ratio averaging negative 4.9 percent (to 2031-32). This is outside the suggested LGA target range for the ratio and puts the financial sustainability for the Council at risk. The ratio is not forecast to be positive again until 2031-32.

https://www.wattlerange.sa.gov.au/_data/assets/pdf_file/0030/1227774/Audit-and-Risk-Committee-Agenda-and-Papers-25-October-2022.pdf.

²² The operating surplus ratio is defined as: Operating Surplus (Deficit) ÷ Total Operating Income. The general target is to achieve, on average over time, an operating surplus ratio of between zero and 10 percent (Local Government Association of South Australia, *Financial Sustainability Information Paper 9 - Financial Indicators Revised*, May 2019 (**LGA SA Financial Indicators Paper**), p. 6).

²³ Based on the compound average annual growth rate formula (which is the adopted approach to calculating average annual growth rates throughout the Commission's advice).

In addition, the Council has forecast lower average expense growth of 1.8 percent per annum to 2031-32, which is below the RBA-based average inflation forecast (2.8 percent).²⁴ This would represent a significant shift from the Council's past operating performance, when its employee expenses increased by 6.1 percent per annum from 2011-12 to 2020-21 (with full time equivalent (FTE) in staffing numbers increasing from 95 to 129) and its 'materials, contracts and other' expenses increasing by 2.8 percent per annum.

The Wattle Range Council also increased employee expenses by 33.7 percent over two years from 2020-21 to 2022-23. The extent of the increase in Council's staffing costs was raised as a concern in community consultation on the annual budget, including in the context of the planned expenditure by the Council on the new administration facility for staff.²⁵ The Commission further notes that the Council's estimated employee expenses in 2022-23 are approximately \$14.0 million, \$3.6 million higher than it estimated in its existing 2020-29 LTFP for this year (\$10.3 million),²⁶ although, as noted above, the Council has not reviewed its LTFP projections since November 2019.

Based on its historical performance, it would be prudent for the Council to exercise cost constraint and generate tangible savings in its budgets to achieve the improvement to financial sustainability that it has forecast over the long-term. To this end, the Commission has found that it would be appropriate for the Council to:

4. **Review** the rationale for the recent high growth in 'employee' expenses and focus on constraining cost growth where possible, particularly related to 'employee' expenses.
5. **Report** its actual and projected cost savings in its annual budget, to provide evidence of constraining cost growth and achieving efficiency across its operations and service delivery.

Net financial liabilities

The Wattle Range Council has recorded a 10-year average net financial liabilities ratio²⁷ of 16.0 percent (from 2011-12 to 2020-21), and this is within the suggested LGA target, which indicates that its income capacity has comfortably met its borrowing costs. However, the four-year average from 2017-18 to 2020-21 was negative 17.3 percent, which is outside the suggested LGA target range. A negative ratio over time can indicate an opportunity for the Council to either reduce rate contributions or increase spending (although in this case, the 10-year average was positive).

Cash and cash equivalents gradually increased from \$78,000 in 2011-12 to \$14.7 million in 2020-21 but are projected to decline to \$1.9 million at the end of 2022-23 and remain on average at \$1.4 million annually until 2031-32. According to the LTFP 2020-2029, the cash will be drawn down to fund the planned capital expenditure.²⁸

The Council has estimated that its net financial liabilities ratio will become positive from 2023-24 and peak at 82.0 percent in 2025-26, with total borrowings and liabilities forecast to increase significantly

²⁴ The forecast average annual growth in the CPI from 2022-23 to 2031-32 is estimated to be 2.8 percent based on the RBA forecasts for the CPI (Australia-wide) to June 2025 (and the Commission's calculations of average annual percentage growth) and the midpoint of the RBA's target range (2.5 percent) from 2025-26.

²⁵ Wattle Range Council, *Special Council Meeting Agenda – 5 July 2022*, Items 5 Deputations and 7 Correspondence, available at: https://www.wattlerange.sa.gov.au/_data/assets/pdf_file/0020/1172441/050722-Special-Council-Agenda-and-Papers-Full-Copy.pdf.

²⁶ Numbers do not equate due to rounding.

²⁷ The net financial liabilities ratio is defined as: Net financial liabilities ÷ Total operating income. This ratio measures the extent to which a council's total operating income covers, or otherwise, its net financial liabilities. The suggested LGA target range is between zero and 100 percent of total operating income, but possibly higher in some circumstances (LGA SA Financial Indicators Paper, pp. 7-8).

²⁸ Wattle Range Council, *Long Term Financial Plan 2020-2029*, November 2019, p. 11.

until 2025-26 (\$21.3 million). The projected 10-year average for the ratio is 57.8 percent with marginally reduced borrowings from 2025-26.

The 2022-23 Annual Business Plan indicated that the Council has not budgeted for any new borrowings in 2022-23, but that it would '*consider borrowing funds if successful in obtaining grant funding for multiple 'Shovel Ready' infrastructure projects.*'²⁹ The Commission encourages the Council to consider the full life cycle cost implications of such projects given its past high-cost growth, the extent of operating deficits it has forecast and the current risks to its financial sustainability.

Asset renewals expenditure

The Wattle Range Council's expenditure on renewal or replacement assets averaged \$3.4 million per annum between 2012-13 and 2020-21 which fell short of the spending requirements that the Council identified in its AMPs. For this reason, the Council's asset renewal funding ratio (IAMP-based³⁰) was well below the suggested LGA target range of 90 to 110 percent, averaging 78 percent to 2020-21.³¹

From 2022-23 to 2031-32, the asset renewal funding ratio is forecast to average 102 percent and generally remain within the suggested LGA target range. Average annual spending on renewal or rehabilitation of assets is projected to increase to \$4.7 million (in nominal terms).

The Council has grown its asset base over the past 10 years with expenditure on new or upgraded assets averaging \$3.2 million per annum between 2011-12 and 2020-21.³² Since 2014-15, the Council has tended to prioritise expenditure on renewal and replacement of assets, as opposed to new or upgraded assets (except for 2024-25). As a result, the Council's is ensuring that its asset stock value per rateable property is projected to be relatively steady.

The Commission notes that this is a positive step for the Council to better sustain its existing asset base, rather than increasing its operating cost pressures through capital expenditure on new or upgraded assets, and considers it is appropriate for the Wattle Range Council to:

6. **Adhere** to the principles underpinning its long-term financial plan projections to provide more funding to the renewal of its assets, rather than prioritising initiatives which involve new or upgraded infrastructure.

From 2022-23, the depreciation-based asset renewal funding ratio,³³ is projected to continue to track below the recommended minimum level (for the IAMP-based ratio) of 90 percent, averaging 70 percent per annum to 2031-32. This follows an average of 65 percent from 2011-12 to 2020-21 and indicates that estimated depreciation expenses, which should represent the average rate of asset consumption, are significantly higher than the required annual expenditure on capital renewals under its various asset management plans (AMPs).

To consider whether there should be a closer alignment between depreciation expenses and asset renewals expenditure, it would be appropriate for the Council to:

²⁹ Wattle Range Council, *2022/2023 Annual Business Plan*, July 2022, p. 32.

³¹ From 2012-13 as data was not provided for 2011-12.

³¹ From 2012-13 as data was not provided for 2011-12.

³² As advised by the Council, the value of assets is not only driven by new assets but also upon revaluation of the assets.

³³ The Council's asset renewal funding ratio by the depreciation-based method (where asset renewal/replacement expenditure is divided by depreciation expenses). This ratio shows the extent to which capital expenditure on the renewal and replacement of assets matches the estimated rate at which these assets are used or consumed.

7. **Review** the estimates of asset lives and valuations feeding into the forecast rate of asset consumption in its long-term financial plan and asset management plans.

The Council recently adopted its community wastewater management system (CWMS) AMP in September 2022, which covers collection network, treatment infrastructure and irrigation infrastructure for the four townships - Penola, Kalangadoo, Southend and Beachport.³⁴ However, most of the Council's other AMPs have not been updated for at least three years, with the roads AMP not having been updated since 2015. Therefore, the information contained in its existing plans might include out-dated assessments of the Council's asset conditions, service levels and community expectations.

The Council has acknowledged the requirement to update those out-of-date AMPs and is in the process of updating the AMPs in 2022-23 for the assets of kerb, footpaths, and road.³⁵

Acknowledging these steps, the Commission considers that it would be appropriate for the Council to:

8. **Finalise** updating its existing asset management plans as it has indicated in its forward program, with a focus on consideration of the community's desired service levels, proposed capital expenditure and alignment with its long-term financial plan projections.

2.2.3 Advice on current and projected rate levels

The Council's rate revenue growth has averaged 3.4 percent, or \$56 per annum for each property over the past 10 years,³⁶ compared with average annual CPI growth of 1.7 percent over this period.³⁷

The Council has budgeted for an average general rate increase of 5.5 percent for its existing ratepayers in 2022-23.³⁸ The rates increase reflects higher short-term inflation (anticipated by the Council to be 5.1 percent in 2022-23). Its revenue estimates also allow for a 0.4 percent increase in new rateable properties.³⁹ The Council kept the minimum rate for ratepayers the same in 2021-22, being \$610.⁴⁰ The Council indicated that the majority of the rates increase in 2022-23 will be paid by 'primary production' ratepayers, and to a lesser extent 'vacant land' ratepayers. Commercial, industrial and 'other land' average rates per property is all estimated to decline, while residential ratepayers are expected to pay approximately the same as in 2021-22, on average, \$3 more per property.⁴¹ The Commission notes that the Council has sought to limit rate increases on those ratepayers who might have less capacity to pay for higher rates, such as 'residential', and 'minimum rate' ratepayers.

To 2031-32, the Council's average projected growth in rates revenue per rateable property is 3.4 percent per annum. This is 0.6 percent per annum higher than RBA-based forecast inflation (2.8 percent). Affordability risk among the community for the further rate increases could emerge, based on a range of factors including:

³⁴ Wattle Range Council, *Asset Management Plan Community Wastewater Management Systems*, September 2022, p. 7, available at https://www.wattlerange.sa.gov.au/_data/assets/pdf_file/0010/1213003/CWMS-AMP-Version-2.0.pdf.

³⁵ Wattle Range Council, *Annual Report 2021-22*, p. 70, available at <https://www.wattlerange.sa.gov.au/our-council/council-documents/annual-reports>.

³⁶ From 2011-12 to 2020-21.

³⁷ CPI (All groups). Average annual growth in the LGPI published by the South Australian Centre for Economic Studies was similar (at 1.9 percent) to CPI growth over this period. Available at <https://www.adelaide.edu.au/saces/economic-and-social-indicators/local-government-price-index>.

³⁸ Wattle Range Council, *2022/2023 Annual Business Plan*, July 2022, p. 34.

³⁹ Wattle Range Council, *2022/2023 Annual Business Plan*, July 2022, p. 34.

⁴⁰ Wattle Range Council, *2022/2023 Annual Business Plan*, July 2022, p. 37.

⁴¹ Wattle Range Council, *2022/2023 Annual Business Plan*, July 2022, p. 36.

- ▶ the existing rate levels (which are relatively high for 'primary production' ratepayers but low for residential ratepayers)
- ▶ continued intended rate increases above inflation
- ▶ some concerns expressed about rates and cost containment by the Council in the community consultation on the annual budget,⁴² and
- ▶ an assessment of the economic resources available to the community (which places the area in the bottom half of all areas in terms of access to resources).⁴³

To minimise the affordability risk to the Council's ratepayers, it would be appropriate for the Council to:

9. **Monitor** the impact of further average rate increases, in consultation with its community, particularly on rate categories where average rates are already relatively high (such as 'primary production' categories) but with continued consideration of the capacity to pay for higher rates by different ratepayers.
10. **Focus** on constraining cost growth to reduce the pressure on all rate levels (as per **Finding 4**), including consideration of the community's desired service levels (as per **Finding 8**).

2.3 The Commission's next advice and focus areas

In the next cycle of the scheme, the Commission will review and report upon the Wattle Range Council's:

- ▶ development of its LTFP forecast and assumptions and annual review of its LTFP projections
- ▶ review of its recent high growth in employee expenses and general demonstration of a greater focus on cost constraint, with associated reporting of savings and efficiencies
- ▶ revisions of existing AMPs and adoption of new AMPs, to meet the 10-year requirement and its intended program, and actions to identify desired service levels and to address the need to update outdated condition assessments and valuations in certain AMPs, and
- ▶ actions to limit any potential affordability risk for its ratepayers.

⁴² One out of the six submissions objects to the rate increases proposed in 2022-23. Wattle Range Council, *Special Council Meeting Agenda – 5 July 2022*, p. 95.

⁴³ The Wattle Range Council area is ranked 26 among 71 South Australian 'local government areas' (including Anangu Pitjantjatjara and Maralinga Tjarutja Aboriginal community areas and 'unincorporated SA') on the Australian Bureau of Statistics Socio-Economic Indexes for Areas Index of Economic Resources (2016), where a lower ranking (eg, 1) denotes relatively lower access to economic resources in general, compared with other areas, available at <https://www.abs.gov.au/ausstats/subscriber.nsf/log?openagent&2033055001%20-%20Iga%20indexes.xls&2033.0.55.001&Data%20Cubes&5604C75C214CD3D0CA25825D000F91AE&0&2016&27.03.2018&Latest>.



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