

City of Victor Harbor

Annual Business Plan 2013-2014

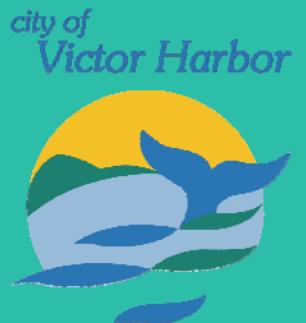
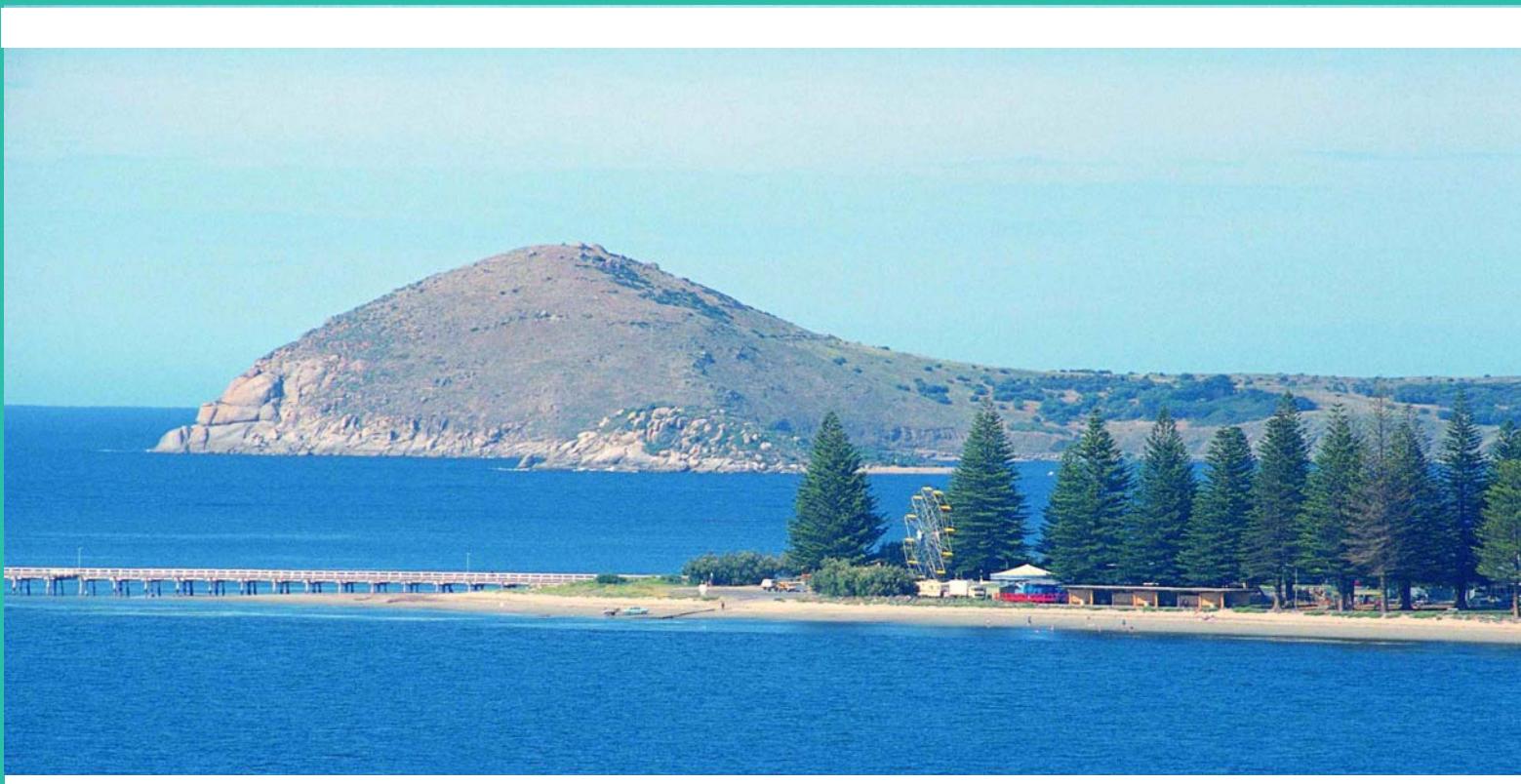


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ADOPTED BY COUNCIL 8 July 2013

2013-2014 ANNUAL BUSINESS PLAN AT A GLANCE

Council will develop and maintain essential infrastructure such as roads, footpaths, storm water drainage and open space. It will also provide regulatory services such as planning and development, parking regulation and food hygiene, and provide important services such as waste collection, libraries, community services and environmental management.

The Annual Business Plan 2013-2014 shows how Council will allocate its budget and what services, programs and projects will be developed in the coming financial year to contribute to achieving the community's long term objectives.

The major components of the 2013-2014 Annual Business Plan are:

- | | |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Key Planned Activities | <ul style="list-style-type: none">• 138 Key Planned Activities have been identified to contribute towards achieving Council's long term objectives |
| Capital Budget | <ul style="list-style-type: none">• \$6.6 million of Capital Works. Major projects include Stormwater Drainage (\$1.3m), Road Works (\$1.2m), Reserves and Recreation (\$575k) and the Regional Aquatic Centre (\$1m) subject to grant funding. |
| Operating Budget Loans | <ul style="list-style-type: none">• Operating Surplus of \$13k including depreciation.• No fixed term loans planned – cash advance debentures will be used to cover shortfalls in cash flow. |
| Rates | <ul style="list-style-type: none">• Average Rate Increase of 7.6%• Average Residential Rate increase of 7.4%• Fixed Charge increase to \$315, to raise 20% of rate revenue |
| Rating Policy | <ul style="list-style-type: none">• Differential rate percentages on all land use categories unchanged except for Primary Production (reduction of subsidy from 12.5% to 11.25%)• Differential rate component on Commercial & Industrial properties to be used for economic development activities.• Rate capping for residential properties and opportunities for seniors rate postponements. |
| Financial Sustainability | <ul style="list-style-type: none">• Operating Surplus of \$13k• Operating Surplus Ratio of 0.1% (compared to an estimated minus 3.9% for 12/13).• Net Financial Liabilities Ratio of 80.7% (compared to estimated 81% for 12/13).• Asset Sustainability Ratio of 78.9% (compared to estimated 67.5% for 12/13). |



Some of the volunteers who assisted the City of Victor Harbor being judged the 2013 Keep Australia Beautiful Tidy Towns National Award Winner

INTRODUCTION

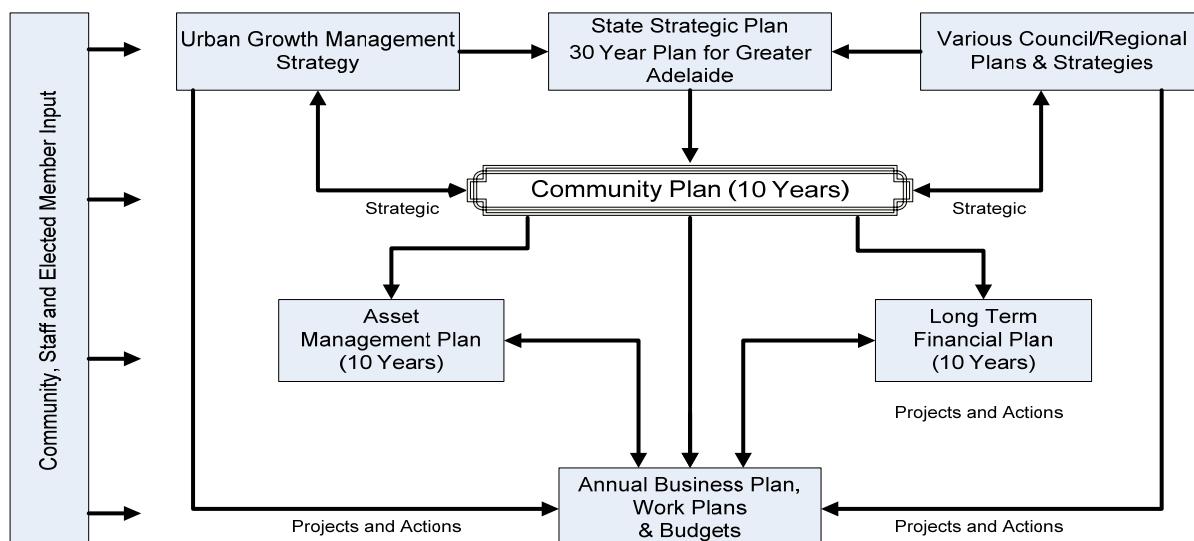
Section 123 of the Local Government Act 1999 requires that Councils prepare an Annual Business Plan and Budget which provides a summary of Council's long term objectives, provides an outline of objectives and activities for the coming financial year, and provides an outline of how Council plans to measure its performance. The Annual Business Plan needs to take into account Council's Long Term Financial Plan and other relevant issues.

The Act also requires that the Annual Business Plan sets out proposed operating expenditure, capital expenditure and sources of revenue, the proposed rate structure, and the impact of the proposed rate structure on the community.

HOW THE ANNUAL BUSINESS PLAN FITS WITH OUR OTHER PLANS

Council's 2013-2014 Annual Business Plan shows how Council will allocate its Budget and what services, programs and projects will be delivered in the coming financial year to contribute to achieving Council's long term objectives. It is informed by Council's Community Plan 2022, Council's Long Term Financial Plan and Asset Management Plan. Council's Community Plan 2022 can be viewed at the Council's Civic Centre, or on Council's website www.victor.sa.gov.au

The following diagram shows how various plans and strategies inform each other.



OUR LONG TERM OBJECTIVES

Council's Community Plan 2022 identifies four broad objectives which indicate what differences we hope to make to achieve our vision:

1. A strong economy and supportive business environment.
2. The sustainable provision of physical infrastructure and community services.
3. Environment and lifestyle protected against the pressures of projected population growth.
4. Leadership, service delivery and organisational management that underpins our strategic directions.

SIGNIFICANT INFLUENCES

The two-fold pressures of significant population growth and a rapidly ageing community offer considerable challenges for Council in the provision of infrastructure and services, balancing the pressures of growth, and maintaining the current lifestyle and strong sense of community. The seasonal population changes provide further challenges for small businesses and for the provision of public infrastructure, while the declining workforce participation rates will have implications for the economic sustainability of the City. Additional challenges also include the City's low-lying coastal settlements and coastal eco-systems being vulnerable to the impacts of climate change.

Cost shifting for services from Federal and State Governments to Local Government continues to impact on our ability to resource Council operations. There is an increasing demand for greater transparency and accountability in Council decision making, and there are also increases in costs associated with new statutory and risk management requirements. Increasing demand for skilled workers will require consideration of workforce strategies, and attraction and retention programs.

Other significant factors include:

- Significant decline in development activity and a flat property market will see very little growth in valuation within our overall assessment. Many individual properties will experience a valuation reduction.
- Waste collection, recycling and disposal expenses continue to mount as Council broadens its service to the community, consolidates waste transfer and disposal activity at Goolwa in conjunction with the Alexandrina Council, and absorbs the costs associated with transport of recyclables and waste out of the Council area.
- The Consumer Price Index of 2.5% (March 2013) and Local Government Price Index of 2.5% (March 2013) (Note: LGPI reflects those items in CPI which impact directly on Local Government costs)
- Fees/charges imposed by other levels of government.
- Significant increases in utilities costs (power and water)
- Conversion of our library to a new State wide standard software platform.
- A staffing compliment increase of one full-time Communications Officer and impact of the Organisational Structure Review conducted in 12/13.
- Inclusion of Regional Aquatic Facility subject to grant funding in conjunction with the Alexandrina Council.
- Commitments to continuing projects and partnership initiatives over more than one financial year.

The Annual Business Plan has been prepared within the following parameters:

- The budget will reflect the proposals contained in the Long Term Financial Plan, which seeks to deliver financial sustainability (i.e. an operating surplus).
- The budget includes an increase in average rates of 7.6% (residential 7.4%).
- Total operating expenses in line with the Long Term Financial Plan.
- Major projects will maximise funding partnership opportunities, i.e. Federal, State, private.
- Loan borrowings will be in accordance with Council's Treasury Policy, with a greater emphasis on variable loans to cover shortages in cash flow through Cash Advance Debentures with the Local Government Finance Authority.
- Subject to stability within the range and level of services provided, and assuming Council acquires no new responsibilities, staffing levels will be contained within long term planning objectives.
- All legislative obligations will be provided for.
- There is an assumption that Council will continue to be supported by a large group of community volunteers in areas including parks and gardens, environmental management, visitor information services, transport, library services, committee participation, recreation and tourism activities.



SUMMARY OF ACTIVITIES FOR 2013-2014

ONGOING ACTIVITIES

The following is a comprehensive list of the responsibilities and functions of Council which are reflected in the Community Plan 2022, Annual Business Plan, budget, legislative requirements, community service expectations and corporate good governance responsibilities.

- Abandoned Vehicles
- Administration & Finance
- Advocate on behalf of the Community
- Amusement & Market Licensor
- Animal & Pest Plant Control
- Asset Management
- Building Assessment & Inspection
- Bus Shelters
- By-laws
- Cemetery Development, Maintenance & Management
- Civic Functions
- Citizenship
- Coastal Protection
- Community & Charitable Donations
- Community Educator
- Community Events
- Community Grants
- Community Information
- Community Services for Aged, Youth & Disadvantaged
- Community Transport
- Construction & Maintenance of Bridges
- Construction & Maintenance of Car Parks
- Construction & Maintenance of Footways & Cycle Tracks
- Construction & Maintenance of Roadway Infrastructure
- Construction & Maintenance of Drainage Infrastructure
- Contract Administration
- Council Elections
- Council News
- Cultural Services & Events
- Development Assessment
- Disability Support & Services
- Disaster Management
- Dog & Cat Control & Enforcement
- Dog Registration
- Economic Development
- Employer of Human Resources
- Environmental Management
- Event Management
- Foreshore Maintenance
- Garbage Collection
- Garbage Disposal
- Green Waste Collection & Processing
- Halls & Community Buildings
- Health & Preventative Services
- History Recording & Preservation
- Horse Tram Service
- Immunization
- Internet Accessibility
- Investment
- Industrial Relations
- Landlord & Tenant
- Land Use Planning
- Landfill Operation
- Library Services
- Litter Inspection & Enforcement
- Livestock Impounding
- Lobbyist
- Local Data & Statistical Collection
- Local Governance
- Local History Collection
- Local Services Contact
- Maintainer of Civic & Community Records
- Mediator
- Monuments & Plaques
- Needle Collection Service
- Occupational Health Safety & Welfare
- Parking Control & Enforcement
- Playgrounds
- Policy Initiator
- Private Works
- Property Leases & Rentals
- Provision & Maintenance of Boat Ramps
- Provision & Maintenance of Community Halls
- Provision & Maintenance of Public Conveniences
- Provision & Maintenance of Parks, Gardens & Reserves
- Provision & Maintenance of Plant & Equipment Resources
- Provision & Maintenance of Sport & Recreation Facilities
- Public Art Works
- Quarries
- Rate Levying & Collection
- Recycling
- Risk Management
- Septic Tank Approval & Inspection
- South Australia Whale Centre Operation
- Statutory Fees & Charges
- Strategic Planning
- Street Furnishing
- Street & Public Lighting
- Street Signage
- Street Sweeping (Contract)
- Storm-water Management
- Supported Residential Facilities Licensing
- Tourism Promotion, Servicing & Development
- Traffic Control & Statutory Signage
- Training Facilitator & provider
- Tree Planting & Maintenance
- Venue Hire
- Vermin Eradication
- Visitor Information Centre
- Volunteer Support & Assistance
- Walking Trails

SIGNIFICANT ACTIVITIES FOR 2013-2014

Public Conveniences

Provision has been made to design and construct a public convenience within John Crompton Reserve as well as an RV & caravan effluent dump point.

Waste Management

Following the closure of the Victor Harbor Landfill in 12/13, Council has undertaken a joint waste transfer station with Alexandrina Council and their Goolwa Landfill. A contribution to operating expenses of \$220,000 to Alexandrina Council has been included in the budget. Waste collection services will continue to be provided by the Fleurieu Regional Waste Authority at a cost of \$1.2 million.

Stormwater Drainage

Several major stormwater drainage projects are proposed, including the lowering of the wall and landscaping at Jagger Dam and completion of the Torrens Street Drainage upgrade. Total cost of all projects is expected to be \$1.3m.

Parks, Reserves and Sporting Facilities

Regular upgrades to outdoor furniture, barbeques and paving are proposed at various locations. Walking trails will continue to be upgraded as well as irrigation as per the Irrigation Upgrade Program. Recreational activities include the construction of a pontoon at the Bluff Boat Ramp, the Regional Aquatic Centre (subject to grant funding) and the replacement of roofing at the Recreation Centre. The total cost of parks, reserves and sporting facilities is expected to be \$1.58m.

Roads and Footpaths

A total road construction allocation of \$1.2 million includes major resealing and re-sheeting programs, and the 1st stage of reconstruction of Bay Road. A total of \$263k has been allocated to construction or extension of footpaths & kerbing at Tabernacle Road, as well as replacement of footpaths & kerbing in accordance with the Council's condition rating model.

Plant and Equipment

Plant and equipment will be replaced as per Council's adopted Plant Replacement Policy. Items identified to be replaced include a backhoe, large tipper, medium tipper, small tipper, roller, forklift and various utilities. The net affect on the budget is \$479k.

Information Technology & Communications

Much of Council's IT infrastructure is aged and no longer operating efficiently. Increased funds are being allocated to the capital budget to rectify this and provide for improved operating efficiencies across all service areas and in the future. Included in the \$212k capital budget is the replacement of various servers, implementation of an intranet, notebooks and computers.

Business Activities

Allowance has been made for point replacement on the tram line, as well as the purchase of horses and harnesses. A \$15k allowance for new exhibits at the Whale Centre has also been included.

Other Projects

Other projects proposed in the budget include coastal protection works, establishment and fencing of a suitable site for a dog off-leash area, installation of guard railing and traffic management controls.

Strategic Management Planning

A comprehensive review of the Council's Asset Management Plan, Asset Management Strategy and Capital Works Program will provide a firm direction and priority for the Council's infrastructure and asset needs for the next ten year period. The outcomes of these will be included into a review of the Long Term Financial Plan, which will provide important information and guidance for the Council to achieve and maintain financial sustainability.

Service Reviews

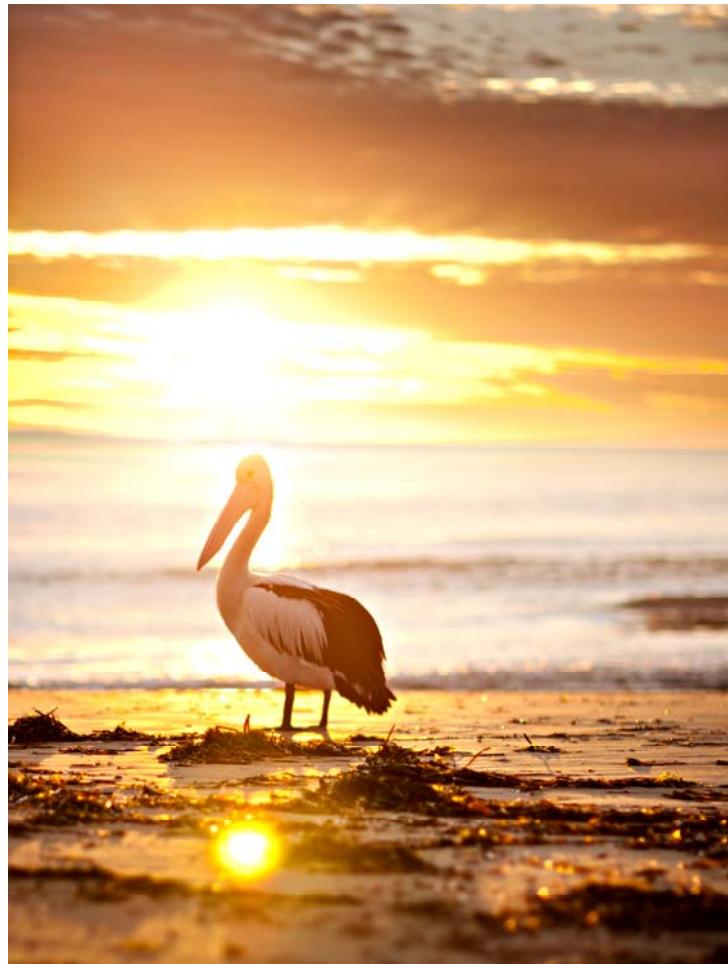
Council has committed to undertaking a number of service reviews to assess service levels, costs and business processes, to plan for future community needs.

Grants and Contributions

Council will continue to support local businesses and community organisations by providing a range of grant opportunities through community, sport and recreation, heritage and main street façade grants. Various rate rebates are also provided to community services and aged and disabled care providers while cash and in-kind donations are provided as necessary during the year.

KEY PLANNED ACTIVITIES FOR 2013-2014

Council has identified 138 Key Planned Activities to be undertaken in 2013-2014. Whilst not an exhaustive list of everything that Council does, Key Planned Activities illustrate what Council will do over the next 12 months to contribute towards achieving Council's Objectives. The following pages show Key Planned Activities listed under Objectives and Strategies (which in broad terms explain how to achieve our Objectives). These Objectives and Strategies are long term, but provide the framework for our Key Planned Activities, which are short term. Key Planned Activities may not be listed under every Strategy in every year and it is not intended that every activity of Council is included.



Objective 1

A strong economy and supportive business environment.

Key Planned Activities for 2013-2014

Key Planned Activities illustrate what Council will do over the next 12 months to achieve Council's long term Objectives. They are listed under Strategies (the bold headings), which are also long term and come from Council's Community Plan 2022.

EMPLOYMENT AND ECONOMIC DEVELOPMENT

- 1.1 Support an increase in appropriate business investment and employment opportunities**
Identify next stage project in the Railway Terrace Precinct and review funding and delivery opportunities. (1.1.1)
Complete the Urban Design Framework Project for the Ocean Street/Main Street Precinct. (1.1.2)
Complete Strategic Direction Report (s30 Review). (1.1.3)
Complete review and update of the Urban Growth Management Strategy (UGMS). (1.1.4)
Investigate and evaluate feasibility of a "Sculptures by the Sea" event. (1.1.5)
Develop an Economic Development Action Plan. (1.1.6)
Implement initiatives under the Mainstreet Precinct Action Plan. (1.1.7)
- 1.2 Promote Victor Harbor's competitive advantages in order to encourage new businesses and industries.**
Provide primary producers with a subsidy on the base residential rate in recognition of the economic and social importance of primary production to the district. (1.2.1)
- 1.3 Plan for an improved range of and access to services**
Progress Outer Centres Strategic Review and Development Plan Amendment. (1.3.1)
Design and construct RV vehicle and caravan effluent "Dump Point". (1.3.2)
- 1.4 Encourage improved reputation and business climate**
Organise and stage the 2013 Whale Time / Play Time Festival. (1.4.1)
Design and upgrade signage on outside wall of the Visitor Information Centre building (facing the Esplanade Car Park. (1.4.2)
Implement the Mainstreet Precinct Christmas Decorations Project in funding partnership with business operators. (1.4.3)
Organise and stage a New Years Eve community celebration event with a view to an expanded (early evening) fireworks display. (1.4.4)
Organise and stage a Horse Drawn Tram Open Day event. (1.4.5)
- 1.5 Support business linkages through partnerships and collaboration.**
Develop combined and packaged ticketing opportunities for marketing and sale through the Visitor Information Centre. (1.5.1)
Participate in the Fleurieu Peninsula Tourism Committee, and regional tourism plan and activities. (1.5.2)
Undertake a review of involvement with Fleurieu Peninsula Tourism to inform funding agreement renewal after 2013/14. (1.5.3)

POPULATION AND HOUSING

- 1.6 Plan for appropriate housing stock and diversity to meet current and projected needs.**
Complete the Better Development Plan DPA. (1.6.1)
- 1.7 Encourage an increase in the proportion of permanent residents.**

CONNECTIVITY

- 1.8 Support improved information communication technology services.**
Facilitate Council input into the Federal NBN project. (1.8.1)
- 1.9 Negotiate for improved regional transport connections.**
Support the Fleurieu Road Safety Group to implement community road safety initiatives. (1.9.1)

- 1.10 Integrate transport services and land use planning**
- 1.11 Develop and maintain safe road, cycle and pedestrian corridors and networks.**
 - Work with the Disability Access Advisory Committee to identify and upgrade problem footpath areas, and areas requiring additional car parks for disabled permit holders. (1.11.1)
 - Continue footpath installation and upgrade program as a result of the condition rating assessments undertaken for Council asset management plans. (1.11.2)
 - Work with developers to ensure new land divisions have connectivity with existing road, cycle and pedestrian networks. (1.11.3)
 - Review Council's Engineering Design Guidelines. (1.11.4)
 - Implement the road work program developed from 2011 condition assessments for road resurfacing and reconstructions. (1.11.5)
 - Review service standards and maintenance of existing footpaths following condition assessments. (1.11.6)
 - Implement bridge maintenance in accordance with Council's most recent asset management report on bridge structures, and further refine Council's works program for bridges. (1.11.7)
 - Update and replace signage along the bike lane route from the Parkway to Crozier Road. (1.11.8)
 - Undertake road reconstruction of Stage 1 of a two stage project for Bay Road. (1.11.9)
- 1.12 Advocate for improved public and community transport services.**
 - In partnership with Alexandrina Council provide the Southern Communities Transport Scheme to assist transport disadvantaged people to access essential services. (1.12.1)
 - Advocate for improved regular passenger transport services between Victor Harbor and Goolwa, and Victor Harbor and Adelaide. (1.12.2)
 - Implement the new Community Passenger Network Customer Relationship Management Software Program. (1.12.3)

COMMUNITY

- 1.13 Advocate for expanded options to access higher education and skills development.**

Objective 2

The sustainable provision of physical infrastructure and community services.

Key Planned Activities for 2013-2014

Key Planned Activities illustrate what Council will do over the next 12 months to achieve Council's long term Objectives. They are listed under Strategies (the bold headings), which are also long term and come from Council's Community Plan 2022.

PYHICAL INFRASTRUCTURE

- 2.1 Stage release of residential land ahead of growth and in line with staged services.**
 - Maintain a higher differential rate to be applied to the vacant land use category, in accordance with the Local Government (Rating) Amendment Bill 2012, to encourage consolidation of properties and more efficient infrastructure provision. (2.1.1)
- 2.2 Plan for and encourage reduced waste generation and increased recovery and reuse of waste.**
 - Implement landfill post-closure actions and maintenance to meet EPA post closure requirements. (2.2.1)
- 2.3 Improve stormwater management through retention, detention, and reuse**
 - Undertake programmed stormwater drain maintenance and drain inlet upgrades as required in the Urban Stormwater Master Plan. (2.3.1)
 - Implement design and construction of stormwater upgrades identified in the Urban Stormwater Master Plan, and included in Council's Ten Year Capital Works Program. (2.3.2)
- 2.4 Maximise reuse of treated wastewater**
- 2.5 Encourage reduced energy consumption through energy efficient development**

2.6 Encourage increased use of sustainable energy sources

Commence a Community Purchase of Renewable Energy Program (CPREP) for commercial and industrial application. (2.6.1)

Investigate the conversion of down light fixtures in the Civic Centre to LEDs and if appropriate stage a conversion process. (2.6.2)

2.7 Encourage water sensitive urban design and water consumption reduction.

COMMUNITY

2.8 Facilitate meeting places responsive to community needs.

Encourage initiatives to develop meeting places responsive to community needs, including investigating extension of the lease on the Old School Building Community Centre. (2.8.1)

2.9 Encourage coordination, collaboration and the effective provision of and access to health and community services in the local area and region.

Support implementation of the Southern Fleurieu and KI Positive Ageing Taskforce Strategic Plan for 2010-2019. (2.9.1)

Through the Southern Fleurieu and KI Positive Ageing Taskforce improve access for older people to mental health services. (2.9.2)

Complete an update of the Southern Fleurieu Regional Youth Strategy 2007-2010. (2.9.3)

Provide a community grants program. (2.9.4)

Support the development of the Fleurieu Community Foundation. (2.9.5)

Consider and apply for relevant funding under the State Government's Family and Community Development Program for the delivery of services for local families and children. (2.9.6)

Undertake priority actions identified in the Fleurieu Families Vulnerable and Disadvantaged Client Access Strategy with particular emphasis on the indigenous target. (2.9.7)

Investigate and implement as appropriate improved evidence based performance evaluation and productivity tools to more effectively measure the outcomes of community service projects. (2.9.8)

Support the Families Taskforce to develop strategies that promote and facilitate easily accessible, targeted, and coordinated services for young people and families with children. (2.9.9)

Participate with other member Councils of the SHLGA in the development of a Regional Health Plan as required by the Public Health Act 2011. (2.9.10)

Investigate the impact and resource implications on Council of the administration, enforcement and implementation of the Public Health Act 2011. (2.9.11)

2.10 Promote safe communities through appropriate infrastructure, urban design, crime prevention and police services.

Monitor and evaluate the town centre CCTV system and review location of cameras in town centre area. (2.10.1)

2.11 Plan for the appropriate location of children's services, facilities for the aged, recreation and sporting facilities, education services and cemeteries.

Continue the Playground Development Program. (2.11.1)

Complete design and commence construction of a dog park facility. (2.11.2)

Investigate suitable sites for a new cemetery. (2.11.3)

2.12 Improve access, lifestyle and information services for people with a disability.

Review Council's Disability Discrimination Act Action Plan. (2.12.1)

2.13 Ensure high quality open space and recreation facilities are provided and maintained.

Complete 2013/14 reserve and street furniture upgrade programs. (2.13.1)

Develop Soldiers Memorial Reserve, as per Recreation and Open Space Strategy, and Soldiers Memorial Reserve Master Plan. (2.13.2)

Continue open space asset renewal and upgrade program as per Open Space Asset Management Plan, and Recreation and Open Space Strategy. (2.13.3)

Develop open space hierarchy framework and future development and upgrade program. (2.13.4)

Subject to funding, and in cooperation with the Alexandrina Council, coordinate detailed design and planning for the Fleurieu Region Aquatic Centre (2.13.5)

Undertake further investigations into the proposed eastern boat ramp/marina. (2.13.6)

Objective 3

Environment and lifestyle protected against the pressures of projected population growth.

Key Planned Activities for 2013-2014

Key Planned Activities illustrate what Council will do over the next 12 months to achieve Council's long term Objectives. They are listed under Strategies (the bold headings), which are also long term and come from Council's Community Plan 2022.

ENVIRONMENT

3.1 Protect ecological values and biodiversity.

Complete the 2013/14 Street Tree Planting Program and Streetscape Enhancement Program. (3.1.1)
Implement Urban Forests Project Stage 3. (3.1.2)

3.2 Identify and protect heritage, landscape and townscape values.

Facilitate Council's Local Heritage Incentives Grant scheme. (3.2.1)
Facilitate Council's Mainstreet Facade Grant Program. (3.2.2)
Complete Stages 1 and 2 (installation) of the Heritage Interpretation Plaques Project and commence Stage 3. (3.2.3)
Undertake a Management Plan for all Council owned and managed State Heritage listed buildings and places. (3.2.4)
Continue to work with the local Aboriginal community to support the protection of Aboriginal heritage. (3.2.5)
Research design, costs, and grant funding opportunities for a railway heritage interpretation project at the SA Whale Centre. (3.2.6)
Develop an indigenous heritage interpretation exhibit at the SA Whale Centre subject to external grant funding. (3.2.7)
Establish a local oral history project. (3.2.8)

Implement a licensing system for Encounter Lakes privately owned jetty structures. (3.2.9)

3.3 Protect and enhance the coastal environment.

Consider Coastal Management Study options and seek funding opportunities. (3.3.1)

3.4 Plan for appropriately designed and located mixed density housing which caters to the needs of the community.

3.5 Adapt to impacts of climate change

With consideration of the work being undertaken by the LGASA, and SHLGA, develop a process and strategy, identifying additional investigations, actions, timelines and costings, for the development of a Climate Change Action Plan. (3.5.1)

3.6 Encourage development controls which reflect principles of ecologically sustainable development.

COMMUNITY

3.7 Encourage a vibrant community culture.

3.8 Promote Council services and activities.

Scope a local resident/ratepayer loyalty pass system for access to Council's tourism business units. (3.8.1)

Plan and design an interpretive signage display at the Causeway Plaza Horse Tram Facility. (3.8.2)

Increase awareness of local services through activities such as "Flourishing on the Fleurieu". (3.8.3)

3.9 Encourage community interaction including participation in sport and recreation opportunities.

Support the provision of a volunteer referral service for residents wanting to get involved in community life, and share their skills and experiences. (3.9.1)

Provide a Volunteer Week Small Grants Program to encourage groups to celebrate and recognise the contributions of their volunteers. (3.9.2)

Implement library State wide "One Card" Project. (3.9.3)

Maintain existing pedestrian/cycle links to ensure connectivity for pedestrians and cyclists. (3.9.4)

- Encourage programs that support new residents, especially aged people, to develop connection with their local community and build social capacity. (3.9.5)
- Partner with local services and councils in the Office for Recreation and Sports, Star Club Field Officer Program (formerly the Be Active Field Officer Program). (3.9.6)
- 3.10 Promote concepts of "Connected Communities" and "Communities for All".**
- Support the Southern Fleurieu Youth Advisory Committee including the provision of opportunities for young people to plan, implement and participate in arts and cultural activities. (3.10.1)
- Work with the Child Friendly Cities Pilot Project Team to further develop the notion of a child friendly South Australia. (3.10.2)
- 3.11 Ensure a planned response to the impacts of fire, flooding and other emergencies**
- Participate in the Fleurieu Bushfire Management Committee development of the regional bushfire plan. (3.11.1)

Objective 4

Leadership, service delivery and organisational management that underpins our strategic directions.

Key Planned Activities for 2013-2014

Key Planned Activities illustrate what Council will do over the next 12 months to achieve Council's long term Objectives. They are listed under Strategies (the bold headings), which are also long term and come from Council's Community Plan 2022.

GOVERNANCE AND COMMUNITY LEADERSHIP

- 4.1 Support elected members to fulfil their role as the governing body of Council.**
- 4.2 Ensure efficient legislative compliance.**
- Review and update Council's Building Inspection Policy. (4.2.1)
Continue to enhance systems and practices to monitor legislative compliance. (4.2.2)
Continue to review Council policies with reference to Council's Policy Schedule. (4.2.3)
- 4.3 Increase participation of the community in local government planning, operations, and elections.**
- Develop and implement a communication strategy that includes Council's website, new communication options such as social media and "Victor Viewpoint" and promotes community participation. (4.3.1)
- 4.4 Ensure that the community receives clear and concise plans, reports and guidelines, and reasonable response time for all processes that invite public consultation.**
- 4.5 Develop inter-governmental and regional relationships.**
- 4.6 Ensure that Council operates in a strategically planned environment.**
- Report on Council's performance against objectives and strategies using financial and non-financial performance measures. (4.6.1)
- 4.7 Foster and demonstrate community leadership.**
- Recognise our community's achievements through initiatives such as Victor Viewpoint, Australia Day Awards, and Council Functions. (4.7.1)

SERVICE DELIVERY

- 4.8 Engage with the community to identify their needs and expectations.**
- Identify Council's key areas for service delivery and progressively review service levels. (4.8.1)
Coordinate the content and maintenance of Council's website to ensure up to date information and maximise consultation exposure to the community. (4.8.2)
- 4.9 Ensure a high and efficient level of service delivery across the organisation.**
- Review and implement improvements to the retail management systems at Council's Tourism Business Units. (4.9.1)
Scope the requirements of customer service software to contribute to a corporate system for reporting and monitoring of performance measures. (4.9.2)
Review Dog and Cat Policy and related Standard Operating Procedures. (4.9.3)

Undertake a test and review of Council's Business Continuity Plan to ensure that the plan can provide for the availability of all key resources supporting essential business facilities in the event of an emergency or disaster. (4.9.4)

FINANCIAL AND OPERATIONAL SUSTAINABILITY

4.10 Undertake long term financial planning.

4.11 Manage Council's financial assets to improve financial sustainability.

Conduct rating "health check" to review compliance and best practice application. (4.11.1)

Review and consolidate Council's financial policies. (4.11.2)

Conduct review and implementation of internal control measures in line with the Better Practice Model. (4.11.3)

Undertake a strategic review of Council properties and update relevant Community Land Management Plans. (4.11.4)

4.12 Continue infrastructure and asset management planning.

Implement Council's Ten Year Plant Replacement Program.(4.12.1)

Conduct condition assessment and revaluation of open space assets. (4.12.2)

Incorporate open space assets into Council's Assetic Asset Management System. (4.12.3)

Undertake financial incorporation into the Assetic Management System of buildings, open space and artworks. (4.12.4)

Train and prepare two of the newly acquired horse stock for service at the Horse Drawn Tram. (4.12.5)

Repair the Old Library roof. (4.12.6)

Replace the Recreation Centre roof. (4.12.7)

4.13 Investigate and develop opportunities to diversify Council's income stream to reduce reliance on ratepayers for services and operations.

Research and trial opportunities for advertising and sale of local/regional produce, and local/regional tourism attractions and operators. (4.13.1)

Explore and develop marketing opportunities and delivery options for the education programs at the SA Whale Centre. (4.13.2)

Review options for most effective use and floor design of the public computer/lounge area at the Visitor Information Centre. (4.13.3)

4.14 Assess opportunities within an effective risk management framework.

Establish a strategic and operational risk management reporting system. (4.14.1)

ORGANISATIONAL DEVELOPMENT AND WORKFORCE

4.15 Provide a safe and healthy workplace.

Review and maintain a safety management system to meet the requirements of the LGA One System OHS&W Management System and the nationally harmonised WH&S legislation enacted in January 2013. (4.15.1)

Review staff induction processes. (4.15.2)

Improve access to Work Health and Safety documents on Council's shared data site. (4.15.3)

Complete organisational hazard risk assessments. (4.15.4)

Install roof maintenance access walkways to Civic Centre roof. (4.15.5)

4.16 Develop an adaptable, skilled and satisfied workforce.

Develop a data base for staff training, with linkages to WH&S, personal and professional development, and specific job requirements. (4.16.1)

Provide apprenticeships, traineeships and work experience opportunities. (4.16.2)

Prepare a training needs analysis for each Council position type. (4.16.3)

Promote the Healthy Lifestyle Program to staff. (4.16.4)

Develop finance induction training for new staff. (4.16.5)

4.17 Plan for the workforce needs for the future.

Prepare a workforce plan, including career and succession planning, to compliment Council's Strategic Management Plans. (4.17.1)

4.18 Apply appropriate technology and information systems that enhance service delivery and efficiencies.

Renew and maintain information and communication technology hardware on a regular basis, including Council's data network, storage infrastructure and desk top computers to reduce the chance of failure, to increase up-time, and maintain a fleet of hardware under warranty. (4.18.1)

Continue to investigate opportunities to implement fibre optic cabling between Council sites in a cost effective manner. (4.18.2)

Implement e-pay slips to increase payroll efficiencies.(4.18.3)

Implement priority information and communication technology items within Council's 10 Year Capital Works Program, including a Council intranet to improve internal communications, a SQL server and intranet to allow greater data sharing across applications, and creating efficiencies for Council's mobile workforce. (4.18.4)

Investigate Council's telecommunications needs and implement improvements for service delivery in areas such as broadband, PABX and mobile devices. (4.18.5)

Develop an Information and Communications Technology Business Plan. (4.18.6)

Investigate and implement a new, more cost effective, long term storage solution for Council records. (4.18.7)

4.19 Develop planning, business and resource management processes to support continuous improvement, innovation and excellent service delivery

Undertake a Records Section service review. (4.19.1)

Undertake an Economic and Tourism Development Section service review. (4.19.2)

Undertake a service review of Council's parks and gardens service area. (4.19.3)

Undertake an information and communication technology service review. (4.19.4)

Undertake a service review of Council's roads service area. (4.19.5)

Develop and implement a Project Management Framework, including processes, procedures and strategies to support cross departmental approaches to project management. (4.19.6)





OUR MEASURES OF SUCCESS

The following methods will be used to measure the performance of Council against its objectives over the financial year:

1. Completion of Key Planned Activities
2. Budget Reviews
3. Levels of service delivery
4. Strategic Indicators

COMPLETION OF KEY PLANNED ACTIVITIES

Council will undertake a mid year and end of year review of its progress towards completing Key Planned Activities. Council's performance target is to complete at least 90% of the listed Key Planned Activities.

BUDGET REVIEWS

Council undertakes three regular budget reviews throughout the year. The mid year review involves a thorough review of all budget items, and the final review identifies any major changes to predict the end of year result.

LEVELS OF SERVICE DELIVERY

Council will report on the levels of services it provides to the community, including comparisons with levels of service in previous years. Measurable levels of service can include things such as library membership, total number of visitors to the Visitor Information Centre, or number of development approvals. Council's performance target is to achieve annual improvements in each area of service delivery, or to meet individual performance targets where they have been determined. Council will report on their levels of service delivery on an annual basis.

STRATEGIC INDICATORS

A series of strategic indicators have been identified which indicate how Council is performing against its objectives. These indicators show how effective Council has been in making a difference in order to achieve its vision. It is not intended that the indicators reflect a complete picture of every aspect of every objective. Rather, they reflect a trend towards a desired outcome and a desired direction. Data sources include the Australian Bureau of Statistics (ABS), internal Council data, data from government agencies, and data from the Local Government Comparative Performance Measurement (CPM) Project. Local Government CPM data is obtained through an independent annual survey and provides information on community perceptions of Council's performance. Specific annual targets utilising CPM data will be set after the 2012/13 annual survey data is received. Council will report on their performance against those indicators, for which data is available, on an annual basis for inclusion in Council's annual report.

Objective 1 A strong economy and supportive business environment.			
Indicator	Measure	Trend/Target	2013/14 Target
Business investment	Number of businesses (Internal data)	Maintain at current level or increase	1,000 or more
Workforce population	Workforce participation (DEEWR Survey)	Maintain at current level or increase	44% or higher
	% of population unemployed (DFEEST data)	Maintain at current level or decrease	7.5% or lower
	Number of people employed in local businesses (Internal data base)	Maintain at current level or increase	5,000 or more
Proportion of permanent residents	% of occupied dwellings (Census data)	71% or greater	Not available in 2013/14
Road, cycle and pedestrian networks	Asset/Infrastructure Management Index (Local Government CPM Index)	Continual improvement	2012/13 level or higher
Objective 2 The sustainable provision of physical infrastructure and community services.			
Indicator	Measure	Trend/Target	2013/14 Target
Effective management of urban growth	Planning and Development Control Index (Local Government CPM Index)	Continual improvement	2012/13 level or higher
Storm water and waste water reuse	Quantity of storm water and waste water reused by Council (Internal Council data)	Maintain at current level or increase	20,000 kL
Waste collection and disposal	Waste Collection Disposal Index (Local Government CPM Index)	Continual improvement	2012/13 level or increase
Perceptions on safety and security	Safety and Security Index (Local Government CPM Index)	Continual improvement	2012/13 level or higher
Provision of parks, reserves and open space	Providing & Maintaining Sporting Facilities, Parks, Gardens, Reserves and Open Space (Local Government CPM Index)	Continual improvement	2012/13 level or higher
Provision of community meeting places	Providing and Maintaining Community Halls and Cultural Buildings (Local Government CPM Index)	Continual improvement	2012/13 level or higher
Provision of disability access and information services	Providing and Maintaining Facilities for the Aged, Disabled and Special Needs Groups (Local Government CPM Index)	Continual improvement	2012/13 level or higher
Health and Community Services	Health Services Index (Local Government CPM Index)	Continual improvement	2012/13 level or higher
Providing services and facilities	Council Services (Local Government CPM Index)	Continual improvement	2012/13 level or higher
Objective 3 Environment and lifestyle protected against the pressures of projected population growth.			
Indicator	Measure	Trend/Target	2013/14 Target
Safeguarding ecological values and biodiversity	Environmental Management Index (Local Government CPM Index)	Continual improvement	2012/13 level or higher
Addressing the impacts of climate change	% of buildings with solar panels (Council data – biannual)	43% or greater	Not available in 2013/14
Community involvement	% of people who volunteer (ABS Census data)	28% or greater	Not available in 2013/14
	Libraries and Library Services Index (local Government CPM Index)	Continual improvement	2012/13 level or higher
Accessibility to goods, services, amenities and facilities	Quality of Life Index (Local Government CPM Index)	Continual improvement	2012/13 level or higher

Objective 4**Leadership, service delivery and organisational management that underpins our strategic directions.**

Indicator	Measure	Trend/Target	2013/14 Target
Community participation in local government	Proportion of eligible voters voting in general Council elections (State Electoral Commission)	Maintain at current level or increase	Not applicable in 2013/14
Engaging with the community	Community Consultation Index (Local Government CPM Index)	Continual improvement	2012/13 level or higher
Decision making	Investigations by the Ombudsman identifying deficiencies in administration/governance (Internal data and Ombudsman's Annual Report)	Continual improvement	No investigations
	Good Governance Assessment Audit (Internal – Local Government Association of SA)	Rating score of "Good" or better	Rating score of "Good" or better
Awareness of long term and strategic objectives	Strategic Objectives Index (Local Government CPM Index)	Continual improvement	2012/13 level or higher
Access to Council information, documents and meetings	Public Access to Information Index (Local Government CPM Index)	Continual improvement	2012/13 level or higher
Customer service satisfaction	Customer Service Index –(Local Government CPM Index)	Continual improvement	2012/13 level or higher
Effective risk management	Risk Management Processes Audit Rating (LGMLS Risk Management Audit)	Continual improvement	2012/13 level or higher
Financial sustainability	Operating Surplus Ratio	0% or greater	0% or greater
	Net Financial Liabilities Ratio (Council annual financial statements)	75% or less	80.7% or less
Asset sustainability	Asset Sustainability Ratio (Council annual financial statements)	Average of 80% over any 3 year period	78.9% or greater
Safe and healthy workplace	Number of Lost Time Claim Injuries (WH&S Injury Management Statistics)	WH&S Injury Management Benchmark or better	Benchmark determine July for following year
	Compliance with WH&S Risk Management Legislation (WH&S Self Audits, LG workers Compensation Scheme KPI Audits, Workcover Audits)	Maintain Exempt Employer Status	Exempt Employer Status maintained



FUNDING OUR ANNUAL BUSINESS PLAN

Operating expenses of just under \$22.1 million will be funded by revenue of just over \$22.1 million, resulting in an operating surplus of \$13k in 2013-2014.

The Council's long-term financial sustainability is dependent on ensuring that, on average over time, its operating expenses are less than or equal to its revenue. The Long Term Financial Plan proposes that the Council will reach a breakeven position by 2014-15.

The Council's operating income consists of the following elements:

Rates (\$17.4 million)

Rates are set by the Council in accordance with the Rating Policy. The major components are:

- General Rates \$17.3 million
- Natural Resource Management Levy \$0.3 million
- Rebates and Remissions \$0.2 million

User Pay Charges (\$2.4 million)

Fees and charges are set by the Council and recovered for:

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none">• Horse Drawn Tram fares• SA Whale Centre fees, sales and tours• Town Hall hire fees• Indoor Recreation Centre hire fees• Cemetery fees• Foreshore Car Parking fees | <ul style="list-style-type: none">• Beachfront Holiday Park lease fees• Boat Launching fees• Community transport contributions• Visitor Information Centre souvenir and booking service sales• Lease and licence fees |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Revenues received are used to assist to maintain and upgrade Council's facilities, or offset the cost of providing these services.

Statutory Charges set by State Government (\$0.5 million)

Fees and charges are set by the State Government through legislation and collected by the Council for regulatory functions such as:

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none">• Development lodgement and assessment fees• Dog registration, expiation and impounding | <ul style="list-style-type: none">• Parking expiation• Septic tank fees• Property search fees |
|--------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|

Revenues received are used to assist to offset the cost of providing these services.

Grants and Partnerships (\$1 million)

Council seeks to attract grant funding for identified project priorities from other levels of Government, sometimes in partnership with other parties. Operating grants are received from the SA Local Government Grants Commission and are also expected for the following activities:

- | | |
|----------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none">• Community Service projects• Library services• Tourism events | <ul style="list-style-type: none">• Environmental projects• Street scaping projects• Road construction |
|----------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|

Other Revenue (\$0.8 million)

Council receives revenue from a range of other sources such as:

- Investment income
- Donations and sponsorships
- Reimbursements from the community, Government and other Councils

Capital Revenues (\$0.4 million)

Council receives income from grants, asset sales and contributions from developers to fund future asset construction. These funds are applied to new and replacement assets in accordance with the Long Term Financial Plan.

Loans

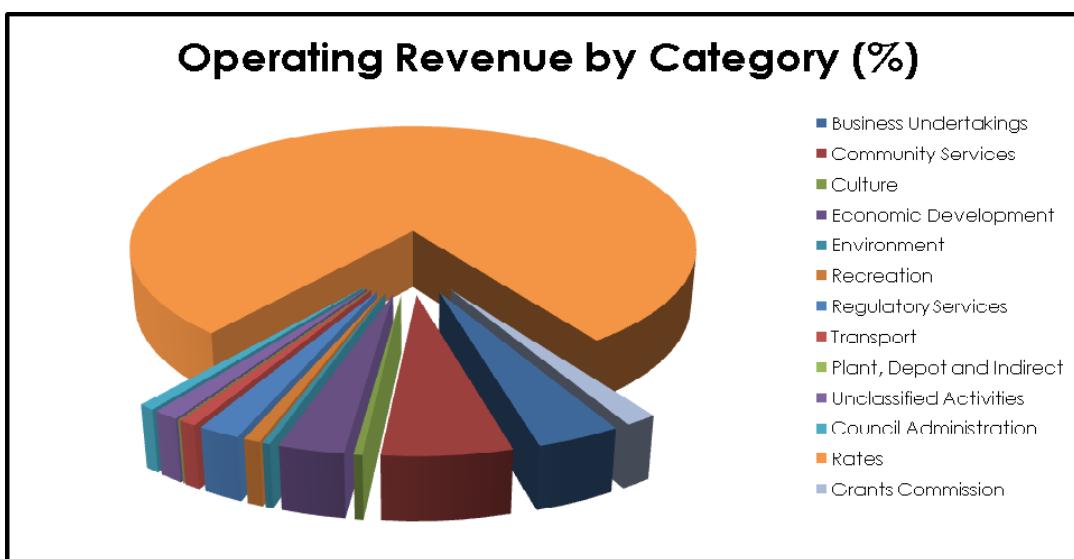
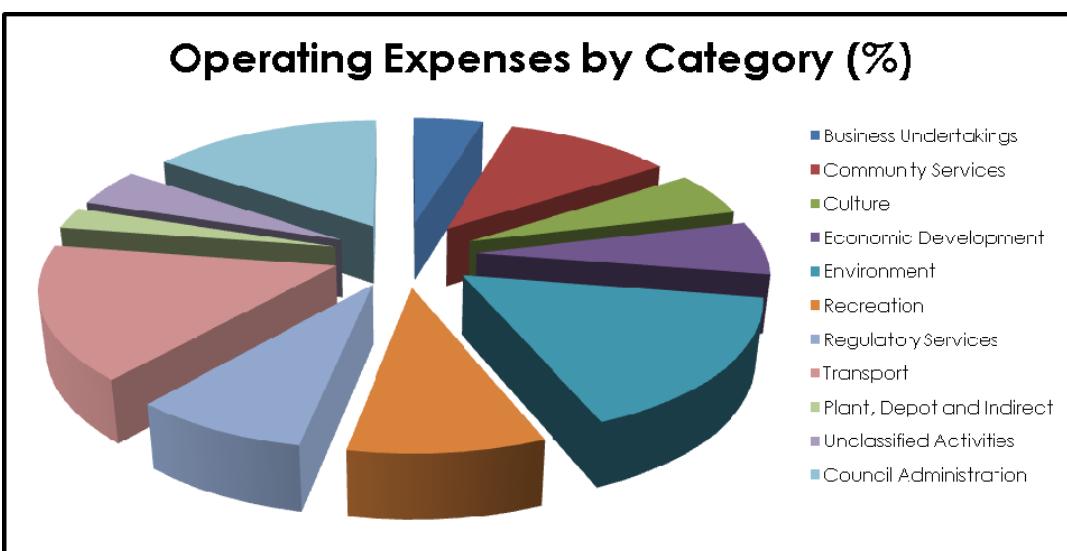
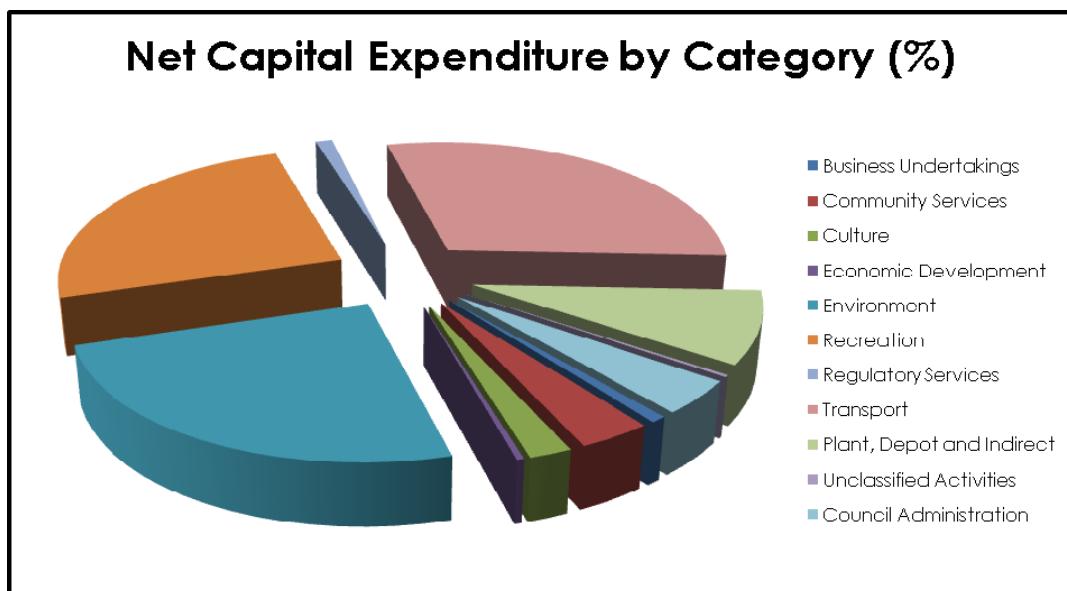
Borrowings will be in line with Council's Treasury Policy and will be assessed throughout the financial year dependent on cash flow requirements. Cash advance debentures which operate on a variable interest rate will be utilised rather than fixed term loans.

BUDGET OVERVIEW

The following table provides details of the Council's consolidated budget for 2013-2014:

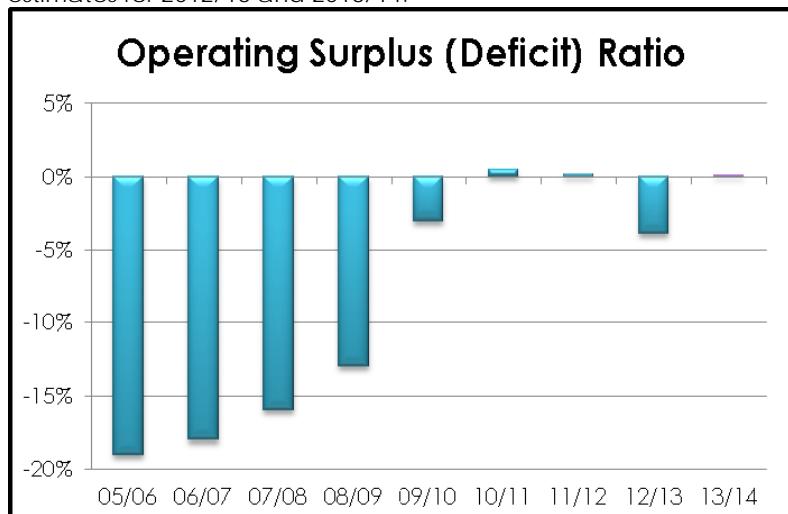
MAJOR CATEGORY	PROGRAM	CAPITAL			OPERATING		
		REVENUE	EXPENSES	RESULT	REVENUE	EXPENSES	RESULT
BUSINESS UNDERTAKINGS	CARAVAN PARK	0	0	0	-242,500	82,800	-159,700
	PRIVATE WORKS	0	0	0	-10,500	10,500	0
	HORSE TRAM	0	28,000	28,000	-411,000	500,200	89,200
	WHALE CENTRE	-5,000	25,000	20,000	-207,500	406,700	199,200
COMMUNITY SERVICES	CRIME PREVENTION	0	10,000	10,000	0	81,300	81,300
	FIRE PROTECTION	0	0	0	-11,000	79,000	68,000
	HEALTH SERVICES	0	0	0	-500	2,500	2,000
	SENIOR CITIZENS FACILITIES	0	0	0	0	22,600	22,600
	COMMUNITY ASSISTANCE	0	0	0	-9,000	446,600	437,600
	AGED SERVICES	0	0	0	-77,000	83,100	6,100
	YOUTH DEVELOPMENT	0	0	0	-120,500	120,500	0
	FLEURIEU FAMILIES	0	0	0	-299,900	301,900	2,000
	CARING NEIGHBOURHOOD PROJECT	0	0	0	-144,500	140,400	-4,100
	COMMUNITY TRANSPORT - SCOTS	-22,000	37,000	15,000	-434,900	431,200	-3,700
	OLD SCHOOL BUILDING	0	0	0	-5,500	36,000	30,500
	CEMETERY	0	60,000	60,000	-121,000	252,900	131,900
	PUBLIC CONVENiences	0	109,000	109,000	0	304,300	304,300
CULTURE	CARPARKing	0	30,000	30,000	-118,800	108,000	-10,800
	LIBRARY	-70,000	178,000	108,000	-64,500	995,800	931,300
	TOWN HALL	0	20,000	20,000	-16,000	76,700	60,700
ECONOMIC DEVELOPMENT	OTHER CULTURAL SERVICES	0	0	0	-10,200	100,400	90,200
	TOURISM MARKETING	0	0	0	-35,800	212,000	176,200
	VISITOR INFORMATION CENTRE	0	22,000	22,000	-566,000	822,400	256,400
ENVIRONMENT	OTHER ECONOMIC DEVELOPMENT	0	0	0	-77,100	373,300	296,200
	WASTE COLLECTION/RECYCLING	0	0	0	0	1,272,700	1,272,700
	WASTE DISPOSAL FACILITY	0	0	0	-4,000	311,100	307,100
	COASTAL PROTECTION	-20,000	130,000	110,000	0	169,900	169,900
	OTHER ENVIRONMENTAL PROJECTS	0	0	0	-68,900	527,100	458,200
	STORMWATER DRAINAGE	0	1,385,000	1,385,000	0	461,200	461,200
	STREET CLEANING	0	0	0	0	106,500	106,500
RECREATION	STREET LIGHTING	0	0	0	0	334,800	334,800
	STREETSCAPING	0	15,000	15,000	-9,000	586,300	577,300
	PARKS AND GARDENS	-34,800	320,000	285,200	-23,500	1,240,500	1,217,000
REGULATORY SERVICES	OUTDOOR SPORTS FACILITIES	0	1,065,000	1,065,000	-39,900	465,100	425,200
	RECREATION CENTRE	0	190,000	190,000	-110,100	281,700	171,600
	DOG AND CAT CONTROL	0	30,000	30,000	-79,000	150,000	71,000
	BUILDING CONTROL	0	3,000	3,000	-69,000	291,000	222,000
	TOWN PLANNING	0	0	0	-156,000	966,600	810,600
	HEALTH INSPECTION	0	0	0	-22,800	181,200	158,400
TRANSPORT	PARKING CONTROL	0	34,000	34,000	-101,000	149,600	48,600
	OTHER REGULATORY SERVICES	0	0	0	-8,000	47,600	39,600
	SEALED ROADS	0	1,090,000	1,090,000	-175,800	1,801,100	1,625,300
	UNSEALED ROADS	0	130,000	130,000	0	632,800	632,800
	KERBING AND FOOTPATHS	-10,000	263,000	253,000	0	468,300	468,300
PLANT, DEPOT & INDIRECT	BRIDGES	0	110,000	110,000	0	299,600	299,600
	TRAFFIC MANAGEMENT	0	220,000	220,000	0	244,800	244,800
	COMMUNITY BUS SERVICE	0	0	0	-8,500	69,300	60,800
UNCLASSIFIED ACTIVITIES	PLANT AND MACHINERY	-200,000	679,000	479,000	0	43,900	43,900
	DEPOT	0	68,000	68,000	-100	310,200	310,100
	INDIRECT WORKS	0	0	0	-3,000	211,600	208,600
COUNCIL ADMINISTRATION	OTHER PROPERTY	-45,200	60,000	14,800	-75,900	80,800	4,900
	LOANS	0	0	0	-52,000	930,000	878,000
	INTEREST	0	0	0	-140,000	0	-140,000
	ADMINISTRATION NEC	0	35,000	35,000	-1,400	808,600	807,200
	ELECTED MEMBERS	0	0	0	-700	291,700	291,000
	ORGANISATIONAL	0	0	0	-88,600	1,735,900	1,647,300
REVENUE	ACCOUNTING/FINANCE	0	0	0	-500	500	0
	PAYROLL	0	0	0	0	0	0
	HUMAN SERVICES	0	0	0	0	0	0
	INFORMATION TECHNOLOGY	0	216,500	216,500	-1,000	1,000	0
	COMMUNICATION	0	2,000	2,000	0	0	0
	RATES ADMINISTRATION	0	0	0	-72,000	304,900	232,900
	RECORDS	0	0	0	-100	100	0
	OCCUPANCY	0	0	0	-5,500	5,500	0
LG GRANTS COMMISSION	CUSTOMER SERVICE	0	0	0	0	319,800	319,800
	GENERAL RATES	0	0	0	-17,471,500	0	-17,471,500
	LG GRANTS COMMISSION	0	0	0	-336,000	0	-336,000
Totals		-407,000	6,564,500	6,157,500	-22,107,500	22,094,400	-13,100

The following graphs indicate the expected proportions of gross capital, operating expenditure and operating revenue by category. Refer to the program sub headings in the Budget Overview table on the previous page for details of activities included under each of the service categories.



Key Financial Indicators

Key Financial Indicators provide a robust ready assessment of financial performance and sustainability. The following graphs show the three key financial indicators, with previous year's results as well as estimates for 2012/13 and 2013/14.

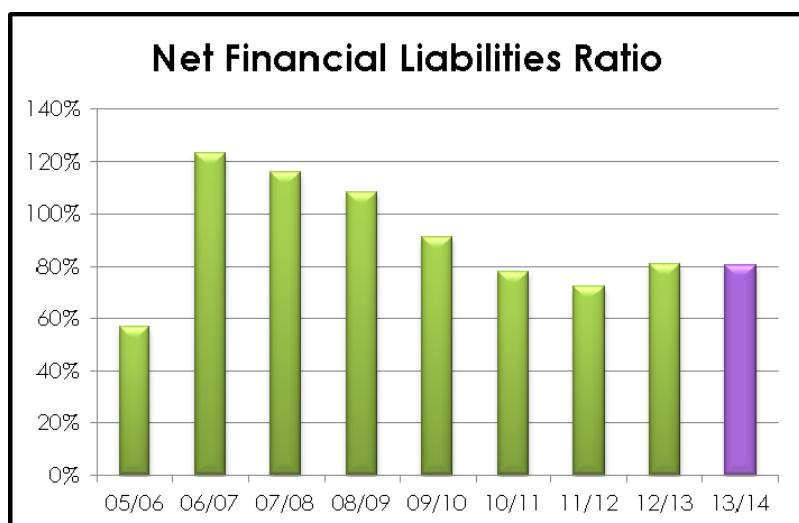


Operating Surplus (Deficit) Ratio

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

A positive ratio indicates that all operating expenses are being fully funded by operating revenue sources and that assets are being replaced at their rate of consumption. Council has set a target of a minimum breakeven position up to a maximum of 15%.

Significant increases in expenses, including depreciation due to revaluation of assets has put pressure on this ratio in recent years.

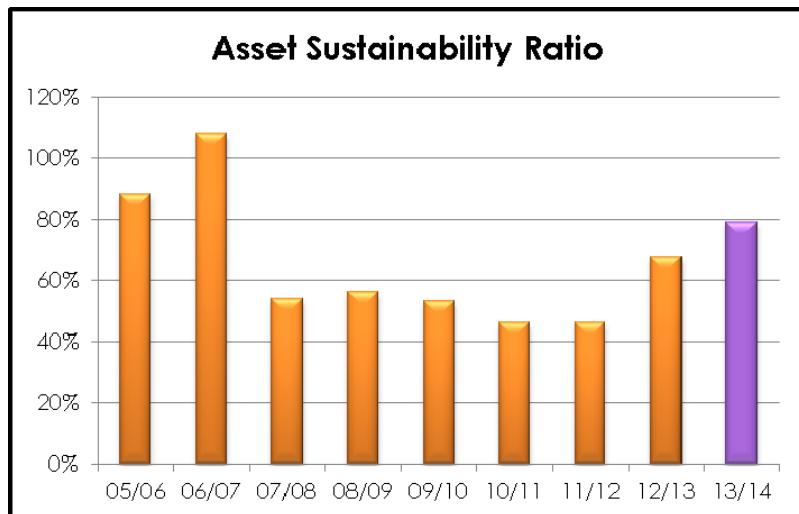


Net Financial Liabilities Ratio

This ratio expresses total liabilities less financial assets as a percentage of total operating revenue.

This ratio indicates the percentage of debt in comparison to operating revenue. A high ratio indicates funding for significant capital projects and may be reflective of a growing community. Council has set a target of between 50%-75%.

The trend for this ratio is high due to major capital projects over the past years including the Civic Centre, Ring Rd, Causeway Plaza Upgrade and proposed Regional Aquatic Centre.



Asset Sustainability Ratio

The ratio expresses net capital expenditure on the renewal and replacement of existing assets as a percentage of annual depreciation.

Effectively it shows whether Council is replacing assets at the same rate they are depreciating. Council has set a target of 80% over any three year period.

Council continues to plan to achieve this target, although project deferrals have resulted in lower results than planned over the past few years.

WHAT IT MEANS FOR RATES

Rates are a tax levied on properties according to their capital value. Property valuations are determined by the Valuer General. The rates which a property owner pays are primarily calculated by multiplying the property valuation by a rate in the dollar.

To determine the rate in the dollar Council must identify, through its budget deliberations, what services will be provided and what works need to be carried out, and then calculate the cost of those works and services.

Once Council has determined its budget requirement it then estimates the revenue it will receive from fees and charges, grants and loans. The shortfall of revenue to balance the budget will come from property rates. The Council sets a fixed charge and range of rates to calculate the amount an individual property owner will pay based on the property valuation that has been supplied to the Council by the Valuer General.

RATES AND VALUATION SUMMARY

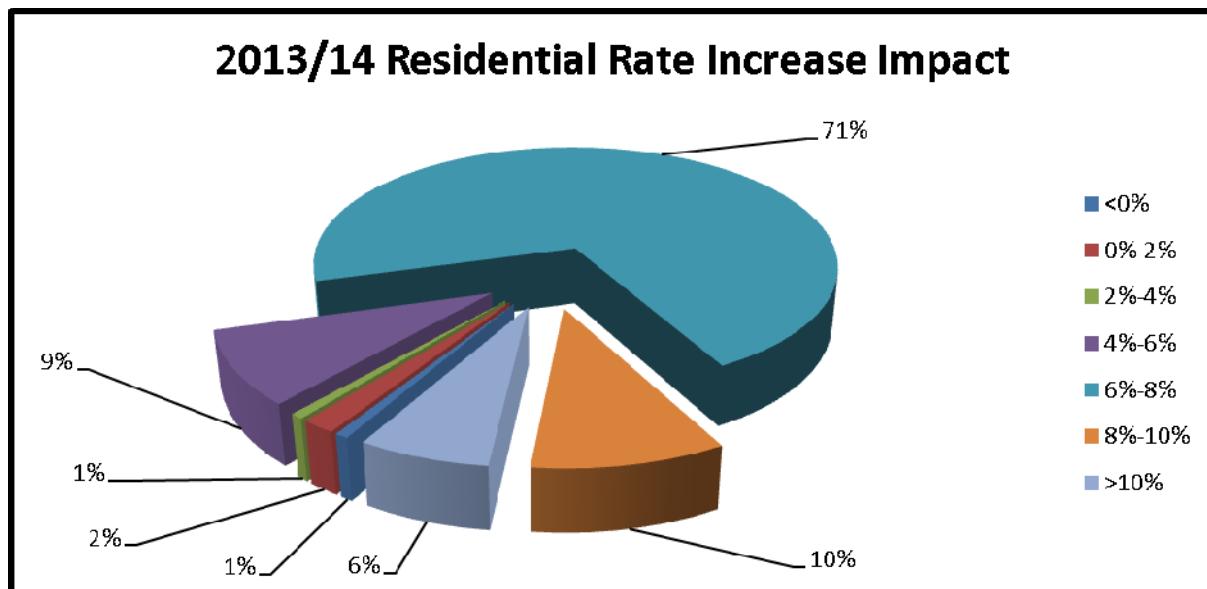
Council has received final Capital Valuations from the Valuer General up to 30 June 2013. Capital Valuation of the area has increased by 1.01% since last year.

Council has adopted a two tiered rating structure comprising of fixed charge component and several differential rates according to categories of land use.

Commercial, Industrial and Vacant properties will have a higher differential applied than the base residential rate, while Primary Production properties will pay a lower rate. Rate capping is available to provide relief for residential ratepayers, where valuations have caused substantial rate increases under certain conditions.

In total, Council is proposing that ratepayers will pay an average rate increase across all categories of approximately 7.6% with residential ratepayers paying 7.4% more on average than last year.

The following chart indicates the distribution of the residential rate increases for 2013-2014:



The Council's proposed rating structure and associated policies are provided in detail on the following pages.

RATING POLICY 2013-2014

METHOD USED TO VALUE LAND

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

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

Council has decided to continue to use Capital Value as the basis for valuing land and all of the improvements on the land within the Council area.

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

- The equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth.
 - Property value is a relatively good indicator of wealth, and capital value, which closely approximates the market value of a property, provides the best indicator of overall property value.
 - The distribution of property values throughout the Council area is such that, in percentage terms, few residential ratepayers will pay significantly more than the average rate per property.

ADOPTION OF VALUATIONS

Council has adopted the valuations made by the Valuer General as provided to the Council. If a ratepayer is dissatisfied with the valuation made by the Valuer General then the ratepayer may object to the Valuer General in writing, within 60 days of receiving the rate notice. The ratepayer must explain the basis for the objection provided they have not:

- (a) previously received a notice of this valuation under the Local Government Act, in which case the objection period is 60 days from the receipt of the first rate notice; or
(b) previously had an objection considered by the Valuer General.

The address of the Office of the Valuer General is:

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

NOTIONAL VALUES

Certain properties may be eligible for a notional value, where the property is the principal place of residence of a ratepayer, under the Valuation of Land Act 1971. This relates to some primary production land or where there is State heritage recognition.

A notional value is generally less than the capital value and this will result in reduced rates. Application for a notional value must be made to the Office of the Valuer General.

BUSINESS IMPACT STATEMENT

Council considers the impact of rates on all businesses in the Council area, including primary production. In considering the impact, Council assesses the following matters:

- duction. In considering the impact, Council assesses the following matters:

 - ❑ Council consultation with the Victor Harbor Business Association, Victor Harbor Progress Association and the Victor Harbor branch of the South Australian Farmers Federation;
 - ❑ Council consultation with the broader business and primary production sectors;
 - ❑ Those elements of the Council's strategic management plan relating to business development which includes:
 - The development and management of tourism to capitalise on the strengths of the region.
 - Achieving effective development with respect to economic activity and employment.
 - Identifying new areas of land suitable for industry and business development.
 - Supporting existing businesses, whilst attracting appropriate new businesses to the region.

- The equity of the distribution of the rate burden between classes of ratepayers which is primarily based on the equity principle of taxation, where ratepayers of similar wealth pay similar taxes, and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth. The rates are differentiated on the basis of land use. The rate in the dollar that is set for these land use categories has some regard to the services provided by the Council and used by the ratepayers who reside within these areas.
- Council's policy of facilitating local economic development, which is to encourage and assist in the provision and development of industry, commerce, training, strategic planning and co-ordination within the Council area.
- Information from the Australian Bureau of Statistics and other data sources.
- Current local, state and national economic conditions and expected changes during the next financial year. While the present economic climate has been influenced by the effects of the global financial crisis of 2008 and beyond, the prospect is good for a continuation of relatively low interest rates and manageable inflation rates in the near future.
- Changes in the valuation of commercial and industrial properties from the previous financial year.
- Specific Council sponsored events in the coming financial year that will solely or principally benefit business include the Whaletime Playtime Festival, Rock and Roll Festival, Rotary Art Show, Schoolies Festival and New Years Eve festivities.
- Specific infrastructure maintenance issues that will significantly benefit businesses and primary producers will include the continuation of Town Centre Masterplan initiatives, CBD traffic infrastructure upgrades and the rural roads re-sheeting and re-sealing programs. Other projects include the vegetation clearance program for the trimming of trees on rural roads, the rural and urban storm water drainage programs and public car parking initiatives.
- The profile of businesses including size, range, type and level of employment provided. Victor Harbor has a broad cross section of employment by industry, with retail being the largest employer of people within the district. Tourism, health, aged care, community services, manufacturing and primary production are also major sources of employment within Victor Harbor. Places of employment range from sole owner/operators through to large national companies employing many people.

DIFFERENTIAL GENERAL RATES

The Council has imposed differential general rates based on the land use categories as permitted under the Local Government (General) Regulations.

The differential rates have regard to the range of services provided, the standard of those services, whether there are any specific budget expenses which may be unique to or benefit a specific land use and new initiatives which may target a specific sector or sectors.

Council has identified that its business rating structure has been deficient in raising the necessary revenue to offset related costs and has maintained the differential rating component on Commercial and Industrial Land Use categories. The proportion of differential rates above the base rate, anticipated to be about \$275,000 per annum, will be deposited into a fund and used exclusively for the purpose of delivering new and expanded promotional and economic development initiatives, consistent with the Economic Development Strategy.

Council has continued to recognise the economic and social importance of primary production to the district and therefore the need to support its long term viability. The Council has retained a subsidy provided to primary producers at 11.25% less than the base residential rate.

Council also considers that vacant land creates a significant holding cost relating to constructed infrastructure and costs to administer the land, and seeks to encourage development and consolidation of these properties. The importance of encouraging infill development to contain our environmental footprint is also recognized. Council has maintained its differential rate to be applied to the vacant land use category.

The 2013/2014 land use categories, the respective differential general rates to apply and approximate revenue to be raised will be as follows:

▪ Residential Rate	0.3647 cents in the \$	(base rate)	\$ 13.13 million
▪ Commercial Shop Rate	0.4741 cents in the \$	(base + 30%)	\$ 0.64 million
▪ Commercial Office Rate	0.4741 cents in the \$	(base + 30%)	\$ 0.11 million
▪ Commercial Other Rate	0.4741 cents in the \$	(base + 30%)	\$ 0.54 million
▪ Industry Light Rate	0.4191 cents in the \$	(base + 15%)	\$ 0.04 million
▪ Industry Other Rate	0.4191 cents in the \$	(base + 15%)	\$ 0.05 million
▪ Primary Production Rate	0.3237 cents in the \$	(base - 11.25%)	\$ 1.27 million
▪ Vacant Land Rate	0.5106 cents in the \$	(base + 40%)	\$ 1.35 million
▪ Other Rate	0.3647 cents in the \$	(base rate)	\$ 0.13 million

In determining the rates in the dollar for Council rates, Council has considered the likely rate of inflation for the next twelve months, increased insurance, power and water costs on Council properties, greater expectations of Council in water and natural resource management issues, increasing waste management requirements, impacts of growth and development, expanded legislative responsibilities and the continuing decline of general purpose grants and other external funding opportunities.

FIXED CHARGE

A Council may impose a fixed charge on every property in its area, provided that it has not also imposed a minimum rate. Where two or more adjoining properties have the same owner and occupier, or where there is a single farm enterprise comprising more than one property, only one fixed charge is payable by the ratepayer.

Council will impose a fixed charge on rateable properties of \$315. The main reason for imposing a fixed charge is to establish a minimum base payment for each assessable property within the Council area. In determining the fixed charge amount, Council has decided to recover 20% of its total rate revenue through this method, with the remaining 80% of rate revenue to be funded via differential rating.

SEPARATE RATE – NATURAL RESOURCES MANAGEMENT LEVY

The State Government requires Council to impose a separate rate pursuant to Section 95 of the Natural Resources Management Act 2004 and Section 154 of the Local Government Act 1999. The total amounts will be payable to regional Boards less the amount prescribed under the Natural Resources Act for establishment and collection costs. The rate will be based on the capital value of all rateable properties as follows:

- Rateable properties located within the area of the Council and of the Adelaide and Mount Lofty Ranges Natural Resources Management Board:
0.009538 cents in the dollar to raise a total of approximately \$351,952
- Rateable properties located within the area of the Council and of the SA Murray Darling Basin Natural Resources Management Board:
0.010520 cents in the dollar to raise a total of approximately \$1,575

REBATES (RATE CAPPING)

Council will provide relief against what would otherwise amount to substantial change in rates payable by the ratepayer due to substantive changes in valuation or changes to the basis of rating. Council will apply rate capping to general rates for the 2013-2014 financial year and will grant to the principal ratepayer of an assessment where the residential property is the owner's principal place of residence, a rebate of the amount by which the general rate amount payable exceeds the 2012-2013 general rate payable by 15%.

The rebate would not apply where:

- The property has been acquired by the ratepayer or has become their principal place of residence after 1st January 2012;
- The increase in general rate payable is due in whole or in part to an increase in valuation of the property attributable to improvements;
- The increase in general rate payable is due in whole or in part to an increase in valuation of the property attributable to a change in the zoning of the land under the Development Act 1993.

To access the rebate the principal ratepayer must make personal application to Council, providing supporting documents where necessary and stating the grounds on which the rebate is being sought.

RATE CONCESSIONS

The State Government, in providing equity across South Australia in this area, funds a range of concessions on Council rates. The concessions are administered by various State agencies that determine eligibility and pay the concessions directly to Council on behalf of the ratepayer. Concessions are available only on the principal place of residence.

Ratepayers who believe they are entitled to a concession should not withhold payment of rates pending assessment of an application by the State Government as penalties apply to overdue rates. A refund will be paid to an eligible person if Council is advised that a concession applies and the rates have already been paid.

PENSIONER CONCESSION

An eligible pensioner must hold a Pension Card, State Concession Card or a Repatriation Health Card marked TPI Gold, EDA Gold or War Widow and may be entitled to a concession on Council rates (and water and effluent charges where applicable).

Application forms, which include information on the concessions, are available from the Council, or Department for Communities and Social Inclusion. This concession is administered by the Department for Communities and Social Inclusion, and further information can be obtained by telephoning 1800 307 758 or visiting www.dcsi.sa.gov.au.

OTHER CONCESSIONS

The Department for Communities and Social Inclusion administers Council rate concessions available to a range of eligible persons receiving State and Commonwealth allowances.

This includes, but is not limited to, ratepayers who are in receipt of: Austudy, Newstart, Parenting Payment, Partner Allowance, Sickness Allowance, Special Benefit, Widow Allowance, Youth Allowance, Abstudy, CDEP or a New Enterprise Initiative Scheme.

It may also apply to ratepayers in receipt of a pension as a war widow under legislation of the United Kingdom or New Zealand and the holders of a State Concession Card issued by the Department for Families and Social Inclusion.

All enquiries should be directed to the Department for Communities and Social Inclusion by telephoning 1800 307 758 or visiting www.dcsi.sa.gov.au.

STATE SENIORS CARD RATEPAYER (SELF FUNDED RETIREE)

This concession is administered by Revenue SA. Self-funded retirees who currently hold a State Seniors Card may be eligible for a concession towards Council rates.

In the case of couples, both must qualify, or if only one holds a State Seniors Card, the other must not be in paid employment for more than 20 hours per week.

Further information is available from the Revenue SA Call Centre on 1300 366 150.

RATES POSTPONEMENT (STATE SENIORS CARD HOLDERS)

Section 182A of the Local Government Act 1999 provides for postponement of rates on the principal place of residence for seniors. Application can be made by seniors who hold a current seniors card and meet the criteria.

The amount which can be postponed is any amount greater than \$500 (\$125 per quarter).

In accordance with Section 182A (12), interest will accrue on the postponed balances at a rate which is 1% above the cash advance debenture rate. The accrued debt is payable on disposal or sale of the property. Application forms and further information may be obtained by contacting the Rates and Assessment Officer on 8551 0500.

REMISSION AND POSTPONEMENT OF RATES

Section 182 of the Local Government Act permits a 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 Rates and Assessment Officer on 8551 0500 to discuss the matter. The Council treats such inquiries confidentially.

REBATE OF RATES

The Local Government Act requires Councils to rebate the rates payable on some land. Specific provisions are made for land used for health services, community services, religious purposes, public cemeteries, the Royal Zoological Society and educational institutions. Discretionary rebates may be applied by the Council under Section 166 of the Act.

PAYMENT OF RATES

Due dates for the payment of rates will be as follows:

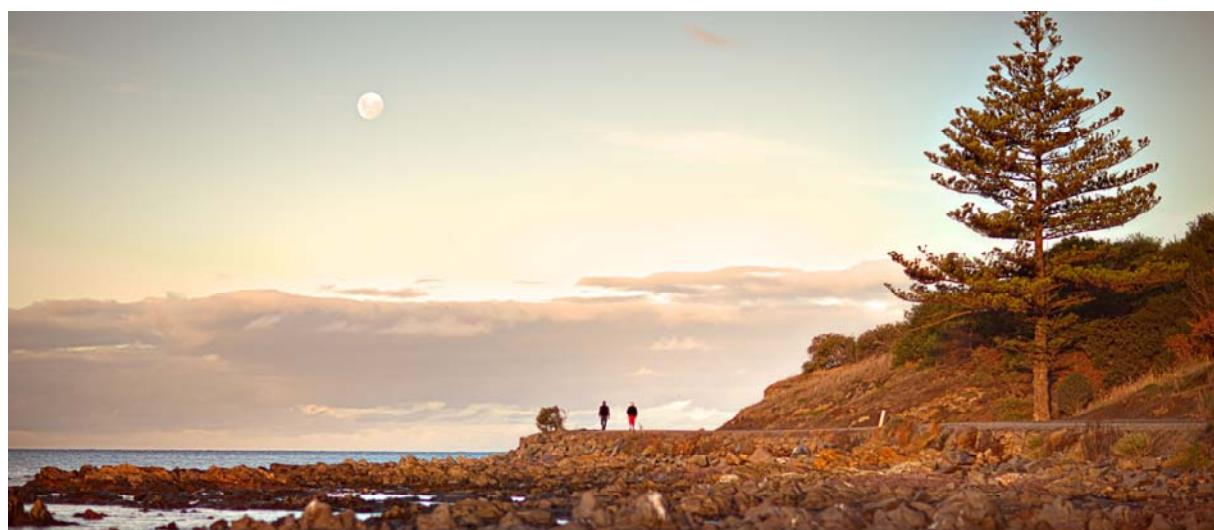
One single payment that is due on the 9th September 2013, or by quarterly instalment payments due on the following dates:

- 1st Instalment 9th September 2013
- 2nd Instalment 9th December 2013
- 3rd Instalment 10th March 2014
- 4th Instalment 9th June 2014

Rates will be accepted as follows:

- By **BPAY**, using a telephone or internet banking system that has this facility, and ensuring that Council's biller code number 918532 and the customer reference number are used.
- In person at the Council Civic Centre at 1 Bay Road, Victor Harbor.
Office Hours 9:00am to 5:00pm. Payments of cash, cheque or money order and credit cards are acceptable and EFTPOS facilities are also available at the Council Civic Centre.
- By post, with all cheques or money orders made payable to the City of Victor Harbor.
- On-line at the Council's website www.victor.sa.gov.au
- At any branch of Australia Post upon presentation of the original Council rate notice.
- By Centrepay, whereby an agreed proportion of Centrelink entitlement is allocated for payment on a regular basis. Application forms are available from Centrelink.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment arrangements is invited to contact the Rates and Assessment Officer on 8551 0500, to discuss alternative payment arrangements. The Council treats such inquiries confidentially.



city of
Victor Harbor



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**Telephone (08) 8551 0500
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Website: www.victor.sa.gov.au**