



City of Prospect Annual Business Plan 2009-10

City of Prospect has adopted its **Annual Business Plan 2009-10** which includes the Budget and Rating Policy for 2009-10. This document outlines the services Council will provide to the community and how it will pay for these services. It also provides a summary of how your rates may change for 2009-10.

The **Annual Business Plan Summary 2009-10** outlines the following:

- A. Strategic Directions and Council Services
- B. Measuring Achievement of the Annual Business Plan 2009-10
- C. 2009-10 Key Financial Indicators
- D. Budget Highlights
- E. Infrastructure-Asset Management Plan
- F. Rating Strategies (Rates Revenue, Rating Policy and Valuation)

A Strategic Directions and Council Services

Council's Budget 2009-10 has been prepared in a strategic context and is based upon the publication "Strategic Plan 2008-2011". This document outlines the long-term objectives and priorities for the community.

Councils are required to provide certain services under various Acts of Parliament (including the Local Government Act). City of Prospect also provides other services to meet the needs of the community. These services have been determined based on previous community feedback and consultation.

Council's **six Strategic Directions** and the associated services included in the Budget 2009-10 include:

Strategic Direction 1 - Service Delivery

Core Activities for 2009-10 include:

- Customer services
- Financial management
- Governance
- Human resources management
- Information technology
- Occupational health and safety
- Rates administration
- Records management
- Risk management

Budget Summary

| | Expenditure \$ | Income \$ | Net \$ |
|---------------------------|-------------------|--------------|-------------|
| Operating | 4,495,417 | (13,652,328) | (9,156,911) |
| Operating Projects | 75,000 | 0 | 75,000 |
| Capital Projects | 28,525 | 0 | 28,525 |
| Total | 4,598,942 | (13,652,328) | (9,053,386) |
| % of Total Budget | 25.97% | 86.88% | |

2009-10 Operating Projects

- Governance Initiatives \$75,000

2009-10 Capital Projects

- Council Building Security \$10,000
- IT Software \$18,525

Strategic Direction 2 - Community Wellbeing

Core Activities for 2009-10 include:

- Aged and youth services
- Citizenship ceremonies
- Community events (eg twilight concerts)
- Community facilities and land management
- Community grants
- Community information
- Community recreation and sports development
- Community safety (e.g. dog and parking control and by-laws)
- Community transport
- Council website
- Creative Community newsletter
- Crime prevention
- Cultural development
- Emergency (risk management)
- Library services
- Neighbourhood and community development
- Prospect Fair
- Public art and art gallery
- Public health (including immunisation, health inspections etc)

Budget Summary

| | Expenditure \$ | Income \$ | Net \$ |
|---------------------------|-------------------|--------------|-----------|
| Operating | 3,778,682 | (1,284,184) | 2,494,498 |
| Operating Projects | 117,000 | 0 | 117,000 |
| Capital Projects | 30,000 | (10,000) | 20,000 |
| Total | 3,925,682 | (1,294,184) | 2,631,498 |
| % of Total Budget | 22.17% | 8.24% | |

2009-10 Operating Projects

- Graffiti Removal \$10,000
- Library Oral Local History \$2,000
- Animal Management Plan \$5,000
- Public Art \$12,500
- Cultural Program \$2,500
- Volunteer Recognition Event \$5,000
- Street Lighting Upgrade \$30,000
- Fitzroy Terrace and William Street Median Strip Upgrade \$15,000
- Greening Australia Job Fund \$30,000
- Sustainable Living Expo \$5,000

2009-10 Capital Projects

- New Fences – Parks and Reserves \$10,000
- Fencing & Additional Storage at Depot \$20,000

Strategic Direction 3 - Economic Vibrancy

Core Activities for 2009-10 include:

- Employment support and business development services
- Further develop active partnerships with retail and trader representative groups, investors and other key stakeholders
- External Funding procurement initiatives
- Support to Traders Associations

Budget Summary

| | Expenditure \$ | Income \$ | Net \$ |
|--------------------|-------------------|--------------|-----------|
| Operating | 0 | 0 | 0 |
| Operating Projects | 268,921 | 0 | 268,921 |
| Capital Projects | 180,000 | 0 | 180,000 |
| Total | 448,921 | 0 | 448,921 |
| % of Total Budget | 2.54% | 0.00% | |

2009-10 Operating Projects

- Economic Development Project \$268,921, including:-
 - Precinct branding options
 - Identification of desirable future investment and tenancy options
 - Identification of local investment opportunities
 - Prospect Business Community newsletter
 - Prospect Business online web portal
 - Online entrepreneurship training program
 - Launch Sustainable 1000 program
 - Establish Business Watch for Prospect Road
 - Complete the development of an outdoor dining policy
 - Small home based businesses data base
 - Trader events for local businesses
 - Prospect Business Leaders events
 - Power supply strategy in collaboration with ETSA for Prospect Road
 - Comprehensive online marketing program for Prospect Road

2009-10 Capital Projects

- e-Prospect Digital Community \$150,000
- Prospect Road Xmas Decorations \$30,000

Strategic Direction 4 - Environmental Sustainability

Core Activities for 2009-10 include:

- Environment Sustainability (Building) Initiatives (Corporate Utility Project)
- Implementation of Council's Environmental Action Plan – primary guide for Council's activities in the area of environmental sustainability which includes:
 - ⇒ Best practice research
 - ⇒ Carbon Credits
 - ⇒ Community transport
 - ⇒ Education / volunteering
 - ⇒ Embodied Energy
 - ⇒ Native flora and fauna (Biodiversity)
 - ⇒ Survey regarding the Water Storage Capacity across City of Prospect
 - ⇒ Street trees
- Statutory Compliance (EPA/ZeroWaste/Wastecare SA)
- Waste Collection and Disposal

Budget Summary

| | Expenditure \$ | Income \$ | Net \$ |
|---------------------------|-------------------|--------------|-----------|
| Operating | 2,107,888 | (1,075) | 2,106,813 |
| Operating Projects | 215,260 | 0 | 215,260 |
| Capital Projects | 34,000 | (14,000) | 20,000 |
| Total | 2,357,148 | (15,075) | 2,342,073 |
| % of Total Budget | 13.31% | 0.10% | |

2009-10 Operating Projects

- Community Water Conservation Project \$10,000
- Community Environmental Grants \$5,000
- Kerbside Collection Review Project \$70,000
- Community Energy Reduction Incentive Scheme \$10,000
- White Cedar Tree Replacement \$62,760
- Water Sensitive Urban Design \$15,000
- Sustainable Business \$10,000
- Corporate Waste Review \$7,500
- Climate Change Fund \$25,000

2009-10 Capital Projects

- Environmental Sustainability (Building) Initiatives \$20,000
- Rainwater Tanks to Public Toilets \$14,000

Strategic Direction 5 - Heritage and Character

Core Activities for 2009-10 include:

- City Precinct (Beautification and Safety) Maintenance program
- Development Assessment
- Street sweeping and sanitation
- Street tree and parks and gardens maintenance and development

Budget Summary

| | Expenditure \$ | Income \$ | Net \$ |
|---------------------------|-------------------|--------------|-----------|
| Operating | 913,642 | (193,267) | 720,375 |
| Operating Projects | 40,000 | 0 | 40,000 |
| Capital Projects | 10,000 | 0 | 10,000 |
| Total | 963,642 | (193,267) | 770,375 |
| % of Total Budget | 5.44% | 1.23% | |

2009-10 Operating Projects

- Public Art \$12,500
- Cultural Program \$2,500
- Median Strip Redevelopment \$20,000
- Sustainable Living Expo \$5,000

2009-10 Capital Projects

- Decorative Lighting \$10,000

Strategic Direction 6 - Asset Management

Core Activities for 2009-10 include:

- Capital Works Program including:
 - Building maintenance and Council facilities
 - Drainage maintenance and replacement
 - Footpath maintenance and replacement
 - Kerb and gutter maintenance and replacement
 - Road maintenance, reconstruction and road resurfacing
- City Precinct (Beautification and Safety) Maintenance Program
- Fleet management

Budget Summary

| | Expenditure \$ | Income \$ | Net \$ |
|---------------------------|-------------------|--------------|-----------|
| Operating | 930,283 | (557,482) | 372,801 |
| Operating Projects | 131,000 | 0 | 131,000 |
| Capital Projects | 4,352,149 | 0 | 4,352,149 |
| Total | 5,413,432 | (557,482) | 4,855,950 |
| % of Total Budget | 30.57% | 3.55% | |

2009-10 Operating Projects

- Technical Support for Infrastructure – Asset Management \$40,000
- Asset Management System Support \$41,000
- AMP Trees and Buildings \$20,000
- Natural Assets Consultancy \$10,000
- Asbestos Removal and Replacement \$20,000

2009-10 Capital Projects

- Churchill & Prospect Road Streetscape Upgrades – Design and Documentation \$879,000
- Churchill & Prospect Road Streetscape Upgrades– DPA Rezoning \$100,000
- Churchill Road Streetscape Upgrade - Beautification Works \$50,000
- Churchill Road– Streetscape Upgrade Works \$720,000
- Bike Plan Implementation Stage 2 \$20,000
- General Traffic Projects/Traffic Calming \$100,000
- Landmark Public Art Implementation \$30,000
- Kerb and Gutter Construction \$65,071
- Driveway Upgrade Program \$119,273
- Pedestrian Kerb Ramp \$29,579
- Road Design/Reconstruction/Resurfacing \$654,420
- Stormwater Drainage \$28,650
- Playground Equipment \$35,000
- Park Furniture Replacement/Signage \$10,000
- Prospect Estate Minor Upgrades \$20,000
- Council Buildings and Structures \$214,366
- Fleet Management \$415,000 (offset by \$169k trade-in income)
- Open Space, Sports and Recreation Plan \$25,000
- Footpath Construction \$745,790
- Drinking Fountain Upgrade \$6,000
- Broadview Oval Watering System \$85,000

B Measuring Achievement of the Annual Business Plan 2009-10

As well as documenting the strategic drivers, actions and planned outcomes for the 2009-10 financial year, this Annual Business Plan will be used by staff and Council as a basis against which we will monitor and report on our performance on a regular basis.

The following table is an extract of the Key Performance Indicators (KPI) used for measuring Council services:

Strategic Direction 1 – Service Delivery

| Department | Function | Programs | Key Actions | KPI's (09-10) |
|---------------------------|------------------------|---|--|---|
| Corporate Services | All Areas | External Funding Procurement | Strategic Pursue new external funding opportunities aligning with Council's Strategic Directions.. | 20% increase in non-recurrent grant revenue. |
| | | | Core Manage existing external funding sources. Identify potential external funding opportunities. | Ten new external funding sources of grants identified & actioned. Undertake six visitations to Canberra to engage the Federal government in external funding support for ten new funding sources |
| Corporate Services | All Areas | Grant Procurement | Strategic Pursue new grant opportunities aligning with Council's Strategic Directions. | 20% increase on 08-09 levels in non-recurrent revenue. |
| | | | Core Manage existing grant sources. Identify potential external funding opportunities. | Five new external sources of grants identified & actioned. |
| | Financial Management | Financial Sustainability & Financial Reporting. | Strategic Improve Council's Strategic Planning & Financial Sustainability Performance. | Revise Target benchmarks Operating Budget Surplus achieved Achieve agreed financial KPI's & Strategic Parameters. |
| | | | Core Maintain the accuracy, integrity, sustainability and transparency of Council's financial affairs. | Audit Committee Review of Financial Internal Controls indicates compliance. Unqualified External Audit Management report. |
| | Information Technology | Records Management | Strategic Implement an EDRMS system. | Implementation of EDRMS system (Stage 1) completed. |
| | | | Core Maintain records in accordance with legislative and corporate requirements. | Statutory compliance. |

| Department | Function | Programs | Key Actions | KPI's (09-10) |
|------------|------------|---|---|--|
| | | Information Technology Services | Strategic Deploy & Trial a web based mapping system. | Implementation and successful trial of web based mapping system with pilot users. |
| | | | Core Maintain delivery of IT services (including web services, hardware and software deployment). Maintain IT Infrastructure. | System availability. |
| | Governance | Corporate Governance Framework | Strategic Undertake Strategic Plan review. | Review Strategic Plan implementation and revise targets where appropriate. |
| | | | Undertake Electoral Representative Review. | Electoral Representation Review completed. |
| | | | Develop/implement/test Emergency Management Plan Develop/implement/test Business Continuity Plan. | Test arrangements established. Complete test of second high priority business unit (Development Assessment). Audit report. |
| | | Audit of IT Disaster Recovery plans. Implement and Refine Performance Monitoring & Reporting. | Audit completed. User satisfaction (Staff, Elected Members and Community) with MES Performance Management System. | |
| | | Core Implement corporate governance framework (including legislative compliance, training, regional collaboration). Migration to Electronic Council Meeting Agenda distribution. | Implement recommendations arising from legislative compliance audit. Elected Member Training & Development Plan implemented. Cease distribution of paper based Council agendas. | |
| | | Employer of choice Staff skills and training Workforce planning | Strategic | |

| Department | Function | Programs | Key Actions | KPI's (09-10) |
|----------------------------|---|-------------------|---|---|
| | | | <p>Core Support professional association membership and involvement. Implement staff training program. Review and implement staff performance management system. Promote succession planning/acting arrangements. Provide flexible work arrangements.</p> | <p>Personal development plans in place for all staff.</p> <p>Flexible working policy developed and implemented.</p> <p>Establish Future Leaders (Professional Development) Program.</p> <p>Staff Training & Development Plan implemented.</p> |
| | Corporate – Customer & Administrative Support | Service Delivery | <p>Strategic Biennial Customer Satisfaction surveys.</p> <p>Biennial LGA Comparative Council Performance survey.</p> <p>Revise documented service standards and service KPIs.</p> <p>Investigate regional collaboration and resource sharing initiatives.</p> | <p>Review and implement service improvement initiatives arising from surveys.</p> <p>Agreed service standards documented.</p> <p>Participation in Eastern Region Alliance Collaborative Initiatives (where appropriate).</p> |
| | | | <p>Core Maintain efficient and effective administrative support services to customers and all functions of the Council.</p> <p>Post implementation & review of the Customer Relationship Management (CRM) System.</p> | <p>Increasing percentage of satisfaction with the way council contacts were handled (from Residents' Survey).</p> <p>At least 90% of CRM's resolved within agreed time frames (averaged monthly over the year).</p> |
| Community Wellbeing | Community Services | Volunteer program | <p>Strategic To attract dedicated volunteer management funding.</p> | Funding arrangements in place and maintained. |
| | | | <p>Core Maximise volunteer participation in the provision of Council services.</p> | Increase volunteer participation hours by 30%. |

Strategic Direction 2 – Community Wellbeing

| Department | Function | Programs | Key Actions | KPI's (09-10) |
|------------------------|------------------|--------------------------|--|---|
| Environment & Planning | Community Safety | Resource Sharing | Core Maintain service provision to Walkerville. | Maintain contract to 30 June 2010. |
| | | Eastern Health Authority | Core Maintain relationship with Eastern Health Authority to deliver environmental health services. | Contribute to review of EHA Charter. Continue inspections program and respond to identified issues. Maintain service levels. |
| | | By-Laws | Core Enforce Council By-laws (including movable signs, roads, local govt land, permits and dogs). | Conduct moveable signs survey Maintain current level of service (ie. in respect to complaints, issues) per biennial surveys and CRM activity reports. |
| | | Animal Management | Strategic Implement Animal Management Plan. | Strategies for current year identified and implemented. |
| | | | Core Continue PetPEP program Undertake general animal management activities (including nuisance dog matters, micro chipping day and dog registration survey). | PetPEP program implemented. |
| | | Parking | Core Undertake general parking control activities (including general, schools, Private Parking Areas and football match day parking control). | Maintain current level of service re policing and enforcement of parking controls, including Private Parking Areas. Administer the Residential Parking Permit Areas policy Maintain register of parking controls. |
| | | General Inspectorial | Core Undertake general community safety activities (including overhanging growth, flammable undergrowth, European wasps, and footpath safety, etc). | Conduct annual survey of area to detect flammable undergrowth and overhanging growth in laneway areas and undertake appropriate response. Service levels maintained. |

| Department | Function | Programs | Key Actions | KPI's (09-10) |
|---------------------|--|---|---|---|
| Community Wellbeing | Library | Borrower services Local History | Core Maintenance and Improvement of existing library collection services and programs and provide access to community information. | Satisfaction and utilisation rate with services. |
| | Community Development & Services | Neighbourhood Youth services Community Transport Sport and Recreation Crime Prevention Home And Community Care Aged services | Strategic Community Strategic Plan developed. Establishment of local youth support services. | Plan developed by June 2010. Implementation of ERYN Youth Action Plan. Development of Prospect / Walkerville Youth Strategy. |
| | | | Core Maintain, develop and promote existing range of services to meet community needs and wants. | Satisfaction with range of services as per biennial surveys. |
| | Community Arts (Including community events and Corporate Communications) | Exhibitions and events Community art | Strategic Design and implementation of landmark projects. Review and interpret census results for modification of whole of council program delivery. | Installation of landmark project at Prospect Rd/Fitzroy Tce. |
| | | | Core Promotion and delivery of annual art exhibition program. Provision of community arts classes, promotions and facilities. Delivery of community events program. Implementation of public art program. Maintain service levels re Creative Community, website etc. | Maintain high participation rate for art gallery events. Maintain high participation rate for community art classes. Events program delivered on time and within budget. Public art program delivered on time and within budget. |
| | | | Strategic Recreational and sporting facilities need analysis and improvement plan as part of "Parks Strategy". | Develop Parks Strategy. |
| | Recreation & Sport | Community Facilities | | |

| Department | Function | Programs | Key Actions | KPI's (09-10) |
|------------------------------|---|----------------------|---|---|
| | | | Core Recreational and sporting facilities maintenance. | |
| | | Emergency management | Strategic Develop Community Emergency Response Plan. | Development of plan. Consult community regarding plan. |
| Infrastructure-Assets | Roads & paths maintenance Built assets | 'Play Safe' | Strategic Playground facilities need analysis and improvement plan. | Undertake audit of existing facilities. Audit and development of Play Space strategy to be incorporated into Parks Strategy. |
| | | | Core Playground facilities & maintenance. | |
| | Street Lighting | Street lighting | Strategic Undergrounding of powerlines. | Nil |
| | | | Core Continue precinct street lighting upgrade program. | Lighting Upgrade completed. |

Strategic Direction 3 – Economic Vibrancy

| Department | Function | Programs | Key Actions | KPI's (09-10) |
|---------------------------------|-----------------------------|---|--|--|
| Environment & Planning | Development Assessment | Development Assessment process review and enhancement | <p>Core Improved public information and education regarding development assessment system.</p> <p>Meeting or exceed legislative obligations for all development assessment functions.</p> <p>Ensure high quality commercial outcomes from development assessment functions.</p> | <p>All public information sources reviewed and updated where necessary to reflect legislative amendments.</p> <p>90% of development applications determined within legislated timeframes.</p> <p>High level of community satisfaction with commercial development.</p> |
| | Development Planning Policy | Development Plan review | <p>Strategic Section 30 Review.</p> | <p>Section 30 Review completed with required policy amendment requirements identified.</p> <p>High priority work arising from Section 30 review commenced.</p> |
| | | | <p>Core Meeting or exceeding legislative obligations for all planning policy functions.</p> | |
| Business & Economic Development | Economic Development | Ensure integration of strategic economic principles into relevant council strategy, policy and operations. Strategic Economic Development Plan | <p>Strategic Achieve identified outcomes and targets as set out in the Economic Development Plan for year two.</p> | Implementation of actions identified for year two in Strategic Economic Plan. |
| | | | <p>Core Implement actions and projects of the Strategic Economic Plan for year two.</p> | Actions and projects of Strategic Economic Plan Year Two completed within agreed budget and timeframe. |
| | | Strategic Economic Plan | <p>Strategic Identify suitable precinct brand/image for primary retail strips including consideration of regional and local opportunities.</p> | Precinct branding options identified, consulted and incorporated into Strategic Economic Plan. |
| | | | <p>Core Identify and encourage advantageous commercial investment, tenancy mixes consistent with precinct branding objectives. Undertake an implement the recommendations of a retail shopping mix survey.</p> | Identification of desirable future investment and tenancy options and identification of local investment opportunities. |

| Department | Function | Programs | Key Actions | KPI's (09-10) |
|------------|----------|----------|-------------|---|
| | | | | Build and distribute six issue of prospect Business Community newsletter in 2009/10. |
| | | | | Provide monthly updates to the Prospect Business online web portal. |
| | | | | Provide 40 places for 40 local businesses to participate in the online entrepreneurship training program. |
| | | | | Launch Sustainable 1000 program and involve up to 50 local small businesses. |
| | | | | Establish Business Watch for Prospect Road and facilitate monthly meetings for local businesses on Prospect Road. |
| | | | | Complete the development of an outdoor dining policy in preparation for the redevelopment of Prospect Road. |
| | | | | Complete the creation of and updating of business data base for small home based businesses in the council area. |
| | | | | Run a minimum of six trader events for local businesses. |
| | | | | Run a minimum of six Prospect Business Leaders events. |
| | | | | Develop a power supply strategy in collaboration with ETSA for Prospect Road. |
| | | | | Develop and deliver a comprehensive online marketing program for Prospect Road. |
| | | | | Implement e-Prospect Digital Community Project (Stage 1). |

Strategic Direction 4 – Environmental Sustainability

| Department | Function | Programs | Key Actions | KPI's (09-10) |
|------------------------|------------------|--|--|--|
| Infrastructure-Assets | Parks & Gardens | Parks & Gardens operations, programs and policy | <p>Strategic Contribute to environmental policy and strategy of council. Investigate water saving opportunities in irrigation practices.</p> | Parks & Gardens issues satisfactorily considered and incorporated into council strategy and policy where relevant. |
| | | | <p>Core Operations of Natural Assets area adhere to budget, strategic and policy requirements.</p> <p>Implement water saving initiatives in identified community green spaces.</p> | <p>Delivery of programmed and additional operations in accordance with Budget parameters and service standards.</p> <p>Positive community satisfaction results for all functions of the Parks & Gardens portfolio.</p> |
| | Street Cleaning | Street sweeping | <p>Core Street cleaning program (including street sweeping and 'hot spot' streetscape cleaning.</p> | Program implemented. |
| Environment & Planning | Waste management | Waste collection and management services | <p>Strategic Review current waste management service, strategy and policy against best practice.</p> | Tender for new waste collection services completed. |
| | | Community education | <p>Support, promote and influence the operations of Waste Care SA regional waste subsidiary.</p> <p>To promote and support the environmental objectives of the Environmental Action Plan relevant to waste management.</p> | Commercially competitive outcomes being provided to member councils in a sustainable fashion. |
| | | | <p>Core Performance and promotion of waste collection, recycling and other waste management services.</p> <p>Provision of information to the community.</p> | High level of community satisfaction with and participation in waste management services. |
| | Environment | Ensure integration of environmental sustainability principles into council strategy, | <p>Strategic Achieve identified outcomes and targets as set out in the Environmental Action Plan (EAP).</p> | Identification of climate change adaptation and mitigation strategies. |

| Department | Function | Programs | Key Actions | KPI's (09-10) |
|------------|----------|---|---|--|
| | | policy and operations. Environmental Action Plan | Core Implement actions and projects of the EAP. | Actions and projects of EAP Year 2 completed within agreed budget and timeframe. |

Strategic Direction 5 – Heritage and Character

| Department | Function | Programs | Program Goals (Actions) | KPI's (09-10) |
|-----------------------------------|-------------------------------------|--|--|--|
| Infrastructure-Assets | Parks & Gardens | Street Tree program | <p>Strategic Review and implementation of Street Tree Policy.</p> <p>Street Tree Replacement Strategy.</p> <p>Long term financial and strategic asset management of street tree assets.</p> | Adoption of suitable policy to deliver positive character outcomes through the management/replacement of street trees in the community. |
| | | | <p>Core Streetscape beautification and safety program.</p> <p>Street tree maintenance.</p> <p>Footpath Cleaning Program.</p> | <p>City Precincts Program implemented.</p> <p>Positive community satisfaction rating for city character related indicators.</p> <p>Footpath blowing program implemented.</p> |
| | | Ovals, reserve, verges and street medians | <p>Core Maintain and enhance natural elements of public spaces which contribute to the character of the city.</p> | Maintain green spaces in accordance with adopted standards. |
| | Civic Spaces | Graffiti Removal | | Undertake removals from identified sites within resource allocation and adopted standards. |
| | Customer Relations Management (CRM) | General Maintenance | | Response and Works program as per adopted standards. |
| | Community Wellbeing | Library | Local History Program | <p>Core Record and store materials relating to the history of Prospect.</p> <p>Support the Local History & Heritage Groups.</p> |
| Recreation & Sport | | Recreational Facilities | <p>Strategic Develop Community Land Management Plan.</p> | Develop City wide park strategy. |
| Environment & Planning | Development Assessment | Assessment and resolution of issues involving development applications | Strategic | |

| | | | | |
|--|-----------------------------|---|--|---|
| | | with high level of heritage content. | Core Appropriate adherence to heritage provisions in Development Plan. | Strong support/satisfaction from community (survey) for development in heritage areas or affecting heritage places. |
| | | Assessment and resolution of issues involving development applications with high level of character content | Strategic | Nil |
| | | | Core Appropriate adherence to character provisions in Development Plan. | Strong support/satisfaction from community (survey) for development in character areas. |
| | Development Planning Policy | Heritage policy review | Strategic Identify suitable heritage protection items and places. | Heritage Review completed with framework for future policy amendments finalised. |
| | | Heritage preservation | Implement heritage protection policies and systems as required. Investigate and implement heritage incentive and awards systems/schemes. | Heritage protection policies for owners of local heritage places or in heritage areas developed and adopted. Community consultation undertaken as part of Heritage Review. |
| | | | Core Improve and promote public information material relating to heritage protection and desirable character issues for new development. | Update information sheets on character areas. Develop and publish information sheets for Historic Conservation Areas based on Heritage Review. |

Strategic Direction 6 – Asset Management

| Department | Function | Programs | Program Goals (Actions) | KPI's (09-10) |
|-----------------------|--------------------------|------------------------------|---|--|
| Corporate Services | IT | IT systems management | <p>Core Ensure IT systems are available, contemporary, efficient and supportable. Provide effective systems to support business needs of organisation.</p> | 95% availability of core systems between 7am and 7pm. |
| | | Disaster Recovery Planning | <p>Core Develop, test and maintain Council's Disaster Recovery Plan for critical IT assets.</p> | Implement Server Virtualisation as a part of Disaster Recovery Strategy. |
| | Governance/All areas | Business Continuity Planning | <p>Strategic Nil</p> | |
| | | | <p>Core Develop, test and maintain Council's Business Continuity Plans.</p> | Update of Business Unit Continuity Plans. |
| Infrastructure-Assets | Built and natural assets | Footpath Program | <p>Strategic Footpath replacement program. Driveway Upgrade Program.</p> | Current year Capital Works Program completed. |
| | | | <p>Core Footpath Maintenance. Pedestrian Kerb Ramp Replacements.</p> | Current year Capital Works Program completed. |
| | | Roads Program | <p>Strategic Road Reconstruction program. Road Resurfacing program.</p> | Current year Capital Works Program completed. |
| | | | <p>Core Road Maintenance.</p> | |

| Department | Function | Programs | Program Goals (Actions) | KPI's (09-10) |
|------------|----------|-----------------------------|--|--|
| | | Stormwater Drainage Program | <p>Strategic Drainage replacement program.</p> <p>Develop and implement Urban Stormwater Master Plan.</p> <p>Undertake Flood risk awareness with community.</p> | <p>Current year Capital Works Program completed.</p> <p>Urban stormwater master plan developed.</p> <p>Community awareness of flood risk.</p> |
| | | | <p>Core Drainage Inspection and Maintenance.</p> | |
| | | Street Tree Program | <p>Progress Establish Street Tree Rejuvenation Plan.</p> | Further Plan development. |
| | | | <p>Core Street Tree replacement program Street Tree Maintenance.</p> | <p>Trees replaced as per Tree Replacement Register.</p> <p>White Cedar Replacements (Stage 3).</p> |
| | | Kerb & Gutter Program | <p>Strategic K&G replacement program.</p> <p>Churchill Road (Master Plan) Streetscape Upgrade.</p> <p>Prospect Road (Master Plan) Streetscape Upgrade.</p> | <p>Current year Capital Works Program completed.</p> <p>Complete design and tendering processes for Churchill and Prospect Road (Master Plan) Streetscape Upgrades.</p> |
| | | | <p>Core K&G Maintenance.</p> | |
| | | Projects | <p>Strategic Undertake Project Initiatives.</p> | Undertake Water saving initiatives (see Strategic Direction #4),. |
| | | Traffic Management | <p>Strategic Local Area Traffic Management Reviews.</p> | <p>Commence construction of Regency NE/NW precinct LATM plan.</p> <p>Complete consultation re Prospect North West and Churchill Precincts LATM plan development.</p> <p>Complete D'erlanger consultation (and construction if applicable).</p> |

| Department | Function | Programs | Program Goals (Actions) | KPI's (09-10) |
|------------|----------|---------------------------------|--|--|
| | | Other Asset Replacement Program | <p>Strategic Develop and implement Asset Management Plans for 'Other Assets'.</p> <p>Core Replace and/or maintain other assets (including fleet, street furniture, bus shelters, street signs, bicycle network).</p> | <p>AMP developed for Trees and Buildings.</p> <p>Complete following projects:-</p> <ul style="list-style-type: none"> • Bike Plan Implementation (Stage 3) • General Traffic Projects • Playground Equipment • Park Furniture Replacement/Signage • Prospect Estate Minor Upgrades • Council Buildings and Structures • Fleet Replacement program • Open Space, Sports and Recreation Plan • Drinking Fountain Upgrade • Broadview Oval Watering System • Rainwater Tanks to Public Toilets • Fencing & Additional Storage at Depot • New Fences – Parks and Reserves • Median Strip Development • Weed spraying • Decorative Lighting • Irrigation Strategy developed • Asbestos Removal. |

The Annual Business Plan 2009-10 is presented in the context of the strategic directions for the City. The document reflects Council's continuing focus on ensuring that the physical infrastructure of the City is fit for use and maintained in a cost effective way. Through implementation of the Annual Business Plan, we aim to deliver to residents and ratepayers a well managed, sustainable City environment for current, as well as future generations.

C 2009-10 Key Financial Indicators

The following graphs provide information about 7 key indicators of the Council's financial performance and financial position:

1 Operating Surplus / (Deficit)

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An operating surplus before capital amounts of \$90,118 is projected in 2009-10. This represents a decline of \$110,153 on the estimated operating result for 2008-09 as per the projected third budget review.

2 Operating Surplus/ (Deficit) Ratio

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The estimated operating surplus before capital amounts in 2009-10 expressed as a percentage of general and other rates. The operating surplus ratio for 2009-10 is 1%.

3 Net Financial Liabilities

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Council's stock of net financial liabilities is expected to be \$4,535,189 at 30 June 2010. This represents an increase of \$1,806,145 on the estimated level of net financial liabilities at 30 June 2009.

4 Net Financial Liabilities Ratio

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Council's net financial liabilities at 30 June 2010 expressed as a percentage of estimated operating revenue (the net financial liabilities ratio) is expected to be 29%.

5 Asset Sustainability Ratio

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Council's asset sustainability ratio in 2009-10 is expected to be 150% calculated by comparing planned capital project expenditure on renewal and replacement of assets less capital revenue on trade-in against total depreciation expense in 2009-10.

6 Interest Cover Ratio

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Council's interest cover ratio in 2009-10 is expected to be 0.9%, which is within target set by Council of net interest greater than 0% and less than 5% of operating revenue.

7 Asset Consumption Ratio

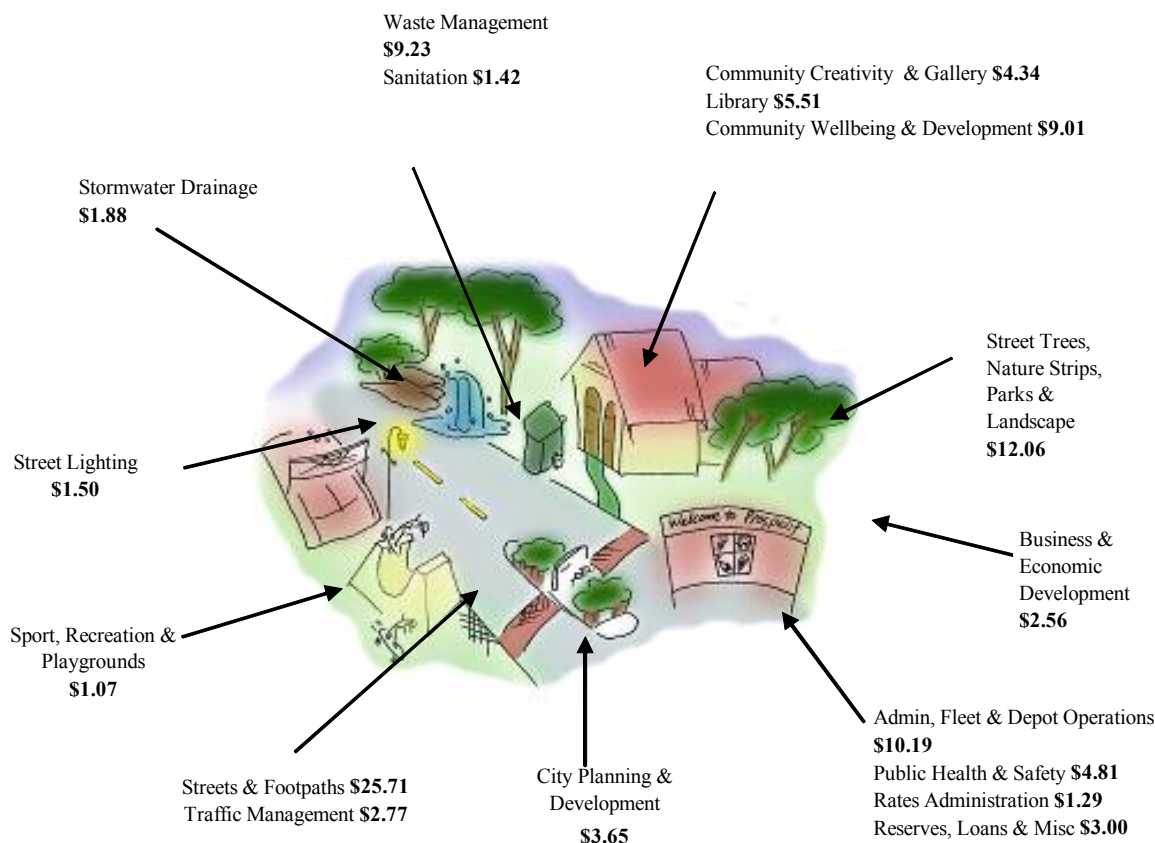
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Council's asset consumption ratio in 2009-10 is expected to be 60.5% calculated by comparing the total carrying value of depreciable assets (written down value) divided by the total reported value of depreciable assets before accumulated depreciation (written down value plus accumulated depreciation). This is a measure of the ageing of Council's assets stock. A higher ratio indicates that Council asset stock is relatively new and would require lower rates of maintenance.

D Budget Highlights

Where will your money be spent in 2009-10?

Every \$100 spent by Council is spent on:



What is planned for 2009-10?

Council will continue to deliver a wide range of services at a standard that the community expects and keep its rate rise at a responsible level. This demonstrates an ongoing commitment to providing value for money services. At the same time, Council will continue to maintain and upgrade the City's assets, particularly roads, footpaths, parks and gardens.

In keeping with sound long term financial planning, the Budget 2009-10 was prepared in line with our underlying assumptions, including :

- To achieve an operating surplus
- To fund asset depreciation
- Total rate revenue increasing in the order of 6.5% plus an additional \$75,000 increase in rate revenue from the commercial sector to part fund the Economic Development programs within the City.
- Operating Expenditure increasing by the Local Government Price Index unless as a result of other external cost pressures such as :
 - Asset Management – ageing infrastructure
 - State and Commonwealth Government Pressures, eg Environmental Management, Environmental Health etc
 - Increasing cost of waste disposal

- Increasing cost of fuel
- Loan Borrowing of \$2M to fund capital works

Council's Expenditure and Income of the Budget 2009-10 is presented as follows:

| | Budget Funding Statement | \$ '000 |
|---------------|--|----------------|
| | Operating Revenue (including rates) | 15,506 |
| <i>Less</i> | Operating Expenditure (including depreciation) | 15,416 |
| <i>Equals</i> | Operating Surplus before Capital Amounts | 90 |
| <i>Add</i> | Net Gain on disposal or revaluation of assets | 42 |
| <i>Add</i> | Capital Grants, Subsidies and Monetary Contributions | 24 |
| <i>Equals</i> | Operating Surplus from Operations | 156 |
| <i>Add</i> | Depreciation Expenditure | 2,545 |
| <i>Equals</i> | Funds available for Capital Expenditure | 2,701 |
| <i>Less</i> | Capital Expenditure | 4,635 |
| <i>Add</i> | New Borrowing | 2,000 |
| <i>Less</i> | Loan Principal Repayment | 189 |
| <i>Add</i> | Net Transfer from Reserve Funds | 0 |
| <i>Less</i> | Net Gain on disposal or revaluation of assets | 42 |
| <i>Add</i> | Proceeds from sale of Non-current Assets | 169 |
| <i>Equals</i> | Surplus Cash Budget | 4 |

How does Council pay for all these services?

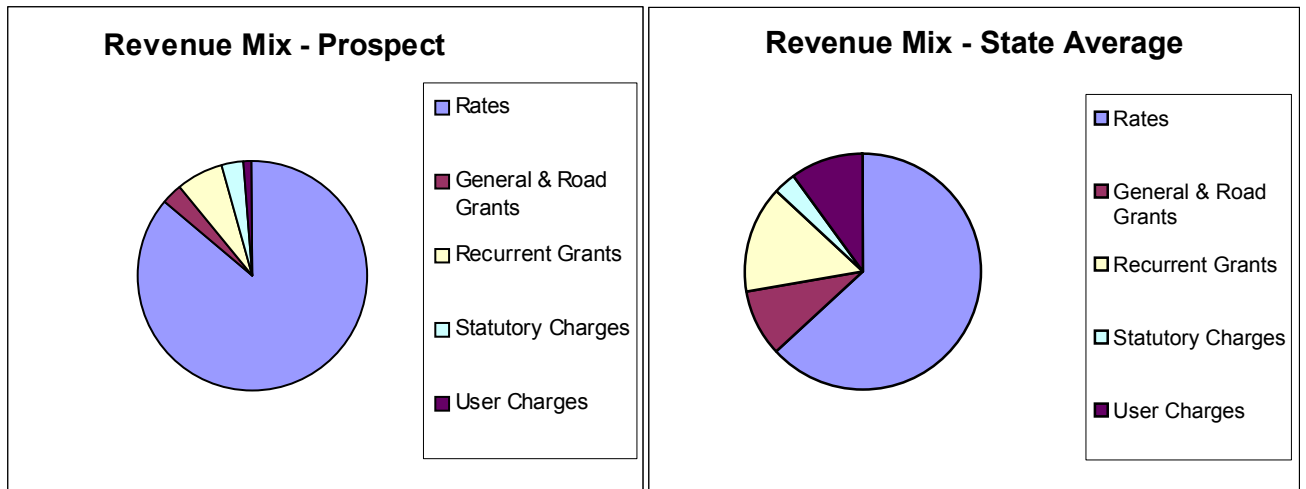
Council has limited options to pay for these services. It receives some State and Federal government grants and subsidies; it can raise income from some fee paying activities (eg hire of community facilities); fines and expiations etc. However, the primary source of income for Council is a property based tax – “council rates”.

Council's Operating Revenue

- Council rates revenue makes up 84% of Council's annual operating income.
- Other sources of operating income include – government grants (9%) and fines, expiations and other statutory charges (4%).

City of Prospect is much more reliant on rates revenue (particularly residential rate revenue) than most other councils, as depicted in the following table. The main reasons for this reliance on rates is nature, size and location of the Council area.

Revenue Sources:



Debt Management

City of Prospect has kept its debt levels relatively low for many years and has considerable capacity to borrow money. There is considerable merit in using loan funds to spread the cost of infrastructure replacement over a number of years. In 2009-10 Council will borrow \$2,000,000 to part fund its asset renewal and upgrade program.



E Infrastructure-Asset Management Plan (IAMP)

The major element of the Capital Project Expenditure Program is the upgrade of infrastructure assets.

An Infrastructure-Asset Management Plan addressing the long term needs of Council's infrastructure assets has been developed.

The IAMP has the following objectives:

- To identify the average amount needed per year for the long-term maintenance and renewal/upgrade of the assets;
- To establish a twenty-year program for each asset with annual costs;
- To establish programs which, in total, amount to the total average amount needed per year for the long-term maintenance and renewal of all assets;
- To compare the average amount needed per year for the long-term maintenance and renewal of the assets with the current depreciation expense for the assets, as a check for both amounts;
- To record the actual amounts spent on each asset over a long period so that Council can have certainty that each asset is being funded at a satisfactory level;
- To be able to inform the community about the long-term asset management requirements.

The IAMP is based on the assumption¹ that the community is generally happy with the present condition and performance of the assets, with the exception being footpaths. Council is addressing the footpath issues via an accelerated footpath reconstruction program.

The useful life of each asset has been considered and an estimate prepared for required expenditure each year to ensure the asset continues to provide 'fit for purpose' service to the community.

Road Pavements and Surfacing – \$696,065 is recommended as the required expenditure each year to both maintain and upgrade the road asset (i.e. the road surfacing and underlying pavement). This is the minimum allocation required to maintain the City's sealed road network. i.e. "to keep the good roads in good condition" using an early intervention rejuvenation program.

In 2009-10 Council will spend \$675,632 on road resurfacing and maintenance. This is inclusive of road reconstruction in Harrington Street and commencement of design work for Livingstone Avenue, Maud Street and Newark Street.

Footpaths – An average spend of \$725,260 per annum will occur until 2015 when all bitumen footpaths have been upgraded to brick paving. This level of spending on footpaths is in response to resident feedback and to minimise risks associated with footpaths. To maintain current condition, it is estimated that expenditure levels of approximately \$591,700 per annum (2010 \$) are required. That is, Council's current expenditure level is increasing the overall condition and value of the footpath network.

Approximately \$113,700 per annum has been allocated to path maintenance. This funds the removal of tripping hazards on bitumen, concrete and brick paved footpaths across the city when reported by residents. A more proactive inspection and repair program will commence in 2016 when the level and cost of reconstruction reduces significantly.

Kerbs and Gutters – Council has approximately 195km of kerbs and gutters for which it is responsible. The sections of kerb and gutter in the twenty-year kerb and gutter replacement program have been chosen because of at least two of the following:

- They are in poor condition;

¹ Periodically checked via biennial Resident Satisfaction Survey and Public Budget/Rating Forums.

- They can be replaced in conjunction with planned road reconstruction or road resurfacing work (this considerably reduces the cost);
- The gutters are too deep and vehicle access to adjacent properties is difficult (where this is the case, the footpaths have usually been built with far too much cross-fall at the driveways).

The Department for Transport Energy and Infrastructure (DTEI) needs to re-surface Prospect Road from Buller Street to Regency Road in the next few years, having already completed the Buller Street to Fitzroy Terrace section in previous years. The kerbs and gutters north of Buller Street are, in most parts, extremely poor. Rather than have DTEI simply place another layer of hotmix over the gutters and reduce the kerb height even further, Council – in conjunction with DTEI – will be replacing the kerbs and gutters in sections before the road is resurfaced. This will give an outcome that will be good for the community.

\$579,300 has been allocated to Churchill Road kerb and gutter works in 2009-10.

In addition, Council has allocated approximately \$58,000 per annum for the routine maintenance of kerbs and gutters. This allocation is used to treat localised drainage and access problems.

Stormwater Drainage Assets - Council has 41.4km of drains within the Council area. The condition of the network can only be assessed by inspecting it internally using remote cameras. The aims of the inspections were to establish the extent of deterioration within the network; to provide an indication of which sections of the network may be prone to possible dramatic failure; to assist with developing priorities for drain replacement works; and to provide input to the development of long term financial plans for the maintenance of an effective city drainage network.

\$142,000 has been included in the Budget 2009-10 to address some of the more urgent works, with significant upgrade/replacement of drains scheduled for future years.

Council Owned Buildings - \$340,000 has been allocated in the Budget 2009-10 for maintenance and upgrade purposes. A detailed assessment of the condition of each building asset owned by Council has been undertaken. This assessment looks at building components such as roofs, gutters, fittings and internal and external painting. A proactive planned approach will ensure that works are undertaken at the correct time.

The planned level of spending on some assets is below that required in the long-term. However, the overall level of spending on assets has been increased to meet the identified long term needs.

F Rating Strategies (Rates Revenue, Rating Policy and Valuation)

Council has identified that for 2009-10 it will need to raise \$15.5 million in revenue. Of this, \$13 million will need to be raised from Council rates.

- The Budget 2009-10 was prepared in line with Council's underlying assumptions to increase total rate revenue by 6.5% and raise an extra \$75,000 from the commercial sector.
- Council has evaluated options in seeking the fairest and most equitable distribution of rates across the community.
- Council has a rating structure that includes use of Capital Valuations, Differential rating by land use and a Minimum Rate. The capital value is the value of the land including improvements.
- City of Prospect currently levies differential general rates which vary according to the use of the land. Classification 1 is levied at the residential rate in the dollar, while the remaining classifications are all levied at the non-residential rate in the dollar. The following table shows the land use classes and their respective proportion of the City's total assessments.

| Class | Description | Examples | No Properties | % |
|--------------|--------------------|---|----------------------|----------|
| 1 | Residential | House, maisonette, townhouse, flat | 8,719 | 92% |
| 2 | Commercial Shop | Supermarket, hairdresser, takeaway food | 341 | 3.6% |
| 3 | Commercial Office | Accountant, administrative | 88 | 0.9% |
| 4 | Commercial Other | Showroom, warehouse, | 147 | 1.5% |
| 5 | Industry Light | Vehicle service, service station | 32 | 0.3% |
| 6 | Industry Other | Clothing, manufacture, taxi fit-out | 8 | 0.1% |
| 7 | Primary Production | Rural farm land, vineyard, horticulture | nil | 0.0% |
| 8 | Vacant Land | Unoccupied land, footings only | 93 | 1.0% |
| 9 | Other | School, hall, health centre, kindergarten | 56 | 0.6% |
| | | | 9,484 | 100% |

- In 2009-10, Council will increase the contribution from the commercial sector by \$75,000 to part fund new economic development activities aimed at increasing economic vibrancy within the Council area.
- The Local Government Act enables Councils to impose either a "minimum rate" or "fixed charge". Historically, City of Prospect has imposed a minimum rate because it has been considered appropriate that all ratepayers contribute to the cost of administering Council's activities and the cost of creating and maintaining the physical infrastructure that supports each property. Those ratepayers whose property valuation is below the threshold and hence would result in a rate below the minimum amount payable, thereby contribute by way of a minimum general rate to the basic services provided for all ratepayers.



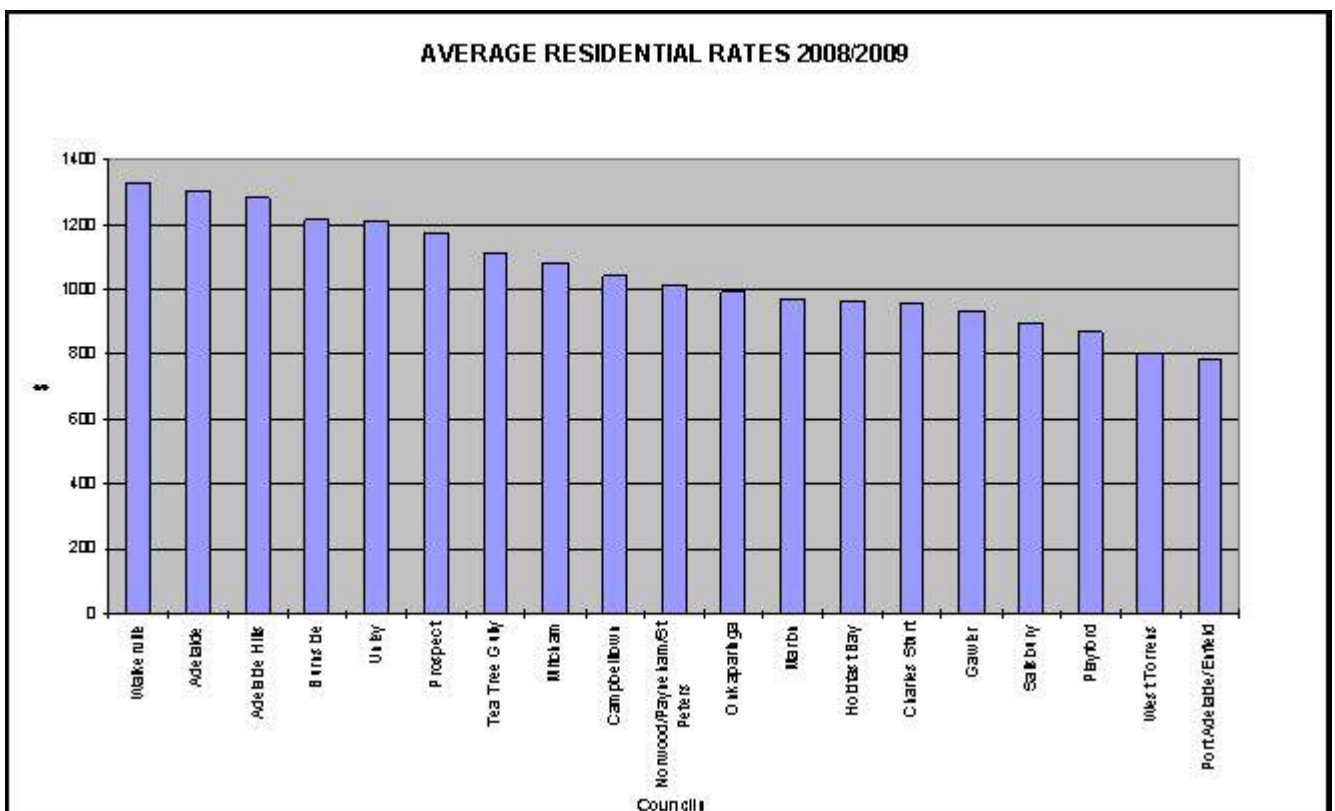
- Residential capital valuations have remained stable and consistent from suburb to suburb over the last couple of years. The following table indicates the change in valuation for the residential properties by suburb for 2009-10 as provided by the Valuer-General.

Residential Capital Valuations – 2009-10

| Suburb | No. of Assessments | Increase in Capital Value | Average Residential Rate Increase |
|-------------------|--------------------|---------------------------|-----------------------------------|
| Broadview | 856 | 4.6% | 7.1% |
| Collinswood | 671 | 4.1% | 6.8% |
| Fitzroy | 292 | 1.3% | 4.6% |
| Medindie Gardens | 119 | 0.8% | 4.2% |
| Nailsworth | 910 | 5.3% | 7.8% |
| Ovingham | 102 | 5.4% | 8.5% |
| Prospect | 5,581 | 3.3% | 6.2% |
| Sefton Park | 184 | 4.5% | 6.6% |
| Thorngate | 67 | 1.1% | 2.9% |
| Total all suburbs | 8,719 | 3.5% | 6.5% |

- These property valuations will increase/decrease if the land use of property has changed (eg residential to commercial), or if there has been any development on the property (including significant renovations). The change in valuation associated with these revisits is what is defined as “growth”.

To provide the community with a level of services similar to other councils (who have a lower dependency on rates) City of Prospect will continue to depend on rates to fund these services. That is, the average rate in Prospect will be higher than many other councils. This is a similar story for many inner city councils (eg Walkerville and Burnside), as shown in following chart.



Assistance for Ratepayers

- Council will undertake extensive modelling to examine the implications of the proposed rating approach.
- Rate Relief Options are available including Concessions, Postponement of Rates, Informal Arrangements, Remissions and Rebates (Mandatory and Discretionary).
- No allowance has been made in the budget for the introduction of a Maximum Rate or Rate Capping as both of these measures have not been considered warranted at this stage given Council focus on keeping rate rises at “modest” levels and reasonably consistent property valuation increases over recent years.
- Ratepayers who are having trouble paying their rates should contact Council (Chris Arthur telephone 8342 8052). Information provided will be treated in confidence.

Further Information

- You can view the full version of the Annual Business Plan 2009-10 from:
 - Council’s website
www.prospect.sa.gov.au
 - Or in person at
 - Civic Centre, 128 Prospect Road, Prospect
 - Thomas Street Centre, 1 Thomas Street, Nailsworth
- Enquires in relation to this document can be made to:

Ginny Moon, Financial & Customer Services Manager
(8269 5355 or ginny@prospect.sa.gov.au)

Justin Commons, Director Corporate Services
(8269 5355 or justin@prospect.sa.gov.au)

Mayor David O’Loughlin
(8269 5355 or david.oloughlin@prospect.sa.gov.au)