

2024/25 Annual Business Plan, Budget & Long Term Financial Plan

Information Session 2

30 January 2024

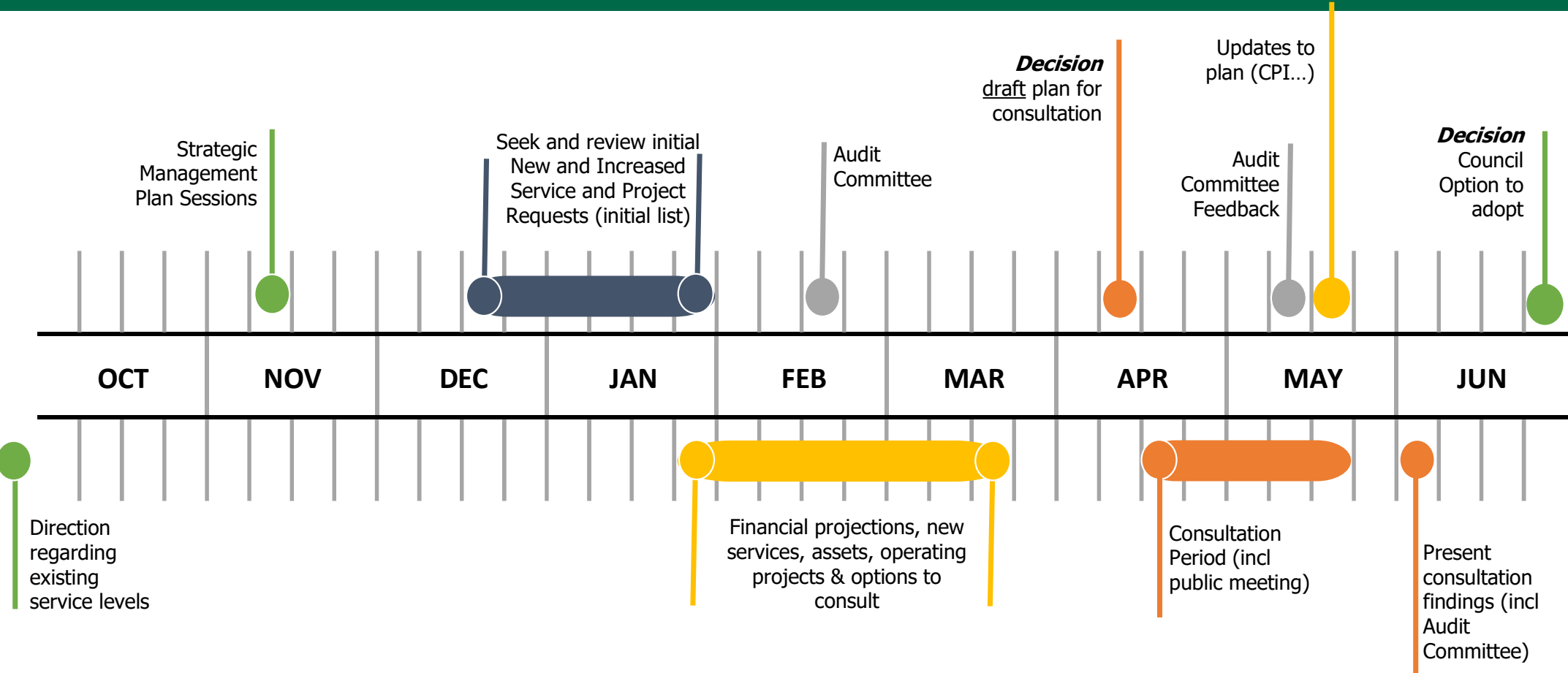
Today's Session

- Budget process overview
- Strategic Context
- Economic outlook
- Existing Services
- Financial Levers
- Rating Policy
- Requests Pack

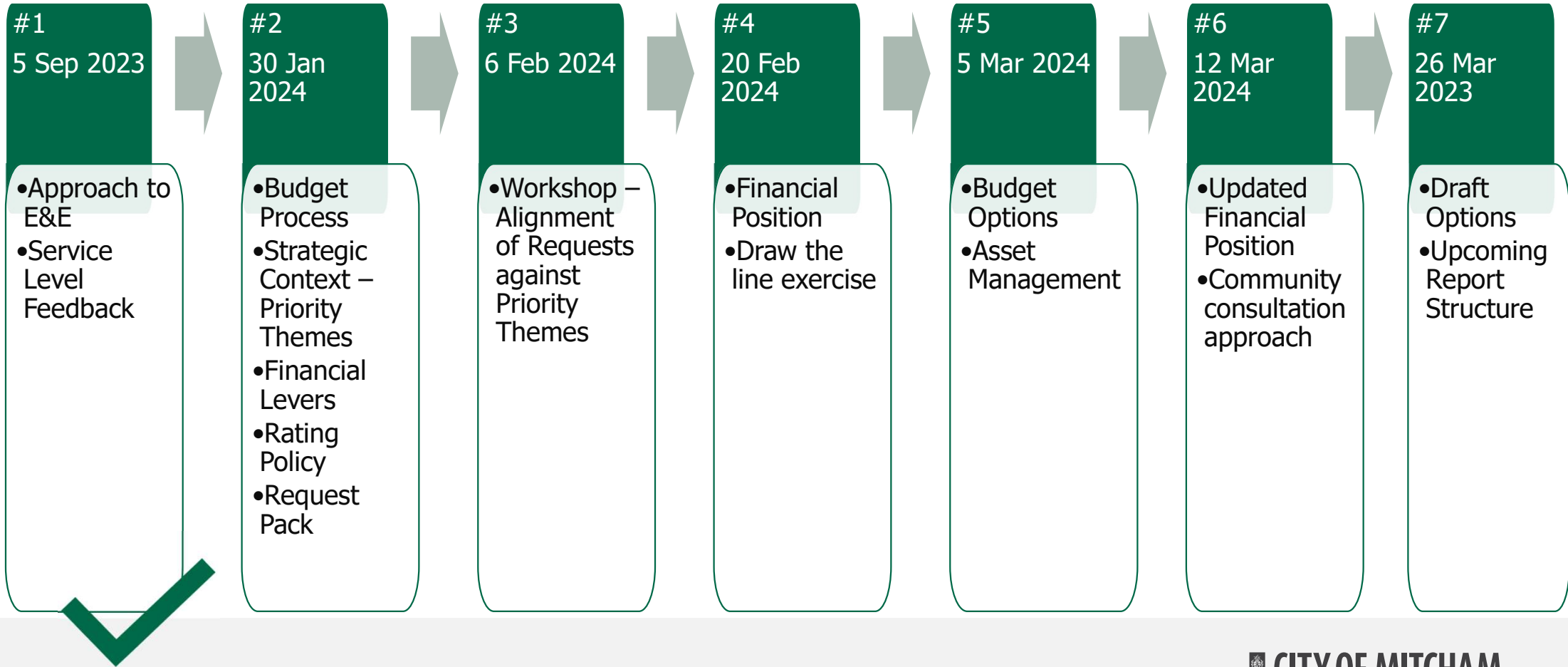
Council Member Outcomes

- ✓ Understanding the upcoming process
- ✓ Understanding the strategic vision
- ✓ Providing feedback on financial levers and rating policy
- ✓ Familiarisation with Council's Requests pack
- ✓ Time to ask questions
- ✓ Understanding next steps

Timeline



Information Sessions



Strategic Context

In the past six months we have:

- Engaged with the community
- Endorsed Mitcham 2030 (retaining Vision, Goals, and Themes)
- Endorsed 4 new Priority Themes
- Undertaken Strategic Planning Training

Mitcham 2030 Roadmap

Where we've been

In August, Council committed to review its strategic management plans (Mitcham 2030 and Four Year Delivery Plan) while maintaining the existing strategic framework, vision, goals and themes.

In September, Council explored service review options with a view to reducing, adjusting or increasing services to improve budget position and meet community expectations.

A community engagement and legislative review informed minor updates and provided context for Council to participate in strategic planning and prioritisation sessions.

These November sessions also provided Council and staff with new tools, frameworks and a shared language to assist in elevating strategic thinking. Priority Themes were explored, and the strength of themes assessed against weighted goals.

Where we're going

Newly endorsed Priority Themes will help shape the future focus of Council.

- 2.1 Climate Change Mitigation & Resilience
- 2.3 Natural Environment
- 3.1 Placemaking
- 4.1 Good Governance

New 'Thought Leadership Sessions' (TLS) (starting next year) will be scheduled with the aim to build understanding and alignment on the desired focus within each theme.

Staff will be investing in planning and prioritisation efforts over the coming 6-months to better inform Council on service and project options to deliver the vision to be outlined in the Four Year Delivery Plan.

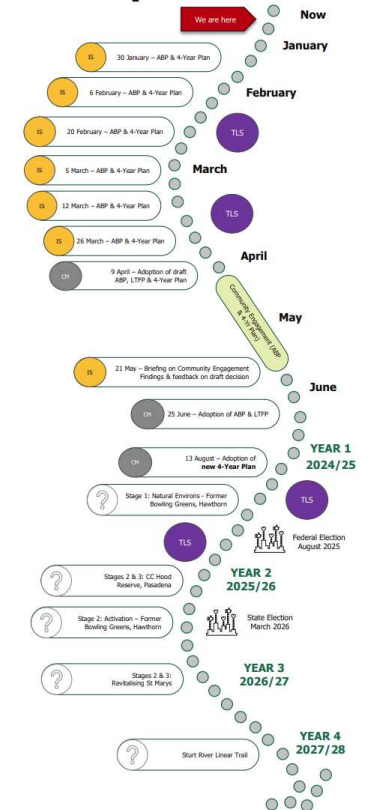
A series of Information Sessions (IS) will be held through February and March to inform the 2024/25 Annual Business Plan and development of the Four Year Delivery Plan.

What to think about over the break

We encourage Council Members to consider the following over the Christmas break.

Rate Revenue Factors	<ul style="list-style-type: none"> • Council decisions already made in 2023/24 will require a 1% increase in rate revenue. • Infrastructure renewal backlog, Brown Hill Keswick Creek commitments and stormwater upgrades add additional revenue pressure. • Consumer Price Index for 2024/25 is forecasted to be 4.5%.
Upcoming Elections	<ul style="list-style-type: none"> • An upcoming federal (2025) and state (2026) election provide funding opportunities. • Council will need to be 'show ready' and advocate for projects to receive partnership funding.
Preliminary Requests	<ul style="list-style-type: none"> • Staff requests with strong alignment against new Priority Themes include the revitalisation of former bowling greens in Hawthorn, future stages of CC Hood, future stages of revitalising St Marys, and continuation of the Sturt River trail (mapped as options in future years). • Other requests available include extending access to compostable bags and kitchen caddies, expanding access to Council-owned green bins, extending Mitcham public art funding, safety upgrades at Watahuna Avenue and Kingwood, Mitcham, Netherby & Torrens Park, and further works at Pasadena Community Centre (LT, carpark and landscaping).
Service Expectations	<ul style="list-style-type: none"> • Council members will need to engage proactively with relevant General Managers to pursue any service changes required to inform the 2024/25 budget deliberations. • Ideally, this information will be known before the first information session in January.

Council Members are invited to nominate what areas of focus within each Priority Themes they would like explored over the next 4-years. Administration will endeavour to present additional request options in response. Please email Dan Jellings djellings@mitchamcouncil.sa.gov.au or Alice Smith asmith@mitchamcouncil.sa.gov.au by **14 January 2024**.



Mitcham 2030





2030

MITCHAM

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

GOAL 1

ACCESSIBLE, HEALTHY & CONNECTED COMMUNITY

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

THEME 1. 1 TRANSPORT NETWORK
We are a City that is connected to places through an integrated, efficient and people friendly transport network for motorists, cyclists and pedestrians.

THEME 1. 2 HEALTH & WELLBEING
We build capacity for people to be active, healthy and connected, and provide inclusive and safe environments for all.

THEME 1. 3 SERVICES & FACILITIES
We provide convenient access to a diverse range of information, services, activities and facilities for our community.

GOAL 2

SUSTAINABLE CITY

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

THEME 2. 1 CLIMATE CHANGE MITIGATION & RESILIENCE
We limit our impact on the climate, and are prepared and adaptable to the impacts of climate change.

THEME 2. 2 SUSTAINABLE RESOURCES
We conserve resources through efficient practices, investment in technology, waste avoidance, and a commitment to reuse, recycle and repurpose.

THEME 2. 3 NATURAL ENVIRONMENT
We protect and enhance the environment and its biodiversity across natural landscapes, waterways, open spaces and across our suburbs.

GOAL 3

DYNAMIC & PROSPEROUS PLACES

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

THEME 3. 1 PLACEMAKING
We have a spatial vision that guides the development of integrated, attractive and vibrant precincts that support diverse land uses and housing choice.

THEME 3. 2 CITY VIBRANCY
We are a City well recognised for our social and cultural diversity, creativity, arts, events, heritage, natural environment, educational and medical facilities.

THEME 3. 3 PARTNERSHIPS
We partner with neighbouring Councils, Government, universities, the private sector, not-for-profit organisations and community groups to maximise community and economic outcomes.

GOAL 4

EXCELLENCE IN LEADERSHIP

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

THEME 4. 1 GOOD GOVERNANCE
We are transparent and accountable, make informed decisions, demonstrate integrity and empower our community to have a voice and participate in a meaningful way.

THEME 4. 2 ORGANISATIONAL IMPROVEMENT
We are efficient and effective with a culture of positive change and innovation to deliver sustainable outcomes and value-for-money services that meet community needs.

THEME 4. 3 COMMUNITY EXPERIENCE
We are easy to do business with and commit to a customer-centric approach that delivers positive experiences and builds trust.

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Four Year Delivery Plan

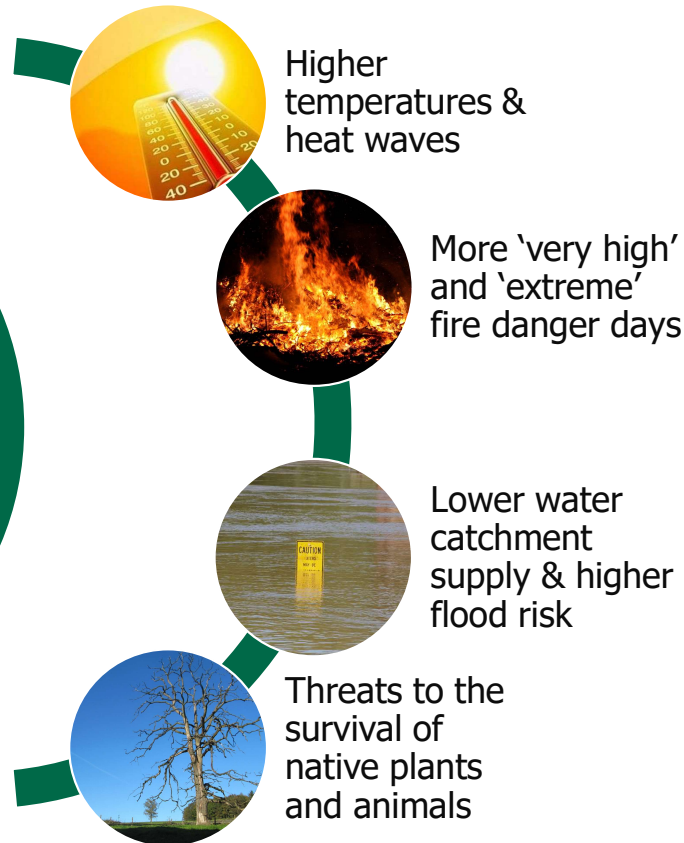


- Priority Themes
 - 2.1 Climate Change Mitigation & Resilience
 - 2.3 Natural Environment
 - 3.1 Placemaking
 - 4.1 Good Governance

Priority Themes

Theme 2.1 Climate Change Mitigation & Resilience

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



Example areas of focus:

- Community renewables program
- Solar panels and batteries
- LED streetlights
- Electric vehicles
- Water sensitive urban design
- Risk and emergency management
- Increased canopy
- Resilient South
- Asset management considerations

Priority Themes

Theme 2.3 Natural Environment

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



Green open spaces



Trees and plants



Waterways



Animal management

Example areas of focus:

- Brownhill Creek
- Pasadena Biodiversity Corridor
- Tree planting
- Weed management
- Water sensitive urban design

Priority Themes

Theme 3.1 Placemaking

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



Example areas of focus:

- Spatial Vision
- Planning policy
- Street interventions (e.g. Smith-Dorrien Street, George Street Bridge)
- Key Precincts & Masterplans (e.g. Mitcham Court, CC Hood, Mitcham Railway Precinct, Mortlock Park, etc.)
- Young Street, Waite Street Reserve, Tiwu integration
- River Torrens to Darlington Project (T2D)

Priority Themes

Theme 4.1 Good Governance

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



Decision making, setting strategic direction, allocating budget and service decisions



Community engagement and participation

GRANTS POLICY

Approved by Council 22 June 2011

Plans, policies, procedures, codes, strategies

Example areas of focus:

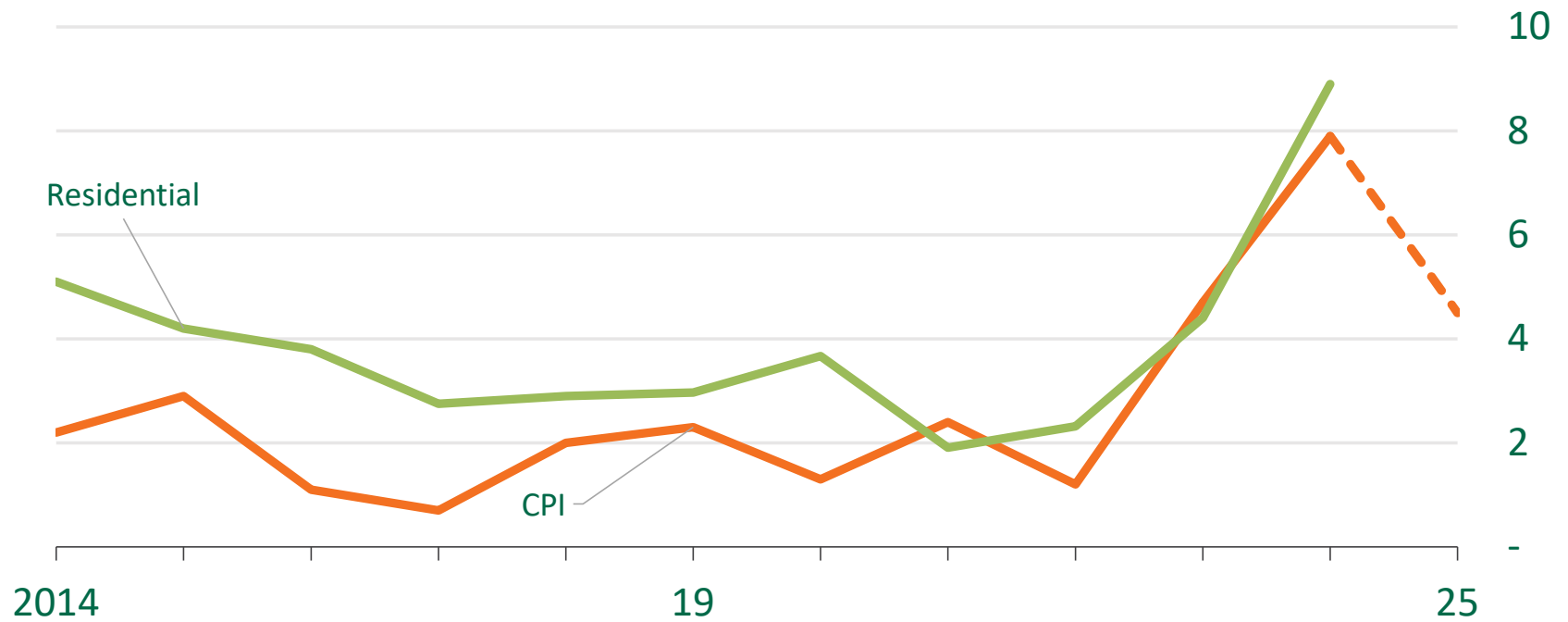
- Council meetings, information sessions, decision-making
- Community engagement, petitions, deputations
- Plans, policies, procedures, codes, strategies

Economic Environment

- Economic challenges with growth rates dipping and disposable income forecasted to fall below long-term trends.
- The economy will be growing, but it will 'feel like' a recession
- Interest Rates on hold, inflation still persistent (March – 4.3% forecast)
- *December* CPI released tomorrow

Rate Rises & Inflation

Annual % Increase



Inflation & Prior Council Decisions

- Current inflation outlook is 4.3%
- 1% of prior council decisions
- Backlog, BHKC, New footpath and Stormwater 0.7%

Existing Service Level Considerations

- October 23 Information Session
- Pre-Christmas Request Pack and Roadmap 1-Page
- Long lead-time required to reduce service levels
- Council Members will need to engage with relevant GMs

Financial Levers



Surplus



Debt



Deferring rate
increases

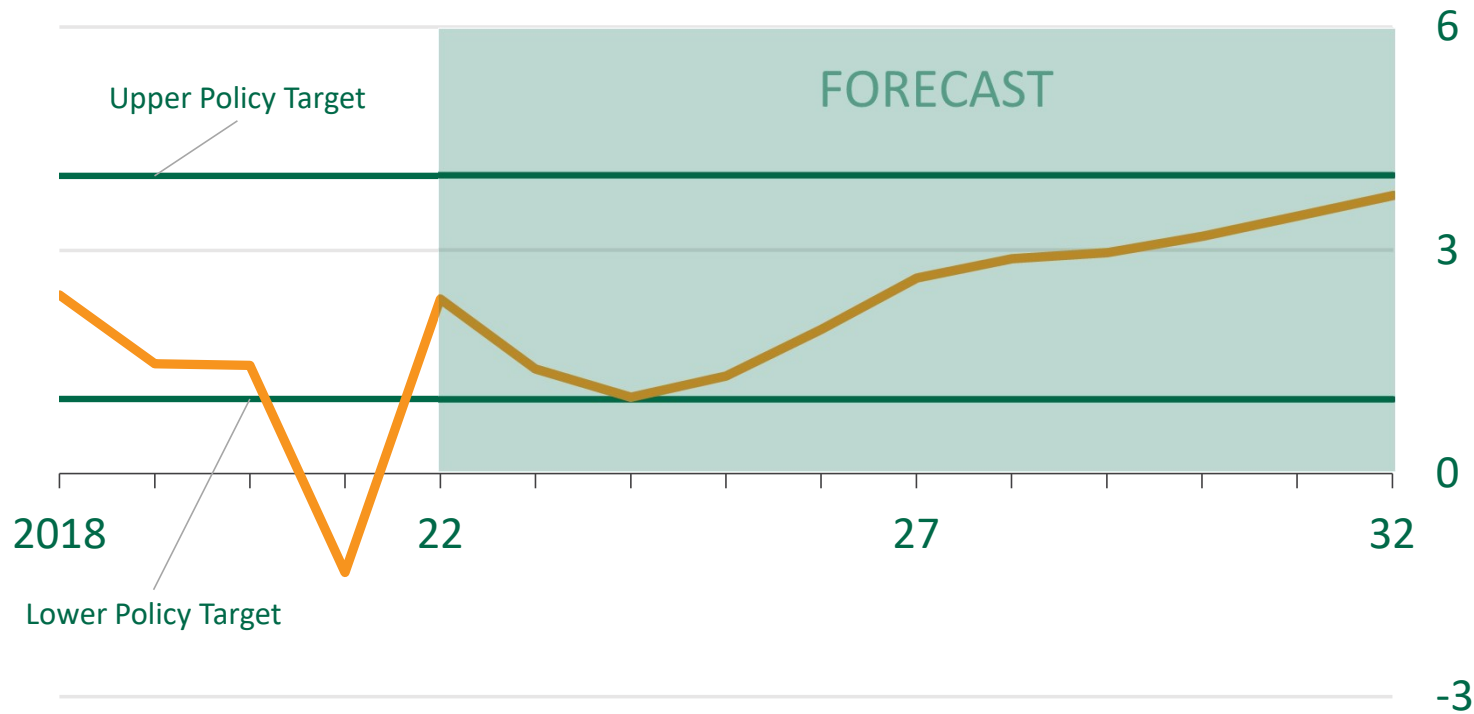


Delaying new
services /
addressing asset
Backlog

Financial levers – Surplus

Underlying Operating Surplus

% of Rates

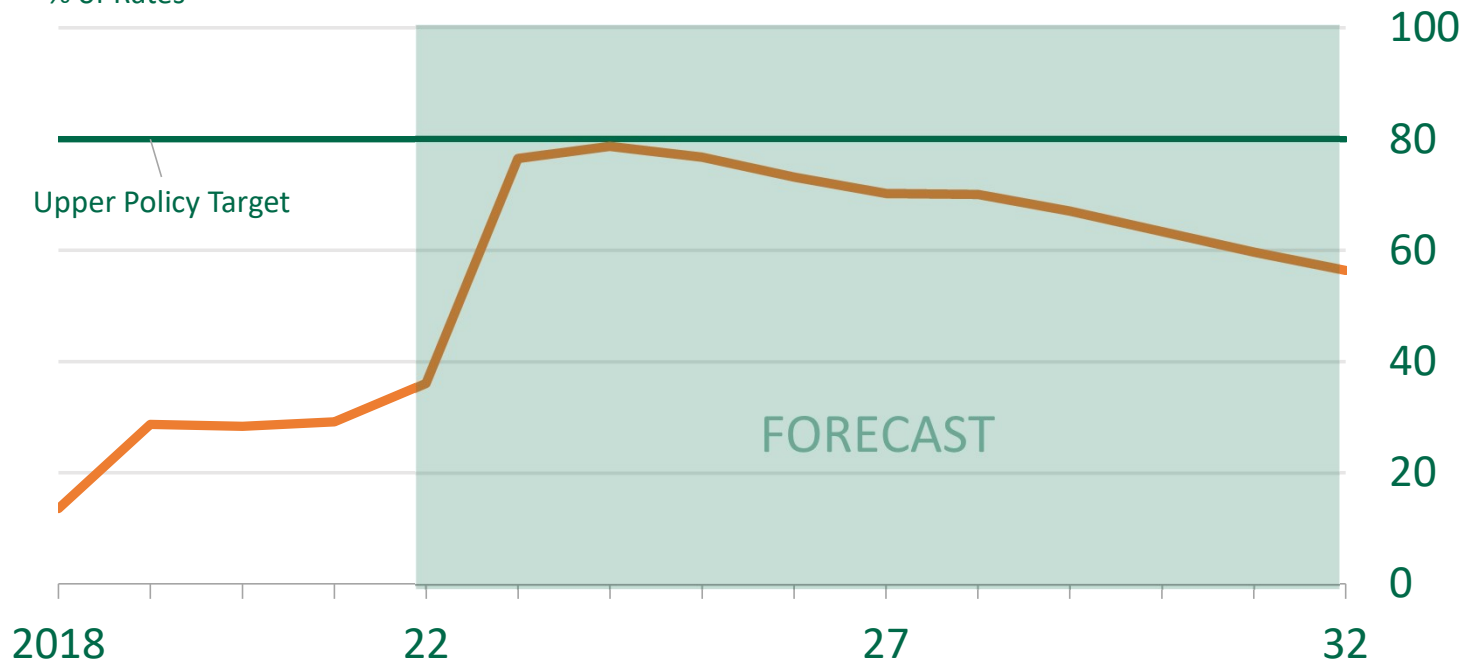


- Forecast within sustainability target
- Varies with timing and costs of borrowings
- Changing surplus will change debt

Financial levers – Debt

Financial Liabilities (net)

% of Rates

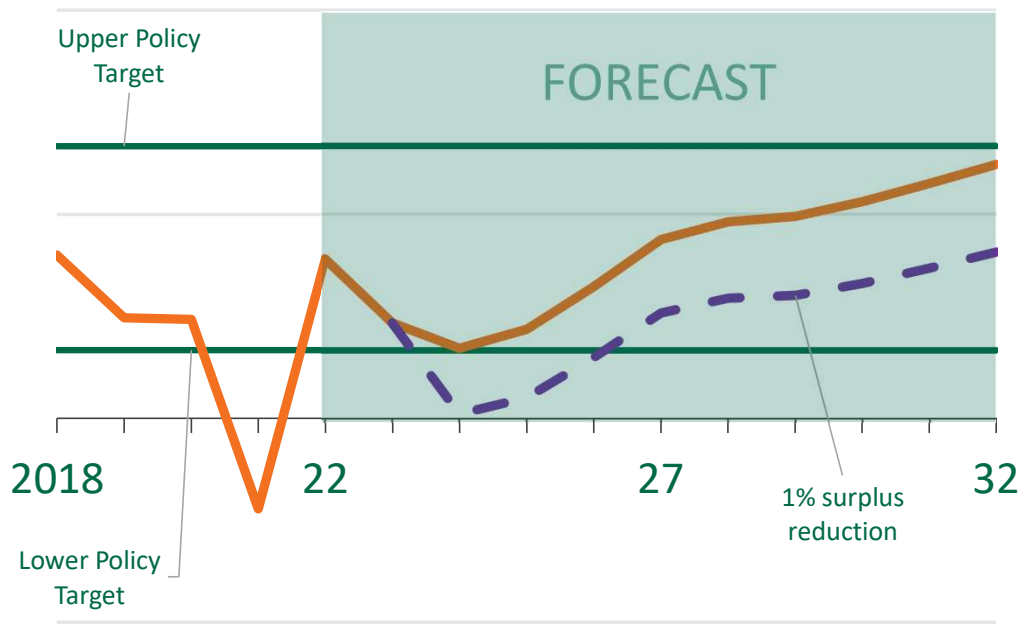


- Forecast *currently* within sustainability limits
- Surplus repay debt
- 1% reduction in surplus increase debt by 10%

Financial Levers – Surplus vs Debt

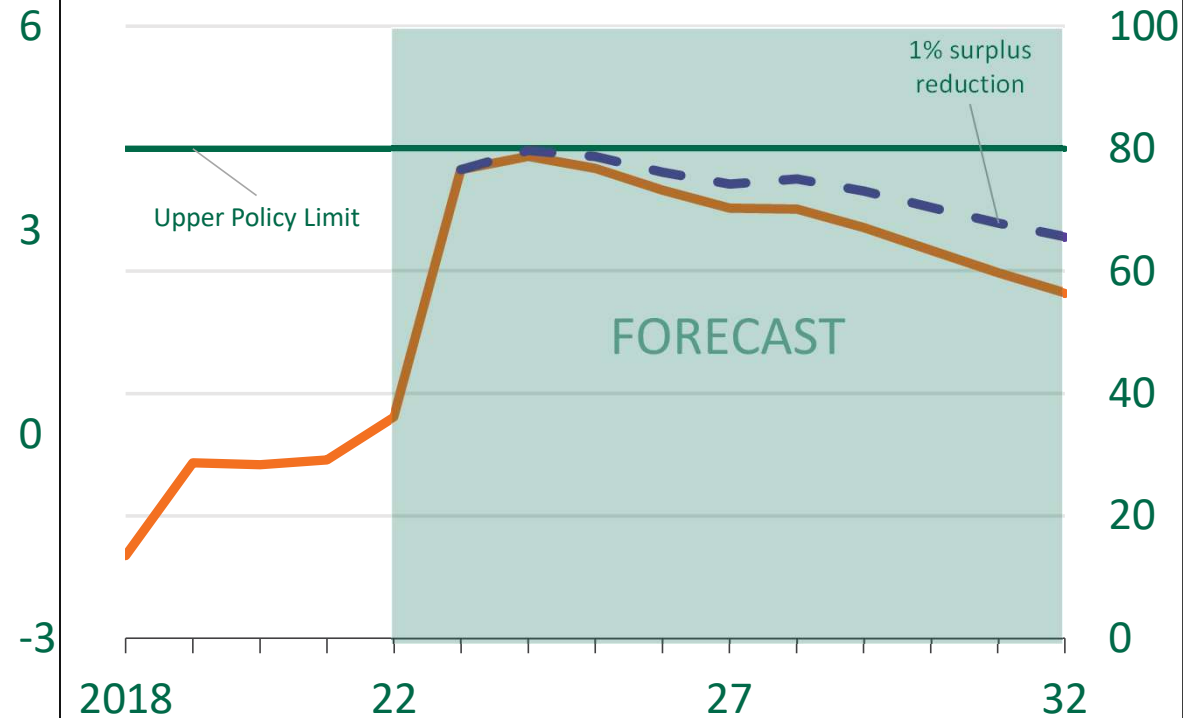
Operating Underlying Surplus

% of Rates



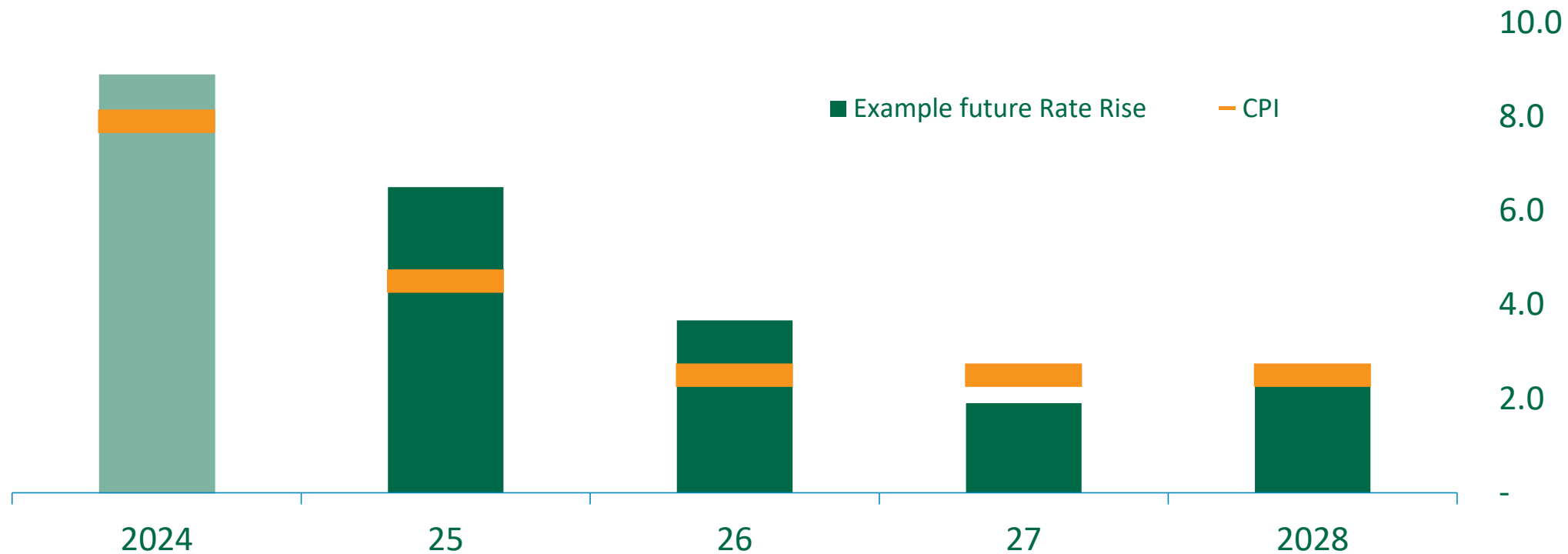
Financial Liabilities (net)

% of Rates



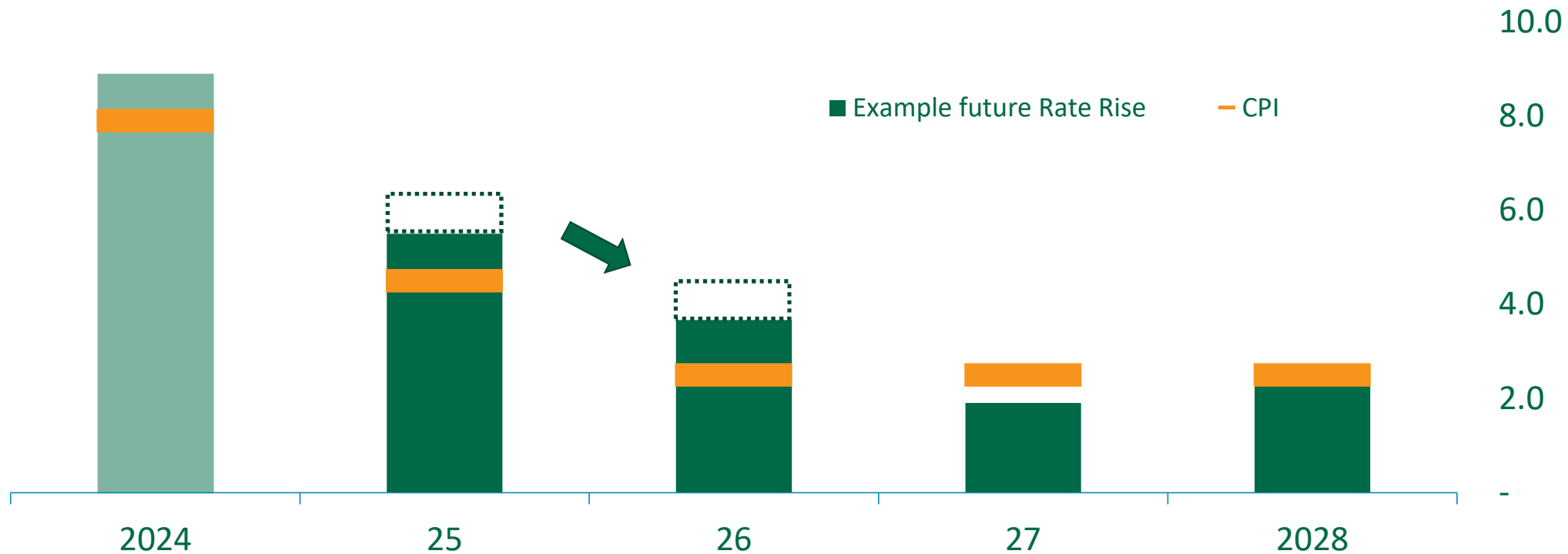
Levers – Deferring Rate increases

Average % rate rise - Example



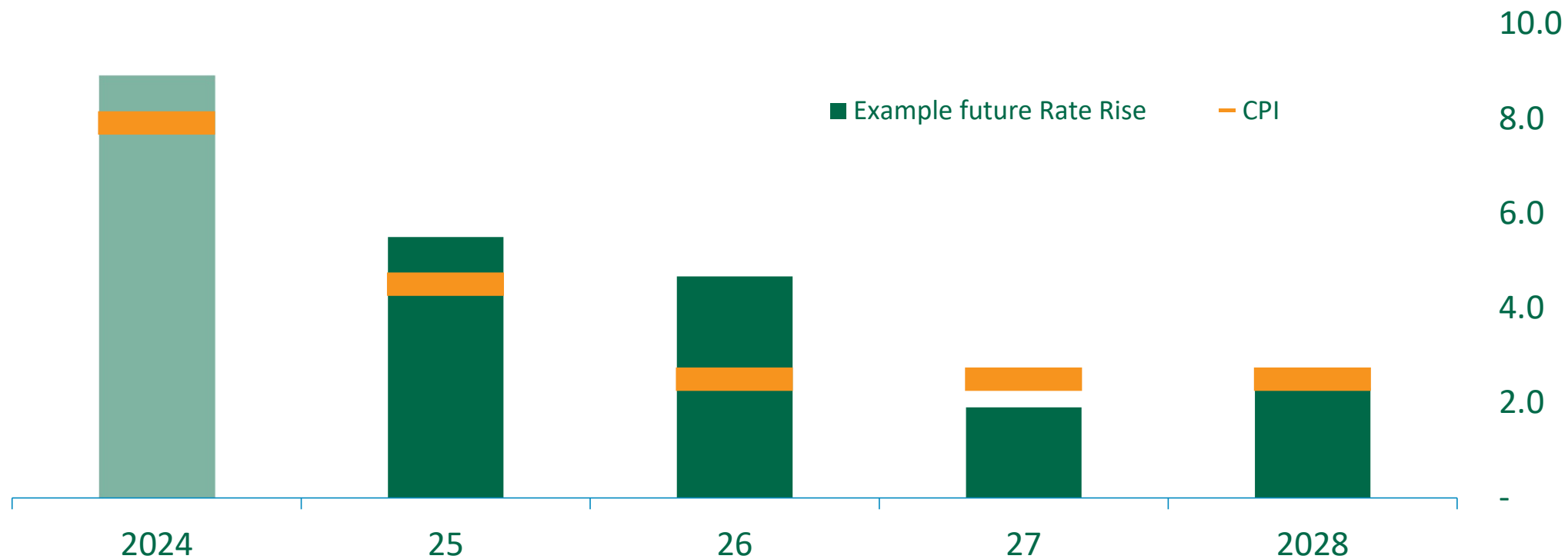
Levers – Deferring Rate increases

Average % rate rise - Example



Levers – Deferring Rate increases

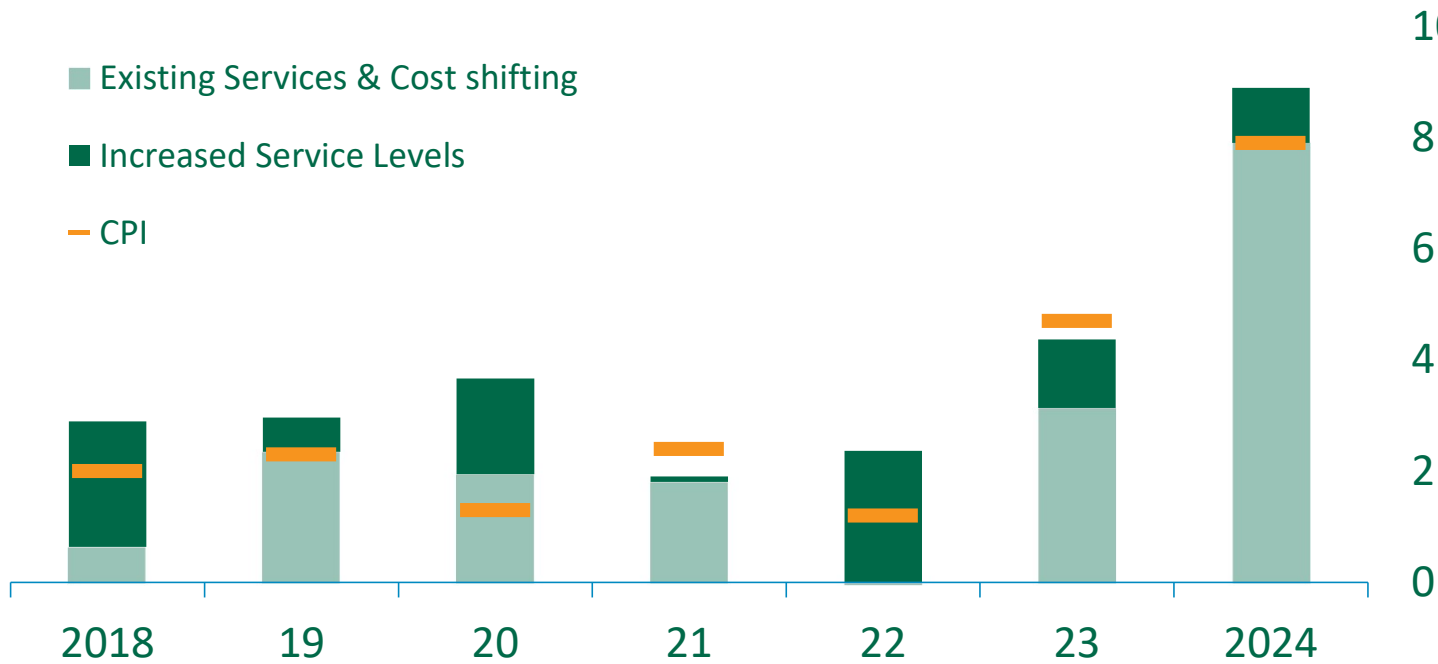
Average % rate rise - Example



Delaying New Services / Addressing Asset Backlog

Rate rises and new services

Average % rate rise



- 1.3% average annual rate increase because of new services
- Opportunity to delay introducing new service levels

Financial Levers

Do you have any questions in relation to the levers?

Do you have other levers you would like discussed?



Surplus



Debt



Deferring
rate
increases



Delaying new services /
addressing asset
Backlog

Rating Policy

Policy Aspect	City of Mitcham	Why?
Valuation Method	Capital Value	Best proxy for capacity to pay
Fixed / Minimum / None	Minimum - \$1,275	All properties benefit from a minimal level of service
Differential Rates	Land Use: General / Vacant & Commercial	Different capacity to pay and service requirements
Discretionary Rebates	Scouts & Guides / Vacant Land Development	Benefit to the local community / incentivises development
Discounts	1% Early Payment Discount	Incentivise early payment
Capping	12.5%	Protect against rapid changes in valuation

Rating Policy

Are there any parts of the rating policy you would like to see changed?

Questions



Requests Pack

Only Requests for
Ongoing Costs (i.e.
Capital or **New**
or **Increased**
Services.

Prior Council Decisions (during 2023/24)

1.0% rate rise

- Pasadena Community Centre Resourcing
- Pasadena Community Centre Facility Upgrade
- New Footpath Program
- Council's future role in aged and disability services
- 91 Quinton Court and Lot 101 Port Lincoln Boulevard, Pasadena
- Increase Staff Resourcing For Verge Greening And Landscaping Activities
- CC Hood Reserve, Panorama – Masterplan and CLMP
- Heritage Tram Pole, Welbourne Street, Mitcham
- Reducing landfill and promoting circular economy through managed bin use and recycling

Administration Requests

Included in Version 1 & 2 of Package	Included in Version 2 of Package
Demolition of AFA and lean-to Buildings, Lawns, Picnic Area and Planting Buffer – Former Bowling Greens & Airforce Association Precinct at Hawthorn	Baseball Infrastructure
Activation of Stable, Pedestrian Plaza, Play Space & Pavilion – Former Bowling Greens & Airforce Association Precinct at Hawthorn	Cyber Security Program
Revitalising St Marys - Stages 2 & 3	Demolition of the Girl Guides Building and Landscaping
Sturt River Linear Trail	Footpath and Road Maintenance Service Increase / Investment
CC Hood Stages 2 & 3	Gil Langley Building Upgrade
Pasadena Community Centre Carpark and Landscaping	Oval Lighting at Mortlock Park
Public Arts Grant Funding	Parks and Reserves Maintenance Service Increase / Investment
Implementation of the Kingswood, Mitcham, Netherby and Torrens Park Traffic Study	South Road Garden Beds
Watahuna Avenue Pedestrian Crossing Upgrade	Street Sweeper Service
Pasadena Community Centre Information Technology	Tree Maintenance Service Increase / Investment
Free Compostable Bags & Kitchen Caddies	
Green Bin Fund & RFIDs	

Council Member Requests

Included in Version 2 of Package

Semi-permanent Traffic Calming Measures – Overton Ward

Christine Avenue Reserve Picnic Infrastructure

Additional Bus Shelters

Hannaford Park Mowing

Hawthorndene Drive Pedestrian Islands

Suffolk Reserve Public Toilets

Tree Assistance Fund

Norman Reserve Water Fountain

Request Pack

Are you comfortable with the request pack?

Other Budget Considerations

- Mortlock Park future upgrades
- Blackwood Recreation Centre rent request
- Women's Memorial Playing Field
- Native Veg Compliance and Advice
- Tiwu service levels reviews
- Indigenous Training Program
- Stakeholder Engagement
- Addressing the remaining four-year Infrastructure Renewal backlog (approximately 0.4% rate rise p.a.)
- Addressing workforce shortages with a multi-discipline graduate program (Planners, Engineers, Procurement, IT)

Questions



Next Steps

Information Session 6 February

- Workshop to see how well each request aligns with the Priority Themes

Information Session 20 February

- Understanding our Financial Position
- Draw the line exercise to see how far down the list of requests (ordered by strategic alignment) you want to fund – to inform draft budget options

