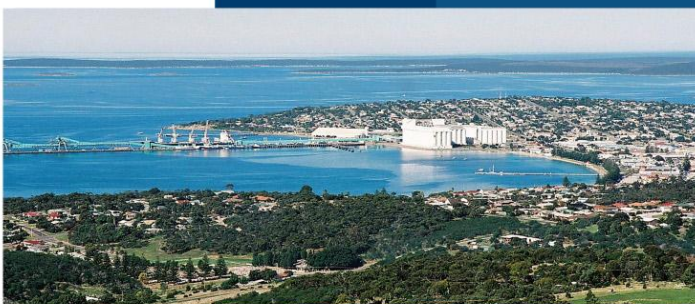
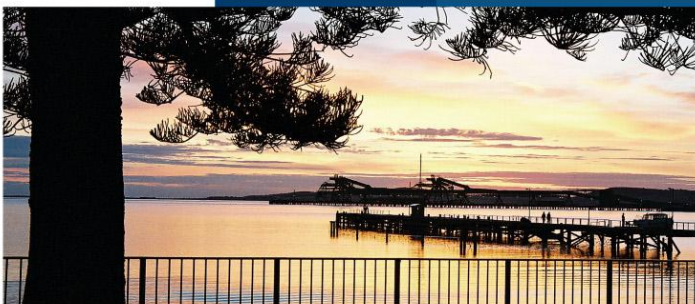
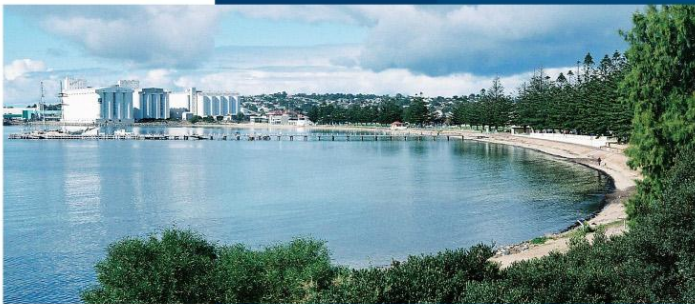




# City of Port Lincoln



## Annual Business Plan

For the year  
ended 30<sup>th</sup> June  
2015

Presented to Council for  
Adoption 16<sup>th</sup> June 2014

Reference: N20141495 18.80.1.6



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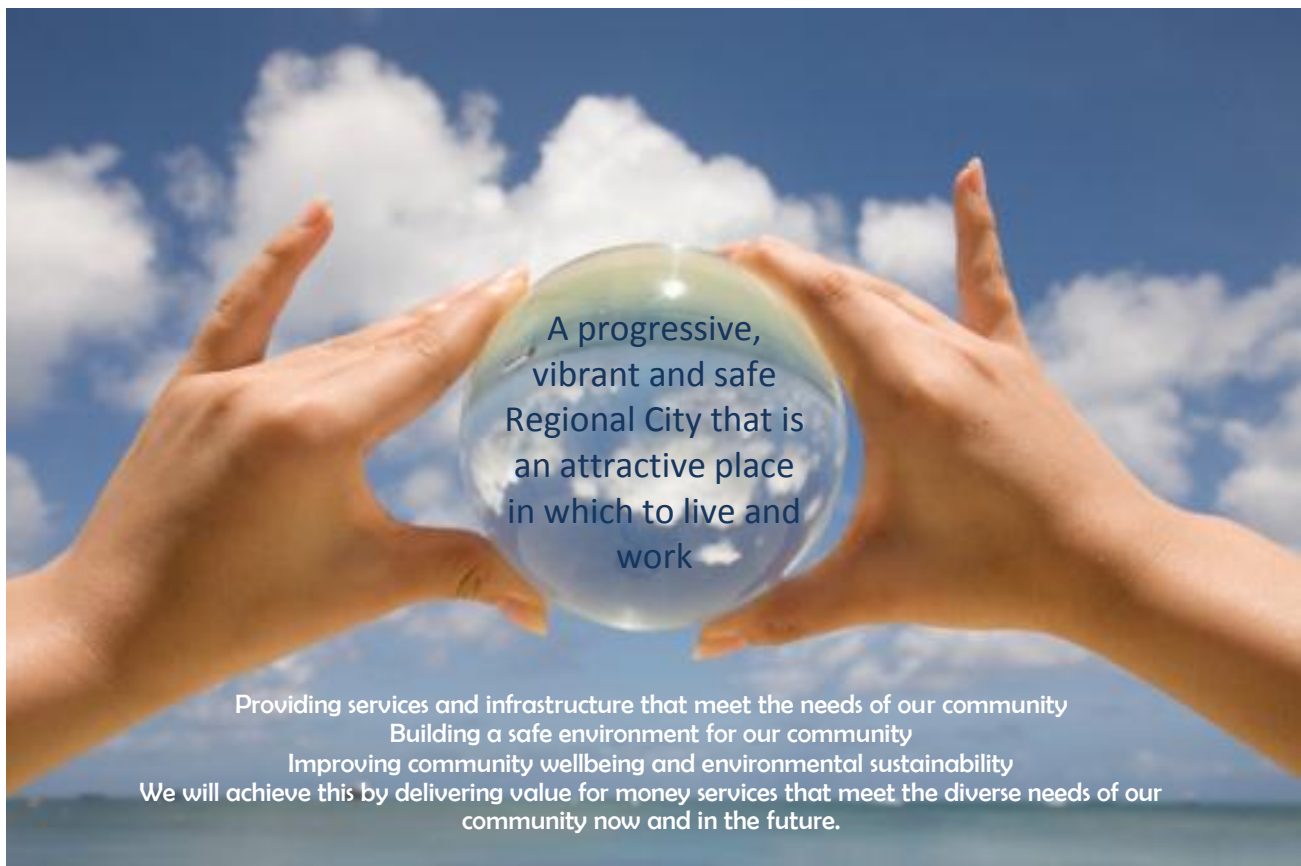
## 1. INTRODUCTION

Section 123 of the Local Government Act 1999 (the Act), requires Councils to develop a budget for each financial year. Councils must prepare, as part of the budget development process, an Annual Business Plan.

The Annual Business Plan sets out the City of Port Lincoln's proposed services, programs and projects for 2014-2015. Council aims to maintain efficient services for the community and continue progress towards the longer term objectives for the City of Port Lincoln as set out in Council's "**Strategic Directions**".

Specific objectives proposed for the year are consistent with Council's "**Strategic Directions**" and the long term financial plan<sup>1</sup> and asset management plans, to ensure the long term sustainability of the Council's financial performance and position.

This 2014/15 Annual Business Plan has been developed to ensure consistency with Council's vision:



Prior to adoption of the Annual Business Plan, the Act requires Council to undertake a public consultation process that, as a minimum, meets the requirements of Section 123(4) of the Local Government Act, 1999.

In addition to the consultation as detailed further in this document, a Special Meeting of the Council was held on Monday 26<sup>th</sup> May 2014, with at least 1 hour set aside for members of the public to ask questions and make submissions in relation to the draft ABP in accordance with Section 123 (4)(a)(i)(B). This meeting was well attended with over 40 members of the community in the gallery and 5 persons making submissions in relation to the draft Annual Business Plan proposals.

<sup>1</sup> LTFP and reviewed asset management plan to be adopted by Council prior to 30 June 2014

## 1. CONTEXT STATEMENT

The City of Port Lincoln is a Regional City which is experiencing moderate growth and economic activity. The City is located at the base of Eyre Peninsula, on one of the world's largest protected natural harbours, and amidst the most picturesque areas of South Australia. The lifestyle opportunities of the area are without parallel.

The jewel in Port Lincoln's crown is sparkling blue Boston Bay, which stretches from the Port Lincoln National Park to Point Boston. The bay covers an area more than three and a half times the size of Sydney Harbour and is home to the biggest tuna fishing fleet in the southern hemisphere.

Port Lincoln will continue to experience growth in commercial and residential development, lead by both tourism and industry activity, including exploration and development of the region's mineral deposits. Significant growth in residential and business development directly adjacent to the City's boundaries, located in District Council of Lower Eyre Peninsula, will also generate additional demand for facilities and infrastructure.

Port Lincoln's population exceeds 14,500 and the City has over 8,200 rateable assessments, covering 3,800 hectares with a site value of over \$1.1 billion.

The "Corporation of the City of Port Lincoln" Council was proclaimed a City on the 30th January 1971. The Council currently employs around 50 FTE staff in administration, development and regulatory functions, community facilities including library, Nautilus Theatre and Galleries, and outside work crews undertaking civil and construction operations and maintaining the many parks, reserves, sporting grounds and community facilities.

Regional primary production including 50% of South Australia's total production of wheat, barley and oil seeds - supported by the deepest natural harbour and largest commercial fishing fleet in Australia - makes Port Lincoln perhaps the nation's biggest combined agricultural and fishing centre. As extensive mining exploration on the Eyre Peninsula continues and moves into production, there will be a continuing requirement to upgrade and develop community facilities and infrastructure that will support this new investment and the growing workforce and population.

The fishing industry is divided into five major sectors – tuna, prawns, lobster, shellfish and scale fish. Lincoln-based tuna boats ply the rough Southern Ocean waters west of Eyre Peninsula and may steam nearly to Esperance, chasing the Bluefin tuna.

Port Lincoln is host to various festivals and events throughout the year, keeping a national focus on our town. They include Tunarama, which celebrates the City's association with the sea and the tuna fishing industry, the Adelaide to Port Lincoln Yacht Race, the Lincoln Cup horse racing week, Eyre Peninsula Farmers & Fishermen's Market and the Mortlock Shield Football Carnival.

A growing program of major cruise ships visits will add to Port Lincoln's visitation numbers and destination profile.

## 2. OUR FUTURE

Council reviewed its Strategic Plan in 2012, adopting the “**Strategic Directions**” plan in July 2012 following a community survey and extensive public consultation.

The Strategic Directions plan focuses on seven key areas:

### Recreation and Open Space

- Build a healthy community through the provision of both structured and non structured recreation and sporting activities, quality facilities & open spaces.

### City Image

- Enhance the image and encourage community pride and investment in the City of Port Lincoln by providing a clean, green and attractive environment.

### Infrastructure

- Provide quality public infrastructure and amenities that are safe, functional, welcoming and appealing to the local community, visitors, tourists, industry and commerce.

### Transport Network

- Raise the capacity and efficiency of the City's transport network.

### Environment

- Effective management and protection of the City's natural and built environs to ensure ecological sustainability.

### Community Projects

- Provide facilities, activities and services that support our community.

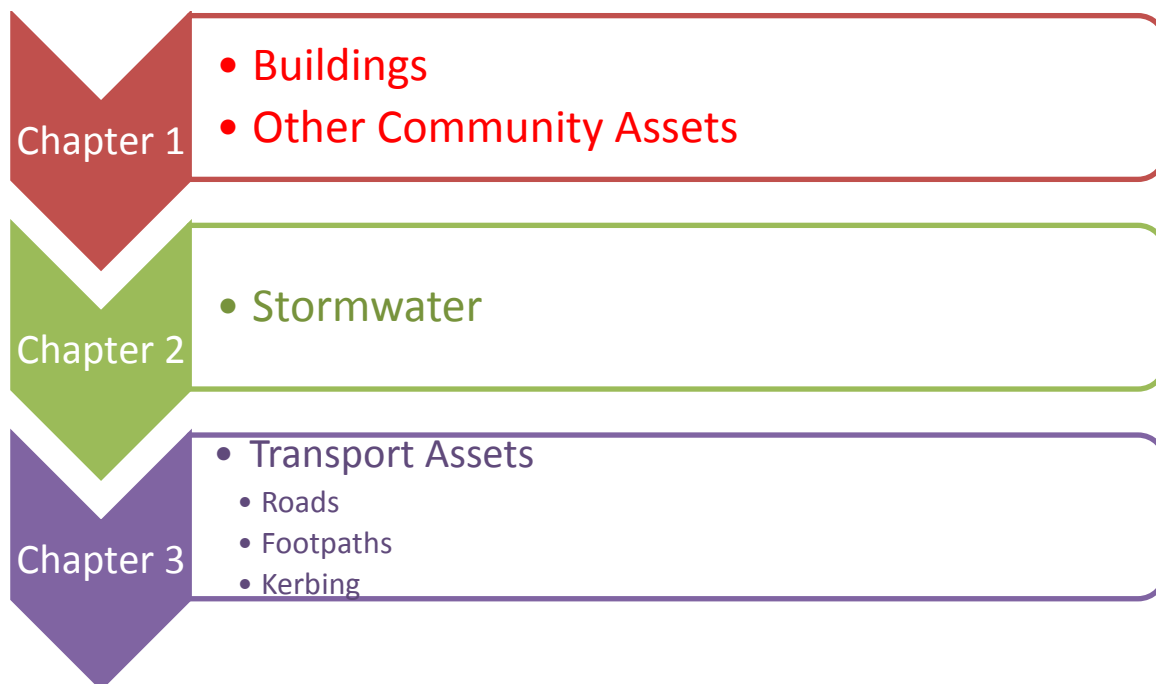
### Economic Development

- Encourage and support economic development initiatives for the City.

To meet Council's core functions, service levels and community expectations, Council endeavours to set annual budgets that are responsible, achievable and underpinned by long term asset and financial planning.

### 3. FORWARD PLANNING FOR INFRASTRUCTURE & ASSET MANAGEMENT

Council has reviewed its Asset Management Plans over the past 12 months and refined the four existing plans into one Infrastructure and Asset Management Plan (IAMP), with chapters relating to:



Each Chapter shows standard service levels, maintenance expenditure trends and forecasts, and capital projects, including charts depicting Current vs Written down values, Consumption and Age profiles.

An Appendix indicates the new or upgrade infrastructure projects which have been identified through the Strategic Directions document and other decisions of Council for the 10 years to 2024.

The forecasts in the IAMP in relation to maintenance, renewal, new and upgraded assets have been reflected in to the Long Term Financial Plan.

Modelling of scenarios to develop a Long Term Financial Plan was undertaken including variations of rate increases, expense drivers, loan borrowings and possible grant funding opportunities. The final LTFP adopted by Council is considered to be financially sustainable and will enable Council to meet the service levels and demands of the community.

Both of these documents, as part of Council's suite of Strategic Management Plans will be adopted in line with and reflecting the budget for the 2014-2015 financial year. These plans will be regularly reviewed and updated, and used as the guide for the on-going provision of services and well-managed infrastructure together with future Council decisions about new initiatives.

Continued control of operational expenses through prudent expenditure indexation, together with possible consolidation of identified assets, will provide the foundation for continuity of Council's core services and sustainable maintenance and replacement of existing assets.

Council has identified a number of major capital projects that will help to deliver the Strategic Directions vision and objectives. It may be appropriate to undertake some borrowings in future years to meet these project costs through inter-generational equity principles.

Council will strive to meet its strategic performance targets through continuous review of program efficiency, core asset consolidation and improvement programs, and maximizing partnership opportunities with the State and Federal Governments and other stakeholders.

## 4. SIGNIFICANT INFLUENCES AND PRIORITIES

A number of significant factors have influenced the preparation of the City of Port Lincoln Annual Business Plan for 2014-2015. These include:

### 4.1 Cost increases

The Local Government Price Index (LGPI) measures price movements faced by Local Government in South Australia in respect of their purchases of goods and services. As the mix of goods and services purchased by Local Councils is quite different from that typically consumed by households, overall price movements faced by Local Councils may differ markedly from those faced by households. Overall price movements indicated by the Consumer Price Index (CPI) - which measures changes in the price of a 'basket' of goods and services which account for a high proportion of expenditure by metropolitan households - may therefore not accurately reflect price movements faced by Local Councils. To the March 2014 quarter

- The increase in the Consumer Price Index (CPI) for Adelaide was 2.9%
- The Local Government Price Index was 2.5%

Above LGPI cost increases are forecast for certain expenditure areas including energy costs, waste management, insurances, salaries and wages, and the Superannuation Guarantee.

### 4.2 Infrastructure priorities

Council conducted a **community survey** in 2011, with the majority of respondents highlighting **public toilets** as being below expectation, together with **road and footpath maintenance**.

With an updated Infrastructure and Asset Management Plan, the maintenance of assets at satisfactory levels of service and timely replacement and renewal of infrastructure assets will be a key priority in future budgets. This will embrace a wide range of community assets including street lighting, storm water drainage, street scaping, halls, sporting facilities and the city's open space areas.

Service and infrastructure planning to meet the needs of an increasing population will also be a priority for Council, to be able to provide for longer term growth of the City.

### 4.3 Grant Funding – Federal & State Government

The Federal government Budget handed down in May 2014 has resulted in a loss of income as part of the Federal allocation to Local Government through the State Financial Assistance Grant Scheme.

For the City of Port Lincoln this has meant a reduction in supplementary road funding of over \$101,000 in the 2014-2015 financial year. The Federal decision has also been to 'freeze' the FAGS grant funding scheme for the next 3 financial years.



## 4.4 Reviewed Strategic Management Plans

To assist councils in their annual budget setting and long term project planning it is a requirement of the Local Government Act Sec 122 (1a) that a council must adopt a Long Term Financial Plan and Infrastructure and Asset Management Plan for a period of at least 10 years. These documents form part of Council's overall "Strategic Management Plans".

Our initial Infrastructure and Asset Management Plans were adopted in 2008 however the information and data within the plans had not been comprehensively reviewed following revaluations in 2011. Therefore Council had not adopted a compliant IAMP or a Long Term Financial Plan. These documents have now been reviewed, prepared and adopted as Strategic Management Plans supporting the endorsement of the Annual Business Plan and Budget for 2014-2015.

The IAMP and LTFP will then become part of an annual review program in setting the following year's budget to assist Council with forward planning. The Local Government Act Section (4)(a) requires that these plans be reviewed as soon as practicable after adopting the Annual Business Plan.

A comprehensive review of the all of Council's "Strategic Management Plans" is required within 2 years after a general election. A financial allocation has been identified in this business plan and the budget to engage a consultant to assist a new Council, following the November 2014 elections with setting strategic directions, programs and projects for the City.

## 4.5 Indoor Aquatic Facility

Impending closure of the Leisure Centre swimming pool has prompted Council to investigate options for replacement aquatic facilities.

### Feasibility Review

After receiving recommendations from a Community Reference Group, Council engaged SGL Consulting Group to undertake a feasibility review in relation to community needs, suitable sites and concept designs, costs and revenues forecasts, and other aspects of a possible replacement aquatic facility. In summary the study findings indicate:

- Sites at Bowling Avenue (adjacent Centenary Oval) and Ravendale Sporting Complex are considered feasible locations for a new facility, with capital cost estimated at \$16.5 to \$16.7 million (ex-GST), including all of the elements recommended by the previous Aquatic Facilities Community Reference Group and with a nominal 50 years useful life
- Provision of car parking to meet the needs of a new facility within its site, appears not achievable at the Bowling Avenue site, but achievable at Ravendale Complex
- The major refurbishment of the existing Leisure Centre at the Marina precinct is estimated to cost approximately \$5.9 million, to return the facility to an estimated 30 years maximum useful life, and the additional cost of acquiring the site including car parking, gym and basketball stadium is likely to be \$4 million.
- The baseline number of attendances is estimated at 72,500 per annum, with an annual operating cost for the facility estimated at \$870,449 (excluding-depreciation), operating revenue at \$597,088 and nett annual 'loss' of \$273,361. Learn to swim classes generate the majority of revenue at \$324,800 per annum
- Operational management is recommended to be by way of 'contract to a professional external organisation'
- Areas where project savings might be found include – reducing 25m pool lane widths from the current optimum 2.5 metres; reducing the surrounding concourse dimensions, hence reducing building costs; reducing the multi-purpose pool size; combining the multi-purpose and hydro-therapy pools to save on capital and operating costs.

## Consultation

After initial consideration of the Feasibility Review reports, Council will continue community engagement on the project. After further considering consultation feedback during 2014-2015, Council will then confirm whether to proceed with further project planning, feasibility investigation, project development and possible site acquisition.

## Prudential Review

The Local Government Act requires that Council undertake a prudential review before engaging in a project of this scale. JAC Comrie Pty Ltd, a well-experienced consultant in local government prudential reviews, has been engaged to provide this review for Council.

## Funding and Partnerships

If the project proceeds Council will carefully consider a project capital funding package, which may include application of appropriate reserve funds, allocation of annual capital program funds, sale of existing assets, establishment of a Separate Rate for the construction period, partner funding, and/or borrowing (repaid over future years through rate revenue).



The Port Lincoln Community Bank branch of Bendigo Bank has provided financial assistance towards the Feasibility Review. The Community Bank has also established and promoted a 'community pledge program' within the local Port Lincoln Branch committing an initial sum of \$250,000 in anticipation of the project proceeding.

## 4.6 Waste Management

Council continues to deal with the **increasing cost of waste disposal and recycling**, driven by wider objectives to increase the diversion of waste from landfill and increase the proportion of recycled material.

Stringent Environmental Protection Policy on waste disposal and Zero Waste requirements has resulted in significant capital investment in the Hassell Road Resource Recovery Centre (RRC).

No capital investment is required at the Hassell Road RRC in 2014-2015, with the capping of cell 3 proposed to be deferred. While capital costs will diminish as the site is rehabilitated and converted to a transfer station, increasing operational costs for the processing and transport of waste to the new Regional Waste Facility will be on-going.

Any additional capital works or programs required at the Resource Recovery Centre at the Hassell Road site, would be sourced from general rate revenue or borrowings. Site rehabilitation together with the capping of cell 3 is an estimated future cost of \$800,000, and this work will be required to be undertaken by 2016.

The operational cost to the community of providing waste and recycling services is forecast around \$3million in 2014/15, or 19% of Council's total operational expenditure.

Council's waste and recycling levy introduced in 2011/12, plus RRC gate charges, recouped approximately 77%<sup>2</sup> in 2013/14. The levy is forecast to recoup around 85% of total waste and recycling costs in 2014/15

if the levy is increased to \$230 in line with the planned transition to full cost recovery for the service.

Council's solid waste levy payment to the State Government is forecast to be \$26 per ton buried at landfill. On current tonnage delivered to landfill this will increase Council's payment from \$257,000 annually to approximately \$270,400 in 2014/15.

Together with general cost increases, waste and recycling services will continue to be a significant component of council expenditure. It is proposed that full cost recovery of waste costs and recycling costs<sup>3</sup> be achieved over the next few years through gate prices increasing by at least CPI and the service charge increasing by approximately 15% per annum. (\$200 in 2013-2014 with a **total of the separate Waste and the Recycling Services Charges being \$230** for 2014-2015).



<sup>2</sup> From January 2014 budget review figures 7-11-T11 template

<sup>3</sup> full cost recovery for Waste and Recycling is reviewed and calculated annually as part of the ABP process in setting the service charge amount

## 4.7 Strategic Land Purchases and Disposals

As identified in the “Strategic Directions” plan Council will continue to investigate opportunities to purchase strategic properties within the Central Business District for future community use, including meeting requirements for car parking. If suitable property does become available, funding for purchase could be sourced from reserves, borrowings and potential consolidation and sale of existing land assets. The commercial opportunity for such purchases may present at a time outside of the annual budget setting process, however the Local Government Act 1999 Section 123 (13) requires that a Council reviews its budget in line with changes in circumstances at least 3 times throughout the financial year. It is at such a review that Council may consider a budget adjustment to reflect a commercial and strategic land purchase.

Similarly Council may make a budget amendment if an opportunity arises to dispose of a non-operational parcel of land that has been identified as surplus to the communities needs.



## 4.8 Supply of Recycled Water

As Council supplies recycled water to other entities, it is now required to be licensed by the Essential Services Commission of South Australia (ESCOSA) and conform to ESCOSA codes and guidelines. The cost of meeting these requirements be reflected in the pricing of recycled water or absorbed into operating costs.

## 4.9 Compliance

Council Elected Members and employees must fulfil high community **accountability standards**. This is highlighted by the new oversight of the Independent Commission Against Corruption (ICAC) and increasingly **rigorous regulatory and reporting requirements**.

Council must undertake a risk assessment of, and document, its **Internal Financial Controls**, in accordance with Sections 125 and 129 of the Local Government Act 1999. Adherence to **financial sustainability** principles, by adopting Asset Management Plan and a Long Term Financial Plan, is also a key priority. Council’s **Financial Management Committee** reviews financial information before making recommendation to Council for adoption.

Council has made good progress toward the implementation of an **organisation wide risk management framework** and has completed the transition to the harmonised **Work Health and Safety Act (SA) 2012**.



## 4.10 Guidelines

Taking into account the influences outlined above, the 2014-2015 Annual Business Plan has been prepared giving consideration to the following guidelines.

- Continuity of **services, maintenance and capital renewal programs** within the capacity of an indexed increase to rate revenue
- **Priority new and upgrade projects** and initiatives, within a financially sustainable budget capacity
- Continued transition towards **full cost recovery for waste services** and recycling collection
- **Adopt a strategy** to support funding the **proposed Indoor Aquatic Facility** construction and operational financial impacts. First year costs of project development, planning, procurement and possible site acquisition for the project have been identified to be funded from the use of existing reserve funds and loan borrowings
- Any **new services** provided by Council will be either established on a cost recovery basis or based on identified community need and identified budget savings or new revenues, and having regard to long term financial implications and risks.
- **Partnership opportunities** will be explored to ensure value for money agreements are in place for the provision of services to the community.



## 5. PRIORITIES FOR 2014-2015



The City of Port Lincoln's Annual Business Plan and Budget priorities for 2014-2015 include:

- ✚ Continuation of the capital programs for road renewals and reseals, building renewals and replacement, and footpaths replacement
- ✚ Construction of key new and upgraded infrastructure and assets
- ✚ Continued fire prevention works
- ✚ Continued review and assessment of playground infrastructure to bring up to Australian Standards as part of asset renewal or where a compliance issue is identified
- ✚ Completion of depot facility upgrade to address identified health and safety issues and non-compliances,
- ✚ Key stormwater infrastructure upgrades guided by the recently adopted Stormwater Management Plan
- ✚ Continuation of project development, planning and implementation of the Indoor Aquatic Facility, subject to final consultation outcomes and Council's subsequent decisions
- ✚ Continuation of local trail development projects - Heritage Trail and Parnkalla Trail
- ✚ Support of Community Projects – completion of Anzac Memorial project at Eyre Park
- ✚ Continuation of Reserve upgrades - Whait Reserve
- ✚ Allocate resources to promotion of the 2014 Local Government Elections
- ✚ Commence a review of the Strategic Directions plan after the Local Government elections in November 2014
- ✚ Continued review and updating of Council's Development Plan, with focus on completing current developer-funded DPA's and progressing the Residential DPA to public and agency consultation
- ✚ Preparation of an Open Space and Recreation Facilities Strategy
- ✚ Service review of Visitor Information services
- ✚ Continued active facilitation and welcoming of major cruise ships visits planned for the 2014/15 summer season

## 6. CONTINUING SERVICES

Responsibilities under the Local Government Act 1999 and other legislation require Council to provide and maintain:

- Regulatory activities, such as maintaining the voters roll and supporting the elected members of Council
- Setting rates, preparing an annual budget and determining longer-term strategic management plans for the area
- Management of basic infrastructure including roads, footpaths, parks, public open space, street lighting and storm water drainage
- Street cleaning and rubbish collection
- Development planning and control, including building safety assessment
- Various environmental health services
- Animal management

In response to the community's needs, the City of Port Lincoln also provides or makes significant contributions to further services and programs including:



The City of Port Lincoln is a progressive organisation which strives for Best Practice Customer Service and Satisfaction and to be responsive to the community's changing needs. Feedback from the community is sought through Council's website or Customer Service Feedback Form, (which is available at Council's office and the Library) and is used to identify opportunities for improvement.

Further information on Council's facilities and services can be found on Council's website

[www.portlincoln.sa.gov.au](http://www.portlincoln.sa.gov.au)

## 7. MEASURING PERFORMANCE & PROJECT PRIORITIES

The major projects, initiatives and capital works identified in Council's "Strategic Directions" and other Corporate plans for budget consideration in 2014-2015 were subject to community consultation as part of the Draft Annual Business Plan. The updated table below reflects the budgeted projects and those which were originally considered but have been deferred for future consideration.

Projects and initiatives have been prioritised for 2014-2015 having regard to community feedback via the ABP survey, financially sustainable budget settings, asset renewal priorities in Asset Management Plans, risk management, and project or program continuity or completion. These are shown as High, Medium and Low priorities.

6.1 Recreation and Open Space	Operational, Renewal, Upgrade/New Project	BUDGETED COST			Map Ref	ELECTED MEMBERS PRIORITIES	COMMUNITY FEEDBACK FROM ABP SURVEY
		Operational	Renewal	Upgrade/New Project			
Heritage trail – continue construction (grant funding received)	NEW			153,400	1	HIGH	LOW
Poole Oval – seal roadways & improve drainage, (year 2 of project constructing car parks from Matthew Place & St Andrews Terrace)	NEW			22,800	2	MEDIUM	LOW
Whait Reserve Project – community car park	NEW			26,678	3	MEDIUM	LOW
Foreshore Playground – new softfall and equipment (priority 2 Flinders Park)	RENEWAL		92,100		4	LOW	MEDIUM
Fish Cleaning Station – Billy Light's Point	NEW			11,790	5	LOW	not asked
Parkalla Trail - Bishop Street Reserve Upgrade (Lawns opposite Port Lincoln Hotel). Continuation of paved footpath, installation of bollards and sub-surface irrigation	DEFERRED				6	MEDIUM	LOW
Parkalla Trail Construction - Yacht Club to Boston Hotel	UPGRADE			73,140	8	MEDIUM	MEDIUM
Parkalla Trail foreshore extension from Tasman Terrace to Axel Stenross Maritime Museum - Concepts & engineering designs	NEW			80,000	14	LOW	MEDIUM
Continue planning and initial implementation of Indoor Aquatic Facility	NEW			4,200,000		HIGH	HIGH
Preparation of an Open Space and Recreation Facilities Strategy	OPERATIONAL	15,000				HIGH	not asked
<b>Recreation and Open Space SUBTOTAL</b>		<b>15,000</b>	<b>92,100</b>	<b>4,567,808</b>			

6.2 City Image	Operational, Renewal, Upgrade/New Project	BUDGETED COST			Map Ref	ELECTED MEMBERS PRIORITIES	COMMUNITY FEEDBACK FROM ABP SURVEY
		Operational	Renewal	Upgrade/New Project			
Continued replacement of chain mesh fence along the railway corridor on Verran Terrace, from Shepherd Avenue to rail pedestrian crossing opposite Liberty Fuel outlet (\$37,000)	DEFERRED			-	7	LOW	LOW
Centenary Oval – demolition and reinstatement of appropriate shedding for water reuse infrastructure and storage	RENEWAL		52,300		9	LOW	not asked
North Shields cemetery – construct new burial rafts	NEW			10,850		HIGH	not asked
Undergrounding of overhead cables on Edinburgh Street, from Mortlock Terrace to Porter Street (PLEC project)	OPERATIONAL	350,000			10	HIGH	not asked
CBD enhancement (linked to PLEC project) – Napoleon Street from Mortlock Terrace to Adelaide Place – replace kerb, pave footpaths, asphalt road.	RENEWAL & UPGRADE		237,824		10	HIGH	not asked
<b>City Image SUBTOTAL</b>		<b>350,000</b>	<b>290,124</b>	<b>10,850</b>			

6.3 Infrastructure	Operational, Renewal, Upgrade/New Project	BUDGETED COST			Map Ref	ELECTED MEMBERS PRIORITIES	COMMUNITY FEEDBACK FROM ABP SURVEY
		Operational	Renewal	Upgrade/New Project			
Construct stormwater drainage along Marino Avenue from Seaton Avenue to Ravendale Road	NEW			362,000	11	HIGH	not asked
Prepare preliminary designs for Mallee Park detention basin	DEFERRED				12	MEDIUM	not asked
Replace existing generator and electrical works in the Napoleon Street stormwater pump house	RENEWAL		100,000		13	HIGH	not asked
Residential footpath program (\$122,606)	PART DEFERRED REDUCED BY \$81,278			41,328		HIGH	not asked
Road reseal program – recurrent works	RENEWAL		295,000			HIGH	not asked
Laguna Beach off-street car park (\$65,510)	DEFERRED				14	LOW	LOW
Lincoln Highway stormwater drainage - pipe extension	NEW			20,964		HIGH	not asked
<b>Infrastructure SUBTOTAL</b>		<b>-</b>	<b>395,000</b>	<b>424,292</b>			



6.4 Transport	Operational, Renewal, Upgrade/New Project	BUDGETED COST			Map Ref	ELECTED MEMBERS PRIORITIES	COMMUNITY FEEDBACK FROM ABP SURVEY
		Operational	Renewal	Upgrade/New Project			
Reconstruct road and kerb right hand side of Verran Terrace from Bel-Air Drive to Shepherd Avenue	RENEW & UPGRADE		265,814		7	MEDIUM	not asked
Full construction of the section of Windsor Avenue from Stamford Terrace to the end (adjacent to Navigator College) \$239,470 (Alternative Option Spray Seal proposed)	NEW - ALTERNATIVE PROPOSAL			40,000	15	LOW	low
Refurbish existing Marina footbridge - including rust removal, repainting and replacing balustrade	RENEWAL		72,000		16	MEDIUM	not asked
<b>Transport SUBTOTAL</b>		-	<b>337,814</b>	<b>40,000</b>			

6.6 Community Projects	Operational, Renewal, Upgrade/New Project	BUDGETED COST			Map Ref	ELECTED MEMBERS PRIORITIES	COMMUNITY FEEDBACK FROM ABP SURVEY
		Operational	Renewal	Upgrade/New Project			
Upgrade of Nautilus Theatre technical stage facilities	RENEWAL		44,000			MEDIUM	medium
Continue the Library shelving replacement program of community furniture as per the Library Services Strategy	RENEWAL		21,000			MEDIUM	low
Complete depot upgrade to address identified safety issues and non-compliances	RENEWAL		50,130			HIGH	not asked
Investigate options for a Community Pier at the Marina for the use of Tacoma Preservation Society and other community groups.	OPERATIONAL	1,000				MEDIUM	low
ANZAC Memorial Upgrades (Funds from Comm Infrast Reserve)	UPGRADE			77,700		HIGH	not asked
<b>Community Projects SUBTOTAL</b>		<b>1,000</b>	<b>115,130</b>	<b>77,700</b>			

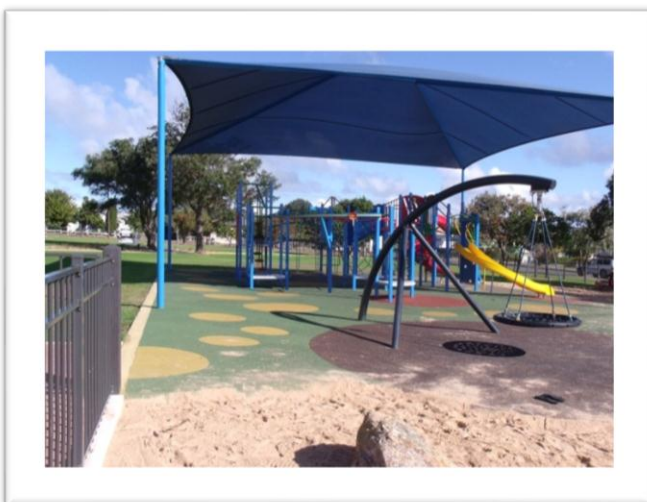
6.7 Economic Development	Operational, Renewal, Upgrade/New Project	BUDGETED COST			Map Ref	ELECTED MEMBERS PRIORITIES	COMMUNITY FEEDBACK FROM ABP SURVEY
		Operational	Renewal	Upgrade/New Project			
Ongoing sponsorship and promotion of events to attract tourists and visitors to the City - Tunarama, Yacht Week, Port Lincoln Show, Race Week & Cruise Ships and financial support to Visitor Information Centre	OPERATIONAL	176,952				HIGH	not asked
Continuing financial contribution to RDA Whyalla and Eyre Peninsula	OPERATIONAL	57,201				HIGH	not asked
Review of the Strategic Directions plan after the Local Government elections in November 2014	OPERATIONAL	5,000				HIGH	not asked
<b>Economic Development SUBTOTAL</b>		<b>239,153</b>	-	-			



## 8. ACHIEVEMENTS FOR 2013-2014

### 8.1 Recreation and Open Space

Activity	Performance Outcome	Progress to Date	Map Ref
Replace existing Town Jetty swimming enclosure with floating pontoon system	Swimming environment rated as satisfactory	To be completed by June 2014	17
Heritage trail – continue construction (grant funding received)	Linear trail from Springfield Drive to Duncan Terrace established	Completed	18
Final concepts & engineering designs for Parnkalla Trail foreshore extension from Tasman Terrace to Axel Stenross Maritime Museum	Develop multi-use pedestrian trail from Tasman Terrace to Axel Stenross Maritime Museum	Continuing next stage of project in 2014/15 budget	1A
Poole Oval – seal roadways & improve drainage, (split over 2 years – separate car parks from Matthew Place & St Andrews Terrace)	Improved facilities at sporting grounds	Matthew Place completed	19
Whait Reserve - upgrade playground as per playground strategy & asset management plan	Increased community use of council playground areas	Project underway, with additional funding received	3
Construct second shelter over existing barbecue at Wellington Square to cater for increased patronage		Completed	20
Tennyson Terrace tennis court fencing – complete remaining fencing as per strategy	Improved facilities for regional sport	Completed	21
Tennyson Terrace clubrooms upgrade & asbestos removal		To be completed by June 2014	21



## 8.2 City Image

Activity	Performance Outcome	Progress to Date	Map Ref
Undergrounding of overhead cables on Napoleon Street, from Porter Street to Mortlock Tce (PLEC project)	CBD upgrade program implemented and arterial road network amenity improved	Completed by end of July 2014	22
CBD enhancement (second stage of PLEC project) – Napoleon Street from Porter Street to Mortlock Terrace – replace kerb, pave footpaths, asphalt road, one way traffic	Traffic flow and movement throughout the City meets the needs of a growing community Increased number of CBD Parking Spaces	One way traffic not implemented. Road works to be completed by June 2014	22
CBD enhancement (second stage of PLEC project) – Coorong Street footpath paving & asphalt road from Napoleon Street to Liverpool Street	CBD upgrade program implemented and arterial road network amenity improved	To be completed by June 2014	22
Install 371 metres chain mesh fence along railway corridor from Dublin Street to LeBrun Street	City entrances and main access road streetscapes improved	Completed	23
Complete fit out of Bligh Street toilet (carry forward from 2012-2013)	Public convenience amenities improved to a high standard	Completed by end of April 2014	24
Centenary Oval grandstand toilets in lieu of rebuild of Southern toilets		Underway	25
Design new public toilet facility (to replace existing facility on foreshore lawns Yacht Club end)		Project cancelled	
North Shields cemetery – construct new burial rafts, remove asbestos & renovate office	Standard of cemetery facilities maintained & improved	Completed	



### 8.3 Infrastructure

Activity	Performance Outcome	Progress to Date	Map Ref
Construct stormwater drainage from Marino Avenue to Mallee Park detention basin	Stormwater infrastructure is adequate and disruption to community is minimised in heavy downfalls	Completed	26
Design stormwater drainage for Flinders Highway, Hallett Place and Tennyson Terrace from Nigel Street to Hallett Place	Plans in place to enable project to be costed for proposed construction in 2014-2015	Completed	
Prepare preliminary designs for Mallee Park detention basin	Stage 2 of design phase completed to enable engineering drawings to be completed in 2014-2015	Ongoing	
Residential footpath program	Service levels meet the needs of the community	Ongoing	

### 8.4 Transport

Activity	Performance Outcome	Progress to Date	Map Ref
Reconstruct road and kerb right hand side of Verran Terrace from LeBrun Street to Bel-Air Drive	Road network maintained to serviceable standard	Completed	27
Construct base and spray seal Grantala Road from Nootina Road to Western Approach Road	Plan to seal fringe roads being implemented	Completed	28
Road reseal program	Service levels meet the needs of the community	Ongoing	

### 8.5 Environment

Activity	Performance Outcome	Progress to Date	Map Ref
Maintain firebreaks and vegetation on Council land	Risk of fire to the City minimised	Ongoing	
Install solar electricity system at depot	Reduced energy consumption has flow on effect of financial savings for Council	Completed	30
Investigate options to implement a foreshore sand relocation program and seek approval from the Coastal Protection Board	Foreshore beach amenity maintained throughout the year	To be carried forward to 2014/15	

## 8.6 Community Projects

Activity	Performance Outcome	Progress to Date	Map Ref
Develop strategy for community recreation facility inclusive of swimming pool	Swimming pool strategy developed with the needs of the wider community identified & considered	Strategy completed and report presented to Council	
Redevelopment of Nautilus Theatre upstairs area (dependant on successful grant funds for 50% of the project) possibly over two budget periods	Facilities redeveloped to encourage greater community utilisation & benefit	Funding not received project deferred	
Construct and fit out new animal shelter, (deferred from 2012-2013)	New animal shelter and kennel facility established	Completed	29
Purchase and install state-wide One Card Library Management system	Improved circulation, seamless delivery and sharing of resources and economic benefits	Completed	
Library shelving replacement program & purchase furniture for community room	Increased utilisation of library services		
Investigate future library services including requirements for layout design to meet new 'e' era	Future plans developed for library services		
Complete depot upgrade to address identified safety issues and non-compliances, (Chemical storage, plant shed, toilets, perimeter fencing)	Improved safety and utility of Council buildings & facilities	Further budget allocation to complete project in 2014/15	30
Continued investigations and negotiations in relation to Strategic CBD Land Purchase for future Civic Centre	Strategic parcel/s of land in the CBD to meet future needs of community	Completed	
Investigate options for a Community Pier at the Marina for the use of Tacoma Preservation Society and other community groups.	Plans developed for multi-purpose Community Pier	To be deferred until 2014/15	

## 8.7 Economic Development

Activity	Performance Outcome	Progress to Date	Map Ref
Prepare base and seal of Kooyonga Avenue from St Andrews Terrace to commercial service area to accommodate new development in the area	Increased number of new businesses and industry	Base completed, seal works to be undertaken in 2014/15	31
Ongoing sponsorship and promotion of events to attract tourists and visitors to the City - Tunarama, Yacht Week, Port Lincoln Show, Race Week & Cruise Ships and financial support to Visitor Information Centre	Increased number of visitors to Port Lincoln Improved quality and accessibility of visitor information and increased number of visitors to Port Lincoln	Ongoing	
Continuing financial contribution to RDA Whyalla and Eyre Peninsula	Increased number of businesses established and employment generated	Ongoing	

Other activities undertaken in 2013-2014 that supported the objectives of Council's Strategic Plan are:

- ✓ Continued Sponsorship of Port Lincoln Art Prize and Youth Art Prize
- ✓ Installation of additional doggy bag dispensers and dog watering points on walking trails
- ✓ New aluminium seating at Centenary Oval
- ✓ New fencing at Tennyson Terrace tennis courts
- ✓ Sponsorship of Community Night Bus
- ✓ Public Art project at Whait Reserve following the public art strategy
- ✓ Continued upgrades to seating and bin enclosures for Tasman Terrace and the foreshore
- ✓ Review of Community Funding Assistance program to support community, sporting and cultural projects, events and activities occurring within the City
- ✓ Review of Asset Management Plans
- ✓ New business operations model for the Civic Hall and Nautilus Theatre
- ✓ Port Lincoln Library refurbishment project commenced with a relaunched as a "Community Library" and implementation of the state-wide 1LMS library card borrowing system
- ✓ Sponsorship of Community House and Operation Flinders Youth Program
- ✓ Continued Investigation of Shared Services opportunities and a combined Enterprise Bargaining Agreement with District Councils of Lower Eyre Peninsula and Tumby Bay
- ✓ Contribution to Regional Tourism Officer role
- ✓ Implementation of "One System" safety management system
- ✓ Ongoing partnerships with Regional Development Australia, Eyre Peninsula Local Government Association and Provincial Cities Association

Further information about these, or other objectives identified in Council's Strategic Directions plan, can be viewed on Council's website, which is [www.portlincoln.sa.gov.au](http://www.portlincoln.sa.gov.au)

## 9. FUNDING THE BUSINESS PLAN

The City of Port Lincoln's long-term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than or equal to its revenue, and this is a key target in the long term financial planning process.

### Adjusted Operating Surplus Ratio (Target $0\% \leq 5\%$ )

Net of NRM levy

2011-2012	1%	2012-2013	3%	2013-2014	-5%	2014-2105	-2%
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Council considers that the adopted Annual Budget is financially responsible to the community. The rate revenue increase has been kept to a level to enable funding of on-going operational expenses and renewal infrastructure works and return an Operating Result<sup>4</sup> of -2%, which is within the target range.

In the ABP for consultation a target rate revenue increase of between **4% but no more than 6%**<sup>5</sup> on **GENERAL RATES** compared to the previous year was proposed. Have completed budget modelling of the projects, programs and services which Council consulted on through the ABP, a general rate of 6% excluding the new assessments was required to continue the current levels of services and standards expected by the community. The general rate calculation increase is shown in the table below.

General Rates 2013-2014	6% Increase	General Rates 2014-2015	32 new assessments @ \$1,174.34	Total General Rate Revenue for 2014-2015 Budget	Total Percentage Increase
\$9,071,254.00	\$544,275.24	\$9,615,529.24	\$37,578.88	<b>\$9,653,108.12</b>	<b>6.41%</b>

In **addition** to a general rate Council will raise income through continuing **Service Charges** for **Recycling and Waste**. The **proposed new Separate Rate** in the consultation version of the Annual Business Plan **has not** been included in the annual budget for adoption. These service charges are discussed further in this document.

<sup>4</sup> The Operating Surplus (Deficit) result is as extracted from Council's *Statement of Comprehensive Income*, and the ratio as reported in *Note 15 Financial Indicators*

<sup>5</sup> The proposed increase percentage excludes the revenue generated by new assessments created during 2013-2014

## 9.1 Other sources of revenue

Other Sources of revenue for the City of Port Lincoln are:

**User Pays Charges set by Council** – these charges are mainly for Council’s Resource Recovery Centre, but also include private works and other use of Council’s facilities.

**Statutory Charges set by State Government** – these are fees and charges set by regulation and collected by the Council for regulatory functions such as assessment of development applications and dog registrations. Revenues generally off-set the cost of the service.

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

**Investment Income** – Council invests funds for future maintenance and capital projects in interest bearing accounts.

## 10.IMPACT ON COUNCIL’S FINANCIAL POSITION

Council’s planned operational and capital expenditure for 2014-2015 is proposed to be met from committed reserve funds and operational revenue. The budget for adoption includes a financial contingency of up to \$4,200,000 should the proposed Indoor Aquatic Facility project proceed. The budget reflects that Council will need to undertake loan borrowings for either options of an IAF project, greenfield site or purchase the Leisure Centre. Other factors will be accounted for if necessary through amendments in the Budget Review process.

Following the Prudential Review of the Indoor Aquatic Facility project, Council will be appropriately informed on the project’s financial and risk issues and will consider the immediate and longer term financial implications of the project and on-going facility operations as part of its decision/s about the future of the project.

## 11.RATING BASIS – SITE VALUE

The City of Port Lincoln has decided to continue to use site value as the basis for valuing land within the Council area for the 2014-2015 financial year. 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 fairness principle of taxation which suggests that individuals should make similar contributions to the cost of providing local government services as they in turn receive similar benefits, in terms of those services provided;
- ✓ The efficiency principle, which generally assumes large swings in the value of property, is less likely under the site valuation method.



## Council's Proposed Rating Structure Options for 2014-2015

### 12. GENERAL RATES (s153 and s156)

#### 12.1 Change in Legislation - Marina Berths

Legislation was introduced in in 2013, which has had the effect that a fixed charge is no longer applicable to Marina Berths. To raise the same comparative revenue to last financial year by a percentage increase on **General Rate** revenue including the fixed charge, then Council needed to consider that there are a lesser number of properties a fixed charge could be applied to. Based on 2013-2014 fixed charge revenue, this would have resulted in a *negative* impact on Council's revenue in the order of nearly \$60,000.



To spread the effect of a fixed charge not being applicable to the Marina Berths, Council has had to apply an **increased rate in the dollar per applicable property** in formulating the 2014-2015 Rates Budget.

#### 12.2 General Rates

To raise **Rate Revenue** by a percentage as identified in section 9 FUNDING THE BUSINESS PLAN, Council will declare **a rate in the dollar of 0.6555** based on the site valuation<sup>6</sup> of land and within the City of Port Lincoln together with a fixed charge per rateable property, being 8219 assessments, to raise the required amount of **General Rate** Revenue. (Was 0.6014 cents in the dollar on the site valuation in 2013-2014 for 8189 properties)

#### 12.3 Fixed Charge

The Council has elected to impose a fixed charge system, rather than a minimum rate which tends to distort the equity principles of taxation. Council applied a fixed charge of \$350 in 2013-2014, and historically has increased the fixed charged by a nominal \$10 per year. A further \$10 increase has been applied in the 2014-2015 rate revenue budget, with Council declaring a **\$360 fixed charge**.

The reasons for imposing a general differential rate and a fixed charge are:

- The Council considers it appropriate that all rateable properties make a contribution to the cost of administering the Council's activities and maintaining the physical infrastructure that supports each property
- The fixed charge system has a lesser proportionate impact on lower income earners than a minimum rate system
- The fixed charge system is more readily understandable than a minimum rate system

The fixed charge for 2014-2015 will be levied uniformly on all non-contiguous assessments. The fixed charge is levied against the whole of an allotment (including land under a separate lease or licence) and only one fixed charge is levied against two or more pieces of adjoining land (whether intercepted by a road or not) if the same owner occupies and owns them.

<sup>6</sup> Valuations still to be received from Valuations SA) The estimate used throughout the consultation version of the ABP was 8,230 rateable properties. The budget has recognised that there is 8219 rateable assessments.

### 13. WASTE AND RECYCLING SERVICE CHARGES

Over the past few years a service charge pursuant to Section 155 of the Local Government Act 1999 has been declared, initially for the introduction of the recycling service, and more recently for both waste and recycling collections. The combined Waste and Recycling Service Charge was based on the nature of the service in respect of all land within the area of the City of Port Lincoln to which Council provided a waste and recycling collection service (i.e. it has excluded vacant land and marina berths).

It has now been identified that vacant land and marina berths, which had been excluded from past service Charges, do in fact have access to a waste collection service. They do not receive a recycling collection service. These properties may have been receiving a service that they have not been charged for.

To be equitable to all ratepayers, property owners should be charged for the services they are eligible to receive from Council. Therefore for 2014-2015 the combined Waste and Recycling Service Charge of 2013-2014 of \$200, has been split. The transition to a cost recovery model discussed earlier in the Annual Business Plan proposed a **\$230** Service Charge in total per eligible assessment in 2014-2015.

The revised model for **two Service Charges** totaling **\$230** is shown in the table below:

## Waste and Recycling Service Charges

	2013-2014	2014-2015
Number of rateable properties	8189	8219
Marina Berths		161
Vacant Land		463
2013-2014	\$200	15%
<b>\$230 total service charge for Waste and Recycling management</b>		
<b>Waste Service Charge</b> on all properties receiving the service	<b>\$188</b>	\$1,545,172
<b>Recycling Service Charge</b> to those properties <u>receiving</u> the service (excl vacant land and marina berths)	<b>\$42</b>	\$318,990
	<b>\$230</b>	<b>\$1,864,162</b>

## 14. PROPOSED INDOOR AQUATIC FACILITY PROJECT

### 14.1 New Rating Strategy

The consultation version of the Annual Business Plan explored the option to introduce a new rating strategy as it has been identified that if Council decides to proceed with the Indoor Aquatic Facility project it will require significant capital funds and is expected to operate at an on-going cost to ratepayers. Council has given this project significant deliberation and review over a number of years and considered community input on a number of occasions.

Council will consider both further consultation feedback and the Feasibility Review and Prudential Review findings before making a decision on the project's community benefit and feasibility.



Council has **NOT INCLUDED** a new rating strategy for the adoption of the Annual Business Plan or Budget.

Should Council decide to proceed with the project, then the 2014-2015 budget has identified a rate revenue increase which will support payment of an initial first loan repayment in the 2014-2015 year.

If it proceeds the IAF project will require additional general rate increases to support repayment of subsequent loan borrowings and the ongoing operational costs of a **new associated service**.

## 14.2 Proposed Indoor Aquatic Facility Operational Costs

Should the Indoor Aquatic Facility project proceed it could be operational in either 2015-2016 or 2016-2017 financial year.

However as part of this Annual Business Plan process to inform the community of the full ongoing implications of the decisions around this project, an operational funding strategy is proposed.

The Feasibility Review referred to earlier in this plan, forecast that Council will need to raise additional rate revenue to reflect the facility's nett operating deficit.

Council is yet to make a decision on whether the project will be a new facility or a refurbishment of an existing swimming facility. Either way, even with best practice and environmentally sustainable infrastructure, plant and equipment, it is likely to run at an operational deficit. Similarly management structures of the facility all come at a cost to the community.

Estimates of operating costs will be reflected in the Prudential Review report to be undertaken over the coming months, but are likely to exceed \$250,000 per annum.

For the City of Port Lincoln \$300,000 would equate to approximately:

- 3% increase to general rate revenue
- \$35-40 additional fixed charge component

Future Council Annual Business Plans would need to consider the introduction of a "once off option" in the **first** operational year to cover the new service expenses. This has been included in the Long Term Financial Plan 2015-2024 adopted in conjunction with the 2014-2015 Annual budget process.

## 15. IMPACT ON OVERALL RATING STRUCTURE

The City of Port Lincoln has experienced significant growth in property values in recent years, from \$267 million in June 2002 to almost \$1.8 billion at June 2013. The forecast for 2014-2015 is a *decrease* in growth to approximately \$1.6 billion.

Council staff undertakes Rates Modelling, based on the total amount of rates revenue Council proposes to raise, applied over the number of assessments, and with varied Fixed Charges.

Council has considered as part of the budget process, the rating model considered to be fair and equitable to all residents and ratepayers. The City of Port Lincoln does not proportionally raise rates on new developments throughout the financial year.

Property valuations will increase or decrease if the land use of the property has changed or if there has been any development on the property, including significant renovations.

## 16. NATURAL RESOURCES MANAGEMENT LEVY

The City area falls within the Eyre Peninsula Natural Resources Management Board area and as such the City Council is required pursuant to the Natural Resources Management Act 2004, to raise funds by way of a fixed charge levy to assist in funding the operations of the Board. The fixed charge is imposed as a separate rate upon all properties within the area of the Board.

The City Council is required to collect this revenue and pay the amount collected to the Board. It does not retain this revenue or determine how the revenue is spent, nor does it determine the amount of the levy to be collected. The amount of the levy per property is set by the total amount of funds Council are required to raise for the Eyre Peninsula Natural Resource Management Board (EPNRM). Council has been advised that the required contribution will be \$507,653 for 2014-2015., based on the quantum for the region. Based on the advice provided to EPNRM for our 8010 ratepayers as at September 2013 to which the levy is applicable the estimate amount for 2014-2015 will be \$63.38 (was \$62.10 in 2013-2014).

Any queries regarding the NRM Levy should be raised with the Eyre Peninsula Natural Resource Management Board – telephone 8682 7555 or website <http://www.eprnm.sa.gov.au/>



The Eyre Peninsula region covers a significant area of South Australia (80,000 square km / 8 million ha) and includes part of the upper Spencer Gulf, the City of Whyalla, stretches across the southern boundaries of the Gawler Ranges, past Ceduna to the edge of the Nullarbor Plain and south to the fishing hub of Port Lincoln.

This region supports a population of about 55,000 people. Eyre Peninsula's economic well being is almost entirely reliant on well managed and sustainable use of natural resources.

## 17. PAYMENT OF RATES

Payment of rates for the year ending 30th June 2015 are proposed to be in quarterly payments with the first due on the **second** Friday of September and the following on the **First Friday** of each quarter being;



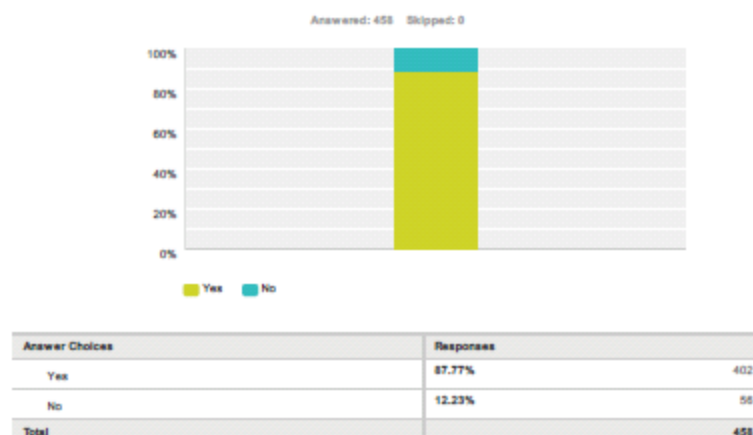
A quarterly rates notice will be sent to ratepayers at least 30 days prior to each due date. A ratepayer may also pay their rates in a single instalment due by the 12th September 2014.

To make bill paying more convenient for customers, the City of Port Lincoln provides the following services for the payment of the rates notice:

- ✓ BPAY service using the telephone or Internet. BPAY is available 24 hours a day, 7 days a week. Contact your Bank or financial institution for further details.
- ✓ Payment through the mail by posting a cheque with the 'tear off' remittance advice to the City of Port Lincoln
- ✓ Payment in person at Council's Offices, Level 1 Civic Centre, 60 Tasman Terrace, Port Lincoln. Cheque, cash and EFTPOS facilities are available Monday to Friday 9am to 5pm
- ✓ Payment in person at the Library, 2 London Street – cheque or cash only. EFTPOS facilities not available Monday to Friday 10am to 5pm and Sundays 1pm to 4pm
- ✓ Payment in person at the Civic Hall 65 Tasman Terrace Cheque, cash and EFTPOS facilities are available Monday to Saturday (hours are seasonal)
- ✓ Payment via Council Website – [www.portlincoln.sa.gov.au](http://www.portlincoln.sa.gov.au) at anytime

### 17.1 Incentive for Early Payment of Rates

Historically Council has offered a 2% discount for payment of rates received in full on or before Friday the payment date in September. The ABP survey sought feedback on whether or not to continue the discount.



## 18. RATE CONCESSIONS

The State Government, in providing equity across SA in this area, funds a range of concessions on Council rates. The concessions are administered by various State Agencies who determine eligibility and pay the concession 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.

Ratepayers can obtain further information about Council Rate concessions by:

- Telephoning the Department for Communities and Social Inclusion Concession Hotline on 1800 307 758
- Phone: 8226 6789
- Email: [concessions@dcsi.sa.gov.au](mailto:concessions@dcsi.sa.gov.au)
- Visiting the website: <http://www.dcsi.sa.gov.au> for information or to apply online

## 19. REMISSION AND POSTPONEMENT OF RATES

Where a ratepayer is suffering hardship in paying rates, they may apply under Section 182 and 182A of the Local Government Act 1999 to partially or wholly remit rates or to postpone rates.

In assessing each confidential application Council will give consideration to the following:

- ❖ Previous documented Council decisions
- ❖ The ratepayer's ability to pay
- ❖ The financial circumstances of the applicant where extreme hardship can be demonstrated.

Should a postponement be granted by Council, interest shall accrue on the amount of rates affected by the postponement, at a rate to be determined by Council.

## 20. REBATE OF RATES

The Local Government Act 1999 requires Councils to rebate the rates payable on some land. Specific provisions are made pursuant to Section 160 to 165 for land used for health services, community services, religious purposes, public cemeteries, and educational institutions. This rebate is not applicable to rateable properties owned or managed by community groups holding a licence pursuant to the Liquor Licensing Act 1997.

An application for rebate shall only be required upon establishment of a property which meets the criteria as outlined in the Local Government Act 1999 and the rebate will continue to be applied annually unless Council is notified, or becomes aware, of a change in circumstances.

### 20.1 Policy 7.63.8 Rates Concession Scheme

As per Section 166 and policy 7.63.8 Rates Concession Scheme, Council also provides some rebates of rates to developers as incentives to encourage continuing building activity and land development in the City. These are in relation to developments in excess of \$1,000,000 being eligible for concession up to 50% of the rate paid in the year following completion. Also subdivision development including strata and community title developments can be eligible for up to 50% rate rebate on unsold new allotments.

## 21. PUBLIC CONSULTATION

Before Council adopts an Annual Business Plan a draft Annual Business Plan (ABP) must be issued for Public Consultation as per Section 123 (4) of the Local Government Act. In addition Council policy 2.63.1 requires 28 days consultation from the date the draft ABP is endorsed by Council for consultation. The dates for consultation were **5<sup>th</sup> May to 2<sup>nd</sup> June 2014**.

The draft ABP proposed a change in the Basis of Rating with the introduction of a Special Rate for the proposed Indoor Aquatic Facility. It is mandatory that such a proposal meets the consultation requirements under S151 of the Local Government Act. These requirements include reasons for the proposed change and the relationship that change has with the overall rates structure and the likely impact on ratepayers. Such information was contained within the consultation document.

The community engagement process for this Annual Business Plan followed the guidelines of the IPA2 spectrum to ensure that the community were fully informed on the rating changes proposed in the plan and exceed the minimum requirement as required under the Local Government Act 1999 Section 123(5).

In addition to the weekly advertisements in the Port Lincoln Times and the on-line and hardcopy survey forum consultation included:

- Port Lincoln Times stories on the proposed plan
- Southern Cross television news and Cash Classifieds
- ABC local radio interviews
- Distribution of 6,000 hard copy flyers through Australia Post and the Port Lincoln Times
- e-flyers through Port Lincoln networks

As required under the Act, Council provided facilities on its website for the asking and answering of questions and for submissions to be made.

A total of 451 responses were received via the online survey on the website, with a further 27 hardcopy surveys and 14 written submissions in response to the rating proposals outlined in the Draft Annual Business Plan (ABP).

There were many community members who took the time to provide Council with comments and questions through the survey process which Council have taken into consideration in its deliberations. A full copy of the survey and comments will be available on Council's website. A "question and answer" response will be provided to the community through the local media as part of the consultation evaluation process.

Local Government are required to set aside at least 1 hour at a Council Meeting for members of the public to ask questions and make or speak to their submissions in relation to their draft Annual Business Plan. For the 2014-2015 consultation period a **Special Meeting of Council was held on Monday 26<sup>th</sup> May 2014**. Over 40 persons were in attendance in the Gallery at the meeting in the Council Chambers and five community members sought deputations.







**City of Port Lincoln**  
Level One, Civic Centre, 60 Tasman Terrace  
PO Box 1787, Port Lincoln  
South Australia 5606  
T: 08 8621 2300 F: 08 8621 2399  
E: [plcc@plcc.sa.gov.au](mailto:plcc@plcc.sa.gov.au)  
[www.portlincoln.sa.gov.au](http://www.portlincoln.sa.gov.au)



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*City of Port Lincoln*

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Council Administration Office

Level One, Civic Centre

60 Tasman Tce Port Lincoln 5606

T: 8621 2300 F: 8621 2399

E: [plcc@plcc.sa.gov.au](mailto:plcc@plcc.sa.gov.au)

Web: [www.portlincoln.sa.gov.au](http://www.portlincoln.sa.gov.au)