



The Barossa Council

MINUTES OF THE SPECIAL MEETING OF THE BAROSSA COUNCIL

held on Thursday 11 June 2020 commencing at 6.30pm held digitally via Microsoft Teams, streamed live and recorded for future reference.

1.1 WELCOME

Mayor Bim Lange declared the meeting open at 6.34pm.

1.2 MEMBERS PRESENT

Mayor Bim Lange, Crs Leonie Boothby, John Angas, Tony Hurn, David de Vries, David Haebich, Don Barrett, Carla Wiese-Smith, Richard Miller, Kathryn Schilling and Russell Johnstone.

1.3 LEAVE OF ABSENCE

Nil

1.4 APOLOGIES FOR ABSENCE

Cr Troup

Cr Haebich left the meeting due to a technical matter at 6.37pm

Cr Haebich returned to the meeting at 6.38pm

MOVED Cr Hurn that Council receive and accept Cr Troup's apology.
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Seconded Cr Johnstone

CARRIED 2018-22/145

2.1 DEBATE AGENDA – FINANCE

2.1.1

DRAFT ANNUAL BUDGET AND BUSINESS PLAN 2020/21 INCORPORATING THE LONG TERM FINANCIAL PLAN 2020/21 – 2029/30

B8923

Author: Manager, Financial Services

PURPOSE

Further to the recent budget and rating workshops and meeting, the *attached* draft Annual Budget and Business Plan 2020/21 incorporating the Long Term Financial Plan 2020/21 to 2029/30 has been prepared for public consultation.

MOVED Cr de Vries that Council:

- (a) endorses the draft Annual Budget and Business Plan 2020/21 incorporating the annual review of the draft Long Term Financial Plan for the period 2020/21 to 2029/30, incorporating the draft Budget 2020/21 and draft Long Term Financial Plan for the period 2020/21 to 2029/30 for the Nuriootpa Centennial Park Authority, for the purpose of community consultation and authorise the Chief Executive Officer to make any minor typographical changes to the plan.
- (b) approves the consultation period being from 17 June 2020 to 7 July 2020 and that due to COVID-19 restrictions a public meeting for budget consultation will not be held and submissions to the public consultation be accepted by the following methods:
- via Council's engagement platform at yoursay.barossa.sa.gov.au,
 - via Facebook www.facebook.com/thebarossacouncil,
 - via email barossa@barossa.sa.gov.au, or
 - in writing.

Seconded Cr Johnstone

CARRIED 2018-22/146

REPORT

Discussion

The Annual Budget and Business Plan (AB&BP) 2020/21 incorporates the Long Term Financial Plan (LTFP) 2020/21 to 2029/30 in the one document, but is divided under separate sections.

The financial information contained in this document has been prepared in accordance with Council's Budget and Business Plan and Review Policy and associated processes.

The formulation of the draft budget incorporates the work of numerous Council officers and teams (following an adopted timeline, although delayed due to COVID 19) which includes:

- budget preparation and input by budget managers
- checking and refining of data input, preparation of general budgets including utilities, depreciation, employee costs etc by the Finance officers
- review and approval by the Corporate Management Team.

This work results in the Finance staff collating, checking, reconciling, and finally preparing a draft budget and long term plan for Council consideration.

The input from Council is gained by holding workshops where discussions are held along with decisions at Council meetings, on various parts of the budget preparation and process, which provides direction for officers in the preparation of the draft budget.

The Big Project (TBP) has been included in these processes to check and ensure Council considered its financial sustainability for this significant program of work.

The following summarises the discussions held in each of the Council Workshops and Meetings:

Council Workshop 28 January 2020:

Discussions included the:

- proposed indexation and assumptions from last years adopted LTFP for 2020/21 draft budget
- setting of the framework for the draft 2020/21 AB&BP and LTFP
- adopted LTFP capital expenditure program and associated grants
- New Initiatives (NI's) criteria

- Nuriootpa Centennial Park Authority (NCPA) review draft LTFP 2020/21 as compared to the business case 2014/15
- opportunity for Elected Members to consider strategic or other items for the AB&BP or LTFP.

Outcome:

Council noted the indexation and assumptions as presented for inclusion in the draft AB&BP and LTFP.

Council Workshop 4 March 2020:

Elected Members received a rate comparison of regional Councils (unidentified) similar in size, functions and activities to The Barossa Council (acknowledging that each Council establishes its own service provision and levels and rating to raise the funding required which impacts the comparison). A briefing on the Valuer General - Revaluation Initiative 2020/21 strategy was provided with only Rural & Rural living / Rural Residential to be assessed. Noted that the revaluation process was later postponed due to COVID-19, to be revisited for the 2021/22 year.

Outcome:

Council provided comment on the general rating information, current methodology and approach and Council's position against the regional comparison.

Council Meeting 11 March 2020

Community and Elected Member NI's were presented to the Council meeting for comment. Within the report, any NI's considered not supported by CMT were flagged as such and comments were provided as to why.

Outcome:

Council endorsed selected list to proceed to the next stage as required under Council Policies with the balance not included and advise provided to the applicants.

Council Meeting 26 March 2020:

Council strategies discussed COVID-19 and initiatives to assist the community and ratepayers

Outcome:

Council endorsed the following:

- 2019/20 budget amendment of \$100k,
- Rates Hardship Policy at Attachment 2 and offer deferral of outstanding 2019/20 (and other accrued years balances outstanding) rates and charges for up to 6 months to those impacted by COVID-19 and becoming unemployed or enduring business failure or hardship, without any fines and charges, impacting both the 2019/20 and 2020/21 financial years and budget,
- \$3m cash advance debenture facility for 10 years
- support community clubs, groups and organisations that have an executed lease or licence agreement for use of a Council owned community facility, including facilities managed by Nuriootpa Centennial Park Authority, (due to their inability to continue normal operations as a result of the Coronavirus Pandemic) by waiving lease or licence fees due for the current annual payment period as detailed in their agreement.

Council Meeting 21 April 2020:

Council strategies discussed COVID-19 and initiatives to assist the community and ratepayers

Outcome:

Council endorsed the following:

- Council instruct the Chief Executive Office to develop a budget, business plan and rate policy settings, excluding the impacts of valuation changes that achieve a zero percentage general rate revenue increase for the 2020/21 financial year and further, that the following policy guidance inform development of the budget and supporting documents:
 - NI's shall not proceed unless they are legislatively required, address areas of extreme or high risk or deliver significant savings or efficiencies,
 - Additional loan funding will likely be required to support maintenance of existing services,
 - Based on the above policy directives, Council will consider the long term impact as part of its consideration of a draft 2020/21 budget once produced and consider service level reviews, cost reductions and revenue strategies over the next 12 month to address the long term financial plan impact.

Council Workshop 20 May 2020:

LTFP, Budget and Rating Options

Long Term Financial Plan:

- A draft LTFP for the 2020/21 year showing operating income and expenditure as compared to the LTFP 2020/21 year forecast numbers adopted in June 2019 providing commentary for significant variances.
- A proposed Building and Recreation program for 2020/21 to 2023/24 for New/Upgrade including major works for TBP
- Discretionary spend of \$50k pa is included for Community - New Initiatives from 2021/22.

Operating & Capital Budget 2020/21:

- Operating income and expenditure is reflective of service requirements; using last year's budget as a base and increasing where service costs are affected by agreements, CPI, costs out of our control and/or other factors
- Expenditure budgets have been reviewed by CMT to streamline service provision
- Depreciation of selected assets has been calculated based on the 2018/19 actual results using the depreciation cost as a ratio to the current replacement cost
- Capital Expenditure is \$26.5m (LTFP \$13.7m) – not including developer donated assets; note carried forwards approved with the Mid-year Budget Review and the Budget Update March quarter are included in 2020/21 capital budget
- Capital Income at \$8m (LTFP \$3m)
- A proposed Infrastructure program for 2020/21 at asset type and split Replacements/Renewal to New/Upgrade spend at \$9.5m, income/funding to be acquired for a net spend of \$6.2m, compared to the adopted LTFP for 2020/21 of \$5.8m

General Rate Revenue:

Rate modelling is prepared for each Local Government Category using the annual valuation report provided by the Valuer General 16 May 2020 an average valuation calculation was prepared for Local Government Category (LGC), removing past and new assessments along with the exclusion of 2020/21 growth from development. Individual assessments may vary from these amounts.

Rate in \$ (RID) is reapportioned using the modelling tool and the differential rating system endeavouring to provide a fair and equitable increase from last year for each LGC, and achieve the total general rate revenue amount required.

Options requested - remain at last year's rate revenue (the adopted LTFP was an increase of 2.25%), consider Growth, rate in \$, along with valuation changes that effect individual assessments.

Two rating scenarios were presented with an assessment for financial sustainability as follows:

Option 1 - no indexation for service cost increase but include growth in the rate revenue calculations at 1%:

- Operating Result in deficit all 10 years with a likely return to surplus in year 11; does not meet adopted surplus in cumulative forward 5 year period for this LTFP
- Operating Surplus Ratio - Rolling 3 year below the target range for years 2023/24 to 2025/26; Annual below the target range for years 21/22 to 25/26
- Loan requirements - \$2m CAD loan in 19/20 to fund rate deferral and CAD facility peaks at \$4m in 24/25 with a balance of \$0 by 27/28. Fixed loans include \$8.2m - 20/21, \$5.7m in 21/22 and \$6.9m in 22/23. A fixed loan \$3.5m balloon payment is scheduled to be paid in 24/25.
- Net Financial Liabilities Ratio - peaks at 71% returning to 26.2% by year 10
- Asset Sustainability Ratio - below target range for years 23/24 and for the remaining years of the LTFP; a review of the IAMPs due in 2020 will address this issue

Option 2 - no indexation allowed for service cost increases or growth where a reduction to rate in \$ would be necessary:

- Operating Result in deficit all 10 years with a likely return to surplus in year 13; does not meet adopted surplus in cumulative forward 5 year period for this LTFP
- Operating Surplus Ratio - Rolling 3 year below the target range for years 23/24 to 27/28; Annual below the target range for years 21/22 to 26/27
- Loan requirements - \$2m CAD loan in 19/20 to fund rate deferral and CAD facility peaks at \$5.3m in 24/25 with a balance of \$0 by 29/30. Fixed loans include \$8.2m - 20/21, \$5.7m in 21/22 and \$6.9m in 22/23. A fixed loan \$3.5m balloon payment is scheduled to be paid in 24/25.
- Net Financial Liabilities Ratio - peaks at 73% returning to 32.8% by year 10
- Asset Sustainability Ratio - below target range for years 23/24 and for the remaining years of the LTFP; a review of the IAMPs due in 2020 will address this issue

Waste Service charges increased for all 3 services a net 7.3% (adopted LTFP 6.5%) – State government levy increase and recycling sorting cost increases

CWMS Service charge increased at 3% plus growth estimated at 1% to ensure service charge is sustainable (LTFP 2.25% plus 1% growth)

Outcome:

Council noted based on known information, the LTFP forecasts and financial sustainability including the Key Performance indicators assessments using a zero general rate increase results in an operating deficit for a ten year period.

Council requested additional general rate revenue options for service costs at a zero increase, 0.75% and 1% plus growth along with a zero increase and no increase for growth.

Service charges indexation were noted

Council Workshop 27 May 2020:

Operating & Capital Budget 2020/21:

Items updated in the 2020/21 base budget include:

- COVID-19 Recovery Plan approved at the Special Council meeting 19 May 2020
- COVID-19 General Rate target Rebate on application in 20/21 – \$150k
- Timing of half of the 2020/21 General Purpose - Financial Assistance Grants now to be paid early in June 2020 \$671k
- Federal Government's Local Government's Local Roads and Community Infrastructure Package to be paid 2020/21 \$565k
- Depreciation has been estimated a combination of current information and calculations based on the 2018/19 actual results using the depreciation cost as a ratio to the current replacement cost
- Water charges are based on a normal usage, non-drought year

General Rate Revenue:

Further options to consider for general rate revenue, growth, rate in \$, valuation changes that effect individual assessments.

Rate modelling is prepared for each Local Government Category (LGC) using the annual valuation report provided by the Valuer General 16 May 2020 an average valuation calculation was prepared, removing past and new assessments along with the exclusion of 2020/21 growth from development. Individual assessments may vary from these amounts.

Option 1 - no indexation for service cost increase but include growth in the rate revenue calculations at 1%:

- Operating Result in deficit all 10 years with a likely return to surplus in year 11; does not meet adopted surplus in cumulative forward 5 year period for this LTFP
- Operating Surplus Ratio - Rolling 3 year below the target range for years 22/23 to 25/26; Annual below the target range for years 21/22 to 25/26
- Loan requirements - \$2m CAD loan in 2019/20 to fund rate deferral and CAD facility peaks at \$5.9m in 24/25 with a balance of \$0 by 27/28. Fixed loans include \$8.2m - 20/21, \$5.7m in 21/22 and \$6.9m in 22/23. A fixed loan \$3.5m balloon payment is scheduled to be paid in 24/25.
- Net Financial Liabilities Ratio - peaks at 72.9% returning to 30.7% by year 10
- Asset Sustainability Ratio - below target range for years 23/24 and for the remaining years of the LTFP; a review of the IAMPs due in 2020 will address this issue
- General rate increases over last year ranged from \$6 for Vacant Land, to \$415 for Industry Other and expressed as a % increase of 0.28% for Industry Light to 1.16% for Industry Other, refer to the workshop presentation showing information for each LGC

Option 2 - no indexation allowed for service cost increases or growth where a reduction to rate in \$ would be necessary, as an expected unsustainable forecast this option was no longer provided.

Option 3 - 0.75% for service cost increase but include growth in the rate revenue calculations at 1%:

- Operating Result in deficit 9 years with a likely return to surplus in year 10; does not meet adopted surplus in cumulative forward 5 year period for this LTFP
- Operating Surplus Ratio - Rolling 3 year below the target range for 23/24; Annual below the target range for years 21/22 to 23/24
- Loan requirements - \$2m CAD loan in 2019/20 to fund rate deferral and CAD facility peaks at \$5m in 24/25 with a balance of \$0 by 27/28. Fixed loans include \$8.2m - 20/21, \$5.7m in 21/22 and \$6.9m in 22/23. A fixed loan \$3.5m balloon payment is scheduled to be paid in 24/25
- Net Financial Liabilities Ratio - peaks at 71% returning to 25.8% by year 10
- Asset Sustainability Ratio - below target range for years 23/24 and for the remaining years of the LTFP; a review of the IAMPs due in 2020 will address this issue
- General rate increases over last year ranged from \$16 for Vacant Land, to \$597 for Industry Other and expressed as a % increase of 1.03% for Industry Light to 1.67% for Industry Other, refer to the workshop presentation showing information for each LGC

Option 4 - 1% for service cost increase but include growth in the rate revenue calculations at 1%:

- Operating Result in deficit 9 years with a likely return to surplus in year 10; does not meet adopted surplus in cumulative forward 5 year period for this LTFP
- Operating Surplus Ratio - Rolling 3 year below the target range for 23/24; Annual below the target range for years 21/22 to 23/24
- Loan requirements - \$2m CAD loan in 2019/20 to fund rate deferral and CAD facility peaks at \$4.5m in 24/25 with a balance of \$0 by 27/28. Fixed loans include \$8.2m -

20/21, \$5.7m in 21/22 and \$6.9m in 22/23. A fixed loan \$3.5m balloon payment is scheduled to be paid in 24/25

- Net Financial Liabilities Ratio - peaks at 70.5% returning to 24.6% by year 10
- Asset Sustainability Ratio - below target range for years 23/24 and for the remaining years of the LTFP; a review of the IAMPs due in 2020 will address this issue
- General rate increases over last year ranged from \$19 for Vacant Land, to \$798 for Industry Other and expressed as a % increase of 1.29% for Industry Light to 2.24% for Industry Other, refer to the workshop presentation showing information for each LGC.

Waste Service charges – no change from the workshop 20/5/20.

CWMS Service charge now increased at 2.54% plus growth estimated at 1% to ensure service charge is sustainable.

Outcome:

Council noted based on known information, the LTFP forecasts and financial sustainability including the Key Performance indicators assessments using a zero general rate increase results in an operating deficit for a ten year period.

Council requested additional general rate revenue options for service costs at a zero increase, 0.75%, 1%, 1.25%, 1.5% and 1.75% plus growth along with a zero increase and no increase for growth.

Service charges increases were noted

Council meeting 3 June 2020:

Rating and Valuation

Council considered further general rate revenue options: 0%, 0.75%, 1%, 1.25%, 1.5% and 1.75% and Option 2 from previous workshops.

Refer to the agenda and minutes for more detailed information on the general rate revenue increase options, the financial sustainability assessments covering the ten year period of the LTFP and the rate modelling tables showing the expected effect with each LGC for each option.

Council considered these options and approved Option 6 to be used for the Draft AB&BP 2020/21 and annual review of the LTFP 2020/21 to 2029/30, an extract from meeting (unconfirmed) minutes, Councils resolution is as follows:

MOVED Cr de Vries that Council accepts:

a) General rate revenue Option 6 - 1.5% plus 1% growth

b) Waste Services charges and the Community Wastewater Management Systems (CWMS) service charge and rate as contained within this report

to be included in the draft Annual Budget and Business Plan 2020/21 for consultation.

Seconded Cr Johnstone CARRIED 2018-22/144

Other Budget Considerations

LTFP and Financial Indicators

High level financial information is included in the LTFP including key financial indicators (KPIs) with established targets and commentary on expected results and variances, checking Council's financial sustainability.

Sub plans for Waste and Community Wastewater Management Systems (CWMS) and Nuriootpa Centennial Park Authority (NCPA) are prepared in draft form

Nuriootpa Centennial Park Authority Board Draft Budget and LTFP

The NCPA draft 2020/21 budget and LTFP has recently been reviewed and will be considered at the next NCPA board meeting 17 June 2020.

These draft amendments have been incorporated into Council's consolidated draft AB&BP and LTFP and the changes are as follows:

- Operating income and expenditure amendments to reflect current trends.
- Loans – repayments have been extended from the last years LTFP including:
 - Council loan of \$520k, is to be repaid at \$130k pa.
 - the external cash advance debenture (CAD) \$1m will be replaced in June 2020 with a new \$1m fixed 10 year loan and the remaining \$70k CAD repaid during 20/21,
 - Capital Expenditure - changes to renewal and upgrade program spending around cashflow requirements to hold \$100k at each year end.

In line with Council process, NCPA are required to annually review their asset renewal/upgrade program to ensure any asset expenditure is warranted, checking service level requirements to accommodation capacity, usage and rates.

Draft Budget - Operating and Capital

Council adopts the Budget at a summary level as contained within the attached AB&BP and annual review of the LTFP. To provide more information, attached is a detailed operational draft budget 2020/21 with comments for significant variances as compared to the 2019/20 Adopted Budget, along with a detailed capital expenditure budget 2020/21.

Full Cost Attribution - an allocation of internal services to relevant charge areas has not been estimated in the LTFP. This allocation from internal to external service areas does not affect the overall net result.

Draft Long Term Financial Plan

The LTFP forecasts for forward years include:

- General rate increases are at 2.75% for years 2021/22 to 2025/26 and at 2.5% for the remaining years, plus 1% growth.

If growth is considerably more than 1% for 2020/21 by budget adoption (as at 9 June 20 growth was at 1.06%), it is proposed that the LTFP general rate revenue indexation is decreased for the next year to match the LTFP revenue requirements in the draft AB&BP.

- Other operating income and expenditure indexation for future years in the LTFP has been maintained at low levels to reflect the expected cost of services.
- Due to TBP capital expenditure program over the next four years of \$37.8m, the discretionary capital expenditure allocation has been removed for years 2020/21 to 2025/26 and set at \$500k per year from 2026/27 and the remaining years.
- Capital grants and contributions in this review include estimation for funding allocation for:
 - CWMS developer minor contributions at \$50k per year for all years.
 - TBP at \$4.8m in 20/21, \$9.8m from 2021/22 to 2023/24.
- A delay has been made for the purchase of selected plant and equipment expenditure in the first three years of the LTFP to fund other capital works including the amended transport road program.

- Loan financing is a mix of fixed loans and CAD in in 0020/21 \$9.7m, 2021/22 \$5.7m, 2022/23 \$7.2m and in 2024/25 \$1m
- The Community Wastewater Management Systems (CWMS) service charge and rate ranging from 1.5% to 2.54% pa.

The future years of the CWMS LTFP is forecasting a breakeven operating position, although a reserve is in place which should offset any unexpected costs. This draft CWMS LTFP does not currently make provision for the cost of Capital and/or Risk.

- Waste service charges and costs are expected to be increased ranging from 2.0% to 10.6% pa reflecting the expected cost of providing the service. The 10.6% increase for 2020/21 recovering the significant increase for the recycling sorting, waste disposal including the State Government Waste Levy increases.

Summary and Conclusion

Council has reviewed its financial parameters for the LTFP, including the indexation used for forward projections on income and expenditure.

As noted in the Financial Considerations section of this report and the AB&BP, this financial analysis highlights that not all KPI's are within the target ranges, but Council attains a financially sustainable position within the 10 year period of the LTFP.

With the inclusion of TBP grant funding and loan financing, Council has the capacity to undertake TBP asset construction, operational costs and other minor additional projects.

Consideration of other major works in future years will require a full review of the LTFP and as required, Due Diligence Reporting processes to check financial sustainability.

The adoption of the Budget originally scheduled for June but was postponed due to COVID-19 and other factors and will be held during July (date to be confirmed).

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

Attachment 1: Draft Annual Budget and Business Plan 2020/21 and annual review of the Long Term Financial Plan 2020/21 and 2029/30

Attachment 2: Capital Expenditure detail

Attachment 3: Operating budget detail

Policy

Budget & Business Plan and Review Policy

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Corporate Plan



How We Work – Good Governance

6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements.

6.3 Align operational strategy to strategic objectives and measure organisational performance to demonstrate progress towards achieving our goals.

6.4 Ensure that decisions regarding expenditure of Council's budget are based on an assessment of whole of life costs, risks associated with the activity and advice contained within supporting plans.

6.9 Provide access to Council's plans, policies and processes and communicate with the community in plain English.

6.16 Provide contemporary internal administrative and business support services in accordance with mandated legislative standards and good practice principles.

Legislative Requirements

Local Government Act

Local Government (Financial Management) Regulations 2011 - Reg 9(1)(b)

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS**Financial**

The adoption of the Budget is required between 1 June and 31 August. To meet this timeline, the adoption of the draft public consultation document preferably should start in May.

The SA Local Government Price Index is 1.6% as at March 2020 and the general consumer price index for Adelaide, all groups is 2.4 % as at March 2020.

Financial performance is managed using suitable financial indicators and targets. Council's adopted Targets are:

- KPI - No. 1 Achieve an operating breakeven position, or better, over any five year period
- KPI - No. 2 Achieve an operating surplus ratio of between (2%) to 10% over a rolling three year period
- KPI - No. 3 Net financial liabilities (NFL) ratio is greater than zero but less than 100% of total operating revenue
- KPI - No. 4 Capital outlays on renewing/ replacing assets net of proceeds from sale of replaced assets is greater than 80% but less than 110% of Infrastructure Asset Management Plans over a rolling three year period.

Financial Indicators report for the draft LTFP expected results are:

- KPI No. 1 – The cumulative years 19/20 to 23/24 is a deficit position at year five of (\$1,352k).
- KPI No. 2 - Operating surplus ratios. Council's expected forecast results are well within the target range, and vary from a deficit (1%) to a surplus of 2.4% an average of 0%
- KPI No. 3 – Councils NFL forecast is 52.9% in 20/21 peaking at 66.9% in 22/23 and at 28.3% by 29/30
- KPI No. 4 - the KPI target is being met over the ten year period the average being 81.4%.

KPI No. 1 – Analysis:

A cumulative deficit result is forecast for the first five years in the LTFP, Council has adequate retained earnings and cash to support the projected results and returns to an operating surplus by the 2026/27 year.

KPI No. 2 – Analysis:

Although the operating result is within the target range of (2%) to 10% it is projecting an operating deficit for a number of years within the LTFP. Same comments from KPI no1 also apply.

KPI No. 3 – Analysis

Council is well within the target range and maintains a cash position during this LTFP, utilising a mix of fixed and CAD loans required to finance the significant Capital expenditure programs.

KPI No. 4 – Analysis:

The target is being met over the ten year period. For four years in this review the ratio is below the minimum rate, the lowest at 70.7%. A selection of TBP builds will upgrade and replace a considerable amount of assets. These works will be identified and then re-assigned as appropriate to renewal works and will improve this ratio.

This KPI is assessed to ensure Council provides for replacement/renewal of existing assets as they wear out or are consumed.

A substantial amount of 'Upgraded' asset work completed each year are partly renewing components of existing assets. For normal work cycles, components of these assets would need to be replaced when the depreciation or consumption of them had reduced their remaining life to zero, but as they are being upgraded to a better service level, they are effectively replacing asset components that would normally need to be replaced as/when due, this could have a significant favourable impact on the indicator.

COMMUNITY CONSULTATION

The public consultation period will commence from 17 June 2020 to 7 July 2020 and that due to COVID-19 restrictions a public meeting for budget consultation will not be held and submissions public consultation be accepted by the following methods:

- via Council's engagement platform at yoursay.barossa.sa.gov.au,
- via Facebook www.facebook.com/thebarossacouncil,
- via email barossa@barossa.sa.gov.au, or
- in writing.

The LTFP is incorporated with the AB&BP to ensure the two Plans align. This enables the community to be involved in the short and long term planning of Council's Budget.

2.2 DEBATE AGENDA – MANAGER COMMUNITY AND CULTURE

2.2.1

DEED OF VARIATION / OFFER OF EXTENSION COMMONWEALTH HOME SUPPORT PROGRAMME AGREEMENT

B10823

Author: Co-ordinator, Barossa & Light Community Transport and Home Assist

PURPOSE

That the Commonwealth Government Deed of Variation / offer of extension for the funding agreement relating to Commonwealth Home Support Programme services run by Council be approved, signed and sealed.

MOVED Cr Angas that Council:

- (1) Note and approve the Deed of Variation offered by the Commonwealth Government's Department of Health for an extension of the current agreement for provision of Commonwealth Home Support Programme services to 30 June 2022, excluding the Sector Support and Development service funding which is being offered to 30 June 2021.
- (2) Provide approval for the Mayor and Chief Executive Officer to affix the seal and sign the Deed of Variation in accordance with section 38 of The Local Government Act 1999.

Seconded Cr Boothby

CARRIED 2018-22/147

REPORT

The Commonwealth Government's Department of Health provide funds to Council for services to be delivered by Council under the Commonwealth Home Support Programme (CHSP). Services funded under this programme are for people aged 65 or older (50 years and over for people who are Aboriginal or Torres Strait Islander).

Services provided by Council to the target group are: Domestic Assistance, Home Maintenance, Home Modification, Social Support Individual (accompanied shopping), Social Support Group

(Barossa Community Men's Shed and Out and About social groups), Transport (shopping buses) and Sector Support and Development (Collaborative Project Officer).

The current agreement expires on 30 June 2020.

The Deed of Variation being offered extends the existing agreement to 30 June 2022 (refer Attachment 1). This is applicable to all the above service types with the exception of Sector Support and Development. The Sector Support and Development service is being reviewed by The Department of Health and funding is being offered to 30 June 2021. The expectation is that this will be extended (with a further Deed of Variation) to 2022 once the review has taken place.

The Deed of Variation does not include any noteworthy changes to outputs, service types or funding when compared with the current agreement and no changes to service delivery are required or anticipated.

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

20/29670 – email from Commonwealth containing Deed of Variation
 Attachment 1: CHSP – Deed of Variation
 Attachment 2: CHSP – Activity Work Plan

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Corporate Plan



Health and Wellbeing – 4.4
 Provide support and advocacy on aged and disability services.

Community Plan



Health and Wellbeing – 4.5
 Advocate for and encourage services and resources that ensure equity and support for disadvantaged, disabled and at risk members of the community.

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

For the purposes of preparing the 2020-21 budgets relating to these services the existing agreement was used as an estimation. The Deed of Variation funding offered is in line with these estimates.

COMMUNITY CONSULTATION

Not required as no changes to service delivery are taking place.

3. NEXT MEETING

Tuesday 16 June 2020 at 9.00am.

4. CLOSURE OF MEETING

Mayor Lange declared the meeting closed at 6.45pm.

Confirmed at Council Meeting on 16 June 2020

Date:.....

Mayor:.....