His Worship the Mayor
Councillors

City of Marion

Notice of Finance, Risk and Audit Committee

Council Chamber, Council Administration Centre

245 Sturt Road, Sturt

Tuesday, 3 June 2025 at 4.00 pm

The CEO hereby gives Notice pursuant to the provisions under Section 83 of the *Local Government Act 1999* that a Finance, Risk and Audit Committee will be held.

A copy of the Agenda for this meeting is attached in accordance with Section 83 of the Act.

Meetings of the Council are open to the public and interested members of this community are welcome to attend. Access to the Council Chamber is via the main entrance to the Administration Centre on Sturt Road, Sturt.



Tony Harrison
Chief Executive Officer

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1 Open Meeting

2 Kaurna Acknowledgement

We acknowledge the Kaurna people, the traditional custodians of this land and pay our respects to their elders past and present.

3 Elected Member Declaration of Interest (if any)

4 Confirmation of Minutes

4.1 Confirmation of Minutes of the Finance, Risk and Audit Committee Meeting held on 8 April 2025

Report Reference	FRAC250603R4.1
Originating Officer	Unit Manager Governance and Council Support – Victoria Moritz
Corporate Manager	Manager Office of the Chief Executive – Sarah Vinall
General Manager	Chief Executive Officer – Tony Harrison

RECOMMENDATION

That the minutes of the Finance, Risk and Audit Committee Meeting held on 8 April 2025 be taken as read and confirmed.

ATTACHMENTS

1. FRA C 250408 - Final Minutes [**4.1.1** - 9 pages]

Minutes of the Finance, Risk and Audit Committee held on Tuesday, 8 April 2025 at 4.00 pm Council Chamber, Council Administration Centre 245 Sturt Road, Sturt

PRESENT

Josh Hubbard (Chair)
Paula Davies (electronic attendance)
Melissa Oors-L'Estrange
Councillor Luke Naismith

In Attendance

Chief Executive Officer - Tony Harrison
General Manager City Services - Angela Allison
General Manager Corporate Services - Tony Lines
Acting General Manager City Development – Charmaine Hughes
Chief Financial Officer - Ray Barnwell
Manager Office of the CEO - Sarah Vinall
Unit Manager Governance and Council Support - Victoria Moritz
Manager Enterprise PMO – Karen Blake
Eric Beere – Partner KMPG
Troy Hutson – Director, Technology Risk SME, KPMG
Michael Richardson - Director, BRM Advisory

1 Open Meeting

The Chair opened the meeting at 4.15pm.

2 Kaurna Acknowledgement

We acknowledge the Kaurna people, the traditional custodians of this land and pay our respects to their elders past and present.

3 Elected Member Declaration of Interest (if any)

The Chair asked if any member wished to disclose an interest in relation to any item being considered at the meeting

- Nil interests were disclosed.

4 Confirmation of Minutes

4.1 Confirmation of Minutes of the Finance, Risk and Audit Committee Meeting held on 18 February 2025

Report Reference FRAC250408R4.1

Moved Councillor Naismith **Seconded Ms Oors-L'Estrange**

That the minutes of the Finance, Risk and Audit Committee Meeting held on 18 February 2025 be taken as read and confirmed.

Carried Unanimously

5 Business Arising

5.1 Business Arising Statement - Action Items

Report Reference FRAC250408R5.1

Moved Naismith **Seconded Ms Davies**

That the Finance, Risk and Audit Committee:

1. Notes the business arising statement, meeting schedule and upcoming items.

Carried Unanimously

Order of Agenda

The Chair sought and was granted leave of the meeting to vary the order of the agenda and consider item 7.1 *Internal Audit 2023-25* next on the agenda.

7 Reports for Discussion

7.1 Internal Audit 2023-25

Report Reference FRAC250408R7.1

Mr Beere, Partner KPMG introduced the item commenting that the internal audit aimed to assess the effective implementation of the organisation's new Project Management Framework. It also considered the status of agreed management actions from the May 2022 audit.

Mr Hutson, Director Technology Risk SME, KPMG provided a summary of the findings commenting:

- The Audit noted improvements in project management capabilities since May 2022 with significant progress observed in governance and risk management.
- Some processes and controls need enhancement to better manage end-to-end project risk, especially in budget, contingency, and variation management.
- Lack of consistent templates and absence of a central Project Management System were identified as gaps. These tools are necessary for ensuring fit-for-purpose controls, leveraging past project learnings, and supporting data-driven decision-making.
- The Audit identifies next steps for ongoing maturity of practices to ensure teams are working well together.

- There were four medium findings relating to budget and financial management, contingency management, variation management and prioritisation, initiation and planning.
- Overall, teams are working well, taking on board lessons learned from the 2022 audit and working hard to address these actions. This audit identified what is working well and understanding tools and guidance needed to achieve the next level of maturity.

The Committee noted the report and provided the following feedback:

- The Committee queried how actual versus scheduled project costs are reported, including variance analysis, percent complete, and financial forecasting. Management confirmed that reporting occurs through the Project Control Board (PCB) monthly, focusing on projected vs actual costs and financial scope of the project.
- There was discussion around the Committee's role in financial oversight of projects. It was noted that while detailed project budgets are not reviewed by the Committee, holistic budget reviews and future-focused discussions on major projects are brought to the Committee through quarterly budget reviews, annual business plan and the long-term financial plan.
- Given the pressures from large capital projects, the Committee suggested biannual reviews into budget vs actual performance for key projects.
- The Committee noted that contingency and variation management remain a high-profile concern and asked what actions are being taken in response to the findings. It was confirmed that a risk-based contingency management approach has been agreed upon, with contingency ratings assigned based on project risk levels.
- Staff acknowledged the need for improved clarity and visibility around how variations are managed in relation to contingency allocations and spend. This remains a focus area for further development.
- The Committee discussed gaps in budgeting and financial management noting MCC Plaza which was identified through sample testing and whether the learnings are reflected in current practices. Management acknowledged this was in relation to marketing activities that were not budgeted and had to be funded from the contingency.
- Management noted significant enhancements to financial monitoring through the Executive Budget Committee (EBC), including improved tracking of cost centres used for individual projects. There is now stronger alignment with the Project Control Board (PCB) process compared to two years ago, enabling deeper analysis and oversight to reduce carryovers on major projects. In addition, there has been improved scheduling and sequencing of meetings to improve cash flow monitoring and overall project management visibility.
- The Committee emphasised the need for fit-for-purpose reporting tools for both project managers and executives in relation to budgeting and financial management and encouraged management to explore and test a number of alternate options. KMPG agreed noting that management needs to find what works for them.
- The Committee suggested standardising allocations for business support (e.g. 1.5% for marketing/advertising). Management indicated work is ongoing to embed such inclusions in budgeting templates and guidelines.
- The Committee discussed variation management noting the finding relates to variations being managed inconsistently, with changes to project scopes and designs being financed through contingency, while not being raised through a variation (or change) request.
- Management acknowledged there is an emphasis on strengthening project management discipline, with benefits realisation and consistency as key areas for improvement.
- The Committee discussed the Project Management Framework and noted that consistency is the focus, while there may be slightly different approaches if there is consistency in the methodology slight variations are acceptable.
- Overall, good progress has been made with further maturity achieved by tightening up some areas of improvement identified.

Action: Management to review existing dashboards and develop project financial reporting for the committee to review.

Moved Councillor Naismith **Seconded Ms Oors-L'Estrange**

That the Finance, Risk and Audit Committee:

1. Notes the update to the internal audits currently underway.
2. Considers and provides any feedback on the Project Management Framework final report.

Carried Unanimously

The Chair adjourned the meeting for a period of 5 minutes to allow for a break.

4.44pm meeting adjourned
4.48pm meeting resumed

6 Confidential Items

6.1 Cover Report - Glandore Oval Redevelopment - S48 Prudential report

Report Reference FRAC250408F6.1

Moved Ms Oors-L'Estrange **Seconded Councillor Naismith**

1. Pursuant to Section 90(2) and (3)(b) of the *Local Government Act 1999*, the Committee orders that the public be excluded from attendance at that part of this meeting relating to Agenda Item FRAC250408R6.1 Glandore Oval Redevelopment - s48 Prudential report, except the following persons: Chief Executive Officer, General Manager City Development, General Manager City Services, General Manager Corporate Services, Manager Office of the CEO, Manager City Property, Manager City Activation, Unit Manager Property Strategy and Delivery, Unit Manager Property and Facilities, Sports & Community Facilities Officer, Project Manager Strategic Projects, Unit Manager Engagement, Media and Events, Media and Engagement Advisor, Unit Manager Governance and Council Support and Governance Officer, and Michael Richardson, Director from BRM Advisory to enable the Council to consider the Item in confidence on the basis the Committee considers it necessary and appropriate to act in a meeting closed to the public (excepting those persons listed above) in order to receive, discuss or consider in confidence the following information or matter relating to the Item:- information the disclosure of which could reasonably be expected to negatively impact the outcomes for Council of a future construction tender process for the project and could infer a financial advantage to another entity when the project is opened to tender.

2. Notes the disclosure of this information would, on balance, be contrary to the public interest because be contrary to the public interest because it could infer a financial advantage to another entity when the project is opened to tender.

3. Determines, on this basis, the principle that meetings of the Committee should be conducted in a place open to the public has been outweighed by the need to keep consideration of the information or matter confidential.

Carried Unanimously

4.48pm the meeting went into confidence

Moved Councillor Naismith **Seconded Ms Davies**

That the Finance, Risk and Audit Committee:

1. Pursuant to section 91(7) of the Local Government Act 1999, orders that the following document(s) relating to Agenda Item FRAC250408R6.1 Glandore Oval Redevelopment - s48 Prudential report shall be kept confidential, except when required to effect or comply with Council's resolution(s) regarding this matter, being document(s) relating to a matter dealt with by the Council on a confidential basis under sections 90(2) and 90(3)(b) of the Act, :
   - Attachment 1 – Glandore Oval Redevelopment – s 48 Prudential report.
   - Report
   - Minutes

   on the grounds that the document(s) relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council.

2. Notes the disclosure of this information would, on balance, be contrary to the public interest because it will compromise the ability for Council to ensure best value is obtained through the public tender process for construction works associated with the Glandore Oval redevelopment project.

3. Determines this order shall operate until execution of a contract for the Glandore Oval Construction works and will be reviewed every 12 months.

3. Pursuant to section 91(9)(c) of the Local Government Act 1999, delegates to the Chief Executive Officer the power to revoke this order in whole or part.

Carried Unanimously

5.03pm the meeting came out of confidence

7.2 Internal Audit Program - Implementation of Recommendations

Report Reference FRAC250408R7.2

The Manager Office of the CEO provided a summary of the work undertaken since the previous Committee meeting to improve reporting on progress against audit recommendations. Management advised that a new dashboard reporting approach has been implemented for this reporting period. The focus has been on ensuring executive-level approvals and considered closure of actions, noting that work is continuing in this space. Management is aiming for a more concise summary in the next reporting cycle.

The Committee noted the Project Management Framework Internal Audit Report and provided the following feedback:

- The Committee requested access to the BI dashboard to allow deeper analysis of areas of interest. Management agreed to explore sharing the dashboard with the Committee.
- Management advised that some recommendations remain open by design and functionality of the software and will be reviewed.

- The Committee commented on the number of outstanding actions in the Collaborative Contract Management Audit. Management advised a new cross-council contract management role has been filled, with the appointee commencing shortly to support planning and progression of outstanding actions.
- The Committee encouraged a breakdown of action owners and better understanding of root causes behind recurring issues. Management advised some recommendations remain open by design of the software and will be reviewed and tabled with Executive to determine close-out status.
- Concerns were raised about some recommendations lacking defined risk ratings, and whether this could have an impact prioritisation and assurance. Management clarified that 'improvement opportunities' typically do not carry a risk rating but are still tracked. The Committee expressed that this may lead to confusion and requested clearer descriptors. Management will work with the BI team to address this.
- The Committee also queried consistency in assigning risk owners and whether individuals were adequately supported to own and close actions. Management acknowledged current system limitations, noting plans to resolve this through upcoming HRIS and data integration improvements. Action owners are actively engaged and tracked monthly.
- The team is working to escalate conversations around closure of actions to the appropriate Executive level. The BI reporting will continue to be refined to ensure it is both accurate and streamlined. A six-month timeframe was outlined for reporting improvements, which the Committee agreed was reasonable. Integration with broader risk reporting is also a current focus within the team.

ACTION: Management to explore the sharing of the BI Dashboard with the Committee to allow deeper analysis of areas of interest.

Moved Ms Davies **Seconded Ms Oors-L'Estrange**

That the Finance, Risk and Audit Committee:

1. Reviews and provides feedback on the Internal Audit Program (Attachment 1).

Carried Unanimously

7.3 2nd Budget Review 2024/25

Report Reference FRAC250408R7.3

The Chief Finance Officer introduced the item providing a high-level summary noting a forecast cash surplus of $1.2 million as at the end of January, reflecting favourable project movements, including the closeout of the Cove Sports Club upgrade. While some projects were under or over budget, the overall position remains strong. Cost pressures were noted, including asbestos-related works at Marino, and additional project allocations such as the soccer pitch.

Additional borrowings are forecast for land acquisition related to the coastal walking trail, with plans to resell unused parcels.

- The Committee noted the 2nd Budget Review Position commenting this was a good outcome and welcomed the positive outcome from the Cove Sports Club project, noting contingency savings resulted in the project coming in under the contract allowance.

- Management acknowledged potential funding announcements may contribute to additional cost pressures, however, highlighted the value of the Executive Budget Committee (EBC) process in enabling comprehensive, ongoing monitoring of actuals versus year-to-date figures. This supports proactive budget management beyond formal legislative reviews.

Moved Councillor Naismith **Seconded Ms Oors-L'Estrange**

That the Finance, Risk and Audit Committee:

1. Notes the 2nd Budget Review position.

Carried Unanimously

8 Reports for Noting

8.1 Council Member Report

Report Reference FRAC250408R8.1

Moved Ms Davies **Seconded Councillor Naismith**

That the Finance, Risk and Audit Committee:

1. Notes this report.

Carried Unanimously

8.2 Draft Annual Business Plan 2025-26 & LTFP Update

Report Reference FRAC250408R8.2

Moved Ms Oors-L'Estrange **Seconded Councillor Naismith**

That the Finance, Risk and Audit Committee:

1. Note the verbal update on the Draft Annual Business Plan 2025-26 and Long-Term Financial Plan

Carried Unanimously

9 Workshop / Presentation Items – Nil

10 Other Business – Nil

11 Meeting Closure

The meeting was declared closed at 5.25pm.

CONFIRMED THIS 3 DAY OF JUNE 2025

_____

CHAIRPERSON

5 Business Arising

5.1 Business Arising Statement - Action Items	
Report Reference	FRAC250603R5.1
Originating Officer	Unit Manager Governance and Council Support – Victoria Moritz
Corporate Manager	Manager Office of the Chief Executive – Sarah Vinall
General Manager	Chief Executive Officer – Tony Harrison

REPORT OBJECTIVE

The purpose of this report is to review the business arising from previous meetings of the Finance, Risk and Audit Committee meetings, the meeting schedule and upcoming items.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

1. **Notes the business arising statement, meeting schedule and upcoming items.**

ATTACHMENTS

1. Business Arising Statement June 2025 [**5.1.1** - 3 pages]

CITY OF MARION

BUSINESS ARISING FROM FINANCE RISK AND AUDIT COMMITTEE MEETINGS

AS AT JUNE 2025

	Date of Meeting	Item	Responsible	Due Date	Status	Completed / Revised Due Date
1.	8 April 2025	Internal Audit 2023-25 FRAC250408R7.1 Action: Management to review existing dashboards and develop project financial reporting for the Committee to review	K Blake / R Barnwell	June 2025	We are reviewing existing major project reporting to incorporate a quarterly update suitable for FRAC's information. This would likely commence first quarter of 2025-26.	Qtr 1 2025-26
2.	8 April 2025	Internal Audit Program – Implementation of Recommendations FRAC250408R7.2 Action: Management to explore the sharing of the BI Dashboard with the Committee to allow deeper analysis of areas of interest.	S Vinall	June 2025	We are investigating sharing of dashboard with the committee, taking into consideration current IT security arrangements for Marion. Further work will be required, with an update to be provided at the August meeting.	October 2025

* Completed items to be removed are shaded

City of Marion
Finance Risk & Audit Committee Action Arising Statement and Work Program - 2025

SCHEDULE OF MEETINGS 2025

Day	Date	Time	Venue
Tuesday	18 February 2025	4pm – 6pm	Administration Centre
Tuesday	8 April 2025	4pm – 6pm	Administration Centre
Tuesday	3 June 2025	4pm – 6pm	Administration Centre
Tuesday	12 August 2025	4pm – 6pm Followed by 6.30 – 8.30 pm (Joint workshop with Council)	Administration Centre
Tuesday	14 October 2025	4pm – 6pm	Administration Centre
Tuesday	2 December	4pm – 6pm	Administration Centre

INDICATIVE COMMITTEE WORK PROGRAM – 2025

TUESDAY, 18 February 2025

Topic	Action
Council Member Report	Communication Report
Internal Audit - Implementation of Recommendations Q2	Review & Feedback
Internal Audit Program – scopes and reports	Review & Feedback
Draft Annual Business Plan 2025-26 and LTFP	Review and feedback

TUESDAY, 8 April 2025

Topic	Action
Council Member Report	Communication Report
Business Arising	Noting
Internal Audit - Implementation of Recommendations Q3	Review & Feedback
Draft Annual Business Plan 2025-26 & LTFP Update	Review & Feedback
Budget Review 2 – 2024-25	Noting
Internal Audit Program – scopes and reports	Review & Feedback
Glandore Oval Redevelopment S48	Review & Feedback

TUESDAY, 3 June 2025

Topic	Action
Council Member Report	Communication Report
Draft Annual Business Plan 2025-26 - Public Consultation Feedback	Review & Feedback
External Audit 2024-25 – Interim Management report	Review & Feedback
Budget Review 3 – 2024-25	Noting
Annual Report on Business Continuity	Noting
Internal Audit Program 2025-26	Review & Feedback
Internal Audit Program – scopes and reports	Review & Feedback
Meeting with Internal Auditors without Management Present	Discussion

City of Marion
Finance Risk & Audit Committee Action Arising Statement and Work Program - 2025

Corporate Risk Report Q3	Review and feedback
FRAC Effectiveness Survey – draft survey components for review	Review and feedback
Climate Change Governance Assessment and Risk Register	Review and Feedback

TUESDAY, 12 August 2025 (Joint Workshop with Council to follow from 6.30pm – 8.30pm)

Topic	**Action**
Council Member Report	Communication Report
Fraud and Corruption Annual Questionnaire	Review & Feedback
FRAC Annual Report to Council 2024-25	Feedback and consideration of elements for inclusion
Marion Basketball Stadium S45 Report	Review & Feedback
Internal Audit - Implementation of Recommendations Q4	Review & Feedback
Fraud risk register bi-annual report	Review and feedback
Risk Management Framework – Opportunities Work	Review & Feedback
Annual Insurance and Claims report	Review & Feedback
Corporate Risk Report Q4	Review & Feedback
FRAC Effectiveness Survey – Present outcomes / results	Discussion and noting
Annual Report on Business Continuity	Discussion and noting
Joint Workshop with Council (6.30pm onwards)	

TUESDAY, 14 October 2025

Topic	**Action**
Council Member Report	Communication Report
FRAC Annual Report to Council 2024-25	Review and Recommendation to Council
Independence of Council's Auditor for the year end 30 June 2025	Review and Recommendation to Council
Audited Annual Financial Statements for the year end 30 June 2025	Review and Recommendation to Council
Investment Performance 2024-25	Noting
Debtors Report	Noting
IS Strategy annual progress	Noting

Tuesday, 2 December 2025

Topic	**Action**
Council Member Report	Communication Report
Work Program and Meeting Schedule 2026	Review and Feedback
Ombudsman Annual Report	For Noting
Internal Audit - Implementation of Recommendations Q1	Review & Feedback
Framework and Key Assumptions for the preparation of the 2026-27 ABP and LTFP	Review and Feedback
Budget Review 1 – 2025-26	For Noting
Corporate Risk report Q1	Review & Feedback

6 Confidential Items - Nil
7 Reports for Discussion

7.1 External Audit 2024-2025 - Interim Management Report	
Report Reference	FRAC250603R7.1
Originating Officer	Unit Manager Statutory Finance – Melissa Virgin
Corporate Manager	Chief Financial Officer – Ray Barnwell
General Manager	General Manager Corporate Services – Tony Lines

REPORT OBJECTIVE

The objective of this report is to provide the Finance Risk and Audit Committee with the External Audit 2024-2025 – Interim Report.

EXECUTIVE SUMMARY

Our external auditors, Galpins have completed their interim external audit for year ending 30 June 2025. (**Attachment 1)**.

Overall, our external auditors found that Council demonstrated a high level of compliance with the implementation of an internal control framework consistent with the principles within the Better Practice Model. During their interim visit they found that the majority of key internal controls reviewed were in place and were operating effectively (98 out of 100 core controls reviewed), an improvement from 95 out of 100 in 2023-2024.

The principles underpinning the Better Practice Model were used by the Council in the identification of its business cycles, the establishment of its internal controls and the implementation of its financial risk management processes.

The key findings and management responses to those findings are outlined in the interim external audit report provided as per Attachment 1. Proposed target dates to ensure recommendations are tracked and completed have also been included in management responses. The results are pleasing with improvement on the prior year, noting the continued progression in system development following the implementation of the new Financial System and Asset Management Information System.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

1. **Receives and notes the Interim External Audit Report for 2024-2025.**

DISCUSSION

Council's legislative requirements for external audit and financial reporting are stipulated under the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*. In addition to Council's external auditors providing an opinion on the financial statements, section 129 of the Local Government Act 1999 requires our auditors to provide an opinion regarding the effectiveness of the internal financial controls of councils.

The City of Marion's external auditors, Galpins have completed their interim external audit for year ending 30 June 2025.

The interim audit overall found that Council demonstrated a high level of compliance with the implementation of an internal control framework and that the majority of key internal controls reviewed were in place and were operating effectively (98 out of 100 core controls reviewed).

The report noted 2 findings, with both being rated low risk.

The key findings in addition to management's response to those findings are detailed in the interim report on the 2024-2025 external audit highlighting the actions taken and underway to address findings outlined in the report.

ATTACHMENTS

1. Attachment 1 - City of Marion - Interim Management Report 2025 [**7.1.1** - 23 pages]

Galpins

Accountants, Auditors & Business Consultants

Financial Controls Review

City of Marion

2024/25 Interim Management Letter

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Liability limited by a scheme approved under Professional Standards Legislation.

1. EXECUTIVE SUMMARY

1.1 Background

During our interim audit we perform procedures to gain an understanding of the internal controls in place relevant to the financial statements and perform tests of design and effectiveness for these controls. Based on the results of the control testing, we then assess the audit risks to define the extent and nature of our substantive procedures (e.g. inspection of documents, recalculation, reconciliation, etc) for our final visit.

In addition to an opinion on the financial statements, section 129 of the Local Government Act 1999 requires auditors to provide an opinion regarding internal controls of councils. This opinion focuses on Council's obligations under s125 of the Local Government Act 1999:

> *"A council must ensure that appropriate policies, practices and procedures of internal control are implemented and maintained in order to assist the council to carry out its activities in an efficient and orderly manner to achieve its objectives, to ensure adherence to management policies, to safeguard the council's assets, and to secure (as far as possible) the accuracy and reliability of council records."*

The audit opinion is restricted per s129 of the Act to the application of s125 as it relates to financial internal controls, specifically the controls exercised by the Council during the relevant financial year in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities.

In order to assist the Council in addressing the requirements of s129, we have reviewed a prioritised list of controls from the better practice model based on our initial audit risk assessment. Further details about our scope can be found in item 1.2 of this report.

1.2 Objectives and scope

The objectives of our interim audit were to:

- understand Council's business, business cycles and processes relevant to the financial statements
- understand the internal controls in place for the areas we consider critical for the audit of the financial statements
- design internal controls tests for the internal controls identified
- perform the internal controls tests to determine the final risks of material misstatements in the financial statements to be addressed in our final audit
- review a prioritised list of internal financial controls we consider critical for the purpose of issuing a controls opinion.

The scope of our audit included a review of internal controls we consider key controls to be in place for the purpose of addressing the requirements of s129.

These key internal controls consist of a prioritised list of controls from the better practice model. This list was defined based on our risk assessment to determine the key business cycles, and key risks within these business cycles, that we understand should be the focus of the Council's control self-assessment.

The identification of key core controls and key business risks included the following risk assessment procedures:

Risk review – A review of Council's inherent risk assessment for internal financial controls.

Financial statement review – A high level financial statement review performed to identify key accounts and transaction streams.

Internal / external audit results review – The findings and recommendations of internal / external financial audits are reviewed to identify known areas of weakness, and areas known to be attracting audit attention.

The key core controls for the following key business cycles have been identified as critical for the purpose of issuing a controls opinion this financial year:

- General Ledger
- Fixed Assets
- Purchasing and Procurement/Contracting
- Accounts Payable
- Rates / Rates Rebates
- Receipting
- Payroll
- Credit Cards
- Banking
- Debtors

We have included a list of key controls identified by the audit for these business cycles as an appendix to this report (see Appendix 1). This list does not represent a complete population of internal controls that the Council should have in place. There is an expectation that controls not in this list will still exist and be operating effectively within Council.

The list of controls is only intended to be a guide for Council to prioritise its resourcing in readiness for the audit opinion, and for the ongoing monitoring of internal controls i.e. it is a risk based listing of controls which may be desirable for Council to include in its ongoing monitoring program for internal financial controls.

The list should not be considered a minimum standard – rather, it is a starting reference point for Council to consider. It is expected that Council will have performed a risk assessment of financial risks, and given consideration to the need to monitor controls that address High / Extreme risks that may not be included in this listing.

1.3 Category of findings

In order to assist the Council in establishing the overall level of control effectiveness and prioritising areas for attention, we have provided an overall assessment of the business cycles for which we have identified performance improvements opportunities (this report is prepared on an exception basis).

We assessed each business cycle using our risk assessment which was focused on the risk of finding material weaknesses which could lead to a modified controls opinion in the 2024/25 financial year. An overall assessment of the risk of a potential modified audit opinion per business cycle is provided in item 1.5 of this report.

Detailed findings including the controls tested as per the Better Practice Model, findings and recommendations are provided in section 2 of this report. The individual findings are also rated to assist the Council in prioritising corrective actions.

The overall assessment of the risk of non-compliance with s125 of the Local Government Act 1999 and the related findings and recommendations were rated as follows:

Category	Description
High Risk Weaknesses	The issue described could lead to a material weakness in the Council's internal controls and non-compliance with s125 of the Local Government Act.
Moderate Weaknesses	The issue described does not represent a material weakness due to the existence of compensating controls. However, the failure of the compensating controls or the existence of any other moderate weakness within the same business cycle may lead to a material weakness in the Council's internal controls and non-compliance with s125 of the Local Government Act.
Low Risk Weaknesses	The issue described is a low risk weakness due to the existence of compensating controls and/or the failure or absence of the internal controls does not impact significantly on the Council's financial risk. However, multiple low-level risk weakness within the same business cycle may lead to a material weakness in the Council's internal controls and non-compliance with s125 of the Local Government Act.
Better Practice Weaknesses	The issue described has been included in this report as an opportunity for better practice.

The Council should also perform its own assessment of priority based not only on audit risks, but also other risks management considers relevant such as non-compliance with pertinent legislations and regulations, and reputational risks.

1.4 Overall review of the Council's internal controls

Overall the Council demonstrated a high level of compliance with the implementation of an internal control framework consistent with the principles within the Better Practice Model.

During our interim visit we found that the majority of key internal controls reviewed were in place and were operating effectively (98 out of 100 core controls reviewed).

The principles underpinning the model were used by the Council in the identification of its business cycles, the establishment of its internal controls and the implementation of its financial risk management processes.

A summary of the results of our review is provided in the table below:

Business cycles	Controls Reviewed	Operating effectively				2025 Findings			
		2025	2024	2023	2022	H	M	L	BP
General Ledger	11	10	9	8	10	-	-	1	-
Fixed Assets	16	16	15	14	14	-	-	-	-
Purch & Procur/Contracting	10	9	8	9	8	-	-	1	-
Accounts Payable	13	13	13	13	13	-	-	-	-
Rates / Rates Rebates	10	10	10	10	10	-	-	-	-
Receipting	5	5	5	5	5	-	-	-	-
Payroll	19	19	19	18	18	-	-	-	-
Credit Cards	5	5	5	5	4	-	-	-	-
Banking	5	5	5	4	5	-	-	-	-
Debtors	6	6	6	5	5	-	-	-	-
Total	**100**	**98**	**95**	**91**	**92**	**-**	**-**	**2**	**-**

Audit have concluded that there is a high likelihood of issuing an unmodified controls opinion at the end of the financial year. This will depend on the Council demonstrating continued progress towards addressing identified control weaknesses, ensuring that the existing core controls in place continue to operate effectively and that the annual internal control activities are performed at year end.

1.5. Summary of findings

Business Cycle	Findings	Risk
Purch. Proc. Contracting	2.1.1 Instances of purchase orders issued after the date of the invoice	L
General Ledger	2.2.1 General ledger policy is currently in draft form awaiting review and approval by the Executive Leadership Team	L
Payroll	Audit did not find any issue that would represent a risk of non-compliance with s125 of the Local Government Act.	N/A
Fixed Assets	Audit did not find any issue that would represent a risk of non-compliance with s125 of the Local Government Act.	N/A
Accts Payable	Audit did not find any issue that would represent a risk of non-compliance with s125 of the Local Government Act.	N/A
Rates	Audit did not find any issue that would represent a risk of non-compliance with s125 of the Local Government Act.	N/A
Receipting	Audit did not find any issue that would represent a risk of non-compliance with s125 of the Local Government Act.	N/A
Credit cards	Audit did not find any issue that would represent a risk of non-compliance with s125 of the Local Government Act.	N/A
Banking	Audit did not find any issue that would represent a risk of non-compliance with s125 of the Local Government Act.	N/A
Debtors	Audit did not find any issue that would represent a risk of non-compliance with s125 of the Local Government Act.	N/A

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2. DETAILED AUDIT FINDINGS

2.1 PURCHASE AND PROCUREMENT & CONTRACTING

2.1.1 Instances of purchase orders issued after the date of the invoice	Low
Control	Employees must ensure all purchases are in accordance with Council's Procurement Policy and approved in accordance with the Delegations of Authority and other relevant policies.
Risk	Council does not obtain value for money in its purchasing and procurement / Purchase of goods and services are made from non-preferred suppliers.

Finding	Recommendations	Management Response
Audit selected a sample of 18 purchases and noted that two purchase orders were issued after the date of the invoice. One of these related to an existing contract, one did not. Council's Procurement Procedure specifies that City of Marion utilises various agreement/contract types to formally engage contractors including purchase orders. The Procedures go on to say that where a procurement is being made under an existing contract, a purchase order should be used which references the terms and conditions and price as per the contract.	Ensure that purchase orders are issued before the goods/services are provided and before the date of the invoice.	Management agree with the recommendation and monitor non-compliance issues that are reported back to users and through to senior management on a regular basis. In addition, where Invoicing is received from a supplier that has no Order Number applied, we advise that this is to be sent back to the Supplier to rectify. This results in an education for the Supplier as to our accepted T&C's, these stating that a PO must be provided prior to delivery or service and that the PO Number must appear on the Invoice. Management commit to reviewing our procurement procedures and practices with a view to enhancing better compliance with the above requirement. Target Date: 31 December 2025

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		Responsible Officer: Manager Operational Support

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2.2 GENERAL LEDGER

2.2.1 General ledger policy is currently in draft form awaiting review and approval by the Executive Leadership Team	Low
Control	General ledger policies and procedures are appropriately created, updated and communicated to relevant staff
Risk	General Ledger does not contain accurate financial information / Data contained within the general ledger is permanently lost.

Finding	Recommendations	Management Response
Last year we reported that Council did not have general ledger policies and/or procedures in place. A follow-up of this matter performed during our 2024/25 interim audit identified that finance management have drafted a general ledger policy. This policy is scheduled to be presented at the Executive Budget Meeting on 17 April for review and final endorsement by the Executive Leadership Team (ELT).	Proceed with the current plans to present the draft General Ledger Policy for final review and endorsement by the Executive Leadership Team (ELT).	Management acknowledge the importance of establishing structured guidelines to ensure accuracy, reliability, and compliance within our financial reporting processes. Management have created a General Ledger Policy which was presented to the Executive Budget Committee for review and was endorsed by the Committee on 15 May 2025.

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APPENDIX 1 – CRITICAL INTERNAL FINANCIAL CONTROLS

GENERAL LEDGER	
Risks	
R1	General Ledger does not contain accurate financial information
R2	Data contained within the General Ledger is permanently lost.

RISKS	Control	Control Type
R1,R2	All major updates and changes to General Ledger finance system are authorised, tested and documented.	Core
R1,R2	Access to General Ledger maintenance is restricted to appropriately authorised personnel.	Core
R1	Reconciliation of all balance sheet accounts are completed in accordance with a schedule of review and/or procedure.	Core
R1	All balance sheet reconciliations are reviewed by a person other than the preparer at least annually.	Core
R1	Journal entry access is restricted to appropriately authorised personnel.	Core
R1,R2	Financial data is backed up and stored offsite.	Core
R1	Finance system does not allow posting of unbalanced journals or if it does regular reviews are conducted on the suspense account and discrepancies investigated and actioned.	Core
R1	Amendments to the structure of the General Ledger framework and accounts are reviewed and approved by appropriately authorised personnel.	Core
R1,R2	General Ledger policies and procedures are appropriately created, updated and communicated to relevant staff.	Core
R2	Formal disaster recovery plan is in place and communicated to relevant staff.	Core
R1	There is a process in place to review actual vs budget and significant variances investigated.	Core

FIXED ASSETS	
Risks	
R1	Fixed asset acquisitions, disposals and write-offs are fictitious, inaccurately recorded or not recorded at all. Fixed Asset Register (FAR) does not remain pertinent.
R2	If fixed assets are not securely stored, they may be subject to damage or theft.
R3	If fixed assets are not valued correctly, the management reports and financial statements will be misstated. For example, incorrect carrying values may result from the use of inappropriate depreciation rates.
R4	Depreciation charges are either invalid, not recorded at all or are inaccurately recorded which includes inappropriate useful lives and residuals.
R5	Fixed Asset maintenance and/or renewals are inadequately planned.

RISKS	Control	Control Type
R1	There is a process in place for the verification of fixed assets which is reconciled to the FAR.	Core
R1	Recorded changes to the FAR and/or masterfile are approved by appropriate staff compared to authorised source documents and General Ledger to ensure accurate input.	Core
R1	All fixed asset acquisitions and disposals are approved in accordance with Delegation of Authority and relevant Procurement and Fixed Asset Policies.	Core
R1	Maintenance of the fixed asset register is limited to appropriate staff with consideration to segregation of duties.	Core
R1	Council has an asset accounting policy which details thresholds for recognition of fixed assets which is monitored to ensure adherence.	Core
R1	Reconciliation of fixed assets to the General Ledger is performed in accordance with schedule of review or procedure.	Core
R1	Asset register calculations are reviewed for accuracy.	Core
R1	Fixed assets are recorded on acquisition, creation or when provided free of charge to facilitate accurate identification of assets and recording of details with regards to the Asset Accounting Policy.	Core
R1	Asset maintenance is planned and monitored with relevant staff in accordance with the Asset Management Plans	Additional
R2	Where appropriate, fixed assets are secured and access is restricted to appropriate staff and authorised users.	Core

RISKS	Control	Control Type
R2	Where appropriate, identification details are recorded for portable and attractive assets such as IT and fleet assets, on acquisition to facilitate accurate identification.	Additional
R3	Relevant staff review useful lives, residuals, valuations, depreciation methodology and test for impairment as required by Accounting Standards and legislation to ensure that methods used are still appropriate and significant changes are incorporated into Asset Management Plans.	Core
R3	Profit or loss on disposal calculations can be substantiated and verified with supporting documentation.	Core
R4	Depreciation charges are calculated in accordance with the asset accounting policy and compliant with relevant accounting standards, including the useful life, depreciation method and residual values.	Core
R5	Asset Management Plans are prepared and renewal expenditure and programmed maintenance required is reviewed periodically to reflect changing priorities, additional asset data and other relevant factors.	Core
R5	Asset Management Plans for all major asset classes are adopted and reviewed by Council as required by the Local Government Act 1999.	Core

Purchasing and Procurement

Risks	
R1	Council does not obtain value for money in its purchasing and procurement.
R2	Purchases of goods and services are made from non-preferred suppliers.
R3	Purchase orders are either recorded inaccurately or not recorded at all.
R4	Purchase orders are made for unapproved goods and services.

RISKS	Control	Control Type
R1	Council has a Procurement Policy that provides direction on acceptable methods and the process for procurement activities to ensure transparency and value for money within a consistent framework, with consideration of any potential conflicts of interest.	Core
R1,R2	Employees must ensure all purchases are in accordance with Council's Procurement Policy and approved in accordance with the Delegations of Authority and other relevant policies.	Core
R1	The organisation has a process in place to ensure use of preferred suppliers where relevant to maximise the best value for money to Council	Core
R2,R3	There is a process in place to review purchasing patterns and ensure maximum use of preferred suppliers	Additional
R3	Purchase order numbers are either system generated and/or sequentially numbered.	Core
R3	There is a process in place to ensure all invoices for payment are matched to relevant source documents such as purchase orders where applicable and are in line with Procurement Policy guidelines.	Core
R3	There is a process in place to follow up and action incomplete purchase orders.	Additional

CONTRACTING

Risks	
R1	Council is not able to demonstrate that all probity issues have been addressed in the Contracting process.
R2	Council does not obtain value for money in relation to its Contracting.

RISKS	Control	Control Type
R1,R2	There are robust and transparent evaluation and selection processes in place to engage contractors where relevant in accordance with the Code of Conduct, Conflict of Interest and Procurement Policy.	Core
R1	The selection panel is made up of appropriate personnel who have declared any relevant conflict of interest to ensure that informed and objective decision is made when selecting contractors.	Core
R1	Council maintains a current contract register.	Core

ACCOUNTS PAYABLE	
Risks	
R1	Accounts payable amounts and disbursements are either inaccurately recorded or not recorded at all.
R2	Credit notes and other adjustments to accounts payable are either inaccurately recorded or not recorded at all.
R3	Disbursements are not authorised properly.
R4	Accounts are not paid on a timely basis.
R5	Supplier master file data does not remain pertinent and/or unauthorised changes are made to the supplier master file.

RISKS	Control	Control Type
R1,R2,R4	Statements received from suppliers are reconciled to the supplier accounts in the accounts payable subledger regularly and differences are investigated.	Additional
R3	Records must be maintained of all payments with supporting documentation.	Core
R1	Payments are endorsed by relevant staff separate to the preparer, who ensures that they are paid to the correct payee.	Core
R5	Access to the supplier masterfile is restricted to authorised staff	Core
R2,R5	Separation of Accounts Payable and Procurement duties.	Core
R3	All invoices and payment requests are approved in accordance with relevant policies and/or Delegations of Authority.	Core
R1	Predetermined variances between Purchase Orders and Invoices are assessed and payment released only after verification by the officer with delegation to do so.	Additional
R1	Payments are verified to appropriate supporting documentation and are in line with Delegations of Authority.	Core
R4	Relevant staff to review aged payables listing on a predetermined basis and investigate where appropriate.	Core
R5	Recorded changes to the supplier master file are compared to authorised source documents to ensure that they were input accurately.	Core

RISKS	Control	Control Type
R5	Requested changes or additions to supplier masterfile are verified independently of source documentation.	Additional
R4	There is a system generated report detailing supplier invoices due for payment at any one time.	Core
R5	There is a process in place to ensure the supplier master file is periodically reviewed for ongoing pertinence.	Additonal

RATES / RATES REBATES

Risks

R1	Council does not raise the correct level of rate income.
R2	Rates and rate rebates are either inaccurately recorded or not recorded at all.
R3	The Property master file data does not remain pertinent.
R4	Rates are not collected on a timely basis.

RISKS	Control	Control Type
R1,R2	Rates are automatically generated by the rate system, including the calculation of rate rebates and other parameters as applicable.	Core
R2	Rates are generated and tested for accuracy of calculation methodology prior to the rates billing run	Core
R1	All software changes to rate modelling functionality fully tested and reviewed by relevant staff.	Core
R1	There is a rating policy in place that is reviewed annually that provides clear guidance on rating methodology and relevant rebates and remissions in line with legislation.	Core
R2	Annual valuation update is balanced prior to the generation of rates; all mismatches resolved prior to finalising rate generation.	Core
R2	All rate rebates and adjustments including write offs are appropriately authorised, with reference to Delegations of Authority and source documents.	Core
R4	There is a process in place to ensure that rates are collected in a timely manner and overdue rates are followed up.	Core
R3	Recorded changes to property master file data and any rate adjustments are compared to authorised source documents to ensure that they were input accurately. An audit trail is maintained for all changes.	Core
R3	Access to the Property master file is restricted to appropriately designated personnel, with a process in place to ensure changes are in line with policies and procedures.	Core
R2	Employees responsible for processing rate payments and rebates cannot process their own payments or rebates unless the transaction is approved by someone independent of the process	Core

RECEIPTING	
Risks	
R1	Receipts are either inaccurately recorded or not recorded at all.
R2	Receipts are not deposited at the bank on a timely basis.

RISKS	Control	Control Type
R2	Prior to and during the banking process, cash is stored securely at all times.	Core
R1	Customers are provided with a system generated or pre-numbered (manual) sequential tax compliant receipt detailing payment made.	Core
R1	There is a review process for the authorisation of the reversal of transactions.	Additional
R1	Receipt transactions are reconciled to the daily takings and out-of-balance banking is corrected promptly.	Core
R2	Receipts are deposited regularly at the bank by a person independent from the initial recording of the cash receipts.	Additional

PAYROLL

Risks	
R1	Payroll expense is inaccurately calculated.
R2	Payroll disbursements are made to incorrect or fictitious employees.
R3	Time and/or attendance data is either invalid, inaccurately recorded or not recorded at all.
R4	Payroll master file does not remain pertinent and/or unauthorised changes are made to the payroll master file.
R5	Voluntary and statutory payroll deductions are inaccurately processed or without authorisation.
R6	Employees termination payments are not in accordance with statutory and enterprise agreements.

RISKS	Control	Control Type
R1	Where possible standard programmed formulae perform payroll calculations.	Core
R1, R3	There is a process to ensure all overtime is verified and approved by relevant appropriate staff.	Core
R1	All calculations for generating payroll payments are verified for accuracy.	Core
R4,R5	Managers periodically review listings of current employees within their departments and variances are investigated.	Additional
R1	Payroll is periodically reconciled to the General Ledger accounts.	Additional
R2	The payment for the payroll must be reconciled to a system generated report detailing amount and employee prior to payment.	Core
R2	There is a process to ensure an independent review of proposed payroll payments by authorised staff.	Additional
R2	The payment of the payroll is authorised by appropriate staff not involved in the preparation of the payroll.	Core
R2	Employee records to include employment details and/or contract terms and conditions, authorisations for payroll deductions and leave entitlements.	Core
R2	There is a process to ensure employees are made inactive in payroll records upon termination	Core

RISKS	Control	Control Type
R5	All payroll deductions must be approved by the relevant employee.	Core
R3	Relevant staff are required to complete timesheets and/or leave forms, authorise them and have approved by the relevant supervisor.	Core
R2	There is a segregation of duties from those preparing the payroll to those responsible for preparation of source documents (e.g. timesheets, leave requests etc).	Core
R2	Payroll system generates audit reports detailing all payroll changes and there is a process in place to ensure all changes are reviewed and verified against source documents.	Core
R2	There is a process in place to ensure employees are not added to the payroll masterfile, nor details amended or amounts paid without receipt of the appropriate forms which have been authorised by relevant staff.	Core
R5	Access to the payroll deduction listing is restricted to authorised staff.	Core
R6	There is a process in place to ensure termination payments comply with relevant policies, procedures and legislation.	Core
R3	Time recording and attendance exceptions such as TOIL or flexitime are based on relevant policies/agreement are identified, monitored and corrected.	Core
R4	The ability to access, modify or transfer information contained in the payroll master files is restricted to authorised staff.	Core

CREDIT CARDS

Risks	
R1	Credit Cards are issued to unauthorised employees.
R2	Credit Cards are used for purchases of a personal nature.
R3	Credit Card limits are set at inappropriate levels.

RISKS	Control	Control Type
R1,R3	There is a process in place to ensure there are appropriate approvals prior to the issuing of Credit Cards and limits.	
R1,R2	Credit card holders sign a declaration confirming compliance with Council policy and procedures prior to the Credit Card being released.	
R2	There is a process in place to approve all credit card transactions to ensure compliance with the policies and procedures covering credit card usage.	
R2	Cardholders must check their statement to ensure all transactions are correct and identify any transactions of a personal nature which must be reimbursed to Council.	
R3	There is a process in place to ensure credit card limits and usage is reviewed for operational efficiency.	

BANKING

Risks	
R1	Banking transactions are either inaccurately recorded or not recorded at all.
R2	Fraud (i.e. misappropriation of funds)

RISKS	Control	Control Type
R1,R2	There is a process in place to ensure all cash, blank cheques and/or cheque signing machine are adequately safeguarded.	Core
R1	Access to EFT Banking system is restricted to appropriately designated personnel.	Core
R1,R2	Bank reconciliations are performed on a predetermined basis and are reviewed by an appropriate person. Any identified discrepancies are investigated.	Core
R2	Cash transfers between bank accounts and investment bodies are undertaken by appropriate staff.	Core
R2	There is a process in place to ensure all cash collected is adequately recorded and banked regularly.	Core

DEBTORS	
Risks	
R1	Debtors are either inaccurately recorded or not recorded at all.
R2	Rebates and credit notes to debtors are either inaccurately recorded or not recorded at all
R3	An appropriate provision for doubtful debts is not recorded
R4	Debtors are either not collected on a timely basis or not collected at all
R5	The Debtors master file data does not remain pertinent.

RISKS	Control	Control Type	CSA Importance Weighting
R1, R4	Debtor's reconciliation performed on a regular basis to the General Ledger and reviewed by an independent person.	Core	4
R1	Council maintains a Debt Collection Policy.	Core	5
R2, R3, R4	Management and/or Council review and approve all rebates, credit notes, bad debt write-offs and movements in the provision for doubtful debts, in accordance with delegations of authority and Local Government Act.	Core	5
R3, R4	Management reviews debtors ageing profile on a regular basis and investigates any outstanding items.	Core	4
R5	Access to the debtor's master file is restricted to appropriately designated personnel and is reviewed by management for accuracy and on-going pertinence.	Core	5
R5	Recorded changes to debtor's master file data are compared to authorised source documents or confirmed with customers/ratepayers to ensure that they were input accurately.	Core	4

7.2 Climate Change Governance Assessment and Risk Register	
Report Reference	FRAC250603R7.2
Originating Officer	Unit Manager Strategy and Risk - Sheree Tebyanian Risk Business Partner - Kim Strickland Unit Manager Environmental Sustainability - Rebecca Neumann
Corporate Manager	Manager Office of the Chief Executive - Sarah Vinall
General Manager	Chief Executive Officer - Tony Harrison

REPORT HISTORY

Report Reference	Report Title
FAC191210R11	Climate Risk and Governance Assessment

EXECUTIVE SUMMARY

An internal Climate Risk Working Group has recently completed a review of council's climate risk and climate governance, aimed at improving council's climate preparedness across the organisation. This work has been delivered by an internal Climate Risk Working Group (the Working Group) and aligns with previous efforts on climate governance undertaken in 2019 (FAC191210R11), as well as councils' commitment to build a Climate Risk Register (City of Marion Business Plan 2023-2027).

The work has taken place over 18-month period, from 2023 to 2025, and focussed on three key projects:

1. Climate Governance Assessment
2. Organisational Climate Risk Assessment
3. Climate Risk Register

The Executive Leadership Team (ELT) has received updates on each of these projects and has endorsed several actions, which are summarised in this report.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

1. Notes the Climate Governance Assessment Summary Report (Attachment 1) and actions that will be implemented (Attachment 2)
2. Notes the Climate Risk Register at Attachment 5.

DISCUSSION

Climate Governance Assessment

Climate change specialists Informed.City™ has developed a nationally recognised tool to help local governments assess the extent to which climate change is integrated into their corporate governance and operations. In 2019, the City of Marion participated in a national pilot of this tool and was benchmarked as one of the leading councils for climate governance, receiving a high score.

Since then, the tool has been widely adopted, with over 350 local governments across Australia and New Zealand using it to evaluate and strengthen their climate governance. The tool has evolved over time, incorporating additional indicators to reflect emerging best practices.

In 2023, the City of Marion re-engaged Informed.City to conduct a follow-up assessment to compare progress against the 2019 baseline. The resulting 2024 Climate Governance Assessment confirms that Council has built a strong foundation in climate governance, with overall performance improving.

The Climate Change Governance Assessment Summary Report (**Attachment 1**) outlines key findings, council's current performance status and targeted recommendations for further improvement.

Based on the results, the City of Marion has been classified as a 'Responder', reflecting that council has recognised climate change as a priority and is acting. This classification is based on achieving 5 to 8 indicators at 'High' or 'Advanced' levels.

A summary of the assessment results and the key actions endorsed by the Executive Leadership Team (ELT) for implementation is included in **Attachment 2**. Alongside work already underway, these actions will ensure that the City of Marion continues to strengthen its climate governance and actively respond to the risks and opportunities of climate change.

Priority actions supported by ELT were:

1. Include a "climate change" section in the Annual Report, Annual Business Plan and Long-Term Financial Plan.
2. Increase staff training on climate risk and climate change adaptation planning.
3. Identify climate resilience as an objective in next review of Marion Water Plan.
4. Ensure the Climate Change Risk Register is reported to FRAC as a public record.
5. Include consideration of climate change in the review the Procurement and Contract Management Policy and procedures.
6. Review ESD Guidelines to establish clear levels of service.
7. Through involvement with Southern Adelaide Zone Emergency Management Committee, advocate for further planning on high-risk climate-related emergency response scenarios (heat waves, drought and bushfire).
8. A formal internal Environmental Sustainability Committee will be established from 1 July 2025 that has responsibility for oversight and steering of strategic environmental sustainability directions including climate response.
9. Update the Climate Governance Assessment in four years and ensure alignment with Council's regular risk assurance auditing program (funding and responsibilities to be considered for 2027/2028).

Organisational Climate Risk Assessment

To build understanding of climate hazards relevant to City of Marion and its relevance to council services, Council engaged consultancy Edge Impact to deliver climate risk assessment workshops. These sessions included participation from key council teams to gather their feedback.

This organisational risk assessment formed the foundation for the development of Council's **Climate Risk Register**.

The Edge final report initially identified 44 key risk areas for further consideration by council. The organisational risk assessment is included for noting in **Attachment 3**.

Risk assessment process

The workshops focussed on two main categories:

- Physical risks: Impacts resulting from future climate changes (e.g extreme heat, flooding, bushfire_
- Transition risks: Challenges associated climate change adaptation and shifting to a low carbon economy (e.g regulatory changes, financial impacts, maladaptation).

The assessment:

- followed council's risk management framework
- common approaches to climate risk assessment
- was guided by climate change projections recommended for use in South Australia.

Key findings

- Physical risks: (verbatim from Edge Impact report, Executive Summary pg. 2)

Greater deterioration of civil infrastructure and assets (including roads and drainage systems) because of a combination of increasing temperatures and more intense rainfall.

Blackout and brownouts due to extreme heat, storms or bushfires; The increased frequency of extreme weather events such as heatwaves, storms, and bushfires presents a heightened risk of power outages (blackouts) and reductions in power supply (brownouts).

Bushfire damaging or destroying natural assets; Bushfires pose a significant risk to natural assets such as parks, reserves, and waterways, which are vital for biodiversity, recreation, and tourism. The destruction of vegetation, wildlife habitats, and landscapes could impact community well-being and lead to costly restoration projects.

Vegetation (managed and natural) loss and/or vegetation being more susceptible to pests and diseases; With rising temperatures and changing weather patterns, vegetation – both natural and council-managed – is increasingly at risk of stress, leading to loss or heightened susceptibility to pests and diseases.

Soil movement due to drier conditions causing damage to buildings and increased replacement costs; Prolonged dry periods can lead to soil shrinkage or movement, which poses a threat to the structural integrity of council-owned buildings and infrastructure.

- Transition risks: (summarised from the Executive Summary, pg2)

Transition risks considered in broad categories include updating policy, new and increasing regulations, new technology and market conditions.

Rapid transition to a low carbon future, causing businesses and indirectly residential ratepayers to have reduced ability to pay increasing rates due to increasing costs of goods and services.

Potential for increasing insurance costs and the availability of insurance for key assets.

Competition for climate resilient materials could disrupt supply chains and increase prices.

Methodology overview

Attachment 4 provides a visual of the various methodology used in the Edge Impact Report, including:

- Representative Concentrated Pathways (RCP 8.5:

A high emissions scenario aligned with current global trends, used to ensure risks are assessed under worst case climate outcomes.

- Timescales, 2030,2050 and 2090:
  Used for modelling, short, medium and long term impacts, with the Climate Risk Register based on projections to 2030 to align with asset life cycles.

Development of council's Climate Risk Register

The Edge Impact report identified a total of 44 climate-related risks. Through further internal consultation, these were refined and grouped to six overarching climate risks based on similar hazard types and impacts. The process aimed to streamline management of the risks and ensure practical oversight.

The endorsed Climate Risk Register is at Attachment 5.

As a result, a total of six climate risks are proposed for inclusion in the City of Marion Climate Risk register. The register will enhance visibility and oversight of identified climate risks, associated controls and actions designed to mitigate or adapt to the impacts of climate change.

High-level Summary of Council's Climate risks (public facing summary)

Increased Heat	*More intense rainfall and storms*	*Increasing bushfire conditions*	*Emissions reduction*	*Coastal Impacts*	*Drought conditions and reduced rainfall*
					
Warmer temperatures overall. Longer, hotter and more frequent heatwaves.	More intense heavy rainfall Increased frequency and severity of storms	Longer fire danger seasons More days of extreme fire danger	Increased requirements to reduce emissions to mitigate Climate change	Sea level rise More frequent and higher storm surge Increased coastal Erosion	Less rainfall overall Longer and more frequent droughts Declining spring rainfall

Risk Ownership and Governance

The six climate risks will be linked to Strategic risk SR002

"Failure to identify, assess, and manage climate-related risks and opportunities that affect our operations and community".

The existing CR0058 (identical to the above strategic risk) has been removed from the Corporate risk register and is superseded by the new Climate risks.

- **Risk Owner**: Unit Manager, Engineering, Assets and Environment
- **Review Frequency**: Annually, commencing in **Q1 each year.**

Next steps

- The review of the climate governance assessment is recommended for 2027-2028 and should be completed in line with councils risk assurance auditing where possible.
- The Risk Maturity Audit recently undertaken will provide a multi-year action plan, that we will utilise to identify key educational opportunities for the organisation, regarding Climate Risks.
- Updates to the RMF to include Climate Risks is scheduled.

ATTACHMENTS

1. Attachment 1 Climate Change Governance for Marion 2024 [**7.2.1** - 37 pages]
2. Attachment 2 - Climate Governance Assessment Actions [**7.2.2** - 3 pages]
3. Attachment 3 Climate Change Risk Assessment Report [**7.2.3** - 46 pages]
4. Climate Risk - Background & Methodology [**7.2.4** - 2 pages]
5. Climate Risk Register- Endorsed [**7.2.5** - 19 pages]

Climate Change Governance Assessment

Summary Report for the City of Marion

InformedCity™

Date/ Version:
January 2024 / Version 1

Prepared by:
Informed.City™

Citation:
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Abbreviations

AASB	Australian Accounting Standards Board
CCRP	Climate Change Response Plan
CRGWG	Climate Risk Governance Working Group
ESD	Ecological Sustainable Development
FRAC	Finance, Risk and Audit Committee
FTE	full-time equivalent
IPCC	Intergovernmental Panel on Climate Change
KPI	key performance indicator
RAMP	Resilient Assets Management Project
TCFD	Taskforce on Climate-Related Financial Disclosures

1 Introduction

About Informed.City™ Governance

Developed in Australia, the Informed.City™ Governance tool enables users to understand the extent that climate change is considered in the corporate operations and governance of local governments. To date, the award-winning tool has been used to assess the climate-related governance of over 350 local governments in Australia and New Zealand. The process includes quantitative scoring of key indicators which are obtained from a review of publicly available governance mechanisms. Where relevant, insights from staff interviews and a staff survey are also provided to support the recommendations. Informed.City™ Governance is designed to facilitate informed decision-making and enable public disclosure of climate risk, comparative analysis, and community of practice.

This report is focussed on governance mechanisms, not on studies or reports. The aim is to identify lines of evidence that support how climate change is explicitly considered in Council's governance arrangements. It provides the results of a recent climate change governance assessment (2023), and compares it with the baseline assessment carried out in 2019.

Importance of climate change governance

Climate change is a complex issue that presents a multi-faceted risk for local government. Increasingly, councils seek to understand the projected impacts of climate change to inform decisions about the design and management of their own assets and infrastructure, operations, and services. The impacts extend well beyond direct physical degradation to create cascading implications across all council business units and for the communities they represent. While climate risks have broadly been recognised by many councils, they have often been seen as a future problem and a non-financial problem.

Climate-related risk is rapidly shifting into the financial mainstream and some risks are distinctly 'financial' in nature (Edwards et al. 2017). These include insurance affordability and availability, access to finance, enlarged exposure to litigation, threats to business continuity and increased expenditure on asset management and service delivery. Given the above matters, climate change should now be framed and managed as an organisational risk; one that is captured in executive decision-making and council governance arrangements.

Embedding climate change into the core governance mechanisms of local governments is crucial as it supports robust decision-making, provides consistency, addresses emerging expectations, fosters transparency, and ensures long-term sustainability and resilience. This robust decision-making is required, not only to minimise future uncertainty as issues emerge and new information becomes important but also to facilitate the transition to a low-carbon and resilient future.

2 Methodology

The governance assessment was undertaken in two stages:

1. **Quantitative Assessment** – An evaluation of the inclusion of climate change in publicly available governance documents. The quantitative assessment was completed in December 2023.
2. **Qualitative Assessment** - A qualitative analysis of local government's consideration of climate change governance based on face-to-face interviews with key council staff members and the distribution of a climate change governance survey to staff members. The interviews and surveys were used to glean information about barriers and enablers to mainstreaming consideration of climate change and support the development of specific recommendations. The face-to-face meetings were conducted on the 30th of November and the 1st of December 2023.

Quantitative assessment

The quantitative assessment analyses the level of consideration of climate change governance in local government's corporate documents. In the assessment, analysts identified publicly available corporate documents for each local government and undertook a deeper exploration into how climate change is considered in those governance documents. These corporate documents are the key governance documents that either drive the organisational decision-making or report on the effectiveness of those processes. The corporate documents were assessed against the following 14 core indicators of climate change governance:

1. Strategic Planning
2. Financial Management
3. Public Risk Disclosure
4. Risk Management
5. Asset Management
6. Procurement
7. Community Wellbeing
8. Land Use Planning
9. Natural Environment
10. Emergency Management
11. Climate Change Policy
12. Adaptation Planning
13. Transition Planning
14. Carbon Target

The quantitative assessment focusses specifically on an assessment of Council's corporate documents which are publicly available, which means they are accessible through an online platform (e.g. Council's website).

A ten-year update of the Informed.City™ governance assessment was performed in 2023. This included an update of the scoring methodology to align with industry standards and/or market expectations for identifying, managing, and disclosing climate-related risks and opportunities for local governments. To enable a comparative analysis of councils' scores, the results of both 2019 and 2023 have been provided in this report using the new methodology. Since the initial assessment four new Informed.City™ Governance indicators have been developed, and as such a retrospective assessment is provided for comparative purposes.

Evaluation matrices

Analysts assessed the corporate documents for each governance indicator using a scoring system developed by Informed.City™. The method uses scaled matrices with descriptions on a continuum between no consideration and an advanced consideration of climate change. Informed.City™ scored the corporate documents using a five-point scale which was tailored to each governance indicator in the quantitative assessment. Table 1 provides a general summary of the how the quantitative scores should be interpreted.

Table 1: Interpretation of quantitative scores for the climate change governance assessment

Level (score)	Interpretation
No data	Council has not published a document/s related to this indicator in their website.
None (0)	Council is yet to mention climate change in their publicly available corporate documents.
Basic (1)	Whilst climate change is included in the mechanism it is general in nature. It will not meaningfully affect consideration of climate change in the focus area.
Intermediate (2)	Certain elements of climate change are considered but it is unlikely to be enough to support the identification and management of climate-related risks or influence change in the focus area.
High (3)	Climate change is well considered for the associated area of focus, although improvements are required to fully support system change. It is unlikely to be enough to influence long lasting change in the focus area, and unlikely to affect the consideration of climate change in other indicators.
Advanced (4)	A comprehensive inclusion of climate change. An 'Advanced' score means that this indicator is an active enabler to change and if implemented will likely be a catalyst for improved management of climate-related risks and opportunities associated with the indicator, and broader organisational functions. The score also signifies that this area of focus is very likely to positively influence other indicators and make a noticeable change to organisational management.

Qualitative assessment

The purpose of the qualitative assessment was to build a more complete representation of climate change by focussing on the complex drivers which could not be understood through an assessment of public corporate documents in the quantitative assessment. These drivers are captured in the following eight governance indicators:

15. Oversight
16. Information Systems
17. Climate Risk Assessments
18. Climate Legal Risk
19. Metrics
20. Staff/ Resource Allocation
21. Community/ Stakeholder Engagement
22. Institutional/ Intergovernmental Relationships

3 Quantitative Results and Recommendations

The next section provides a snapshot of the results of each quantitative governance indicator as well as the actions provided for Council to enhance their climate change governance (e.g. achieve an 'Advanced' score for quantitative assessment).



Strategic Planning (#1)

Importance

Strategic Planning directs how decision-makers in councils must discharge their responsibility under their State's Local Government Act. Including considerations of climate change here will likely result in a better likelihood of mainstreaming the issue in the council's operations and financial structures.

Governance score

	2019 Assessment	2023 Assessment
Level (score)	**Intermediate**	**High**
Description	Prescribed responses/ guidance for one climate-related risk (e.g. flooding) AND/OR one council function (e.g. land use planning) only.	Detailed inclusion of climate change, but is limited to two climate-related risks (e.g. flooding) AND/OR two council functions (e.g. land use planning).
Document/s reviewed	▪ Strategic Plan 2017-2027	▪ Strategic Plan 2019-2029 ▪ Business Plan 2023-2027 ▪ Community Vision – Towards 2040

Under Section 122 (1) of the *Local Government Act 1999*, "A council must develop and adopt plans (which may take various forms) for the management of its area, to be called collectively the strategic management plans" (Government of South Australia 2023). However, there is no prescribed format for Council Strategic Management Plans and as such the information contained in them varies from council to council and can be formed from a collection of strategies/plans. The Strategic Management Plans that function as governance mechanisms were considered in this indicator as well as in their specific indicators. No drafts or unendorsed documents were reviewed in this assessment.

Interview findings

There was strong recognition by those interviewed that climate change is being considered in strategic planning.

Actions to enhance climate change governance

To enhance their climate change governance for the Strategic Planning (#1) indicator, Council should provide a strong consideration of climate change in their Strategic and Business Plans. To achieve this, Council will need to:

- Include relevant and measurable key performance indicators for managing climate change in any documents that are defined as Strategic Management Plans,
- Improve consideration of climate change in financial management. See Financial Management (#2) indicator.
- Develop a suite of climate-related key performance indicators that will be disclosed annually (see Public Risk Disclosure #3).



Financial Management (#2)

Importance

If ignored, the effects of climate change are likely to have a considerable impact on a council's financial performance. This includes costs associated with asset management, service delivery, legal risk, and insurance. Climate change may also affect rateable property value and therefore have the potential to affect councils' primary income stream.

Also, the Australian Accountancy Standards Board (AASB) has released a disclosure draft of the Australian Sustainability Reporting Standards – Disclosure of Climate-related Financial Information. While it is uncertain if the mandatory reporting regime will capture local governments directly, it is likely that the disclosures will affect local governments indirectly (e.g. climate-related information requestions from the insurance and financial sectors).

Governance score

	2019 Assessment	2023 Assessment
Level (score)	**Intermediate**	**Basic**
Description	Prescribed responses/ guidance for at least one climate-related risk (e.g. increased flooding risk) AND/OR one council function (e.g. land use planning). Must also provide financial metrics (either historical costs or future budgets) for programs or activities.	General statements about climate change (e.g. in the introduction) OR includes other key words associated with managing climate change in a general context (e.g. GHG emissions).
Document/s reviewed	▪ Annual Business Plan 2018-2019 ▪ Long Term Financial Plan 2018-2028	▪ Annual Business Plan 2023-2024 ▪ Long Term Financial Plan 2023-2033

Interview findings

While staff recognised the fact that climate change has minimal specific consideration in financial management mechanisms, they highlighted several financial issues. For example, the City of Marion is participating with industry in a Virtual Battery project that could see Council generating financial rewards. Also, the City of Marion has a Stormwater Harvesting project which has the intention of being a self-sustaining, full cost recovery business. Both these projects have considerable impacts from and benefits for climate-related issues.

It was noted that Council's information service team are currently in the process of improving the linkages between the asset management and financial systems. It was recognised that this could support consideration of climate change in financial management.

The City of Marion current treats stormwater as a resource, and staff also noted that the City would likely benefit from education/ guidance and systems that quantified climate-related risks and highlighted the financial costs of inaction.

Actions to enhance climate change governance

To enhance their climate change governance for the Financial Planning (#2) indicator, Council's Annual Business Plan and Financial Management Plan should show that climate-related risks are well-budgeted for, and resources are allocated for mainstreaming. To achieve this, Council will need to:

- State the annual budget or annual revenue for specific climate-related strategic goals or actions,
- Include key financial performance indicators related to climate change (e.g. metrics & targets),
- Identify roles and responsibilities for climate-related activities, and
- Provide timing for delivery of climate-related activities.

Also, the effect of financial management issues on other council functions (e.g. assets) is important to consider. For example, understanding whether staff capacity, capability and training needs are a barrier to understanding climate change and its financial implications in your council. As a minimum, key financial staff should be resourced. For more information see the Staff/ Resource Allocation (#20) indicator.



Public Risk Disclosure (#3)

Importance

There is an increasing demand in the private sector for a transparent approach to addressing climate-related risks. A transparent approach means public disclosure of risks. Over time councils can expect insurers and finance providers, amongst others, to request councils to disclose how they are addressing climate-related risk.

Governance score

	2019 Assessment	2023 Assessment
Level (score)	**Intermediate**	**High**
Description	Includes a description of one of the following elements of TCFD/AASB: a) How council is overseeing climate-related risks and opportunities in its governance systems; b) How climate-related risks and opportunities may impact the council's business and strategy (e.g. in the risk register); c) How the council identifies, assesses, and manages climate-related risks (e.g. in risk management documents); and d) The metrics and targets used to assess and manage climate-related risks and opportunities.	Includes a description of two or more elements of TCFD (described above) however does not have the attributes listed in the 'Advanced' score level.
Document/s reviewed	▪ Annual Report 2017-2018 ▪ Annual Corporate Risk Report 2019	▪ Annual Report 2022-2023 ▪ Quarterly Risk Report Q1 2023-2024

In the previous assessment, public risk disclosure was focussed on how well councils disclosed their climate-related risks in a strategic risk register. However, this indicator has been restructured to assess how councils are disclosing each element of the Taskforce on Climate-Related Financial Disclosures (TCFD) recommendations – which is emerging as the expected framework for public disclosure – and has been adopted by the Australian Accounting Standards Board (AASB).

It should be noted that the disclosure of climate-related risks provided in the Quarterly Risk Report was located in the 'Summary of Strategic Risks in Finance and Risk Committee Agenda – December 2023'. This report was only obtainable via a search of the Finance, Risk and Audit Committee (FRAC) agendas and/or minutes which are often difficult to locate online.

Interview findings

Climate change is captured as a key strategic risk in the organisations risk register. The untreated risk is rated as 'Extreme', and after controls it is categorised as 'High' (City of Marion 2023).

The staff at the workshops confirmed that there was no annual climate-related disclosure document. There were mixed views from workshop participants about climate-related disclosures. Some recognised the value of transparency, whilst others raised concerns about how mandatory disclosures may be onerous for the organisation. Although some of the participants were aware of the TCFD/AASB framework for climate-related disclosures, it was evident that more education on this matter would be prudent.

Actions to enhance climate change governance

To enhance their climate change governance for the Public Risk Disclosure (#3) indicator, Council should disclose their climate-related risks and opportunities in their Annual Report. This disclosure needs to align with the TCFD/AASB framework for climate-related disclosures. This is increasingly becoming the market norm and, in some places, a regulatory requirement. To achieve this, Council will need to explain:

- How council is overseeing climate-related risks and opportunities in its governance systems,
- How climate-related risks and opportunities may impact the council's business and strategy (e.g. in the risk register),
- How the council identifies, assesses, and manages climate-related risks (e.g. in risk management documents), and
- Identify the metrics and targets used to assess and manage climate-related risks and opportunities.

The very essence of disclosure means that information should be actively disclosed and easily accessible. For an 'Advanced' score, Council must provide a comprehensive climate-related disclosure that aligns with all recommended disclosures in the TCFD (see the most recent TCFD requirements and consultation draft of the AASB climate-related disclosures). A good example of local government climate-related disclosures can be found in Volume 4 of the Auckland City Annual Report.

Risk Management (#4)

Importance

Climate change is a complex issue that will exacerbate existing risks and present new ones. Often climate change risk management is undertaken in an ad hoc way – resulting in inconsistent approaches within an organisation. Some direction that defines how climate change risk is identified and disclosed will greatly improve councils' adaptation and transition planning.

Governance score

	2019 Assessment	2023 Assessment
Level (score)	**Intermediate**	**Advanced**
Description	Prescribed specific responses/ guidance for one climate-related risk (e.g. flooding) only.	Physical and transition risks should be considered in all risk decision-making. It also includes responses to indirect impacts of climate change. The risk management document/s must describe the organisation's processes for identifying, assessing and managing climate-related risks.
Document/s reviewed	▪ Risk Management Policy 2016 ▪ Annual Corporate Risk Report 2019	▪ Risk Management Policy 2020 ▪ Quarterly Risk Report Q1 2023-2024

The City of Marion recognises that climate change is already affecting some aspects of council operations. The list of potential risks is grouped into physical and transitional risks:

- **Physical risks and opportunities:** There is a risk that extreme weather events, coastal inundation and protracted and enduring changes in weather patterns caused by climate change/global warming will result in an increase in operating costs due to asset damage and accelerated deterioration, damage to Council natural and built environments and an increasing disconnect between Councils capacity to deliver facilities and services and the community's expectations. There may also be physical changes to the environment that have a positive impact such as warmer winter temperatures resulting in less energy consumption for heating and improving vegetation health during winter periods.
- **Transitional risks and opportunities:** Council's response to the potential physical risks of climate change is called "transitional risks". This includes what we do to reduce carbon emissions and reduce human-induced climate change (climate change mitigation) and what we do to adapt to climate change. (City of Marion 2023)

The FRAC summary of climate risks are current and provide a good level of detail about the potential risks, opportunities, and treatment options.

Interview findings

Staff at the workshop stated that they continuously carry out scans of environmental issues when they review the strategic risks. This is evidenced in the latest Finance, Risk and Audit Committee (FRAC) agenda. It is positive to note that this document includes monitoring improvements to the climate change governance assessments and that Marion is committed to developing a specific climate risk register in 2024. Regardless of the indicator score, improvements in the ease to identify climate risks are required (see Public Risk Disclosure #3).

Actions to enhance climate change governance

To enhance their climate change governance for the Risk Management (#4) indicator, Council should integrate climate change into their risk management framework. To achieve this, Council will need to:

- Provide an easy-to-access version of the Risk Management Framework. At present, public disclosure is only available via searching of the FRAC agenda/minutes. This does not promote active transparency, and
- Recognise that the financial elements of climate change are not well understood by the City of Marion. Improvements in consideration of climate change are required in the relevant financial management documents and mechanisms.

Council's risk management documents must also describe the organisation's processes for identifying, assessing, and managing climate-related risks. Since no public risk management documents were found for this governance assessment, it is recommended that Council make these documents publicly available on its website.

Asset Management (#5)

Importance

Local governments have hundreds of millions (and in some cases billions) of dollars invested in assets. Some of the assets that councils maintain have a long life expectancy and as such may be exposed to direct and indirect climate change risks. This generates a potentially unexplored or under-quantified financial risk for local governments.

Governance score

	2019 Assessment	2023 Assessment
Level (score)	**Basic**	**High**
Description	General statements about climate change (e.g. in the introduction) OR considered in some asset projects (albeit ad hoc).	Detailed inclusion of climate change, but is limited to two climate-related risks (e.g. flooding) AND/OR two council functions (e.g. land use planning).
Document/s reviewed	▪ Asset Management Policy 2018 ▪ Amalgamated Asset Management Plan 2015 ▪ Asset Management Plans for 2019 assessment (see Appendix A)	▪ Asset Management Policy 2022 ▪ Asset Management Strategy 2023-2033 ▪ City of Marion Building Asset Strategy (CoMBAS) 2022-2032 ▪ Asset Management Plans for 2023 assessment (see Appendix B)

Interview findings

At the interviews, it was evident that the staff were aware of a range of climate-related risks. They noted that there was a need for a detailed assessment to better understand the nature of climate-related risks affecting the assets. The staff at the workshop discussed the Resilient Assets Management Project (RAMP) project which is designed to support improved consideration of climate change in asset management.

> "The Resilient Assets Management Project (RAMP) is improving the resilience of our communities to the risks posed by climate change by integrating climate risk into our asset management processes. This work builds resilience to climate-related risks and natural disasters, optimises council expenditure, and reduces legal and financial liabilities. Working across councils will deliver financial efficiencies and reduce duplication of effort and assist in the Implementation of a consistent approach across the sector." (Resilient South n.d.)

Actions to enhance climate change governance

To enhance their climate change governance for the Asset Management (#5) indicator, the City of Marion should provide comprehensive guidance on the effects of climate change on their assets in the Strategic Asset Management Plan. To achieve this, Council will need to:

- Ensure that the planned climate-related risk assessment planned for 2024 is not delayed. Where possible provide a financial quantification of assets at risk from physical and transition issues.



Procurement (#6)

Importance

Procurement can play an important role in transitioning to a net-zero, climate-resilient future. Local governments can reduce emissions through design features, including low-energy design and incorporating low-carbon materials. They can also use their procurement to stimulate markets for low-carbon technologies, products, and services.

Governance score

	2019 Assessment	2023 Assessment
Level (score)	**No data***	**None**
Description	No publicly available procurement documents were found.	No consideration of climate change (or associated key words) in procurement documents.
Document/s reviewed		▪ Procurement and Contract Management Policy 2021

* 'No data' means no publicly available data was located – an internal document may still be available.

Interview findings

The staff at the workshop noted that Council's annual procurement could be an enabler for responses to climate-related issues. Staff noted that the organisation has developed ecological sustainable development (ESD) guidelines. These guidelines are aspirational only and not mandatory. Some staff noted that the procurement process has some weighted criteria for environmental elements. However, others stated that there is currently there was no formal process for specifically ensuring climate change was considered in procurement.

Actions to enhance climate change governance

To enhance their climate change governance for the Procurement (#6) indicator, Council should recognise climate change as a core element of procurement planning. To achieve this, Council will need to:

- Provide detailed inclusion of climate change in Council's procurement strategy and guidelines,
- Consider including climate change in specific supplier directives (e.g. provide company emissions target or carbon data),
- Ensure that procurement processes align with council strategies and/or targets, and
- Ensure that climate change is considered in the decision-weighting criteria. For example, zero-emissions products receive a higher rating.

It would be advantageous to develop a 'Procurement and Climate Change Guideline'. The guideline should be shaped by the climate response plan and any relevant policy (e.g. a climate policy or integrated into a procurement policy.

Council could consider mandatory requirements for reporting climate change metrics by suppliers. For example, all procurement over a specific value could include a supplier statement on the specific carbon footprint and/or resilience metrics. Council may also specify that emissions from procured goods and services cannot go over a stated threshold, which should become more stringent over time.

Community Wellbeing (#7)

Importance

Councils' role supports community well-being. The negative impacts on community wellbeing will likely lead to increased demand on council services and/or the ability for the community to contribute (via rates or voluntary support).

Governance score

	2019 Assessment	2023 Assessment
Level (score)	**None**	**None**
Description	No consideration of climate change (or associated key words) in community wellbeing documents.	No consideration of climate change (or associated key words) in community wellbeing documents.
Document/s reviewed	▪ Community Vision – Towards 2040	▪ Community Vision – Towards 2040

Interview findings

During the interview, staff stated that some community members were interested in climate change. It was noted that as a local government everything is designed to ultimately support the community, who they represent. Staff referenced the fact that libraries open later during heatwave events and that council was participating with industry and the local community in a virtual battery project. However no specific reference was made to community wellbeing plans.

Actions to enhance climate change governance

To enhance their climate change governance for the Community Wellbeing (#7) indicator, climate change should be given consideration in all future reviews of relevant strategies and action plans as a standard part of the review and development process. To achieve this Council will need to:

- Include key performance indicators related to climate change and community wellbeing (e.g. metrics & targets),
- Identify roles and responsibilities for strategic climate actions, and
- Provide timing for delivery that is linked to governance (e.g. mainstreaming of climate change).

Land Use Planning (#8)

Importance

Land use planning can play a critical role in climate change adaptation. Strategic and local planning decisions can both increase and decrease the exposure of human settlements to climate change impacts. If done well effective land use planning can support climate-resilient and low-energy development.

Governance score

	2019 Assessment	2023 Assessment
Level (score)	**Intermediate**	**Intermediate**
Description	Brief inclusion of climate change for one or more climate-related risk (e.g. flooding) AND/OR planning theme. Also includes objectives or desired outcomes for specific climate change considerations. May have some general strategies or suggested responses*	Brief inclusion of climate change for one or more climate-related risk (e.g. flooding) AND/OR planning theme. Also includes objectives or desired outcomes for specific climate change considerations. May have some general strategies or suggested responses*

	2019 Assessment	2023 Assessment
Document/s reviewed	▪ Development Plan 2018	▪ State Planning and Design Code – Version 2024.1 ▪ State Planning Policies for South Australia – Version 1.1 2019 ▪ The 30-Year Plan for Greater Adelaide 2017 (regional)

*The Planning and Design Code is the State's single planning rule book and contains planning policies for the assessment of a development application under the *Planning, Development and Infrastructure Act 2016*. Given the fact that the Code has the elements that would achieve an 'Intermediate' score, a South Australian Council can only achieve an 'Intermediate' score for this indicator.

Interview findings

During the interview, staff explained that there are significant constraints on the role of local government in incorporating climate change into land use planning decisions. They discussed the implementation of the State Planning and Design Code, which came into effect on the 19th of March 2021, replacing all Local Development Plans across South Australia. As the Code is the State's single planning rule book, staff stated that they had almost no control over how climate-related issues can be integrated into a development decision. At present, Council is limited to lobbying the State for changes and meeting with developers to encourage suitable outcomes.

Actions to enhance climate change governance

Under the current land use planning system, the City of Marion is somewhat constrained by State policies and legislation to implement the above. In the first instance, Council should continue to resource lobbying the State to improve the consideration of climate change in the State Planning and Design Code. To improve their score for the Land Use Planning (#8) indicator, the State would be required to provide guidance for multiple climate-related physical and transition risks, preferably with a good consideration in the general provisions. It would also need to include responses to indirect impacts of climate change and reflect the latest science (e.g. most recent IPCC assessment report from date of publication).



Natural Environment (#9)

Importance

Local governments play a key role in supporting the natural environment. In return, the natural environment provides ecosystem services and can greatly support adaptation to climate-related risks and mitigation of greenhouse gas emissions.

Governance score

	2019 Assessment	2023 Assessment
Level (score)	**None**	**High**
Description	No consideration of climate change (or associated key words) in natural environment documents.	Detailed inclusion of climate change with at least two climate-related risks (e.g. invasive species) AND/OR two council functions (e.g. land use planning). Does not have all the attributes listed in the 'Advanced' score level. A 'High' is the maximum level that can be reached if a regional environment strategy/ plan is found.
Document/s reviewed	▪ Environmental Policy 2019	▪ Environmental Policy 2023 ▪ Remnant Native Vegetation Plan 2018-2023 ▪ Tree Management Framework 2018

Interview findings

It was evident that Council staff had a good grasp on how climate change may affect the natural environment. The staff interviewed stated that key issues included:

- Drying out of soil more quickly reducing the tree planting season.
- Increased watering needs for trees and plants to compensate for drier conditions.
- Potential loss of tree species that are not adapted to climate changes like increased temperatures and changes in rainfall patterns.

In regard to governance, staff noted that defining natural assets was a current challenge and that Marion does not take an asset management approach to natural assets.

Actions to enhance climate change governance

To improve their score for the Natural Environment (#9) indicator it would require Council's environment strategies and/or plans to consider climate change for all aspects of the natural environment. This would require Council to:

- Include key performance indicators related to climate change (e.g. metrics & targets),
- Identify roles and responsibilities for strategic climate actions, and
- Provide timing for delivery that is linked to governance (e.g. mainstreaming of climate change).



Emergency Management (#10)

Importance

There are significant opportunities to drive climate change adaptation decision-making through disaster management planning. Adaptation has numerous supporting benefits for emergency management including the implementation of risk planning for disaster mitigation and preparedness, response capacity and minimising exposure to reoccurring situations.

Governance score

	2019 Assessment	2023 Assessment
Level (score)	**Intermediate**	**Intermediate**
Description	Climate change is mentioned throughout, but specific climate-related risks are not discussed (e.g. projected height for sea level rise or particular changes in heatwaves).	Climate change is mentioned throughout, but specific climate-related risks are not discussed (e.g. projected height for sea level rise or particular changes in heatwaves).
Document/s reviewed	▪ Community Emergency Management Plan 2018 ▪ Southern Adelaide Zone Emergency Management Plan 2018	▪ Community Emergency Management Plan 2020 ▪ Southern Adelaide Zone Emergency Management Plan 2018

Interview findings

The staff at the workshop showed excellent knowledge of the interplay between climate change and emergency management, however, it was recognised that this could be improved.

Actions to enhance climate change governance

To improve their score for the Emergency Management (#10) indicator it would require Council to consider climate-related risks in all elements of disaster management. It may also provide climate scenarios, links to international and national leading standards, or consider other council climate studies. However, Council currently operates under the Southern Adelaide Zone Emergency Management Plan which restricts their capability to plan for climate-related emergencies in their local government area. The City of Marion should consider developing a Local Emergency Management Plan.

Climate Change Policy (#11)

Importance

An internal climate change policy (or corporate standard/ statement of intent) allows the organisation to place a climate change lens over all of the council's activities and use the existing system to drive adaptation, risk minimisation and transition to a lower-carbon economy. It can allow for the agreed use of information sources and specific triggers for change.

Governance score

	2019 Assessment	2023 Assessment
Level (score)	**High**	**Advanced**
Description	A specific climate change policy exists and considers numerous physical and transition risks. Must also reflect the latest science – most recent IPCC assessment report from date of publication. Does not have all the attributes listed in the 'Advanced' score level.	A comprehensive climate change policy (or collection of policies) exists. It must include ALL of the following: key performance indicators (e.g. metrics & targets), identified roles and responsibilities, timing for delivery and linked to governance (mainstreaming).
Document/s reviewed	▪ Climate Change Policy 2016	▪ Climate Change Policy 2021

Interview findings

The staff interviewed during this assessment confirmed that Council has implemented a climate change policy, in response to the recommendations of the previous climate change governance assessment.

Adaptation Planning (#12)

Importance

Best practice adaptation plans identify the actions required to mitigate specific risks and have mechanisms in place to respond to physical, transitional and liability risks. Adaptation planning helps to set key performance indicators and establish roles and responsibilities across the council and more broadly.

Governance score

	2019 Assessment	2023 Assessment
Level (score)	**High**	**High**
Description	Detailed responses for adaptation actions for both the Council and community. Does not have all the attributes listed in the 'Advanced' score level. A 'High' is the maximum level that can be reached if a regional adaptation strategy and/or action plan is found.	Detailed responses for adaptation actions for both the Council and community. Does not have all the attributes listed in the 'Advanced' score level. A 'High' is the maximum level that can be reached if a regional adaptation strategy and/or action plan is found.
Document/s reviewed	▪ Resilient South Regional Climate Change Adaptation Plan 2014 ▪ Southern Region Local Government Implementation Plan 2015-2019	▪ Resilient South Regional Climate Change Adaptation Plan 2014 ▪ Southern Region Local Government Implementation Plan 2015-2019

Interview findings

Council staff were aware of the need for climate change adaptation. Council plans on has carrying out a climate-related risk assessments covering physical and transition risks in 2024. It was recognised that once this is completed specific adaptation actions will emerge.

Actions to enhance climate change governance

Marion is captured in the Resilient South Climate Change Adaptation and Implementation Plans south, and for this reason, it received a 'High' score for the Adaptation Planning (#12) indicator. In the plan, Council:

- Provides detailed responses for adaptation actions for both the Council and community,
- Identifies roles and responsibilities for strategic climate adaptation actions, and
- Provides timing for delivery that is linked to governance (e.g. mainstreaming of climate change).

To enhance their climate change governance for this indicator, Council should carry out the following actions:

- Develop a Marion-specific climate change adaptation plan with key performance indicators related to climate change (e.g. metrics & targets), and
- Include climate-related impacts from both acute and chronic physical risks.

The adaptation plan should also respond directly to the detailed climate change risk assessment that is being carried out in 2024.

Transition Planning (#13)

Importance

Transition Planning is crucial as it publicly unpacks a Council's response as it adjusts to a low-carbon and resilient organisation and community. A transition plan can also provide transparency for key stakeholders such as communities, businesses, and utilities.

Governance score

	2019 Assessment	2023 Assessment
Level (score)	**Basic**	**Basic**
Description	Focussed on one transition risk (e.g. legal risk) with only summary statements for transition planning provided. A basic can also be achieved if Council has declared a climate emergency.	Focussed on one transition risk (e.g. legal risk) with only summary statements for transition planning provided. A basic can also be achieved if Council has declared a climate emergency.
Document/s reviewed	▪ Energy Efficiency and Renewable Energy Plan 2018	▪ Carbon Neutral Plan 2020-2030

Interview findings

Council staff stated that transition risk was an area of focus that would need to be considered in their 2024 climate change risk assessment. The staff at the workshops were aware of several transition risks, with concern about the market risk of insurability and lending risk for their ratepayers being evident.

Actions to enhance climate change governance

To enhance their climate change governance for this indicator, Council should consider developing a specific transition plan that expands the scope wider than just emissions planning to capture all elements of transition risk. This requires organisational transition planning (not just supporting broader community/ economy). In general, it would be expected to see the following five elements of transition risk: legal, regulatory, reputation, market, and technology. The plan will need to:

- Include a range of key performance indicators related to climate change (e.g. metrics & targets), and
- Expand on activities, roles, and responsibilities for strategic climate transition actions (e.g. to explore reputation risk).



Carbon Target (#14)

Importance

Climate change mitigation actions allow for the exploration and promotion of resilient energy systems and passive solar design that may reduce human health-related issues as well as considerable energy savings. Furthermore, climate change adaptation will likely need to occur in a carbon-constrained economy.

Governance score

	2019 Assessment	2023 Assessment
Level (score)	**None**	**Advanced**
Description	No carbon neutral public disclosure statement was found OR carbon target disclosed in council's core governance documents.	A net-zero carbon target has been established by or before 2030. If carbon neutrality is achieved, then a carbon neutral public disclosure statement must be produced.
Document/s reviewed		▪ Found in other governance documents (e.g. Carbon Neutral Plan)

Interview findings

The staff noted that Council has recently decided to implement an emissions reduction target of net-zero corporate emissions by 2030 (the organisation's emissions, not all emission in Council region).

Actions to enhance climate change governance

No actions are required to enhance this indicator score. Council's target of net-zero corporate emissions by 2030 means that they score 'Advanced' for the Carbon Target (#14) indicator.

4 Qualitative Assessment Findings

The next section provides a summary of the results of each qualitative governance indicator as well as the actions provided for Council to enhance their climate change governance. The results of the climate change staff survey are included for relevant indicators, with 28 staff members participating in the survey.



Oversight (#15)

Importance

Oversight is the process by which the organisation monitors and oversees progress against goals and targets for addressing climate-related issues. For a local government, the ultimate oversight is at the elected member level, although many of the activities will be delegated to council management and staff.

Staff survey insights

The results of the staff survey show that 68% of participants (19 staff members) believe that Council has provided them with enough governance support (e.g. policies, strategies, guidelines) to effectively respond to climate-related issues in their field of work.

Interview findings

During the interviews, staff explained that Council, via the elected members, have ultimate oversight of climate-related issues. This is significantly supported by the climate-related issues captured in the Finance, Risk and Audit Committee. Currently there is no specific climate-related heading in reports to Council.

Actions to enhance climate change governance

Using the findings from the face-to-face interviews with key staff members, Informed.City™ suggests Council implement the following actions to improve their climate change governance for the Oversight (#15) indicator:

- Develop key targets that elected members and executive management can track. See Metrics (#19) indicator.
- Consider including climate change as a standard heading in all reports to Council.



Information Systems (#16)

Importance

Understanding the impacts of climate change requires access to climate change information and the appropriate information systems set up to enable effective storing, analysing, and visualising of climate-related data. It is critical that local governments establish information systems that allow for

cross-departmental communication and collaboration of this data to assist Council in understanding how climate change affects their organisation.

Staff survey insights

The results of the staff survey show that 21% of participants (6 staff members) are familiar with all the processes Council has implemented for acquiring, storing, analysing and/or visualising climate-related data. Another 11 staff members (39% of participants) also stated that are familiar with some of the climate-related data processes.

Interview findings

Staff at the workshop noted that Council have a system that tracks key performance indicators (KPIs) on a quarterly basis. They noted that regarding climate change, the most relevant indicator being measured are carbon emissions and electricity expenditure. From the interviews and analysis of corporate documents it seems that internal reporting or monitoring of climate-related issues are via the Strategic Risk Register and the climate-related KPIs in the quarterly review.

Actions to enhance climate change governance

Using the findings from the face-to-face interviews with key staff members, Informed.City™ suggests Council implement the following actions to improve their climate change governance for the Informed Systems (#16) indicator:

- Add Implement a monitoring an evaluation dashboard. A dashboard that enables monitoring of key climate metrics and evaluation against targets will greatly support oversight. This could draw on information from the strategic risk register, the climate change governance results, and financial quantification of climate-related risk and expenditure. The relevant KPIs / indicators should be tracked in as close to real-time as possible and be tailored for each key council function.



Climate Risk Assessments (#17)

Importance

Climate change risk assessments are useful for identifying and quantifying the potential effects of climate change. They provide organisations with the critical information they need to understand the impacts that climate change may present. Risk assessments also help to identify and prioritise issues that require further investigation and/ or adaptation actions.

Staff survey insights

The results of the staff survey show that 57% of participants (16 staff members) consider both physical and transition risks related to climate change in their decision making. Also, seven staff members stated that they consider physical risks (25%), and five staff members considered no risks.

Interview findings

The staff interviewed stated that Council is intending to carry out a climate change risk assessment in 2024 to better understand the extent of risk. Council staff identified several climate related risks, with coastal hazards, storms, and flooding being noted as the most likely physical risks that will affect the organisation. They also explained that extreme heat is a challenge, but one that is more likely to be a health risk to the community than Council's assets.

Actions to enhance climate change governance

Using the findings from the face-to-face interviews with key staff members, Informed.City™ suggests Council implement the following actions to improve their climate change governance for the Climate Risk Assessment (#17) indicator:

- Consider developing integrated climate change scenarios to explore outlier risks and what plausible futures may affect the organisation's long-term strategy (Haigh 2019).
- Ensure that the full remit of transition risk (e.g. market, regulatory, legal, reputation, technology) are included in the 2024 risk assessment.



Climate Legal Risk (#18)

Importance

Climate change is emerging more and more as a climate legal risk problem that governments, organisations and the community are attempting to understand, avoid and manage. The nature of climate legal risk for local governments is a minefield that can manifest itself in many ways. There is the potential that one lawsuit could erode a council's financial resilience.

Staff survey insights

The results of the staff survey show that 46% of participants (13 staff members) have discussed climate-related legal risks in their key task or projects.

Interview findings

No mentions of legal risk or legal analysis was captured from the workshops.

Actions to enhance climate change governance

Using the findings from the face-to-face interviews with key staff members, Informed.City™ suggests Council implement the following actions to improve their climate change governance for the Climate Legal Risk (#18) indicator:

- Identify priority areas for climate legal risk advice, especially about the relative role of Council versus residents and the State Government.
- Ensure that legal risks associated with climate change are included in the risk register, until well managed.



Metrics (#19)

Importance

Climate change metrics are critical to help organisations to understand and manage climate-related risks, opportunities, and impacts. They enable the tracking of progress against goals such as reaching net-zero emissions by a specified date, or targets associated with a reduction of exposures to defined physical risks.

Staff survey insights

The results of the staff survey show that physical risks is the most common climate-related metric used to support staff decision making (11 participants). This is followed by transition risks and opportunities (8 participants each). Other metrics identified were related to GHG emissions (6 participants) and internal carbon prices (2 participants).

Interview findings

Council staff stated that climate-related issues are tracked and monitored in the risk management work. Council provides an update in the FRAC, however, there are minimal climate-related metrics and targets captured in any governance documents or mechanisms. This is especially so for financial related metrics.

Actions to enhance climate change governance

Using the findings from the face-to-face interviews with key staff members, Informed.City™ suggests Council implement the following actions to improve their climate change governance for the Metrics (#19) indicator:

- Identifying key metrics to track both internally (for governance) and publicly (for community oversight and awareness). The recommendations from the Climate Risk Assessment (#16) indicator would support this process.
- Consideration should also be given to the establishment of a mechanism that enables an evidence-based analysis of procurement against climate-related metrics. For example, if the above recommendation was enacted the procurement team could collate and report on Council's 'procured emissions' and other climate-related metrics.



Staff/ Resource Allocation (#20)

Importance

Monitoring councils' resource and staffing commitment to climate change is critical to supporting ongoing climate change adaptation and mitigation. If a council only relies on external consultants for climate research and responses, then it is doing very little to support the improved internal adaptive capacity of its organisation. The overarching goal should be to mainstream consideration of climate change across all council activities.

Staff survey insights

The results of the staff survey show that 46% of participants (13 staff members) believe that your current level of training in climate change is adequate to perform your key tasks.

Interview findings

It was evident at the workshops that Council has allocated staff resources explicitly to climate-related issues.

Actions to enhance climate change governance

Using the findings from the face-to-face interviews with key staff members, Informed.City™ suggests Council implement the following actions to improve their climate change governance for the Climate Staff/ Resource Allocation (#20) indicator:

- Review opportunities to embed capacity building into existing staff training, such as new employee inductions.
- Develop an organisational chart that shows where climate change responsibilities are integrated into the organisation. This is often done by financial organisations that are reporting under the TCFD framework. See page 39 of the ASB Climate Report.
- Develop a capacity-building program to continue to raise staff awareness about climate change impacts and how they can be managed within different Council functions. This should be an ongoing program similar to how workplace health and safety training is conducted across the organisation.



Community/ Stakeholder Engagement (#21)

Importance

Connecting to the community is a core component for developing a safer, more resilient community. It is the local community who will bear the brunt of climate change impacts as they directly or indirectly contribute towards adaptation and transition efforts (e.g. through increased insurance costs, taxes, and voluntary community actions).

Staff survey insights

The results of the staff survey show that 46% of participants (13 staff members) are believe that they are appropriately informed about your community's expectations for Council's response to climate change.

Interview findings

Council has carried out an advocacy role in the roll out of the new Planning and Design Code. Numerous staff noted that the new planning system has limited Council's ability to respond effectively to climate related issues.

Actions to enhance climate change governance

Using the findings from the face-to-face interviews with key staff members, Council should implement the following actions to improve their climate change governance for the Community/ Stakeholder Engagement (#21) indicator:

- Continue to lobby the State Government to either greatly improve climate related considerations in the Planning and Design Code, or to ensure the city is given the power to respond as required.
- Ensure that the community understand the nature of climate change risk, and how it may affect the insurance and banking sectors.
- Carry out engagement with the financial sector to better understand how they may respond to climate-related risks and opportunities.



Institutional/ Intergovernmental Relationships (#22)

Importance

Climate change is a transboundary issue. Adaptation action (or inaction) by one stakeholder can both improve and erode the resilience of another. Economies of scale and collectively sharing

knowledge can improve climate change governance. The actions by a range of organisations have the potential to affect councils' resilience.

Staff survey insights

The results of the staff survey show that 11 staff members (39% of participants) are actively collaborating with another local government/s on climate-related issues specific to your key tasks.

Interview findings

The City of Marion has established very strong intergovernmental relationships. They are active members of Resilient South, with the most recent program being the RAMP project. Council is also showing leadership with its relationship with industry and businesses in the Virtual Battery project.

Actions to enhance climate change governance

Using the findings from the face-to-face interviews with key staff members, Informed.City™ suggests Council implement the following actions to improve their climate change governance for the Institutional/ Intergovernmental Relationships (#22) indicator:

- Seek to clarify the role of Council as compared with State Government in managing climate risk.

5 Summary

Governance results for each indicator

The City of Marion has a solid foundation of climate change governance, which has improved overall since the last climate change governance assessment. Council has been responsive to some of the recommendations provided in the 2019 assessment, most notably developing a climate change policy, and endorsing a carbon neutral target.

The City of Marion has improved their scores in seven indicators: Strategic Planning (#1), Public Risk Disclosure (#3), Risk Management (#4), Asset Management (#5), Natural Environment (#9), Climate Policy (#11) and Carbon Target (#14). However, Council's score for the Financial Management (#2) indicator decreased from 'Intermediate' to 'Basic' when comparing against assessment years. Overall, the City of Marion has significantly improved the integration of climate change in its governance mechanisms (see Table 2).

Given the significant system risk presented by climate change, it is imperative that the City of Marion continue to maintain this positive momentum to continue to integrate the consideration of climate-related issues in all decision-making and strategic planning. Mechanisms to foster integration must be in place to frame the response, and resources and capability must be commensurate with the challenge.

The City of Marion has implemented a solid foundation in its response to climate-related issues. The organisation's climate-related governance strengths identified in this analysis include:

- The City of Marion has a solid recognition of the issue. Climate change is considered throughout most of the City's governance documents and mechanisms.
- The City of Marion's approach has resulted in a marked improvement in its climate change governance score.
- The City of Marion has also taken leadership at the regional level, via its active participation in the Resilient South initiative, and the RAMP.

Table 2: Comparative results of the climate change governance assessment

Indicator	2019 Assessment*	2023 Assessment
Strategic Planning (#1)	Intermediate	High
Financial Management (#2)	Intermediate	Basic
Public Risk Disclosure (#3)	Intermediate	High
Risk Management (#4)	Intermediate	Advanced
Asset Management (#5)	Basic	High
Procurement (#6)	No data	None
Community Wellbeing (#7)	None	None
Land Use Planning (#8)	Intermediate	Intermediate
Natural Environment (#9)	None	High
Emergency Management (#10)	Intermediate	Intermediate
Climate Change Policy (#11)	High	Advanced
Adaptation Planning (#12)	High	High
Transition Planning (#13)	Basic	Basic
Carbon Target (#14)	None	Advanced

Legend:

No data	None	Basic	Intermediate	High	Advanced

*NB the 2019 Assessment scores reflect the restructured methodology to allow for comparative analysis. As a result, some scores may be different to the previous detailed governance assessment report prepared for Council.

Council's governance status

There are 14 quantitative indicators scored for Informed.City's climate change governance assessment. Councils should be seeking to achieve as many 'Advanced' and 'High' scores as possible. When grouping the scores together the following aggregate of quantitative indicators may help organisations to see where they are tracking for climate change governance overall (see Table 3). These are general statements and based on a review of hundreds of local governments in Australia and New Zealand. For the 2023 assessment, the City of Marion received three 'Advanced' scores and five 'High' scores which gives them a 'Responder' status. This is an improvement on Council's 2019 assessment results in which they were given 'Seeker' status.

Table 3: Council's governance status for the 2023 assessment

Status	Measure	Description
Leader	13-14 'High' and/or 'Advanced' indicators	Council has public and active monitoring and evaluation of climate-related risks and opportunities, and these shape the whole of organisation direction. Climate change is integrated into the organisation, with improvements likely to arise over time as a result from strategic planning shifts, a reduction in exposure to climate risk and full transparent disclosure of responses.
Integrator	9-12 'High' and/or 'Advanced' indicators	Council is on the cusp of full integration of climate change into its organisation. Climate change is likely to shape numerous decisions in council, but not completely shape strategic direction.
Responder	5-8 'High' and/or 'Advanced' indicators	Council has recognised climate change as an issue and is actively responding. Full integration is likely to be limited by a full understanding of the extent of the financial risk, resourcing, management and/or elected member support.
Seeker	1- 4 'High' and/or 'Advanced' indicators	Council is likely to have one or more climate champions who are actively leading change but are yet to be received by all areas of executive management.
Starter	No 'High' and/or 'Advanced' indicators	Council may have some consideration of climate change, but this is most likely to be driven by regulatory requirements or from staff (not executive management) leadership.

Improvements and recommendations

Notwithstanding the above, improvements in climate change governance are required to ensure that the level of sophistication of the response is aligned with the transformational challenge. The key gaps identified in this governance assessment include:

- Climate change is not adequately captured in financial management mechanisms, and this is a score that decreased since the last assessment.
- Council has not yet tested how climate change may affect its strategic planning, via the use of integrated scenario narratives.

There is no doubt that the City of Marion is well-placed to improve its level of sophistication regarding overseeing and managing climate-related issues. A number of specific recommendations are provided in this report, with identified priority recommendations being:

- Prioritise activities that support improved considerations of climate change into financial management mechanisms.
- Quantify the potential exposure to climate-related risks. The scope of climate risk assessments will need to incorporate both physical and transition risks and should, where

possible, look to analyse risks using both qualitative and quantitative (monetary terms) approaches. This will assist in the improved consideration of climate change in financial governance mechanisms. The quantification of some risk metrics will also help Council to monitor and evaluate progress and help drive a targeted response to climate risks to Council's assets.

- Building on the above, the City of Marion should consider developing a dashboard that tracks key climate-related metrics. The dashboard could act as both an internal and public reporting mechanism that helps inform key staff and the public about implementation progress and key performance. Internal reporting improves committee oversight of climate-related risks, using structured guidelines and reporting templates.

6 References

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Resilient South (n.d.) *Resilient Asset Management Project (RAMP)*, *Resilient South*, https://www.resilientsouth.com/ramp, accessed 29 January 2024.

7 Appendices

Appendix A: Asset Management Plans for 2019 Assessment

- Arts and Cultural Development Strategic Management Plan 2014-2019
- Building Asset Management Plan 2015
- Open Space Asset Management Plan 2015
- Transport Asset Management Plan 2015
- Walking Trail Management Plan 2015

Appendix B: Asset Management Plans for 2023 Assessment

- Artworks, Culture and Heritage Asset Management Plan 2020-2030
- Buildings and Structures Asset Management Plan 2020-2030
- Coastal Walkway Asset Management Plan 2020-2030
- Fleet, Plant and Equipment Asset Management Plan 2020-2030
- Open Space Asset Management Plan 2020-2030
- Stormwater Asset Management Plan 2020-2030
- Transport Asset Management Plan 2020-2030
- Water Treatment and Resources Asset Management Plan 2020-2030

Attachment 2 – Summary of scores and actions that will be implemented

TABLE 1. City of Marion scores from the 2019 and 2024 Climate Change Governance Assessment by Informed.City™ including target scores and priority actions endorsed by the Executive Leadership Team (ELT) for noting by FRAC.

Indicator	Score			**Response** (new actions endorsed by ELT in **green**)
	2019	**2023**	**Target**	
Strategic Planning (#1)	**Intermediate**	**High**	**High**	• New Strategic Plan 2024-2034 contains further responses around climate change • Continue work on emissions reduction and adaptation planning through Carbon Neutral Plan and Environmental Sustainability Plan
Financial Management (#2)	**Intermediate**	**Basic**	**High**	**ACTION 1:** Include a "climate change" section in the **Annual Report**, **Annual Business Plan** and **Long-Term Financial Plan.** This section should include: • Reference to the climate risk register summarising key risks and how we are responding to them • Consider implications of alignment with relevant climate change finance standards: International Sustainability Standards Board (ISSB), Australian Accounting Standards Board (AASB) and LGA Model Financial Statements
				ACTION 2. Increase **staff training** on climate risk and climate change adaptation planning. Several training modules are being developed by the LGA Climate Risk Training and Engagement Package. Training packages targeted towards finance staff should be prioritised.
				ACTION 3. Identify climate resilience as an objective in next review of **Marion Water Plan**
Public Risk Disclosure (#3)	**Intermediate**	**High**	**High**	**ACTION 4.** Ensure the **Climate Change Risk Register** is reported to FRAC as a public record. Other recommendations will be covered by Action 1 above. The FRAC meeting is a public record. A summary of our Climate Risk Register can be made on the climate response section of the CoM website.
Risk Management (#4)	**Intermediate**	**Advanced**	**Advanced**	• Continue existing work on Climate Risk Register • Continue existing work on climate change adaptation planning

Indicator	Score			Response (new actions endorsed by ELT in green)
	2019	2023	Target	
Asset Management (#5)	**Basic**	**High**	**High**	• Continue existing work on climate change and asset management • Staff training will assist with awareness (see Action 2)
Procurement #6	**No data**	**None**	**Intermediate**	**ACTION 5**. Include consideration of climate change in the review the ***Procurement and Contract Management Policy and procedures***. Note this policy is due for review in mid-2025. Opportunities exist to align approaches around sustainable procurement with partner councils.
				ACTION 6. Review ESD Guidelines to establish clear levels of service. A review of the current ESD Guidelines is planned for 2026/2027.
Community Wellbeing #7 (page 9)	**None**	**None**	**High**	Council is delivering work on community resilience to climate change, however this was not visible in the publicly available documents that were reviewed during this assessment. New directions in the updated Strategic Plan, Regional Public Health Plan and Environmental Sustainability Plan will raise this score.
Land Use Planning (#8)	**Intermediate**	**Intermediate**	**Intermediate**	Scoring for this section focuses on state policy outside of Council control. Work should continue on: • Development of resources and guides for sustainable development • Advocacy to State and Federal Government on climate change and land-use planning
Natural Environment (#9)	**None**	**High**	**Advanced**	Existing new work in this area including through the Biodiversity Plan, Environmental Sustainability Plan and Trees Asset Management Plan would likely result in a higher score.
Emergency Management (#10)	**Intermediate**	**Intermediate**	**High**	**ACTION 7.** Through involvement with Southern Adelaide **Zone Emergency Management Committee**, advocate for further planning on high-risk climate-related emergency response scenarios (heat waves, drought and bushfire). City of Marion is represented on the ZEMC via a member of the Strategy and Risk Unit. Resilient South also has a priority action to work with ZEMC on climate change scenario planning.
Climate Change Policy (#11)	**High**	**Advanced**	**Advanced**	Maintain Climate Change Policy (note this is due for review in 2025)
Adaptation Planning (#12)	**High**	**High**	**High**	We scored high for this indicator due to our involvement in the Resilient South and work on coastal adaptation planning. However, there may be future need to

Indicator	Score			Response (new actions endorsed by ELT in green)
	2019	2023	Target	
				increase the visibility of our strategic responses around **urban heat** as this is our highest physical climate risk. Currently adaptation to increased heat and extreme heat is integrated across a range of plans including Regional Public Health Plan, Environmental Sustainability Plan (in development), Trees Asset Management Plan, and Work Health and Safety Policies and Procedures.
Transition Planning (#13)	**Basic**	**Basic**	**High**	The new work on the Climate Risk Register is likely to raise our score in this area, however further work on transition planning is required – this will be assisted through further training (see Action 2) and better direction in the review of the Marion Carbon Neutral Plan and our emissions reduction strategy (part of Environmental Sustainability Plan).
Carbon Target (#14)	**None**	**Advanced**	**High**	Council will be reviewing its net-zero by 2030 target as part of the development of the Environmental Sustainability Plan. Current work on the emission reduction trajectory suggests that the target will not be achievable without significant investment into carbon offsets. Alternative investments into local emissions reduction activities are likely to provide better outcomes for our community than maintaining a short-term net zero target. A reduced target of emissions reduction (rather than net-zero) is likely to be adopted in the future **which may lower our score on this indicator**.
Qualitative Assessment A range of recommendations were made some of which are considered as low priority or will be implemented with existing planned work. Two key recommendations to improve climate change governance were approved by ELT.				**ACTION 8.** A formal internal **Environmental Sustainability Committee** will be established from 1 July 2025 that has responsibility for oversight and steering of strategic environmental sustainability directions including climate response.
				ACTION 9. Update the **Climate Governance Assessment** in four years and ensure alignment with Council's regular risk assurance auditing program (funding and responsibilities to be considered for 2027/2028).

edge impact™

Climate Change Risk Assessment

CITY OF MARION| OCTOBER 2024



PREPARED FOR

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—

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Revision	Revision Details	Author	Approved by	Date Approved
V1	Draft	Ivan Yancic, Cassie Cheeseman	Mark Siebentritt	31/7/2024
V2	Final	Ivan Yancic, Cassie Cheeseman, Mark Siebentritt	Mark Siebentritt	8/10/2024

Executive Summary

Context

City of Marion engaged Edge Impact to assess the likelihood and consequence of climate change risks primarily in relation to its assets and services. A combination of physical risks (the risks of a different future climate) and transition risks (the risks of moving to a low carbon economy) were assessed, with a focus on the former. The method followed relevant Australian standard and was informed by climate change projections recommended for use in climate risk assessment in South Australia.

While the assessment process identified potential risk treatment options.it is noted that the development of an adaptation plan will be the focus of future work by City of Marion and hence detailed prioritisation and implementation planning was not undertaken.

The process of identifying and assessing risks was delivered through a combination of Edge's existing knowledge of climate risk assessment for the local government sector with subject matter expertise from City of Marion staff, including their observations of the impact of past climatic events on assets and services.

With respect to physical risks, the primary climate hazards of concern relate to increasing temperatures, declining average rainfall (leading to increased risk of drought), increasing rainfall intensity and the risk of rain driven flooding, bushfire and sea level rise. Climate risks were considered at three timeframes into the future of 2030, 2050 and 2090. The timeframes were chosen because they are relevant to the design life in particular for City of Marion owned assets and to support long term service delivery planning.

Use of RCP 8.5

The climate risk assessment utilises RCP 8.5 modelling, a scenario that projects climate outcomes based on continued high greenhouse gas emissions. This pathway was selected as it aligns closely with current global emissions trends and provides a useful projection of the potential worst-case impacts. RCP 8.5 represents a scenario where there are limited global efforts to curb emissions, resulting in significant increases in temperature and more frequent extreme weather events. Given that present-day emissions are tracking near or above the levels projected in RCP 8.5, this model was chosen to ensure the assessment captures the highest possible risks to council operations. By planning for the most severe outcomes, the council can better prepare for potential disruptions, infrastructure stress, and increased costs associated with more intense climate impacts.

Key findings

The climate change risk assessment process identified and assessed 44 risks. The majority of risks were categorised as having low and medium ratings across the three timescales and as such may not require immediate action other than continuing with current control measures where they exist.

The following physical risks were identified as having a high risk rating at some point over the three timeframes assessed. Treatment options for consideration in the adaptation planning phase are also indicated.

- Greater deterioration of civil infrastructure and assets (including roads and drainage systems) as a result of a combination of increasing temperatures and more intense rainfall. This could be addressed through changing future design (e.g. greater capacity stormwater systems) and through the use of more climate resilient building and construction materials.
- Blackout and brownouts due to extreme heat, storms or bushfires; The increased frequency of extreme weather events such as heatwaves, storms, and bushfires presents a heightened risk of power outages (blackouts) and reductions in power supply (brownouts). These disruptions can affect council operations, including essential services and communications, leading to potential safety hazards for residents. Mitigation strategies could involve upgrading power infrastructure, investing in backup power systems, or partnering with energy providers to improve grid resilience in high-risk areas.
- Bushfire damaging or destroying natural assets; Bushfires pose a significant risk to natural assets such as parks, reserves, and waterways, which are vital for biodiversity, recreation, and tourism. The destruction of vegetation, wildlife habitats, and landscapes could impact community well-being and lead to costly restoration projects. To manage this risk, strategies like improved bushfire mitigation practices (e.g., controlled burns, fuel load management) and the protection of key natural areas through strategic planning could be employed.
- Vegetation (managed and natural) loss and/or vegetation being more susceptible to pests and diseases; With rising temperatures and changing weather patterns, vegetation - both natural and council-managed - is increasingly at risk of stress, leading to loss or heightened susceptibility to pests and diseases. This could affect local biodiversity, increase maintenance costs, and reduce green space availability for the community. Addressing this issue might involve

implementing more adaptive vegetation management strategies, such as selecting climate-resilient plant species, improving irrigation efficiency, and enhancing pest monitoring and control efforts.

- Soil movement due to drier conditions causing damage to buildings and increased replacement costs; Prolonged dry periods can lead to soil shrinkage or movement, which poses a threat to the structural integrity of council-owned buildings and infrastructure. This can result in costly repairs or premature replacement of assets. Adapting to this risk may require incorporating more flexible foundation designs in future construction, improving building inspections for early detection of soil-related damage, and investing in proactive soil stabilisation measures in vulnerable areas.

Transition risks were considered for City of Marion in relation to the broad categories of policy, regulation, technology and market conditions with 10 identified in total. In the immediate short term, the greatest risks of a rapid transition to a low carbon future arise where businesses and indirectly residential ratepayers have reduced ability to pay rates due to increasing costs of goods and services across the broader economy. In the longer term, City of Marion needs to be aware of the potential for increasing insurance costs and the availability of insurance for key assets along with how preferential requirements for climate resilience materials could disrupt supply chains and increase prices. Despite the potential risks, there is also an opportunity for City of Marion as an early mover in transitioning to a low carbon future to actively mitigate these risks by early adoption of technology when it becomes available and identifying suppliers that can meet council's emerging requirements.

Next steps

Future work will be required to further refine the understanding of risk, take action and consider appropriate disclosure reporting. The following next steps are proposed for consideration by City of Marion:

- Further prioritisation and adaptation planning - The risk assessment undertaken in this project has identified a range of treatment options. For high and potentially medium risks it is recommended that further prioritisation of treatment options is undertaken as part of developing an adaptation plan. It may also be important to further consider the variety of strategies that can be employed to reduce specific risks. Potential adaptation options range from avoiding risk, removing the risk source, changing the likelihood and consequences, transferring, or sharing the risk with another party, to retaining and accepting the risks.
- Reviewing the risk assessment - The risk register should be viewed as a dynamic document and where feasible the risk assessment results maintained on a regular basis. It is recommended that the risk register and assessment results are reviewed every 2-3 years with a view to considering the impact of research updates (e.g. in relation to climate science) or more regularly following significant climate events such as those that lead to material damages relevant to City of Marion risk consequence categories e.g. financial, community, health, safety and well being.
- Disclosure - The requirements to disclose climate risks and opportunities have been progressively increasing, with recent Federal legislation mandating climate disclosure reporting for some businesses. Similar requirements for Federal Government agencies and NSW State Government agencies have also been developed. While not in place yet for local government in Australia, it is anticipated that climate disclosure reporting will eventually be required for this sector. Therefore, City of Marion should be prepared to report in the future against the four key climate disclosure themes of governance, strategy, risk management metrics and targets, for which this assessment provides a mostly qualitative basis.

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1 Introduction

1.1 Context

Climate change is impacting all aspects of life in Australia, from the way that our communities function through to the response of our economy and environment (Hope et al. 2015). Projections for climate change indicate that without a coordinated global response, conditions will become more challenging as greenhouse gases continue to increase in the atmosphere over the coming century. In South Australia (SA) this will result in a range of changes, including warmer and drier conditions on average, increased periods of extreme heat and drought, more intense rainfall and greater fire risk.

The impact of extreme weather events can be seen across SA. For instance, in September 2016, severe storms brought down power lines, causing the collapse of the energy distribution network, along with damaging winds and flooding (BOM 2016). This event effectively shut down the state for 24 hours and affected the entire City of Marion area. More recently, extreme heat across City of Marion and destructive bushfires in peri-urban areas during the 2019/2020 summer had a direct impact on the health and well-being of the community.

City of Marion engaged Edge Impact (Edge) to support with identification of risks to City of Marion in relation to climate change. City of Marion is a local government area located in the southern suburbs of Adelaide, SA (see **Figure 1**), with a diverse landscape encompassing residential, commercial, and industrial zones, as well as significant conservation areas, recreational parks, rivers, and coastlines. In this Climate Change Risk Assessment, the focus is on the assets and services under City of Marion's control, which include public buildings, recreational facilities, transport infrastructure, parks, and natural reserves. These assets provide the community with social, environmental, and economic benefit while ensuring connectivity and accessibility. Furthermore, City of Marion manages numerous parks, coastlines, and natural reserves, including the City of Marion Coastal Walking Trail, which provide recreational opportunities and support biodiversity.

Proactively mitigating climate hazards related to extreme heat, flooding, droughts, bushfires, and sea level rise can assist in maintaining these assets. The Climate Change Risk Assessment aims to identify assets and services that are at most risk from climate change.

City of Marion has already established itself as a leading council taking action on climate change through various initiatives. including:

- Greening the urban environment by increasing tree planting in streets and reserves, and supporting community gardening;
- Setting a target to achieve carbon neutrality in its operations by 2030;
- Implementing water sensitive design, and utilising reclaimed water;
- Conducting climate risk governance assessments;
- Coordinating with Green Adelaide to map tree canopy, green spaces, built environment and urban heat islands;
- Committing to Resilient South, a commitment between City of Marion, Holdfast Bay, Mitcham and Onkaparinga to collectively address climate change challenges; and
- Evaluating regional climate risks to council assets through the Resilient Asset Management Project.

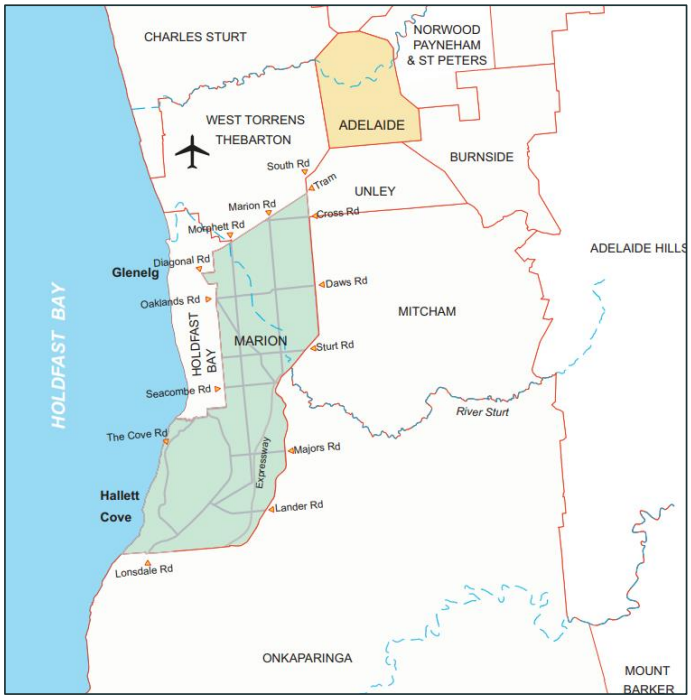


Figure 1 Map of City of Marion within SA showing all borders (in green)

1.2 Objectives

The City of Marion Climate Change Policy lists as an objective "to incorporate climate change mitigation and adaptation into strategic and operational activity" and "to support residents, businesses, and local ecosystems to build resilience and adapt to the impacts of climate change". The primary objective of this Climate Change Risk Assessment was to review and assess climate change risks to assets, operations, and services covering the following key aspects:

- Identification (and review) of climate risks for services and assets;
- Analysis of climate risks (existing and residual); and
- Identification of risk treatment options .

The project differentiated between two key considerations in identifying and responding to climate change risk, those being:

- Physical risks related to the risk of a different future climate; and
- Transition risk related to the risk of moving to a low carbon economy.

The approach to assessing climate risk was designed to align with *ISO 31001, AS 5334—2013* and *City of Marion's Risk Management Framework*. Much of the focus of the report is on physical risks that were identified during the assessment. Where relevant, transition risks have also been included although a more detailed stand alone transition risk assessment may also be warranted.

It is noted that City of Marion intends to undertake a separate adaptation planning process, building on the priority risk areas identified in this project.

2 Methodology

The methodology section details the approach and processes used in the development of the climate risk register and report. This included the data collection, analysis techniques, and the criteria for selecting asset and service areas. This section ensures the Climate Change Risk Assessment has transparency by outlining each step taken to assess climate impacts on City of Marion.

2.1 Method

The identification and evaluation of physical climate change risks and adaptation actions to City of Marion was undertaken in accordance with *AS 5334-2013* and *ISO 31000:2018* Risk Management Frameworks outlined in **Figure 2**.

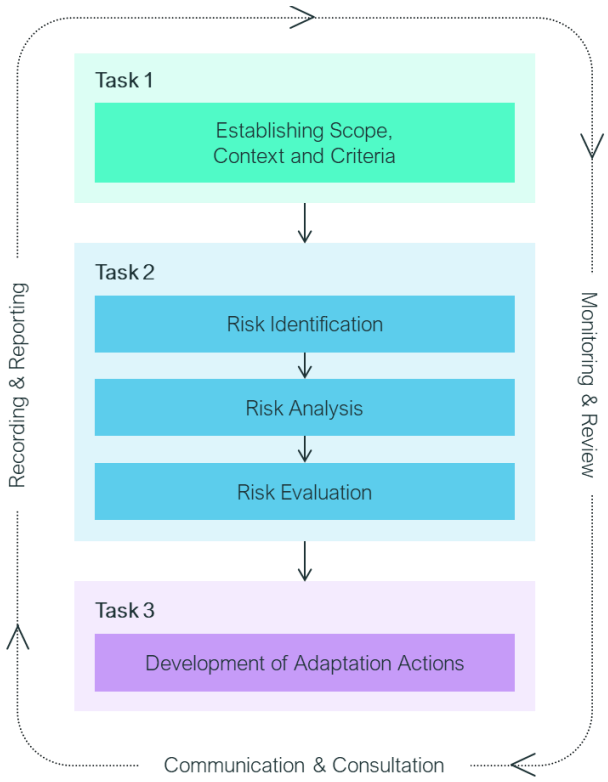


Figure 2 The Climate Change Risk Assessment framework (adapted from *ISO 31000:2018*)

It should be noted that the approach applied here is a qualitative process, combining information from the literature, past experience from Edge and the knowledge of City of Marion staff in relation to acute and chronic climate risks. As such, much of the assessment is informed by the past performance of assets and services to observed conditions. It is possible that as conditions change further, unanticipated impacts may be observed, including as a result of tipping points or thresholds being reached in the systems of interest. This may lead to higher risks being experienced in practice which would necessitate a review of the risk register and resulting risk treatment plans.

2.2 Establishing the context

The first stage of the Climate Change Risk Assessment focused on understanding the projected climate change impacts and their importance in the context of City of Marion's assets and services. These included future climate projections for temperature change, precipitation, drought, sea level rise, storms, and other extreme climate events where relevant.

2.2.1 Future climate scenario selection[1]

This Climate Change Risk Assessment used the projections from the *Guide to Climate Projections for Risk Assessment and Planning in South Australia* (Department for Environment and Water, 2022). The projections in this report are based on the RCP emissions scenarios developed by the Intergovernmental Panel on Climate Change (IPCC) in their *Fifth Assessment Report* (IPCC, 2014). The RCP scenarios provide a framework for assessing future potential levels of greenhouse gas (GHG) concentrations in the atmosphere by the year 2100. These scenarios offer different pathways that represent a range of possible future climate outcomes based on varying assumptions about emissions, energy use, and climate policies. A description of RCP scenarios is shown in **Table 1** below.

Table 1 Description of Representative Concentration Pathways (RCP) and warming levels (IPCC, 2014)

Scenario	Description
RCP 2.6	A strong mitigation scenario leading to warming typically aligned to <2°C of warming by 2100 relative to the pre-industrial period (1850–1900).
RCP 4.5	A moderate mitigation scenario leading to warming at the end of the 21st century of more than 2°C relative to the pre-industrial period (1850–1900).
RCP 6.0	A low mitigation scenario leading to warming at the end of the 21st century of less than 3°C relative to the pre-industrial period (1850–1900).
RCP 8.5	A no mitigation scenario leading to warming at the end of the 21st century of more than 4°C relative to the pre-industrial period (1850–1900).

The three timescales of 2030, 2050 and 2090 selected in this study are relevant for the design life in particular for City of Marion assets.

RCP 8.5 is considered a high emissions scenario; however, current global emissions are tracking at a rate higher than the RCP 8.5 scenario and as such, the adoption of RCP 8.5 is considered best practice modelling (Climate Change in Australia 2020). However, as global efforts to reduce GHG emissions increase, this approach can be adjusted in the future to use a different climate scenario that better represents future CO2 emissions trajectories.

An alternate scenario to RCP 8.5 that was requested for this assessment was RCP 2.6 (see **Table 1** above), which was developed by the IPCC as a low emissions pathway. RCP 2.6 assumes that global GHG emissions start declining in 2020 and approach zero by 2100. Temperature modelling with RCP 2.6 suggests a temperature rise below 2°C by the end of the century, which is above the target set by the United Nations Framework Convention on Climate Change (UNFCCC).

Temperature rises are similar under RCP 8.5 and RCP 2.6 in the coming decades but start to show greater differences in the medium to longer-term. As such, there is arguably limited material difference in physical risk in the short term (i.e. 2030) but there are expected to be differences in the medium and long term (i.e. 2050 and 2090).

It should be noted that the *IPCC's Assessment Report 6* released in 2023 started to replace RCPs with "SSPs" (IPCC 2021), with SSPs meaning Shared Socioeconomic Pathways describing the socioeconomic trends underlying the scenarios (e.g. economy, technology, population) combined with greenhouse gas emissions.

2.2.2 Asset and service areas

To align with City of Marion's the full range of operations, service offerings, and physical assets, the *City of Marion Annual Business Plan 2024-2025* was used as a guideline and is shown in Appendix B. The asset and service areas were divided according to the sectors specified from the *City of Marion Annual Business Plan 2024-2025*. Although not currently in the City of Marion asset management list, the workshop discussions revealed that Biodiversity and Natural Assets were considered a relevant group and included in the list shown in **Table 2**.

Table 2 City of Marion asset groups and service areas

Asset Groups	Service areas
Artworks, Culture and Heritage	Infrastructure Management

[1] Climate change projections and scenarios were not discussed in detail during the staff workshops. This information is provided here for further context to explain the relevance of scenario selection to climate risk assessment in general.

Buildings and Structures	Community Facilities
Coastal Walking Trail	Waste Collection and Management Services
Fleet, Plant and Equipment	Open Space, Parks, and Gardens
Open Space	Library Services
Transport	Urban Development, Inspection, Regulation and Control
Stormwater	Community Development and Capacity Building
Water Treatment and Resources	Environmental Sustainability
Tree Asset Management	Culture and Recreation
Biodiversity and Natural Assets	Health and Community Care

2.3 Undertaking a Climate Change Risk Assessment

Climate change poses significant long-term risks to assets and services through changes in temperature, rainfall and the increased occurrence or intensity of extreme weather events. Implementing a climate change-focused risk assessment process was a responsible course of action for the long-term planning of City of Marion. The relevant Australian Standard (*AS 5334:2013*) states:

"It is clear that taking a pre-emptive approach to adapting to our changing circumstances is preferable to dealing with the increasingly severe consequences of our inaction in the future." - AS 5334:2013

2.3.1 Risk identification

The historic and future climate context formed the basis of the Climate Change Risk Assessment presentation delivered to the council through five workshops held on the 8th of May 2024. The goal of these workshops was to summarise the findings of localised climate analysis and to convey these to the council. Emphasis was placed on communicating climate information simply and clearly, focusing on potential climate events and their potential direct and indirect impacts on the asset components and future asset users. The participants in attendance at the workshops is listed in Appendix C.

A preliminary risk register was developed based on insights gained prior to the workshop through the first pass risk screening. The workshops were then held on the 8th of May 2024, and served as a platform for City of Marion staff to assess the historic and future climate context and contributed to the development of the City of Marion Climate Risk Register. During these workshops, the climate change-related risks to City of Marion were identified and rated based on their likelihood and consequence using the City of Marion Likelihood and Consequence Matrix (refer to Section 3.3.2). Both direct and indirect climate risks were considered, highlighting the broad and often unexpected impacts of a changing climate on council assets and services.

2.3.2 Risk assessment

The objective of the Climate Change Risk Assessment is to ensure that risks are consistently considered and reflective of the stakeholder groups opinions and experience. Prior to the workshop, a preliminary assessment of the likelihood and consequence of risks was undertaken. Climate risks were identified and reviewed in the context of the projected changes to the climate for 2030, 2050, and 2090, using both the low and high emissions scenario, RCP 2.6 and RCP 8.5, considering any current controls or previously implemented mitigation actions.

To assess the risks systematically, likelihood scales were used to determine how likely a risk was to occur. Likelihood ratings were described both qualitatively and quantitatively, using guidelines from the *City of Marion Risk Management Framework Likelihood Criteria* (Appendix D - Table 18).

Consequence is an assessment of the severity of a risk's impact, should it occur. The consequence assessment used in this Climate Change Risk Assessment aligns with the *City of Marion Risk Management Framework Consequence Criteria* (Appendix D - Table 19).

The likelihood and consequence of each identified risk were then combined using the risk assessment matrix (Table 3), which resulted in the systematic development of a risk rating.

Table 3 Risk assessment matrix (*City of Marion Risk Management Framework*)

2.3.3		2.3.4 Insignificant	2.3.5 Minor	2.3.6 Moderate	2.3.7 Major	2.3.8 Severe
2.3.9	Almost Certain	2.3.10 Medium	2.3.11 Medium	2.3.12 High	2.3.13 Extreme	2.3.14 Extreme
2.3.15	Likely	2.3.16 Low	2.3.17 Medium	2.3.18 High	2.3.19 High	2.3.20 Extreme
2.3.21	Possible	2.3.22 Low	2.3.23 Medium	2.3.24 Medium	2.3.25 High	2.3.26 High
2.3.27	Unlikely	2.3.28 Low	2.3.29 Low	2.3.30 Medium	2.3.31 Medium	2.3.32 High
2.3.33	Rare	2.3.34 Low	2.3.35 Low	2.3.36 Low	2.3.37 Medium	2.3.38 Medium

After the preliminary assessment, the risks were first reviewed and then refined to focus on those considered to be most material to the asset and service areas. At the workshop, the attendees then discussed likelihood and consequence scores for each risk. To align with the City of Marion risk management framework, this stage of the risk workshop included:

- Review and updating of previously identified climate-related risks to specific City of Marion assets and service areas;
- Identification of any new or unforeseen direct and indirect climate-related risks associated with City of Marion's services, operations, or assets;
- Evaluating climate related risks employing the City of Marion likelihood and consequence criteria to prioritise further management action; and
- Following the workshop, the risk scores were further reviewed by City of Marion before being finalised.

After the Climate Change Risk Assessment workshop, key findings were summarised in a climate change risk register aligning to the City of Marion risk assessment framework. Risk statements, control measures, risk ratings and adaptation actions were then reviewed by relevant City of Marion staff.

2.4 Managing risk

Climate Change Risk Assessments identify treatments or actions that could be used to mitigate risk. Potential risk treatments are identified based on similar past work, relevant literature and staff subject matter expertise. Treatment options to mitigate climate risks were documented in the risk register and further discussed in Section 7 of this report. These require further prioritisation as part of developing a climate change adaptation plan using techniques such as multi-criteria assessment or cost benefit analysis. Furthermore, an adaptation plan would also typically identify roles and responsibilities, timing and resourcing for priority risk treatment options.

3 Climate context

This section summarises the climate context relevant to City of Marion and the surrounding region. Key climate variables examined in this section include the historic and projected future temperature, rainfall, and extreme weather events.

3.1 Historical climate and extreme weather events

The BOM weather station where the historical data was obtained is Adelaide Airport (Figure 1), 5.9km from City of Marion with data ranging from 1955 to 2024.

3.1.1 Increasing average temperatures

Average temperatures in SA are now nearly 1-degree Celsius warmer than in 1960 (Bureau of Meteorology and CSIRO 2022). This warming means that extreme heat events are more common. Nine of the 10 hottest years on record in South Australia have occurred since 2005 (Bureau of Meteorology and CSIRO 2022).

City of Marion, like much of SA, has experienced a rise in average temperatures over recent decades. An increase in the mean (blue-line) can be seen in **Figure 3**, with peaks around 2007, 2009, 2013, and 2018.

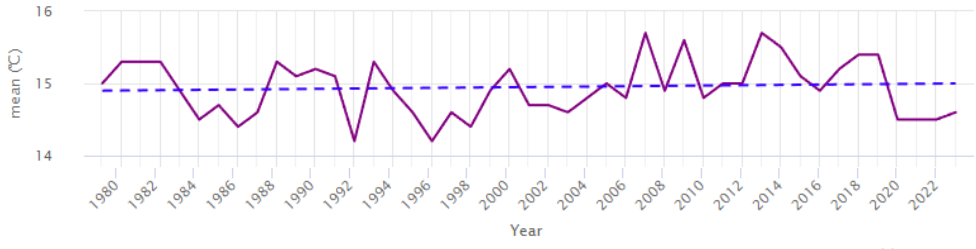


Figure 3 Historical mean annual temperature at Adelaide Airport 1979 - 2023

3.1.2 Increasing frequency of very hot days

BOM recorded several significant heat events in recent years. In 2018-19, Australia experienced an extended period of heatwaves. In 2019, temperatures soared to 47.7 degrees Celsius in Kent Town. In 2014, Adelaide endured five consecutive days above 42 degrees Celsius, and in 2008, the central business district faced 13 consecutive days exceeding 37.8 degrees Celsius. At Adelaide Airport the current mean annual number of days above 35 degrees Celsius is 14 days, with 1.7 days above 40 degrees Celsius. The highest maximum temperature recorded was 45.8 degrees Celsius on 24th of January 2019. These periods dramatically increase energy demands for cooling and place heating, ventilation, and air conditioning (HVAC) systems under considerable stress to achieve thermal comfort. They also put significant pressure on electricity supplies and prices.

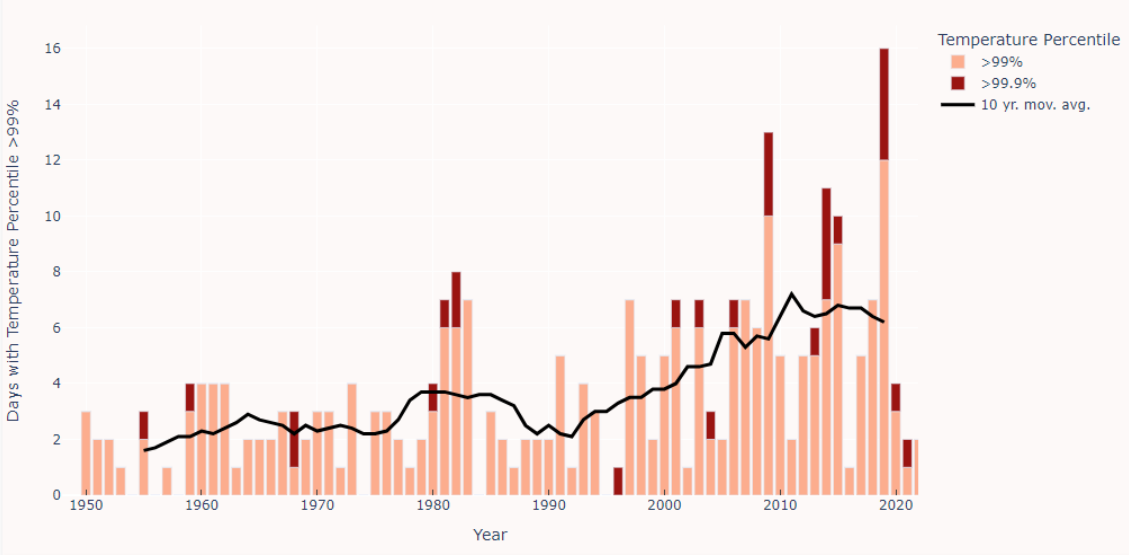


Figure 4 The number of days where the maximum temperature exceeded the 99th percentile of historical temperature records (Climatics 2024).

3.1.3 Extreme rainfall and flooding

For the 30-year period between 1950 and 1985 there were 3 years with six or more days that exceeded the 99th percentile of historical rainfall records (**Figure 5**). This increased to 7 years in the next 30-year period (1985-2020). A 2013 City of Marion flood plain study indicates there is flood risk due to ongoing development and a projected increase in rainfall intensity (Tonkin Consulting 2014). Calculated flood damages for a 1 in 5-year ARI event rise from $1.2 million to $4.9 million and for a 1 in 100-year ARI event, damages increase from $44.1 million to $57.3 million (Tonkin Consulting 2014).

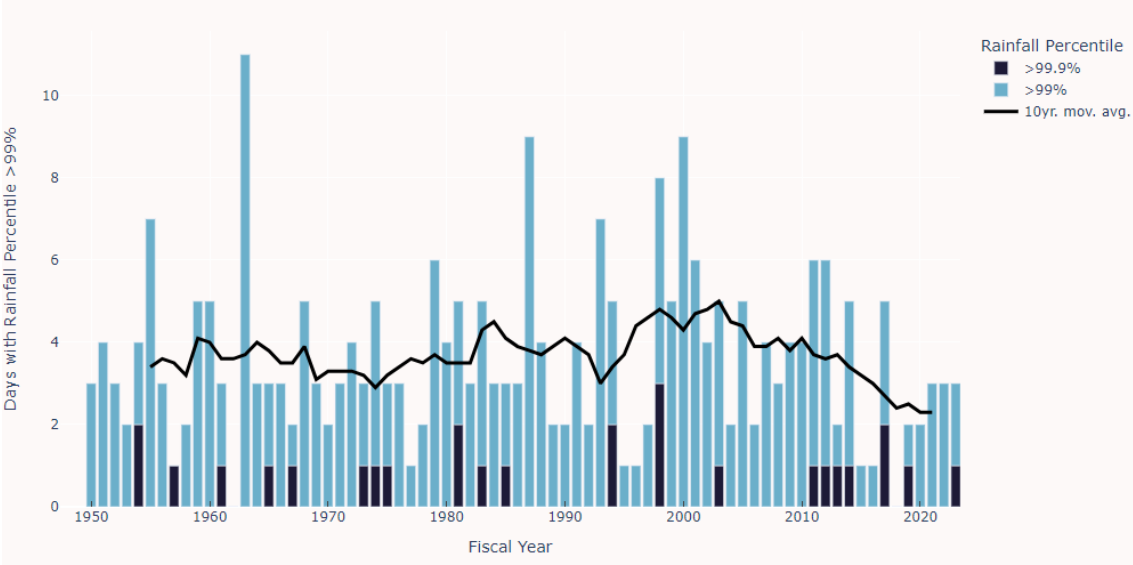


Figure 5 The number of days where the rainfall exceeded the 99th percentile of historical rainfall records (Climatics 2024).

3.1.4 Increase in storm events and lightning

While Adelaide does not suffer from the kinds of tropical storms experienced further north on Australia's East Coast, it can experience high winds, lightning, and hail. A recent storm event in Adelaide on November 27, 2023, resulted in severe storms that

caused widespread power outages, 250 SES calls, property damage, flooding, and transport delays. On the 28th of September 2016 there was also a storm and lightning event BOM labelled a 1-in-50-year event that led to a state-wide blackout.

3.1.5 Bushfires and fire weather

Bushfires are a significant concern in South Australia due to the region's hot, dry climate and extensive vegetation, which create ideal conditions for fires to spread rapidly. Across Australia as a whole, Spring 2019 saw the highest fire weather danger as measured by the Forest Fire Danger Index (FFDI, a common measure of fire weather conditions). The hot conditions further combined with the dry landscape and strong winds to produce dangerous fire weather conditions from December 2019 into early January 2020. These events can also have indirect impacts, affecting local air quality and potentially causing disruption to transport links that pass through affected areas. The 2019-20 Black Summer Bushfires during this period had devastating effects in SA, including the destruction of 1,180 properties, the burning of 278,603 hectares of land, and the loss of three lives (Government of SA 2020). These fires also significantly impacted key industries such as tourism, forestry, and viticulture, emphasising the direct and indirect impact on areas in close proximity to flammable vegetation.

3.1.6 More frequent and severe droughts and reduced average annual rainfall

Droughts are relatively common in South Australia. The Millennium Drought, which lasted from 1997-2009, caused over a decade of dry conditions and is considered the most severe drought ever recorded in the region (van Dijk, et al., 2013). The drought resulted in the enforcement of severe water restrictions because of the relance of the River Murray for potable supplies (Department for Environment and Water, 2021). Although City of Marion has alternative water sources, the River Murray is still crucial for City of Marion's water needs and overall resilience. Historically, developments in water management and stormwater systems have kept City of Marion resilient during drought periods. However, the trend of reduced average annual rainfall continues across Australia and the variability in rainfall locally is high (**Figure 6**).

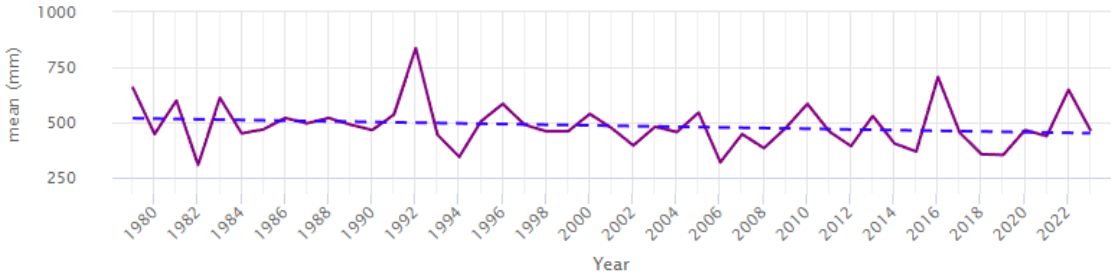


Figure 6 Historical mean annual rainfall at Adelaide Airport 1979 – 2023

3.1.7 Sea level rise

As the ocean warms, it expands and sea level rises. This thermal expansion has contributed about one-third of the sea level rise observed globally. The global mean sea level rise is accelerating (**Figure 7**) and has already begun to threaten public and private infrastructure as well as caused erosion along SA coastlines.

Sea levels along the South Australian coast have risen by an average of 2 mm per year between 1966 and 2022. This rate has accelerated, reaching 3 to 5 mm per year in some areas between 1993 and 2022. Tide gauges at Port Adelaide, Thevenard, and Victor Harbor recorded an increase of 10–12 cm in mean sea levels from 1965–69 to 2017–21 (State of the Environment South Australia, n.d.).

A *City of Marion Coastal Climate Study* indicates medium inherent risks primarily to coastal erosion around Hallet Cove Beach (Western 2018). The report cites historical instances of minor over-topping on The Esplanade and ongoing erosion on the embankment at Heron Way Reserve.

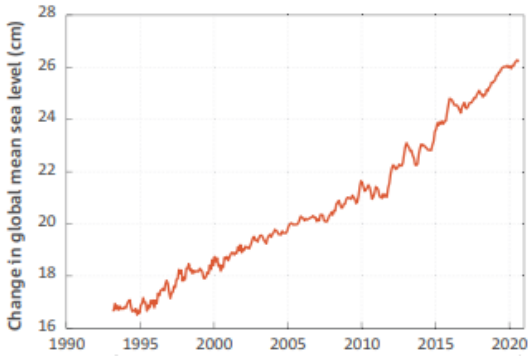


Figure 7 Change in global mean sea level (cm) (Bureau of Meteorology and CSIRO 2022)

3.1.8 Cumulative climate change impacts

The cumulative impacts of climate change in City of Marion have manifested through the intersection of various extreme weather events. Increasing temperatures, heatwaves, extreme rainfall, storm events, and sea level rise collectively pose challenges to the region. These events have stressed local infrastructure, ecosystems, and communities, highlighting the need for planning and adaptive strategies to mitigate future risks. Historically, City of Marion has been proactive in adopting strategies to mitigate these risks. However, these measures have also brought about transition risks such as potential of adopting technology too early, transitioning to new systems, and differing community opinions.

3.2 Future climate projections

This Climate Change Risk Assessment used the projections from the *Guide to Climate Projections for Risk Assessment and Planning in South Australia* (Department for Environment and Water, 2022). Climate impacts for 2030, 2050, and 2090 are explored in detail in the guide for an RCP 8.5 scenario, with projections relevant to City of Marion in **Table 4**.

In **Table 4**, each climate change impact has a corresponding measure of confidence, which considers the type, quality, quantity, and consistency of available evidence, as well as the agreement between different lines of evidence. Projections with high agreement and robust evidence have higher confidence, while those with lower agreement and less evidence have lower confidence. Confidence levels are expressed on a scale from very high to very low. Where specific data was not available, an increase or decrease projection was applied.

Table 4 Climate change impacts for City of Marion using RCP 8.5 (South Australian Department for Environment and Water, 2022).

Climate change impact	2030	2050	2090	Confidence in projections
Increased average temperatures	+1.4°C	+2°C	+3.8°C	High
Increase in frequency of very hot days annually (over 35°C)	+6.5 days	+9.3 days	+23.4 days	Very High
Increased bushfire weather (FFDI severe fire danger days annually)	4.7 days	Increase	6.9 days	High
More frequent and severe droughts	Increase	Increase	Increase	Low
Reduced mean annual precipitation	-1%	-3%	-29%	Low
Sea level rise (medium confidence)	+0.13	+0.25	+0.61	Medium
Increased extreme rainfall intensity and resultant flooding (high confidence)	+0.6	+0.59	+0.84	High
Increased intensity of storm events and lightning	Increase	Increase	Increase	Low

4 Key findings

This section details the key findings from the Climate Change Risk Assessment with Section 5.1 covering the physical risk findings and Section 5.2 covering the transition risk findings.

The full risk register, including all risks, ratings and current controls can be found in the City of Marion Risk Register.

4.1 Physical risks

The Climate Change Risk Assessment process identified and assessed 34 hazards.

For a low emissions future (RCP2.6; **Table 5**), the majority of physical hazards are categorised as having low and medium ratings across the three timescales (2030, 2050, and 2090). In contrast, there are a greater number of high risk ratings identified for the high emissions future, especially in the long term (**Table 6**). The following hazards were identified as having the greater risk rating for City of Marion:

- Greater deterioration of civil infrastructure and assets (including roads and drainage systems) as a result of a combination of increasing temperatures and more intense rainfall;
- Blackout and brownouts due to extreme heat, storms or bushfires;
- Bushfire damaging or destroying natural assets;
- Vegetation (managed and natural) loss and/or vegetation being more susceptible to pests and diseases
- Soil movement due to drier conditions causing damage to buildings and increased replacement costs.

As part of the Climate Change Risk Assessment potential treatment options were identified. While they will be further prioritised during the development of an adaption plan, treatment options are presented here for noting. The full risk register also indicates how the residual risk may differ from the inherent risk if risk treatment measures are implemented.

Table 5 Quantity of hazards for each climate variable and risk level for low emissions scenario RCP 2.6 .

RCP 2.6 (Low emissions scenario)												
	2030				2050				2090			
Climate hazard	L	M	H	E	L	M	H	E	L	M	H	E
Increased average temperatures (high confidence)	1	3	0	0	0	4	0	0	0	4	0	0
Increase in frequency of very hot days (over 40 deg. C) (very high confidence)	0	0	0	0	0	0	0	0	0	0	0	0
Increased bushfire weather (FFDI increase) (high confidence, low confidence in magnitude)	2	1	0	0	2	0	1	0	1	1	1	0
More frequent/severe droughts (low confidence) & Reduced average annual rainfall (low confidence)	2	2	0	0	2	2	0	0	2	2	0	0
Sea level rise (medium confidence)	0	1	0	0	0	1	0	0	0	1	0	0
Increased extreme rainfall intensity and resultant flooding (high confidence)	2	6	1	0	2	6	1	0	2	5	2	0
Increased intensity of storm events and lightning	0	2	0	0	0	2	0	0	0	2	0	0
Cumulative climate change impacts	3	0	0	0	3	0	0	0	3	0	0	0
Transition risks	4	3	2	0	3	5	1	0	2	7	0	0

Table 6 Quantity of hazards for each climate variable and risk level for high emissions scenario RCP 8.5 .

RCP 8.5 (High emissions scenario)												
	2030				2050				2090			
Climate hazard	L	M	H	E	L	M	H	E	L	M	H	E
Increased average temperatures (high confidence)	1	3	0	0	0	4	0	0	0	3	1	0
Increase in frequency of very hot days (over 40 deg. C) (very high confidence)	0	0	0	0	0	0	0	0	0	0	0	0
Increased bushfire weather (FFDI increase) (high confidence, low confidence in magnitude)	1	2	0	0	1	2	0	0	0	2	1	0
"More frequent/severe droughts (low confidence)	2	1	1	0	2	1	1	0	1	2	0	1
& Reduced average annual rainfall (low confidence)"	0	1	0	0	0	1	0	0	0	1	0	0
Sea level rise (medium confidence)	2	6	1	0	2	6	1	0	1	4	4	0
Increased extreme rainfall intensity and resultant flooding (high confidence)	0	2	0	0	0	1	1	0	0	1	1	0
Increased intensity of storm events and lightning	0	3	0	0	0	3	0	0	0	3	0	0
Cumulative climate change impacts	3	6	0	0	2	7	0	0	1	5	3	0

4.1.1 Increasing average temperatures

In total there were four hazards identified for this impact. All of these were medium risks at the 2050 time period under RCP 8.5. The hazards identified were;

- Increased requirement for ventilation in buildings due to rising indoor temperatures
- Increased food temperatures and hindered ability for food to cool down posing work, health, and safety risks during corporate catering and for meal service deliveries.
- Pests and disease spreads, leading to outbreaks and infestations. Native/host plants can also potentially be in a weakened condition and more susceptible to these
- Increasing average temperatures leading to soil movement and damage to building foundations

Those hazards which were a medium or high risk at 2050 under RCP 8.5 are detailed in **Table 7**.

Current controls for addressing the various consequences of increasing average temperatures include:

- HVAC systems installed in buildings
- Increasing trees to mitigate urban heat in residential areas through proposal to encourage tree planting:
- Offer free trees to residents.
- Provide decreased rates or financial incentives for planting trees above a certain height or maintaining green spaces
- Cooling systems and food safety protocols
- Pest control and clearing of flooded areas
- Maintain or replace damaged buildings

Future treatment options could include:

- Enhanced cooling systems and food safety protocols
- Increased HVAC maintenance and repairs
- Increase inspections of vegetation
- Ensure adequate funding to destroy trees with the disease or pests
- Ensure proper site assessment, soil testing, and use foundation design that avoids cracking from soil movements
- Educate community to spot and report disease and pests on vegetation

Table 7 Summary of risks from increasing average temperatures under RCP 8.5. The residual target indicates the modified risk rating assuming that treatment options are implemented.

Hazard	Consequence	Asset or Service Group	2030	2050	2090	Residual Target

Increased average temperatures (high confidence)	Increased requirement for ventilation in buildings due to rising indoor temperatures	Increased energy use and maintenance and repair costs	M 4	M 3	M 2	M 4
Increased food temperatures and hindered ability for food to cool down posing work, health, and safety risks during corporate catering and for meal service deliveries.	Food safety concerns Workers at risk during higher temperature days as food delivery is a critical service and will continue operating	Service: Community Development and Capacity Building	L 5	M 4	M 4	L 5
Pests and disease spreads, leading to outbreaks and infestations Native/host plants can also potentially be in a weakened condition and more susceptible to these	Potential for state-wide contamination if not removed properly (reputational risk) Expensive removal process (as it's toxic waste) Could destroy remnant vegetation or local native insect/animal populations (large biodiversity impact)	Asset: Biodiversity and Natural Assets	M 6	M 6	M 5	M 6
Increasing average temperatures leading to soil movement and damage to building foundations	Building damages Increased maintenance and repair costs	Service: Infrastructure Management	M 6	M 6	H 2	M 6

4.1.2 Increasing frequency of very hot days

In total there were eight hazards identified for this impact. There were no low risks at the 2050 time period under RCP 8.5. There were five medium risks at the 2050 time period under RCP 8.5. The hazards identified were;

- Staff providing services are exposed to periods of extreme heat
- Greater deterioration of open space areas/assets including reserves and playgrounds
- Cancelling/disruption of services due to increased closure of sports facilities (if not adequately cooled)
- Cancellation/disruption of events due to temperature exceeding weather policies (especially during summer period)
- Greater deterioration of civil infrastructure and assets

There were three high risks at the 2050 time period under RCP 8.5. The hazards identified were;

- Greater risk of tree limb loss
- Heatwave related blackouts
- Reduced ability of HVAC systems to maintain internal comfort

Those hazards which were medium or high risk at 2050 under RCP 8.5 are detailed in **Table 8**.

Current controls for addressing the various consequences of extreme heat include:

- Air-conditioned vehicles for field inspections;
- Heat policy for outdoor work within the EBA;
- Tree maintenance;
- Backup generators available on some sites and for hire;
- Closure of services;

- air conditioning systems in council buildings; and
- Preventative maintenance and replacement of infrastructure.

Future treatment options could include:

- Change staff hours to minimise heat stress;
- Ensure uniforms are lightweight, breathable, and light-coloured;
- Monitor workers and provide shade, hydration, and cool-down areas;
- Increase tree maintenance and apply mulch;
- Plant heat-tolerant tree species;
- Develop and implement a heatwave response plan;
- Increase insulation and update building codes for suburb cooling;
- Plan for extended or alternate work hours during extreme events;
- Implement staff redeployment strategies where they are not able to work outdoors due to extreme heat conditions; and
- Use heat-resistant materials and improve infrastructure design.

Table 8 Summary of risks from increasing frequency of very hot days under RCP 8.5. The residual target indicates the modified risk rating assuming that treatment options are implemented.

Hazard	Consequence	Asset or Service Group	2030	2050	2090	Residual Target
Staff providing services are exposed to periods of extreme heat	Risk of heatstroke or heat stress	Asset: Infrastructure Management	M 4	M 3	H 1	M 5

Hazard	Consequence	Asset or Service Group	2030	2050	2090	Residual Target
	Increased stress and fatigue leading to decreased morale and lower staff productivity					
Greater risk of tree limb loss	Damaged tree due to tree limb loss Required clean-up Safety/financial concern when limb loss occurs if it drops on people or buildings	Asset: Tree Asset Management	M 5	H 2	H 1	L 2
Heatwave related blackouts	Loss of power leading to heatstroke and heat stress as HVAC systems can't be used Pool closes, and the longer the blackout, the longer it'll take to clean and reopen Cold food needs to stay refrigerated (generators can be hired for use) Council services switch during emergencies (such as blackouts), to assist in servicing the community which can impact project scopes and timelines	Service: Health and Community Care	H 2	H 1	H 1	M 5
Reduced ability of HVAC systems to maintain internal comfort	Health and safety impacts on occupants	Asset: Buildings and Structures	M 5	H 2	H 2	M 5
Greater deterioration of civil infrastructure and assets	Building damages Increased maintenance and repair costs	Asset: Infrastructure Management	M 6	M 5	H 2	M 5
Greater deterioration of open space areas/assets including reserves and playgrounds	Increased maintenance schedule and costs of maintenance Increased complaints	Asset: Open Space	L 1	M 1	M 1	L 1
Cancelling/disruption of services due to increased closure of sports facilities (if not adequately cooled)	Loss of revenue. Risk of heatstroke or heat stress if services still run	Service: Community Facilities	M 3	M 2	M 2	M 4
Cancellation/disruption of events due to temperature exceeding weather policies (especially during summer period)	Loss of revenue Risk of heatstroke or heat stress if events still run	Service: Culture and Recreation	M 4	M 3	M 2	M 3

4.1.3 Extreme rainfall and resultant flooding

In total there were nine hazards identified for this impact. There were two low risks at the 2050 time period under RCP 8.5. The hazards identified were;

- Flooding of low-lying areas causing spread of waterborne diseases and mosquitos

- Localised flooding causing physical damage to trees (through root systems being exposed and instability)

There were six medium risks at the 2050 time period under RCP 8.5. The hazards identified were;

- Direct/indirect damage to natural assets (could be direct scouring or flooding)
- Flooding/scouring leading to removal of bedding for civil infrastructure, resulting in instability of assets
- Exceeded capacity of drainage system causing flooding on low-lying properties and on streets, leading to pollutants that damage/contaminate the stormwater system (Asset group: Asset - Stormwater) note two separate hazards with differing consequences exist)
- Exceeded capacity of infrastructure drainage systems and flooding of low-lying assets leading to damaged infrastructure (Asset group: Asset – Buildings and Structures)
- Exceeded capacity of infrastructure drainage systems and flooding of low-lying assets leading to damaged infrastructure (Asset group: Service – Infrastructure Management)

There was one high risks at the 2050 time period under RCP 8.5. The hazard identified was;

- Increased damage to road surfaces

Those risks which were medium or higher risk at 2050 under RCP 8.5 are detailed in **Table 9**.

Current controls for addressing these risks include:

- Zoning of flood-prone regions
- Flood mapping publicly available for council area
- Maintain trees after flooding
- Ensure civil works are not undertaken during extreme rainfall periods
- Regular street sweeping programs throughout the Council
- Emergency responses to minor spill events
- Pest control and clearing of flooded areas
- Maintain stormwater system (Installation of trash racks and gross pollutant traps in stormwater systems.
- Tree maintenance

Future treatment options to reach the target risk level in the short to long term could include:

- Increase drainage capacity
- Redirect stormwater from low-lying assets to avoid flooding
- Ensure civil works are not undertaken during extreme rainfall periods
- Sufficient drainage capacity to avoid flooding
- Increase usage of pest control contractors earlier during flood events
- Increase permeable surface area around tree

Table 9 Summary of risks from extreme rainfall and resultant flooding under RCP 8.5. The residual target indicates the modified risk rating assuming that treatment options are implemented.

Hazard	Consequence	Asset or Service Group	2030	2050	2090	Residual Target
Increased damage to road surfaces	Increased maintenance and costs of maintenance Increased complaints	Asset: Transport	H 1	H 1	H 1	L 1
Direct/indirect damage to natural assets (could be direct scouring or flooding)	Damage and/or destruction of priority biodiversity and natural assets	Asset: Biodiversity and Natural Assets	M 4	M 3	M 2	M 4
Flooding/scouring leading to removal of bedding for civil infrastructure, resulting in instability of assets	Increased maintenance and costs of maintenance for infrastructure Infrastructure instability and disruptions due to maintenance	Service: Infrastructure Management	M 4	M 4	M 3	M 4
Exceeded capacity of drainage system causing flooding on low-lying properties and on streets, leading to pollutants that damage/contaminate the stormwater system	Increased maintenance and costs of maintenance due to damaged stormwater infrastructure Increased need to hire contractors / send out staff to unclog systems and remove contaminates	Asset: Stormwater	M 4	M 4	M 3	M 4
Exceeded capacity of infrastructure drainage systems and flooding of low-lying assets leading to damaged infrastructure	Damage to contents in buildings and structures from water ingress Damage to assets causing event cancellations (e.g. the BMX track needing to be at a certain condition level before-usage)	Asset: Buildings and Structures	M 5	M 5	H 2	M 5
Exceeded capacity of infrastructure drainage systems and flooding of low-lying assets leading to damaged infrastructure	Increased maintenance and costs of maintenance for infrastructure Increased complaints	Service: Infrastructure Management	M 5	M 5	H 2	M 5
Flooding of low-lying areas causing spread of waterborne diseases and mosquitos	Health and safety of staff who live or work near flooded areas and any staff/contractors performing pest control Cost of pest control and clearing flooded areas of disease	Service: Urban Development, Inspection, Regulation and Control	L 5	L 5	M 4	L 5
Exceeded capacity of drainage system causing flooding on low-lying	Polluted stormwater that can damage the environment	Asset: Stormwater	M 5	M 5	H 2	M 5

Hazard	Consequence	Asset or Service Group	2030	2050	2090	Residual Target
properties and on streets, leading to pollutants that damage/contaminate the stormwater system	and increase likelihood of waterborne diseases					

4.1.4 Increase in storm events and lightning

In total there were two hazards identified for this impact. There were no low risks at the 2050 time period under RCP 8.5.

There was one medium risk at the 2050 time period under RCP 8.5. The hazard identified was;

- Severe storm event requiring need for councils to assist community and hire debris removal services of contractors

There was one high risk at the 2050 time period under RCP 8.5. The hazard identified was;

- Storm event causing a blackout/brownout

Those risks which were medium or higher risk at 2050 under RCP 8.5 are detailed in **Table 10**.

Current controls for addressing these risks include:

- Run back-up generators in community facilities where possible
- Emergency response
- Contractors hired to clear trees/debris

Future treatment options to reach the target risk level in the short to long term could include:

- Ensure all vital community facilities have back-up generators
- Need for emergency response
- Funds for if damage claims to council occur

Table 10 Summary of risks from storm events and lightning under RCP 8.5. The residual target indicates the modified risk rating assuming that treatment options are implemented.

Hazard	Consequence	Asset or Service Group	2030	2050	2090	Residual Target
Storm event causing a blackout/brownout	Loss of power	Service: Community Facilities	M 5	H 2	H 1	M 6

Hazard	Consequence	Asset or Service Group	2030	2050	2090	Residual Target
	Operational issues for buildings without backup generator Cold food needs to stay refrigerated (generators can be hired for use) Council services switch during emergencies (such as blackouts), to assist in servicing the community which can impact project scopes and timelines					
Severe storm event requiring need for councils to assist community and hire debris removal services of contractors	Emergencies requiring need for emergency response and potential for damage to property Council services switch during emergencies (such as blackouts), to assist in servicing the community which can impact project scopes and timeline	Service: Health and Community Care	M 6	M 6	M 5	M 6

4.1.5 Bushfires and fire weather

In total there were three hazards identified for this impact. There was one low risk at the 2050 time period under RCP 8.5. The hazard identified was;

- A bushfire occurring in or near the City of Marion may prompt residents from areas such as Hallet Cove or neighbouring regions outside the city's jurisdiction to seek refuge

There were two medium risks at the 2050 time period under RCP 8.5. The hazards identified were;

- Bushfire causing damage or destruction of council buildings and structures
- Bushfire due to increased vegetation causing damage or destruction to natural assets

There were no high risks at the 2050 time period under RCP 8.5.

Those risks which were medium or higher risk at 2050 under RCP 8.5 are detailed in **Table 11**.

Current controls for addressing these risks include:

- Clear access to refuge area
- Staff are trained for the case where this may occur and can coordinate with emergency services and local authorities
- Established evacuation plans and designated safe zones
- Vegetation maintenance on publicly managed land and potential orders for private land vegetation management
- $2 million limited contingency budget (but this may not cover infrastructure failures)

Future treatment options to reach the target risk level in the short to long term could include:

- Increased vegetation maintenance on publicly managed land and potentially order for private land vegetation management in high bushfire hazard areas
- Increase coordination with neighbouring councils to establish guidelines in cases of emergency bushfire event in their jurisdiction which leads to residents coming to City of Marion service areas

Table 11 Summary of risks from bushfires and fire weather under RCP 8.5. The residual target indicates the modified risk rating assuming that treatment options are implemented.

Hazard	Consequence	Asset or Service Group	2030	2050	2090	Residual Target
Bushfire due to increased vegetation causing damage or destruction to natural assets	Damage/destruction of natural assets Potential damage/destruction of buildings and structures Potential danger to local flora and fauna population Safety risk for individuals	Asset: Biodiversity and Natural Assets	M 6	M 5	H 2	M 6
A bushfire occurring in or near the City of Marion may prompt residents from areas such as Hallet Cove or neighbouring regions outside the city's jurisdiction to seek refuge	Library services increase as it becomes refuge during periods of bushfire	Service: Library Services	L 5	L 5	M 4	L 5
Bushfire causing damage or destruction of council buildings and structures	Damage/destruction of buildings and structures Damage/destruction of assets within buildings or structures Safety risk for any individuals in buildings at time of bushfire	Asset: Buildings and Structures	M 6	M 5	M 5	M 6

4.1.6 More frequent and severe droughts and reduced average annual rainfall

In total there were four hazards identified for this impact. There were two low risks at the 2050 time period under RCP 8.5. The hazards identified were;

- Low annual rainfall / long periods of no rainfall leading to lack of water for usage by council.
- Low annual rainfall / long periods of no rainfall leading to reduced access of water for irrigation, cleaning, swimming pools, and recreation centres.

There was one medium risks at the 2050 time period under RCP 8.5. The hazard identified was;

- Low annual rainfall / long periods of no rainfall causing vegetation to die or be more susceptible to pests and disease and drying out of landscape.

There was one high risk at the 2050 time period under RCP 8.5. The hazard identified was;

- Remnant vegetation to be more susceptible to pests and diseases.

Those risks which were medium or higher risk at 2050 under RCP 8.5 are detailed in **Table 12Table 11**.

Current controls for addressing these risks include:

- Maintenance of remnant vegetation.
- Increase maintenance/watering frequency during periods of low rainfall.
- Access Sturt water and other sources when needed.
- Use of dual flush toilets and trials of water efficient urinals in all end-of-life replacements.

- Water saving shower heads at the Marion Swimming Centre and Sports Clubs.
- Insulation (lagging) on hot water pipes.
- Use of water efficient kitchen appliances in end-of-life replacements.
- Flow restrictors and aerators on replacement taps in bathrooms and kitchens.
- Pool blanket at Marion Swimming Centre.
- Recycled stormwater pipeline.
- Turn off irrigation during drought periods.

Future treatment options to reach the target risk level in the short to long term could include:

- Increase service for maintaining natural assets.
- Include remnant vegetation as an asset and prioritise its irrigation during dry periods.
- Increase maintenance/watering frequency during periods of low rainfall.
- Increased usage of River Murray water and campaigns to encourage less water use.
- Install water-saving fixtures, educate staff and users, and diversify water sources where possible.

Table 12 Summary of risks from droughts and reduced average annual rainfall under RCP 8.5. The residual target indicates the modified risk rating assuming that treatment options are implemented.

Hazard	Consequence	Asset or Service Group	2030	2050	2090	Residual Target
Remnant vegetation to be more susceptible to pests and diseases	Increased need for service to maintain environmental sustainability targets Loss of remnant vegetation Loss of native animals or insects which rely on this vegetation	Service: Environmental Sustainability	H 4	H4	E 1	M 7

Hazard	Consequence	Asset or Service Group	2030	2050	2090	Residual Target
	Further erosion of coastline if vegetation dies Risk not reaching any biodiversity goals					
Low annual rainfall / long periods of no rainfall causing vegetation to die or be more susceptible to pests and disease and drying out of landscape	Loss of vegetation due to lack of water Increased need for maintenance and increased costs if maintained	Asset: Tree Asset Management	M 8	M 8	M 7	M 8
Low annual rainfall / long periods of no rainfall leading to lack of water for usage by council	Lack of stormwater leading to lack of water for stormwater recycling pipeline	Asset: Water Treatment and Resources	L 5	L 5	M 4	L 5

4.1.7 Sea level rise

In total there was one hazard identified for this impact which was a medium risk at the 2050 time period under RCP 8.5. The hazard identified was;

- Sea level rising and damaging coastal assets (walkway, clifftop vegetation, buildings near coast)

No high or extreme risks were identified in the Climate Change Risk Assessment process, as it evaluates risks at a whole of City of Marion area scale. However, isolated instances of high risk are anticipated, with the *City of Marion Coastal Climate Change Adaptation Study* highlighting the Heron Way embankment and Field River dunes as high-risk areas in the long term (Western 2018). Edge recommends implementing comprehensive and proactive coastal management and adaptation strategies to address these issues. Consdieration should also be given as to whether high site specific risks should be identified as significant for City of Marion.

Those risks which were medium or higher risk at 2050 under RCP 8.5 are detailed in **Table 11**.

Current controls for addressing these risks include:

- Coastal study and adaptation study completed
- Close walkway if sea level did rise too high

Future treatment options to reach the target risk level in the short to long term could include:

- Ongoing monitoring of sea level rise in the area
- Maintain stormwater runoff near clifftops to avoid erosion of clifftop and vegetation

Table 13 Summary of risks from sea level rise under RCP 8.5. The residual target indicates the modified risk rating assuming that treatment options are implemented.

Hazard	Consequence	Asset or Service Group	2030	2050	2090	Residual Target
Sea level rising and damaging coastal assets (walkway, clifftop vegetation, buildings near coast)	Damage/deterioration of coastal vegetation and native animals and insects that rely on those ecosystems. Damage to coastal walking trail and scenery it relies on (vegetation along walkway) Damage to private properties near coast and potential asbestos exposure during peak storm tide events	Asset: Coastal Walking Trail	M 4	M 4	M 3	M 4

4.1.8 Cumulative climate change impacts

Cumulative climate change impacts refer to when more than one climate hazards has an impact at the same time.

In total there was three hazards identified for this impact. There was no low risk at the 2050 time period under RCP 8.5.

There were three medium risks at the 2050 time period under RCP 8.5. The hazards identified were;

- Hazardous climate events causing event cancellations or rescheduling
- Blackout caused by extreme heat, storm or flooding that prevents EV fleet from performing duties
- During climate change hazards, residents / locals seek council guidance and shelter in council facilities/buildings

No high or extreme cumulative climate change risks were identified during the assessment. However, in the long term, cumulative impacts of climate change are expected to occur and should be identified on a case by case basis to further inform future Climate Change Risk Assessment . These impacts, influenced by multiple variables, may result in actual risks that exceed current projections.

Those risks which were medium or higher risk at 2050 under RCP 8.5 are detailed in **Table 14**.

Current controls for addressing these risks include:

- Cancelling or postponing events
- Generator available (but not in a large state-wide blackout situation), would be useful in local blackout situation
- Facilities equipped to be refuge in emergencies

Future treatment options to reach the target risk level in the short to long term could include:

- Scheduling Adjustments: Summer events should avoid hottest parts of the day, ideally scheduled for evenings (6-7 pm)
- Increase usage of insurance for events
- Generators available to charge cars in case of prolonged blackout (fully fuelled)
- Decrease usage during blackouts to only essential needs
- Further planning, training, and processes for increasingly frequent and more intense climate events

Table 14 Summary of risks from cumulative climate change impacts under RCP 8.5. The residual target indicates the modified risk rating assuming that treatment options are implemented.

Hazard	Consequence	Asset or Service Group	2030	2050	2090	Residual Target
Hazardous climate events causing event cancellations or rescheduling	Revenue loss, increased need for assurance	Service: Culture and Recreation	M 4	M 3	M 2	M 4
Blackout caused by extreme heat, storm or flooding that prevents EV fleet from performing duties	EV fleet not being operational as it relies solely on electricity Could impact business continuity as standard duties with fleet could not be performed	Asset: Fleet Plant and Equipment	M 4	M 3	M 3	L 6
During climate change hazards, residents / locals seek council guidance and shelter in council facilities/buildings	Potential for council services/facilities to be overwhelmed Need for training/planning under climate hazard scenarios (e.g. blackout, flooding, etc) Potential reputational impact if there is inadequate planning and processes in place	Service: Health and Community Care	M 4	M 4	M 3	M 4

4.2 Transition risks

Unlike the specific climate hazards relevant to physical risks, broad categories of transition risk related to technology, markets, regulation, policy and reputation were considered in relation to a low and high emissions future. A total of 9 transition risks were identified. Two of the high risks identified occur at 2030, with one in the 2050 period for a low emissions scenario. These then decrease to medium risk in the medium to long term. Three of the high risks identified occur for the 2090 time period are related to a high emissions future.

Priority transition risks that were identified for a low emissions future in the short term are as follows. Further detail is provided in **Table 15**:

- Changes to City of Marion's economy as a result of the move to a low carbon economy

  A rapid move to a low carbon economy could impact some of City of Marion's largest sectors (e.g. manufacturing and retail) if they are unable to decarbonise quickly enough. This could occur as a result of carbon prices being levied on manufacturing and retail products and directly affect rates obtained from businesses in these sectors. Treatment options include supporting local business where possible to adopt lower carbon practices and understand the role of City of Marion in supporting them to address transition risks. City of Marion can also provide support with respect to the infrastructure required for the transition to a low carbon future, such as EV infrastructure.

- Impacts of climate change reducing affordability and payment of Council rates

  The rapid transition to emissions reduction may affect the affordability of rates for residents e.g. increased costs of goods and services, whilst also increasing the prices for City of Marion to deliver its services. The cumulative effect of rates affordability and costs may impact City of Marion's ability to generate sufficient rate revenue to provide its services and maintain assets in accordance with asset management plan renewal requirements.

Transition risks are mostly considered in relation to a low emissions future, however, there are also risks that may arise that are policy, regulatory, market and/or technological in nature as part of continued progression to high emissions. The priority transition risks that were identified for a high emissions future are outlined below, noting that they were considered to be of greatest risk in the long term. Further detail is provided in **Table 16**.

- Integrating climate resilience in procurement

  Integrating climate resilience into sustainable procurement and supply chains may cause cost increases and supply chain disruptions due to instability in sourcing sustainable materials and services and the need for new compliance and monitoring

frameworks. The risk could be mitigated by working with suppliers to provide clear forward purchasing signals and determining if technological advances can help reduce cost increases.

- Difficulty securing sufficient and consistent funding for climate initiatives

  There is an expectation that as the impacts of climate change become more pronounced, there will be growing demand for council funding of its own initiatives and what is variously described as "climate finance" to fund risk mitigation initiatives. This could lead to stalled projects, budget reallocation requirements from other parts of council, cancellation of projects, unmet climate targets, increased long-term costs from delayed action and continued reliance on less sustainable practices. Mitigation of the financing risk will need to be considered through time in the annual budget and business plan process and in developing the long term financial plan. It may also require pursuing grants and incentives and advocating for dedicated climate funds at regional or national levels.

- Cost increases and/or availability of adequate insurance

  Climate change impacts are anticipated to result in higher insurance claim frequency and severity, increasing prices for insurance companies who may need to raise premiums to cover their costs. Therefore, a growing concern for many private and public sector entities will be ongoing availability of insurance for natural hazard protection to provide coverage against damage to assets in particular. This may require greater investment in risk mitigation measures or self insuring for certain types of damage in some locations.

While the focus of this section is on transition risks, opportunities may also exist that will assist City of Marion in delivering its Strategic Plan and year on year Annual Budget and Business Plan. This could include opportunities to improve energy efficiency in public buildings, water use efficiencies, build continued momentum behind waste management and the circular economy and provide another driver for smart city technologies.

Table 15 Summary of transitional risks under RCP 2.6. The target indicates the modified risk rating assuming that treatment options are implemented.

Hazard	Consequence	Asset or Service Group	2030	2050	2090	Target
Changes to City of Marion's economy as a result of the move to a low carbon economy	City of Marion's largest sectors (Manufacturing and Retail) may both be negatively impacted by climate change and the associated transition, impacting local businesses and jobs as a result. Examples of this may include carbon prices being levied on manufacturing and retail products. This will directly affect the operation and focus of council in the future	Asset: Fleet Plant and Equipment	H 2	H 2	M 3	L 5
Impacts of climate change reducing affordability and payment terms of council rates	City of Marion's largest source of income and cash deposits is through council rates. The impacts of climate change may affect the affordability of rates for residents e.g. increased costs of goods and services, whilst also increasing the prices for City of Marion to deliver its services. The cumulative effect of rates affordability and costs may impact City of Marion's ability to raise rates to collect enough revenue to provide its services.	Service: Urban Development, Inspection, Regulation and Control	H 2	M 3	M 4	M 4

Table 16 Summary of transitional risks under RCP 8.5. The residual target indicates the modified risk rating assuming that treatment options are implemented.

Hazard	Consequence	Asset or Service Group	2030	2050	2090	Target
Integrating climate resilience through sustainable procurements and supply	Potential cost increases Supply chain disruptions and difficulties (instability in sourcing sustainable materials and services)	Service: Community Facilities	M 6	M 5	H 2	M 6

chains causing supply chain disruptions and cost increases	Need for new compliance and monitoring frameworks					
Difficulty securing sufficient and consistent funding for climate initiatives	Stalled projects Budget reallocation from other parts of council Cancellation of projects Unmet climate targets Increased long-term costs from delayed action Continued reliance on less sustainable practices	Asset: Buildings and Structures	M 6	M 5	H 2	M 6
Cost increases and/or availability of adequate insurance for City of Marion buildings and constituents	Climate change impacts will result in higher insurance claim frequency and severity, increasing prices for insurance companies who will need to raise premiums to cover their costs. Assets may be left without necessary coverage or insurance may not be affordable.	Asset: Buildings and Structures	M 6	M 7	H 4	M 4

5 Next steps

5.1 Further prioritisation and adaptation planning

The Climate Change Risk Assessment undertaken in this project has identified a range of treatment options. For high and potentially medium risks it is recommended that further prioritisation of treatment options is undertaken as part of developing and adaptation plan. This could use techniques such as multi-criteria assessment or cost benefit analysis to identify priority actions and seek to identify roles and responsibilities, resource requirements and timing of implementation.

It may also be important to further consider the variety of strategies that can be employed to reduce specific risks. Potential adaptation options range from avoiding risk, removing the risk source, changing the likelihood and consequences, transferring, or sharing the risk with another party, to retaining and accepting the risks. **Figure 8** illustrates the increased costs and effort required for more significant treatment strategies that should be referred to when considering adaptation options.



Figure 8 Risk treatment strategies vary in cost depending on the level of risk mitigation.

There are also other factors that City of Marion may consider (AS5334, 2013):

- Effectiveness and robustness of the adaptation over the life of the infrastructure, including the flexibility to respond to changing conditions of use and climate;
- Practicability of implementation and ease of maintenance;
- Economic efficiency of operation and ongoing maintenance, including whether or not the adaptation can itself generate revenue;
- Co-benefits over and above those that come from the direct treatment of the risks from climate change;
- Equity implications of the adaptation options for all potentially affected stakeholder;
- Greenhouse gas emission implications of adaptation options.

5.2 Reviewing the risk assessment

The risk register should be viewed as a dynamic document and where feasible the Climate Change Risk Assessment results maintained on a regular basis. It is recommended that the risk register and assessment results should be reviewed every 2-3 years with a view to considering the impact of recent research, such as in relation to climate science or the response of services and assets to physical and transition risks. The risk register should also be updated following significant climate events such as

those that lead to material damages relevant to the City of Marion risk consequence categories e.g. financial, community, health, safety and well being. The process of regularly reviewing risks, proposed controls, and actions identified in the risk register (adding additional risks where required) will support resilience building.

The risk ratings assigned during this project were informed by subject matter expertise from Edge and the observations of City of Marion staff in relation to the impacts of physical risks in particular. However, it is anticipated that climate change will lead to risks that haven't been experienced in the past and hence it should be expected that in some instances the risks experienced in the future may exceed the assigned ratings.

5.3 Disclosure

The requirements to disclose climate risks and opportunities have been progressively increasing, with recent Federal legislation mandating climate disclosure reporting for businesses in Australia (for example) with revenues exceeding $50 million and consolidated assets valued at over $25 million. Similar requirements for Federal Government agencies and NSW State Government agencies have also been developed. While not in place yet for local government in Australia, it is anticipated that climate disclosure reporting will eventually be required in some form to align with the corporate and public sector standards being adopted. Therefore, City of Marion should be prepared to report in the future against the four key climate disclosure themes of:

- Governance
- Strategy
- Risk management
- Metrics and targets

This report and the underpinning climate risk register assist in addressing the strategy and risk management requirements and can inform the future setting of metrics and targets.

The assessment was a qualitative process and given indications from the Federal Government in the Australian Sustainability Reporting Standard, it should be expected that where high impact, financially material risks are believed to exist, more quantitative risk and scenario analysis may be required.

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7 Glossary

Term	Abbreviation
Australian Standard	AS
Bureau of Meteorology	BOM
Commonwealth Scientific and Industrial Research	CSIRO
Edge Impact	Edge
Greenhouse Gas	GHG
HVAC	Heating, ventilation, and air-conditioning
Infrastructure Sustainability Standards Board	ISSB
Intergovernmental Panel on Climate Change	IPCC
Representative Concentration Pathway	RCP
South Australia	SA

Appendix A: City of Marion Risk Register

External to Document

Appendix B: Annual Business Plan

External to Document – screenshots of relevant sections below

Your rates at a glance

Amounts spent per one hundred dollars ($100)



Infrastructure Management

- Civil infrastructure maintenance
- Asset management
- Stormwater drainage network
- Traffic management



Community Facilities

- Marion Outdoor Pool
- Sporting facilities
- Property management
- Facilities hire (casual and long term)



Waste Collection and Management Services

- Kerbside waste collection and management
- Household waste, recyclables, green organics
- Hard rubbish collection and illegal dumping
- Management of waste through our materials recycling facility



Open Space, Parks and Gardens

- Reserve maintenance
- Playgrounds
- Public toilets
- Playground maintenance



Library Services

- Marion Cultural Centre Library
- Parkholme Library
- Cove Civic Centre Library
- Library programs/events

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Urban Development, Inspection, Regulation and Control

- Parking control
- Development services
- Dog and cat control
- Food safety



Community Development and Capacity Building

- Youth services
- Neighbourhood centre operations and programs
- Community grant programs



Environmental Sustainability

- Street tree management
- Environmental regulation
- Native vegetation



Culture and Recreation

- Cultural heritage
- Community events



Health and Community Care

- Aged care services
- Community buses
- Emergency response

Appendix C: Workshop attendees

Table 17 Workshop attendees

Participant Name	Title	Workshop	Company	Attended
Mark Siebentritt	Managing Director	ALL	Edge	✓
Ivan Yancic Jurado	Analyst	ALL	Edge	✓
Cassie Cheeseman	Senior Consultant	ALL	Edge	✓
Anna Haygreen	Senior Environmental Planner	ALL	City of Marion	✓
Ben Polotnianka	Information Services Senior Project Manager	1	City of Marion	✓
Heath Harding	Unit Manager Finance Partnering & Rates	1	City of Marion	✓
Julie Higgins	Engagement and Events	1	City of Marion	✓
Melissa Virgin	Unit Manager Finance and Payroll	1	City of Marion	✓
Maren Butz	Utilities Optimisation Lead	1	City of Marion	✓
Mark Jentsch	Unit Manager WHS and Wellbeing	1	City of Marion	✓
Kavita Chadha	Senior Project Management Analyst	1	City of Marion	✓
Peta Dougherty-Allanson	Strategic People and Culture Project Lead	1	City of Marion	✓
Glynn Ricketts	Water Resources Coordinator	1	City of Marion	✓
David Sboro	Team Leader Environmental Health	2	City of Marion	✓
Sheree Tebyanian	Unit Manager Strategy and Risk	2	City of Marion	✓
Kim Strickland	Risk Business Partner	2	City of Marion	✓
David Barone	Senior Strategic and Policy Planner	2	City of Marion	✓
Caroline Corston	Team Leader Community Safety	2	City of Marion	✓
Amy Liddicoat	Open Space and Recreation Planning	2	City of Marion	✓
Catrin Johnson	Asset Strategy Officer	3	City of Marion	✓
Rebecca Neumann	Unit Manager Environmental Sustainability	3	City of Marion	✓
Jacob Lemon	Coordinator Biodiversity	3	City of Marion	✓
Ian Seccafien	Coordinator Arboriculture	3	City of Marion	✓
Luke Manuel	Coordinator Field Operations	3	City of Marion	✓

Stefan Caddy-Retalic	Resilient South Coordinator	3	City of Marion ✓
Kate McKenzie	Manager Office of the CEO/Emergency Management	3	City of Marion ✓
Carl Lundborg	Unit Manager Engineering	4	City of Marion ✓
Roger Belding	Manager Operational Support	4	City of Marion ✓
Amos Chen	Team Leader Capital Delivery, Civil	4	City of Marion ✓
Estelle O'Donohue	Coordinator Survey and Design	4	City of Marion ✓
Nathan Saxty	Coordinator Transport	4	City of Marion ✓
Mat Allen*	Manager Engineering Assets and Environment	4	City of Marion ✓
Colin Heath	Unit Manager Procurement	4	City of Marion ✓
Merran Fyffe*	Manager Community Connections	5	City of Marion ✓
Geoff Norris	Unit Manager Property Strategy and Delivery	5	City of Marion ✓
Emily Litster	Property Asset Planner	5	City of Marion ✓
Danielle Clark	Community Development Officer	5	City of Marion ✓
Shannon Swart	Youth Officer	5	City of Marion ✓
Nathan Byles	Unit Manager Recreation and Cultural Facilities	5	City of Marion ✓
Ben Keen*	General Manager City Services	5	City of Marion ✓
Erica Gurner	Social and Cultural Sustainability Planner	5	City of Marion ✓

Appendix D: Risk Management Framework Consequence Table

Table 18 Likelihood criteria (*City of Marion Risk Management Framework*)

Score	Rating	Probability or chance
5	Rare	The event will only occur in exceptional circumstances / probability close to 0 / < every 10 years
4	Unlikely	The event is unlikely to occur / probability 1 - <25% / every 5 to 10 years
3	Possible	The event may possibly occur / probability 25 - <50% / every 5 years
2	Likely	The event is likely to occur / probability 50 - < 75% / approx. once a year
1	Almost Certain	The event is occurring now or is almost certain to occur / probability >75% more than once a year

Table 19 Consequence criteria (*City of Marion Risk Management Framework*)

	Health, Safety & Wellbeing of our People	Social and Community	Financial	Environment	Business Continuity / Organisational	Reputation & Public Administration
Insignificant	• No impact on wellbeing. • Minor local workforce disruption. • Loss of continuity of staff knowledge. • Physical or other injury requiring first aid.	• A community experiences a negligible wellbeing impact, and/or are disadvantaged in the short term. • Low-income earner/household impact <$50.	• CoM: Financial impact, loss and/or penalty up to $10,000. • +Project: up to 5% of original project budget.	• Isolated adverse environmental impact to natural spaces and/or assets, that is short term and/or reversible.	• Insignificant impact on council's ability to achieve strategic outcomes, and on business unit plans. • +Project – insignificant impact on achievement of key project objectives, or project duration extended up to 10% of original project timeframe.	• A slight but manageable increase in the number of adverse resident/stakeholder complaints. • Sporadic, low levels of negative commentary on an isolated state-based media and/or social media platform for 1 to 3 days.
Minor	• Minor temporary impact on wellbeing. • Local and temporary poor morale. • Temporary loss of some staff within an individual business unit. • Loss of staff continuity requiring recruitment. • Physical or other injury resulting in medical treatment.	• A community or neighbourhood experiences minor wellbeing impact, and/or are disadvantaged in the short term. • Household financial impact <$200.	• CoM: Financial impact, loss and/or penalty between $10,000 to $100,000. • +Project: between 5 to 10% of original project budget.	• Minor or isolated instances of environmental damage to natural spaces and/or assets, requiring minor effort to reverse or remediate.	• Minor impact on a small number of business Units plans. • Some impact on strategic initiatives but only minor aspects impacted. Overall strategic intent still achievable.	• An increase in the number of resident/stakeholder complaints requiring direct effort to resolve/attend to. • Regular, low levels of negative coverage on multiple state-based media and/or social media platforms for 1 to 7 days. • Elected Member dissatisfied or complaint received. • Potential for legal activity.
Moderate	• Significant/medium term wellbeing impact or a whole City of Marion worksite affected. • Widespread morale issues. • Temporary staff loss across several business units. • Loss of key staff with specific knowledge and skills. • Impact on recruitment capacity as an Employer of Choice.	• A number of neighbourhoods (up to 10% of residents) experience a wellbeing impact and/or are disadvantaged. • Household financial impact <$1,000.	• CoM: Financial impact, loss and/or penalty between $100,000 to $1,000,000. • +Project: between 10 to 20% of original project budget.	• Isolated but significant instances of environmental damage or implications, to natural spaces and assets, requiring concentrated effort to reverse/remediate.	• Some key components of the strategic plan could not be achieved as a result of risk event. Additional funding/resources required to rectify. • +Project – impacts some key objectives. Considerable effort required including some change in project scope to achieve required outcomes.	• A high volume of resident/stakeholder complaints. • Heightened regularity of medium level negative media on multiple state-based media and/or social media platforms for up to two weeks. • Majority of Elected Members dissatisfied, Council motion affecting CEO/Administration Ombudsman or Office of Public Integrity. Increased likelihood of legal implications.

	Health, Safety & Wellbeing of our People	Social and Community	Financial	Environment	Business Continuity / Organisational	Reputation & Public Administration
	• Physical or other injury resulting in medical treatment/brief hospitalisation. Loss Time Injury of 1 day.				• +Project duration extended by 21 to 35% of original timeframe.	• Complaint from partner organisation resolved within portfolio.
Major	• Long term wellbeing impact or more than one City of Marion worksite affected. • Entrenched severe morale problems. • Inability to recruit with necessary skills. • High employee turnover. • Serious injury requiring medical/hospitalisation. Lost Time Injury of 2 days or more, or re-admission/extensive rehabilitation.	• Up to 25% of community and neighbourhoods are disadvantaged and experience a wellbeing impact or may experience wellbeing harm. • Community groups are offended and may not be able to practise recognised traditions. • Household financial impact <$10,000	• CoM: Financial impact, loss and/or penalty between $1,000,000 to $5,000,000. • +Project: between 20 to 35% of original budget.	• Severe and/or widespread environmental damage to natural spaces or assets and/or loss of environmental aspect. Extensive effort and support required to reverse/remediate. • Danger of continuing environmental damage/ losses.	• Council unable to deliver on numerous key strategic initiatives without additional funding/resources. • Major review of strategic plan required. • +Project – Significant portion of key project objectives impacted. Major changes to project scope and work necessary to achieve required outcomes. • +Project duration extended by 36 to 50% of original project timeframe.	• Publicised adverse resident comments and/or complaints. • An ongoing significant and regular campaign of negative media on multiple state based and national media and/or social media platforms. • Employment termination of General Manager(s). Ombudsmen or Office of Public Integrity involvement. Likely legal action. • Relationship with partner organisation harmed, requiring CEO involvement.
Severe	• Wellbeing of majority of workforce affected. • Loss of a majority of the workforce. • Inability to replace critical services. • Death or critical injury.	• Majority of City of Marion community is disadvantaged and/or may experience wellbeing impact. • Household financial impact >$10,000.	• CoM: Financial impact, loss and/or penalty in excess of $5,000,000 or higher impact on sustainability. • +Project: >35% of original project budget	• Major widespread loss of environmental aspect, and progressive irrecoverable environmental damage to natural spaces and assets.	• Majority of initiatives and/or key initiatives within the Council's strategic plan unattainable. • +Project – Failure of project to meet all required objectives. • +Project duration extended by >50% of original project timeframe. • Relationship with partner organisation harmed, affecting the achievement of a strategic objective.	• Widely publicised adverse resident/stakeholder comments and/or complaints. • An ongoing high level and sustained campaign of negative media on multiple state based and national based media and/or social media platforms. • Employment termination of CEO/Mayor. Council stood down. Minister intervention required. • Relationship with partner organisation harmed affecting the achievement of a strategic project/objective.

New Climate Reporting Rules
On 22 August 2024, the Senate approved a law requiring **mandatory climate-related financial reporting**. This will start in January 2025 for organisations that meet specific financial and staffing thresholds (500 or more employees). A decision around government requirements is expected in next 2 years.

The **mandatory reporting** must include:

- A Climate Statement outlining major climate-related risks and opportunities.
- Reporting on Scope 1, 2, and 3 emissions (direct and indirect emissions) along with reduction targets.
- Details on strategies and risk management related to climate risks and opportunities, including key metrics and targets.
- An evaluation of how resilient the organisation is to climate-related changes.

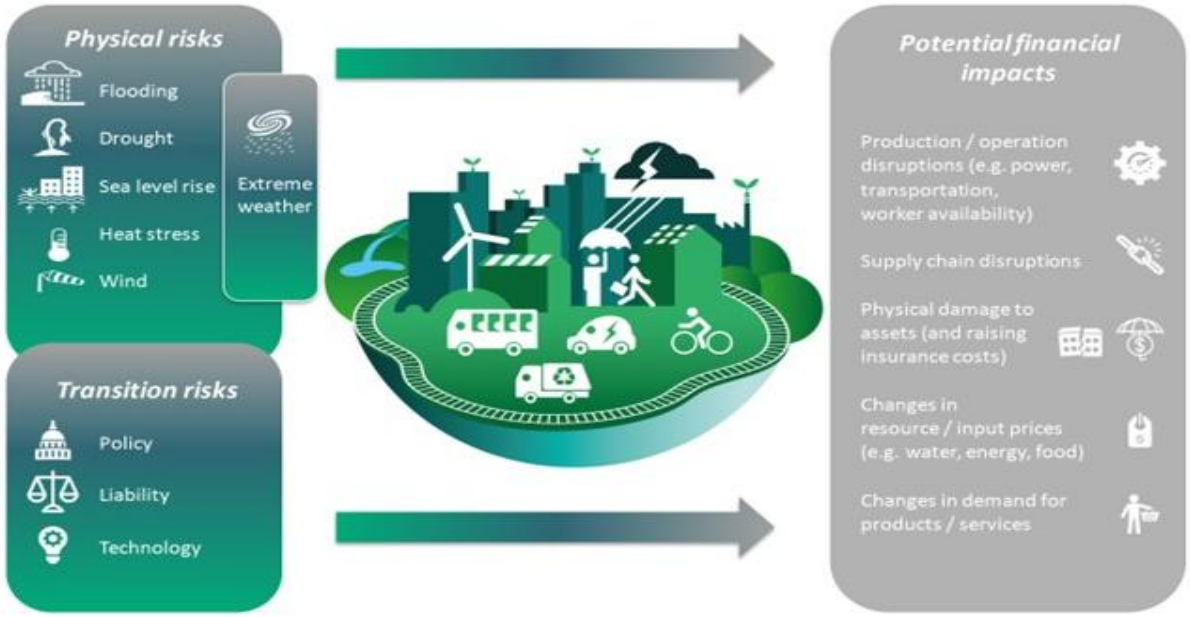
Types of Climate Risks

Physical Risks
Are the direct effects of climate change:

- Acute risks: Sudden events like wildfires or floods.
- Chronic risks: Gradual changes like rising sea levels or long-term temperature increases.

Transitional Risks
These involve challenges related to how well and how quickly we can adapt to changes aimed at reducing greenhouse gas emissions. They include:

- Meeting new regulations.
- Finding and funding new technologies and systems.
- Managing costs and responding to shifting community needs.



Historical Data

For historical data context, extreme weather events or Bureau of Meteorology (BOM) data from nearby proximity was used. The BOM weather station where the data for historical data was obtained and is closest to Marion is Adelaide Airport, 5.9km from Marion with data ranging from 1955 to 2024.

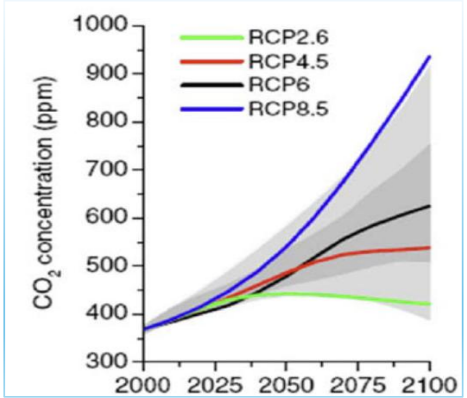
Representative Concentrated Pathways (RCP)

Are emissions scenarios developed by the Intergovernmental Panel on Climate Change (IPCC). They provide a framework for assessing potential levels of greenhouse gas (GHG) concentrations in the atmosphere by the year 2100.

These scenarios offer different pathways that represent a range of possible future climate outcomes based on assumptions about emissions, energy use, and climate policies, relative to the pre-industrial period (1850-1900)

RPC 2.6 - Strong mitigation scenario leading to warming typically aligned to < 2°C of warming
RPC 4.5 - Moderate mitigation scenario leading to warming at the end of 21st century of more
RPC 6.0 - Low mitigation scenario leading to warming at the end of the 21st century of less
RPC 8.5 - No mitigation scenario leading to warming at the end of the 21st century of more

Given the current high emissions trajectory, it is generally recommended we follow the RCP 8.5 scenario for assessments.



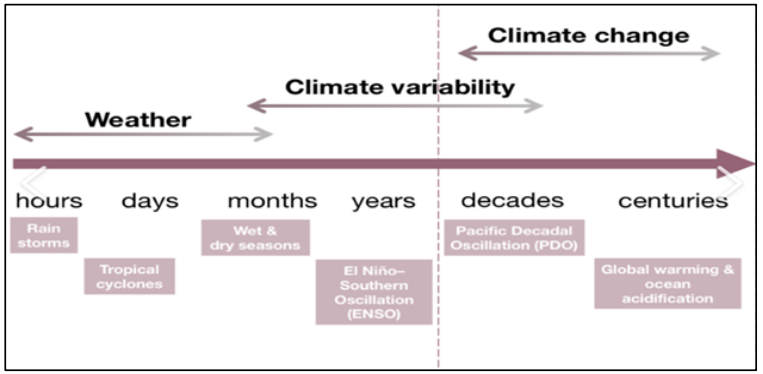
Timeframes and Emission Scenarios for Climate Planning

The study uses three timeframes—**2030, 2050, and 2090**—to assess climate impacts on Council assets and services:

- **2030**: Represents the short term.
- **2050**: Serves as the mid-point.
- **2090**: Marks the furthest available projections.

Global emissions scenarios vary widely, but with emissions currently following a high trajectory, climate risk guidelines recommend using **RCP 8.5** (a high-emissions scenario) for planning.

Weather vs Climate & Climate Change



Understanding Climate Risk Confidence Levels

Each climate risk comes with a "Confidence Level" that shows how reliable the research behind it is. This is based on the type, quality, amount, and consistency of the information available.

- **High Confidence** means there is a lot of strong, consistent research backing the risk.
- **Low Confidence** means there is less research or weaker evidence supporting it.

The confidence levels are ranked on a scale of five: from Very High to Very Low.

Attachment 3. Climate Risk Register

Climate Risk - CL001	Failure to respond, plan and protect against the impacts of increasing extreme heat.
Climate Hazards	Increase average daily temperatures, increased frequency of very hot days (over 35°C.) and frequency and severity of extended periods of extreme heat.

Likelihood Rating	Likely	Consequence Rating	Moderate	Inherent Risk	High
Likelihood Rating	Likely	Consequence Rating	Moderate	Residual Risk	High
Likelihood Rating	Possible	Consequence Rating	Moderate	Target Risk	Medium

RPC 8.5 Climate change impact prediction ***(annually / °C)***	**2030**	**2050**	**2090**	**Confidence in projections** ***(based on scientific research)***
Increased frequency of very hot days (over 35°C)	+6.5 days	+9.3 days	+23.4 days	Very High Confidence
Increased Average of daily temperatures	+1.4°C	+2°C	+3.8°C	High Confidence

Context Background & Env Considerations:

- Average temperatures in South Australia are nearly 1°C warmer than in 1960, 9 out of the 10 hottest years on record have occurred since 2005 (BOM & CSIRO 2022). The City of Marion, like much of South Australia, has experienced increased temperatures, with the highest maximum temperature recorded on 24th January 2019 at 45.8° C.
- South Australia has experienced an increase in the frequency of hot days. Days over 35°C per year is 14, with 1.7 days above 40°C.
- BOM recorded several significant heat events; During 2018-19 Australia experienced an increase in the number of days heatwaves lasted; in 2014, South Australia endured five consecutive days above 42°C, and in 2008, the Adelaide CBD faced 13 consecutive days exceeding 37.8°C.

These periods increase energy demands for cooling and heating, putting ventilation, and air conditioning (HVAC) systems under considerable stress to achieve thermal comfort. They also put significant pressure on electricity and electricity prices, and place extra demands on our water resources and irrigation schedules, increasing risks in our open spaces, reserves and our trees, including animals and plant life that are supported by these environments.

Climate Projections: According to nationally recognised climate projections in the Guide to Climate Projections for Risk Assessment and Planning in South Australia (Department for Environment and Water, 2022): Annual average daily maximum and minimum temperatures will continue to increase, as will the frequency of very hot days over 35°C and heatwaves will get longer and hotter, across our region.

- **Short Term:** By 2030 average annual temperature is projected to increase by 1.4°C and the number of days over 35°C will increase from 14 to 20.5 days annually. Heatwave events are likely to become more frequent and extend for longer periods.
- **Long Term:** By 2050, average annual temperatures are projected to increase by 2°C and the number of days over 35°C will continue to increase with by a projected 40% and the number of days over 40°C is expected to double. Heatwave events will continue to increase in frequency, severity & duration.

Areas of Vulnerability: Increased frequency and severity of heatwaves in Australia present serious risk to public health, infrastructure, and the environment. Green spaces are particularly vulnerable, this includes trees, reserves, sporting grounds, coastal paths, remnant vegetation, animals, plant and marine life, ecosystems and biodiversity which may all suffer during increasingly hot weather.

Prolonged elevated temperatures can lead to increased heat-related illnesses and fatalities, particularly among vulnerable populations, and may increase the requirements to provide additional refuge locations. Working in extreme heat conditions is a significant risk for our outdoor workforce.

Risk Prediction: **For the City of Marion**, as an urbanised council, the City of Marion is vulnerable to the impacts of very hot days and heatwaves. Heat waves strain energy supplies, giving rise to blackouts and disruption to essential services. Excessive heat can damage infrastructure like roads and bridges as well as damaging trees, landscaping and natural areas. May also impact the ability of our outdoor staff to maintain outdoor services.

Risk Owner	Manager, Engineering, Assets and Environment
Strategic Link	Liveable and Sustainable
Stakeholders	Organisation wide, Community Connections, City Property, Open Space & Recreation Planning, Open Space Operations, WHS
References	Guide to Climate Projections for Risk Assessment and Planning in South Australia 2022, Gov. of S.A, through the Department for Environment and Water, Adelaide EDGE Impact Climate Change Risk Assessment for the City of Marion October 2024 2023 Future Trees Report – University of Adelaide Resilient South Regional Climate Action Plan (ReCAP) 2024 South Australian Government Climate Change and Resilience Actions (2024)
Likely Causes	Lack of understanding, of the impacts to residents, staff, volunteers exposed to extreme and increased heat Lack of knowledge of the impacts to council assets exposed to extreme and increased heat Lack of scenario planning for projected extreme heat on council services, operations, assets and the community
Consequences	Heat damage to natural assets (turf, shrubs, trees, garden beds and raingardens) Impacts to biodiversity and disruption to natural ecosystems Increase in heat related pests and disease Increased risk to trees and tree limb loss Loss of green cover and increased erosion (resulting in water quality impacts during rain) Soil movement, cracking and damage to foundations Staff, contractors, and volunteers exposed to extreme conditions, particularly those outdoors. Reduced ability of HVAC and ventilation systems to maintain comfort levels Power outages causing disruption, facility closure or cancellation of services and events. Hindered ability for food to cool down posing safety risks for catering and meal services. Increased electricity demands and costs for cooling

Existing Controls	Control Effectiveness	Control Owner
Climate Change Policy	Effective	UM, Environmental Sustainability

Existing Controls	Control Effectiveness	Control Owner
Resilient Asset Management Program (RAMP)	Effective	UM, Environmental Sustainability
Resilient South Regional Action Plan (ReCAP)	Effective	UM, Environmental Sustainability
Severe Weather Procedure	Effective	UM, WHS and Wellbeing
Emergency Hazard Operational Plans	Effective	UM, Strategy and Risk
Carbon Neutral Plan	Effective	UM, Environmental Sustainability
Business Continuity Framework and Plans	Effective	UM, Strategy and Risk
Asset Management Plan - Trees	Effective	UM, Open Space Operations
Asset Management Strategy and Policy	Effective	UM, Asset Solutions
Biodiversity Plan	Effective	UM, Open Space Operations
CoM Asset Insurance	Effective	UM, Strategy and Risk
Air-conditioned fleet, buildings and facilities	Effective	UM, Property and Facilities
Backup generators (Administration Centre and Marion Cultural Centre)	Effective	UM, Property and Facilities
Provide information to our community about heat stress & refuge locations	Effective	UM, Library Services
CoM Strategic Plan	Effective	UM, Strategy and Risk
Food safety standards and protocols	Effective	UM, Environmental Health

Tasks / Actions	Work Area	Due
Develop a regional approach to monitoring and reporting on biodiversity (ReCAP)	Environmental Sustainability	2030

Opportunities	Opportunity Owner
Increased visitation to Marion Outdoor Pool during hot weather and potential lengthening of swimming season	UM, Rec. and Cultural Facilities
Increased visitation to Libraries and Community Centres as cool refuges	UM, Library Services

Linked Risks	Linked Risks
SR002	Failure to identify, assess, and manage climate-related risks and opportunities that affect our operations and community

Climate Risk - CL002	Failure to respond, plan and protect our city from the impacts of increased rainfall, storm intensity, and resultant flooding.
Climate Hazard	Increased heavy rainfall intensity, intense storm events and resultant flooding

Likelihood Rating	Possible	Consequence Rating	Major	Inherent Risk	High
Likelihood Rating	Possible	Consequence Rating	Major	Residual Risk	Medium
Likelihood Rating	Unlikely	Consequence Rating	Moderate	Target Risk	Medium

RCP 8.5 - Climate change impact prediction (cm)	2030	2050	2090	Confidence in projections *(based on scientific research)*
Increased extreme rainfall intensity and resultant flooding	+0.6cm	+0.59cm	+0.84cm	High confidence
Increased Intensity of storm events	Increase	Increase	Increase	Low Confidence

Context Background & Env Considerations:

- Between 1950 and 1985 there were 3 years with 6 or more days that exceeded the "99th percentile" benchmark of historical rainfall records, which increased to 7 days in the next 30-year period (1985-2020). A 2013 City of Marion flood plain study indicates there is flood risk due to ongoing urban development and a projected increase in rainfall intensity (Tonkin Consulting 2014).
- While Adelaide does not suffer from the intensity of tropical storms experienced on Australia's East Coast, it can experience high winds, lightning, hail and resultant flooding. A recent storm event in Adelaide, on November 27, 2023, resulted in severe weather that caused widespread power outages, 250 SES calls, property damage, flooding, and transport delays. On the 28th of September 2016 there was also a storm and lightning event BOM labelled a 1-in-50-year event that led to a state-wide blackout. Marc 2025, the Southeast of SA experienced a significant lightning storm event, where lightning strikes caused widespread power outages, sparked 100 incidents, most being fires, 2 of which were significant, and many powerlines and trees were struck down.

Calculated flood damages for a **1 in 5-year** rainfall event rise from $1.2 million to $4.9 million and for a **1 in 100-year** event, damages increase from $44.1 million to $57.3 million (Tonkin Consulting 2014). There are no climate projections for Storm events, however we know global warming continues to create more favourable conditions for increased storm activity.

Climate Projections: According to nationally recognised climate projections in the Guide to Climate Projections for Risk Assessment and Planning in South Australia (Department for Environment and Water, 2022) the amount of rain falling in extreme rainfall events and the frequency of extreme rainfall events will increase, and the likelihood of increased storm activity may increase in line with continuing global warming conditions.

- **Short Term Projections:** By 2030, the average number of days per year in which rainfall is expected to be above the historic 99.9th percentile benchmark (i.e. the 1-in- 1000-day rainfall event) will increase by 0.6 days in Adelaide.
- **Long Term Projections:** By 2050, the average number of days to exceed the benchmark is expected to be maintained at is 0.6 days for Adelaide.

Areas of Vulnerability: Increased "intensity" of rainfall combined with urban development may challenge our stormwater systems. If urban infill development continues at the current rate, the risk of flooding will increase further due to increases in impermeable surfaces causing stormwater systems and infrastructure to fail and cause flooding. The safety of our staff, contractors, volunteers, community and vulnerable people is critical during any storm activity, additionally some critical infrastructure and services maybe impacted.

Risk Prediction: For the City of Marion Increased rainfall intensity and resultant flooding are a significant risk to our stormwater assets, infrastructure, private property and impacts on operational teams due to increasing clean up requirements. Predictions for increased intensity in storm events are not clear and may conflict in the short term and long term, when we consider increased frequency of hot, dry and drought weather patterns.

Risk Owner	Manager, Engineering, Assets and Environment

Strategic Link	Sustainable
Stakeholders	Organisation-wide, Engineering, City Property, City Activation, Environmental Health, Open Space Operations, P&C
References	EDGE Impact Climate Change Risk Assessment for the City of Marion October 2024, Department for Environment and Water (2022). Guide to Climate Projections for Risk Assessment and Planning in South Australia 2022, Government of South Australia, through the Department for Environment and Water, Adelaide
Likely Causes	Seasonal and climate driven weather events increasing the intensity of storms, including rainfall and overland flow leading to flooding, as well as other storm activity such as wind, hail, and lightning.
Consequences	Flood damage to assets, infrastructure, culturally significant sites, and trees. Damage to private property Increased resources required to assist community, make safe and debris removal. Exceeded capacity of drainage systems for properties, assets, and infrastructure Inability to deliver community services or safe places. Increased erosion and pollutants entering the stormwater system, posing HSW risks. Potential for waterborne diseases and mosquitoes.

Existing Controls	Control Effectiveness	Control Owner
Climate Change Policy	Effective	UM, Environmental Sustainability
Resilient Asset Management Program (RAMP)	Effective	UM, Environmental Sustainability
Resilient South Regional Action Plan (ReCAP)	Effective	UM, Environmental Sustainability
Severe Weather Procedure	Effective	UM, WHS and Wellbeing
Emergency Hazards Operational Plans	Effective	UM, Strategy and Risk
Business Continuity Framework and Plans	Effective	UM, Strategy and Risk
Asset Management Strategy and Policy	Effective	UM, Asset Solutions
Asset Management Plan – Stormwater	Effective	UM, Engineering
CoM Asset Insurance	Effective	UM, Strategy and Risk
Stormwater Management Plans	Effective	UM, Engineering
Community Emergency Management Plans	Effective	UM, WHS and Wellbeing

Existing Controls	Control Effectiveness	Control Owner
Floodplain mapping	Effective	UM, Engineering
Regular street sweeping and side entry pit cleaning program	Effective	UM, Civil Services
Environmental Health inspection and mosquito control program	Effective	UM Regulatory Services
Stormwater Matrix (prioritisation tool)	Effective	UM, Engineering

Tasks / Actions	Work Area	Due
Review drainage capacity and flood plain mapping	Engineering	UM, Engineering

Linked Risks	Linked Risks
SR002	Failure to identify, assess, and manage climate-related risks and opportunities that affect our operations and community

Climate Risk - CL003	Failure to respond, plan and protect our city from the impacts of increasing bushfire conditions
Climate Hazard	Increased extreme weather creating bushfire conditions

Likelihood Rating	Likely	Consequence Rating	Moderate	Inherent Risk	High
Likelihood Rating	Likely	Consequence Rating	Moderate	Residual Risk	Medium
Likelihood Rating	Possible	Consequence Rating	Moderate	Target Risk	Medium

RCP 8.5 - Climate change impact prediction	2030	2050	2090	Confidence in projections (based on scientific research)
Increased bushfire weather	4.7 days	Increase	6.9 days	High

Context Background & Env Considerations:
Bushfires are a significant concern in South Australia due to the region's hot, dry climate and extensive dry vegetation, which create ideal conditions for fires to spread rapidly. Across Australia, Spring 2019 saw the highest fire weather danger as measured by the Forest Fire Danger Index (FFDI). The hot conditions further combined with the dry landscape and strong winds to produce dangerous fire weather conditions from December 2019 into early January 2020.

Climate Projections: According to nationally recognised climate projections in the Guide to Climate Projections for Risk Assessment and Planning in South Australia (Department for Environment and Water, 2022) our region is projected to experience harsher fire weather with projected warming and drying that will lead to increased ready-to-burn fuels, and fire conditions. Bushfire risk is likely to increase, whether fires start in the City of Marion or a neighbouring area.

- **Short Term Projections:** Into 2030, bushfire weather that is linked to drought, reduced rainfall, increased temperatures and increased frequency of very hot days over 35°C, will create an increase in bushfire conditions. Bushfire planning is critical to minimise fires and reduce the impact of fires.
- **Long Term Projections:** Into 2050 Bushfire risks continue to increase, as the projected climate changes provide more fuel and bushfire conditions across South Australia. Ongoing Bushfire planning & management remains critical to reducing impacts.

Areas of Vulnerability: The impacts from increased bushfire conditions include increases in:

- Demand for emergency response and recovery
- Bushfire risk and bushfire prone areas
- Health and safety risks associated with bushfires including smoke inhalation
- People from neighbouring council areas seeking refuge in the City of Marion when bushfires occur

Risk Prediction for the City of Marion: increased global warming, and South Australia's dry, hot climate, likelihood of bushfires increases. Although the City of Marion only has a few high-risk areas, it does border other council areas that have much higher bushfire risk. This may have flow on impacts to our facilities and social infrastructure in times of bushfire due to people seeking refuge in the City of Marion. Bushfire risk is likely to increase, whether fires start in the City of Marion or a neighbouring area, due to rising average temperatures and more frequent extremely hot days.
These conditions will increase the risk of bushfires across Marion during dry, hot weather, and may increase the requirements of Marion to provide refuge locations in the event of fires in neighbouring council areas.

Risk Owner	Manager, Engineering, Assets and Environment
Strategic Link	Sustainable and Community
Stakeholders	ELT / Organisation-wide

References	EDGE Impact Climate Change Risk Assessment for the City of Marion October 2024
Likely Causes	Increase of dry vegetation, which may fuel fires. Fires spreading from neighboring locations. Failure to maintain vegetation to reduce fuel available. Long hot, dry summers with limited rain Failure to plan for bushfire events with surrounding communities and stakeholders
Consequences	Injury and/or loss of life Increased demand for emergency response and recovery Health impacts for staff, contractors, volunteers and community associated with smoke inhalation Risks to staff travelling through high bushfire risk areas during extreme fire weather Power outages leading to disruption, facility closure or cancellation of services and events. Residents of neighbouring bushfire-prone areas seeking refuge in the City of Marion Damage to assets, infrastructure, environment and culturally significant sites Damage to private and public buildings Lost ecosystems impacting native and/or rare flora, fauna and insects Poor air quality, high pollution levels Increased costs/resources to operate, remediate and repair Dissatisfied community and damaged reputation

Existing Controls	Control Effectiveness	Control Owner
Climate Change Policy	Effective	UM, Environmental Sustainability
Resilient Asset Management Program (RAMP)	Effective	UM, Environmental Sustainability
Resilient South Regional Action Plan (ReCAP)	Effective	UM, Environmental Sustainability
Severe Weather Procedure	Effective	UM, WHS and Wellbeing
Emergency Hazard Operational Plans	Effective	UM, Strategy and Risk
Business Continuity Framework and Plans	Effective	UM, Strategy and Risk
Asset Management Plans	Effective	UM, Asset Solutions
CoM Asset Insurance	Effective	UM, Strategy and Risk
Fuel load reduction on council land and maintenance of fire breaks	Effective	UM, Open Space Operations

Existing Controls	Control Effectiveness	Control Owner
Community Fire Prevention Notices, issued by CoM Authorised Fire Prevention Officers	Effective	UM, Dev and Reg Services
Water Truck resources	Effective	UM, Open Space Operations
CFS Field State Observations – CoM monitoring local vegetation conditions	Effective	UM, Dev and Reg Services
CFS Bushfire Management Committee – CoM FPO members	Effective	UM, Dev and Reg Services

Tasks / Actions	Work Area	Due

Opportunities	Opportunity Owner

Linked Risks	Linked Risks
SR002	Failure to identify, assess, and manage climate-related risks and opportunities that affect our operations and community

Climate Risk - CL004	Failure to reduce emissions to mitigate climate change
Climate Hazard	Transition to a low carbon economy with adequate scale and pace to mitigate climate change

Likelihood Rating	Likely	Consequence Rating	Moderate	Inherent Risk	High
Likelihood Rating	Likely	Consequence Rating	Moderate	Residual Risk	High
Likelihood Rating	Possible	Consequence Rating	Moderate	Target Risk	Medium

RCP 8.5 - Climate change impact prediction	2030	2050	2090	Confidence in projections (based on scientific research)
Failure to transition at an appropriate pace to mitigate climate change.	Increase	Increase	Increase	Medium Confidence

Context Background & Env Considerations: Economies and societies around the world are rapidly transitioning to net-zero emissions and more sustainable practices to avoid the worst climate projected impacts for future generations. This significant global shift is being driven by changes in policy, technology, markets, and community sentiment. The speed and scale of these changes creates new risks, particularly if change occurs unexpectedly or too rapidly.

Areas of Vulnerability: Procurement and management of assets and services that have a relevant impact on Councils carbon inventory and emissions reduction goal.

Risk Prediction for the City of Marion: Transition risks that may apply to the City of Marion include:

- The cost of energy and accessing affordable and reliable renewable energy.
- Cost and access to alternative vehicles to transition fleets away from fossil fuels.
- The cost and availability of low carbon products.
- Exposure to carbon emission pricing through our operations and supply chain.
- Access to finance/loans which are increasingly based on exposure and management of climate change related risks.
- Increased cost of, or lack of available Insurance

Risk Owner	Manager, Engineering, Assets and Environment
Strategic Link	Our Organisation

Stakeholders	ELT / Organisation-wide,
References	EDGE Impact Climate Change Risk Assessment for the City of Marion October 2024 Net Zero Accelerate: A best practice guide to emissions management for local government in SA (2024) Net Zero Accelerate: A sector wide summary for local government emissions in SA (2024)
Likely Causes	Lack of understanding / awareness of how to manage, account for and report on greenhouse gas emissions Lack of understanding / awareness of global trends and how they apply to City of Marion Lack of regulation and standards for local government on emissions reporting Moving too fast to transition to a low carbon economy – spend money & effort without sufficient due diligence.
Consequences	Supply chain limitations and disruptions could lead to material shortages and project delays. Regulatory/Legislative changes, including requirements for Financial Disclosure reporting down the track. Shifting asset values / stranded assets. Increased costs of repair, remediation, and short-term amendments. Increased cost of or lack of available insurance. Cost of embedding a low carbon economy- technology, manufacturing. Increased energy demand for cooling. Updating Plans and Policies to consider Climate Change. Investment in and adoption of innovative technology and systems. Changing community sentiment. Maladaptation- including inappropriate investment in hazard mitigation. Planning and zoning changes, based on resultant flooding. Building zone changes – increased High Fire risk areas

Existing Controls	Control Effectiveness	Control Owner
Net-zero by 2030 target in Strategic Plan	Effective	UM, Environmental Sustainability
Climate Change Policy	Effective	UM, Environmental Sustainability
CoM Strategic Plan	Effective	UM Strategy and Risk
Carbon Neutral Plan	Effective	UM, Environmental Sustainability
Asset Management Strategy and Policy	Effective	UM, Asset Solutions
Pre-design Environmental Checklist	Effective	UM, Environmental Sustainability
Environmentally Sustainable Design Guidelines (ESD Guidelines)	Effective	UM, Environmental Sustainability
Environmental awareness training for key operational staff	Effective	UM, Environmental Sustainability

Existing Controls	Control Effectiveness	Control Owner
Solar panels at all major council sites	Effective	UM, Property and Facilities
Purchasing of 100% renewable electricity	Effective	Manager Strategic Procurement
Maintenance and monitoring of greenhouse gas emissions register	Effective	UM, Environmental Sustainability

Tasks / Actions	Work Area	Due
Establish Environmental Sustainability Plan with Emissions reduction pathway and target	Environmental Sustainability	2025
Creating Register for Climate risks and treatments	Strategy and Risk	2025
Inclusion of Climate Change in review of Procurement Policy	Environmental Sustainability	2025
Establish a commitment for renewable electricity in Council's electricity supply contract	Strategic Procurement	2025
Climate risk and emissions management training for key staff	Environmental Sustainability	2026/2027
Update ESD Guidelines with targets and minimum standards	Environmental Sustainability	2026/2027

Opportunities	Opportunity Owner

Linked Risks	Linked Risks
SR002	Failure to identify, assess, and manage climate-related risks and opportunities that affect our operations and community

Climate Risk - CL005	Failure to respond, plan and protect our city from the impacts of sea-level rise.
Climate Hazard	Sea-Level rise and coastal erosion

Likelihood Rating	Possible	Consequence Rating	Major	Inherent Risk	High
Likelihood Rating	Unlikely	Consequence Rating	Moderate	Residual Risk	High
Likelihood Rating	Unlikely	Consequence Rating	Moderate	Target Risk	Medium

RCP 8.5 - Climate change "impact" prediction (m)	2030	2050	2090	Confidence in projections (based on scientific research)
Sea level rise predictions	.+.13m	+.25m	+.61m	Medium confidence
Coast Protection Board Policy	-	+.3m	+1.0m	

Context Background & Environmental Considerations: As the ocean warms, it expands and sea level rises. This thermal expansion has contributed to approximately one-third of the sea level rise observed globally. In additional sea-levels may be impacted by acidification, melting icesheets and storm surge. Global sea level rise is accelerating and has already begun to threaten public and private infrastructure as well as caused erosion globally, including South Australia coastlines.

Climate Projections: Sea levels along the South Australian coast are projected to rise according to, the Guide to Climate Projections for Risk Assessment and Planning in South Australia (Department for Environment and Water, 2022) and Coast Protection Board Policy (Coast Protection Board, 2022). The height of extreme sea level events will also increase.

- **Short term Projections**: By 2030, a sea level rise of around .13m is projected.
- **Longer term Projections:** By 2050, a sea level rise of .25m is projected. By the end of the century, a sea level rise of between .39 and .85m is projected. However, if Antarctic ice sheet collapse occurs, these projections could increase further.

Areas of Vulnerability:
Impacts associated with rising sea levels include:

- impacts on coastal vegetation, biodiversity and ecosystems
- increase in the extent and frequency of coastal flooding to buildings and infrastructure including homes, roads and businesses
- erosion of cliffs and beaches and damage to coastal infrastructure, impacting safety, amenity and recreation, and tourism opportunities
- isolation of previously accessible rocky coves during high tide
- damage to underground assets from rising groundwater or coastal inundation

The Coastal Climate Study of Marion (2018) and annual Coastal Monitoring Reports since 2021 highlight areas of vulnerability along the City of Marion coastline include clifftop erosion due to stormwater management; erosion of cliff base adjacent to Marino Rock carpark; erosion of the embankment along Herron Way Reserve and erosion of dunes at Field River mouth.

Risk Prediction: For the City of Marion, the main risk to the City of Marion resulting from sea level rise is coastal erosion due to storm Surges, however, our coastal monitoring program has shown that coastal erosion is not a high risk in the short term.

Risk Owner	Manager, Engineering, Assets and Environment
Strategic Link	Sustainable and Liveable
Stakeholders	Organisation-wide, Engineering, Open Space Operations, City Activation, Environmental Sustainability, Assets, Coast Protection Board (State Gov.), Adelaide coastal councils' network
References	EDGE Impact Climate Change Risk Assessment for the City of Marion October 2024

Likely Causes	Storm surge Thermal expansion of the ocean Added water from melting ice sheets and glaciers due to global warming. Ocean Acidification Soil erosion from waves/ water movement Continued/ increased emissions release into the atmosphere causing global warming.
Consequences	Coastal Erosion causing clifftop/ecosystem collapse. Increased costs/ resources to operate, remediate and repair. Increased difficulty obtaining insurance, and increased cost of insurance. Maladaptation including investment into coastal protection infrastructure at inappropriate times or that do not meet changing coastal conditions (e.g. badly designed sea walls) Water Inundation (permanent ground water) Damage to assets, infrastructure, and culturally significant sites Damage to private and public buildings near the coast, Lost ecosystems impacting native and/or rare flora, fauna, and insects. Dissatisfied community, damaged reputation.

Existing Controls	Control Effectiveness	Control Owner
Climate Change Policy	Effective	UM, Environmental Sustainability
Resilient Asset Management Program (RAMP)	Effective	UM, Environmental Sustainability
Resilient South Regional Climate Action Plan (ReCAP)	Effective	UM, Environmental Sustainability
Business Continuity Framework and Plans	Effective	UM, Strategy and Risk
Asset Management Plans – Stormwater	Effective	UM, Engineering
Asset Management Plan – Coastal Walkway	Effective	UM Engineering
Asset Management Strategy and Policy	Effective	UM, Asset Solutions
CoM Asset Insurance	Effective	UM, Strategy and Risk
Biodiversity Plan	Effective	UM, Open Space Operations
Coastal Climate Change Adaptation Study	Effective	UM, Environmental Sustainability
Coastal Monitoring Program 2025-2028	Effective	UM, Environmental Sustainability

Existing Controls	Control Effectiveness	Control Owner
CoM Strategic Plan	Effective	UM, Strategy and Risk

Tasks / Actions	Work Area	Due
Develop Coastal Hazard Adaptation Plan	Environmental Sustainability	2025
Coastal walkway strategic plan and updated AMP	City Activation & Engineering	2028

Opportunities	Opportunity Owner

Linked Risks	Linked Risks
SR002	Failure to identify, assess, and manage climate-related risks and opportunities that affect our operations and community

Climate Risk - CL006	Failure to respond, plan and protect our city from the impacts of drought, severe conditions and reduced rainfall
Climate Hazard	More frequent and severe drought conditions, with reduced average reduced rainfall

Likelihood Rating	Likely	Consequence Rating	Moderate	Inherent Risk	High
Likelihood Rating	Likely	Consequence Rating	Moderate	Residual Risk	Medium
Likelihood Rating	Possible	Consequence Rating	Moderate	Target Risk	Medium

RCP 8.5 - Climate change impact prediction	**2030**	**2050**	**2090**	**Confidence in projections** ***(based on scientific research)***

More Frequent and Severe drought conditions	Increase	Increase	Increase	LOW
Reduced average rainfall	-1%	-3%	-29%	LOW

Context Background & Env Considerations: Long dry periods and droughts are relatively common in South Australia. The Millennium Drought, which lasted from 1997-2009, caused over a decade of dry conditions and is considered the most severe drought ever recorded in the region (van Dijk, et al., 2013). The drought resulted in the enforcement of severe water restrictions because of the reliance on the River Murray for potable supplies (DEW 2021). Although City of Marion has alternative water sources; the River Murray is still crucial for City of Marion's water needs and overall resilience.
Historically, developments in water management and stormwater systems have kept City of Marion resilient during drought periods, but with reduced average rainfall, this could impact the Marion Water business's ability to continue to service the City of Marion.

Climate Projections: According to the Guide to Climate Projections for Risk Assessment and Planning in South Australia (Department for Environment and Water, 2022) annual rainfall will decline and the amount of time spent in drought will increase in our region.

- **Short Term Projections:** By 2030 annual rainfall across the state is projected to decline by 1.7–6.8%, from baseline period of 1986–2005, and time in drought (over a 20-year period) is projected to nearly double in our region.
  Meaning 65% of our time could be in drought by 2030.
- **Long Term Projections:** By 2050 annual rainfall is projected to decline by 4.0–23.0% and time spent in drought is projected to more than double in our region. This means that up to 70% of time could be in drought by 2050.

Areas of Vulnerability: All natural and green spaces including reserves and sporting grounds are vulnerable, as is Remnant vegetation. There is a risk of drying out, dying off, and potentially an increase of ready fuel if there was a fire. Additional risks for our biodiversity, plant, animal and marine life. Availability of fresh produce around South Australia, may also have an impact.

Risk Prediction: For City of Marion the trend of reduced average annual rainfall is likely to continue and the variability in rainfall locally, including the City of Marions is high. Water scarcity is likely to be an issue for the City of Marion into the future due to increasing drought conditions and reduced rainfall. This will likely impact our natural assets, water resources, open space service levels and the Marion Water Business.

Risk Owner	Manager, Engineering, Assets and Environment
Strategic Link	Sustainable
Stakeholders	ELT / Organisation-wide, Engineering, Open Space and Recreation Planning, Open Space Operations, City Property
References	EDGE Impact Climate Change Risk Assessment for the City of Marion October 2024
Likely Causes	Low annual and/or extended periods of no rainfall, leading to lack of water for use by community and council. Low annual and/or extended periods of no rainfall, causing vegetation to dry out, die off and be more susceptible to pests and disease.

Consequences - **Physical**	Increased stress on water resources. Increased demand for irrigation in reserves and open spaces. Reduced ability for Marion Water to capture rainwater. Deterioration of assets, infrastructure and culturally significant sites. Soil movement and damage to foundations. Deterioration, damage to natural assets. Impacts to biodiversity – animal, plant, and marine life. Increased risk of Trees/ Tree limb loss. Deterioration, damage or destroyed natural assets.

Existing Controls	Control Effectiveness	Control Owner
Biodiversity Plan	Effective	UM, Open Space Operations
Asset Management Plan - Trees	Effective	UM, Open Space Operations
Watering and maintenance schedules to protect green spaces	Effective	UM, Open Space Operations
Marion Water business providing recycled stormwater for watering where cost effective to do so	Effective	UM, Engineering
Water efficient infrastructure across council buildings	Effective	UM, City Property
Water efficiency measures at Marion Pool	Effective	UM, City Property
Marion Future Trees program and researching climate resilient species through Resilient South	Effective	UM, Environmental Sustainability
Irrigation Plan	Effective	UM, Open Space and Recreation Planning

Tasks / Actions	Work Area	Due
Seek additional ground water licences to increase Council water security	Engineering	2026

Opportunities	Opportunity Owner
Consider Installation of water-saving fixtures/devices	City Property

Opportunities	Opportunity Owner
Education/campaigns to encourage less water use	Environmental Sustainability

Linked Risks	Linked Risks
SR002	Failure to identify, assess, and manage climate-related risks and opportunities that affect our operations and community

7.3 Finance, Risk and Audit Committee - Effectiveness Survey	
Report Reference	FRAC250603R7.3
Originating Officer	Unit Manager Governance and Council Support – Victoria Moritz
Corporate Manager	Manager Office of the Chief Executive – Sarah Vinall
General Manager	Chief Executive Officer - Tony Harrison

REPORT OBJECTIVE

The purpose of this report is to seek endorsement of the approach for the review of the performance and effectiveness of the Finance, Risk and Audit Committee (FRAC).

REPORT HISTORY

The effectiveness survey is completed every second year. The survey was last completed and presented to the Committee in June 2023.

Report Reference	Report Title
SFRAC230620R7.2	Results of the Bi-Annual Performance and Effectiveness Review of the Finance and Audit Committee

EXECUTIVE SUMMARY

Regular review of a governing body's performance (including Committees) provides the time to reflect on how effective the group is operating. Understanding performance supports improving the operations and outcomes of the Committee. This will also improve the overall performance of the Council.

The FRAC Terms of Reference states that the Committee will review its performance on a bi-annual basis to ensure the continual improvement of its performance. **Attachment 1** provides a copy of the survey components and statements used in 2023. This survey includes 52 statements across the following areas:

- Committee Structure and Membership
- Committee Meetings
- Leadership and Integrity
- Relationships and Reporting
- Roles and Responsibilities

If the Committee is satisfied with the proposed survey, it will be distributed to all committee members, council members and key staff senior staff by 6 June 2025 and will be open for a two-week period. The results will be presented to the Committee on 12 August 2025. This information will be useful for the review of the Committees Terms of Reference and setting future work plans.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

1. **Endorse the survey components and statements included in Attachment 1 to be used for the Bi-Annual Effectiveness Survey.**

ATTACHMENTS

1. Proposed Survey Components and Statements [**7.3.1** - 2 pages]

Finance, Risk and Audit Committee – Bi-Annual Effectiveness Survey

There are five key components of the survey. Within each componenet there are several statements relating to the functions of the Committee. Each statement will be rated on a scale from Strongly Agree through to Strongly Disagree. There will also be an opportunity to provide comments for each of the key components of the Survey.

Committee Structure and Membership	The Structure of the Committee is appropriate to manage workload and obligations
	The balance of independent v's council members is appropriate
	The Committee's Terms of Reference clearly outline roles and responsibilities
	Committee members have the right skills, experience and knowledge
	Committee members are appropriately inducted
	Committee members are recruited based on required skills, experience and knowledge
	All Committee members understand their legal duties on behalf of the Council
	The Committee does not rely on any one Committee Member to provide appropriate advice and experience
	The remuneration of the Committee is appropriate based on role, responsibility, skills / experience, time commitment and retention
Committee Meetings	The Committee has a comprehensive work plan that covers the requirements of the Committee's Terms of Reference
	The Committee meetings are appropriately scheduled (i.e. frequency, timing, duration, etc.)
	Agendas and reports are distributed in a timely manner
	The size of the agenda is manageable within the meeting
	Committee reports are well written and can be easily understood
	The business of the Committee is accurately captured in the minutes
	The discussions within the Committee meetings are relevant and useful for decision making
	Management does not unduly influence the recommendations of the Committee
	The Committee uses confidential orders appropriately and conducts sessions without management present from time to time
	The Committee has a useful process to following up actions from previous meetings
Leadership & Integrity	All Committee members express their professional view within the meeting
	All Committee members appropriately disclose any conflicts of interest
	Committee members act in accordance with the City of Marion values being Respect, Integrity, Achievement and Innovation
	The Committee works effectively as a team
	The Committee presiding member has an effective and constructive working relationships with Council and Management
	The Committee presiding member builds healthy room dynamics
	The Committee presiding member ensures that the Committees workload is managed appropriately
	The Committee presiding member keeps the meeting focussed and does not get side tracked
	The Committee is adding value to the work of the City of Marion

Finance, Risk and Audit Committee – Bi-Annual Effectiveness Survey

Relationships & Reporting	All Committee members understand how their role operates and the Committees reporting obligations to Council
	The Council actively seeks the views of the Committee on matters relating to its terms of reference
	The Committees operations does not diminish the ultimate responsibility of the Council
	The Committee has a constructive relationship with the Council
	The Committee has a constructive relationship with Management
	The Committee has appropriate access to information and staff
	Management keep the Committee informed of relevant information and risks between meetings
	The minutes, decisions and actions of the Committee are reported to Council in a timely and accurate manner
Roles & Responsibilities	The Committee has a clear understanding of the Council's risk tolerance
	The Committee ensures that the organisation has appropriate internal controls, frameworks, systems and processes established for the management or risks
	The Committee reviews and understands the organisation risk profile
	The Committee is confident that senior executives understand their responsibilities for managing risks
	The Committee is confident that the Council has appropriate internal controls established to manage risks
	The Committee receives comprehensive reporting that assesses the effectiveness of internal controls
	The Committee has oversight of compliance with regulations, policies, best practice guidelines, instructions and contractual arrangements
	The Committee has oversight and recommends to Council the engagement of the City of Marion's Internal Audit contract
	The internal audit function is appropriately resourced and managed
	The Internal Audit Work plan is endorsed by the Committee and has the right balance or risk, compliance and financial matters to be reviewed
	The Committee has robust discussion and agrees to the basis upon how financial reporting will be prepared
	The Committee undertakes an in-depth review of the financial reporting disclosures for the City of Marion
	The Committee receives comprehensive financial information and analysis that is used to support and assist Council with its prudential management and fiduciary responsibilities
	The conditions of the External Auditors engagements are consistent with all relevant statutory requirements and accepted best practice principles
	The Committee has oversight and recommends to Council the engagement of the City of Marion's External Audit Contract
	The External Audit function is appropriately resourced and managed
	The External Audit Work Plan is comprehensive and aligned to the requirements of the financial obligations of the Council
	The Committee has oversight of the service review program and is confident it will deliver efficiencies to the organisation
	The Committee receives service reviews reporting and critically analyses the data provided

7.4 Draft Annual Business Plan 2025-2026 for Finance, Risk and Audit Committee feedback	
Report Reference	FRAC250603R7.4
Originating Officer	Unit Manager Statutory Finance – Melissa Virgin
Corporate Manager	Chief Financial Officer – Ray Barnwell
General Manager	General Manager Corporate Services – Tony Lines

REPORT OBJECTIVE

This report provides an opportunity for the Finance, Risk and Audit committee to provide final feedback to Council on the Draft Annual Business Plan 2025-2026 (ABP) and Long-Term Financial Plan (LTFP) which will be considered by Council at the 24 June 2025 General Council meeting.

REPORT HISTORY

Report Reference	Report Title
FRAC231212R7.1	Framework and Key Assumptions for the preparation of the 2025-2026 ABP and LTFP
FRAC240220R7.2	Draft Annual Business Plan 2025-26 and Long-Term Financial Plan
FRAC240416R7.1	Draft Annual Business Plan 2025-26 and Long-Term Financial update

EXECUTIVE SUMMARY

The Draft Annual Business Plan (ABP) 2025–2026 and Long-Term Financial Plan (LTFP) have been developed through an iterative process, with final adoption scheduled for the 24 June 2025 General Council meeting. These plans reflect Council's strategic and financial approach amid continued economic pressures, including inflation and escalating construction costs—projected to remain around 5% nationally until 2027.

The Draft ABP (**Attachment 1**), prepared for community consultation, proposed a forecast average rate increase of 4.8% for 2025–2026. This will gradually reduce and stabilise at 3% annually over the remainder of the 10-year LTFP. The plan aims to balance the cost-of-living impact on residents with the need to sustain essential services and community infrastructure.

Feedback from FRAC has been provided iteratively to the Council throughout the budget development process via the minutes and discussion from FRAC members at Forums and General Council meetings.

During the consultation period the outcome of the May 2025 Federal election has been decided. As a result, the timing of project expenditure across the 10-year CoMBAS Implementation Plan and LTFP has been further reviewed and amended. The revised timing was endorsed by the Council at the 13 May General Council Meeting (GC250513F10.1).

These changes, alongside additional grant funding, have enabled a more even distribution of project expenditure and reduced forecast borrowings by $10.4 million (from $72.66 million to $62.26 million) across the LTFP. The revised LTFP (**Attachment 3**) projects a small cash surplus of $74,000 for 2025–2026 and a net surplus of $671,000 over the 10 years—demonstrating alignment with Council's financial sustainability targets.

Community consultation ran from the 26 April to 16 May 2025, generating approximately 215 comments and 44 survey responses via Making Marion.

Community feedback can be found in **Attachment 2** of this report, key themes included:

- Balance of spending: importance of delivering value for money services and programs that enhance community connections and impact.
- Our organisation: delivering on our commitment to providing a positive customer experience.
- Community spaces: building connections with community and nature through shared spaces and programs.
- Environmental sustainability: fostering a culture of caring for the environment and building resilience to climate change.

Following consideration, and acknowledgement of the community feedback, Council resolved to endorse the Draft Annual Business Plan 2025-2026 and Draft Long Term Financial Plan, to be prepared for final consideration at the 24 June 2025 General Council meeting.

The final iteration of the ABP and LTFP will be presented for adoption at the 24 June 2025 General Council meeting.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

1. **Provide feedback on the Draft ABP and LTFP.**

DISCUSSION

Draft Annual Business Plan 2025-2026

Under Section 23 of the *Local Government Act 1999* (the Act) Council is required to prepare and adopt an ABP each year, and in doing so, determine the key strategic priorities for the ensuing 12 months in the context of Council's Strategic Plans.

The ABP and LTFP form an integral part of Council's suite of Strategic Management Plans. These plans connect the long-term planning, as set out in Council's Strategic Plans and support the delivery of the third year of the 4YBP 2023-2027 with the allocation of resources in the 2025-2026 Annual Budget. The ABP also establishes the basis for review of the Council's performance over the year published in its annual report.

The Draft ABP 2025-2026 and Draft LTFP have been prepared in accordance with the guidelines stated in section 122 of the Act. The plan includes appropriate information pertaining to rates and charges that Council intends to levy, as well as a range of key information required by the *Local Government (Financial Management) Regulations 2011.*

In the development of the Draft ABP 2025-2026, consideration has been given to Council's strategic management framework, financial parameters and key issues identified through the environmental scanning process, as well as the relevant Commonwealth, State and Regional strategies and plans.

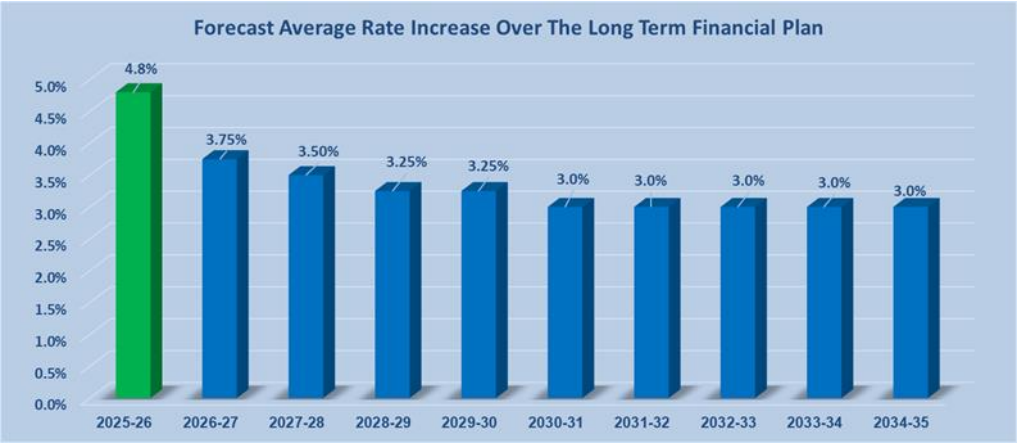
KEY OBSERVATIONS ON THE DRAFT ABP 2025-2026 AND DRAFT LTFP ISSUED FOR PUBLIC CONSULTATION INCLUDE:

Proposed Average Rate Increase for 2025-2026

The Draft 2025-2026 ABP and LTFP (Attachment 1) has been developed using a proposed average rate increase of 4.8% for 2025-2026 plus forecast annual growth of new properties from development of 1%. Applying an average increase in rates of 4.8% in 2025-2026 continues Council's commitment to maintaining the position for an average residential rate that remains among the lower rating metropolitan councils.

All years of the LTFP are forecasting a net surplus position ensuring Council is meeting its core 'Financial Sustainability' target of maintaining, on average, a breakeven or positive funding (cash) position over the LTFP.

The proposed average rate increase of 4.8% in 2025-2026 is forecast to gradually reduce and stabilise at 3% annually over the remainder of the 10-year LTFP. The plan aims to balance the cost-of-living impact on residents with the need to sustain essential services and community infrastructure.

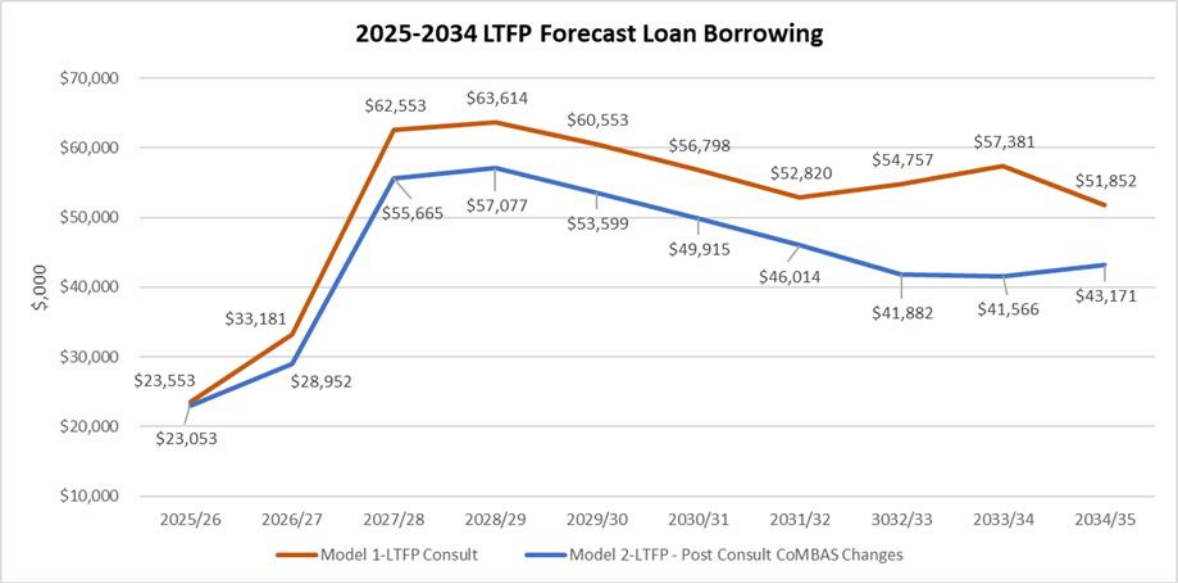


Changes to Draft 2025-2026 ABP and Draft LTFP

Following the adoption of the Draft Annual Business Plan 2025–2026 and Draft Long-Term Financial Plan (LTFP) for public consultation, and the outcome of the May 2025 Federal election, the timing of project expenditure across the 10-year CoMBAS Implementation Plan and LTFP has been reviewed. The revised timing was endorsed by Council at the 13 May General Council Meeting (GC250513F10.1).

Additionally, the City of Marion has secured $392,700 in grant funding from the Office for Recreation, Sport, and Racing under the 2024–2025 *The Power of Her – Infrastructure and Participation Program (IPP).*

The revised project scheduling enables a more balanced distribution of expenditure over the 10-year period, resulting in a forecast reduction in planned new borrowings of $10.4 million—from $72.66 million to $62.26 million over the 10 years of the LTFP. The graph below illustrates this reduction over time.



These updates will now be incorporated into the Draft Annual Business Plan and LTFP prior to their adoption at the 24 June General Council Meeting.

A revised draft LTFP summary following these changes is provided in Attachment 3.

Any further changes endorsed by council will be updated in the final version brought to Council on 24 June.

Key Financial Sustainability Ratios

The Draft LTFP developed is forecast to meet the requirements of Council's key financial sustainability targets for all years of the LTFP as noted in the table below, which reflects the ratios as adjusted following the changes endorsed to the timing of project expenditure across the 10-year CoMBAS Implementation Plan and LTFP.

Are financial sustainability ratios being met in the LTFP?				
	Target	Proposed 4.8%	Max	Average
Operating Surplus Ratio	0-10%	✓	3.05%	1.59%
Net Financial Liabilities Ratio	0-65%	✓	52.19%	36.73%
Debt Servicing Ratio	0-10%	✓	4.83%	3.98%

Capital Works Program for 2025-2026

The planned capital works program for 2025-2026 is currently forecast at $34.798m, a minor decrease to the original program for 2024-2025. The table below outlines the proposed programmed capital expenditure for the upcoming year. The table below may be subject to minor changes prior to final adoption of the ABP in late June.

Classification	2024-2025 Original Budget $000	2025-2026 Draft Budget $000
Civil		
Road Reseals	3,591	3,543
Kerb & Channel	900	947
Stormwater	3,624	3,425
Footpaths (New)	100	100
Walking & Cycling Plan	-	300
Footpaths (Renewal)	730	730
Kerb Ramps	50	50
Traffic Control Devices	540	540
Car Parks	248	308
Streetscapes	-	1,200
Other Infrastructure	771	550
Total Civil	**10,554**	**11,693**
Open Space		
Open Space Reserves	1,966	2,390
Total Open Space	**1,966**	**2,390**
Property & Buildings		
Property & Buildings	3,912	3,625
Furniture & Fittings	200	208
Total Property & Buildings	**4,112**	**3,833**
Other Capital		
Fleet Replacement	1,448	104
IT Hardware	399	460
Total Other Capital	**1,847**	**564**
Subtotal Capital Works Program	**18,479**	**18,480**
Total Capital Works Program	**18,479**	**18,480**
Significant Projects	**2024 - 2025**	**2025 - 2026**
Marino Hall	4,064	-
Marion Cultural Centre Plaza	1,225	-
Marion Golf Club Redevelopment	3,599	-
Marion Golf Club Irrigation	1,325	-
Administration Building Upgrade	2,250	2,359
Coastal Walkway - Cell 3	-	1,796
Glandore Sports Club Redevelopment	150	7,350
Morphettville Park Tennis Club	25	2,200
Cove Sports Club Stage 2 Design	-	100
Marion Outdoor Pool renewal works	-	1,125
Marion Tennis Club facility	-	1,026
Hazelmere Reserve Courts	25	-
Warradale Tennis Club	1,460	-
Marion Basketball Redevelopment	600	362
Southern Soccer Facility Fourth Pitch	500	-
Flinders Greenway	1,100	-
Total Major Projects	**16,323**	**16,318**
Total Capital Works Budget	**34,802**	**34,798**

Classification		
Assets - Renewal	15,314	16,390
Assets - New	19,488	18,408
Total Capital Works Budget	**34,802**	**34,798**

Key Projects – Funded in ABP 2025-2026

Council's programmed capital renewal program is aligned to Councils Asset Management Plans but also includes funding in the order of $13.7m for delivery of key projects in 2025-2026 including.

- Glandore Sports Club Redevelopment
- Morphettville Park Tennis Clubrooms
- Completion of Administration Building upgrade
- Further renewal of the Coastal Walkway (Cell 3)

Public Consultation

Public consultation on the Draft ABP 2025-2026 and LTFP was undertaken for the period 26 April to 16 May 2025. This meets the requirements of s122 of the *Local Government Act 1999*.

The Draft Plan and opportunity for community comment was promoted on the City of Marion website and social media platforms, connecting community to a dedicated consultation page on the Making Marion website (www.makingmarion.com.au).

At the 22 April 2025 General Council meeting, Council resolved to seek community feedback relating to the proposed Major Projects and to include a note that Council is exploring the option for residential properties that meet certain criteria for short-term, non-hosted accommodation may be considered as having a commercial predominant land use and requested the Administration to seek community sentiment. Both were included in the Making Marion survey promoted to the City of Marion community throughout the engagement period. This year, 44 respondents participated in the survey.

Notices were also placed in newspaper publication and community and business newsletters directing readers to Council's website. Promotional tables at the Cove Civic Centre and Marion Cultural Centre were available throughout the engagement period. Two drop-in sessions were held at the Cove Civic Centre and Marion Cultural Centre where 50 people were informed of the consultation, and 15 people asked questions and shared insights.

Community members were invited to attend the Council meeting on 13 May 2025 to ask questions and make submissions regarding the Draft ABP and Budget. No verbal submissions were received.

Overall, 40.9% of surveyed respondents indicated support or partial support for the draft Plan, 18.2% were neutral, and 40.9% indicated non-support or partial non-support for the draft Plan.

Attachment 2 provides an overview of the feedback received, along with the City of Marion's prepared responses to the community's feedback.

Key themes from the community engagement on the Draft Annual Business Plan 2025-2026

The consultation included numerous opportunities for the community to participate, with approximately 215 community comments received. The following themes emerged:

Theme	Feedback points
Balance of spending *Delivering services and programs that enhance*	Respondents indicated that: • Ongoing desire to keep community costs low. • Mixed views on rate increases — some frustrated, others saw them as fair and sustainable. • Spending drew both criticism and praise — seen by some

community connections and impact.	as wasteful, others as well-balanced. • Many valued investments in community spaces, programs, and events. • Some called for reduced spending yet flagged outdated infrastructure. • Support for broad-benefit spending, but concern over some activities that some perceived could be privately funded or fundraised. • Concerns about possible overcharging on council projects. • Gaps noted in health and fitness-related services and programs.
Our organisation *Delivering on our commitment to providing a positive customer experience.*	Respondents indicated that: • Mostly positive feedback regarding customer experience. • Appreciation for focus on making the city more attractive. • Positive feedback that the Draft Plan and Budget is dynamic, progressive and thorough. • Some suggested alternative options for displaying data.
Community spaces *Building connections with community and nature through shared spaces and programs*	Respondents indicated that: • Shared spaces and nature access are highly valued. • Strong support for community wellbeing, local pride, and liveability efforts. • Growth and density highlight the need for more shared spaces. • Health-focused programs, fitness, and recreation matter, some are disappointed that certain programs won't continue. • Library services and community events are appreciated by many as they create a common space for people to connect. • Calls for more dog-friendly parks and family-friendly and accessible toilets. • People want well-maintained, upgraded, and accessible public spaces. • Safer walking, cycling, and better transport access are important.
Environmental sustainability *Fostering a culture of caring for the environment and building resilience to climate change.*	Respondents indicated that: • Strong support for environmental projects and climate change initiatives. • People value protecting nature, habitats, and boosting biodiversity. • Environmental efforts are seen as key for outdoor activities and nature connection. • Calls for better tree care and more native plantings. • Interest in promoting actions individuals can take for biodiversity. • Support for reducing harm and building climate resilience. • Mixed views on respecting First Nations knowledge. • Green spaces appreciated for their cooling and wellbeing effect.

The community consultation report was tabled at the 27 May 2025 General Council meeting.

ATTACHMENTS

1. Attachment 1 - Draft Annual Business Plan and Budget 2025 - 2026 [**7.4.1** - 69 pages]
2. Attachment 2 - Community Engagement Feedback Report - Draft Annual Business Plan 2025 - 2026 [**7.4.2** - 88 pages]
3. Attachment 3 - Revised - Long Term Financial Plan - Post Public Consultation and CoMBAS Project Timing Changes [**7.4.3** - 1 page]

City of Marion
Draft Annual Business Plan 2025-2026

A great place to *live*

CITY OF MARION





Kaurna Acknowledgement

Ngadiu tampendi Kaurna meyunna yaitya mattanya yaintya yerta

This Kaurna acknowledgement was prepared in consultation with traditional custodians.

Acknowledgement of Country

The City of Marion acknowledges we are situated on the traditional lands of the Kaurna people and recognises the Kaurna people as the traditional custodians of the land.

Gavin Malone, Sherry Rankin, and Margaret Worth, 'Tjilbruke Gateway'

Welcome

Welcome to the City of Marion's Draft Annual Business Plan 2025-2026.

This is our draft budget for the year ahead. Due to extraordinary construction costs and other factors such as wage rises, the Elected Councillors and I have been faced with the most challenging budget of the last ten years.

We continue to deliver much-needed upgrades to community and sports facilities. Over the past year we have been busy with Cove netball facilities, Marino Hall and a new golf clubhouse – in this budget we plan for a basketball stadium and a new home for Marion Tennis Club. It is not all about the big projects though; the Councillors and I are very conscious that we have to get the basics right, eg, making sure the rubbish is collected, planting more than 4000 trees per year and maintaining the flatness of our footpaths.

In a departure from recent years when we have held the average residential rate rise to the inflation rate or less, this year we propose a 4.8% per cent average rate increase for the coming year. This will still compare well to most councils in metropolitan Adelaide. Property owners will experience variation in that figure due to changing property values which are obviously outside of our control.

Please let us know what you think. Council Members will consider your views when we finalise the budget in June.

Yours faithfully

KRIS HANNA

Mayor Kris Hanna



Your voice

The City of Marion is seeking your ideas and feedback regarding the Draft Annual Business Plan 2025-2026.

This process provides you with the opportunity to have your say on the level of service and activities undertaken by the council before the final budget is adopted.

Community consultation commences on **Saturday 26 April** and closes on **Friday 16 May at 11:59pm**.

Online submission forms are available on council's community engagement website makingmarion.com.au

Written submissions are welcomed and addressed to the following:

City of Marion
PO BOX 21
Parkholme SA 5046
or council@marion.sa.gov.au

Verbal submissions may be made at the **13 May 2025** General Council meeting, which begins at **6:30pm**. At this meeting, members of the public may ask questions and make submissions in relation to the Draft Annual Business Plan 2025-2026 for a total period of one hour.

Each speaker will be allocated a maximum of five minutes to make their submission.

If you wish to make a verbal submission to General Council, please contact 8375 6600.



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Your rates at a glance

Amounts spent per one hundred dollars ($100)



Infrastructure Management

- Civil infrastructure maintenance
- Asset management
- Stormwater drainage network
- Traffic management



Community Facilities

- Marion Outdoor Pool
- Sporting facilities
- Property management
- Facilities hire (casual and long term)



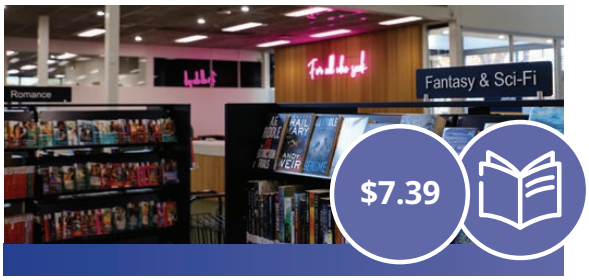
Waste Collection and Management Services

- Kerbside waste collection and management
- Household waste, recyclables, green organics
- Hard rubbish collection and illegal dumping
- Management of waste through our materials recycling facility



Open Space, Parks and Gardens

- Reserve maintenance
- Playgrounds
- Public toilets
- Playground maintenance



Library Services

- Marion Cultural Centre Library
- Parkholme Library
- Cove Civic Centre Library
- Library programs/events



Urban Development, Inspection, Regulation and Control

- Parking control
- Development services
- Dog and cat control
- Food safety



Community Development and Capacity Building

- Youth services
- Neighbourhood centre operations and programs
- Community grant programs



Environmental Sustainability

- Street tree management
- Environmental regulation
- Native vegetation



Culture and Recreation

- Cultural heritage
- Community events



Health and Community Care

- Aged care services
- Community buses
- Emergency response



Major projects overview

The draft Annual Business Plan for 2025-2026 outlines proposed key projects, services, and programs aligned with Council's Strategic Plan 2024-2034 and its Four Year Business Plan 2023-2027.

Our focus is on responsible decision-making, financial management, and securing external funding through partnerships with State and Federal Governments. Council is proposing a 4.8% rate increase in 2025-2026.

Council will continue enhancing the City of Marion as a great place to live, work, and play through ongoing capital works, core services, and targeted initiatives that add value to the community.



Events

Council is set to bring the community together more often with an expanded events calendar. The much-loved Marion Celebrates will return to its home at the Marion Cultural Centre Plaza, celebrating art and culture in a vibrant festival setting.

The extremely popular Touch a Truck returns, giving kids the chance to get close to a range of trucks, diggers, emergency services vehicles, and more, with sirens, flashing lights, and plenty of excitement for the family.

More events than ever will be held across the city, creating more opportunities for the community to come together and enjoy.



Sturt River Biodiversity Corridor

A Federal grant was secured to work in partnership with the Friends of Sturt River Landcare group to create a biodiversity corridor between Warriparinga, Bedford Park and the Oaklands wetlands, Marion. The grant includes revegetation, ecological monitoring (vegetation, birds and insects), biodiversity sensitive urban design and educational signage. Aboriginal Urban Design has been engaged as a consultant to assist in the development of the signs and to design, install and maintain a Kaurna Garden bed at the base of a culturally significant River Red Gum in Kenton Avenue Reserve, Oaklands Park.



Morphettville Park Clubroom upgrade*

The aging Morphettville Park Tennis Clubroom is set to be redeveloped, with the project expected to cost between *$1.8m* and *$2.2m*. The rebuild will deliver a modern facility with a slightly larger footprint than the existing building, incorporating accessible and compliant toilets and shower areas, along with increased storage. Council is also seeking to attract external grant funding to support the delivery of the project.



Warradale Park Tennis upgrade

Council is continuing to progress the upgrade of the Warradale Park Tennis Club, with total project costs estimated between *$1.2m* and *$1.5m*. The project planned to be completed in 2025-2026 includes an internal refit of the existing clubroom, along with upgrades to the shower and toilet facilities, bar, and office space. The works are being supported through grant funding, with contributions of *$545k* from the State Government and *$272k* from the Federal Government.



Land Management - Traditional Cultural Burning

Council and the Friends of Upper Field River volunteer group have secured a Green Adelaide grant to collaborate on restoration efforts aimed at rejuvenating Mallee Box grassland. As part of this project, an Aboriginal organisation will apply traditional cultural burning techniques to help restore country and control invasive weed species. The burning will take place at Barton Drive Reserve, Trott Park adjacent the Kauwi-marnirla- Field River Conservation Park and will be accompanied by community engagement events to ensure local involvement and awareness.



Marion Basketball Club upgrade

Council is progressing plans for a new *$30m+* plus 4 court indoor basketball facility at the current Norfolk Road site. The new facility will provide a much-needed boost to local indoor sports infrastructure, catering to growing community demand . The project is being supported by a significant *$6m* funding contribution from the Federal Government. Council is proposing an investment of approximately *$360k* in 2025-2026 to advance detailed design, secure development approvals, and prepare for construction.



Reserve and playground redevelopments across council

Council proposes to invest over *$2m* toward reserve upgrades across the council area as part of the capital works program. Proposed key upgrades include the design for playground upgrades at Cove Sports and Manoora Drive Reserve, Hallett Cove. Council will construct new playgrounds at Scarborough Terrace Reserve in Dover Gardens, Southbank Boulevard Reserve in Trott Park.



Glandore Oval Upgrade

Council, following the removal of old buildings, will commence construction of a new clubhouse, car park, and install new landscaping. The State Government has provided *$5m* towards this *$9m+* project. Construction will commence shortly with planned expenditure in the order of *$7m* in 2025-2026 with the remaining spend in 2026-2027 to complete the project.



Streetscapes projects

Just over *$1m* is proposed to be spent in 2025-2026 on the Newland Avenue Streetscape upgrade. This upgrade will complement the soon-to-be-completed Marino Community Hall, a new social hub. To tackle the urban heat island effect, the co- funded project will improve urban greening, adding street trees and verge raingardens to boost biodiversity. Improved pedestrian pathways and textured pavement will also enhance safety and accessibility.



Coastal Walkway

Council is proposing to undertake design and construction work to upgrade Cell 3 of the Coastal Walkway from Murto Gully to Westcliff Reserve. Council has allocated over *$1.5m* for the upgrade in the 2025-2026 financial year.

**Subject to grant funding*



Our Vision

Community Vision: A liveable, sustainable community.

The strategic directions of Liveable, Sustainable, and Community reflect the aspirations of the community for the City of Marion's future.

A fourth strategic direction, Our Organisation, sets the focus for council and its staff toward fulfilling the 10 Year Community Vision and Strategic Directions. These interconnected directions emphasise a commitment to achieving holistic outcomes for the council area.

Liveable	Sustainable	Community	Our Organisation
We will create and maintain safe, attractive and accessible public places and facilities.	We protect, restore and connect to the natural environment, building resilience to climate change.	We are a friendly, inclusive and connected community, where everyone belongs.	We listen to our community and partner for the benefit of our community. We deliver high quality, cost-effective services, reliably and innovatively.

Our Values

Engage with respect | We are:

- Committed to a safe and inclusive workplace
- Connected, caring and professional
- Honest, transparent and act with integrity

Embrace excellence | We are:

- Adaptable, driven and continuously improve
- Accountable for our decisions and actions
- Proactive in sustainability and support the environment

Focus on the customer | We are:

- Engaged with our diverse community
- Responsive and proactive
- Dedicated to a great customer experience



Strategic Management Framework

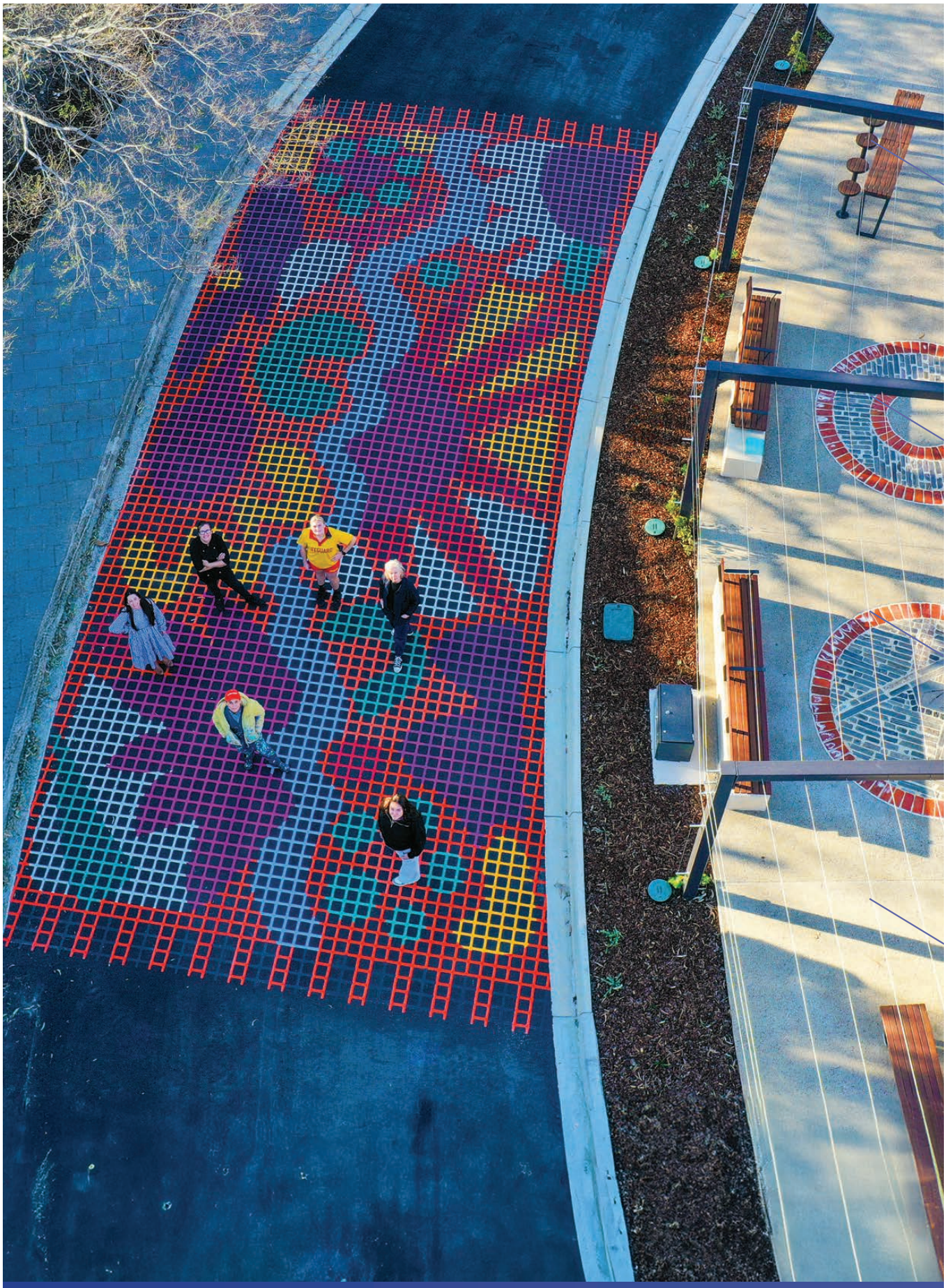
This Annual Business Plan 2025-2026 is an integral part of Council's Strategic Management Framework that will enable strategic and operational plans, management systems and processes to work together to effectively deliver the Community Vision.











Significant influences

The following external issues and opportunities have influenced the development of Council's budget for 2025-2026.

Partnership funding

The Council has actively advocated for support for key projects through partnership funding over the past year. It has worked closely with state and federal governments to promote a partnership approach for the essential upgrade of existing facilities and developing new ones to better serve the community.

Climate resilience

In line with its new strategic plan, the Council is committed to building climate resilience through a range of initiatives. These include enhancing the energy efficiency of council buildings, increasing the use of renewable energy, planting thousands of trees each year, and implementing sustainable waste and water management practices across the council area. These actions are designed to strengthen the city's resilience to climate-related challenges, with ongoing monitoring through a climate risk register to ensure proactive management of potential threats.

Project delivery

The successful delivery of Council's projects is subject to potential risks, primarily due to the high volume of major infrastructure projects across South Australia, which has put pressure on contractor availability. Additionally, the region is experiencing widespread skills shortages, further exacerbating these challenges and potentially affecting timelines and project outcomes.

Cost of services

Like many organisations council faces rising costs associated with delivering services, including inflation, increased insurance premiums, and shortages in the construction workforce. These factors contribute to higher service costs across the board, requiring careful budgeting and resource allocation. While council aims to keep rates as low as possible, it must balance this with the need to effectively maintain and renew assets throughout their lifecycle and deliver core services. This ensures the long-term sustainability and functionality of critical infrastructure, while also addressing the immediate financial pressures of service delivery.

Climate response

How council is preparing for climate impacts

Guided by our Community Vision: A Liveable, Sustainable Community and the City of Marion Strategic Plan 2024-2034, we are committed to integrating climate resilience and sustainability into our financial planning, risk management, and service delivery.

The City of Marion is committed to reducing carbon emissions and embedding climate risk considerations into asset management, infrastructure planning, and service delivery. Council manages climate related risks under its enterprise approach to risk management. These efforts address both physical and transition risks associated with climate change, ensuring long-term financial and environmental sustainability.



Increased heat

Warmer temperatures overall

Longer, hotter and more frequent heatwaves



Drought conditions and reduced rainfall

Less rainfall overall

Longer and more frequent droughts

Declining spring rainfall



More intense rainfall and storms

More intense heavy rainfall

Increased frequency and severity of storms



More dangerous fire weather

Longer fire danger seasons

More days of extreme fire danger



Coastal

Sea level rise

More frequent and higher storm surges

Increased coastal erosion



Emissions reduction

Increased requirements to reduce emissions to mitigate climate change

Key climate action initiatives for 2025-2026

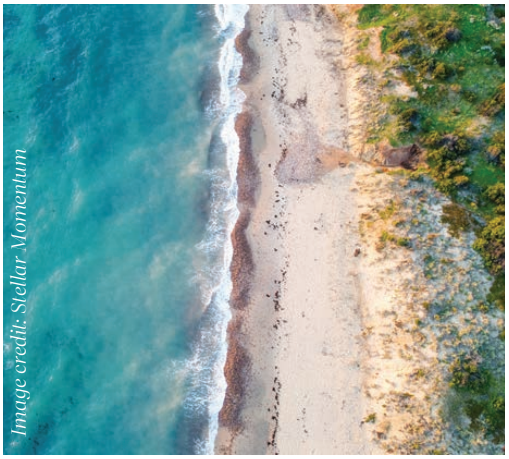
Governance and coordination

Environmental Sustainability Team
Eight specialists driving climate risk integration, adaptation planning, and emissions reduction across council operations, ensuring regulatory compliance.

Resilient South Regional Climate Partnership
A collaboration with regional councils and the SA Government to enhance climate resilience, coordinate policy action, and leverage funding.

Resilient South Regional Coordinator
Oversees implementation of the Regional Climate Action Plan (ReCAP) to embed resilience in decision-making and investment planning.





Climate risk management and resilient infrastructure

Resilient Asset Management Program (RAMP)
Identifies infrastructure vulnerabilities, integrating climate risk into asset management to reduce long-term costs and liabilities.

Coastal climate monitoring and hazard planning
Supports adaptation to sea level rise, erosion, and extreme weather through the Marion Coastal Monitoring Program (2025-2028) and development of a Coastal Hazard Adaptation Plan (CHAP) (pending grant funding).

Sustainable resource management and emissions reduction

Marion Water
Manages stormwater through an aquifer storage and reuse (ASR) scheme, reducing potable water reliance, cutting costs, and enhancing urban greening.

Emissions Reduction Strategy
Driving net-zero progress through:

- 100% renewable electricity transition for council operations.
- EV fleet expansion and charging infrastructure.
- Energy efficiency upgrades in council facilities.

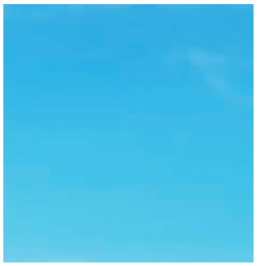


Framework of the Annual Business Plan

The Annual Business Plan 2025-2026 has been prepared on the basis of a framework that aims to inform the community and hold the City of Marion accountable to its stakeholders. The key items in this framework are as follows:

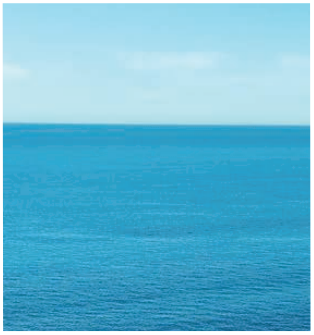
Support the achievement of the City Of Marion's strategic directions.

This Annual Business Plan has been reviewed against the Strategic Plan to ensure that council's activities over the next 12 months make the best possible progress towards achieving the Community Vision for the future City of Marion.

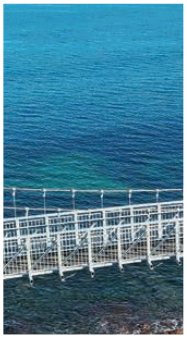


Address issues arising and opportunities identified from internal audit reviews, and business excellence assessments.

Every year the council undertakes a number of internal audits. These reviews and assessments have identified a number of key opportunities or requirements for the council to improve its operations. This document includes the necessary resources to continue council's independent review process and implement recommendations accordingly.



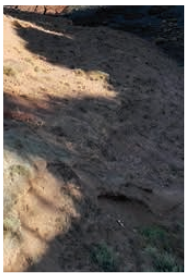




Maintain, on average, a break-even or positive funding (cash) position over the long term financial plan.

With a primary focus on cash flow and ensuring the council's asset renewal and upgrades are fully funded, this target is currently being met. To ensure ongoing financial sustainability, the council monitors and reviews all its financial indicators together.

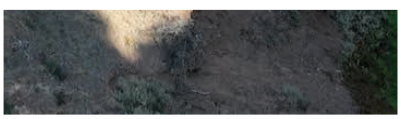


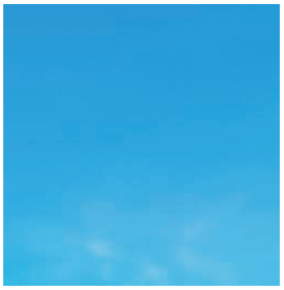


Continue to improve the maintenance of assets in accordance with Council's Asset Management Plans, with a priority on maintenance before renewal, and renewal before new, when it is cost effective to do so.

The Annual Business Plan has been prepared taking into consideration individual Asset Management Plan requirements and outcomes of recent infrastructure audits. The City of Marion has a target of 90-110 per cent for the Annual Asset Renewal Funding Ratio.



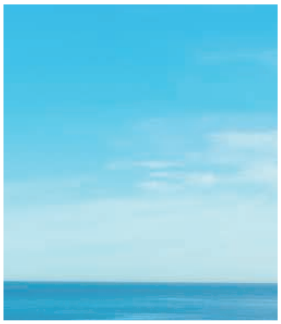




Review existing services and assets to ensure they meet prioritised community needs.

The council continues its rolling process of service reviews, aimed at maximising community value through continuously improving its operating efficiency and service performance to the community. This Annual Business Plan has been prepared based on continuing existing services, noting that a rolling program of review is being implemented.

Collaboration with other councils will continue to assist capacity building for shared strategic opportunities, innovation and cost efficiencies and enables the ability to align processes and reduce duplication.





Council only approve new major projects where it has the identified funding capacity to do so.

Council debt is forecast to increase to $23.553m by 30 June 2026, and peak at $63.614m in 2028-2029. With consideration given to key financial indicators, Council has continued to retain the funding capacity to consider additional strategic Major Projects and is currently investigating partnerships to aid the development of several initiatives.

These additional forecast borrowings after 2025-2026 relate to Council's contribution towards new initiatives in the Capital Works Program. Any changes to the timing and scope of the capital projects may impact the funding required, and in turn the total requirement for borrowings currently factored into the Annual Business Plan 2025-2026.





Maintain council's position for an average residential rate which remains among the lower rating metropolitan councils.

Comparative 2024-2025 data shows that council's average residential rate continues to remain among the lower rating metropolitan councils, with its current position ranking being the 5th lowest of 18 metropolitan councils.



Continuing and improving service delivery

All councils have responsibilities under the *Local Government Act 1999* and other relevant legislation to deliver services for the community. Council is committed to maintaining all services including, but not limited to:

Ongoing services	
Reserves, parks and gardens management	Tree planting
Community facilities management	Public health planning
Infrastructure management	Positive Ageing and Inclusion (PAI)
Waste and recycling services	Community transport
Library services	Dog and cat registration
Environmental sustainability	Arts and cultural promotion and support
Business support services	Citizenship ceremonies
Development and building assessments	Supporting community gardens
Land use and development planning	Community Leadership Program
Emergency planning and response	Graffiti removal
Community grants and partnerships	Justice of the Peace (JP)
Sport and recreation promotion and support	Community centres
Community health and safety	Parking and traffic management

Enabling services	
Financial management	Innovation
Governance support	Strategic Asset Management
Strategic planning	Communication, marketing, and engagement
Operational support	People Management
Continuous Improvement	ICT and knowledge management
Risk management	Strategic procurement and contracts management
Strategic partnerships	Disability Access and Inclusion Planning







Project priorities

In 2025-2026 the council plans to commence or continue working on the following strategic initiatives, as outlined in our 4 Year 2023-2027 Business Plan, or through council resolutions:

Continuing initiatives

Continuing initiatives from prior years	Key strategic theme
Construct Marion Basketball Stadium	Liveable L2.2
Continue annual tree planting across council	Sustainable S1.2
Deliver an annual program of environmental engagement activities events and programs	Sustainable 2.2
Partner to deliver the Resilient South Program	Sustainable S3.1
Continue with transition of council's passenger vehicles to electric	Sustainable S3.2
Deliver community events including Australia Day events, Touch a Truck, Concert at the Cove, citizenship ceremonies, opening events, Reconciliation Week event and civic events	Community C1.1
Deliver the Youth and Community Grants Program	Community C2.1
Deliver Council's Reconciliation Action Plan	Community C2.3
Support National Reconciliation week	Community C2.3
Deliver an annual program of business events and engagement	Community C2.4
Continue to deliver the 'Southern Business Mentoring Program' and business hubs program	Community C2.5
Provide the community bus to support residents to remain connected	Community C3.3
Upgrade of council's administration building	Our Organisation O1.2
Upgrade Warradale Park Tennis Club	Our Organisation O1.2
Upgrade Glandore Oval Clubroom and car park	Our Organisation O1.3
Continue to support the Gap Year Program	Our Organisation O3.1
Implement the Information Services Strategy	Our Organisation O5.1

New projects commencing in 2025-2026

2025-2026 new initiatives	Key strategic theme
Deliver the annual capital works program (stormwater, road reseal, kerbs, kerb ramps, open space works, property/building, footpath, streetscape upgrades, traffic upgrades, other infrastructure)	Liveable L1.1, L2.2
Newland Avenue, Marino Streetscape upgrade	Livebale L1.3
Reserve and playground development across council	Liveable L2.2
Commence the Sturt River Biodiversity Corridor Project	Sustainable S1.3
Land restoration to reduce weed control utilsing cultural burning land management techniques	Sustainable S2.3
Resurface Cove Netball Courts	Our Organisation O1.2
Redevelop the Morphettville Park Tennis Club clubrooms*	Our Organisation O1.2
Design Coastal Walkway Cell 3 (between Murto Gully and south to Westcliff Reserve)	Our Organisation O1.2





**Subject to grant funding*

Asset Management

The City of Marion's Asset Management vision is to maintain community assets at agreed service levels, maximising value throughout their lifespan. These assets, including roads, buildings, playgrounds, and stormwater drains, support current and future generations. Council prioritises best practice in asset management, considering performance, risks, funding, and compliance with legislative and policy requirements.

Assets must be resilient and adaptable to future needs and climate impacts, such as increased bushfires, heatwaves, and flooding. Asset management plans focus on climate resilience, transitioning to a low-carbon future, and addressing risks cost-effectively. The council aims to optimise spending on asset maintenance, renewal, and creation, balancing affordability and technological advancements to enhance community quality of life.



The City of Marion owns and manages a large and diverse asset portfolio valued at over one billion dollars

- Artworks, culture and heritage assets
- Buildings and structural assets
- The Coastal Walkway
- Fleet, plant and equipment assets
- Open space assets
- Stormwater assets
- Transport assets
- Tree assets
- Water treatment and resources assets

Measuring our success

Monitoring performance is a critical element of strategic management. It is the mechanism for ensuring that the Council is contributing to the achievement of its objectives in both the Strategic Plan and the 4-Year Business Plan 2023-2027. Our Key Performance Indicator (KPI) dashboard for 2025-2026 (provided in the table below) takes account of these objectives.

		Key Performance Indicator	Core target	Stretch target
Financial	1	Financial Sustainability	Council maintains, on average, a break-even or positive funding (cash) position over the Long Term Financial Plan	Council maintains a break-even or positive funding (cash) position in delivering its annual budget
	2	Asset Renewal Funding ratio (A measure to assess that we are renewing or replacing non-financial assets in accordance with our future Asset Management renewal requirements)	Asset Renewal Funding Ratio between 90 and 110%	
	3	Total employee costs (including agency staff)	Less than or equal to 4.5% increase in actual employee costs (including agency staff) against prior year's actual costs-adjusted for Council endorsed changes to meet resourcing requirements	Less than or equal to 4% increase in actual employee costs (including agency staff) against prior year's actual costs - adjusted for Council endorsed changes to meet resourcing requirements
Organisational	4	Staff engagement	Achievement of an overall employee pulse survey result of 70%, with at least 50% employee participation per SLT department	Achievement of an overall employee pulse survey result of 75%, with at least 50% employee participation per SLT department
	5	Delivery of agreed projects identified in the Annual Business Plan and the third year targets in the 4-Year Business Plan	Greater than or equal to 95%	No stretch target
	6	Delivery of council's capital works program	Greater than or equal to 85% delivery of council's planned capital works program (adjusted for extraordinary items)	Greater than or equal to 90% delivery of council's planned capital works program (adjusted for extraordinary items)
Environment	7	Carbon Neutrality - carbon emissions footprint, measured against Council's endorsed Carbon Neutral Plan (applicable 2021-2022 onwards)	Actual annual emissions less than the plan's annual target emissions	Actual annual emissions 5% less than the plan's annual target emissions
Customer	8	Overall satisfaction with council's performance (measured annually)	Greater than or equal to 75% rated as satisfied or above	Greater than or equal to 85% rated as satisfied or above
	9	Customer Experience		
	9a	Ease of lodging requests	75% satisfied or more	80% satisfied or more
	9b	Time taken to address and action requests	65% satisfied or more	70% satisfied or more
	9c	Satisfaction with requests handling	55% satisfied or more	60% satisfied or more

Funding the Annual Business Plan

Your rates in 2025-2026

The Annual Business Plan is based on a 4.8 per cent increase in the average rate for the coming year. In setting rates for 2025-2026, council has forecast the revenue required to meet the costs of delivering the services and projects that will be provided to the community in 2025-2026.

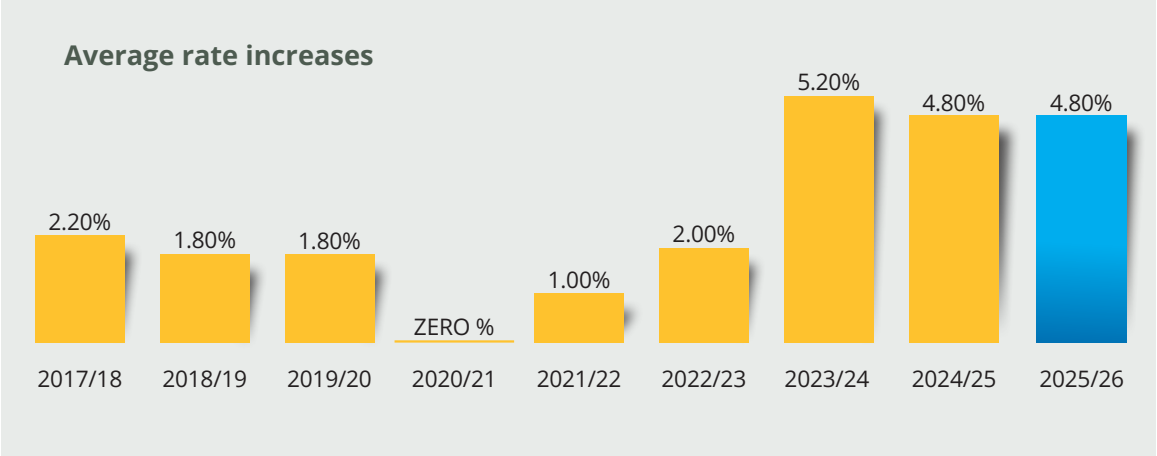
Rates account for 81 per cent of council's operating revenue with other sources including fees, charges and grants. These revenues contribute to the necessary funding for planned operating and capital renewal programs in 2025-2026.

While the average rate increase is 4.8 per cent, it is to be noted that actual rates payable by a rate payer will vary according to individual property valuations, the attributed land use, and whether there has been any new development or capital improvement on the land.

Council is aware of the impact rate increases have on the community. We are continually looking for opportunities that allow this cost to be minimised, support our community during uncertain times, and maintain the fiscal responsibility required of council.

With changing community needs and other external influences impacting on the community, there is a need for council to consider how to plan more effectively, both for the longer term and for an immediate community benefit. The rate increase is set at a level that provides confidence that services will be maintained and that a sufficient capital expenditure program is planned to maintain council's assets.

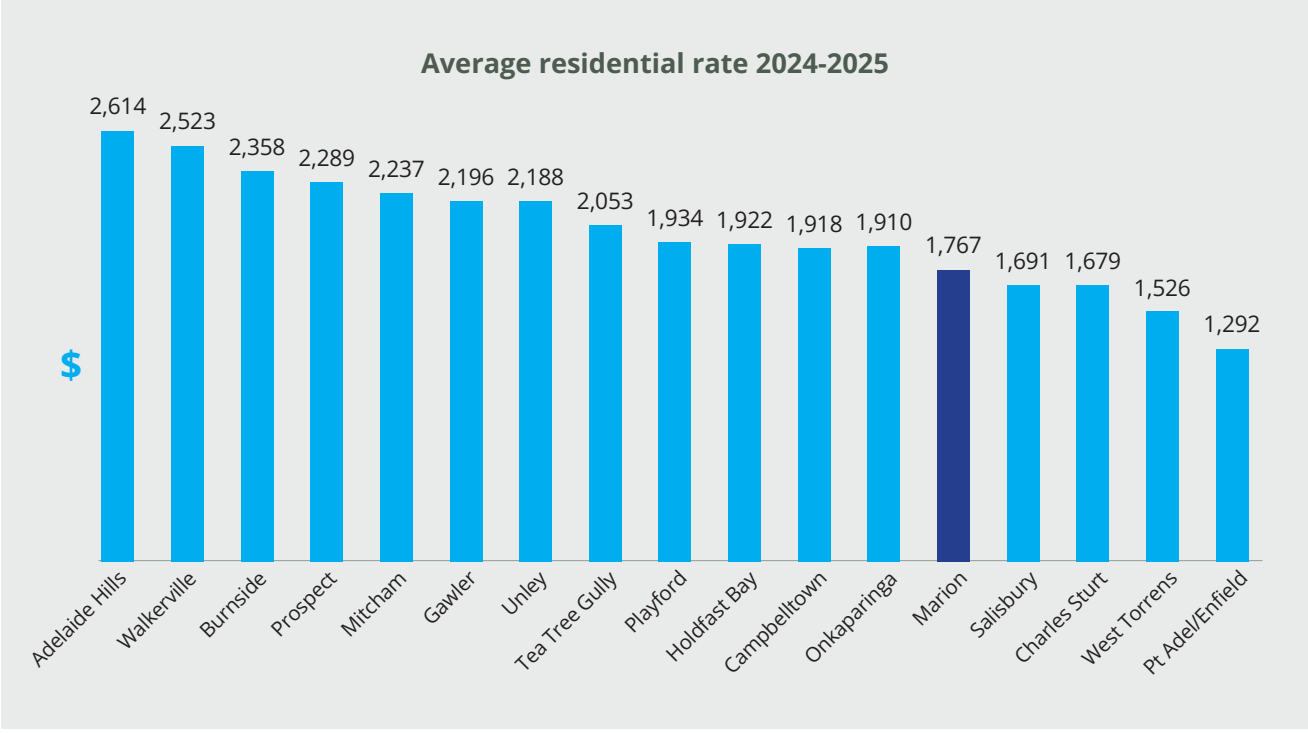
The outcomes of the community consultation, as well as a balance between achieving the strategic directions, maintaining services and assets, ensuring financial and environmental sustainability, supporting intergenerational equity and making provision for those in the community who are experiencing hardship, have been considered in setting the rate increase for the Annual Business Plan 2025-2026.





Comparative rating data

With a 4.8% increase, the City of Marion's average residential rate is in line with Council's Annual Business Plan framework and set to remain among the lower rating metropolitan councils. In 2024-2025 the City of Marion had the 5th lowest average metropolitan residential rate.



Differential rating

Council currently derives 17.1 per cent of its rate revenue from the Commercial and Industrial sectors – Commercial (15.5 per cent) and Industrial (1.6 per cent).

Commercial and Industrial users consume a greater proportion of council resources than residential properties, particularly in regard to the use of roads, footpaths, traffic, parking, storm water drainage, public health and environment.

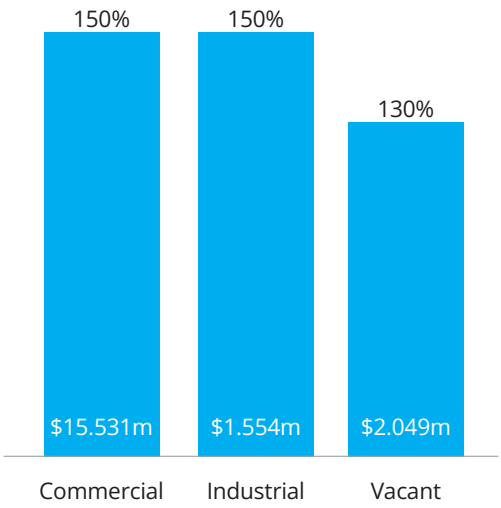
Council uses a differential rating system to raise revenue based on its Land Use to ensure a fair and equitable distribution of rates within the City of Marion.

The differential rate is charged in addition to the normal rate. In applying this approach, council will take into consideration all prevailing economic conditions and changes and adjust its differential rates accordingly, to ensure an appropriate and fair equalisation of rates across all land use categories.

Council is exploring the way we charge rates for homes used for commercial benefit as short term, non-hosted accommodation (not lived in by the owner or a long-term renter). Properties that meet certain criteria may be considered as having a commercial predominant land use.

Differential rates to apply to land use are as follows:

Differential rating



The average increase in rates for 2025-2026 by land use category is outlined below:

Land use category	Expected revenue 2025 - 2026	Average increase 2025 -2026
Residential	$80,271,583	$91
Commercial - Shop	$7,347,940	$516
Commercial - Office	$1,032,877	$449
Commercial - Other	$7,150,447	$760
Industrial - Light	$527,687	$812
Industrial - Other	$1,026,697	$1,269
Primary production	$30,606	$10
Vacant land	$2,048,760	$95
Other	$949,763	-$235





Budgeted income statement

An operating surplus of $0.150m before capital revenues is forecast for 2025-2026. The operating surplus is required to support the renewal of existing infrastructure in accordance with council's Asset Management Plans and to support construction of new assets to deliver services.

Budgeted Income Statement	2nd Review 2024/25 $'000	Budget 2025/26 $'000	Variance $'000
Operating Revenue			
Rates - General	92,548	97,937	5,389
Rates - Regional Landscape Levy *	2,341	2,458	117
Statutory Charges	2,828	2,820	(8)
User Charges	4,418	4,732	314
Grants/Subsidies	10,584	11,268	684
Investment Income	403	350	(53)
Reimbursements	1,182	751	(431)
Other Revenue	1,091	393	(698)
Share of Profit/(Loss) Regional Subsidiaries	645	793	148
Total Operating Revenue	**116,040**	**121,502**	**5,462**
Operating Expenditure			
Employee Costs	47,410	50,088	2,678
Contractor Services	35,444	30,440	(5,004)
Materials	7,153	6,543	(610)
Finance Charges	285	851	566
Depreciation	23,783	24,921	1,138
Other Expenses	8,598	8,511	(87)
Total Operating Expenditure	**122,673**	**121,353**	**(1,319)**
Operating Surplus/(Deficit) before Capital Revenues	**(6,633)**	**150**	**6,781**
Capital Grants and Contributions	5,492	5,448	(44)
Net Surplus/(Deficit)	**(1,141)**	**5,598**	**6,737**

* Note: The Regional Landscape Levy is collected by council on behalf of the Green Adelaide Board.



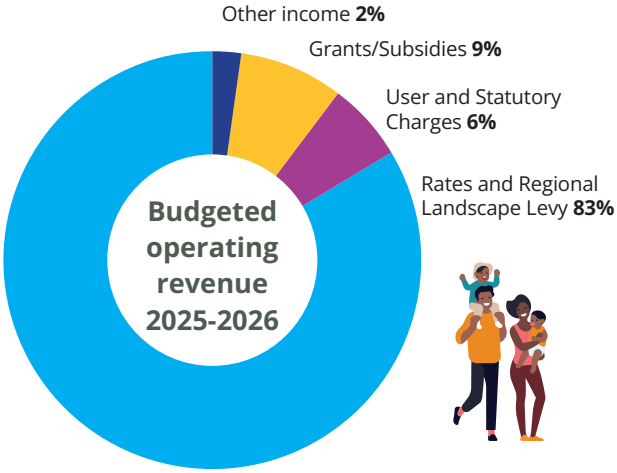
Operating revenue

The main source of income for council is rate revenue; making up just under 81 per cent (83 per cent including Regional Landscape Levy) of total revenue in 2025-2026, with other sources being government regulated fees for statutory services, untied federal grant monies, as well as other grants from the State and Federal government.









General rates

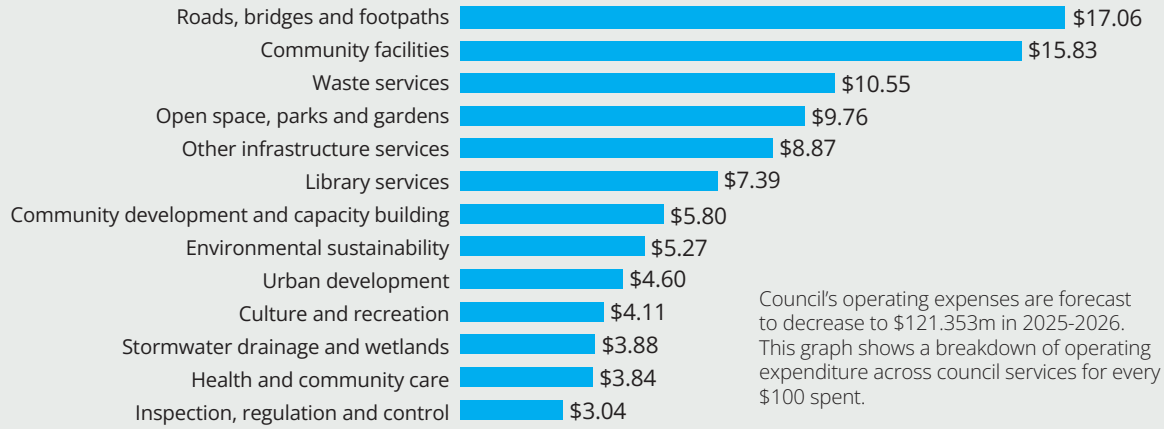
Council's revenue in 2025-2026 includes $97.937m ($92.548m in 2024-2025) to be raised in general rates. The budget has been developed on the basis of a 4.8% average rate increase (excluding new developments and capital improvements). In setting rates for 2025-2026, council has forecast the revenue required to meet the costs of delivering the services and projects to be provided to the community in 2025-2026.

Growth from new property development is forecast at 1 per cent for 2025-2026. This predominantly is the result of new housing in Marion, as reported by the Valuer General. The revenue created by this growth will cover the increased costs of servicing a growing community, which includes the requirement to maintain and provide for the replacement of infrastructure such as stormwater drainage and transport networks.

User Charges set by Council – relate mainly to the recovery of service delivery costs through the charging of fees to users of council's services. These include charges for the use of council's community facilities, swimming pool admission and the like. Statutory Charges set by State Government relate mainly to fees and fines levied in accordance with legislation and include development application fees, health act registrations and parking fines.

Grants and Subsidies – grants include all monies received from State and Federal sources for the purpose of funding the delivery of council's services to ratepayers and for the funding of the capital works program. Operating grants are forecast at $11.268m for 2025-2026, an increase of $0.684m on grants received in 2024-2025.

Operating expenditure



Council's operating expenses are forecast to decrease to $121.353m in 2025-2026. This graph shows a breakdown of operating expenditure across council services for every $100 spent.

Employee costs

Employees are responsible for the provision of council's key services, including the ongoing maintenance of open space areas, libraries, neighbourhood centres, the Marion Outdoor Pool, urban development, health and community care. Employees are either directly employed by council, or indirectly through an employment agency (i.e. agency staff) where temporary workforce requirements have arisen through seasonal demand or short-term vacancies of existing positions.

Employee costs are forecast to increase by $2.678m primarily because of increases stemming from Enterprise Agreements provisions, increases to the Superannuation Guarantee Contribution and additional staffing resources for Council endorsed initiatives.

Contractor services

Contractor services relate mainly to the provision of council services by external providers. Council uses contractors to assist in the provision of major services such as waste collection and management, and also where specialist services or advice is required, where it is not warranted for council to have permanent in-house resources. A decrease of $5.004m is forecast in the 2025-2026 budget which primarily relates to one off expenditure relating to Digital Transformation projects due for completion in 2024-2025 and other once off project expenditure no longer required in 2025-2026.

Materials

Council's Materials budget includes utilities, products utilised in the delivery of community services and maintenance of council's infrastructure, open space, and other assets, as well as fuel for the fleet of vehicles used to deliver services. A decrease of $0.610m in materials is forecast in the 2025-2026 budget primarily relating to one-off equipment purchases made in 2024-2025 which are not required in 2025-2026.

Other expenses

Other expenses have decreased by $0.087m in 2025-2026.

Capital revenue

Capital grants and contributions

Council has incorporated $5.448m in capital grants and contributions towards new capital works planned in 2025-2026. Funding includes Federal and State Government grant funding contributions towards council's prioritised new initiatives/projects.

Budgeted capital expenditure

Capital Expenditure	2nd Review 2024/25 $'000	Budget 2025/26 $'000
Buildings and Major Projects	26,412	20,377
Infrastructure:		
Roads & Kerbs	3,793	4,490
Stormwater	4,465	3,425
Footpaths	2,207	1,180
Traffic Control Devices	1,811	540
Other Infrastructure	3,300	858
Plant and Equipment	2,443	564
Furniture and Fittings	175	208
Streetscapes	1,898	1,200
Other	2,535	2,390
Total Capital Expenditure	**49,039**	**35,232**
Represented By:		
Capital Expenditure		
Assets - Renewal	15,407	16,390
Assets - New	33,632	18,842
	49,039	**35,232**

The 2025-2026 Budgeted Statement of Capital Expenditure forecasts a total capital funding requirement of of $35.232m including $16.390m renewal and $18.842m new and upgrade.

Funding for key capital projects in the 2025-2026 budget includes forecast funding towards:

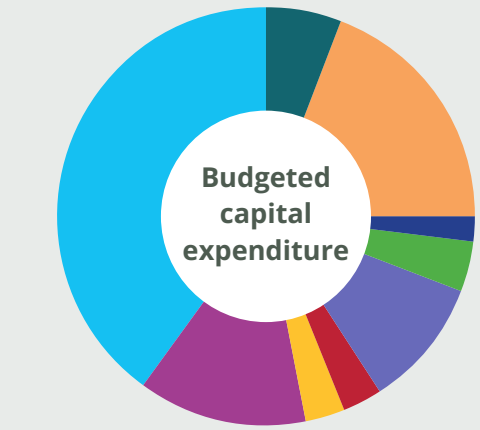
Glandore Sports Club redevelopment

Morphetville Park Tennis Club upgrade

Marion Tennis Club relocation

Coastal Walkway upgrade works

The chart below summarises council's planned Capital Works Program for 2025-2026:



Financing the budget

Financing the budget refers to the use of borrowings or available cash balances to meet any shortfall between expenditure (both operating and capital) and revenue.

The table below identifies the council's net funding result. Council's budget for 2025-2026 is expected to result in a net decrease in funding of $2.988m.

Net Lending/(Borrowing)	2nd Review 2024/25 $'000	Budget 2025/26 $'000
Operating Surplus/(Deficit) before Capital Amounts	(6,633)	150
less: Net Outlay on Existing Assets		
Capital expenditure on asset renewal/replacement	15,407	16,390
less Depreciation/Ammortisation	(23,783)	(24,921)
	(8,376)	**(8,531)**
less: Net Outlay on New/Upgrade Assets		
Capital expenditure on New & Upgrade Assets	33,632	18,842
less Capital Grants	(5,492)	(5,448)
	28,140	**13,394**
Adjustments		
Proceeds from asset disposal	360	2,517
Share of Equity - Regional Subsidiaries	(645)	(793)
	(285)	**1,724**
Net funding increase/(decrease)	**(26,682)**	**(2,988)**

Financing Transactions	2nd Review 2024/25 $'000	Budget 2025/26 $'000
New Borrowings	13,986	11,450
less: Repayment of Principal on Borrowings	(309)	(3,331)
less: Increase/(Decrease) in Cash & Investments		
- Transfers from/(to) Reserves	14,211	4,840
- Cash Deficit/(Surplus)	(1,205)	(88)
Funds used to defer borrowings in prior years	-	(9,882)
Equals: Financing Transactions	**26,682**	**2,988**

Financing transactions associated with accommodating the expected net lending result in 2025-2026 are found in the above table. Council's Long Term Financial Plan includes an allowance for borrowings of up to $11.450m in 2025-2026 to support the funding requirements of council's Capital Works Program.

Council's borrowings are forecast to reach $23.6m by June 2026. Over the Long Term Financial Plan, they are projected to peak at $63.614m in 2028-2029 with its Debt Servicing Ratio peaking at 5.36% in 2034-2035 against a maximum target of 10.0% and its Net Financial Liabilities ratio peaking at 57.45% in 2027-2028 but staying within the targeted range of 0 - 65% over the next 5 years.

Financial ratios

To assist council in meeting its objective of financial sustainability, a series of financial indicators endorsed by the Local Government Association (LGA) are provided. Where a council target has not been adopted, the recommended LGA target has been used.

The table below details these financial indicators and whether or not the prescribed target will be achieved over the next five year period. All key financial ratios are forecast to be within their targeted ranges for the 2025-2026 year and on average over the 10-year term of Council's Long Term Financial Plan.

Operating Surplus - this ratio expresses the operating surplus as a percentage of total operating revenue.

The Asset Renewal Funding Ratio indicates whether council is renewing or replacing assets at the rate of consumption. Council's long term target of 100 per cent ensures that council aims to invest adequately in maintaining its asset base.

The Net Financial Liabilities Ratio indicates the extent to which the net financial liabilities of the council can be met by the council's total operating revenue. With the consumption of cash on significant capital works and major projects forecast to be completed in 2024-2025 and additional projects in 2025-2026 along with loan funding forecast to be utilised up to $11.450m in 2025-2026, the Net Financial Liabilities Ratio is projected to remain within Council's target range in 2025-2026.

The Debt Servicing Ratio measures the total annual loan principal and interest repayments as a percentage of total income for the year.

This ratio identifies Council's ability to service its debt obligations from operating revenues. The ratio is anticipated to increase slightly with the new loan repayments in 2025-2026 but remains in the lower end of Council's targeted bandwidth for this ratio.

Ratio	Council Target	2025-26 Budget	5 Year Average
Operating Surplus	0% - 10%	0.12%	0.39%
Asset Renewal Funding Ratio	90% - 110%	100.00%	100.00%
Net Financial Liablities	0% - 65%	29.99%	46.27%
Debt Servicing	0% - 10%	3.45%	3.79%

Appendix 1 - Capital works list

Open space and recreation works program 2025-2026

Location	Suburb	Ward	Description
Olivier Terrace Reserve	Hallett Cove	Coastal	reserve upgrade
Koomooloo Crescent Reserve	Hallett Cove	Coastal	reserve irrigation upgrade
Willoughby Avenue Reserve	Glengowrie	Mullawirra	reserve irrigation upgrade
Mulcra Avenue Reserve	Park Holme	Mullawirra	reserve irrigation upgrade
Matthew Street Reserve	O'Halloran Hill	Southern Hills	reserve upgrade
Gully Road Reserves	Seacliff Park	Southern Hills	reserve upgrade
Southbank Boulevard	Sheidow Park	Southern Hills	playground and reserve upgrade
Branksome Terrace Reserve	Dover Gardens	Warracowie	reserve upgrade
Scarborough Terrace Reserve	Dover Gardens	Warracowie	playground and reserve upgrade
Ben Pethick Reserve	Marion	Warracowie	reserve irrigation upgrade
Warradale Park Reserve	Warradale	Warracowie	public toilet
Penrith Court Reserve	Mitchell Park	Warriparinga	reserve upgrade
Maesbury Circuit	Sturt	Warriparinga	reserve irrigation upgrade
Daws Road Reserve	Ascot Park	Woodlands	reserve upgrade
Minor Open Space Enhancements & Activation	Various	Various	

Property/building works program 2025-2026

Location	Suburb	Ward	Description
Capella Oval	Hallett Cove	Coastal	cricket pitch cover
Morphettville Park Tennis Club	Morphettville	Mullawirra	clubroom renewal
Marion Outdoor Pool	Park Holme	Mullawirra	renewal works
Plympton Sports Club	Plympton Park	Mullawirra	netting behind goals
Cove Netball Club	Hallett Cove	Southern Hills	court resurfacing
Marion Cultural Centre Library	Oaklands Park	Warracowie	internal building upgrade
Marion Basketball Stadium	Marion	Warriparinga	stadium redevelopment
Marion Bowling Club	Marion	Warriparinga	lighting renewal
Mitchell Park Sports & Community Club	Mitchell Park	Warriparinga	flooring renewal
Administration Centre Building	Sturt	Warriparinga	building renewal
Glandore Oval	Glandore	Woodlands	new clubhouse and carparking
Various	Various	Various	building and heritage signage upgrades

**Please note Capital Works Programs are subject to change.*

Road reseal program 2025-2026

Road name	Suburb	Ward	From	To
Brooklyn Drive	Hallett Cove	Southern Hills	Brooklyn Drive No.9	Erebus Glen Southern
Capella Drive	Hallett Cove	Coastal	Minnipa Drive	Manoora Drive
Capella Drive	Hallett Cove	Coastal	Perry Barr Road	Weerab Drive
Dutchman Drive	Hallett Cove	Coastal	The Cove Road	Moth Court
Grand Central Avenue	Hallett Cove	Coastal	Ranger Street	Grand Central Court
Grand Central Avenue	Hallett Cove	Coastal	Columbia Crescent	Shamrock Road
Great Eastern Avenue	Sheidow Park	Southern Hills	Edward Beck Drive	Platten Street
Gwen Street	Hallett Cove	Coastal	Dutchman Drive	Cherub Street
Marine Avenue	Hallett Cove	Coastal	Grand Central Avenue	St Vincent Avenue
Mercedes Avenue	Hallett Cove	Coastal	Caprice Street	Ginkgo Street
Perry Barr Road	Hallett Cove	Coastal	Berringa Street	Capella Drive
The Copse	Hallett Cove	Coastal	Beeches Road	Cul-De-Sac
The Cove Road	Hallett Cove	Coastal	Railway Bridge End	Dutchman Drive
The Cove Road Eastern Carriageway	Hallett Cove	Coastal	Genesta Street	Railway Bridge
The Cove Road North Carriageway	Hallett Cove	Coastal	Lonsdale Road	Sandison Road
Shaftesbury Terrace	Marino	Coastal	Rockford Place	Robertson Place
Maxwell Terrace	Glengowrie	Mullawirra	Winston Crescent	Council Boundary
Hendrie Street	Morphettville	Mullawirra	Tensing Avenue	Condada Avenue
Hendrie Street	Morphettville	Mullawirra	Carlisle Avenue	Wallala Avenue
Davenport Terrace	Seaview Downs	Southern Hills	Seacombe Road	Cadell Street
Eyre Street	Seaview Downs	Southern Hills	Gawler Street	Basten Avenue
Gooroonga Street	Seaview Downs	Southern Hills	Fowler Street	Ross Street
Holt Court	Trott Park	Southern Hills	Chifley Crescent	End
Johnstone Road	Oaklands Park	Warracowie	Perrin Street	Dwyer Road

**Please note Capital Works Programs are subject to change.*

Road reseal program 2025-2026 (continued)

Road name	Suburb	Ward	From	To
Milham Street	Oaklands Park	Warracowie	Morphett Road	Warracowrie Way
Miller Street	Seacombe Gardens	Warracowie	Vardon Street	Harbrow Avenue
Kildonan Road	Warradale	Warracowie	Morphett Road	Ulva Avenue
Kildonan Road	Warradale	Warracowie	Mattson Avenue	Struan Avenue
Celtic Avenue	Clovelly Park	Warriparinga	Winsor Avenue	Bradley Grove
Alison Avenue	Marion	Warriparinga	Oakleigh Road	Malcolm Avenue
Peter Street	Marion	Warriparinga	Marion Road	Oakleigh Road
Lynton Avenue	Mitchell Park	Warriparinga	Bradley Grove South	Bradley Grove North
Mary Street	Mitchell Park	Warriparinga	Car Park	Alawoona Avenue
Nellie Avenue	Mitchell Park	Warriparinga	Brenda Street	Dead End
Sampson Court	Mitchell Park	Warriparinga	Sampson Road	Cul-De-Sac
Crystal Street (Lane Way)	Seacombe Heights	Warriparinga	Glen St	Dead End
De Laine Avenue	Edwardstown	Woodlands	South Rd	Mons Terrace

Kerb program 2025-2026

Road name	Suburb	Ward
Kerb and Channel Program	Various	Various
Kerb Ramp DDA Upgrade Program	Various	Various
Kerb Ramp Creation Program	Various	Various

New footpath program 2025-2026

Road name	Suburb	Ward
Lighthouse Drive	Hallett Cove	Coastal
Bandon Terrace	Marino	Coastal
Kiah Crescent	Sheidow Park	Southern Hills
MacArthur Avenue	Warradale	Warracowie

Footpath renewal program 2025-2026

Road name	Suburb	Ward
Ramrod Avenue	Hallett Cove	Coastal
Newland Avenue	Marino	Coastal
Patpa Drive	Hallett Cove	Southern Hills
Great Eastern Avenue	Sheidow Park	Southern Hills
Celtic Avenue	Mitchell Park	Warriparinga
Mimosa Terrace	Tonsley	Warriparinga
Oak Avenue	Tonsley	Warriparinga

**Please note Capital Works Programs are subject to change.*

Transport program 2025-2026

Road name	Suburb	Ward	Description
Gretel Crescent	Hallett Cove	Coastal	School crossing
Barramundi Drive	Hallett Cove	Coastal	Traffic signal renewal
Gledsdale Road	Hallett Cove	Coastal	School crossing
Gledsdale Road	Hallett Cove	Coastal	School crossing
Sandison Road	Hallett Cove	Coastal	School crossing
Quailo Avenue / Zwerner Drive	Hallett Cove	Coastal	Intersection upgrade
Diagonal Road - Stop 28B (East Side)	Warradale	Warracowie	Bus Shelter renewal program
Barramundi Drive - Stop 48 (North Side)	Hallett Cove	Coastal	Bus Shelter renewal program
Morphett Road - Stop 26 (West Side)	Oaklands Park	Warracowie	Bus Shelter renewal program
Main South Road - Stop 32 (West Side)	O'Halloran Hill	Southern Hills	Bus Shelter renewal program
Bradley Grove - Stop 27A (East side)	Mitchell Park	Warriparinga	Bus Shelter renewal program

Stormwater program 2025-2026

Road name	Suburb	Ward
Brolga Place	Sturt	Warriparinga
Morphett Road	Seaview Downs	Southern Hills
Adams Road	Trott Park	Southern Hills

Streetscape program 2025-2026

Road name	Suburb	Ward
Newland Avenue	Marino	Coastal

Water treatment and resources program 2025-2026

Location	Suburb	Ward
Skipper Close Reserve Detention Basin	Hallett Cove	Southern Hills
Warriparinga Bore Renewal	Bedford Park	Warriparinga

Other infrastructure program 2025-2026

Details	Suburb	Ward
McInerney Avenue Lighting	Mitchell Park	Warriparinga
Furness Avenue Lighting	Edwardstown	Woodlands
Walkway Lighting (Edward Beck Drive to Pryor Loop)	Sheidow Park	Southern Hills

**Please note Capital Works Programs are subject to change.*

Appendix 2 -
Budgeted Income Statement

Budget 2024-2025 $'000	2nd review 2024-2025 $'000		Budget 2025-2026 $'000
		Operating Revenue	
92,486	92,548	Rates - General	97,937
2,337	2,341	Rates - Regional Landsacape Levy	2,458
2,738	2,828	Statutory Charges	2,820
4,164	4,418	User Charges	4,732
9,174	10,584	Grants/Subsidies	11,268
300	403	Investment Income	350
1,020	1,182	Reimbursements	751
668	1,091	Other Revenue	393
645	645	Share of Profit/(Loss) SRWRA	793
113,533	**116,040**	**Total Operating Revenue**	**121,502**
		Operating Expenditure	
46,610	47,410	Employee Costs	50,088
30,533	35,444	Contractor Services	30,440
6,460	7,153	Materials	6,543
359	285	Finance Charges	851
21,100	23,783	Depreciation	24,921
8,385	8,598	Other Expenses	8,511
113,447	**122,673**	**Total Operating Expenditure**	**121,353**
86	(6,633)	**Operating Surplus/(Deficit) before Capital Revenues**	**150**
2,642	5,492	Capital Grants and Contributions	5,448
2,728	**(1,141)**	**Net Surplus/(Deficit) resulting from Operations**	**5,598**

Appendix 3 -
Budgeted Statement of Financial Position

Budget 2024-2025 $'000	2nd review 2024-2025 $'000		Budget 2025-2026 $'000
		Current Assets	
10,090	756	Cash	4,946
4,955	6,531	Receivables	5,463
488	600	Inventory	528
15,533	**7,887**	**Total Current Assets**	**10,938**
		Current Liabilities	
10,119	17,534	Creditors	15,458
6,715	7,134	Provisions	7,123
1,815	1,029	Loans	1,373
18,649	**25,697**	**Total Current Liabilities**	**23,954**
(3,116)	(17,810)	Net Current Assets/(Liabilities)	(13,016)
		Non-Current Assets	
9,511	9,916	Investment in Regional Subsidiaries	10,709
1,198,934	1,353,662	Infrastructure, Property, Plant & Equipment	1,360,737
-	23,080	Other Non-Current Assets	23,080
1,208,445	**1,386,658**	**Total Non-Current Assets**	**1,394,526**
		Non-Current Liabilities	
667	700	Provisions	711
17,562	15,126	Loans	22,181
18,229	**15,826**	**Total Non-Current Liabilities**	**22,891**
1,187,100	**1,353,022**	**Net Assets**	**1,358,619**
		Equity	
461,695	453,405	Accumulated Surplus	463,843
725,405	899,617	Reserves	894,776
1,187,100	**1,353,022**	**Total Equity**	**1,358,619**

Appendix 4 -
Budgeted Statement of Changes in Equity

Budget 2024-2025 $'000	2nd review 2024-2025 $'000		Budget 2025-2026 $'000
		Accumulated Surplus	
456,494	440,335	Balance at beginning of period	453,405
2,728	(1,141)	Net Surplus/(Deficit)	5,598
2,563	15,064	Transfers from Reserves	4,939
(90)	(853)	Transfers to Reserves	(99)
461,695	**453,405**	**Balance at end of period**	**463,843**
		Asset Revaluation Reserve	
711,329	893,903	Balance at beginning of period	893,903
711,329	**893,903**	**Balance at end of period**	**893,903**
		Other Reserves	
16,549	19,925	Balance at beginning of period	5,714
(2,473)	(14,211)	Net change	(4,840)
14,076	**5,714**	**Balance at end of period**	**873**
725,405	**899,617**	**Total Reserves**	**894,775**
1,187,100	**1,353,022**	**Total Equity**	**1,358,619**

Appendix 5 -
Budgeted Statement of Cash Flow

Budget 2024-2025 $'000	2nd review 2024-2025 $'000		Budget 2025-2026 $'000
		Cash Flows from Operating Activities	
112,960	115,395	***Receipts***	121,191
(92,326)	(98,890)	***Payments***	(97,853)
20,634	**16,505**	**Net Cash Provided by Operating Activities**	**23,338**
		Cash Flows from Financing Activities	
		Receipts	
9,500	13,986	Loans Received	11,450
		Payments	
(657)	(309)	Principal Repayments	(3,331)
8,843	**13,677**	**Net Cash (Used In) Financing Activities**	**8,119**
		Cash Flows from Investing Activities	
		Receipts	
2,157	5,492	Capital Grants/Subsidies & Contributions/Investments	5,448
353	360	Sale of replaced assets	17
-	-	Sale of surplus assets	2,500
		Payments	
(39,376)	(49,039)	Purchase of IPP&E	(35,232)
(36,866)	**(43,187)**	**Net Cash (Used In) Investing Activities**	**(27,267)**
(7,389)	(13,005)	Net Increase/(Decrease) in Cash Held	4,190
17,479	13,761	Cash at Beginning of Reporting Period	756
10,090	**756**	**Cash at End of Reporting Period**	**4,946**

Appendix 6 -
Budgeted Funding Statement

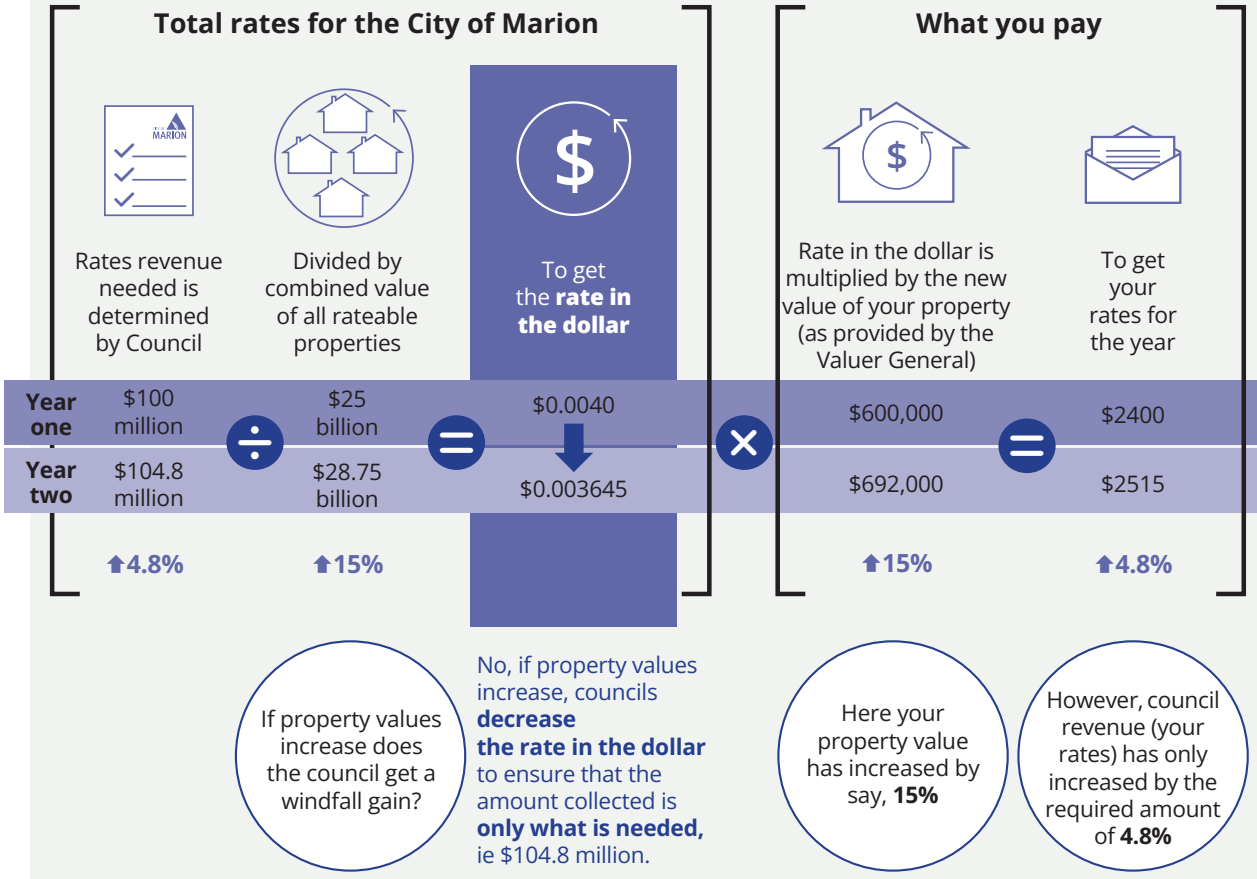
Budget 2024-2025 $'000	2nd review 2024-2025 $'000		Budget 2025-2026 $'000
		Operating Revenue	
94,823	94,889	Rates	100,395
2,738	2,828	Statutory Charges	2,820
4,164	4,418	User Charges	4,732
9,174	10,584	Operating Grants & Subsidies	11,268
300	403	Investment Income	350
1,020	1,182	Reimbursements	751
668	1,091	Other	393
645	645	Net gain - SRWRA	793
113,533	**116,040**		**121,502**
		Operating Expenses	
46,610	47,410	Employee Costs	50,088
30,533	35,444	Contractual Services	30,440
6,460	7,153	Materials	6,543
359	285	Finance Charges	851
21,100	23,783	Depreciation	24,921
8,385	8,598	Other	8,511
113,447	**122,673**		**121,353**
86	**(6,633)**	**Operating Surplus/(Deficit) before Capital Revenues**	**150**
		Capital Revenue	
2,642	5,492	Capital Grants & Subsidies	5,448
2,728	**(1,141)**	**Net Surplus/(Deficit)**	**5,598**
21,100	23,783	Depreciation	24,921
(645)	(645)	Share of Profit SRWRA	(793)
23,183	**21,997**	**Funding available for Capital Investment**	**29,726**
		Capital	
15,314	15,407	less Capital Expenditure - Renewal	16,390
19,488	33,632	less Capital Expenditure - New	18,842
353	360	add Proceeds from Sale of Replaced Assets	17
-	-	add Proceeds from Sale of Surplus Assets	2,500
(11,266)	**(26,682)**	**Net funding increase/(decrease)**	**(2,988)**
		Funded by;	
		Loans	
9,500	13,986	Loan Principal Receipts (Net)	11,450
(657)	(309)	less Loan Principal Repayments	(3,331)
8,843	13,677	Loan Funding (Net)	8,119
		Movement in level of cash, investments and accruals	
49	1,205	Cash Surplus/(Deficit) funding requirements	88
(2,473)	(14,211)	Reserves Net transfer to/(transfer from)	(4,840)
-	-	Funds used to defer borrowings in prior years	9,882
(2,424)	**(13,006)**	**Cash/Investments/Accruals Funding**	**5,130**
11,266	**26,682**	**Funding Transactions**	**2,988**

Appendix 7 -
How your rates are calculated

Valuations do not determine the rates income of a council. Property values are used to determine the share of the total budgeted rates that one property pays relative to other properties in the council area.

Property valuations are used by councils to determine the rate in the dollar to generate the total amount of rate revenue that councils need. Councils review the rate in the dollar annually making sure they only raise the budgeted rate revenue as required.

The following example illustrates how your rates are calculated using the rate in the dollar.



If property values increase does the council get a windfall gain?

No, if property values increase, councils **decrease the rate in the dollar** to ensure that the amount collected is **only what is needed,** ie $104.8 million.

Here your property value has increased by say, **15%**

However, council revenue (your rates) has only increased by the required amount of **4.8%**

Appendix 8 - Rating policy

1. RATING

(1) VALUATION METHODOLOGY AND ADOPTION

Council uses Capital Value as the basis for valuing land within the council area. Capital Value is the value of the land and all of the improvements on the land. The council also continues to adopt the capital valuations distributed by the Valuer-General.

(SEE ANNEXURE 1)

(2) DIFFERENTIAL GENERAL RATES

All land within a council area, except for land specifically exempt under section 147 (2) of the Act is rateable. The Act provides for a council to raise revenue through a general rate, which applies to all rateable land, or through differential general rates, which differentially apply to classes of rateable land. Council uses a differential rating system to raise revenue based upon Land Use to ensure a fair and equitable distribution of rates within the City of Marion. In applying this approach, council will take into consideration all prevailing economic conditions and changes and adjust its differential rates accordingly, to ensure an appropriate and fair equalisation of rates across all land use categories.

The differential general rate Land Use categories are as follows:

Category 1 Residential
Category 2 Commercial – Shop
Category 3 Commercial – Office
Category 4 Commercial – Other
Category 5 Industrial – Light
Category 6 Industrial – Other
Category 7 Primary Production
Category 8 Vacant
Category 9 Other

These differential rates will be used to determine the rates in the dollar for all properties within the City of Marion area for the financial year. These rates will be specified in Council's rate declaration for each financial year.

(SEE ANNEXURE 1)

(3) MINIMUM RATE

A minimum amount payable by way of general rates is determined to apply to the whole of an allotment (including land under a separate lease or licence) and only one minimum amount is payable in respect of two or more pieces of adjoining land (whether intercepted by a road or not) if they are owned by the same owner and occupied by the same occupier.

The Minimum Rate to apply to properties within the City of Marion will be detailed in Council's rate declaration for each financial year.

(SEE ANNEXURE 1)

(4) SERVICE CHARGE

The Council has decided not to impose any service charges for this financial year.

(5) REGIONAL LANDSCAPE LEVY (FORMERLY NATURAL RESOURCES MANAGEMENT LEVY)

The council, under the Landscape South Australia Act 2019, is required to collect this levy. It does so by imposing a separate rate for all rateable properties within the council area.

For each financial year, the levy for each property will be determined by the total capital valuation within the City of Marion. The calculation is as follows;

Total Capital Value divided by the Total Amount Required, (set for the financial year by the Green Adelaide Board) determines an appropriate rate in the dollar, this rate in the dollar will then be adopted to each property.

(SEE ANNEXURE 1)

(6) PAYMENT OF RATES

The council has determined that payment of rates for the 2025-2026 financial year will be by four instalments, due on 1 September 2025, 1 December 2025, 2 March 2026 and 1 June 2026. However, the total amount of rates may be paid in full at any time.

Council has determined that rates may be paid by the following methods:

- Payrix – Direct via council's rating portal

- Australia Post – Post office, telephone or internet
- Bpay – Telephone or internet payments
- Centrepay – Deductions directly from Centrelink deductions
- Direct Debit – Direct from either a cheque or savings account
- Eservices – Direct through the council's internet system
- In person - At council offices
- By Mail - PO Box 21 Park Holme SA 5043

(7) LATE PAYMENT OF RATES

Council imposes an initial penalty (a fine) of 2 per cent as prescribed under the Act on any instalment that is received late. A prescribed interest rate (which includes the amount of any previous unpaid fine and interest) will apply on the expiration of each month that a balance remains unpaid.

When the council receives a payment in respect of overdue rates, the money received is applied in the order set out below, in accordance with Section 183 of the Act:

- First – to satisfy any costs awarded in connection with court proceedings;
- Second – to satisfy any interest costs;
- Third – in payment of any fines imposed;
- Fourth – in payment of rates, in chronological order (starting with the oldest account first).

(SEE ANNEXURE 1)

8) REBATES AND POSTPONEMENT OF RATES

(8.1) RATE REBATE POLICY

Refer to the Rate Rebate Policy attached.

(8.2) RESIDENTIAL RATE REBATE

Section 166 (1) (l) (ii) of the Act provides for the discretionary rebate of rates where, among other things, there has been a rapid change in valuations.

Council will provide relief against a substantial increase in rates payable on residential land due to large increases in capital value by applying a rebate of general rates to eligible ratepayers.

For the current financial year a rebate will be applied to properties to cap any increase in general rates at 10 per cent, subject to meeting the qualifying criteria set out below:

- The property is the owner's principal place of residence.
- The property has not had more than $20,000 of improvements.
- The property value has not increased due to zoning changes.
- The land use for rating purposes has not changed since 1 July of the previous financial year.
- The property has not sold since the 1 January of the previous financial year.

The Residential Rate Rebate will be applied automatically to properties that can be readily identified as being eligible. Where this rebate is not applied automatically, ratepayers who consider they could be eligible for rate capping may apply in writing to council. Applications will be assessed against the eligibility criteria. Only applications for the current financial year will be accepted and must be received in the current financial year.

(8.3) RESIDENTIAL CONSTRUCTION ON VACANT LAND

Under Section 166 (1) (a) of the Act, and for the purpose of securing the proper development of the area, a discretionary rebate of general rates for the 2025-2026 financial year will be granted in respect of an assessment classed as vacant land by the council, where:

- The principal ratepayer of the assessment applies to the council for the rebate prior to 30 June 2026, and
- The footings have been poured on the property by 30 June 2026.

The amount of the rebate will be the difference between the general rate in the dollar applicable to Vacant land, and the general rate in the dollar applicable to Residential land. This is calculated by the number of days remaining between 1 July 2025 - 30 June 2026 from the date footings are poured for a residence on the land. Minimum Rate is still applicable.

(8.4) POSTPONEMENT OF RATES – HARDSHIP

Section 182 of The Act permits the council, on the application of the ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship. Where a ratepayer is suffering hardship in paying rates they may submit an application in writing to the council's Team Leader Rating Services. The council treats such inquiries confidentially.

(8.5) POSTPONEMENT OF RATES – SENIORS

An application may be made to council by ratepayers who meet the criteria required for qualification for postponement under Section 182A of The Act. (SEE ANNEXURE 1 for criteria)

(9) SALE OF LAND FOR NON-PAYMENT OF RATES

The Act provides that a council may sell any property where the rates have been in arrears for three years or more. Council is required to notify the owner of the land of its intention to sell the land, provide the owners with details of the outstanding amounts, and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month. Except in extraordinary circumstances, the council enforces the sale of land for arrears of rates.

(10) CONCESSIONS
COST OF LIVING CONCESSION

Pensioners, low-income earners and self-funded retirees holding a Commonwealth Seniors Health Card can receive a Cost of Living Concession. Eligibility includes pensioners and low-income earners who are tenants.

For further information contact the Concessions Hotline on 1800 307 758.

RATE REBATES
(1) POLICY STATEMENT

Council has decided to adopt a Rate Rebate Policy for all rateable land within the council's area which is applied in accordance with Sections 159 to 166 of the Act. This Policy will assist the council as a decision making function and is intended to provide guidance to the community as to the matters that the council will take into account in deciding an application for a rebate.

The Policy also sets out the type of land use for which the council must grant a mandatory rebate of rates and the percentage amount applicable, and those types of land use where the council has the ability to grant a discretionary rebate of rates. Rebates will only be available when the applicant satisfies the requirements under both the Act and, where appropriate, the requirements of this Policy.

(2) MANDATORY REBATES

Mandatory rate rebates will be granted by council at the prescribed rate in accordance with Sections 159 to 165 of The Act.

S160 – Health Services 100% Rebate
S161 – Community Services (Including Housing Associations) 75% Rebate
S162 – Religious Purposes 100% Rebate
S163 – Public Cemeteries 100% Rebate
S164 – Royal Zoological Society of SA 100% Rebate
S165 – Educational Purposes 75% Rebate

Where the council is satisfied from its own records, or from other sources, that a person or body meets the necessary criteria for a mandatory rate rebate, the council will grant the rebate accordingly. Where the council is not satisfied based on the information in its possession or otherwise does not hold relevant information, it will require the person or body to lodge an application in accordance with this Policy.

(3) DISCRETIONARY REBATES

A discretionary rate rebate may be granted by the council, at its absolute discretion, up to and including 100 per cent relief to any cases pursuant to Section 166 of the Act.

Any persons or bodies seeking a discretionary rebate, will be required to submit an application form to the council and provide to the council such information as stipulated on the application form and any other information that the council may reasonably require.

(4) APPLICATION

Application forms may be obtained online at marion.com.au or from the council office located at 245 Sturt Road, Sturt.

The council will advise an applicant for a rebate of its determination of that application in

due course, after receiving the application and receiving all information requested by the council. The advice will state –

- if the application has been granted, the amount of the rebate; or
- if the application has not been granted, the reasons why.

(5) IN REGARDS TO PRESCRIBED DISCRETIONARY RATE REBATES THE COUNCIL WILL TAKE INTO ACCOUNT, IN ACCORDANCE WITH SECTION 166(1A) OF THE ACT, THE FOLLOWING MATTERS –

- The nature and extent of council services provided in respect of the land for which the rebate is sought, in comparison to similar services provided elsewhere in the council area;
- The community need that is being met by activities carried out on the land for which the rebate is sought; and the extent to which activities carried out on the land, for which the rebate is sought, provides assistance or relief to disadvantaged persons; and
- Such other matters as the council considers relevant.

(6) THE COUNCIL MAY TAKE INTO ACCOUNT OTHER MATTERS CONSIDERED RELEVANT BY THE COUNCIL INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING–

- Why there is a need for financial assistance through a rebate;
- The level of rebate (percentage and dollar amount) being sought and why it is appropriate;
- The extent of financial assistance, if any, being provided to the applicant and/or in respect of the land by Commonwealth or State agencies;
- Whether the applicant is entitled to a mandatory rebate of rates in accordance with Sections 159 to 165 of the Act;
- Whether the applicant has made/intends to make applications to another council;
- Whether, and if so to what extent, the applicant is or will be providing a service within the council area;
- Whether the applicant is a public sector body, a private not for profit body or a private for profit body;
- Whether there are any relevant historical considerations that may be relevant for all or any part of the current council term;
- The desirability of granting a rebate for more than one year;
- Consideration of the full financial consequences of the rebate for the council;
- The time the application is received;
- The availability of any community grant to the person or body making the application;
- Whether the applicant is in receipt of a community grant; and
- Any other matters and policies of the council, which the council considers relevant.

All persons or bodies wishing to apply to the council for a discretionary rebate of rates must do so on or before 1 May in that financial year for the following financial year.

- The council may grant a rebate of rates on such conditions as the council thinks fit.
- The council may, for proper cause, determine that an entitlement to a rebate of rates under the Act no longer applies.
- Where an entitlement to a rebate of rates ceases or no longer applies during the course of a financial year, the council is entitled to recover rates, or rates at the increased level (as the case may be), proportionate to the remaining part of the financial year.

It is an offence for a person or body to make a false or misleading statement or representation in an application, or to provide false or misleading information or evidence in support of an application made (or purporting to be made) under the Act.

The maximum penalty for this offence is $5,000.

If a person or body has the benefit of a rebate of rates and the grounds on which the rebate has been granted cease to exist, the person or body must immediately inform the council of that fact and (whether or not the council is so informed) the entitlement to a rebate ceases. If a person or body fails to do so that person or body is guilty of an offence.

The maximum penalty for this offence is $5,000.

(7) DELEGATION

The council has delegated its power, pursuant to Section 44 of the Act to determine applications and to grant a discretionary rebate of rates, to the Chief Executive Officer.

The council has delegated its power, pursuant to Section 44 of the Act to determine applications and to grant a discretionary rebate of rates, to the Chief Executive Officer subject to the following condition:

- Where the discretionary rate is not more than $5,000.

(8) REVIEW OF REBATE

A person or a body aggrieved by a determination of the council in respect of an application for a rebate may, within 14 days of the date of the notice of determination, seek a review of that decision in accordance with the council's Internal Review of Council Decisions Policy.

(9) COMMUNITY GRANTS

If an application for a rebate is unsuccessful, the council has an absolute discretion to then treat the application as one for a community grant and to determine it in accordance with the council's Community Grants Policy.

(10) AVAILABILITY OF POLICY DOCUMENTS

Policy documents are available for inspection at the council offices and on the website at marion.sa.gov.au. Persons may obtain a copy of any Policy document upon payment of the fee set by the council.

DISCLAIMER

A rate cannot be challenged on the basis of non-compliance with this Policy and must be paid in accordance with the required payment provisions.

Where a ratepayer believes that the council has failed to properly apply this Policy they should raise the matter with the council. In the first instance contact the council's Team Leader – Rating Services on 8375 6617 to discuss the matter. If, after this initial contact, a ratepayer is still dissatisfied they should write to the Chief Executive Officer, City of Marion, PO Box 21, Park Holme, SA 5043.

ANNEXURE 1
1. VALUATION METHODOLOGY AND ADOPTION

Under the Act, the council may adopt one of three valuation methodologies to value the properties in its area. They are:

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

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

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

Any ratepayer dissatisfied with the valuation made by the Valuer General may object in writing to the Valuer General within 60 days of receiving a rate notice, explaining the basis for the objection. This is provided that ratepayer has not:

(a) previously received a notice of this valuation under the Act, in which case the objection period is 60 days from the receipt of the first notice; or

(b) previously raised an objection to that valuation.

The 60 day objection period may be extended by the Valuer-General where it can be shown there is reasonable cause to do so.

It is important to note that the lodgement of an objection does not change the payment of rates or the due date.

2. DIFFERENTIAL GENERAL RATES

All land within a council area, except for land specifically exempt (e.g. crown land, council occupied land and other land prescribed under the Act – refer to Section 147), is rateable. The Act provides for a council to raise revenue for the broad purposes of the council through the imposition of a single general rate or through differential general rates that apply to all rateable properties within the council area.

Following a review of rating options available under the Act during the 2002/2003 financial year, the council consulted extensively with the community on this issue and concluded that a differential rating system would improve the equity in rate distribution across the community. The review included a comparison of rating methods and rates by land use within the Adelaide metropolitan area.

Differential general rates are based on Land Use as determined in the Local Government (General) Regulations 2013 under the Act. If a ratepayer believes that a particular property has been wrongly classified by the council as to its land use, then they may object (to the council) to that land use within 60 days of being notified. A ratepayer may discuss the matter with a Rates Officer, on 8375 6600 in the first instance. The council will provide, on request, a copy of Section 156 of the Act which sets out the rights and obligations of ratepayers in respect of objections to a land use.

An objection to the land use:

- Must be in writing
- Must set out-
- The grounds of the objection; and
- The land use (being a land use being used by the council as a differentiating factor) that should, in the objector's opinion, have been attributed to the land; and
- Must be made within 60 days after the objector receives notice of the particular land use to which the objection relates.

This 60 day objection period may be extended where it can be shown there is reasonable cause to do so.

The council may then decide the objection as it sees fit and notify the ratepayer. A ratepayer also has the right to appeal against the council's decision to SACAT (SA Civil and Administration Tribunal). It is important to note that the lodgement of an objection does not change payment of rates or the due date.

3. MINIMUM RATE

The reasons for imposing a minimum amount payable by way of general rates are:

The council considers it appropriate that all rateable properties make a contribution to the cost of administering the council's activities;

The council considers it appropriate that all rateable properties make a contribution to the cost of creating and maintaining the physical infrastructure that supports each property.

No more than 35 per cent of properties will be subject to the minimum amount.

4. REGIONAL LANDSCAPE LEVY (FORMERLY THE NATURAL RESOURCE MANAGEMENT LEVY)

It is important to note that council is required to collect this levy under the Landscape South Australia Act 2019 and operates as a revenue collector for the Green Adelaide Board in this regard. It does not retain this revenue or determine how the revenue is spent.

For further information visit: landscape.sa.gov.au

5. LATE PAYMENT OF RATES

Under the Act, the council applies penalties (fines and interest) to arrears of rates (i.e. rates which are not paid on or before the due date). The council issues a final notice for payment of rates when rates are overdue i.e. unpaid by the due date. If rates remain unpaid more than 21 days after the issue of the final notice then the council may refer the debt to a debt collection agency for collection. This may result in legal proceedings with costs on-charged to the ratepayer.

The council offers assistance to ratepayers experiencing difficulty in making their rate payment by the due date. The council will consider approving extended payment provisions

or, in circumstances where hardship can be demonstrated, deferring the payment of rates.

The council may be prepared to remit penalties (fines and interest) for late payment of rates where ratepayers can demonstrate hardship or sufficient other reason for late payment.

All applications for remissions must be submitted to: Rating Services Section, City of Marion at council@marion.sa.gov.au

6. DISCRETIONARY REBATE

The Act requires the council to rebate the rates payable on certain land ('mandatory rebates'). The Act, at section 166, also empowers the council to grant discretionary rebates of rates of up to 100 per cent of the rates and/or charges payable. The council, in considering discretionary rebates, must balance the benefits of providing rebates, with the impact that such rebates have on its overall income (and hence upon the general ratepayer base). To promote the transparency of this process the Council has adopted a Rate Rebate Policy. A copy of this Policy is available at the council offices or on council's website at www.marion.sa.gov.au.

7. POSTPONEMENT OF RATES – SENIORS

The following criteria must be satisfied before the postponement is granted.

- The person is a prescribed ratepayer, or the spouse of a prescribed ratepayer;
- A prescribed ratepayer means the holder of a current State Seniors Card or a person eligible to hold such a card who has applied but is yet to be issued with a card.
- Rates are payable on the principal place of residence.
- The land is owned by the prescribed ratepayer, or the prescribed ratepayer and his or her spouse, and no other person has an interest, as owner, in the land.
- Any current mortgage over the property which was registered prior to 25 January 2007 will be no more than 50 per cent of the Valuer-General's capital value of the property.

An application must be made in the prescribed manner and form and be accompanied by such information as the council may require. Any rates which are postponed will become due and payable when:

- The title to the land is transferred to another person; or
- There is failure to comply with a condition of postponement. A minimum amount of $500 of the annual rates must be paid.

An entitlement to a remission will be applied to the proportion of the rates that has not been postponed, unless notice to the contrary is received in writing from the owner.

Interest will accrue on the amount postponed at the prescribed rate per month, under the Act until the amount is paid.

Should the entitlement to a postponement cease to exist, the owner of the land must inform the council in writing, unless the rates and any interest have been paid in full.

Appendix 9 - Long Term Financial Plan to 30 June 2035

Long Term Financial Plan to 30 June 2035	2025/26 $'000	2026/27 $'000	2027/28 $'000	2028/29 $'000	2029/30 $'000	2030/31 $'000	2031/32 $'000	2032/33 $'000	2033/34 $'000	2034/35 $'000
Rates Indexation	4.80%	3.75%	3.50%	3.25%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%
Income										
Rates	100,395	105,233	110,036	114,779	119,723	124,577	129,623	134,871	140,327	146,000
Statutory Charges	2,820	2,905	2,985	3,059	3,136	3,214	3,295	3,377	3,461	3,548
User Charges	4,732	4,874	5,008	5,133	5,261	5,393	5,528	5,666	5,807	5,953
Grants, Subsidies and Contributions - operating	11,268	10,296	10,532	10,753	10,978	11,210	11,447	11,691	11,940	12,195
Investment Income	350	350	350	350	350	350	350	350	350	350
Reimbursements	751	774	795	815	835	856	878	899	922	945
Other Income	393	404	415	426	436	447	459	470	482	494
Net gain - equity accounted Council businesses	793	817	841	867	893	919	947	975	1,005	1,035
Total Income	**121,502**	**125,653**	**130,962**	**136,181**	**141,613**	**146,966**	**152,526**	**158,299**	**164,294**	**170,519**
Expenses										
Employee Costs	50,088	51,591	52,290	53,858	55,474	57,138	58,852	60,618	62,437	64,310
Materials, Contracts & Other Expenses	45,493	47,124	48,097	48,831	50,470	51,865	52,701	54,002	55,379	56,834
Depreciation, Amortisation & Impairment	24,921	25,918	26,954	29,259	31,344	33,225	35,218	37,331	39,571	41,945
Finance Costs	851	1,373	2,010	3,643	3,695	3,511	3,278	3,039	3,139	3,295
Total Expenses	**121,353**	**126,005**	**129,351**	**135,590**	**140,983**	**145,739**	**150,050**	**154,990**	**160,525**	**166,384**
Operating Surplus	**150**	**(352)**	**1,611**	**591**	**629**	**1,227**	**2,476**	**3,309**	**3,769**	**4,136**
Operating Surplus Ratio	**0.12%**	**-0.28%**	**1.23%**	**0.43%**	**0.44%**	**0.83%**	**1.62%**	**2.09%**	**2.29%**	**2.43%**
Amounts Received Specifically for New or Upgraded Assets	5,448	9,907	15,201	9,543	4,268	1,256	1,827	18,177	19,167	1,819
Net Surplus / (Deficit) for the Year	**5,598**	**9,555**	**16,813**	**10,134**	**4,898**	**2,483**	**4,304**	**21,486**	**22,936**	**5,955**
Capital (Balance Sheet) and Reserve Movements										
Capital Expenditure	(35,232)	(44,601)	(72,507)	(39,650)	(32,872)	(25,137)	(26,591)	(67,798)	(72,399)	(34,668)
Loan Repayments (External)	(3,331)	(1,373)	(1,928)	(3,389)	(3,511)	(3,755)	(3,978)	(4,214)	(4,935)	(5,830)
Funds from Suplus Asset Disposal	2,500	-	-	-	-	-	-	-	-	-
Funds from Replaced Asset Disposal	17	476	281	250	766	516	757	817	643	908
New Loan Borrowings (External)	11,450	11,000	31,300	4,450	450	-	-	6,150	7,860	-
Net Transfers (to)/from Reserves	4,840	(99)	(28)	(99)	(99)	(6,349)	(8,699)	7,276	7,376	(7,199)
Total Capital (Balance Sheet) and Reserve Movements	**(19,756)**	**(34,596)**	**(42,882)**	**(38,438)**	**(35,266)**	**(34,725)**	**(38,511)**	**(57,769)**	**(61,455)**	**(46,789)**
Net Result (including Depreciation & Other non-cash items)	**(14,158)**	**(25,041)**	**(26,069)**	**(28,304)**	**(30,368)**	**(32,242)**	**(34,207)**	**(36,283)**	**(38,519)**	**(40,834)**
Add back Depreciation Expense (non-cash)	24,921	25,918	26,954	29,259	31,344	33,225	35,218	37,331	39,571	41,945
Add back Other Expenses (non-cash)	(793)	(817)	(841)	(867)	(893)	(919)	(947)	(975)	(1,005)	(1,035)
Less Grants Received in Advance	(4,943)	-	-	-	-	-	-	-	-	-
Deferred borrowings not used in prior years	(4,939)	-	-	-	-	-	-	-	-	-
Cash Budget Surplus	**88**	**60**	**40**	**88**	**83**	**63**	**64**	**73**	**47**	**77**

Response to ESCOSA advice report

On 30 April 2022, amendments to the *Local Government Act 1999* came into operation resulting in the implementation of the Local Government Advisory Scheme. The purpose of this advisory scheme is to provide ratepayers confidence that the rates they pay are set at the level necessary for their council to provide the services they value. The Essential Services Commission (Commission) of South Australia is the advisory body. The State's 68 councils are subject to the scheme.

The Commission reviewed the City of Marion's financial performance during the 2023-24 financial year. The review has been in addition to the existing program of review of financial sustainability by City of Marion's internal auditor, external auditor and independent scrutiny from our Finance, Audit and Risk Committee.

The City of Marion has been assessed by the Commission at the higher end of sustainable for past, current and future projections.



Current financial performance

Unsustainable	Potentially unsustainable	Mostly sustainable	Sustainable

Projected financial performance (future)

Unsustainable	Potentially unsustainable	Mostly sustainable	Sustainable

Previous financial performance (past 10 years)

Unsustainable	Potentially unsustainable	Mostly sustainable	Sustainable

With a key focus on maintaining rates at or under inflation, even in the face of high and unprecedented construction costs well above inflation, incurring borrowings only when prudent to do so for new capital works, the City of Marion is in an enviable position in relation to financial performance.

Notwithstanding the work by the Commission as an advisory scheme, rather than a compulsory one in that the Commission cannot require councils to follow that advice, the City of Marion has provided a response to the recommendations below.

ESCOSA recommendation	City of Marion response
Continue to review its inflation forecasts in its budget and forward projections from 2024-25, given the potential for higher short-term inflation outcomes, followed by a return to long-term averages.	Continually reviewing and assessing inflationary forecasts are already a key element of analysis undertaken by the City of Marion included in the annual and long-term budget setting process. The City of Marion will continue to review economic indicators, inflation results and forecasts including those published by the Reserve Bank. The City of Marion appreciate a dynamic and data driven approach to inflation forecasting enhances the accuracy and robustness of our forecasts and fosters greater confidence in our budgetary decision-making processes.
Consider better clarity in its forward estimates in its long-term financial plan concerning the assumptions for its cost and revenue estimates	The City of Marion will continue to use robust analysis in developing the cost and revenue assumptions. Key assumptions used in the development of Council's Annual Business Plan and Long-Term Financial Plan are already published as part of the budget development process contained within council agendas.
Report any actual and projected cost savings in its annual budget (and long-term financial plan, as appropriate), to provide evidence of constraining cost growth and achieving efficiency across its operations and service delivery.	The City of Marion uses a conservative approach to expenditure budgeting and forecasts with minimal discretionary funding factored into the annual business plan. However, the City of Marion does explore opportunities for efficiencies which look to free up capacity to meet demand for the 1,000 new residents per year rather than continually seek new resources. Where these efficiencies result in direct savings these will be published in Council's Annual Report.
Consider undertaking a comprehensive revaluation of its depreciable assets by an external valuer at least every four years to ensure the forecast rate of asset consumption (and depreciation expense) in the long-term financial plan reflects recent macro-economic conditions.	The City of Marion appreciates that the COVID-19 period did result in unusually high asset valuation fluctuations. With the post COVID economy returning to more moderate inflationary measures it is not considered necessary to increase the frequency of asset valuations to 4 years.
Report in its annual business plan the estimated average annual change for all of its nine categories of general rates, together with the quantum of annual revenue it expects to collect from these distinct categories of rates (with minimum rate revenue reported separately), providing greater clarity and transparency to its ratepayers.	The City of Marion will review the publication of this information in future Annual Business Plans to provide clarity and meaningful information to our ratepayers.

The Essential Services Commission
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OFFICIAL

Advice

Local Government Advice

City of Marion

February 2024

Enquiries concerning this advice should be addressed to:

Essential Services Commission
GPO Box 2605
Adelaide SA 5001

Telephone: (08) 8463 4444
Freecall: 1800 633 592 (SA and mobiles only)
E-mail: advice@escosa.sa.gov.au
Web: www.escosa.sa.gov.au

City of Marion

AT A GLANCE

OVERVIEW

The Essential Services Commission finds the City of Marion's current and projected financial performance **sustainable** taking into account the council's forecast moderate expense growth increase over the next 10 years and the planned average rate increases of 3.3% p.a. per property over this period

RISKS IMPACTING SUSTAINABILITY

- ⚠ If moderate growth in forecasted expenses is not realised and the Council maintains the current cost trajectory, ratepayers risk shouldering the burden through unexpected higher rate increases
- ⚠ Asset renewal expenditure in line with the LGA target range of between 90% and 110% is not met

CONTINUE

- ✓ Reviewing inflation forecasts in the budget and forward projections from 2024-25
- ✓ Adhering to a robust strategic planning process

COMMISSION'S RECOMMENDATIONS

- Consider better clarity concerning assumptions for the cost and revenue estimates
- Report any actual and projected cost savings in the annual budget and long-term financial plan
- Report in the annual business plan the estimated average annual change for all of the nine categories of general rates
- Consider a comprehensive revaluation of the depreciable assets by an external valuer at least every four years.

KEY FACTS

- Population in 2021 was **94,721**
- Council covers **55 square kilometres**
- **44,902** rateable properties in 2022-23
- **$84.3 million of rate income** in 2022-23
- Value of assets held in 2022-23 equals **$1.20 billion**

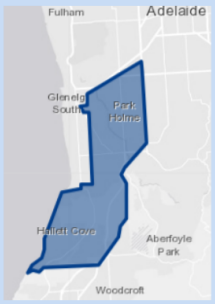


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Glossary of terms

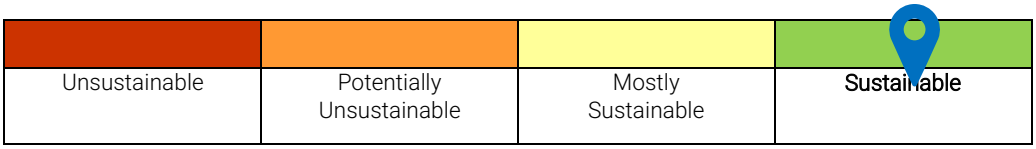
ABS	Australian Bureau of Statistics
AMP	Asset management plan (also called an IAMP)
Commission	Essential Services Commission, established under the *Essential Services Commission Act 2002*
CPI	Consumer Price Index (Adelaide, All Groups)
Council	City of Marion
CWMS	Community Wastewater Management System
ESC Act	*Essential Services Commission Act 2002*
F&A	Local Government Advice: Framework and Approach – Final Report
FTE	Full Time Equivalent
IAMP	Infrastructure and asset management plan (also called an AMP)
LG Act	*Local Government Act 1999*
LGA SA Financial Indicators Paper	Local Government Association of South Australia, Financial Sustainability Information Paper 9 - Financial Indicators Revised May 2019
LGGC	Local Government Grants Commission
LGPI	Local Government Price Index
LTFP	Long-term financial plan
Regulations	*Local Government (Financial Management) Regulations 2011*
RBA	Reserve Bank of Australia
SACES	The South Australian Centre for Economic Studies
SEIFA	Socio-Economic Indexes for Areas
SMP	Strategic management plan
SG	Superannuation Guarantee
The scheme or advice	Local Government Advice Scheme

Legend: Low-risk Moderate-risk High-risk

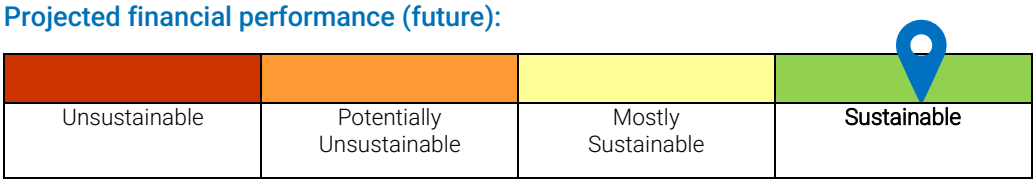
1 The Commission's key advice findings for the City of Marion

The Essential Services Commission (**Commission**) considers the City of Marion (**Council**) to be in a **sustainable** financial position with historical and projected operating surpluses. The projected strong ongoing financial performance should enable it to accommodate asset renewal as required to maintain service levels without the need for further significant rate increases.

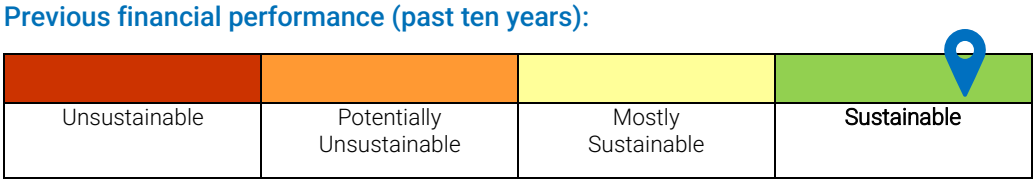
Current financial performance:



Projected financial performance (future):



Previous financial performance (past ten years):



Looking ahead, the Commission suggests the following steps to help ensure the Council budgets transparently, reports its cost savings and efficiencies, ensures the assumptions underpinning its financial and asset management planning are clear and sets rate levels more transparently.

Budgeting considerations

1. **Continue** to review its inflation forecasts in its budget and forward projections from 2024-25, given the potential for higher short-term inflation outcomes, followed by a return to long-term averages.
2. **Consider** better clarity in its forward estimates in its long-term financial plan concerning the assumptions for its cost and revenue estimates.

Continuing to provide evidence of ongoing cost efficiencies

3. **Report** any actual and projected cost savings in its annual budget (and long-term financial plan, as appropriate), to provide evidence of constraining cost growth and achieving efficiency across its operations and service delivery.

Refinements to asset management planning

4. **Consider** undertaking a comprehensive revaluation of its depreciable assets by an external valuer at least every four years to ensure the forecast rate of asset consumption (and depreciation expense) in the long-term financial plan reflects recent macro-economic conditions.

Reporting and containing rate levels

5. **Report** in its annual business plan the estimated average annual change for all of its nine categories of general rates, together with the quantum of annual revenue it expects to collect from these distinct categories of rates (with minimum rate revenue reported separately), providing greater clarity and transparency to its ratepayers.

2 About the advice

The Essential Services Commission (**Commission**), South Australia's independent economic regulator and advisory body, has been given a role by State Parliament to provide advice on material changes proposed by local councils in relation to elements of their strategic management plans (**SMPs**) and on the proposed revenue sources, including rates, which underpin those plans.[1]

One of the main purposes of the Local Government Advice Scheme (**advice** or **the scheme**) is to support councils to make 'financially sustainable' decisions relating to their annual business plans and budgets in the context of their long-term financial plans (**LTFP**s) and infrastructure and asset management plans (**IAMP**s)[2] – both required as part of a council's SMP.[3] Financial sustainability is considered to encompass intergenerational equity,[4] as well as program (service level) and rates stability in this context.[5] The other main purpose is for the Commission to consider ratepayer contributions in the context of revenue sources, outlined in the LTFP.[6] In addition, the Commission has discretion to provide advice on any other aspect of a council's LTFP or IAMP it considers appropriate, having regard to the circumstances of that council.[7]

The first cycle of the scheme extends over four years from 2022-23 to 2025-26, and the Commission has selected 17 councils for advice in the second scheme year (2023-24), including the Council (**Council**).

This report provides the Local Government Advice for the Council in 2023-24.

The Council is obliged under the *Local Government Act 1999* (**LG Act**) to publish this advice and its response, if applicable, in its 2024-25 annual business plan (including any draft annual business plan) and subsequent plans until the next cycle of the scheme.[8] It does not need to publish the attachment to the advice (these will be available with the advice on the Commission's website[9]), nor is it compelled under the LG Act to follow the advice.

The Commission thanks the Council for meeting with the Commission and for providing relevant information to assist the Commission in preparing this advice.

2.1 Summary of advice

In general, the Commission finds the Council's current and projected financial position and outlook strong and sustainable with operating surpluses achieved historically, and continued surpluses forecast in the medium to longer term.

The Council will continue to rely on rate contributions, as well as grants income growth, to achieve this performance, but the Commission notes that historically the Council's rate levels were relatively low.[10]

1 Amendments to the *Local Government Act 1999* (**LG Act**) (s122(1c) to (1k) and (9)) specify the responsibilities for the Commission and local councils for the Local Government Scheme Advice. The Commission must provide advice to each council in accordance with the matters outlined in s122(1e), (1f) and (1g).
2 Commonly referred to as asset management plans.
3 The objectives of the advice with reference to a council's LTFP and IAMPs are presented under LG Act, s122(1g). LG Act s122(1) specifies the requirements of a council's SMP, including the LTFP and IAMPs.
4 'Intergenerational equity' relates to fairly sharing services and the revenue generated to fund the services between current and future ratepayers.
5 Commission, *Framework and Approach – Final Report*, August 2022, pp. 2-3, available at www.escosa.sa.gov.au/advice/advice-to-local-government.
6 LG Act s122(1f)(a) and (1g)(a)(ii).
7 LG Act s122(1f)(b) and (1g)(b).
8 LG Act s122(1h).
9 The Commission must publish its advice under LG Act s122(1i)(a).
10 Refer to council rates data for 2021-22 available at https://councilsinfocus.sa.gov.au/home. The Commission is not relying on these rate comparisons for its advice: the data source provides just one indicator, among many, which has informed its advice on the appropriateness of the rate levels.

Looking ahead, the Council has forecast an increase in its borrowings to finance infrastructure projects drawn from its City of Marion Building Asset Strategy (CoMBAS). As a result, its level of net financial liabilities is forecast to increase from $18.7 million in 2023-24 to $41.0 million in 2032-33 (within acceptable limits for a council of its size). This reduces the pressure on its rates base to fund the annual capital spending as it occurs, which in turn supports intergenerational equity.

Although the Council has forecast higher expenditure on new assets and asset renewals than what it has achieved historically, its forward projections indicate a slight decrease in the value of assets per property (to $27,829 in 2032-33 from $27,843 in 2023-24). These projections (in asset values per property), as they stand, would contribute to the Council's sustainability into the future and reflect a period of asset and service consolidation. By implication, this also indicates the Council's asset stock will decline in real terms. At the same time, the Council's LTFP also shows its continued commitment to maintaining community service levels by spending adequately on the renewal of its existing asset base.

In recent years, the Council has run small operating surpluses, indicating that the operating income it collects is generally exceeding its operating expenses by a small margin. The Commission notes that the Council is continuing to forecast small operating surpluses in the short term. If its total operating expenses (including deprecation) do not reflect current macro-economic conditions, the Council risks understating its total operating expenses and overstating its operating surplus ratio.

The Commission also considers that there may be opportunities to achieve greater savings and efficiencies in the Council's recurrent budget and encourages it to review and report on this. In general, a focus on managing its growth-related assumptions and consulting with its community about rate contributions and service levels should help the Council to identify and act upon opportunities to reduce affordability risk to the community.

2.2 Detailed advice findings

The next sections summarise the Commission's more detailed observations and advice findings regarding the Council's material changes to its 2023-24 plans (compared with the previous year's plans), its financial sustainability (in the context of its long-term operating performance, net financial liabilities, and asset renewals expenditure), and its current and projected rate levels.

In providing this advice, the Commission has followed the approach it previously explained in the Framework and Approach – Final Report (F&A). The attachment explores these matters further.[11]

2.2.1 Advice on material plan amendments in 2023-24

Key Points:

- ✓ An additional improvement of $104.4 million or 10.3 percent in total operating income on the 2022-23 estimates (for the period 2023-24 to 2031-32) mostly driven by higher rates, grants and subsidies and user charges.
- ⚠ An additional $102.8 million or 10.6 percent in total operating expenses on the 2022-23 estimates (for the period 2023-24 to 2031-32) mostly driven by 'materials, contracts and other' expenses, finance costs and depreciation expenses.
- ✓ The long-term financial plan is based on forecast expenditure levels indexed to reflect current cost pressures and future anticipated costs, factoring indexation at the higher end of the RBA target over the coming two years before reverting to a longer-term forecast of 2.5 percent from 2025-26 onwards.

[11] The attachment will be available on the Commission's website with the Advice.

The Council's 2023-24 LTFP includes an improvement to its projected operating performance and increases to its projected capital expenditure estimates, compared with the 2022-23 forecasts,[12] as follows:

- An additional improvement of $104.4 million or 10.3 percent in total operating income. Most of this increase is due to higher rates, which increased by $87 million or 9.9 percent on the 2022-23 estimates (for the period 2023-24 to 2031-32). Grants, subsidies and contributions have also increased by $7.6 million or 12.5 percent, and user charges have increased by $7.9 million or 31.8 percent.
- An additional $102.8 million or 10.6 percent in total operating expenses. This includes an additional $71.9 million or 20.5 percent for 'materials, contracts and other' expenses, and an additional $13 million or 309 percent in 'finance costs'. Depreciation has also increased by $8.2 million or 4.5 percent.

The Council's LTFP is based on forecast expenditure levels indexed to reflect current cost pressures and future anticipated costs.[13] The Council's LTFP has factored indexation at the higher end of the RBA target over the coming two years before reverting to a longer-term forecast of 2.5 percent from 2025-26 onwards. Given the current high inflationary environment and the degree of uncertainty in future events that may impact inflation, the Commission considers that it would be appropriate for the Council to:

1. **Continue** to review its inflation forecasts in its budget and forward projections from 2023-24, given the potential for higher short-term inflation outcomes, followed by a return to long-term averages.

Based on updated inflation assumptions in its 2023-24 LTFP, an increase in its cost and revenue estimates (excluding employee costs) by up to 10 percent over the 2023-24 to 2031-32 forecast period,[14] compared with the same estimates in its 2022-23 LTFP, could be accounted for by higher inflation forecasts. The Council has not adjusted its operating income and expense forecasts by higher amounts than its adjusted inflation forecasts (both with increases of 10.3 percent and 10.6 percent on 2022-23 estimates[15]). This suggests that there are not higher forecasts in real terms.

The Commission notes that the Council's stated assumptions for indexation in its 2023-24 LTFP are based on its annual review of these forecasts. Notwithstanding the need for the Council to find savings and reduce any inflationary impact on its community, the Commission has found that it would be appropriate for it to:

2. **Consider** better clarity in its forward estimates in its long-term financial plan concerning the assumptions for its cost and revenue estimates.

2.2.2 Advice on financial sustainability

Operating performance

Key Points:

- Operating surpluses consistently achieved between 2012-13 and 2021-22, with the operating surplus ratio averaging 8.1 percent in that time.
- The operating surplus ratio is forecast to average 4 percent per annum between 2023-24 and 2032-33.

[12] The overlapping forecast period in both LTFPs (2022-23 to 2031-32 and 2023-24 to 2032-33).
[13] City of Marion, *2023-2033 long-term financial plan*, June 2023, p. 6.
[14] The set of nine years forecast in both the 2022-23 and 2023-24 LTFP projections.
[15] Based on the overlapping forecast period in both LTFPs (2022-23 to 2031-32 and 2023-24 to 2032-33).

Over the past 10 years, operating expenses increased annually on average by 4.5 percent (compared with CPI of 2 percent) primarily driven by increases in 'Materials, contracts and other' expenses (6.3 percent), and employee costs (3.2 percent).

'Materials, contracts and other' projected expenses and costs for depreciation are forecast to increase by an average of 2.6 percent and 4.0 percent per annum respectively, from 2022-23 to 2031-32.

Forecast modest expenses growth over the next 10 years, combined with higher rate increases, will likely assist the Council's operating performance to remain in surplus. Nonetheless, should the Council not achieve the moderate expense projections it could result in further rate increases.

For the past 10 years, the Council's operating surplus ratio[16] generally displayed an underlying decreasing trend from 7.1 percent in 2012-13, to 0.5 percent in 2021-22 (8.1 percent on average). Looking ahead, it is forecast to meet the lower end of the suggested target range in each year to 203233 (4 percent on average).

The Commission notes that the Council's operating surplus ratio decreased sharply in the three years to 2021-22. The decrease largely coincided with the average rate revenue per property growing at only 0.8% over the same period as the Council sought to minimise rate increases on its community. At the same time the Council's operating expenses grew at 6.8 percent in the three years to 2021-22 which is mostly attributable to materials, contracts and other expenses increasing at 10.8 percent for the same period. The operating surplus ratio is forecast to gradually improve as operating income grows at a faster rate than operating expenses in the ten years to 2032-33.

The Council's operating expense growth (from 2012-13 to 2021-22) was primarily due to an average annual increase in 'Materials, contracts and other' expenses of 6.3 percent and a 3.2 percent increase in employee costs.[17]

The depreciation expense measured as a percentage of the Council's total expense was around 17 percent in 2012-13 and in 2022-23. The Commission notes that typically the depreciation expense when measured as a percentage of total expenses is around 20 percent for Councils in South Australia suggesting the Council's depreciation expense could be lower than what is required to reflect the current cost of the Council's assets. This could also cause an overstatement of the Council's operating surplus ratio. The depreciation expense is discussed in further in the asset renewal expenditure section.

Looking forward, the Council is projecting average annual rates revenue growth of 3.3 percent to 2032-33, which is above the forecast long-term inflation[18] and represents a real term increase in rates. This average growth in annual rates revenue is also higher than expected expense growth (rates are discussed in more detail in section D).

Higher forecast average expense growth of 3.1 percent per annum is slightly above the RBA-based forecast inflation growth and is also lower than the Council's past performance (with average annual growth of 4.5 percent in the 10 years to 2021-22).

16 The operating surplus ratio is defined as: Operating Surplus (Deficit) ÷ Total Operating Income. The general target is to achieve, on average over time, an operating surplus ratio of between zero and 10 percent (Local Government Association of South Australia, *Financial Sustainability Information Paper 9 - Financial Indicators Revised,* May 2019 (LGA SA Financial Indicators Paper), p. 6).

17 Based on the compound average annual growth rate formula (which is the adopted approach to calculating average annual growth rates throughout the Commission's advice).

18 The forecast average annual growth in the CPI from 2023-24 to 2032-33 is estimated to be 2.6 percent based on the RBA forecasts for the CPI (Australia-wide) to December 2025 (and the Commission's calculations of average annual percentage growth) and the midpoint of the RBA's target range (2.5 percent) from 2025-26.

The Council's data (provided to the Commission) shows that employee numbers increase negligibly (to 363 FTEs in 2032-33 from 362 in 2023-24), and its employee expenses are forecast to increase by an average of 2.7 percent per annum from 2023-24 to 2032-33. In addition, 'Materials, contracts and other' expenses and costs for depreciation are forecast to increase by an average of 2.6 percent and 4.0 percent per annum respectively, from 2022-23 to 2031-32. The estimated rate of growth in these expenses over the next 10 years, combined with higher rate increases, will likely assist the Council's operating performance to remain in surplus. Nonetheless, the Commission notes that, should the Council not be able to achieve these moderate expense projections (i.e., these assumptions are understated), it could result in further rate increases as a result of operating expenses growth outgrowing operating income growth.

To assist the Council in achieving its forecast operating surpluses, the Council may need to find more savings and efficiencies in its budgets. To this end, the Commission has found that it would be appropriate for the Council to:

3. **Report** any actual and projected cost savings in its annual budget (and long-term financial plan, as appropriate), to provide evidence of constraining cost growth and achieving efficiency across its operations and service delivery.

Net financial liabilities

Key Points:

- ⚠ The net financial liabilities ratio has been negative each year from 2012-13 to 2021-22 averaging negative 20 percent, which is below the suggested LGA target range, however noting that borrowing levels were relatively low over this time.
- ✓ The annual average forecast for the net financial liabilities ratio from 2022-23 to 2031-32 is 30 percent.
- ⚠ Total borrowings are forecast to increase from $21.1 million in 2023-24 to a peak in 2031-32 of $57.6 million. These additional forecast borrowings after 2023-24 relate to the Council's capital forecast expenditure to 2032-33 and its strategy to finance infrastructure projects.

The Council's net financial liabilities ratio[19] result was negative each year from 2012-13 to 2021-22, which is below the suggested LGA target range. Looking ahead, the Council has forecast that its net financial liabilities ratio will be positive throughout the forecast period to 2031-32 and remain within the suggested LGA target range. The annual average forecast for the net financial liabilities ratio from 2022-23 to 2031-32 is 30 percent.

The Council's borrowing levels were relatively low from 2012-13 to 2021-22 and its net financial liabilities ratio was negative (averaging negative 20 percent over these years). The Council's net financial liability is forecast to increase from $18.7 million in 2023-24 to $41.0 million in 2032-33. Accordingly, the net financial liabilities ratio is also forecast to increase from 18 percent in 2023-24 to 27 percent in 2032-33. The level of net financial liabilities and the ratio are driven by the total borrowings, which are forecast to increase from $21.1 million in 2023-24 to a peak in 2031-32 of $57.6 million. These additional forecast borrowings after 2023-24 relate to the Council's capital forecast expenditure to 2032-33[20] and its strategy to finance infrastructure projects articulated in its City of Marion Building asset Strategy report (CoMBAS).

[19] The net financial liabilities ratio is defined as: Net financial liabilities ÷ Total operating income. This ratio measures the extent to which a council's total operating income covers, or otherwise, its net financial liabilities. The suggested LGA target range is between zero and 100 percent of total operating income, but possibly higher in some circumstances (LGA SA Financial Indicators Paper, pp. 7-8).

[20] City of Marion, *2023-24 annual business plan*, June 2023, p. 15.

The Council stated in its 2023-33 LTFP that it has a desirable target range is between zero and 50 percent for its net financial liabilities ratio.[21] Community concerns about the Council's level of debt also appear small, with the Commission noting that only one out of the 78 submissions received expressed concern about the forecast level of debt in 2032-33.[22]

Asset renewals expenditure

Key Points:

- ✓ Between 2012-13 and 2021-22 total capital expenditure averaged $25.3 million per annum including $14.7 million per annum on new or upgraded assets.
- ✓ From 2023-24 to 2032-33, the Council's asset renewal funding ratio (under the 'IAMP-based' approach) is forecast to be within the suggested LGA target range, with an average of 100 percent.
- △ Asset stock per property rose by 0.6 percent for each year over the 10 years to 2021-22, implying that the value of Council's asset stock, has declined in real terms (the increase is lower than historical inflation).
- ■ The depreciation-based asset renewal ratio from 2012-13 to 2021-22 averaged 66 percent which is below the suggested LGA target range.
- △ The depreciation-based asset renewal ratio is forecast from 2023-24 to 2032-33 to be 85 percent which is slightly below the LGA target range lower band.
- ✓ Comprehensive asset management plans for all asset classes and condition assessments have been carried out on all assets within the last four years.

The Commission notes that prior to 2020-21, the Council reported the asset renewal funding ratio in its annual report using the depreciation based method.[23] While the Council had renewal expenditure targets in place prior to this, the depreciation-based method was considered the more reliable and suitable measure and retained comparability to previous years. Looking ahead, from 2023-24 to 2032-33, the Council's asset renewal funding ratio[24] (under the 'IAMP-based' approach) is forecast to be within the suggested LGA target range, with an average of 100 percent.

In the 10 years to 2021-22, the Council marginally grew its asset base with total capital expenditure averaging $25.3 million per annum (including $14.7 million per annum on new or upgraded assets). This has led to a small average increase in the value of the asset stock per property of $133 or 0.6 percent for each year over the 10 years to 2021-22. This implies that the value of Council's asset stock has declined in real terms (the increase is lower than historical inflation).

The Council's forward projections indicate that the value of assets per property will decrease slightly to $27,829 per property in 2032-33 (from $27,843 in 2023-24) – this represents a fall in real terms of 2.7 percent (the RBA-based forecast rate of inflation is 2.6 percent per annum). These projections, as they stand, would contribute to the Council's sustainability into the future and reflect a period of asset and service consolidation.

[21] City of Marion, *2023-33 long-term financial plan*, June 2023, p. 11.
[22] City of Marion, *General Council Meeting Agenda -13 June 2023, Attachment 11.5.4 Draft 2023/2024 annual business plan, Making Marion– Public Consultation,* available at https://cdn.marion.sa.gov.au/meetings/agendas/GC230613-Final-AgendaV2_2023-06-08-050047_lpcj.pdf
[23] City of Marion, *2020 annual report*, October 2021, p. 82.
[24] The IAMP-based method is the current industry standard whereby asset renewal/replacement expenditure is divided by the recommended expenditure in the IAMP (or AMP). Ideally, this will show the extent to which a council's renewal or replacement expenditure matches the need for this expenditure, as recommended by the plan. The suggested LGA target range for the ratio is 90 to 110 percent (LGA SA Financial Indicators Paper, p. 9).

The Commission notes that the small growth in asset stock per property could also be a result of the frequency of asset valuations undertaken by the Council. For all infrastructure assets the council has a program to undertake an independent desktop revaluation process annually and a full comprehensive revaluation for infrastructure (81 percent of its depreciable assets) every 5 years.[25]

For land, buildings, site improvements and other assets (19 percent of depreciable assets) a comprehensive external valuation is undertaken every 5 years. For interim years additions and adjustments are recorded at cost and not indexed.[26]

Notwithstanding the Council's annual desktop revaluation and the indexing of depreciation,[27] the Commission notes that undertaking a comprehensive revaluation every five years could present a risk in the current macroeconomic environment. Inflation and the upward impact to asset prices could result in depreciation charges not reflecting recent asset valuations. As previously mentioned in the operating performance section this could cause the Council's depreciation expense to be lower than what is required to reflect the current cost of the Council's assets. In addition, it could also cause an overstatement of the Council's operating surplus ratio. For these reasons the Commission considers it appropriate for the Council to:

4. **Consider** undertaking a comprehensive revaluation of its depreciable assets by an external valuer at least every four years to ensure the forecast rate of asset consumption (and depreciation expense) in the long-term financial plan reflects recent macro-economic conditions.

When the asset renewal funding ratio is instead calculated by the depreciation-based method,[28] it is forecast to average 85 percent over the forecast period (2023-24 to 2032-33). This is slightly below the suggested LGA target range and follows an average performance of 66 percent for the ratio from 2012-13 to 2021-22. Nevertheless, this could indicate the total depreciation expenses is higher than the required expenditure on capital renewals under its various AMPs. Alternatively, it could also indicate that the Council's capital renewal expenditure is below the appropriate level.

According to the Council's 2022-23 annual report a comprehensive revaluation was carried out by independent valuation for the period ending 30 June 2023 for the Council's infrastructure assets (roads, footpaths, kerbs, drains, bridges, traffic devices and traffic signs) and its buildings and other structures.[29]

Other infrastructure assets such as car parks, lighting, walking trails and reserve pathways as well as land and land improvements and all other assets (excluding plant, equipment that are recognised at cost) had a comprehensive revaluation carried out by independent valuation for the reporting period, 30 June 2018.[30]

The Council currently has individual AMPs for transport, buildings, water resources, open space, coastal walkway, fleet and technology. It also undertakes an annual review of its forecast asset management expenditure. The revised forecast annual funding requirements are updated in Appendix A of each asset management plan and incorporated into the Council's adopted ABP and LTFP.[31] The Council's 'Refresh of Budgeted Expenditures Accommodated in the LTFP' document outlines the revised forecast expenditure for each AMP.

In addition the Commission also notes that the Council's annual 'state of the assets' report that covers

25 Submissions to the Essential Services Commission of South Australia – Response to follow up questions – City of Marion. November 2023, p. 3.
26 Submissions to the Essential Services Commission of South Australia – Response to follow up questions – City of Marion. November 2023, p. 3.
27 Based on the Council's Excel template (with material amendment reasons) it provided to the Commission.
28 Where asset renewal/replacement expenditure is divided by depreciation expenses.
29 City of Marion, *2022-23 annual report*, June 2023, p. 24.
30 City of Marion, *2022-23 annual report*, June 2023, p. 24.
31 City of Marion, *refresh of budgeted expenditures accommodated in the LTFP,* August 2023, p. 1

asset valuation, condition, asset performance, risk, intervention levels, level of service monitoring and future financial sustainability options and consequences.[32]

These matters (among others) have informed the Council's planned operating and maintenance budgets, and asset renewal needs. The Commission's review of the AMPs has found that, on balance, the Council's strategic planning processes aligns with good practice for a council of its size and complexity.

2.2.3 Advice on current and projected rate levels

Key Points:

- ⚠ Rate revenue per property growth has averaged 2.4 percent or $39 per annum for each property in the period between 2012-13 and 2021-22 which is 0.4 percent above CPI for the same period.
- ✓ Budgeted for an average rate increase of 5.2 percent or $100 per property for its existing ratepayers in 2023-24 and represents a fall in real terms as the increase is below CPI for the same period.
- ⚠ Between 2023-24 and 2032-33 the average rate increase across all categories is forecast to be 3.3 percent, from $1,980 to $2,645 per property, and is 0.8 percent above the RBA-based forecast average inflation of 2.6 percent per annum in the same period.

The Council's rate revenue per property growth has averaged 2.4 percent or $39 per annum for each property over the past 10 years,[33] to reach an estimated $1,834 per property in 2021-22. This has slightly exceeded CPI growth of an average of 2.0 percent per annum over this period, but also encompasses 1.0 percent average annual growth in rateable property numbers.[34] Current rate levels partially reflect its recent history of constrained spending growth, predominantly on capital expenditure (on renewals, and new and upgraded assets), material costs, and employee related costs.

The Council has budgeted for an average rate increase of 5.2 percent or $100 per property for its existing ratepayers in 2023-24,[35] representing a reduction in real terms as the increase is below the level of inflation.[36] This was higher than it had anticipated charging for this year in its 2022-23 long-term financial plan projections (2.4 percent for existing rateable properties). The rate increase reflects higher short-term inflation (anticipated by the Council through its indexation of rates in its long-term financial plan). In 2022-23, the Council had 44,902 rateable properties and expects this to increase to 49,401 in 2032-33, representing modest growth of 1 percent per annum in rateable properties.[37]

Looking forward, between 2023-24 and 2032-33 the average rate across all categories is forecast to increase from $1,980 to $2,645[38], a cumulative increase of $665 per property. This equates to a 3.3 percent average annual increase (between 2023-24 and 2032-33), above the RBA-based forecast

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32 City of Marion, *2019-28 asset management strategy*, March 2019, p. 6.
33 From 2012-13 to 2021-22.
34 CPI Adelaide (All groups). Average annual growth in the LGPI published by the South Australian Centre for Economic Studies was similar (at 2.0 percent). Available at https://www.adelaide.edu.au/saces/economic-and-social-indicators/local-government-price-index.
35 Based on the Council's 2023-24 annual business plan and its Excel template (with the 2023-24 forecasts) provided to the Commission. The Commission has used $89.438 million (in 2023-24 budgeted rates revenue) compared to unaudited 2022-23 estimates. Individual rate level changes may be higher or lower depending on the rates category and property value.
36 CPI Adelaide (all groups) increased by 7.9 percent in the year to March 2023 quarter and has reduced in the year to June 2023 and September 2023 quarters to 6.9 percent and 5.9 percent, respectively. Available at https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/sep-quarter-2023.
37 Based on the Council's 2023-24 annual business plan and its Excel template (with the 2023-24 forecasts) provided to the Commission
38 This includes rates growth of 4.3 percent expected each year of which 1 percent is for property growth.

average inflation of 2.6 percent per annum and representing a real increase in rates over that period.[39]

The Council uses a differential rating system to raise revenue based upon land use. This option was adopted following a review of the rating options in 2002-03, which involved the Council consulting extensively with the community and concluding that the differential rating system would ensure a fair and equitable distribution of rates within the Council.[40] As a result, different rate categories are subject to varying changes, with residential ratepayers to pay an average increase of $80 per property on 2022-23 levels. Vacant land, commercial and industrial are subject to average increases of $262, $755 and $862 per property, respectively.[41]

The *Local Government (Financial Management) Regulations 2011* (Regulations) require, at a minimum, that the annual business plan provides a statement on the average change in the expected rates for each land use category.[42] While the Council has complied with this obligation,[43] the Commission considers that it would be appropriate for the Council to also:

5. **Report** in its annual business plan the estimated average annual change for all of its nine categories of general rates, together with the quantum of annual revenue it expects to collect from these distinct categories of rates, providing greater clarity and transparency to its ratepayers.

2.3 The Commission's next advice and focus areas

In the next cycle of the scheme, the Commission will review and report upon the Council's:

- ongoing performance against its LTFP estimates (including depreciation), and
- achievement of cost savings and efficiencies and its continued reporting of these in its plans.

[39] The forecast average annual growth in the CPI from 2023-24 to 2032-33 is estimated to be 2.6 percent based on Reserve Bank of Australia (RBA) forecasts for the CPI (Australia wide) to June 2025 (and the Commission's calculations of average annual percentage growth) and the midpoint of the RBA's target range (2.5 percent) from 2025-26.
[40] City of Marion, *2023-24 annual business plan*, June 2023, p. 44
[41] City of Marion, *2023-24 annual business plan*, June 2023, p. 23
[42] Under Regulations s6(ec) Local Government (Financial Management) Regulations 2011.
[43] City of Marion, *2023-24 annual business plan*, June 2023, p. 23

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Draft Annual Business Plan and Budget 2025-2026

Community feedback report
April – May 2025

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CITY OF MARION

Executive Summary

Every year Council develops an Annual Business Plan and Budget. These plans are developed considering Marion's strategic directions, Four Year Business Plan and feedback from community throughout the year. The Draft Annual Business Plan and Budget 2025-2026 shows how Council proposes to manage its annual $116 million budget to deliver quality services while managing and maintaining a large and diverse asset portfolio valued at over one billion dollars across the council area.

Council adopted the Draft Plan and Budget on 22 April 2025 and supported community consultation to happen between 26 April and 16 May 2025. This year, Council was particularly interested to hear community views on the proposed spending for our identified Major Projects and seek to understand levels of support for charging a commercial rate for residential properties primarily used for non-hosted accommodation.

Approximately 215 community comments were received, with 44 survey responses captured in Making Marion. Across the comments, the following four key themes emerged:

- Balance of spending: importance of delivering value for money services and programs that enhance community connections and impact
- Our organisation: delivering on our commitment to providing a positive customer experience
- Community spaces: building connections with community and nature through shared spaces and programs
- Environmental sustainability: fostering a culture of caring for the environment and building resilience to climate change.

Overall, 40.9% of surveyed respondents indicated support or partial support for the draft Plan, 18.2% were neutral, and 40.9% indicated non-support or partial non-support for the draft Plan. All community feedback and results of the engagement will be provided to Council at the 27 May 2025 General Council Meeting.

1. Overview

Councils are, in accordance with the requirements of the *Local Government Act 1999*, required to develop Annual Business Plans and a budget for the ensuing financial year and to consult with the community before it is endorsed.

In developing the Draft Annual Business Plan 2025-2026 and Council's Long term Financial Plan for community consultation, we have been mindful of challenging market conditions with increasing construction costs and other factors such as wage rises. Significant work has gone into determining a responsible rate increase that balances community impact with the need to maintain service levels. Investment in key infrastructure, alongside the ongoing capital renewal program, has also been factored in to support the City's long-term financial sustainability.

The Draft plan proposes a 4.8% average rate increase in 2025-2026 to support ongoing services and capital project delivery. For the average residential property, this equates to an estimated $91 per year, or about $1.75 per week.

Council is keeping rates as low as possible whilst delivering necessary projects that will deliver much-needed upgrades to community facilities and improve the environmental sustainability of our community.

1.1 Purpose of the engagement

The engagement seeks to ensure mandatory requirements of the *Local Government Act 1999* are met and Council is informed about local community views ahead of the finalisation of the Annual Business Plan and Budget. The objectives throughout the engagement period included:

- Keep Marion community members informed about the 2025-2026 business planning process and how Council intends to spend its budget
- Understand what's most important to the City of Marion community and the level of community support for the proposed Plan and Budget
- Ensure flexible opportunities for the community to share their views on the Draft Plan and shape the financial year commitments for the City of Marion

1.2 Audience

All City of Marion community members, including:

- rate payers
- business owners
- visitors
- all residents

1.3 Timeline

The Draft Annual Business Plan and Budget 2025-2026 was endorsed for community consultation at the 22 April 2025 General Council meeting. With the engagement period held between 26 April and 16 May 2025. Key dates and opportunities for community to have their say are outlined in the Figure 1.

26 April 2025 **Community consultation opened**

- Making Marion and Marketing strategy launched
- Survey and written feedback welcomed
- Copies of Draft Plan available across City of Marion locations

1 May 2025 *Marion Cultural Centre pop-up session (10am-12pm)*

- Opportunity for community to speak informally with Council staff

6 May 2025 *Cove Civic Centre pop-up session (10am-12pm)*

- Opportunity for community to speak informally with Council staff

13 May 2025 *Council Meeting Public Forum (6.30pm)*

- Opportunity for community to ask Council questions and make verbal submissions (registration required)

16 May 2025 **Community consultation closed**

- Survey and written feedback closed

Figure 1: Draft Annual Business Plan and Budget 2025-2026 community consultation timeline

All community feedback will be shared at the General Council meeting on 27 May 2025. This gives the Council time to review the feedback before making a final decision on the Plan at the meeting on 24 June 2025.

1.4 Approach

The engagement approach was carefully considered and strategically targeted to reach the diverse City of Marion community. It consisted of multiple ways for community to hear about the consultation, view the Draft Plan and share their thoughts as outlined in Figure 2 and detailed further in this feedback report.



Figure 2: Planned approach to promote and provide ways for community to view the Draft Plan and their share thoughts

(a) Promotion across City of Marion

The communication and marketing strategy included consistent messaging across channels, such as:

- *Your city, your say!*
- Our Draft Annual Business Plan and Budget 2025-2026 is out – and we want your feedback!
- Tell us if you agree?

It was complemented with promotion in the newspaper and main City of Marion website (mandatory notice requirements) and across multiple City of Marion channels, such as:

- Dedicated page on Making Marion, Council's community consultation website
- Outdoor and indoor amplification across digital kiosks and screens
- Spotlight and push notification on My Local Services app
- Electronic Direct Mail, such as e-talk, Green Thymes, business and volunteer databases
- City of Marion social media sites
- Printed assets, such as banners, copies of the Draft Plan, QR codes and more in key City of Marion facilities



Figure 3: Paid advertisement for newspaper article and banner on main City of Marion website (Statutory requirement)

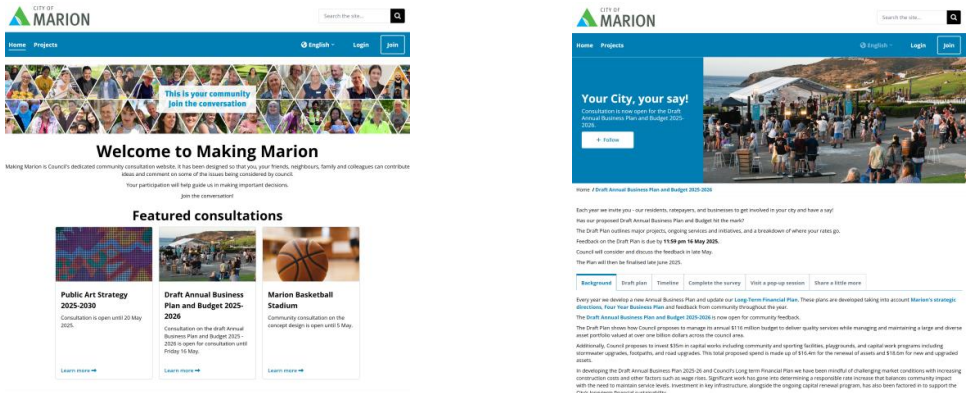


Figure 4: Making Marion dedicated community consultation page





Figure 5: Digital kiosks and screens across City of Marion venues and facilities (locations pictured - Mitchell Park Sports and Community Centre and Cove Civic Centre)

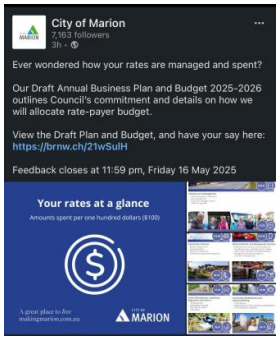






Figure 6: Social media posts amplifying the community consultation period (examples pictured – LinkedIn, Facebook and Instagram)

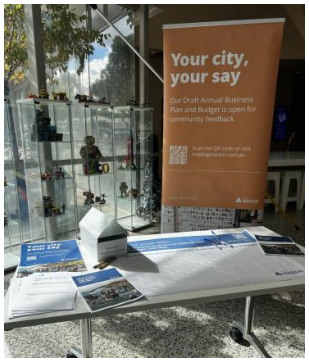






Figure 7: Promotional tables at key City of Marion sites (locations pictured – Cove Civic Centre, Marion Cultural Centre and Administration Centre)



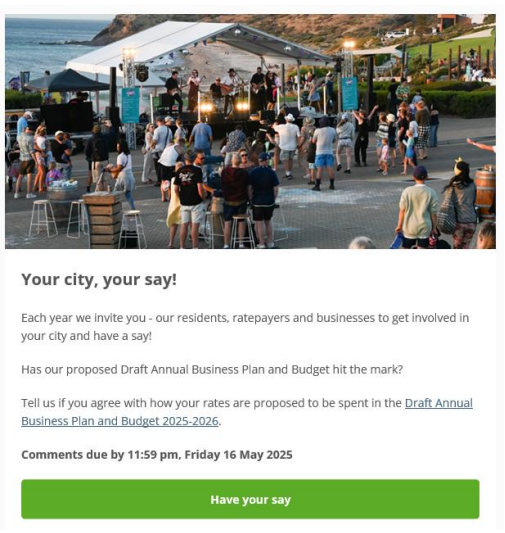


Figure 8: Electronic Direct Mail articles promoting the consultation period (example pictured – eTalk and Green Thymes)

(b) Completing a community survey

A survey was developed to gather broad feedback and insights from the City of Marion community. The survey was available online, via the Making Marion platform and hard copies available at key City of Marion locations.

Following a Council decision at its General Council meeting on 22 April 2025, the survey also incorporated questions relating to the proposed Major Projects and Council charging a commercial rate for residential properties primarily used for short term non-hosted accommodation. In addition to these targeted questions, the survey also included demographic-related questions to help us better understand the background of respondents.

Survey questions:

1. Have you reviewed the draft plan?
2. What excites you most about the proposed plan and budget?
3. Do you think the City of Marion has the proposed balance of spending right?
4. How strongly do you support the following proposed Major Projects outlined in the Draft Plan?
   - Events
   - Coastal Walkway
   - Glandore Oval Upgrade
   - Land Management – Traditional Cultural Burning
   - Marion Basketball Stadium upgrade
   - Morphettville Park Clubroom upgrade
   - Reserve and playground redevelopments across council
   - Streetscape projects
   - Sturt River Biodiversity Corridor
   - Warradale Park Tennis Club upgrade

5. Would you support Council charging a commercial rate for residential properties primarily used for short term non-hosted accommodation?
6. Please indicate your level of support for our Draft Annual Business Plan and Budget 2025-2026
7. Do you have any other comments

(c) Visiting a pop-up session

The community was invited to have a say by attending a pop-up session. Two pop-up sessions were scheduled and promoted throughout the consultation period, these included:

- Marion Cultural Centre on Thursday 1 May 2025 (10am-2pm)
- Cove Civic Centre on Tuesday 6 May 2025 (10am-2pm)

The locations, dates and times of the pop-up sessions were selected during times of high activity that coincided with:

- Scheduled Baby Bounce, Toddler Time and Story Telling sessions
- Popular visiting hours to use tea, coffee and breakfast facilities

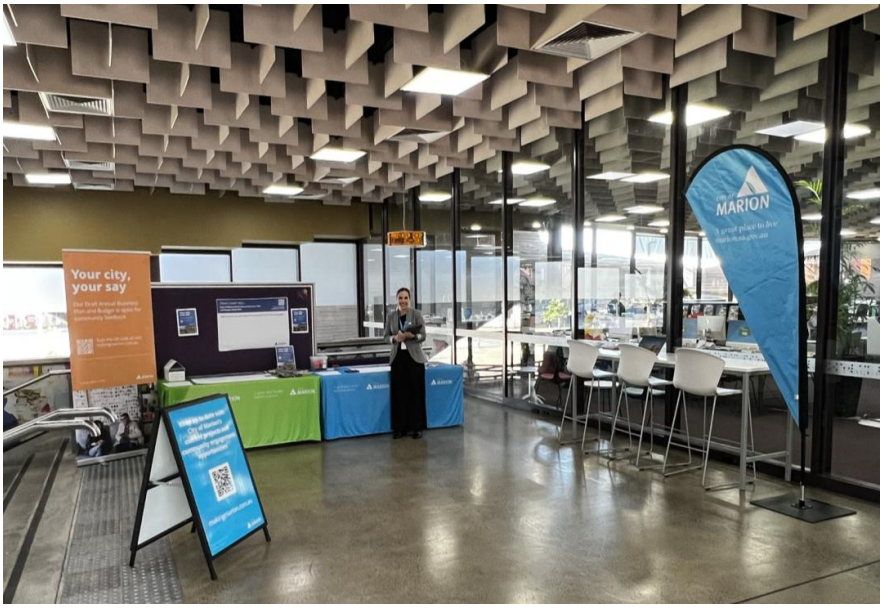


Figure 9: Pop-up session at Marion Cultural Centre on Thursday 1 May 2025



Figure 10: Pop-up session at Cove Civic Centre on Tuesday 6 May 2025

(d) Presenting to Council

The Community was invited to make verbal submissions to Council at the 13 May 2025 General Council meeting at 6:30pm.

At this meeting, members of the public may ask questions and make submissions in relation to the Draft Annual Business Plan and Budget 2025-2026 for a total period of one hour.

Each speaker is offered a maximum of five minutes to make their submission.

Community members wishing to speak needed to register by calling (08) 8375 6600.

(e) Writing to us

Written submissions were welcomed to be addressed to either of the following:

- Post to City of Marion PO BOX 21 Park Holme SA 5046
- Email to council@marion.sa.gov.au

All submissions needed to be received before Community Consultation closed on Friday 16 May 2025 at 11:59pm.

2. Engagement outcomes

Overall, there were 44 submissions received via the Making Marion survey, down from 83 in the 2024-2025 engagement period.

Whilst the number of respondents was down to the previous year, the number of written comments increased from approximately 114 in the 2024-2025 engagement period to approximately 215 in the 2025-2026 engagement period. Targeted awareness strategies were like previous years, with increases in the number of outreach results. Considering this, it is noted that during the 2025-2026 engagement period there were several factors that may have contributed to a decrease in survey respondents, including:

- **Federal election timing**
    - The Federal Election was called on Monday 31 March 2025 (issue of writs)
    - Early voting stared on Tuesday 22 April 2025, with Election Day on Saturday 3 May 2025
    - During the 1 May 2025 pop-up session, some community members confused the session with election-related activities
- **Concurrent engagement activities**
    - Other ongoing consultations (e.g. Basketball and Public Art Strategy) may have been the focus for some community members.
- **Survey and engagement fatigue / time limitations**
    - Participants expressed interest but were short on time to engage meaningfully during the pop-in sessions. Many preferred to review materials online later.
    - Some attendees took materials (e.g. QR code handouts) with the intention to respond later.

The following sections detail the results of the outreach strategies and community engagement methods.

2.1Outreach

The following table presents an overview of the outreach data results for methods used throughout the community engagement.

Platform	Outreach
Making Marion website	• There was a total of 923 visitors to the Making Marion page. • The draft plan was downloaded 144 times. • 5900 Making Marion subscribers were notified of the consultation via Making Marion newsletters sent on 26 April, and on 12 May.
City of Marion website	• 3644 users viewed the City of Marion homepage, with Draft ABP Plan call to action as the first carousel image for the campaign duration.
Electronic Mailing (e-newsletters)	• 8734 people were notified in the eTalk May send, with 23 clicks through the link • 1732 people were notified in the Green Thymes ABP article received 4 total clicks through the link • 8925 people were notified in the Open for Business e-news, with 2 link clicks
Social media	14 social media posts: • 6432 impressions (number of times content was displayed to users) • 5525 reach (number of unique users exposed to the content) • 54 engagements • 213 clicks
Paid advertising	• 559 link clicks • 18,683 reach • 73,777 impressions • 45 reactions

Table 1: Outcomes of the communication and marketing strategy

2.2 Engagement methods

The following table outlines the results of varying community engagement methods. This data provides insights into the effectiveness, reach, and impact of the methods, offering an understanding of how different strategies contribute to building meaningful connections within the community. Overall, there were approximately 215 comments provided across all methods during the engagement period.

Method	Results

Survey	Overall, there was:
	• 44 survey responses received comprising of:
	  ○ 42 completed online
	  ○ 2 hardcopies returned and entered into Making Marion
	• Approximately 179 written comments captured in Making Marion
	• Additional commentary provided in hardcopy surveys was included in section 3 of this report

Pop-up sessions and promotional tables	At the pop-up sessions approximately: • 50 people were informed of the consultation and provided a QR code or hardcopy survey • 15 people asked questions and shared insights At the promotional tables approximately: • 16 people provided additional commentary
Public Forum	Community members were invited ask questions and make submissions at the General Council meeting on 13 May 2025. No verbal submissions or questions were received
Written feedback	Overall, there was: • 1 email query was received and included in the comments section within section 3 of this report • 0 letters received • No other written submissions were received.

Table 2: Outcomes of community engagement methods

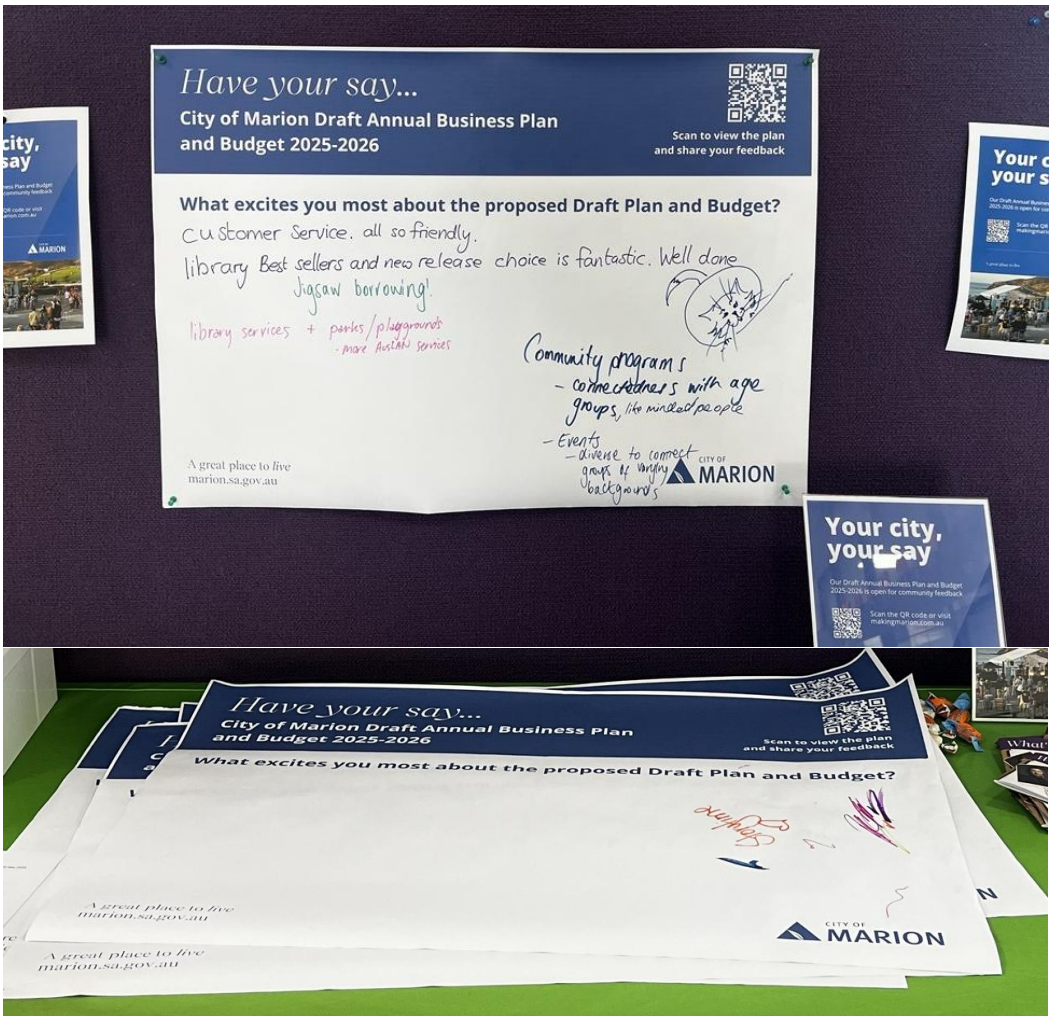
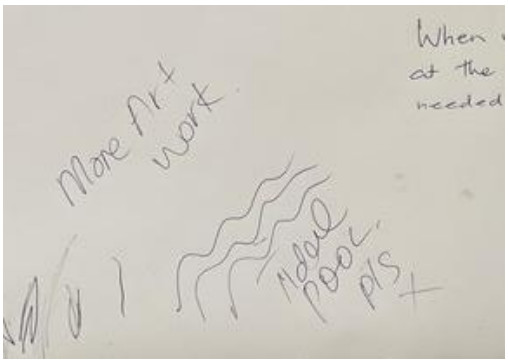


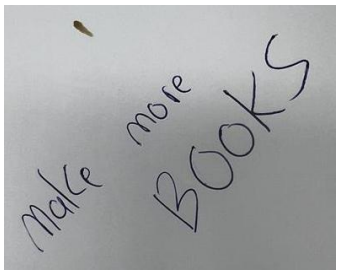
Figure 11: Pop-up session at Marion Cultural Centre on Thursday 1 May 2025

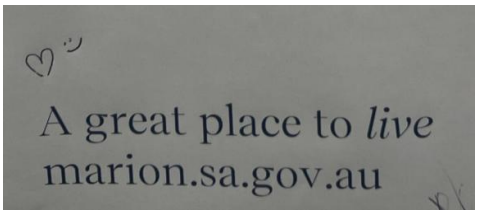


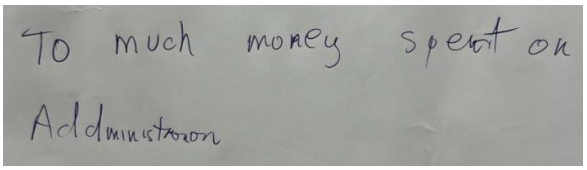
Figure 12: Pop-up session at Cove Civic Centre on Tuesday 6 May 2025

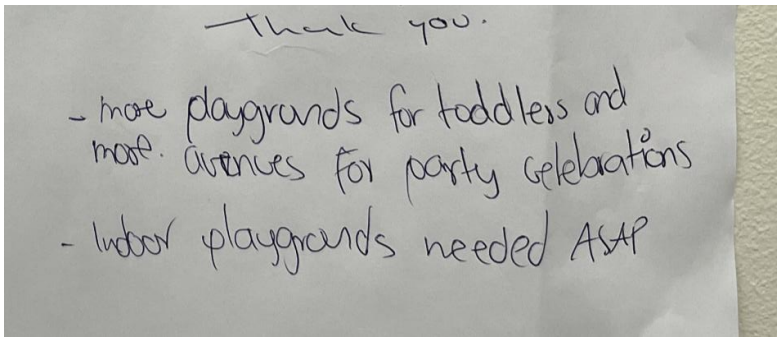

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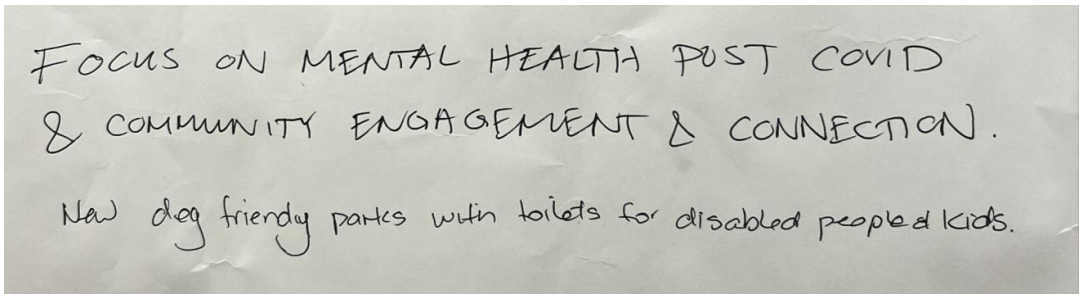

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Make more
BOOKS


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To much money spent on
Addministaion


Thank you.
- more playgrounds for toddlers and more. avenues for party celebrations
- Indoor playgrounds needed ASAP


FOCUS ON MENTAL HEALTH POST COVID
& COMMUNITY ENGAGEMENT & CONNECTION.
New dog friendly parks with toilets for disabled people & kids.

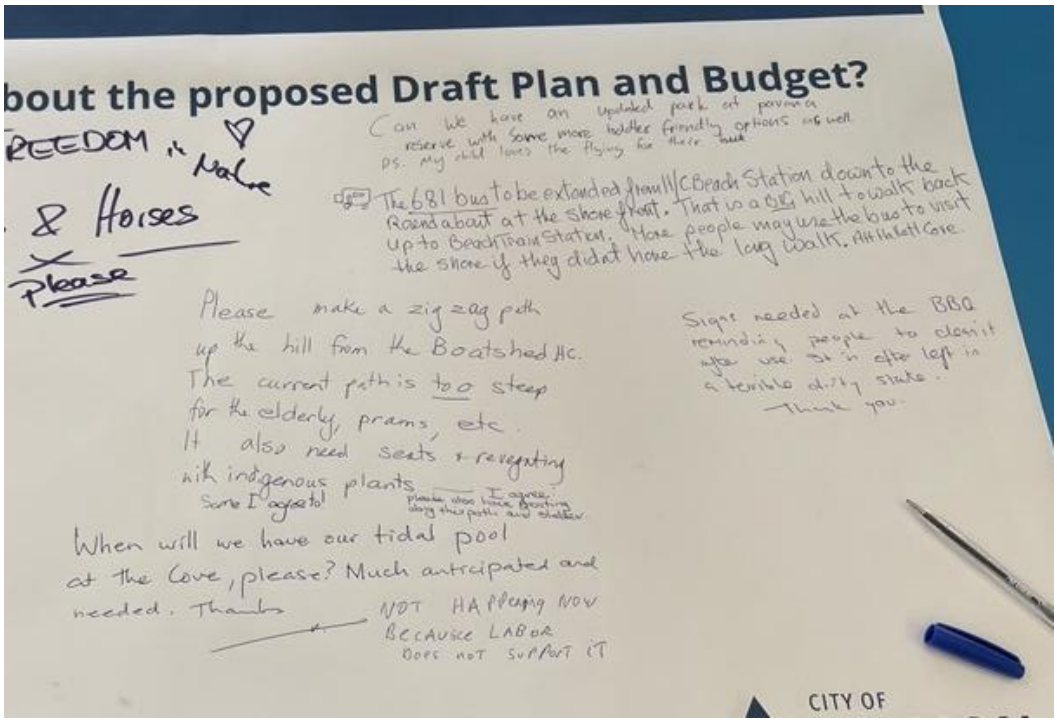


Figure 13: Comments provided at promotional tables (Cove Civic Centre and Marion Cultural Centre

2.3 Feedback themes

Throughout the community consultation, the following themes emerged:

Theme	Feedback points
Balance of spending *Delivering services and programs that enhance community connections and impact.*	Respondents indicated that: • Ongoing desire to keep community costs low. • Mixed views on rate increases — some frustrated, others saw them as fair and sustainable. • Spending drew both criticism and praise — seen by some as wasteful, others as well-balanced. • Many valued investments in community spaces, programs, and events. • Some called for reduced spending, yet flagged outdated infrastructure. • Support for broad-benefit spending, but concern over some activities that some perceived could be privately funded or fundraised • Concerns about possible overcharging on council projects. • Gaps noted in health and fitness-related services and programs.

Our organisation *Delivering on our commitment to providing a positive customer experience.*	Respondents indicated that: • Mostly positive feedback regarding customer experience • Appreciation for focus on making the city more attractive • Positive feedback that the Draft Plan and Budget is dynamic, progressive and thorough • Some suggested alternative options for displaying data
Community spaces *Building connections with community and nature through shared spaces and programs*	Respondents indicated that: • Shared spaces and nature access are highly valued. • Strong support for community wellbeing, local pride, and liveability efforts. • Growth and density highlight the need for more shared spaces. • Health-focused programs, fitness, and recreation matter, some are disappointed that certain programs won't continue. • Library services and community events are appreciated by many as they create a common space for people to connect. • Calls for more dog-friendly parks and family-friendly and accessible toilets. • People want well-maintained, upgraded, and accessible public spaces. • Safer walking, cycling, and better transport access are important.
Environmental sustainability *Fostering a culture of caring for the environment and building resilience to climate change.*	Respondents indicated that: • Strong support for environmental projects and climate change initiatives. • People value protecting nature, habitats, and boosting biodiversity. • Environmental efforts are seen as key for outdoor activities and nature connection. • Calls for better tree care and more native plantings. • Interest in promoting actions individuals can take for biodiversity. • Support for reducing harm and building climate resilience. • Mixed views on respecting First Nations knowledge. • Green spaces appreciated for their cooling and wellbeing effect

Table 3: Community feedback themes

2.4 Making Marion

The following information outlines the demographics of individuals who responded to the Making Marion survey.

(a) Performance

The following graph provides an overview of the performance of views, visits and contributions to the Making Marion survey. The contributors (41) in comparison to the overall contributions (44) indicates the two hardcopy surveys entered into the site by staff (2) and one other individual who signed into their account to complete the survey (1):

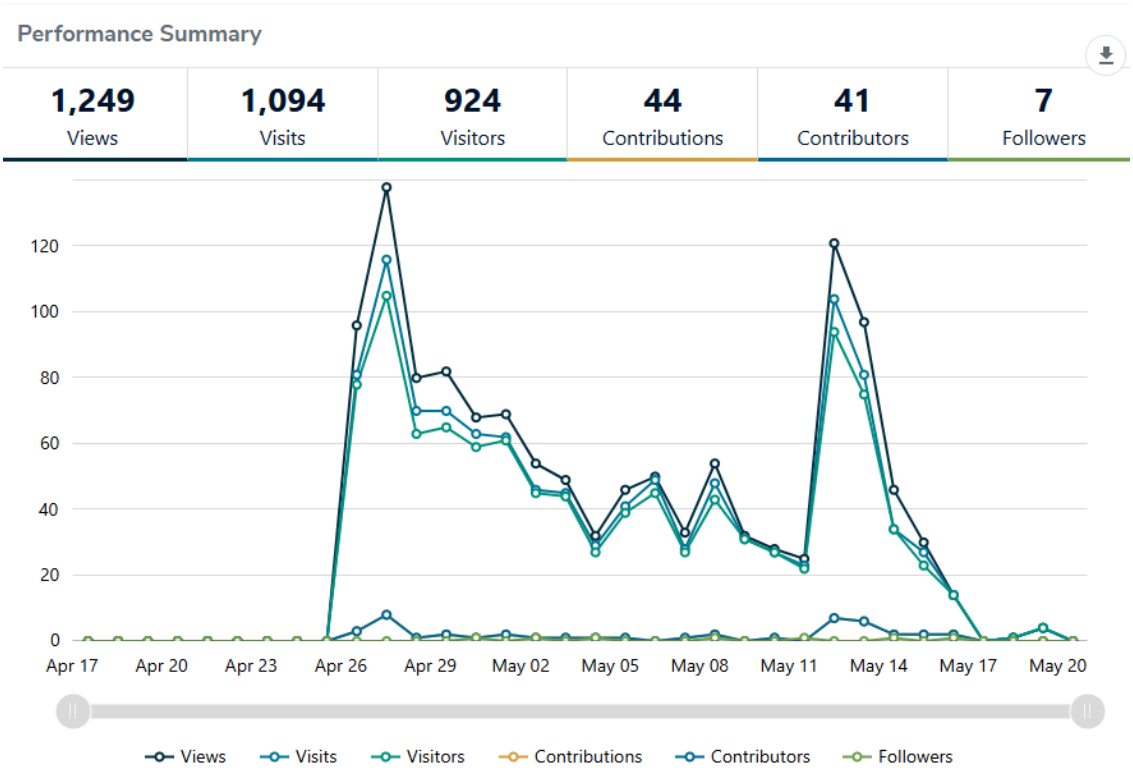


Figure 14: Making Marion performance throughout the engagement period

(b) Age

The age brackets of the 44 individual respondents are outlined within the following table and graph:

Age bracket	Percentage of responses within the age bracket	Number individual responses within the age bracket
Under 9	2.27%	1
10-14	0%	0
15-19	0%	0
20-24	0%	0
25-29	2.27%	1
30-34	6.82%	3
35-39	9.09%	4
40-44	11.36%	5
45-49	4.55%	2
50-54	9.09%	4
55-59	20.45%	9
60-64	6.82%	3
65-69	15.91%	7
70-74	6.82%	3
75-79	2.27%	1
80-84	2.27%	1
85 and over	0%	0

Table 4: Age related data for the Making Marion survey respondents

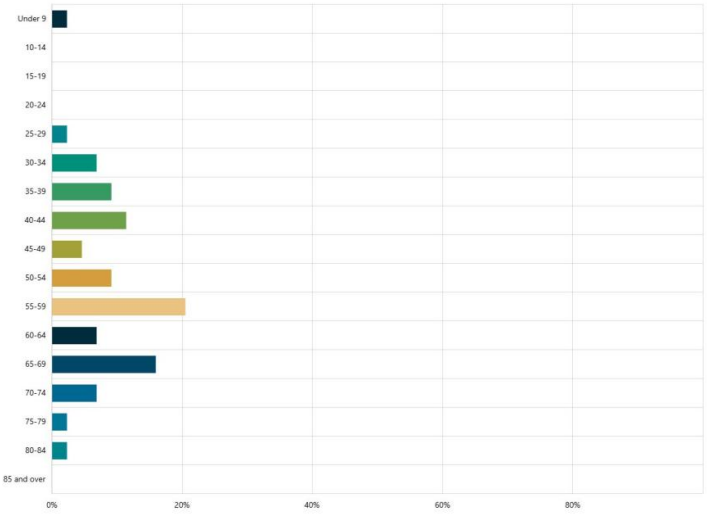


Figure 15: Distribution of survey respondent ages

(c) Gender

The gender distribution of the 44 individual respondents were:

- 20 *male* (45.45%)
- 22 *female* (50%)
- 0 were *non-binary* (0%)
- 2 *preferred not to say* (4.55%)

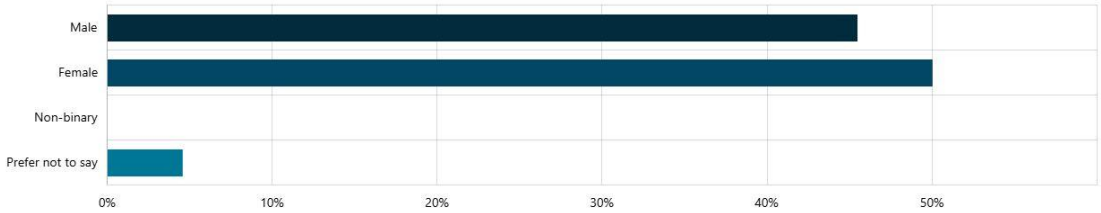


Figure 16: Distribution of survey respondent gender

(d) Connection to the City of Marion

Respondents were asked what their connection was to the City of Marion, the majority of responses came from residents and property owners within the City if Marion (97.73%) outlined in the following table and graph:

Connection to City of Marion	Percentage of responses	Number individual responses
Resident (I live in the City of Marion)	68.18%	30
Property owner (I pay rates to the City of Marion)	29.55%	13
Business owner (I own a business with a presence in the City of Marion)	0%	0
Employee (I work for a business located in the City of Marion)	0%	0
Student (I am a student or my children go to school in the City of Marion)	2.27%	1
Visitor (leisure/recreational purposes)	0%	0
Committee member with interest in City of Marion (resident group / precinct group / sporting club etc.)	0%	0
Government department / peak body	0%	0
Other	0%	0

Table 5: Connection of respondents to the City of Marion

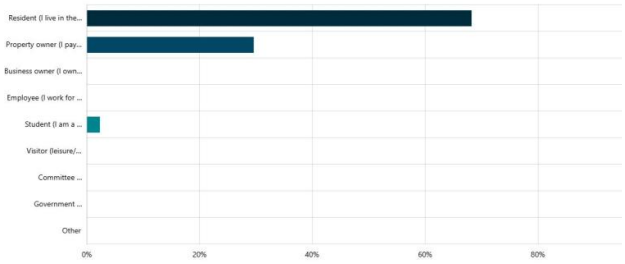


Figure 17: Distribution of how respondents were connected to the City of Marion

(e) Suburb

Respondents were asked to indicate their location suburb, out of the 44 responses, the responses came from:

- 2 from Clovelly Park (4.54%)
- 1 from Edwardstown (2.27%)
- 1 from Glandore (2.27%)
- 3 from Glengowrie (6.82%)
- 8 from Hallett Cove (18.18%)
- 2 from Marino (4.54%)
- 4 from Marion (9.09%)
- 2 from Mitchell Park (4.54%)
- 1 from Oaklands Park (2.27%)
- 2 from Park Holme (4.54%)
- 2 from Plympton Park (4.54%)
- 1 from Reynella (2.27%)
- 1 from Seacombe Gardens (2.27%)
- 2 from Seacombe Heights (4.54%)
- 8 from Sheidow Park (18.18%)
- 1 from Sturt (2.27%)
- 1 from Tonsley (2.27%)
- 1 from Trott Park (2.27%)
- 1 from Warradale (2.27%)

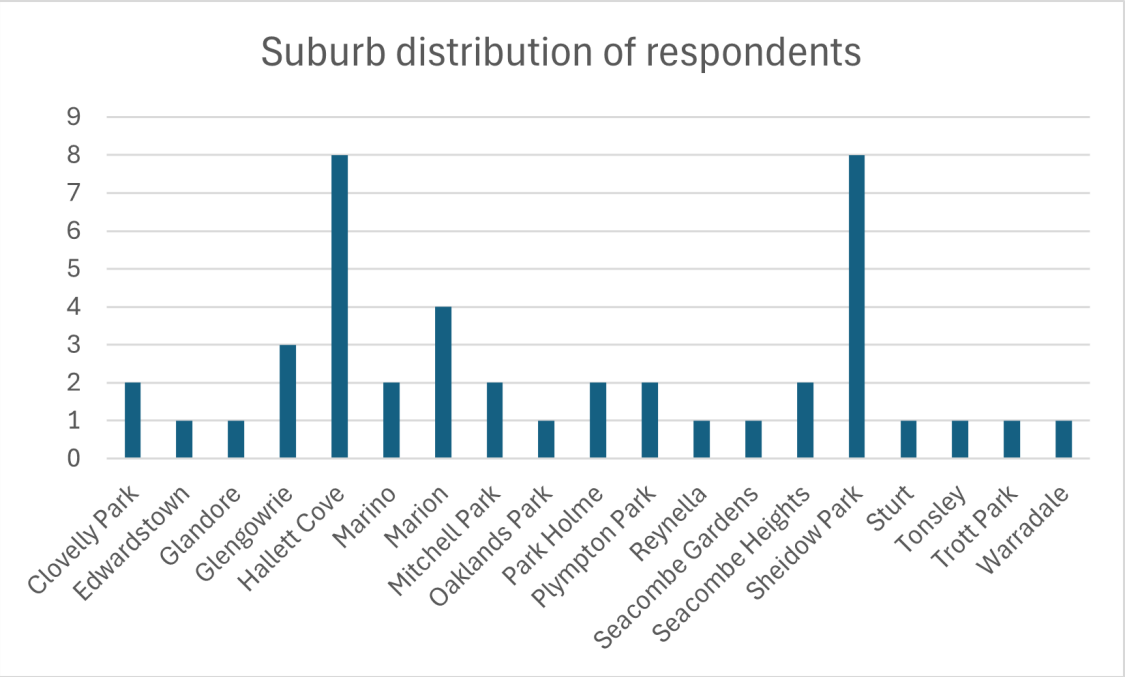


Figure 18: Distribution of survey respondent location

3. Community feedback and council response

The City of Marion community provided varying comments throughout the engagement period. The following tables outline the comments, emerging themes and council responses (if required).

We thank all members of the public for their contributions and comments on the Draft Plan and Budget.

3.1Number of respondents who reviewed the Draft Plan

Initially, community were asked if they had reviewed the Draft Plan and Budget. Of the 44 survey respondents, 42 (95%) had reviewed the Draft Plan (Figure 14).

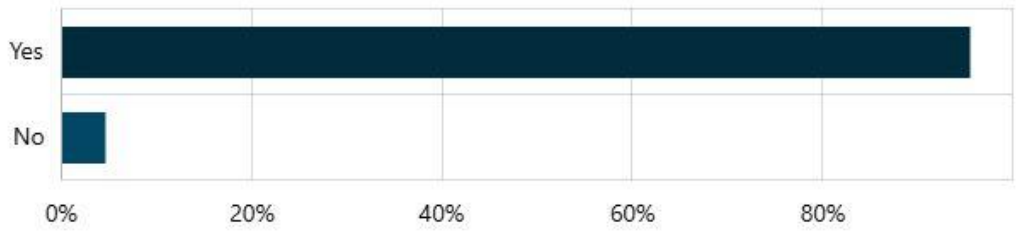


Figure 19: Percentage of respondents who reviewed the Draft Plan

3.2What excites you most about the proposed Draft Plan and Budget?

Community were invited to share what excited them the most about the proposed Plan and Budget. Many of the comments received were positive or neutral in sentiment, with some expressing general frustration relating to the proposed rate. The following table outlines community comments regarding the exciting elements of the proposed plan and budget:

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Balance of spending *Expenditure and rates*	Infrastructure management is the highest spend.	These comments have been noted. We have undertaken rigorous asset management and budget analysis to ensure we are maintaining and renewing assets as necessary and in alignment with our Asset Management plans. Investment in key infrastructure, alongside the ongoing capital renewal program has been factored in to support the City's long-term financial sustainability.	Online survey
	The money that is being wasted on 2 projects		
	Employee costs are still too high! More needs to be spent on infrastructure, not staff.		
	It seems well balanced, logical and doable.		
	That rates are going up and you're borrowing 7m	Council has undertaken significant work to determine a responsible rate increase that carefully balances the impact on our community with the need to maintain essential services. This increase also considers ongoing investments in vital infrastructure and our capital renewal program, which are important for ensuring the long-term financial sustainability of the City of Marion. Like many organisations, the City of Marion continues to navigate challenging economic conditions and ongoing inflationary pressures as we look ahead to 2025–2026. We are also facing rising costs, particularly in the construction sector, where national cost increases are forecast to remain around 5% until 2027. These external pressures have been considered as part of our financial planning. To help fund future projects fairly across current and future generations, Council plans to responsibly use borrowings. The City of Marion currently holds low levels of debt and has the financial capacity to take on additional borrowings without jeopardising its	
	The sustainable rate rise		

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
		long-term financial health.	
Our organisation *Draft Plan and customer experience*	Dynamic and progressive	Support for our Annual Business Plan and Budget is noted.	
	Thorough		
	Customer service. All so friendly.	Council monitors and reports on its customer service standards regularly to ensure we are responsive and meeting community expectations.	Pop-up session (written)
Community spaces *Outdoor activities, aesthetics, recreation, services and programs*	Coastal Walkway	Since the walkway opened, thousands of community members have visited which is great to see. We are glad it's being enjoyed by the community.	Online survey
	The coastal walk looks great		
	Freedom in nature. Dogs + horses please.	The City of Marion aims to create a liveable, sustainable community. This includes creating and maintaining safe, attractive and accessible public places and facilities. Council by laws and regulations specify expectations for dogs and horses in open spaces. We'd like to discuss your query regarding the ownership and use of an old stable – however, we'll need some extra information to look into it further. Please reach out to our City Property team by calling 8375 6600 or visiting one of our offices during working hours.	Pop-up session (written)
	Very appreciative of services provided, had not been aware of the great work that council does. Did not realise the difference in services provided through tiers of government. I love the conservation park and regularly walk my dog there. It's important to me that dogs continue to be allowed off-leash under effective control, I would be upset if this changed. There is an old stable / equestrian center that I believe is owned by council but I've been told I cannot access. I would like for the public to be able to use for horses.		Pop-up session (verbal)

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
	Everyone is doing a great job.		
	The improvement for some of the community spaces	We are pleased to hear that our parks and playgrounds are valued and well used. Council's Asset Management Plan and Open Space Plan outline its program for upgrades to sporting facilities, reserves and playgrounds to ensure they reflect service standards. Council is focused on ensuring it delivers on the Community Vision of 'A liveable, sustainable community'. Many of the projects council invests in are required to meet current and future community needs and to ensure our facilities are safe, attractive and accessible public places and facilities.	Online survey
	The focus on making our city more attractive.		
	Improvements to sporting facilities & playgrounds		
	Morphettville park tennis club		
	Upcoming projects, completion of Marion Basketball		
	Infrastructure upgrades & environment/open spaces		
	Sturt river improvement Hallet Cove Cell 3 walkway		
	Open living spaces		
	New upgrades of the Warradale Park with new toilet facilities		Hardcopy survey
	Storytime	Support for these initiatives has been noted. It's great to see a growing amount of visitors accessing the council's three libraries at Cove Civic Centre, Marion Cultural Centre Library and the Park Holme Library.	Pop-up session (written)
	Library best sellers and new release choice is fantastic. Well done.		
	Jigsaw borrowing.		
	Library services + parks / playgrounds		
	Funding the Move It program!	Your feedback regarding the future of the Move it program has been noted. *Move It* was a State Government funded program for a regional partnership between the Cities of Marion, Holdfast Bay and Onkaparinga to help our local communities discover new places,	Online survey
	Funding of the Move It program.		

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
		spaces and ways to 'move it', locally. Future State Government funding has not been confirmed for the 2025-2026 financial year.	
Environmental sustainability *Betterment, climate change, waste management*	Environmental improvements and building works	Support for these initiatives has been noted.	Online survey
	Environmental Protection and conservation parks		
	Environmental Sustainability & Coastal Walkway		
	Ongoing work to mitigate climate change effects.	The City of Marion, in partnership with the community, continues to actively respond to climate change by implementing two closely related strategies: • Abatement/Mitigation – a focus on reducing the amount of greenhouse gases we emit into the atmosphere by implementing active measures such as improving energy efficiency, using renewable and low emission technologies, and offsetting emissions to help avoid future impacts of climate change beyond what is already projected; and • Adaptation – to address the climate change that is already projected to occur by increasing, as far as possible, our capacity to cope with the impacts of climate change, including variability and extreme events.	
	climate initiatives and focus on environment		
	changes in waist collection and public transit	Council has resolved to advocate for State legislation change to remove the requirement for a weekly kerbside landfill (red bin) collection, without which it would be cost prohibitive to change any of our bin collection frequencies. We do have a Transport Plan 2021-2026 that outlines the Council's transport and movement outcomes for the city, and the strategies and actions to achieve these over the coming years. However, Public Transport services fall under the remit of the State Government and	

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
		we encourage you to reach out to the Department for Infrastructure and Transport on 1300 872 677 or contact them online.	
Nil	Not sure	Nil	
	nothing		
	Nothing		
	Nothing		
	Nothing		
	Nothing		
	Not much		
	Not much		
	not a great deal		

Table 6: Community comments in response to the question 'what excites you most about the proposed Draft Plan and Budget'

3.3 Do you think that the City of Marion has the proposed balance of spending right?

Community were asked if they thought we have the balance of spending right in the Draft Plan and Budget. Out of the 44 survey responses received:

- 5 *strongly agreed* (11.36%)
- 11 *somewhat agreed* (25%)
- 10 were *neutral* (22.73%)
- 11 *somewhat did not agree* (25%)
- 7 *strongly did not agree* (15.91%)

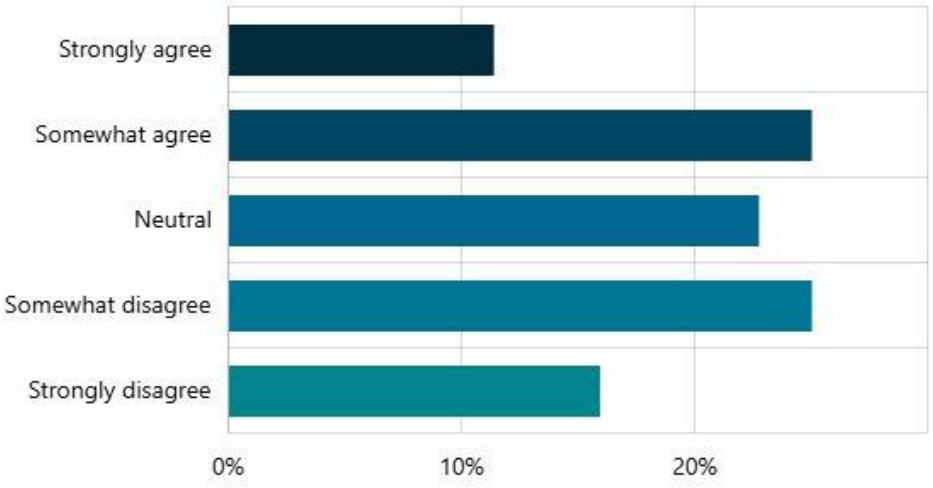


Figure 20*: *Balance of spending

Community were invited to share any comments or feedback regarding the balance of spending. The following table outlines the feedback or comments provided with a supporting response from the City of Marion staff:

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Balance of spending *Rates, expenditure, funding and borrowing*	You are spending money on things that should be funded privately or not at all. Sporting clubs should fund their own upgrades and fundraise. Your spending and our rates should be going down in this financial moment - not up.	Your feedback has been noted. Council understands that many in our community are feeling the effects of the current financial climate, and we are committed to managing ratepayer funds responsibly. Investing in the renewal and maintenance of community infrastructure — including sporting and recreational facilities — is a core responsibility of local government. These assets are not only important for clubs but are shared spaces that benefit the broader community by supporting physical activity, social inclusion, and community wellbeing. Many of these projects are co-funded by state and federal governments, meaning that Council can secure significant external funding and deliver improvements at a reduced cost to ratepayers. Without this approach, valuable grant funding could be lost, and local facilities may decline over time. We also recognise that most community clubs do not have the financial capacity to independently fund or manage major upgrades or long-term renewal works. The council's involvement ensures that these assets are maintained to safe and modern standards, and continue to serve the community well into the future. We appreciate the importance of finding the right balance between necessary investment and financial sustainability. The council has worked carefully to balance these concerns with the need to maintain	Online survey
	The allocated budget split appears appropriate compared to spendings and area requirements		
	there is something there for everyone		
	It's a good balance between maintaining essential services (waste collection, open space, community care, libraries), renewing existing infrastructure, and delivering new projects. The 4.8% average rate increase is justified, remaining competitive with other councils, and is necessary to sustain service levels amidst rising costs and construction inflation. The plan also maintains financial sustainability, with key ratios (operating surplus, asset renewal, net financial liabilities) within targeted ranges and ongoing monitoring by independent bodies like ESCOSA, which rates Marion as financially sustainable.		

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
		essential services and renew ageing community infrastructure. Your support for our Annual Business Plan and Budget has been noted. A great deal of deliberation goes into developing the budget to ensure we strike the right balance—delivering essential services, meeting the evolving needs of our community, and renewing our infrastructure—while maintaining financial sustainability. At the same time, we remain mindful of minimising the impact on our community from a rates perspective.	
	The City of Marion should prioritise living within its means to protect the long-term interests of our community. Borrowing money to fund the $39 million capital works program places an unnecessary financial burden on future ratepayers. A more responsible approach would be to reduce the program by $11.450 million to avoid taking on further debt. Better yet, reducing it by $23.6 million would allow the City to start paying down existing debt, strengthening our financial position for the future. If maintaining the current program is considered essential, any additional costs should be transparently covered through an increase in rates, rather than hidden through growing debt. Increasing debt only makes projects cost more over time through additional interest payments and limits our Rates community's options in years to come. It is important that spending decisions reflect	We understand the importance of ensuring that Council's financial decisions reflect sustainability, responsibility, and respect for both current and future residents. The council agrees that living within our means is essential to protecting the long-term interests of the community. At the same time, it is also important to ensure that infrastructure is maintained and renewed to meet the needs of both current and future generations. The City of Marion currently has low levels of debt and maintains a strong financial position, which provides us with the capacity to borrow responsibly when appropriate. Borrowing is one of the financial tools available to local government and, when used prudently, it plays an important role in achieving intergenerational equity. This means that the cost of long-term assets — like roads, community facilities, and stormwater infrastructure — is shared fairly between those who use them today and those who will benefit from them in the future. By spreading the cost of major capital works over time, borrowing helps to reduce the immediate burden on today's	

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
	sustainability, responsibility, and respect for both current and future residents.	ratepayers. Council's borrowing decisions are made with careful consideration of long-term financial sustainability, and our current financial modelling confirms we can service additional borrowings without compromising our future position.	
	We are in the middle of a cost of living crisis where EVERY extra cent is hurting the population and you lot are continuing to build the next Roman Empire at our expense. Major projects should be scaled back to make any rate increase in the inflationary range, otherwise YOU ARE THE PROBLEM	The council understands that many in our community are feeling the effects of the current financial climate, and we are committed to managing ratepayer funds responsibly. Inflationary pressures are also being experienced at the council and affect our ability to deliver services and maintain infrastructure. The council has a responsibility to manage and renew community assets in line with asset management plans to ensure they remain safe, functional, and accessible for everyone. Balancing these infrastructure needs with the broader financial pressures facing our community is challenging, and we are working hard to make responsible decisions that consider both current and future needs. We appreciate your feedback and your engagement in this important discussion.	
	I would like to see a breakdown of expenditure for the Marion Outdoor Pool, I've heard it operates at a loss and think it's an important asset and service.	The Marion Outdoor Pool is one of the City of Marion's most popular and valued community facilities and welcomed approximately 150,000 visitors in the 2024–25 season. Facilities like the pool are an investment in community wellbeing, health and recreation. While there is a cost involved in providing	Pop-up session (verbal)

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
		these services, this reflects Council's commitment to supporting spaces that bring people together and enhance quality of life. Costings related to the Marion Outdoor Pool were published in the February General Council meeting and are available on our website. Council is committed to supporting this much-loved facility well into the future.	
Our organisation *Draft Plan*	Split between council services that we must have and projects/initiatives it would be nice to have	Councils in South Australia participate in the provision of important social and economic infrastructure and, where appropriate, act as an advocate, planner, coordinator and facilitator. The City of Marion aims to provide services and facilities that support the social, environmental and economic needs of residents, businesses and visitors. The *Local Government Act 1999* and its accompanying regulations set out the legal framework in which councils operate. The Draft Annual Business Plan 2025-2026 has examples of continuing and enhancing mandatory services on (page 18). We will consider improved methods in future years.	Online survey
Community spaces *Programs and outdoor activities*	Firstly I want to thank you for the fabulous Moveit program you provide. I finished my working life journey last year with a mix of excitement and trepidation. I knew I needed to create a new structure for myself and was not sure how this would go. However, I discovered your moveit program, in particular Pilates and Zumba. I have spoken with many of the other people	Your feedback on the future of the Move it program has been noted. *Move It* was a State Government funded program for a regional partnership between the Cities of Marion, Holdfast Bay and Onkaparinga to help our local communities discover new places, spaces and ways to 'move it', locally. A grant has been submitted to continue the program however future State Government funding has yet to be confirmed for the 2025-2026 financial year.	

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
	attending this program and not only does it provide strength and fitness for us, but also provides new social links, increases our wellbeing and has made a massive difference to our lives. Many of us are extremely disappointed the Pilates and a few other programs are not being continued from June this year. I understand funding is always an issue but in the big picture savings are being made with a reduction of loss of strength and balance, social connections reducing the risks of depression. Honestly, I can't tell you how important and valuable these programs have been to so many. The Move It program has been so beneficial to my health and well being providing a safe, friendly place to make friends and socialise, especially for us older generation who can feel isolated without these kind of programs. Please can you try to reinstate this in the near future.		

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
	They are wise spending the funds on maintenance of parks, which could be dog friendly & have fencing.	Support for this initiative is noted. We value maintaining our parks and playground to extend the use of these assets. Council applies a strategic approach to fencing reserves, balancing by-law requirements and budget constraints. Fully fenced playgrounds are often misused as off-leash dog areas, which is not their intended purpose.	Hardcopy survey
Environmental sustainability *Biodiversity, greening, programs and watering*	I would like more funding for street plant watering, more native biodiversity planted on streets and more communication around verge incentives to community. I think council should be watering all street trees.	Council waters newly planted street trees on a weekly basis for the first three years, which is critical for their establishment. This promotes root establishment, so they are more resilient to drought as they mature. Once mature, when needed Council undertakes target watering based on local climatic conditions. Council has a comprehensive communications strategy in place to promote initiatives such as the Verge Incentive Fund. We appreciate your feedback as we continue to refine our processes and strategies to better engage and reach a wider audience.	Pop-up session (verbal)

Table 7: Community comments in response to the question 'do you think that the City of Marion has the proposed balance of spending right?'

3.4 Level of support for proposed Major Projects

The following tables outlines verbatim community comments regarding each of the proposed Major Projects outlined in the Draft Plan and Budget:

(a) Events

Community were asked for their level of support for the proposed Major Project - *events*. Out of the 44 survey responses received:

- 11 *strongly supported* (25%)
- 11 *somewhat supported* (25%)
- 10 were *neutral* (22.73%)
- 8 *somewhat did not support* (18.18%)
- 4 *strongly did not support* (9.09%)

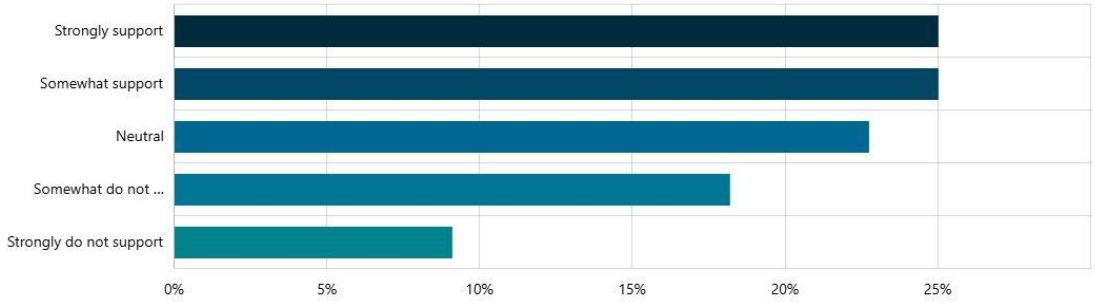


Figure 21: Level of support for proposed Major Project – events

Community were also invited to share any comments or feedback regarding the proposed Major Project. The following table outlines the feedback or comments provided with a supporting response from the City of Marion staff:

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Balance of spending *Expenditure*	Too much additional spending on events which provide one time benefit at the expense of every rate payer	These comments have been noted. The City of Marion runs events to bring the community together. We also encourage community events occurring within the City of Marion and welcome applications for privately run events using our community facilities. We have helped celebrate lots of very important milestones from weddings and concerts to children's parties and community events. We aim to balance community events with long-term value, ensuring they support social connection and wellbeing for all residents.	Online survey
	These events get the community together and involved at little overall cost compared to the return to the people		
	Council has taken on the role of providing opportunities for community to gather, and therefore funding these make sense.		
	We can run our own events privately		
	$30m to build a basketball shed - are you out of your minds? And a new footy clubhouse and carpark for $9m? These prices suggest to me that the council is being gouged	The cost of delivering major infrastructure projects has increased significantly in recent years, driven by sharp rises in construction and materials costs across the entire sector. These inflationary pressures are not unique to our projects and have impacted developments nationwide. We are committed to responsible decision-making and ensuring that all major investments are aligned with our long-term goals for financial sustainability and meeting the current and future needs of our community. We also seek funding partnerships with State and Federal Governments to help reduce the burden on ratepayers. Many of our larger projects are only possible through these collaborations, which allow us to deliver facilities that support growing community demand while maintaining a balanced budget.	

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Community spaces *Outdoor activities, infrastructure and programs*	No sea pool at Hallett cove drop it	The Hallett Cove seaside pool is currently an unfunded initiative from a council perspective. This project will require further consideration in addition to future state or federal funding for delivery.	
	work needs to be done and assets maintained	Our new strategic plan reflects the community's expectations for a pleasant lifestyle with good environmental values and a sense of community. An important community priority was for a welcoming and friendly city. Achieved through targeted, vibrant, and welcoming events, programs and initiatives that bring all people together, celebrate culture and heritage, promote healthy lifestyles, build community, and support health and wellbeing. Council's schedule of events can be found on the council website www.marion.sa.gov.au	
	its good for community connections and engagement to have events		
	Good to get the. immunity together particularly Hallett cove where the seafront is beautiful		
	Great to have community engagement, and provide opportunities for people to get out and involved.		
	Events attract visitors, create opportunities for social connection, support/boost local businesses, and generally help everyone feel part of the community.		
	To be in the community & to be involved with.		
	Council events are great to bring the community together		
	I would like to see more community events targeting health and fitness.	This comment has been noted and will be taken on board by the events team.	

Table 8: Community comments in response to the question 'how strongly do you support the proposed Major Project: Events?'

(b) Coastal Walkway

Community were asked for their level of support for the proposed Major Project – Coastal Walkway. Out of the 44 survey responses received:

- 23 *strongly supported* (52.27%)
- 15 *somewhat supported* (15%)
- 5 were *neutral* (11.36%)
- 1 *somewhat did not support* (2.27%)
- 0 *strongly did not support* (0%)

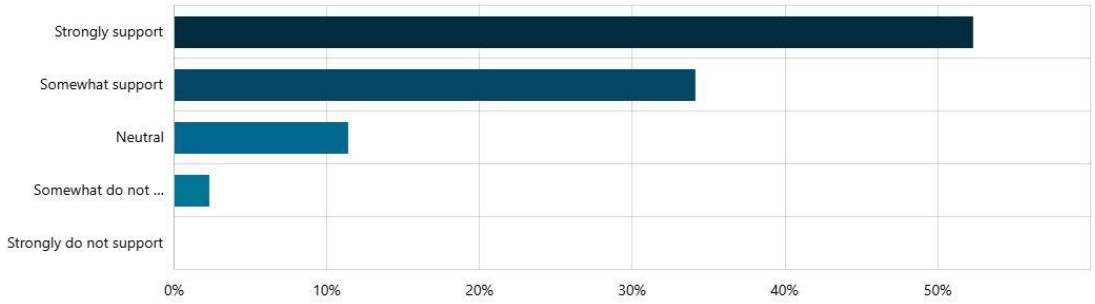


Figure 22: Level of support for proposed Major Project – Coastal Walkway

Community were also invited to share any comments or feedback regarding the proposed Major Project. The following table outlines the feedback or comments provided with a supporting response from the City of Marion staff:

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Balance of spending *Expenditure*	It's a great resource and something private citizens could not do for themselves	Support for this initiative is noted.	Online survey
Our Organisation *Urban Planning*	Coastal property areas should be allowed to sub divide into smaller lots similar to Holdfast Bay with areas of 300 - 400 Sq meters per single detached dwelling per lot size in Marino south of the train tracks and near train services and recreational coastal property	The consultation outcomes of the recent Southern Suburbs Residential Policy Code Amendment were clear that further subdivision of these locations is not supported. Notwithstanding this, there is some merit in exploring limited increases in density for locations with close proximity and accessibility to the rail stations in this location, subject to suitable slope and infrastructure capacities. These can be explored as part of Council's response to the Greater Adelaide Regional Plan. Council has resolved to advocate for State legislation change to remove the requirement for a weekly kerbside landfill (red bin) collection, without which it would be cost prohibitive to change any of our bin collection frequencies. We do have a Transport Plan 2021-2026 that outlines the Council's transport and movement outcomes for the city, and the strategies and actions to achieve these over the coming years. However, Public Transport services fall under the remit of the State Government and we encourage you to reach out to the Department for Infrastructure and Transport on 1300 872 677 or contact them online.	
	Because it needs to focus on living and travel. I'm an autistic man and public transit is my right. As for waist collection it should be changed on garbage collection from every week to every 2 weeks where recycling collection should be from every 2 weeks to every weekly. Every Monday.		

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Community spaces *Livability and outdoor activities*	It's wheelchair friendly, which is good for disability people.	We are delighted that our local community and visitors are drawn to the walkway. We support active and passive recreation in our open spaces as part of promoting a healthy community within City of Marion. Where feasible, the City of Marion considers connections across reserves and connecting facilities, including formalising shared use paths. We are using the endorsed Open Space Plan to carry out a range of active and passive recreation as well as linked pathways, where appropriate.	Hardcopy survey
	People need space to walk around safely. Getting boxed in is taking this away. Keep all ages active & healthy. Walkway needs some of it made accessible for prams & wheelchairs		Online survey
	Tourism		
	I love the walkway. Encourages healthy activity and provides a tourism opportunity.		
	i like to walk		
	Active recreation is an important part of ensuring we have a healthy community.		
	Good for people to get out and about		
	The walkway will allow everyone to exercise for free while enjoying the open air.		
	I live nearby, and these updates are much needed!		
	The Coastal Walkway offers residents and visitors stunning views, recreational exercise, and a connection to nature. Upgrading and maintaining it is essential for safety, accessibility, and tourism.		
	Important for exercise, safety and well-being		
	Promotes healthy activity		
	Celebrates geological history, environment and recreation activities		
	Should have been done years ago		

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Environmental sustainability *Resilience*	Less overall damage to the environment while ensuring a future proof way to enjoy the coast	One of the aims of the walkway was to encourage and manage access within fragile environment while also enabling the restoration of the coastal vegetation. Previously uncontrolled access and urban encroachment in the area led to increased erosion problems and degradation of the coastal vegetation, wildlife habitats and the general environment. Council, partnered with Planning SA's Coast Park Program, to construct the Coastal Walkway as a public amenity to maintain a balance between recreation use and conservation values. The walkway also provides potential links for recreation and biodiversity with a number of natural open spaces and environmental corridors including the Field River Valley and Waterfall Gully.	

Table 9: Community comments in response to the question 'how strongly do you support the proposed Major Project: Coastal Walkway?'

(c) Glandore Oval Upgrade

Community were asked for their level of support for the proposed Major Project – Glandore Oval upgrade. Out of the 44 survey responses received:

- *4 strongly supported* (9.09%)
- 13 *somewhat supported* (29.55%)
- 19 were *neutral* (43.18%)
- 5 *somewhat did not support* (11.36%)
- 3 *strongly did not support* (6.82%)

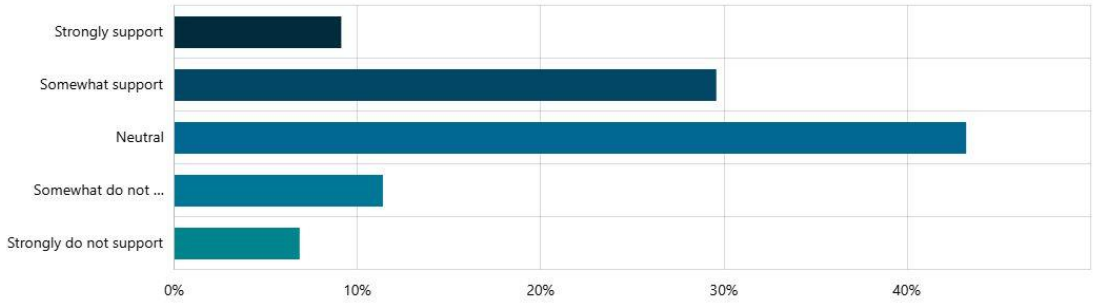


Figure 23: Level of support for proposed Major Project – Glandore Oval upgrade

Community were also invited to share any comments or feedback regarding the proposed Major Project. The following table outlines the feedback or comments provided with a supporting response from the City of Marion staff:

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Balance of spending *Expenditure and funding*	They should be fundraising this for themselves and building something smaller if their own funding limits the project	Your comments have been noted. The State Government pledged $5m in the last state election to support this project. Many of these projects are co-funded by state and federal governments, meaning that Council can secure significant external funding and deliver improvements at a reduced cost to ratepayers. Without this approach, valuable grant funding could be lost, and local facilities may decline over time. We also recognise that most community clubs do not have the financial capacity to independently fund or manage major upgrades or long-term renewal works. The council's involvement ensures that these assets are maintained to safe and modern standards, and continue to serve the community well into the future.	Online survey
	The amount listed is far in excess of what could be spent for probably an acceptable result.		
Community spaces *Infrastructure*	it is over due dont let things run down	The City of Marion works hard to maintain community assets to an agreed level of service and to maximise the life of an asset. This is achieved through reactive and proactive maintenance programs and optimised asset renewal programming. The community are encouraged to let the City of Marion know if there are assets in the city that require renewal. This can be achieved through any of the many contact options available to the community and are welcomed pieces of information to ensure we continue to deliver great service.	
	Needs upgrading. Will encourage greater use		
	Much more pressing needs than this!		

Table 10: Community comments in response to the question 'how strongly do you support the proposed Major Project: Glandore Oval Upgrade?'

(d) Land Management - Traditional Cultural Burning

Community were asked for their level of support for the proposed Major Project - Land Management - Traditional Cultural Burning. Out of the 44 survey responses received:

- 7 *strongly supported* (15.91%)
- 14 *somewhat supported* (31.82%)
- 10 were *neutral* (22.73%)
- 7 *somewhat did not support* (15.91%)
- 6 *strongly did not support* (13.64%)

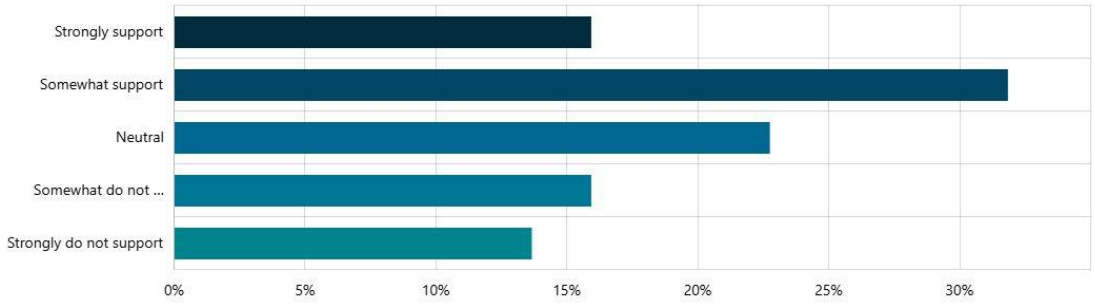


Figure 24: Level of support for proposed Major Project – Land Management - Traditional Cultural Burning

Community were also invited to share any comments or feedback regarding the proposed Major Project. The following table outlines the feedback or comments provided with a supporting response from the City of Marion staff:

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Balance of spending *Expenditure*	Waste of money	Your comments have been noted. Council's Strategic Plan 2024-2034 highlights its commitment to partnering with Aboriginal and Torres Strait Islander People to learn and share traditional land management practices. Council was able to secure a grant to support this work and the burning will occur at the Field River which is an area of cultural significance to Kaurna people.	Online survey
Environmental sustainability *Caring for Country and resilience*	I believe in it that they know what to do and can read the country as they have done for thousands of years		
	Recognises, uses and respects First Nations knowledge practically		
	It means supporting safer communities, healthier environments, and the ongoing stewardship and cultural heritage of Indigenous Australians.		
	Woke. Why not just do what needs to be done not dress it up		
	not relevant		
	Not needed		
	Cultural burning...? If there are areas that need burning for plant regrowth etc say that...		
	Very important that this is done and everyone is invited along so they get to understand the cultural significance and the benefit to the environment		
	There needs to be more of this Aus wide to ensure fire safety	The National Emergency Management Agency sets Australia wide policy positions for disasters, including fire.	

Table 11: Community comments in response to the question 'how strongly do you support the proposed Major Project: Land Management – Traditional Cultural Burning?'

(e) Marion Basketball Stadium upgrade

Community was asked for their level of support for the proposed Major Project - Marion Basketball Stadium upgrade. Out of the 44 survey responses received:

- 5 *strongly supported* (11.36%)
- 9 *somewhat supported* (20.45%)
- 14 were *neutral* (31.82%)
- 7 *somewhat did not support* (15.91%)
- 9 *strongly did not support* (20.45%)

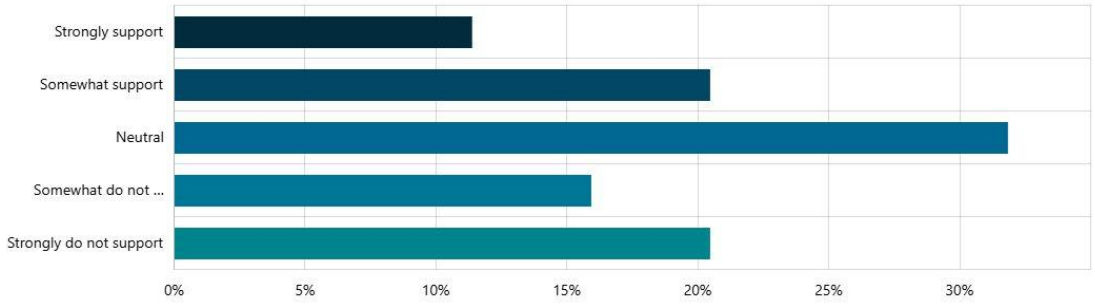


Figure 25: Level of support for proposed Major Project – Marion Basketball Stadium upgrade

The last week of community consultation on the concept design for the basketball stadium overlapped with this question on the project, in the consultation for the draft Annual Business Plan and Budget.

Community were also invited to share any comments or feedback regarding the proposed Major Project. The following table outlines the feedback or comments provided with a supporting response from the City of Marion staff:

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Balance of spending *Expenditure*	Wasting to much of our rate payer's money on a facility we don't need and axing programs like the Move It program which significantly benefits our community more than this facility.	These comments have been noted. Councils in South Australia participate in the provision of important social and economic infrastructure and, where appropriate, act as an advocate, planner, coordinator and facilitator. The council understands that not everyone will use every facility. We also recognise the challenge in balancing long-term infrastructure investment with ongoing program delivery and are committed to making responsible decisions that meet both current and future community needs. Many of our infrastructure projects are also co-funded by State and Federal Governments, allowing us to deliver significant improvements at a reduced cost to ratepayers. Without this external funding, there's a risk that valuable grants could be lost, and local facilities could decline over time. Decisions are made that will ensure long-term financial sustainability while also addressing the infrastructure needs of our community now and into the future.	Online survey
	Uncertain about the $30 million-plus cost for long-term community needs, especially given changing demographics.		
	It's fine as it is. The clubs can improve if they want to.		
	SA participation rates for basketball in 2023-24 were higher than other sports, such as AFL, so this appears reasonable. Despite this, it is likely that the proposed facility is larger than it needs to be an council / the lessees will have difficulty funding the ongoing operational and maintenance costs.		
Our organisation *Customer experience*	Not wide community coverage	This project has undergone two rounds of community consultation so far, with more to follow. Council aims to promote these consultations as widely as possible through mainstream media, social media, the City Limits magazine, signage, and other channels.	

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Community spaces *Programs, livability*	I don't use the facility	The City of Marion undertakes and facilitates strategic projects to support the development of services and facilities for the community, and to enhance the environmental sustainability of the area. Following careful consideration, the Council has decided to replace the ageing facility at Norfolk Road with a new, modern stadium that will better serve the community.	
	Sporting facilities only service few whereas community areas accessible for all		
	great for sport and mind		
	Will be good for basketball people but I live nearby and am worried it will cut off walking access from the Jasmine Avenue through to Norfolk Road. Need a proper pedestrian walkway	Thank you for your feedback and we understand how important pedestrian access is for residents. During the construction of the new basketball stadium, there will be temporary restrictions to pedestrian access through the site for safety reasons. Pedestrian access between Jasmine Avenue and Norfolk Road will be available via the trotting track and across the oval. Once the stadium is complete, the same pedestrian access between Jasmine Avenue and Norfolk Road will be reinstated, ensuring continued connectivity for the local community.	

Table 12: Community comments in response to the question 'how strongly do you support the proposed Major Project: Marion Basketball Stadium upgrade?'

(f) Morphettville Park Clubroom upgrade

Community were asked for their level of support for the proposed Major Project - events. Out of the 44 survey responses received:

- *3 strongly supported* (6.82%)
- 9 *somewhat supported* (20.45%)
- 19 were *neutral* (43.18%)
- 5 *somewhat did not support* (11.36%)
- 8 *strongly did not support* (18.18%)

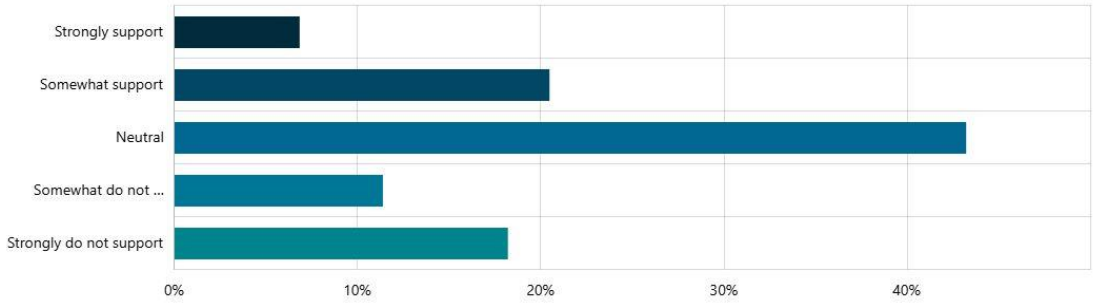


Figure 26: Level of support for proposed Major Project – Morphettville Park Clubroom upgrade

Community were also invited to share any comments or feedback regarding the proposed Major Project. The following table outlines the feedback or comments provided with a supporting response from the City of Marion staff:

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Balance of spending *Expenditure*	Big bucks for small number of users	These comments have been noted Councils in South Australia participate in the provision of important social and economic infrastructure and, where appropriate, act as an advocate, planner, coordinator and facilitator. The City of Marion owns and manages a large and diverse asset portfolio, valued at over $1 billion. Our assets enable the provision of services to the community and businesses for current and future generations. Assets play a vital role in our residents' quality of life. At the City of Marion we believe that our community should have access to a broad range of high quality sport and community facilities so that everyone has the opportunity to lead an active, healthy lifestyle.	Online survey
	Again this should be privately funded - also you have just completed the basketball upgrades at Mitchell Park - why upgrade another one so close?? Why are we paying for this?		
	This does not benefit the majority of rate payers. You are demanding more and more money from us each year which needs to benefit the majority of rate payers		
	Money could be better spent elsewhere		
	Significant spending on buildings which provide benefit to smaller part of the community at the expense of rate payers. Should seek state funding for larger community projects or sponsors		
	Tennis participation has been decreasing for several years, and therefore in a tight fiscal environment it would be prudent to defer this project to a later year. Alternatively, council should plan in advance to move the courts to Denham Ave reserve, and allow the tennis club to share the football clubrooms.		
	Why are all the things you're improving sports-related? What about the disadvantaged people in our community?		
	Seems like not a good use of rate payer funds		
	Facility should be self-supporting, and I am missing explanation of a broad benefit to residents from across our city.		

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Community spaces *Infrastructure*	dated and old	The City of Marion works hard to maintain community assets to an agreed level of service and to maximise the life of an asset. This is achieved through reactive and proactive maintenance programs and optimised asset renewal programming. The community are encouraged to let the City of Marion know if there are assets in the city that require renewal. This can be achieved through any of the many contact options available to the community and are welcomed pieces of information to ensure we continue to deliver great service.	
	It's old		

Table 13: Community comments in response to the question 'how strongly do you support the proposed Major Project: Morphettville Park Clubroom upgrade?'

(g) Reserve and playground redevelopments across council

Community were asked for their level of support for the proposed Major Project - reserve and playground redevelopments across council. Out of the 44 survey responses received:

- 22 *strongly supported* (50%)
- 10 *somewhat supported* (22.73%)
- 7 were *neutral* (15.91%)
- 5 *somewhat did not support* (11.36%)
- 0 *strongly did not support* (0%)

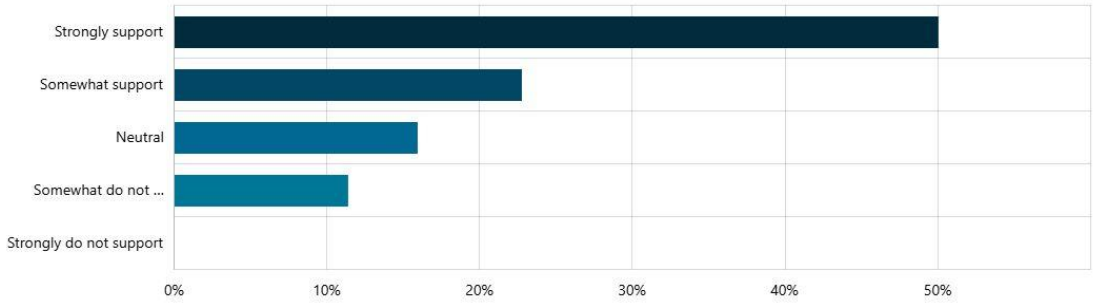


Figure 27: Level of support for proposed Major Project – reserve and playground redevelopments across council

Community were also invited to share any comments or feedback regarding the proposed Major Project. The following table outlines the feedback or comments provided with a supporting response from the City of Marion staff:

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Balance of spending *Expenditure*	I think it's great to see funding for upgrades of publicly used areas, and always support reserve improvements, I think environmental initiatives should be prioritised.	Your feedback has been noted.	
	A benefit to a large sector of rate payers		
Community spaces *Outdoor activities, liveability*	Kids need to have areas to play, keep fit & generally be active rather than be on screens.	The inclusion of open space is vital for City of Marion's footprint. We value Marion's open spaces and we continue to provide a range of sports, recreation and play options to benefit families and reserve visitors. Council takes a strategic approach to the location of its facilities to ensure all residents and park users across City of Marion. To support this goal, a 10-year Open Space Plan has been endorsed, aiming to create a well-distributed network of attractive and functional open spaces throughout the City. We acknowledge and support the importance of reserves in promoting sports, recreation, play, and overall community wellbeing.	Online survey
	Our future is the children		
	Kids need playgrounds		
	Kids and families need to be outdoors having fun together		
	Playgrounds are important for active recreation		
	The more open and safe play spaces for families the better as this encourages more families to the area		
	smaller houses and kids and family have to get out		
	We are losing too much land for housing These areas are very important		
	Open space for all and is good for mental health to have large open area access		
	Marion Council have some of the best parks in Adelaide		
	Can never have too many well designed and maintained playgrounds and open spaces		
	Parks and open spaces viral as so much development and more houses and population. Big developments and townhouses with no or little backyards. People, especially families and dog owners need spaces and parks to be active, socialise within and enjoy. Many parks and spaces could be upgraded, improved and more trees and plants are needed to support birds and wildlife. People will be more active if there are more parks, paths, fitness areas and spaces to work dogs. Having safe spaces for dog walkers is important as I keep my dog on a lead and he enjoys parks.		

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
	Some parks don't have toilets.	Public toilet provision is guided by reserve classification and proximity to existing facilities. As local and neighbourhood reserves are close to residential areas, toilets typically fall outside the scope and budget of upgrades. Priority is given to regional reserves, where visitor travel distances warrant such amenities.	Hardcopy survey
Environmental sustainability *Resilience*	Parklands, trees and vegetation must be an essential part of any plan instigated to offset the effects of climate change and global warming. They provide shade and promote cooling, which benefits areas for people and animals while also providing food and shelter for wildlife.	We continue to add trees and plants to beautify, cool and add natural shade to our open spaces.	Online survey

Table 14: Community comments in response to the question 'how strongly do you support the proposed Major Project: Reserve and playground redevelopments across council?'

(h) Streetscape projects

Community were asked for their level of support for the proposed Major Project - Streetscape projects. Out of the 44 survey responses received:

- 9 *strongly supported* (20.45%)
- 17 *somewhat supported* (38.64%)
- 13 were *neutral* (29.55%)
- 5 *somewhat did not support* (11.36%)
- 0 *strongly did not support* (0%)

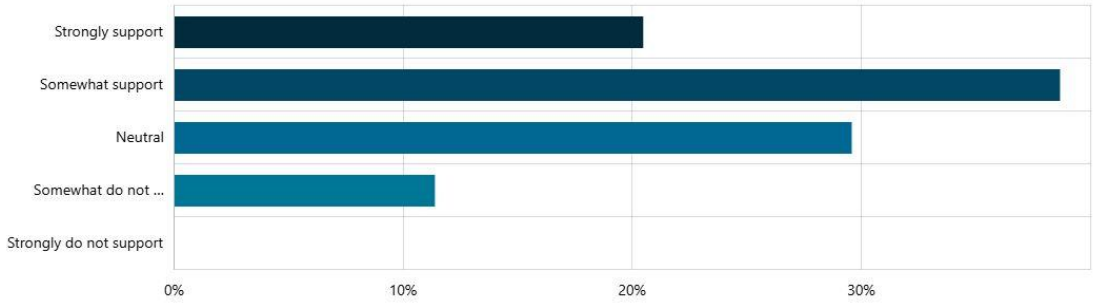


Figure 28: Level of support for proposed Major Project – Streetscape projects

Community were also invited to share any comments or feedback regarding the proposed Major Project. The following table outlines the feedback or comments provided with a supporting response from the City of Marion staff:

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Balance of spending *Expenditure*	Direct benefit to all ratepayers	Your feedback has been noted.	Online survey
Community spaces *Livability*	The city of Marion streetscapes are lacking and need focused efforts	The recently endorsed *Walking and Cycling Guidelines* guide our ongoing work to expand safe, people-friendly streets, promoting healthy lifestyles, easing congestion, and shaping a connected active travel network through a 4-Year Plan of priority projects.	
	Some areas are a dead space and filled with artwork can provoke intrest		
	We need to enjoy the environment we live in		
	The lived environment impacts people's moods and behaviours. Streetscapes, artworks etc that are visually and sensorily pleasant and enhance safety create a calmer, better functioning community		
	Improve safety for pedestrians, cyclists, and motorists through better road layouts, upgraded crossings, and dedicated bike lanes, while also supporting local economies by making business and education precincts more appealing and drawing in more visitors. By encouraging walking and cycling, these projects promote health and wellbeing, and their environmentally sustainable designs-featuring rain gardens, increased tree planting, and improved stormwater management-help support biodiversity and the environment. Additionally, streetscape projects renew ageing infrastructure and deliver long-term value to the community.		

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Environmental sustainability *Greening, resilience, biodiversity*	More green space means less heat	Council has set a target to increase our urban tree canopy by 20% from its existing level of 12%. To achieve this, we are planting 4,000 trees each year across the city. We aim to have the majority of these trees planted by 2027/2028. Council maintains a diverse selection of tree species, carefully chosen to suit the surrounding environmental conditions. While we prioritise the planting of native species wherever possible, we also incorporate suitable non-native species to enhance biodiversity and ensure long-term resilience. Our Tree Asset Management Plan clearly defines our planting strategy and specifies the range of species selected for various locations.	
	We need to improve and increase biodiversity as lots of trees and plants have been removed and we need to support native fauna and flora, especially Birdlife.		
	Yes more native trees please		Hardcopy survey

Table 15: Community comments in response to the question 'how strongly do you support the proposed Major Project: Streetscape projects?'

(i) Sturt River Biodiversity Corridor

Community were asked for their level of support for the proposed Major Project - Sturt River Biodiversity Corridor. Out of the 44 survey responses received:

- 14 *strongly supported* (31.82%)
- 15 *somewhat supported* (34.09%)
- 9 were *neutral* (20.45%)
- 6 *somewhat did not support* (13.64%)
- 0 *strongly did not support* (0%)

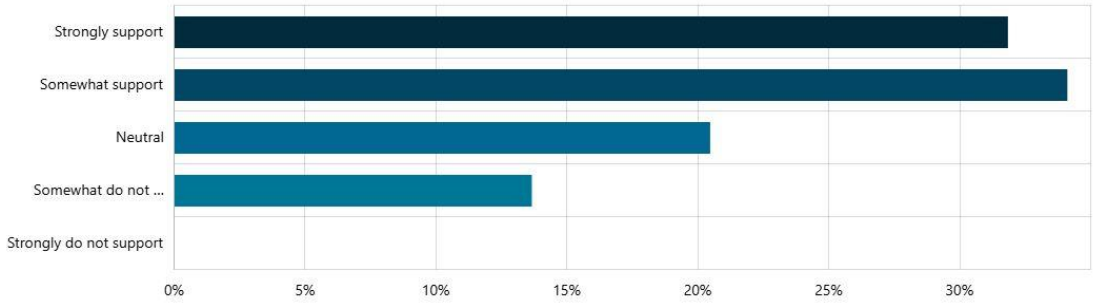


Figure 29: Level of support for proposed Major Project – Sturt River Biodiversity Corridor

Community were also invited to share any comments or feedback regarding the proposed Major Project. The following table outlines the feedback or comments provided with a supporting response from the City of Marion staff:

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Environmental sustainability *Resilience, biodiversity*	Environmental initiatives are very important.	These comments have been noted. We continue to deliver a range of biodiversity programs to help improve urban biodiversity and awareness.	Online survey
	People need a healthy and stable environment, and that requires the flora to flourish. Without the wildlife to tend and pollinate the shrubs, trees and flowers the system will not work. We need all the components to work together for a good outcome.		
	Improvements to this area are great for everyone to enjoy		
	Important for habitat and environment		
	Such an important space for wildlife to travel to and from our wetlands		
	Supporting biodiversity is as important as reducing emissions.		
	Part of Marion's history		
	Restores native vegetation, improves habitats for local wildlife, and enhances ecological connections lost to urban development. It boosts water quality, creates a greener environment, and offers opportunities for community involvement and education.		
	I support anything that looks after our natural environment		
	Environmentally responsible and well overdue		
	I love this corridor and it needs all the help it can get. Such an important part of the local landscape.		

Table 16: Community comments in response to the question 'how strongly do you support the proposed Major Project: Sturt River Biodiversity Corridor?'

(j) Warradale Park Tennis Club upgrade

The community was asked for their level of support for the proposed Major Project - Warradale Park Tennis Club upgrade. Out of the 44 survey responses received:

- 4 *strongly supported* (9.09%)
- 6 *somewhat supported* (13.64%)
- 23 were *neutral* (52.27%)
- 8 *somewhat did not support* (18.18%)
- 3 *strongly did not support* (6.82%)

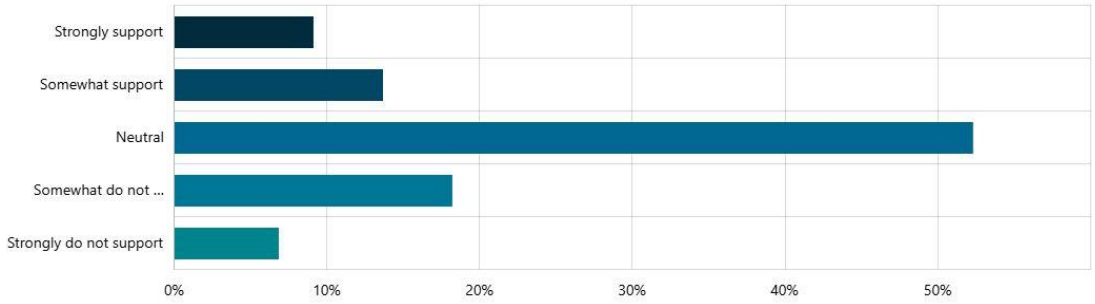


Figure 30: Level of support for proposed Major Project – Warradale Park Tennis Club upgrade

Community were also invited to share any comments or feedback regarding the proposed Major Project. The following table outlines the feedback or comments provided with a supporting response from the City of Marion staff:

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Balance of spending *Expenditure*	Again you are spending needless money on something that can be funded privately or not at all. We are all struggling financially at the moment and are pulling our spending in. Government spending should go down too	These comments have been noted. Council takes a strategic approach to the location of its facilities to ensure all residents and park users across City of Marion. To support this goal, a 10-year Open Space Plan has been endorsed, aiming to create a well-distributed network of attractive and functional open p-spaces throughout the City.	Online survey
	Limited number of rate payers will benefit from this		
Community spaces *Infrastructure, recreation*	Why are all the things you're improving sports-related? What about the disadvantaged people in our community?		
	I like tennis		Hardcopy survey
	It's old	The City of Marion works hard to maintain community assets to an agreed level of service and to maximise the life of an asset. This is achieved through reactive and proactive maintenance programs and optimised asset renewal programming. The community are encouraged to let the City of Marion know if there are assets in the city that require renewal. This can be achieved through any of the many contact options available to the community and are welcomed pieces of information to ensure we continue to deliver great service.	Online survey

Table 17: Community comments in response to the question 'how strongly do you support the proposed Major Project: Warradale Park Tennis Club upgrade?'

3.5 Commercial rates for non-hosted accommodation

Community were asked for their level of support for Council charging a commercial rate for residential properties primarily used for short term non-hosted accommodation. Out of the 44 survey responses received:

- 14 strongly supported (31.82%)
- 14 somewhat supported (31.82%)
- 7 were neutral (15.91%)
- 3 somewhat did not support (6.82%)
- 6 strongly did not support (13.64%)

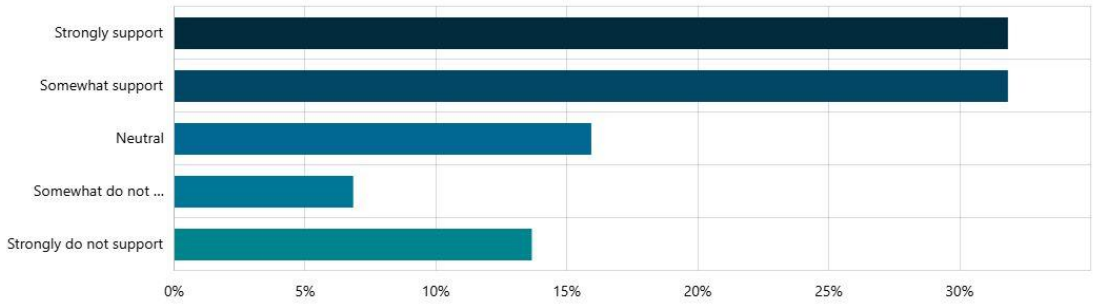


Figure 31: Level of support for Council to charge a commercial rate for residential properties primarily used for short term non-hosted accommodation

Community were also invited to share any comments or feedback regarding the proposed commercial rate. The following table outlines the feedback or comments provided with a supporting response from the City of Marion staff:

Community feedback (verbatim)	Council response (if required)	Feedback method
Your scamming enough money off people and who will decide this? who will monitor this?? Where will it end? Planning dept does what it wants despite what the community wants.	Council is exploring this idea and is keen to hear initial thought. These comments have been noted.	Online survey
Why should they pay more, do they get more services.		
These home takes away from the local community and do not serve as residential properties but business endeavours With short term stays you get damage and noise, damage can sometimes be to council areas		
It makes sense, if the properties are used to generate income that they're charged accordingly. Further, I don't believe these property owners have the best interests of Marion Council area at heart, I have one of these properties in my street and it can be disruptive with the number of cars that sometimes park in the street. In short, it may make housing more available to people, or, provide more funds to the council that can be spent to boost the area.		
The only way to make houses more affordable is to reduce the benefit to investors, they need to be homes again, not a way to offset tax liabilities or as investment instruments. Negative gearing should also be abolished. (One for the ATO I suspect!)		
Only fair if someone is making money.		
you already received high rates from constituents		
Absolutely if it meant a reduction to the increase of rates for the normal residential rate payer.		
Short term rentals reduce the number of properties available for longer term rentals, and therefore decrease rental affordability.		
Absolutely, these are also putting a significant strain on availability of housing. They should be charged higher as it is a business and should be rated as such.		
Its a business not a residential home		
This helps keep the city liveable and attractive. This investors who choose to monetize owning a home in our city should pay a premium.		
it is not your business what people do with the home they have bought. Council can buy the properties and then do what they want. Why doesnt council build affordable housing if it wants to fix the problem.		

Community feedback (verbatim)	Council response (if required)	Feedback method
These properties operate as businesses, placing greater demand on local infrastructure and services, impacting housing affordability. Aligning their rates with commercial land use ensures a more balanced contribution to the community and helps address the broader impacts of the short-term rental market.		
Cost of living high		
To increase housing opportunities		
Housing crisis Short Stay are Businesses and should pay as such		
I just do		Hardcopy survey

Table 18: Community comments in response to the question 'would you support Council charging a commercial rate for residential properties primarily used for short term non-hosted accommodation?'

3.6 Level of support for the Draft Annual Business Plan and Budget 2025-26

Community were invited to indicate their overall level of support for the Draft Plan and Budget. Out of the 44 survey responses received:

- 5 strongly supported (11.36%)
- 13 somewhat supported (29.55%)
- 8 were neutral (18.18%)
- 13 somewhat did not support (29.55%)
- 5 strongly did not support (11.36%)

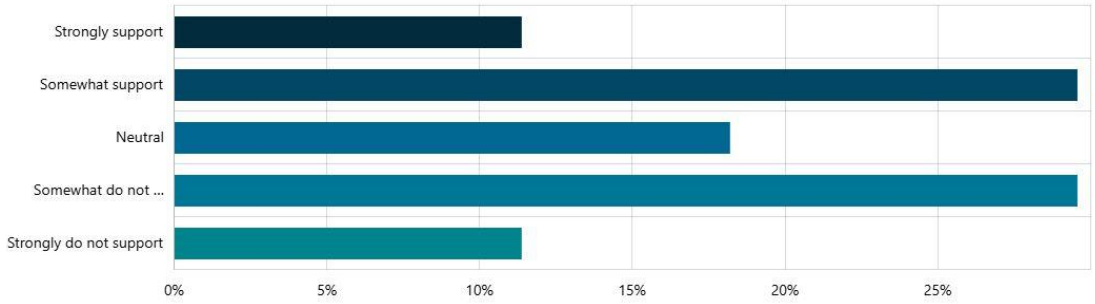


Figure 32: Level of support for the Draft Annual Business Plan

Community were also invited to share any comments or feedback regarding the overall proposed plan and budget. The following table outlines the feedback or comments provided with a supporting response from the City of Marion staff:

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Balance of spending *Expenditure, borrowing and rates*	You are over spending. Reign it in, give us less services we do not need and lower rates.	These comments have been noted. Significant work has gone into determining a responsible rate increase that balances community impact with the need to maintain service levels. Investment in key infrastructure, alongside the ongoing capital renewal program, has also been factored in to support the City's long-term financial sustainability. Council are also impacted by other cost indices particularly those in the construction sector, where national cost escalation is projected to remain at around 5% through to 2027. The council agrees that living within our means is essential to protecting the long-term interests of the community. At the same time, it is also important to ensure that infrastructure is maintained and renewed to meet the needs of both current and future generations. The City of Marion has low levels of debt and maintains a strong financial position, which provides us with the capacity to borrow responsibly when appropriate. Borrowing, when used prudently, plays an important role in achieving intergenerational equity. This means that the cost of long-term assets — like roads, community facilities, and stormwater infrastructure — is shared fairly between those who use them today and those who will benefit from them in the future. By spreading the cost of major capital works over time, borrowing helps to reduce the immediate burden on today's	Online survey
	The City of Marion should prioritise living within its means to protect the long-term interests of our community. Borrowing money to fund the $39 million capital works program places an unnecessary financial burden on future ratepayers. A more responsible approach would be to reduce the program by $11.450 million to avoid taking on further debt. Better yet, reducing it by $23.6 million would allow the City to start paying down existing debt, strengthening our financial position for the future. If maintaining the current program is considered essential, any additional costs should be transparently covered through an increase in rates, rather than hidden through growing debt. Increasing debt only makes projects cost more over time through additional interest payments and limits our community's options in years to come. It is important that spending decisions reflect sustainability, responsibility, and respect for both current and future residents.		
	Overall budget allocation and balance appears good for long term strategy		

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
		ratepayers. Council's borrowing decisions are made with careful consideration of long-term financial sustainability, and our current financial modelling confirms we can service additional borrowings without compromising our future position.	
	The rate increase alone is above inflation. Combined with rising house prices this is increasing the problem	While new developments add more properties, it also brings increased demand for services and infrastructure. Council doesn't automatically collect more rates as a result. Rates are set based on the funding needed to deliver services and projects in the Annual Business Plan — not just property numbers or values. Each year, property values are independently set by the Valuer General. Council annually adjusts the rate in the dollar so overall increases in property values don't lead to higher rate revenue unless needed. It's simply a way to fairly share the total amount needed across all ratepayers.	
	With the amount of new development in this council area and the subsequent new rateable properties I believe the council should aim to leave rates steady and scale back on the grandiose idea of building the EMPIRE OF MARION. I realise from the ivory tower that this cannot be seen but we are hurting with the increased costs of business and especially compliance costs. Give us a bloody break!!		

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
	Your explanation of how you calculate our rates was fascinating in a time when every household is under extreme financial pressure. I liken it to an episode of "Yes Minister". I know as a retired accountant and Bank Manager what wonderful and creative things you can do with figures and graphs, and how you can ensure that the wording is at best, baffling to most. Here's an idea, why don't you (for a couple of years at least), restrict your rate increases to well below the CPI, to give your rate payers some breathing space. Then use what you get from the reduced rates to prioritize what really needs doing in tough times. I know my comments will not be received warmly, or even considered, but at least I feel better for having my say.	The explanation of how rates are calculated was introduced last year to help clarify a common misunderstanding — that rising property values automatically increase Council revenue. In reality, Council adjusts the rate in the dollar to ensure only the revenue needed to fund essential services and infrastructure is collected, not a windfall. We want to assure you that a great deal of care goes into developing the budget to balance service delivery, infrastructure renewal, and long-term financial sustainability, while keeping the impact on our community as low as possible. In fact, over the past four years (to June 2024), Council has restricted rate increases to an average of 2.05% — well below the average CPI of 5.15%	
	Thorough looking into every avenue of council. Too much spending on sports and not Culture as this is the largest silent group of ratepayers.	The City of Marion Building Asset Strategy (CoMBAS) is a 10-year forward outlook strategy that uses evidence, service level benchmarks and local context to inform future decision making and prioritisation to maximise the value and quality of assets and service delivery to the Marion community, within the City of Marion's financial capacity. We take a balanced approach to our spending and in recent years have invested in varying cultural initiatives such as the Marion Cultural Centre and Marino Hall. We also commit ongoing investments to ongoing activities, such as the Marion Brass Band, the Living Kaurna Cultural Centre and functioning of the Marino Community Hall.	

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Our organisation *Draft Plan, leadership*	Leave your egos at the door, dont micro manage staff and employ managers that have no idea that deliver not a great deal. Remember the fish smells at the head, and your business is people.	At the City of Marion we are committed to providing a positive employee experience while delivering efficient and effective services to our diverse community. Together our staff contribute to our organisational values to: • Focus on the customer • Engage with respect • Embrace excellence	
	The Draft Plan is comprehensive and responsive to immediate community needs and long-term sustainability. It maintains core services, invests in vital infrastructure, addresses environmental challenges, and is shaped by community feedback and independent review.	At the City of Marion, we want to lead the way in how we engage with our community, communicate with them, provide innovative and inclusive digital experiences, and promote our city. Our Marketing and Engagement Strategy 2022-2026 sets out the objectives, commitments and actions needed to achieve our corporate goals, give effect to our values, and increase public trust and confidence in the City of Marion. We will continue to strive for clearer and accessible information to enable involvement in decision-making.	
	Don't understand	Your feedback has been noted.	Hardcopy survey

Table 19: Community comments in response to the question 'please indicate your level of support for our Draft Annual Business Plan and Budget 2025-26.'

3.7 Other comments

Community were invited to share any final comments or feedback. The following table outlines the feedback or comments provided with a supporting response from the City of Marion staff:

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
Balance of spending *Expenditure, rates*	money is being spent on things that do not need upgrading, such as the Southbank Boulevard and reserve at Sheidow Park. It's already a lovely area, yet the reserve off Navigator/Holdfast Drive is awful. In winter its full of weeds which spread to the surrounding houses and in summer its just dirt and prickles. The admin building is also quite nice, so I don't think that should be upgraded ahead of other community facilities in a worse condition. More money should also be invested into ageing services.	These comments have been noted. Many residents have provided feedback requesting Southbank Boulevard Reserve be upgraded due to its popularity and high usage. This has been considered and endorsed resulting in the current version of the Open Space Plan. It should be noted that Miners Court Reserve has been endorsed for some upgrades within the Open Space Plan.	Online survey
	Surely there is a way to reduce the forecast deficit of $23.5m & $63.6m over 4 years. Electrifying vehicles for emission only when fuel vehicles are very old seems a low priority when countries like Indonesia are killing the planet with their Nickel mining/production & their Govt or ours doesn't do anything to stop it.	We acknowledge your concerns about global environmental impacts and the financial challenges we face. Transitioning to EVs is part of a broader strategy to reduce carbon emissions. While it may seem like a low priority compared to global environmental issues, every step toward reducing carbon emissions, including replacing old, inefficient fossil fuel vehicles — helps us reduce our carbon footprint locally and demonstrates Council's commitment to lead by example.	

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
	I selected two projects that I somewhat support but would be willing to forego to minimise debt. For the other projects, I remain neutral. Prioritising financial sustainability and reducing debt should take precedence over pursuing projects that could increase long-term costs for the community.	The City of Marion currently has low levels of debt and maintains a strong financial position, which provides us with the capacity to borrow responsibly when appropriate. Borrowing when used prudently, plays an important role in achieving intergenerational equity. This means that the cost of long-term assets — like roads, community facilities, and stormwater infrastructure — is shared fairly between those who use them today and those who will benefit from them in the future. By spreading the cost of major capital works over time, borrowing helps to reduce the immediate burden on today's ratepayers. Council's borrowing decisions are made with careful consideration of long-term financial sustainability, and our current financial modelling confirms we can service additional borrowings without compromising our future position.	
	Good budget		
	I would like to see more money spent on infrastructure, events, and environmental initiatives.		
	Given the economic climate increase in rates is far too much	Council has undertaken significant work to determine a responsible rate increase that carefully balances the impact on our community with the need to maintain essential services. This increase also considers ongoing investments in vital infrastructure and our capital renewal program, which are important for ensuring the long-term financial sustainability of the City of Marion.	
	The proposed percentage of increase to Council Rates is too high.		
	4.8% is a huge rate increase in a tough time		
	Keep costs down, keep rates down and look for efficiency		
	The proposal to hike rates is not compelling as stated, balanced against planned spending that does not largely		

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
	benefit all in the city. I would appreciate spending is moderated to do more to keep rates from increasing.	Like many organisations, the City of Marion continues to navigate challenging economic conditions and ongoing inflationary pressures as we look ahead to 2025–2026. We are also facing rising costs, particularly in the construction sector, where national cost increases are forecast to remain around 5% until 2027. These external pressures have been considered as part of our financial planning The council understands that many in our community are feeling the effects of the current financial climate, and we are committed to managing ratepayer funds responsibly.	
	Please realign the the increase in rates to align with actual inflation. This is the 3rd year in a row of very high increases in rates. Reduce the expenditure to give people a chance. Many are struggling with the higher cost of bills, interest rates, groceries. This shows an out of touch council that thinks more about delivering more capital works than it does providing the general service. Please continue with the main service, roads, reserves, waste etc and cut back on buildings cost		
	I don't want you spending more money on a sea pool at Hallett cove	The Hallett Cove seaside pool is currently an unfunded initiative. This project would require state or federal funding to be considered for delivery in the future.	
	The suburb 'Park Holme' is spelt incorrectly on pages 4 and 6 (as well as the signage at Coles Park Holme). The higher rate rise is expected as council tries to return to financial sustainability after the very low, and fiscally silly, rate rises during COVID. Council should reduce its spend on new or significant upgrades as this will only add to the operational budget pressures in future years.	We will amend the spelling of Park Holme in the final version of the Annual Business Plan 25-26.	
	Reduce employee costs!	Council takes the management of employee-related expenses seriously and closely monitors these costs	
	To much money spend on Addministration		

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
		using key performance indicators to ensure they do not increase at unsustainable rates. The increases in employee costs are largely driven by factors beyond our immediate control. These include: • Enterprise Agreement provisions which are negotiated in good faith and reflect industry standards, • Mandatory increases to the Superannuation Guarantee, as required by Federal legislation, and • Additional staffing resources approved by Council to deliver endorsed strategic initiatives and meet growing community expectations. In addition, the remuneration of the Chief Executive Officer (CEO) is not determined by Council alone, but is set by the South Australian Remuneration Tribunal, which ensures independent and consistent regulation. Council remains committed to delivering cost-effective services while ensuring fair and lawful treatment of its workforce. We appreciate your concern and will continue to manage employee costs	

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
		responsibly as part of our overall financial sustainability strategy.	
	Would like to see a higher percentage allocated for health and community care	The City of Marion will be increasing service delivery via our Commonwealth Home Support Program in 2025/26, and we will continue to offer new and ongoing services through our libraries, community centres and special interest areas such as environment, community gardens and sport.	
Our organisation *Services, Urban Planning, and project planning*	Great focus on the environment, I would however inquire if a well structured and robust service review has been done over council services to ensure service costs are aligned to the communities needs and requirements.	Council is always looking for ways to address increasing costs and demands. Council staff follow a Continuous Improvement Framework which provides staff with clear direction on identifying, analysing and implementing improvements for processes or services delivered by the City of Marion. We have a Continuous Improvement Program the enables a structured approach to enhance efficiency and effectiveness over time by fostering a culture of innovation and learning.	
	NO NEW PETROL STATIONS should be built in residential areas. Commercial sites fine. Not next to residences	The location of development is regulated by the state government's Planning & Design Code. The Planning & Design Code provides guidance on the types and forms of development encouraged or discouraged within the different Zones.	
	Coastal property areas should be allowed to sub divide into smaller lots similar to Holdfast Bay with areas of 300 - 400 Sq meters per single detached dwelling per lot size in Marino	The consultation outcomes of the recent Southern Suburbs Residential Policy Code Amendment were clear that further subdivision of these locations is not	

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
	south of the train tracks and near train services and recreational coastal property	supported. Notwithstanding this, there is some merit in exploring limited increases in density for locations with close proximity and accessibility to the rail stations in this location, subject to suitable slope and infrastructure capacities. These can be explored as part of Council's response to the Greater Adelaide Regional Plan.	
	I note there's a rate differentiation for non improved land. Please consider residences where nobody has lived for more than 6 to 12 months. One house in my street has been empty for 25 years...another has been empty for 12 months. This is Glengowrie...there are vermin issues, devaluing other properties security risks and they could be developed to support community housing. It's disgraceful and increasing rates on uninhabited properties will encourage owners to improve their properties. I believe this is a stray employed in some councils in Victoria.	Council has powers under the Local Nuisance and Litter Control Act to investigate reports of unsightly properties. This is defined through the Act as excessive, rubbish, waste, overgrown vegetation, stockpiles of items that a reasonable person would consider rubbish or waste. Only buildings that are partially demolished, damaged or dilapidated can be deemed as unsightly and allows council to take action. There are no provisions in this legislation for houses that remain vacant. If rats or other pests are a concern depending on the circumstances either Community Safety Inspectors or Environmental Health Officers can make an assessment when reports are made directly to Council.	
	Again I want to see more public transit in the region. I'm not a driver as I have autism. I would also like to have more	Council has resolved to advocate for State legislation change to remove the requirement for a weekly	

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
	transit services to and from Marion to Mt. Barker without going to the city. Increase public transit from Every 60 minutes to every 30 minutes on weekends and have more bus connections to Hallett Cove Beach with train connections from the first train on weekends to the last train on weekends. Plus waist and Recycling Collection should be changed as recycling every weekly and garbage every 2 weeks.	kerbside landfill (red bin) collection, without which it would be cost prohibitive to change any of our bin collection frequencies. We do have a Transport Plan 2021-2026 that outlines the Council's transport and movement outcomes for the city, and the strategies and actions to achieve these over the coming years. However, Public Transport services fall under the remit of the State Government and we encourage you to reach out to the Department for Infrastructure and Transport on 1300 872 677 or contact them online.	
	I think some of the larger projects should be planned to be funded and executed in phases over multiple years	Some larger projects can be staged over multiple years allowing for better planning and allocation of costs over multiple years. There are cases where funding a project in a single year provides cost efficiencies or where grant funding requires the delivery of a project within a specific timeframe.	
	Housing developments need to be approved by council, so council has the power to stop all the gutter-by-gutter concrete-ghettos that are currently being built. Their existence proves the council is not committed to reducing the effects of climate change. Masses of concrete and steel provide hot spots which then use more energy to keep residents cool. I believe the answer is for council to mandate a larger space between the properties, and insist that front and rear gardens are included in each property. New trees should also be mandatory with each new dwelling.	The state government's Planning & Design Code provides guidance on the development outcomes sought within specific zones across the state. The Code provides the specific requirements in relation to density, built from outcomes and open space/tree planting requirements.	

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
		The Building Code of Australia and the National Construction Code mandates the construction material and energy efficiency requirements.	
	Your website is difficult to use and needs to be more accessible. I used to pay my rates online and now I do it at the post office because the website is hard to use. This costs the council more money.	We are actively working to improve the website's usability and accessibility to better support all users.	Pop-up session (verbal)
Community spaces *Infrastructure and livability*	Resealing of Dutchman road is good but not complete necessary however footpath along Dutchman is broken, stained and in need or redoing	Both our road and footpath networks are monitored for condition and defects. Works are prioritised on worst case first. Staff will inspect the footpath of Dutchman Drive to identify and repair any defects.	Online survey
	Traffic lights at cnr of Quick and Marion Rd dangerous and busy area and inconvenient especially with many road closures on South Rd.	This junction is the responsibility of the Department for Infrastructure and Transport. Your request has been referred onto the Department for their consideration.	
	The 681 bus to be extended from Hallett Cove Beach Station to the roundabout at the shorefront. That is a BIG hill to walk back up to the Beach Train Station. More people may use the bus to visit the shore if they didn't have the long walk.	Your concerns will be forwarded to the South Australian Public Transport Authority. We are committed to advocating to the State Government on your behalf.	Promotional table
	Please include the development of the open space for the Worthing Mine at Sheidow Park I strongly support this. The Tourism it would attract and envoke an intrest in our local history of the area that not many people are aware it the oldest coppermine in South Australia just as the Mines on the Yorke Peninsula. The chimney stack is in good condition and visible. Public access to this as an extension to the field river to create a reserve bbq area.	This comment has been noted however, this is not on council land.	Online survey

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
	Fix the issue of local residential traffic and the debacle at St Martin de Porres school!!! It's an absolute disgrace	Council is aware of traffic and parking concerns within the locality of the St Martin de Porres School, namely Berrima Road and Werlinga Road, Sheidow Park. We are currently undertaking a review of the situation to ascertain whether improvements can be made to alleviate congestion during both AM and PM peaks associated with school drop off and pick up times. We anticipate to have the review finalised before end of June 2025.	
	Please fix the traffic and speed issues on Grand Central Avenue in Hallett Cove. Trucks drive straight over the roundabout, damaging infrastructure. Council is constantly paying to repair, but it's not rectifying the issue. I've reported this to council and Elected Members and haven't been satisfied with the response.	Council's Transport team will investigate the traffic and speeding issues on Grand Central Avenue, Hallett Cove. Council's roundabouts are designed to cater for large vehicle movements and loads. We acknowledge that when assets get older maintenance activities often increase. We monitor our assets frequently and investigate the most cost effective approach when determining maintenance activities vs. renewal.	Pop-up session (verbal)
	The house opposite me was sold and demolished and is being transformed into a housing block with 12-14 townhouses/housing complex. I am concerned about traffic, noise and light changes, traffic and congestion increases and parked cars. Also stress on the water systems, stormwater and sewerage system. Two weeks ago SA water had to come and fix the underground water system and pipes as they had been disturbed and water was leaking and pressure building	Thank you for taking the time to share your concerns about the redevelopment happening opposite your property. We understand that significant changes like this can have on the character of local streets, especially when it comes to increased traffic and demand for on-street parking.	Online survey

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
	was causing flooding. It appears that more pressure will be on these old systems. One house with 2 people is now 14 with multiple people and toilets flushing. Please consider infrastructure and upgrades and also on road and street parking. I use Norfolk road every evening and notice so many cars parked in the street and have had frequent near missees as cars weave in and around traffic and parked cars. It's sadly changed the feel of the street and you have to be careful as cars are not always safe and seeing ongoing traffic as they pull out and around cars parked in the street. This happens on a few streets in Marion.	We acknowledge the broader issues of traffic and parking on Norfolk Road — these are being reviewed in conjunction with a Streetscape upgrade planned for 2028-29. To assist with the increase demand for parking, Parking Management Guidelines have been developed to provide a clear, more holistic direction on when to implement the most appropriate and consistent intervention to address parking concerns raised within the built road network in the City of Marion. Your comments about water and sewerage infrastructure are the responsibility of SA Water. The state government's Planning & Design Code provides guidance on the development controls.	
	I note on Appendix 1 (at page 36), under the heading 'Stormwater program 2025-2026', reference is made to Brolga Place, Sturt. We live on Day Street, intersecting with Brolga Place and was wondering if you could please provide more information about this part of the programme.	The Stormwater Project for Brogla Place, Sturt extends the current network (approx. 100m) from the corner of Brogla Place and Day Street, along Day Street and into Ralph Street, Sturt. This is to alleviate flooding issues and concerns within the local area.	Email
	Please make a zig zag path up the hill from the Boatshed HC. The current path is too steep for the elderly, prams, etc. It also need seats + revegating with indigenous plants.	This concern has been acknowledged, we understand that the current gradient can be challenging, especially for older adults, families with prams, and those with mobility concerns.	Promotional table
	Same I agree to!		

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
	I agree: please also have seating along this path and shelter	A change to the nature of the path, seating and additional revegetation will be considered as part of future planning for the area.	
	Signs needed at the BBQ reminding people to clean it after use. Still often left in a terrible dirty state. Thank you.	BBQs are cleaned on a regular schedule based on usage. Additional signage can be considered as required.	
	More art work.	We have recently consulted on our draft Public Art Strategy 2025–2030. Where we invited the community to review the draft plan and provide feedback to help us deliver an effective strategy to maximise the benefits of public art within the City of Marion.	
	When will we have our tidal pool at the Cove, please? Much anticipated and needed. Thanks.	The Hallett Cove seaside pool is currently an unfunded initiative. This project would require state or federal funding to be considered for delivery in the future.	Online survey
	I would like to know more about the sea pool and if it's going ahead.		Pop-up session (verbal)
	Not happening now because Labor does not support it.		Promotional table
	Tidal pool pls. x		
	New dog friendly parks with toilets for disabled people & kids.	We create reserves upgrades that cater to a wide range of ages and interests, allocating the budget to ensure there's something for everyone as endorsed in the Open Space Plan. City of Marion is home to several regional-level playgrounds with more extensive equipment for younger children.	
	More playgrounds for toddlers and more avenues for party celebrations		
	Indoor playgrounds needed ASAP		

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
		Council strategically considers the placement of its facilities to ensure it provides adequate and equitable provision of facilities for park users and residents across the City. The suggestion of indoor playgrounds is noted; however, Council is cautious about impacting the revenue of existing indoor play cafés operating within our municipality.	
Community spaces *Programs and services*	I want to express my deep concern on the recent decision to cancel the Move It Program, which has been an invaluable resource for many members of our community. This program has had a profound impact on the physical, social, and mental well-being of its participants, and its removal would be a significant loss to those who rely on it. The benefits of the exercise program extend far beyond just physical fitness. I have experienced improved cardiovascular health, increased strength, and greater flexibility, which is especially important for seniors. By promoting physical activity, the program is also helping me reduce the risk of obesity, diabetes, heart disease, and other costly long-term health issues, which can otherwise place a tremendous strain on local healthcare systems. Equally important, the program fosters a sense of community and social connection (we often meet for a coffee after classes). Like me, many participants have expressed how the group setting has helped us form meaningful relationships, combat feelings of isolation, and feel more	Your feedback on the future of the Move it program has been noted. *Move It* was a State Government funded program for a regional partnership between the Cities of Marion, Holdfast Bay and Onkaparinga to help our local communities discover new places, spaces and ways to 'move it', locally. A grant has been submitted to continue the program however future State Government funding has yet to be confirmed for the 2025-2026 financial year.	Online survey

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
	connected to others. Social engagement is a critical factor in mental health, especially as we see rising levels of anxiety and depression in communities across the country. The exercise program has been a vital space for me to not only improve my physical health but also maintain mental well-being. The cancellation of this program could lead to increased healthcare costs in the future. The evidence is clear that investing in preventative health measures, such as exercise programs, can dramatically reduce the need for more expensive treatments down the line. By promoting a healthier, more active population today, the council is also ensuring a more sustainable, cost-effective approach to healthcare tomorrow. I urge you to reconsider this decision and explore alternative funding opportunities to ensure the continuation of this important program. The benefits to me and the community—both in terms of health and social cohesion—are immeasurable, and its absence will be felt by many.		
	I would like the Move It program funded by the city of Marion. I have been a participant for this program for the last 3 year and for it to just be cancelled and no consideration by the council to pick up the classes and continue funding the program is outrageous.		
	Really appreciate the programs and services available through the City of Marion! Won't provide feedback as I live in the City of Onkaparinga, outside of the Council area.	Support for these initiatives has been noted.	Pop-up session (verbal)

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
	I really value the library services at Cove.		
	I live in the City of Holdfast, but really appreciate the library services.		
	Can we have an updated park at Pavana Reserve with some more toddler friendly options as well. P.S. my child loves the flying fox their	Irrigation and minor improvements are being carried out at Pavana Reserve this financial year. Council has endorsed a playground upgrade for 2031-32. Nearby playground alternatives include Koomooloo Crescent Reserve and Shamrock Road Reserve.	Promotional table
	I really value aged home support services, they are important to my neighbor. I would like to access some home support too.	Your comments have been noted. We would be very happy to discuss your home support needs. Please reach out to our Positive Ageing and Inclusion team on 8375 6649	
	I recently helped a friend recovering from a procedure access your community programs and services – they were great!		
	I would like to know if library opening hours will be extended?	We don't currently have plans to extend the opening hours of libraries however are investigating an option to provide 'after hours access' to community . More will be known on the feasibility of this in 2025-26.	Pop-up session (verbal)
	Would really like to have more AUSLAN services and programs	We will provide this feedback to our programming teams in the Libraries and Community Centres to look at ways we can expand AUSLAN within our community.	
	More AUSLAN services		Pop-up session (written)
	More diverse community programs and events to connect with similar age groups and like-minded people	We will provide this feedback to our programming teams in the Libraries and Community Centres to look at ways we can continue to expand to greater	Pop-up session (written)

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
	Many of your programs are aimed at 65+ or much younger. Would like to have more programs and events, for people who are under the age of 65 that may have retired earlier, be female and divorced.	range of age categories and our diverse community needs. We currently offer a range of council and community run programs through our four Community Centres and these often change between terms and throughout the year – the program is always available online https://www.marion.sa.gov.au/venues-and-facilities/neighbourhood-centres/programs Community Safety Inspectors regularly undertake proactive patrols of local parks, reserves, and surrounding streets to monitor compliance with dog control regulations, including leash requirements and general animal management standards. To support community awareness, all Council-managed reserves are equipped with clearly visible totem pole signage outlining the specific dog access requirements for each area. Additionally, in many locations, path decals are in place to indicate whether dogs must be kept on a leash or may be exercised off-leash under effective control.	Pop-up session (verbal)
	I would like to see an increase in community centre active programs for every age group More monitoring /signage at parks to help avoid irresponsible dog owners putting dogs at risk.		Online survey
	FOCUS ON MENTAL HEALTH POST COVID & COMMUNITY ENGAGEMENT & CONNECTION	Thank you, we will pass this through to our Engagement team and also our Community Connections team to consider ways to respond to your feedback.	Promotional table
	Make more BOOKS	Our libraries are very popular and we will continue to invest our State Government funding allocation to	Promotional table

Theme	Community feedback (verbatim)	Council response (if required)	Feedback method
		our library book collection and our focus on buying items that the community area keen to read. We are also working on our e-book collection and streaming services as many in our community are also wanting to access 'books' via different ways.	
Environmental sustainability *Resilience*	The integration of climate resilience and sustainability into all aspects of planning is essential and should remain a high priority. The focus on cost efficiencies and reporting, as recommended by ESCOSA, will further strengthen trust and value for ratepayers. Continued, inclusive community consultation will ensure the diverse needs of all Marion residents.	Council recognises the importance of climate resilience and sustainability and will continue to integrate these priorities into financial planning, risk management, asset management, and service delivery. Agreed—enhancing cost efficiency and transparency supports greater trust and value for our community and will be a continual focus.	Online survey

Table 20: General community comments regarding the Draft Annual Business Plan and Budget 2025-26

4. End document

City of Marion
FUNDS STATEMENT - GENERAL FUND

		Projected Years								
	2025/26 $'000	2026/27 $'000	2027/28 $'000	2028/29 $'000	2029/30 $'000	2030/31 $'000	2031/32 $'000	2032/33 $'000	2033/34 $'000	2034/35 $'000
Rates Indexation	4.80%	3.75%	3.50%	3.25%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%
Income										
Rates	100,395	105,233	110,036	114,779	119,723	124,577	129,623	134,871	140,327	146,000
Statutory Charges	2,820	2,905	2,985	3,059	3,136	3,214	3,295	3,377	3,461	3,548
User Charges	4,732	4,874	5,008	5,133	5,261	5,393	5,528	5,666	5,807	5,953
Grants, Subsidies and Contributions - operating	11,661	10,296	10,532	10,753	10,978	11,210	11,447	11,691	11,940	12,195
Investment Income	350	350	350	350	350	350	350	350	350	350
Reimbursements	751	774	795	815	835	856	878	899	922	945
Other Income	393	404	415	426	436	447	459	470	482	494
Net gain - equity accounted Council businesses	793	817	841	867	893	919	947	975	1,005	1,035
Total Income	**121,895**	**125,653**	**130,962**	**136,181**	**141,613**	**146,966**	**152,526**	**158,299**	**164,294**	**170,519**
Expenses										
Employee Costs	50,088	51,591	52,290	53,858	55,474	57,138	58,852	60,618	62,437	64,310
Materials, Contracts & Other Expenses	45,493	47,124	48,097	48,820	50,181	51,854	52,701	54,002	55,379	56,834
Depreciation, Amortisation & Impairment	24,921	25,918	26,954	28,841	30,572	32,736	35,117	37,225	39,458	41,825
Finance Costs	849	1,338	1,735	3,222	3,294	3,085	2,869	2,628	2,384	2,357
Total Expenses	**121,351**	**125,971**	**129,076**	**134,741**	**139,520**	**144,813**	**149,540**	**154,472**	**159,657**	**165,326**
Operating Surplus	**544**	**(318)**	**1,886**	**1,440**	**2,092**	**2,153**	**2,986**	**3,827**	**4,637**	**5,193**
Operating Surplus Ratio	***0.45%***	***-0.25%***	***1.44%***	***1.06%***	***1.48%***	***1.47%***	***1.96%***	***2.42%***	***2.82%***	***3.05%***
Amounts Received Specifically for New or Upgraded Assets	5,105	8,866	5,949	10,080	6,961	10,015	1,364	5,355	19,082	16,703
Net Surplus / (Deficit) for the Year	**5,649**	**8,548**	**7,835**	**11,521**	**9,053**	**12,169**	**4,350**	**9,182**	**23,719**	**21,896**
Capital (Balance Sheet) and Reserve Movements										
Capital Expenditure	(34,798)	(39,867)	(60,861)	(40,991)	(33,106)	(42,340)	(25,762)	(35,743)	(72,188)	(71,878)
Loan Repayments (External)	(3,331)	(1,351)	(1,988)	(3,337)	(3,479)	(3,684)	(3,901)	(4,132)	(4,376)	(4,945)
Funds from Surplus Asset Disposal	2,500	-	-	-	-	-	-	-	-	-
Funds from Replaced Asset Disposal	17	476	281	250	766	516	757	817	643	908
New Loan Borrowings (External)	10,950	7,250	28,700	4,750	-	-	-	-	4,060	6,550
Net Transfers (to)/from Reserves	4,840	(99)	(28)	(99)	(2,849)	1,601	(9,549)	(6,299)	9,751	6,751
Total Capital (Balance Sheet) and Reserve Movements	**(19,821)**	**(33,591)**	**(33,895)**	**(39,427)**	**(38,667)**	**(43,907)**	**(38,456)**	**(45,357)**	**(62,109)**	**(62,614)**
Net Result (including Depreciation & Other non-cash items)	**(14,172)**	**(25,043)**	**(26,060)**	**(27,907)**	**(29,614)**	**(31,738)**	**(34,106)**	**(36,175)**	**(38,390)**	**(40,718)**
Add back Depreciation Expense (non-cash)	24,921	25,918	26,954	28,841	30,572	32,736	35,117	37,225	39,458	41,825
Add back Other Expenses (non-cash)	(793)	(817)	(841)	(867)	(893)	(919)	(947)	(975)	(1,005)	(1,035)
Less Grants Received in Advance	(4,943)	-	-	-	-	-	-	-	-	-
Deferred borrowings not used in prior years	(4,939)	-	-	-	-	-	-	-	-	-
Cash Budget Surplus	**74**	**58**	**53**	**68**	**65**	**78**	**65**	**74**	**63**	**73**

7.5 Quarterly Corporate Risk report - Q3	
Report Reference	FRAC250603R7.5
Originating Officer	Unit Manager Strategy and Risk - Sheree Tebyanian
Corporate Manager	Manager Office of the Chief Executive - Sarah Vinall
General Manager	Chief Executive Officer - Tony Harrison

EXECUTIVE SUMMARY

The purpose of this report is to provide the Finance, Risk and Audit Committee (FRAC) with an overview of the City of Marion Corporate Risk Register review for Quarter 3, 2024-25 (1 January to 31 March 2025)

RECOMMENDATION

That the Finance, Risk and Audit Committee:

1. **Notes the Corporate Risk Register**
2. **Provides any feedback for consideration**

DISCUSSION

During Q3 2024-25, a review was conducted of the council's Corporate Risk Register, facilitated by the Risk Business Partner.

The quarterly reviews focused on:

- Controls review: confirming that the existing controls are accurate and support the residual rating, and to update the list with additional or new controls.
- Tasks: Ensuring progress updates and extended timelines were added to review notes.
- High risk review- See Attachment 1.

Key risk quarterly activity

- Risk Assurance Assessment: KPMG has completed an Assurance Mapping Audit, aligned with the Councils' Internal Audit Plan. The scope included a review of selected risks and their controls. Stakeholder engagement meetings were completed in March, and management has provided a response to the recommendation. A final report is due to be issued in late May 25.
- Risk Maturity Assessment: KPMG has completed a Risk Maturity Assessment to evaluate council's current risk management maturity, using the 2021 maturity assessment as a benchmark. KPMG will deliver recommendations and a three-year action plan to address any gaps that are identified out of the review. The KPMG report is expected to be returned for management review in early June 2025.
- Climate Risk Register: A draft version of the Climate Risk Register with 6 overarching risks was presented to ELT on the 10th of April, and the first iteration has been endorsed, with some minor feedback. The Climate Risk Register will be included in a report to the FRAC on 3 June 2025.
- New Risk Business Partner: In April, a new team member was employed to fulfil the Risk Business Partner- Insurance and Claims position that had been vacant since February.

LGRS Risk programs available

- **Motor Fleet Risk Management Program.** The Local Government Association Asset Management Fund (LGAAMF) advises the roll out of a Motor Fleet Risk Management Project, a fully funded project, that identifies how fleet risks are presently managed by the sector. Councils are 'at fault' for 79% of motor vehicle accidents. LGAAMF has one level of cover available across the sector which is comparable to comprehensive cover.

  Participation in the Fleet Risk Management Program is recommended as it enables the Fund to benchmark the fleet safety performance and identify areas for improvement. The fund will then look to align fleet risk mitigation strategies to protect the LGAAMF through reduction in claim frequency, and/or cost. Following the on-site review, the LGAAMF will provide council with a report that includes its findings and key recommendations to mitigate fleet risk.

- **Generative AI Risk Management Program.** The LGAAMF completed the pilot phase of the Generative AI Risk Management Program in 2024. As an outcome to the pilot, LGAAMF has created an AI Risk Management Guideline that adheres to international standards, specifically the National Institute of Standards and Technology (NIST) AI frameworks.

  The guideline highlights potential risks and opportunities associated with Generative AI, offering a structured approach for council to identify, assess, and mitigate these risks. It provides practical insights, risk management activities, and tailored recommendations for Local Government, allowing for customisation based on unique circumstances.

  LGRS will also be recommending to the LGAAMF Overview Committee future funding to provide Members with 10 hours of consulting to assist with implementation or training on the guidelines. This funding proposal will be presented to the LGA Asset Mutual Fund committee in June, with potential funding available to members after 30 June 2025. Further information will be shared with councils in July following the LGAAMF Overview Committee meeting.

1.1 Analysis of Quarter 3 2024-25 Risk Metrics

The Q3 2024-25 review of the Corporate Risk Register confirmed 99 existing risks. This quarter the Climate Risk Register was developed, and it was agreed that the climate related high risk **CR0058** *Failure to identify, assess, and manage climate-related risks and opportunities that affect our operations and community"* would move across to the Climate register, thereby reducing the Corporate Risk Register from 100 to 99 risks (details in 1.6 below)

Table 1 illustrates the Corporate Risk Register residual risk ratings, being 2 high, 68 medium, and 29 low.

Inherent Risks					
	Insignificant	Minor	Moderate	Major	Severe
Almost Certain	0	0	8	4	3
Likely	0	0	14	21	14
Possible	0	1	10	18	3
Unlikely	0	1	1	0	1
Rare	0	0	0	0	0

Residual Risks					
	Insignificant	Minor	Moderate	Major	Severe
Almost Certain	1	1	0	0	0
Likely	0	4	0	2	0
Possible	0	1	16	0	0
Unlikely	1	16	29	10	0
Rare	0	3	9	6	0

Target Risks					
	Insignificant	Minor	Moderate	Major	Severe
Almost Certain					
Likely					
Possible			60		
Unlikely		39			
Rare					

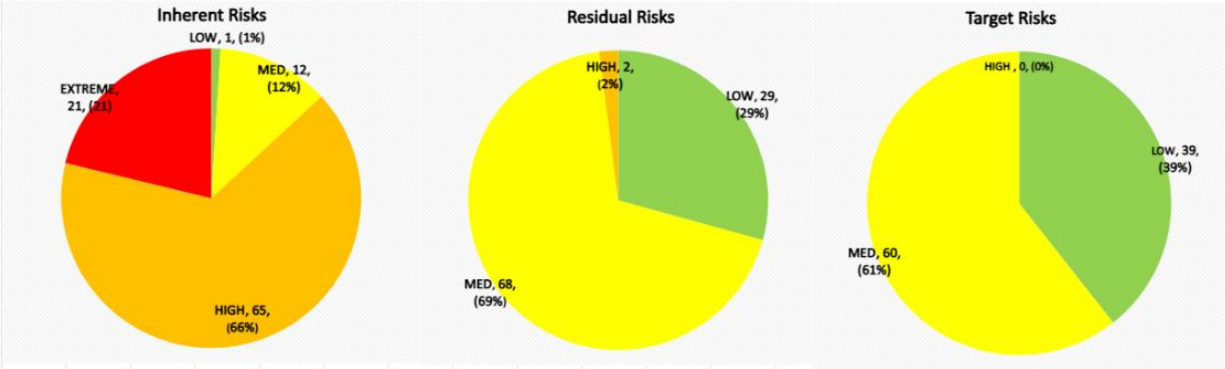


Table 2: Corporate Risk Register- Comparative outcomes of last four quarters. This table illustrates the movement in our risk exposure over the previous 12 months.

	Quarter 4 - 2023/24 April to June			Quarter 1 - 2024/25 July to September			Quarter 2 - 2024/25 October to December			Quarter 3 - 2024/25 January to March			Overall Impact
	Residual High Risk - 4%			Residual High Risk - 3%			Residual High Risk - 3%			Residual High Risk - 3%			Residual movement
	Inherent	Residual	Target	Inherent	Residual	Target	Inherent	Residual	Target	Inherent	Residual	Target	
Extreme	22	0	0	22	0	0	22	0	0	21	0	0	⟷
High	66	4	0	64	3	0	65	3	0	65	2	0	↓
Medium	13	71	64	14	71	63	12	70	62	12	68	60	↓
Low	1	27	38	1	27	38	1	27	38	1	29	39	↑
Total	102	102	102	101	101	101	100	100	100	99	99	99	

This quarter risk reviews focused on ensuring risk controls were documented in line with recent KPMG feedback for key controls **"controls are processes or systems that reduce risk, which are complete and in place".** Aligning to this definition led to some minor control name changes and amendments.

1.2 Re-assigned risks

One risk was transferred from Kate McKenzie, Manager People and Culture to Sarah Vinall, Office of the CEO to reflect the change in positions.

CR0047 Failure to appropriately manage high risk activities undertaken by CoM Governance Staff (such as isolated workers, aggression in the workplace & high-risk activities during investigations etc.)

1.3 Re-rated risks

Risk ID	Risk Description	Owner	Previous Target Risk Rating	Updated Target Risk Rating
CR0085	A Customers experience with Customer Services is substandard	Manager Customer Experience and Engagement	Medium	Low

The rationale for this rating change is that the Residual risk was already rated as LOW, so the target rating should also reflect LOW. Correcting an oversight.

Risk ID	Risk Description	Owner	Previous Residual Risk Rating	Updated Residual Risk Rating
CR0091	Unlicensed use of copyright material.	Manager Customer Experience and Engagement	Medium	Low

The rationale for this risk rating change is attributed to some actions being completed and new controls implemented to strengthen our control position. These included the Use of Imagery Procedure and the Register for use of digital images and artwork established. The Target risk rating was met.

Risk ID	Risk Description	Owner	Previous Residual Risk Rating	Updated Residual Risk Rating
CR0093	Failure to respond effectively to an incident where there is potential for reputational damage or adverse media.	Manager Customer Experience and Engagement	Medium	Low

The rationale for this risk rating change is also attributed to the completion of tasks, and new controls implemented to strengthen control position. These included the Social Media Publishing procedure, and a monitoring check has been implemented to be completed by a key Senior Officer on all social media. The Target risk rating was met.

1.4 New risks

There were no new corporate risks implemented during the Quarter, however at the recommendation of the Finance Risk and Audit Committee at their February meeting, presentation of the 'next level of key risks' was considered. The Strategy and Risk team proposes inclusion of **emerging or topical risks** and discussions were held with all Risk owners in the review period. These have been documented and monitored for potential escalation of existing risks, or to raise new risks. The details of the discussions and risks in question are provided in **Attachment 2.**

1.5 Merged risks

There were no risks merged during the Quarter.

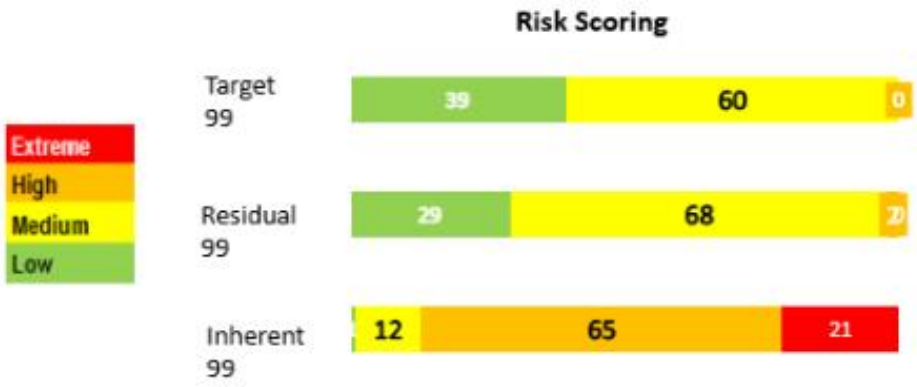
1.6 Risk Description change

There were no risks with descriptions changed, there was some minor tweaking to a couple of risk descriptions to provide better clarity, but no significant changes, or changes to the "intent" of the risk description.

1.7 High Risks

Although the Risk Appetite outlined in the RMF outlines varying tolerance levels for specific risk criteria, the reporting structure requires that risks with a current risk rating of **Extreme or High** are to be reported to the ELT and subsequently, to Council via the Finance, Risk and Audit Committee. There are currently **2 risks assessed as HIGH** - outside of the adopted risk appetite.

Table 3 Corporate Risk Register Q3, 2024-25- Risk scoring overview



1.8 External Issues/ Opportunities

Inflation

In The March 2025 quarter, the Consumer Price Index (CPI) indicator rose 0.9% per cent and 2.4% annually (ABS). The most significant contributors to the annual movement were Food and non-alcoholic beverages (+3.2 per cent), Alcohol and tobacco (+6.5 per cent) and Housing (+2.0%)

Cost of Living

The Reserve Bank of Australia (RBA) decreased the cash rate by in February and May by 0.25 basis points of a percentage point, to 3.85 percent. The 'Big 4' banks are predicting two or three further rate cuts this year, but RBA commentary states there is 'no guarantee'. Household pressures related to the cost of utilities, groceries, insurances and healthcare remain prevalent and it is likely a reprieve in interest rates will alleviate the current pressure on households.

Volunteers

The People and Culture Team has advised that there has been an increase in volunteer numbers over the last 2 months. There was a risk of losing a volunteer program, the **Urban Tree Warriors,** but with some additional numbers this has been stabilised. This is attributed to the Volunteer Strategy being in place, and ongoing promotion by the Volunteer Coordinator.

Upcoming Election

The federal election was held on 3 May. The Federal Labor candidate for Kingston pledged $5m toward supporting grassroots football and cricket at the Cove Football Club and Cove Cricket Club with the funding supporting councils planned Stage 2 upgrade at the site.

Drought conditions outlook

Drought conditions are impacting the state, and government emergency measures have been implemented to support farmers. The Desalination (DESAL) plant is providing South Australians with water resources, and key reserves within the City of Marion are supported by the Marion Water Business. Discussion amongst key teams across the business indicate they do not foresee water restrictions becoming a factor, due to the DESAL plant, but they can envisage that the demand for irrigation, and our ability to deliver the irrigation and increased cost of water supply may become an issue.

ATTACHMENTS

1. Attachment 1 Q3 Corporate Risk HIGH Risk Report 2024 2025 FRAC [**7.5.1** - 4 pages]

1. CR0026: Injury or damage arising out of a failure of CoM contractors to comply with contract conditions and CoM WHS requirements.

Risk Area	Risk Owner Position	Risk Category	Inherent Risk	Residual Risk	Target Rating	Within Tolerance
People & Culture	Manager People & Culture	Health, Safety & Wellbeing of our People	High	High	Medium	No

Context Background & Env Considerations: CoM contract management purposes are manual with no clear process or system having been implemented into the City property team through a trained and supported approach. Consideration is being given to using Skytrust to overcome these weaknesses.

Risk Statement: There is a risk of non-performance of contractors engaged by CoM to undertake high risk Land & Property related activities as a consequence of a failure to effectively apply a rigorous, commercial, and proactive contractor Induction and management process. Which may result in a failure to deliver services within the intended scope, budget, timeframe and to the required standard of safety and legislative compliance, leading to additional operational costs, the potential for injury or harm, litigation, reputational and community relationship degradation.
There is a risk of contractors failing to adhere to CoM WHS performance standards. This risk may be exaggerated when those performance standards are not made clear or understood by various stakeholders (contractors, people engaging contractors, staff, subcontractors etc.).

Risk Detail	
SLT / ELT Owner	Kate Mckenzie / Tony Harrison
Strategic Link	Our Organisation
Link to Business Plan	Develop the City of Marion Building Asset Strategy to meet community, sport and recreation needs.
Stakeholders	SafeWork SA, Community (facility users), Staff (facility users), Council members, Risk Unit, City Activation, Operational Support.
Consultation	Consultation through City Property team meetings and regular engagement with the Risk Team.
Likely Causes	Failure to undertake site inspection and hazard identification prior to commencement of work. Inconsistent / Ineffective WHS induction of contractors Inconsistent application of contract management processes Ineffective monitoring and evaluation of Contractors' WHS practices/performance Ineffective procurement processes that evaluate Contractors' WHS practices/performance
Consequences	Disruption to works impacting CoM & team. CoM exposure to liability Net increase in operating costs Serious injury to Workers, Contractors, or member of Public Officers' exposure to criminal litigation Reputational damaged through adverse media coverage Disruption to works impacting local community.

Control	Control Owner	Control Effectiveness
CoM Insurance	Sheree TEBYANIAN	Effective
Contract Management Checklist -Contractor Induction/Observation/Monitoring forms are completed for site induction, observation, and monitoring (inc. record keeping)	Mark JENTSCH	Effective
Contract Management Policy & Procedure (inc. Checklist)	Colin HEATH	Effective

Control	Control Owner	Control Effectiveness
Contractor site Induction (inc. handover of CoM Risk assessment plus contractor generated site hazard and risk assessment before commencement)	Mark JENTSCH	Effective
Outcomes from Business SA Audit of CoM Contract Management	Mark JENTSCH	Effective
Procurement Procedure	Colin HEATH	Effective
Tender Evaluation procedure	Colin HEATH	Effective
Contractor Management training and SharePoint site.	Colin HEATH	Effective

Task	Task Owner	Status	End Date
Holistic review of Contractor management across P&C, WHS and Procurement team	Kate McKenzie	Progressing	30/06/2025

2. CR0053: Ineffective & inefficient strategic project and portfolio management/monitoring to deliver successful objectives and outcomes.

Risk Area	Risk Owner Position	Risk Category	Inherent Risk	Residual Risk	Target Rating	Within Tolerance
Project Management Office	Manager Enterprise PMO	Business Continuity /Organisational	High	High	Medium	No

Context Background & Env Considerations: The Project Management Office was introduced a number of years ago with a Project Leader and a Project Support Officer. The team developed a Project Management Policy and Framework and implemented CAMMS project management software however, the implementation and uptake of these documents and software solution was inconsistent.

Risk Statement: There is a risk that work areas across the organisation are managing projects and project risk through differing methodology and that projects are not easily able to be monitored by the Executive Leadership Team.

Risk Detail	
SLT / ELT Owner	Karen Blake / Tony Harrison
Strategic Link	Our Organisation
Link to Business Plan	Implement the Project Management Office
Stakeholders	Organisation-wide
Consultation	All Stakeholders
Likely Causes	Inadequate assessment of strategic Project management needs Inefficient adoption of PMO Framework and policies. Lack of consistent Project Management system. Lack of PMO resources Omission of key considerations in project outline e.g.: risk/insurance/WHS/finance/reporting/contracts
Consequences	Poor business/project planning Inability to effectively deliver projects. Assets not being insured. Inadequate staff levels for projects Failure to achieve strategic objectives and identified benefits of the project. Community dissatisfaction

Control	Control Owner	Control Effectiveness
Established a centralised EPMO	Karen BLAKE	Partially Effective
KPMG Internal Audit - Project Management Framework - endorsed	Karen BLAKE	Effective
Monthly financial reporting	Ray BARNWELL	Partially Effective
Monthly Project Control Board meetings (ELT and PMS attend)	Karen BLAKE	Effective
Program Control Board (PCB) in place	Karen BLAKE	Effective
Project Management Framework (endorsed by Council April 2023)	Karen BLAKE	Partially Effective
Prudential management policy	Ray BARNWELL	Effective

Task	Task Owner	Status	End Date
Implementation of new Project Management Framework	Karen BLAKE	Behind Schedule	30/06/2024
Training in Project Management System & Templates (tools)	Karen BLAKE	Behind Schedule	30/06/2024

Rationale for overdue Controls and Treatments	
Q3 2024-2025 update	1/4/2025 update Recommendation has been made on a project management solution, (PULSE). Updates to the Project Management Framework will be made following or in line with the solution's implementation. **Implementation timeline is to be determined.**

7.6 3rd Budget Review 2024-2025	
Report Reference	FRAC250603R7.6
Originating Officer	Unit Manager - Finance Partnering & Rates – Heath Harding
Corporate Manager	Chief Financial Officer – Ray Barnwell
General Manager	General Manager Corporate Services – Tony Lines

REPORT OBJECTIVE

The purpose of this report is to provide the Committee with the financial results for the 3rd Budget Review for 2024-2025. The budget review is a revised forecast of the 2024-2025 budget and as such any savings identified for 2024-2025 during budget reviews will not be confirmed until the projects are completed and/or the financial statements are prepared, inclusive of accruals, and audited at the end of the financial year.

EXECUTIVE SUMMARY

The completion of the 3rd Budget Review has identified a favourable net cash adjustment of **$52,412**. Adding this to the 2nd Budget Review forecast budget surplus of $1,204,967 increases the full year forecast cash surplus to **$1,257,379**.

The 2024-2025 – 3rd Budget Review adjustments can be attributed to the following:

Cash Statement Reconciliation	$	$
2nd Budget Review Forecast Cash Surplus		**1,204,967**
3rd Budget Review Adjustments:		
Add Favourable		
Forecast reduction in funding required for Capital Works Budgets (excluding retimed/carryovers)	478,577	
Higher than forecast interest income	217,100	
Reduction in forecast waste collection costs	135,000	
Increase in User Charges Income	194,338	1,025,015
Less Unfavourable		
Labour resourcing (offset by increased user charges income)	167,828	
Various other net adjustments	69,775	237,603
Total 3rd Budget Review Adjustments		**787,412**
Revised 2024-2025 Cash Surplus before Council Resolutions		**1,992,379**
Less Council Resolutions funded from Rates		
GC250325F11.1 - Confidential Item	35,000	
GC250311F18.1 - Confidential item	700,000	**735,000**
Revised 2024-2025 Forecast Cash Surplus		**1,257,379**

RECOMMENDATION

That the Finance, Risk and Audit Committee:

1. **Notes the 3rd Budget Review position.**

GENERAL ANALYSIS

Council is required to reconsider the approved budget three times during the year in accordance with Section 123 (13) of the Local Government Act 1999 and Section 9 of the Local Government (Financial Management) Regulations 2011.

The original 2024-25 budget was developed within the context of a long-term framework to achieve a balance between meeting the objectives of the Strategic Plan and attaining financial sustainability in the long term.

FRAMEWORK

This budget review continues the focus on achieving the framework set by Council when developing the 2024-2025 budget, this being:

- Support the achievement of the City of Marion's strategic directions;
- Address issues arising and opportunities identified from internal audit reviews and business excellence assessments;
- Maintain, on average, a breakeven or positive funding (cash) position over the Long Term Financial Plan;
- Continue to improve the maintenance of assets in accordance with Council's Asset Management Plans, with a priority on maintenance before renewal, and renewal before new when it is cost effective to do so;
- Review existing services and assets to ensure they meet prioritised community needs;
- Council only approve new major projects where it has the identified funding capacity to do so;
- Maintain Council's position for an average residential rate which remains among the lower rating metropolitan councils.

DISCUSSION

Cash Position

The completion of the 3rd Budget Review has identified a favourable net cash adjustment of **$52,412.** Adding this to the 2nd Budget Review forecast budget surplus of $1,204,967 increases the full year forecast cash surplus to **$1,257,379**.

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GC250311F18.1 - Confidential item	700,000	**735,000**
Revised 2024-2025 Forecast Cash Surplus		**1,257,379**

The cash result:

- Identifies the cash difference between total revenues and expenditures of Council after allowing for funding from loans, investments, cash draw-downs and reserves.
- Includes capital expenditures, which are excluded from the operating result.
- Provides information of changes in uncommitted financial resources available to Council.
- Returns a cash surplus where savings arise from the original budget, representing an increase in uncommitted financial resources or returns a cash deficit when costs are greater than the original budget, representing a decrease in available financial resources.

The 3rd Budget review for 2024-2025 is based upon actual results to the end of April 2025 and forecast to June 2025.

In accordance with the Local Government (Financial Management) Regulations 2011 a revised budgeted income statement, balance sheet, statement of changes in equity and statement of cash flows are provided in Attachment 2.

Operating Position

The 3rd Budget Review – 2024-2025 forecasts a reduction in the operating deficit of $1.136m with a revised operating deficit of $5.497m.

The revised forecast operating result primarily reflects the realignment of IT Project program over the next three years with $1.376m retimed to future years.

Capital Works Budget

The 3rd Budget Review forecasts capital expenditure decreasing by $5.256m from $49.039m to $43.783m (Renewal $15.595m, New $28.188m).

This decrease is predominantly in relation to the retiming of capital works into 2025-2026 ($4.044m) including:

- Stormwater - Coolah Terrace
- Pathway - Flinders Greenway
- Footpath - Staircase from Berrima to Patpa

Detailed listings of all capital works removed from the 2024-2025 budget are contained in Appendix 3.

Borrowings

The 3rd Budget review reflects no change to the forecast borrowings of $13.986m for 2024-2025. Council have drawn down on $9.5m of this debt year to date.

Under council's Treasury Management Policy, cash balances are continuously monitored and if required, debt will be secured to ensure cash balances do not reduce below that required for capital projects and working capital purposes.

The need for potential borrowings is reviewed as part of the annual budget setting process and approval to access these funds is sought as part of the annual budget process.

Reserves

The 3rd Budget Review reports a net allocation from Reserves of $8.194m, a reduction of $6.018m from the figure forecast in 2nd Budget review. This adjustment relates predominantly to the transfer to reserve of Capital Works budgets retimed to 2025-2026.

Labour Budgets

Overall forecast labour costs have increased by $0.167m bringing the total 2024-2025 labour budget to $47.577m. This forecast primarily reflects additional seasonal labour requirements at the Marion Outdoor Pool, fully offset by increases in income.

Depreciation

The depreciation budget for 2024-2025 increased by $0.161m in the 3rd Budget Review to $23.944m. This increase reflects a revised depreciation forecast for capital works completed during 2024-2025.

Funds Carried Over from 2023-2024 to 2024-2025

The current status of capital works program budgets carried over from 2023-2024 ($2.747m) as at the 30th April 2025 is provided below:

Category	# Projects	Carry Over Budget	Completed	Budget Remaining
Infrastructure	4	997,751	997,751	-
Land & Property	6	379,335	379,335	-
Open Space Planning	1	81,880	-	81,880
Other	4	1,287,853	1,282,603	5,250
Total	**15**	**2,746,819**	**2,659,689**	**87,130**

These works are expected to be complete by 30th June 2025.

ATTACHMENTS

1. Appendix 1 - GC250527 - Financial Statements - Year to Date Funding Statement [**7.6.1** - 1 page]
2. Appendix 2 - GC250527 - Financial Statements - 3rd Budget Review 2024-2025 [**7.6.2** - 6 pages]
3. Appendix 3 - GC250527 - Financial Statements - Capital Works Removed [**7.6.3** - 1 page]

APPENDIX 1

City of Marion - Budgeted Funding Statement (Year to Date)	YTD Actual (30 Apr 2025) $000's	2024-2025 3rd Review Budget $000's
Operating Revenue		
Rates	79,068	94,896
Statutory Charges	2,506	2,827
User Charges	4,224	4,612
Operating Grants and Subsidies	9,655	10,613
Investment Income	522	620
Reimbursements	773	908
Other Revenues	419	788
Share of Profit - Equity Accounted Investments	-	645
	97,167	**115,909**
Operating Expenses		
Employee Costs	39,002	47,577
Contractual Services	25,618	34,050
Materials	5,617	7,371
Finance Charges	50	209
Depreciation	19,874	23,944
Other	6,371	8,255
	96,532	**121,406**
Operating Surplus/(Deficit) before Capital revenues	**635**	**(5,497)**
Capital Revenue		
Capital Grants and Contributions	1,856	4,942
Physical Resources received free of charge	40	-
Asset disposal and fair value adjustments	-	-
Net Surplus/(Deficit) resulting from operations	**2,531**	**(555)**
Depreciation	19,874	23,944
(Gain)/Loss on disposal of assets		-
Share of Profit SRWRA	-	(645)
Funding available for Capital Investment expenditure	**22,405**	**22,744**
Capital		
less Capital Expenditure - Renewal	7,020	15,595
less Capital Expenditure - New	14,340	28,188
less Capital - Contributed Assets	40	-
add Capital - proceeds from sale of assets	432	425
Net Overall funding Surplus/(Deficit)	**1,517**	**(20,614)**
Funded by;		
LOANS		
Loan Principal Receipts (Net)	9,500	13,986
less Loan Principal Payments	152	309
Loan funding (Net)	**9,348**	**13,677**
Movement in level of cash & accruals		
Cash Surplus/(Deficit) funding requirements	11,432	1,257
Reserves Net (transfer to/(transfer from)	(567)	(8,194)
Cash/Investments/Accruals Funding	**10,865**	**(6,937)**
Funding Transactions	**(1,517)**	**20,614**

APPENDIX 2

City of Marion - Budgeted Funding Statement	2024-2025 2nd Review $000's	2024-2025 3rd Review $000's	Variance $000's
Operating Revenue			
Rates	94,889	94,896	7
Statutory Charges	2,828	2,827	(1)
User Charges	4,418	4,612	194
Operating Grants and Subsidies	10,584	10,613	29
Investment Income	403	620	217
Reimbursements	1,182	908	(274)
Other Revenues	1,091	788	(303)
Share of Profit - Equity Accounted Investments	645	645	-
Total Operating Revenue	**116,040**	**115,909**	**(131)**
Operating Expenses			
Employee Costs	47,410	47,577	167
Contractual Services	35,444	34,050	(1,394)
Materials	7,153	7,371	218
Finance Charges	285	209	(76)
Depreciation	23,783	23,944	161
Other	8,598	8,255	(343)
Total Operating Expenses	**122,673**	**121,406**	**(1,267)**
Operating Surplus/(Deficit) before Capital rev's	**(6,633)**	**(5,497)**	**1,136**
Capital Revenue			
Capital Grants and Contributions	5,492	4,942	(550)
Net Surplus/(Deficit) resulting from operations	**(1,141)**	**(555)**	**586**
Depreciation	23,783	23,944	161
Share of Profit SRWRA	(645)	(645)	-
Funding available for Capital Investment exp	**21,997**	**22,744**	**747**
Capital			
less Capital Expenditure - Renewal	15,407	15,595	188
less Capital Expenditure - New	33,633	28,188	(5,445)
less Capital Contributed Assets	-	-	-
add Capital - Proceeds from Sale of Assets	360	425	65
Net Overall funding Surplus/(Deficit)	**(26,683)**	**(20,614)**	**6,070**
Funded by;			
Loans			
Loan Principal Receipts	13,986	13,986	-
less Loan Principal Payments	309	309	-
Loan funding (Net)	**13,677**	**13,677**	**-**
Movement in level of cash & accruals			
Cash Surplus/(Deficit) funding requirements	1,205	1,257	52
Reserves Net (transfer to/(transfer from)	(14,212)	(8,194)	6,018
Cash/Investments/Accruals Funding	**(13,007)**	**(6,937)**	**6,070**
Funding Transactions	**26,683**	**20,614**	**(6,070)**

APPENDIX 2

City of Marion - Budgeted Income Statement	Actual 2023-2024 $000's	3rd Review 2024-2025 $000's
Operating Revenue		
Rates	89,976	94,896
Statutory Charges	2,400	2,827
User Charges	4,164	4,612
Operating Grants and Subsidies	6,004	10,613
Investment Income	1,246	620
Reimbursements	741	908
Other Revenue	1,118	788
Net Gain - Equity Accounted Council Businesses	770	645
Total Operating Revenue	**106,419**	**115,909**
Operating Expenses		
Employee Costs	45,567	47,577
Contractual Services	31,813	34,050
Materials	7,001	7,371
Finance Charges	150	209
Depreciation	21,594	23,944
Other Expenses	7,751	8,255
Total Operating Expenses	**113,876**	**121,406**
Operating Surplus/(Deficit) before Capital Revenues	**(7,457)**	**(5,497)**
Capital Revenues		
Capital Grants, Subsidies and Monetary Contributions	7,976	4,942
Physical resources received free of charge	1,002	-
Asset disposal and fair value adjustments	(4,677)	-
Net Surplus/(Deficit) resulting from Operations	**(3,156)**	**(555)**

APPENDIX 2

City of Marion - Budgeted Statement of Financial Position	Actual 2023-2024 $000's	3rd Review 2024-2025 $000's
Current Assets		
Cash & Cash Equivalents	13,761	6,824
Receivables	6,531	6,531
Inventory	600	600
Total Current Assets	**20,892**	**13,955**
Current Liabilities		
Trade & Other Payables	17,534	17,534
Provisions	7,134	7,134
Borrowings	310	1,140
Lease Liabilities	-	-
Total Current Liabilities	**24,978**	**25,808**
Net Current Assets/(Liabilities)	**(4,086)**	**(11,853)**
Non-Current Assets		
Investment In Srwra & Council Solutions	9,271	9,916
Infrastructure, Property, Plant & Equipment	1,328,046	1,347,460
Other Non-Current Assets	23,080	23,080
Total Non-Current Assets	**1,360,397**	**1,380,456**
Non-Current Liabilities		
Provisions	700	700
Borrowings	1,448	14,295
Lease Liabilities	-	-
Total Non-Current Liabilities	**2,148**	**14,995**
Net Assets	**1,354,163**	**1,353,608**
Equity		
Accumulated surplus	440,335	447,974
Asset Revaluation Reserves	893,903	893,903
Other Reserves	19,925	11,731
Total Equity	**1,354,163**	**1,353,608**

APPENDIX 2

City of Marion - Budgeted Statement of Changes in Equity	Actual 2023-2024 $000's	3rd Review 2024-2025 $000's
Accumulated Surplus		
Balance at beginning of period	434,637	440,335
Net Surplus/(Deficit)	(3,155)	(555)
Transfers from Reserves	8,853	14,314
Transfers to Reserves	-	(6,120)
Balance at end of period	**440,335**	**447,974**
Asset Revaluation Reserve		
Balance at beginning of period	711,329	893,903
Net change this year	182,574	-
Balance at end of period	**893,903**	**893,903**
Other Reserves		
Balance at beginning of period	28,778	19,925
Net change this year	(8,853)	(8,194)
Balance at end of period	**19,925**	**11,731**
Total Reserves	913,828	905,634
Total Equity	**1,354,163**	**1,353,608**

APPENDIX 2

City of Marion - Budgeted Statement of Cash Flows	Actual 2023-2024 $000's	3rd Review 2024-2025 $000's
Cash Flows From Operating Activities		
Receipts	113,345	115,264
Payments	(97,093)	(97,462)
Net Cash Provided By Operating Activities	**16,252**	**17,802**
Cash Flows From Financing Activities		
Receipts		
Loans Received	-	13,986
Proceeds from Bonds & Deposits	-	-
Payments		
Principal	(929)	(309)
Repayment of Finance Lease Liabilities	(1)	-
Net Cash (Used In) Financing Activities	**(930)**	**13,677**
Cash Flows From Investing Activities		
Receipts		
Capital Grants/Subsidies & Contributions/Investments	6,301	4,942
Sale of surplus assets	828	-
Sale of replaced assets	251	425
Distributions from Equity Accounted Investments	-	-
Payments		
Purchase of IPP&E	(37,372)	(43,783)
Net Cash (Used In) Investing Activities	**(29,992)**	**(38,416)**
Net Increase/(Decrease) In Cash Held	(14,670)	(6,937)
Cash At Beginning Of Reporting Period	28,431	13,761
Cash At End Of Reporting Period	**13,761**	**6,824**

APPENDIX 2

Financial Indicators
To assist Council in meeting its objective of financial sustainability, a series of financial indicators endorsed but the Local Government Association are provided. The following table provides a matrix of indicators of the 2024-2025 3rd Budget Review and compares the forecast results against the target rate.

Key Ratios	Target	2024-25 Forecast
Operating Surplus Ratio	**0 - 10%**	**-4.74%**
This ratio expresses the operating surplus as a percentage of total operating revenue		
Target : Average between 0-10% over each consecutive 5-year period		
Comment : While the current ratio for 2024-2025 is outside the target range, the final result will not be known until the end of the financial year. The average Operating Surplus over the past five years is 0.1%. Positive ratio indicates that Council has sufficient operating revenue to cover operational expenses		
Net Financial Liabilities Ratio	**0 - 65%**	**23.68%**
This ratio indicates the extent to which net financial liabilities can be met by total operating revenue		
Comment : This result indicates Council's financial assets currently exceed its Financial Liabilities. This ratio falls within the target range. Council's capacity to meet its financial obligations remains strong		
Debt Servicing Ratio	**0 - 10%**	**0.45%**
This ratio identifies Council's abilitiy to service its debt obligations (principal & interest) from operating revenues		
Comment : This ratio falls within the target range and indicates Council has a low debt holding and is well positioned for future borrowings outlined in the Long Term Financial Plan		
Asset Renewal Funding Ratio	**90 - 110%**	**100%**
This ratio indicates whether Council is renewing or replacing existing assets at the rate of consumption		
Comment : The ratio can vary from year to year dependant on the renewal capital expenditure. Council's Long Term Financial Plan is set to achieve an average Asset Renewal Funding Ratio of 100% over the next three years		

APPENDIX 3

3rd Budget Review 2024-25 - Capital Works projects removed from Budget		
Capital Project	**Budget $'000**	**Details**
Works deferred and budget carried over into 2025-2026 (transfer to Reserve)		
Footpath - Staircase - Berrima to Patpa	600	Project delayed due to ongoing negotiations with Department for Infrastructure and Transport over lease agreement terms and issues finding a suitable contractor due to job complexities
Stormwater - Coolah Terrace - Oaklands Park	1,985	Major project with the location posing a high level of resident concern. Tender process has concluded however due to the delays and the pending wet weather and potential risk of reputational damage the works will be deferred until 2025-2026 to allow further community consultation
Traffic - Refuge Crossing Milham/Morphett	30	Works to be deferred to 2025-2026 after the road reconstruction project is completed with the refuge to be installed shortly after
Traffic - Zebra Crossing Milham Street	10	Works to be deferred to 2025-2026 after the road reconstruction project is completed with the crossing to be installed shortly after
Flinders Greenway *	591	Initial project of $1.1m subject to 50% grant funding which has so far been unsuccessful. Works and budget deferred to 2025-2026, including increase for indexation, pending a successful grant funding application
Buildings - Koorana DDA Toilet + Reception + Meeting Room	319	Works delayed due to potential cost escalations with a requirement for additional funding. Works to be deferred until 2025-2026
Total	**3,535**	
Works removed from 2024-2025 program as works no longer required. Budget reprioritised in 2024-2025		
Cosgrove Hall Upgrade	100	Hall Strategy Review required to determine the potential future need for Cosgrove Hall and other Community Halls
Kerb - Cowra Crescent, Park Holme - Nilpena Avenue To Nilpena Avenue	66	Following further investigation by the Engineering Department it was determined that these works are no longer required and will be included within the road rejuvenation program for 2025-2026
Total	**166**	
Total Capital Works Removed	**3,701**	

* Flinders Greenway 50% Council contribution has been increased by $41,000 to $591,000 to allow for indexation on construction costs

7.7 Proposed Change of Date for Scheduled Meeting	
Report Reference	FRAC250603R7.7
Originating Officer	Business Support Officer - Governance and Council Support – Cassidy Mitchell
Corporate Manager	Manager Office of the Chief Executive - Sarah Vinall
General Manager	Chief Executive Officer - Tony Harrison

EXECUTIVE SUMMARY

The purpose of this report is for the Committee to consider a proposed change to the date of the upcoming Finance, Risk and Audit Committee meeting, which was originally scheduled for 12 August 2025.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

1. **Endorses the meeting scheduled for 12 August 2025 be rescheduled to 2 September 2025.**

DISCUSSION

The Finance, Risk and Audit Committee meeting schedule was endorsed by the Committee at the 17 December 2024 meeting, however due to the unavailability of Independent Members there is an option to consider an alternative date to ensure full participation and effective decision-making.

It is proposed that the meeting be rescheduled to Tuesday 2nd of September 2025 4.00pm – 6.00pm. There is already a scheduled Forum meeting that night which would facilitate the joint workshop with Council following the Committee meeting.

Preliminary consultation with the Chair, Mayor and staff indicates general support for the proposed change, however, formal confirmation is sought from the Committee.

ATTACHMENTS

Nil

8 Reports for Noting

8.1 Annual Report on Business Continuity	
Report Reference	FRAC250603R8.1
Originating Officer	Unit Manager Strategy and Risk - Sheree Tebyanian Risk Business Partner - Kim Strickland
Corporate Manager	Manager Office of the Chief Executive - Sarah Vinall
General Manager	Chief Executive Officer – Tony Harrison

REPORT OBJECTIVE

The purpose of this report is to provide the Finance, Risk and Audit Committee (FRAC) with an update of the recommended actions completed to improve the City of Marion's Business Continuity readiness, following the Business Continuity Exercise held last June 2024, and to provide an update for scheduled activities planned for 2025-2026.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

1. **Notes the completed actions undertaken after the Cyber Exercise in 2024**
2. **Notes the planned activities scheduled for 2025-2026**

DISCUSSION

The City of Marion's Business Continuity Plan (BCP) sets out that a Business Continuity Exercise that is conducted annually. These exercises are created to ensure the Incident Management Team (IMT) is upskilled and prepared to respond effectively to real-life disruptions. Each year, the scenario varies to challenge and strengthen the IMT's response capabilities. In the past two years, exercises have included a 'Storm Front' scenario and a 'Cyberattack' event, both facilitated by external experts in business continuity and crisis simulation.

In addition to the annual continuity exercise, council actively participates in regional emergency initiatives. The City of Marion is represented at the quarterly Southern Adelaide Zone Emergency Management Committee (ZEMC), attending quarterly meetings and contributing to strategic regional emergency planning. Council also engaged in the Annual ZEMC Planning Day, held in May 2025, to continue to build maturity in Emergency Management.

The committee has a risk assurance role and provides regional leadership in emergency management in their zones. One of their main roles is the development of a Zone Emergency Management Plan. Other councils within the Southern zone are Cities of Mitcham, Onkaparinga and Holdfast Bay. Key hazards and risks are summarised at a regional level through an Emergency Management Plan and planning and preparation is usually discussed at the ZEMC.

Council participates in exercises where available, with neighbouring councils. Participation in some other one-off events, such as the City of Mitcham hosted 'Big Map' exercise in early 2025, run in conjunction with the SES and CFS, offered a practical demonstration of how a fire front can move

and how to manage the impacts. This event provides opportunities to discuss roles and responsibilities, how to operationalise as events unfold, identify gaps in infrastructure and emergency management plans. Team members from Open spaces and the Fire Protection team were included in this exercise.

Planned 2025-2026 Activity

In the year ahead, the following activities are planned.

- **Update of Recovery strategies** SharePoint site has been refreshed for end user ease. Each year prior to the IMT exercise, business units are required to update their work areas recovery strategies across the 4 following areas critical IT, Infrastructure, Human Resources, and Business Impacts. A request for business updates will occur in June 2025.

- **Information Services Dependency Map review** supports council's critical IT requirements and recovery process and the recovery strategy timelines. Any new entries to the recovery strategies will be confirmed with the IS Map owners.

- **Update Business Continuity Plan** planned updates for the following sections in June and July

    - **IMT Contacts** page – to capture changes and staff movements
    - **Roles and Responsibilities** – given General Managers and some SLT switch ed roles this year, we will issue the Roles and Responsibilities documents for IMT roles to the specific people, for review, and provide support as required, where changes have occurred.

- **Test and update X-Matters:** X-Matters is council's automated incident management solution that is deployed to provide communications to IMT members in the event of an incident. Prior to exercises and periodically, X Matters is updated and tested noting an expanded internal support team to manage X-Matters is in place to manage its use in a simulation or a real-life exercise, to reduce dependency on two people.

- **Training**

    - **iResponda** is no longer a facilitated session. Instead, the LGA have updated the sessions and moved them onto an online platform that can be accessed by staff via Skytrust. To date, only the Essentials and Bushfire modules have been established online with updates expected for the remaining modules in the next couple of months. Once these are established an invite will be issued via Skytrust for completion.
    - **IMT Roles** ongoing training annually will occur for IMT participants as required to ensure people are comfortable with the functions of the IMT Roles and Responsibilities

- **IMT exercise:** A Business Continuity exercise is being planned for 2025. An external provider, BRM Advisory has been selected based on their experience in emergency management and local government. The theme of the exercise usually remains confidential until the day of the event, to provide a realistic feel to the event.

The intent is to create a realistic simulation to test and assess the IMT's response, communication and adherence to the roles and responsibilities outlined in the Business Continuity Plan

A report is provided that identifies improvements by council to uplift in its response in preparation for any future events.

- **Update to Community Emergency Management Plan**

  In late 2023, the Department of the Premier and Cabinet led an independent review of the *Emergency Management Act 2004* to ensure that the legislation empowers South Australia to prepare for, respond to and recover from emerging hazards and extended events.

  Public consultation took place from November 2023 to January 2024, with the Final Report presented to the Premier in June 2024. The report has been tabled in both Houses of Parliament with the accompanying Government Response which accepts, or accepts in principle, all 28 recommendations and 9 observations.

  The findings contained within the report will inform the Amendment Bill, was due to be brought to Parliament later in 2024.

  Council is awaiting updates to legislation to be enacted before council updates its Community Engagement Management Plan (CEMP).

- **Post IMT exercise report findings**

  The Risk Business Partner will coordinate any actions/recommendations to ensure they are enacted.

Previous Exercise and Recommended Actions.

On 12 June 2024, a Cyber based BCP exercise was held to test the IS recovery and IS Dependency. "Battleground" facilitated the exercise, and their report and recommendations were shared with FRAC last year **(FRAC240813R7.6)**

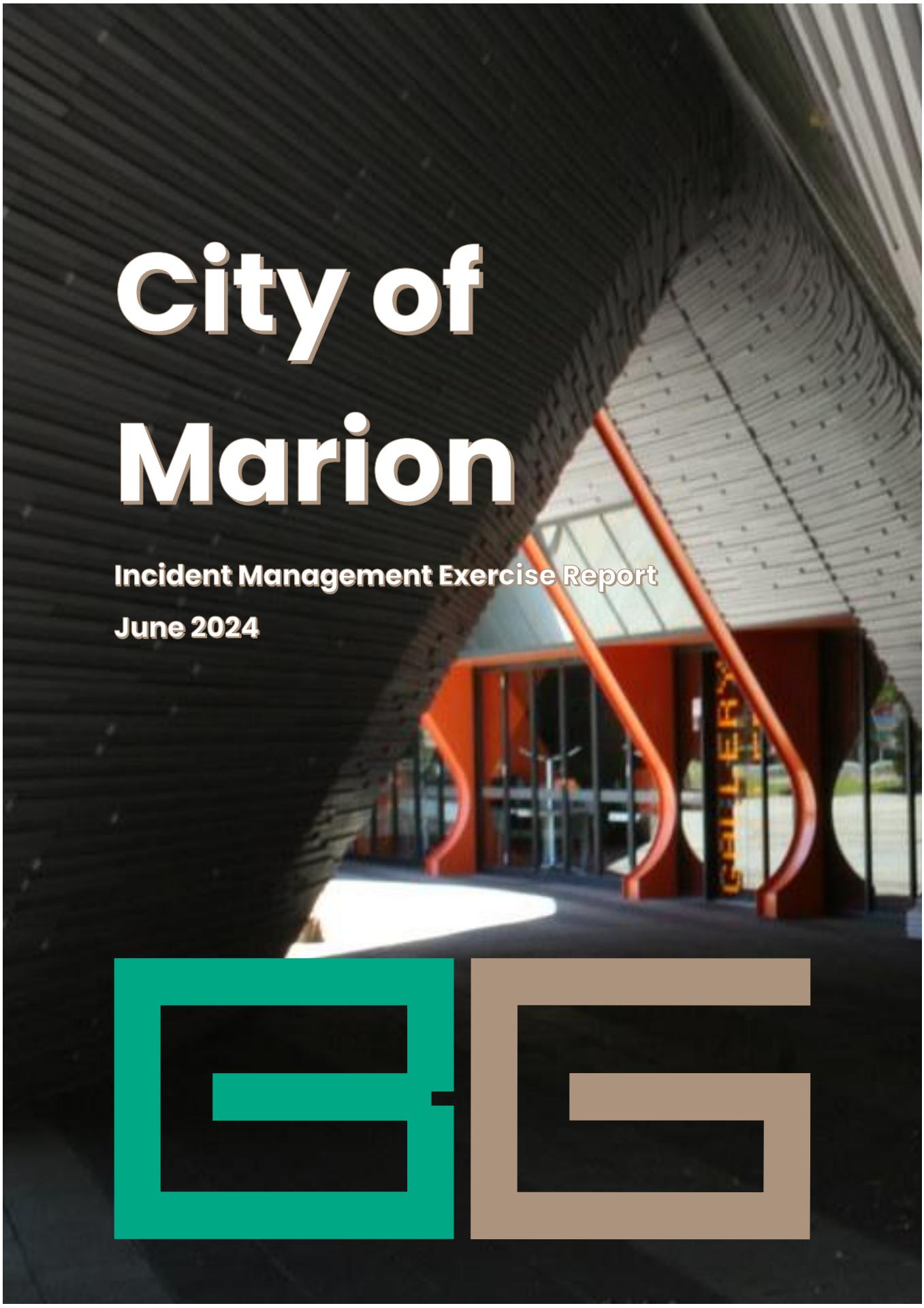
Attachment 1. Battleground Final report, with their High-Level Observations on **Page 6.**

Attachment 2. endorsed recommendations and the completed outcomes.

ATTACHMENTS

Attachment 1. Battleground Final report, with their High-Level Observations on **Page 6.**

Attachment 2. endorsed recommendations and the complete outcomes


City of
Marion
Incident Management Exercise Report
June 2024

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Inherent Limitations

The Services provided are advisory in nature and have not been conducted in accordance with the standards issued by the Australian Auditing and Assurance Standards Board and consequently, no opinions or conclusions under these standards are expressed.
Because of the inherent limitations of any internal control structure, it is possible that errors or irregularities may occur and not be detected. The matters raised in this report are only those which came to our attention during the course of performing our procedures and are not necessarily a comprehensive statement of all the weaknesses that exist or improvements that might be made.
Our work is performed on a sample basis; we cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud.
Any projection of the evaluation of the control procedures to future periods is subject to the risk that the systems may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.
Recommendations and suggestions for improvement should be assessed by management for their full commercial impact before they are implemented.
We believe that the statements made in this report are accurate, but no warranty of completeness, accuracy, or reliability is given in relation to the statements and representations made by, and the information and documentation provided by the City of Marion Council personnel. We have not attempted to verify these sources independently unless otherwise noted within the report.

Limitation of Use

This report is intended solely for the information and internal use of the City of Marion Council in accordance with the Scope of Work and is not intended to be and should not be used by any other person or entity. No other person or entity is entitled to rely, in any manner, or for any purpose, on this report. We do not accept or assume responsibility to anyone other than the City of Marion Council for our work, for this report, or for any reliance which may be placed on this report by any party other than the City of Marion Council.

Confidential - this document and the information contained in it are confidential and should not be used or disclosed in any way without our prior consent.

RESILIENCE FOR TOMORROW, TODAY.

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Executive Summary

The City of Marion Council (Council) engaged the Battleground Group (BG) to facilitate a cyber scenario-based Incident exercise for the council's Incident Management Team (IMT), held on 12th June 2024. The exercise was designed to simulate the activation of the IMT in response to escalating IT systems impacting core customer service and financial applications.

This exercise provided an opportunity to practice and validate the IMT's Incident response maturity by drawing in and disrupting various high-impact elements while increasing the level of complexity by introducing a comprehensive data breach and ransom threat to the scenario.

Learning Objectives

The cyber-security exercise aimed to test the organisation's response to a complex, multifaceted crisis, specifically focusing on an evolving cyber breach and data compromise. It provided an opportunity to assess response maturity through various activities, including:

- **BC Plan Walkthrough:** Participants reviewed the business continuity plan (BCP), covering notification protocols, team formation, briefing schedules, and ongoing communication protocols.
- **Scenario Discussion:** A moderate-paced unfolding scenario allowed participants to discuss potential business impacts and consider response options.
- **Dynamic Response Practice:** Injected updates challenged and evaluated participants' ability to adapt their response strategies.
- **Communication Planning:** Participants considered the communication strategies outlined in the BCP to support the overall organisational response.
- **Debrief and Improvement:** A post-exercise debrief focused on response effectiveness, potential business impacts, and lessons learned should be incorporated into the final document review and update.

The Exercise Scenario

The exercise scenario involved a cyber-attack on a critical system, Salesforce, that is discovered to be cyber/ransomware based.

Business impacts arising from the disruption include the potential compromise of sensitive customer data and the loss of service centre capability to process incoming calls. The latter impact is exacerbated by the incident occurring immediately after a weekend involving significant storm activity and community disruption.

As the scenario unfolded it became apparent that the Salesforce 'FinancialForce' module was also impacted.

This scenario highlights the challenges and vulnerabilities local governments face in cascading crises. It tests the council's ability to respond effectively under chaotic conditions on multiple fronts, where

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both physical and digital infrastructure are compromised. The situation underscores the need for robust systems and contingency plans to ensure the council can continue delivering critical services and supporting the community even during unforeseen challenges.

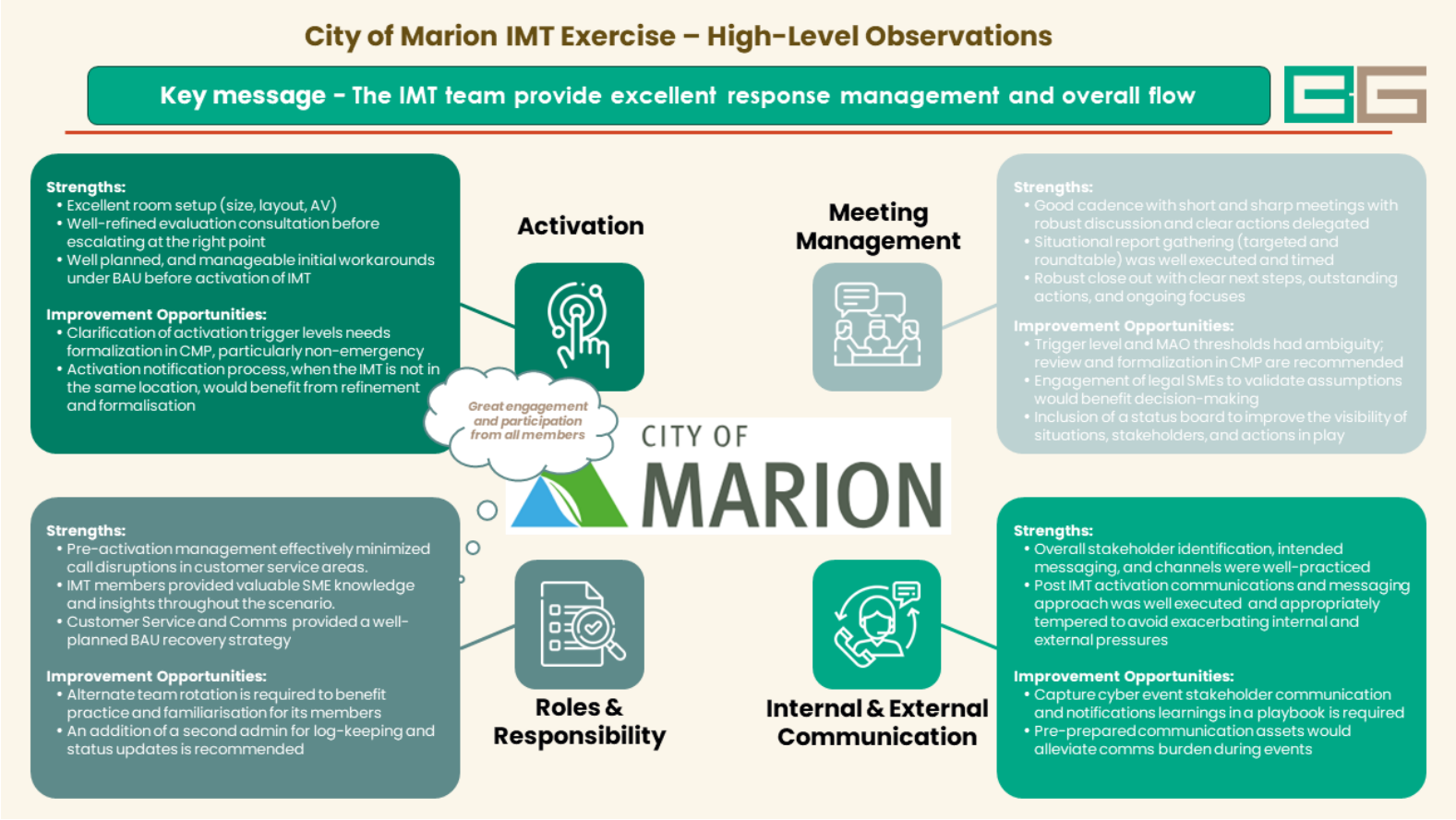
Overall Conclusion

The exercise highlighted an elevated level of maturity in all aspects of the Incident response and management. The team's professionalism and collaborative approach were commendable. The following observations and recommendations within this report are provided within this positive context.

Battleground thanks all participants for their dedication, professionalism, and active involvement in the exercise. We remain committed to supporting your organisation in building even stronger resilience.

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This report builds upon the mind map provided to the City of Marion following the exercise.



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Key Exercise Observations and Recommendations

The exercise scenario, along with their debriefing, revealed valuable observations on the team's navigation of the scenario. These observations encompass both strengths and improvement opportunities.

Focus Area	Descriptor	Comments on the City of Marion's performance in this exercise
Activation 	Examines how the CMT activates, organises information, processes it, and makes decisions.	**Observations** • **Excellent Activation Environment:** The exercise revealed a well-equipped activation space. The room size, layout, and audio-visual capabilities facilitated clear communication, information sharing, collaboration, and efficient decision-making during the activation process. • **Well-refined Evaluation and Escalation:** The IMT demonstrated a strong ability to evaluate the developing situation and consult before escalating to full activation. This suggests good judgment and understanding of the activation criteria and highlights their focus on prioritising efficient resource allocation and avoiding unnecessary escalation. • **Well-planned Workarounds:** The team's ability to implement pre-planned and manageable workarounds under Business as Usual (BAU) conditions before IMT activation suggests a proactive approach to mitigating initial disruptions. This maintains operations, minimises disruption and ensures timely intervention before the IMT's formal activation. **Improvement Opportunities:** • **Formalising Activation Triggers:** While the IMT displayed sound judgment in escalation decisions, the Business Continuity Plan (BCP) would benefit from a more formalised definition of activation trigger levels, particularly for non-emergency situations. This clarity would provide clear guidelines (in both emergency and non-emergency situations) and ensure a consistent framework for future activations and exercises across different (non-emergency) scenarios.

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		• **Refine Activation Notification Process:** The notification process for activating the IMT, specifically when team members are not co-located, appears to require further refinement and formalisation within the BCP. We note your advice that x-matters has recently been implemented at Council and support your commitment to implementing regular 'contact only' tests to ensure familiarity with the system. We would further recommend maintaining and practicing alternative modes of contact such as SMS to provide alternatives to x-matters where this may be necessary.
Meeting Management 	Analyses the CMT's coordination of meetings, the room and member wellbeing.	**Observations** • **Effective Meeting Cadence and Structure:** The IMT demonstrated a well-structured meeting approach with short, focused sessions and efficient use of time, facilitated efficient communication, ensured key decisions were made promptly, and kept the team engaged. The inclusion of robust discussion and a collaborative approach ensured diverse perspectives were considered, and the clear delegation of action items ensured accountability, progress, and a clear path forward. • **Streamlined Targeted Situational Awareness:** The IMT's effective use of targeted and roundtable situational report gathering indicates a well-honed approach to information gathering. This approach ensured a comprehensive understanding of the evolving situation from various perspectives, allowing for well-informed decision-making. • **Strong Meeting Closure and Follow-Up:** The IMT's practice of concluding meetings with clear next steps, outstanding actions, and ongoing areas of focus demonstrates a structured and outcome-oriented approach. This clarity ensured continuity of effort and maintained momentum between meetings while keeping the team focused on priorities and ensuring progress was made. **Improvement Opportunities:** • **Formalise Activation Criteria and MAO Thresholds:** While the IMT functioned well, there appears to be some ambiguity regarding activation trigger levels and Maximum Allowable Outage (MAO) thresholds. This highlights the need for review and formalisation of clear activation criteria within the

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		Business Continuity Plan (BCP), which would provide a consistent framework for future decision-making during activations. This would ensure the team assembles at the appropriate level based on the severity of the situation. • **Incorporate Legal Expertise:** Engaging legal subject matter experts (SMEs) during meetings would benefit the IMT's decision-making process. Their specialised legal insights and knowledge would help validate assumptions, ensure compliance with relevant regulations, and identify potential risks or compliance concerns, ultimately leading to more informed and secure decision-making. The current plan identifies a legal liaison role for this purpose. We agree with your observation post this exercise that further exercising in relation to non-emergency scenarios will embed this. • **Enhance Situational Awareness and Visibility:** The addition of a dedicated status board would significantly improve the team's situational awareness during meetings. This visual aid would improve the team's ability to visualise critical information such as the current situation, key stakeholders involved, and ongoing actions. Having this real-time overview readily available would enhance communication, improve collaboration, streamline decision-making, and improve overall team coordination.
Roles & Responsibilities 	Assesses the CMT's use of the provided tools and their alignment with the recommended methodology.	**Observations** • **Pre-activation Management:** The IMT's ability to effectively manage the situation before full activation (minimising call disruptions) suggests a clear understanding of their roles in pre-crisis scenarios. By minimising the call disruptions in the customer service areas, they prevented the situation from escalating, allowing for a smoother transition to full activation and more focused meetings. • **Valuable SME Knowledge and Insights:** The participation of subject matter experts (SMEs) within the IMT highlights the potential benefit of having a well-rounded and diverse team. Their knowledge

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		and insights contribute to a clearer understanding of overall responsibilities, ensure informed decision-making throughout the scenario, and lead to more effective discussion within the team. • **BAU Recovery Strategy Integration:** The execution of a well-planned BAU recovery strategy presented by Customer Service and Communications indicates both effective interdepartmental collaboration and clear communication protocols. This ensures all parties involved are aligned on the recovery plan during meetings, fostering a more cohesive response and a holistic approach to crisis management. **Improvement Opportunities:** • **Alternate Team Rotation:** While the current team performed well, incorporating an alternate team rotation strategy offers several benefits and enables the identification of potential skill gaps or areas where roles need further definition. By exposing more team members to various crisis scenarios, they gain practical experience through participation, leading to a more well-rounded team with a deeper understanding of meeting dynamics and crisis response discussions. • **Additional Administrative Support:** The recommendation for a dedicated second administrator for log-keeping and status updates addresses the high information management workload during a crisis. This would enhance the IMT's situational awareness, ensure auditable records, and free up team members to focus on core responsibilities: decision-making, communication, and active meeting participation.
Communication & Media 	Examines the scenario's communication and stakeholder management, encompassing external messaging, stakeholder identification, and engagement strategies.	**Observations:** • **Effective Stakeholder Targeting and Messaging:** The IMT successfully identified key stakeholders, crafted appropriate messaging, and selected the appropriate communication channels, demonstrating a well-practised communication strategy. This ensures that timely, targeted, and impactful messaging reaches the right audience during a crisis.

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		• **Post-Activation Communication Balance:** The team's post-activation communication and messaging effectively balanced transparency with a calm and controlled approach. This mitigated anxieties internally and externally, fostering a more controlled environment for response efforts. **Improvement Opportunities:** • **Formalise Cyber Event Communication Learnings:** While stakeholder identification and messaging were effective, there is an opportunity to capture specific learnings related to communicating during cyber events that could enhance future preparedness. Developing a dedicated cyber-related best practice communication strategy and including it within the BCP would provide a valuable resource for future incidents and ensure a more tailored response for the IMT to handle these specific scenarios. • **Pre-Developed Communication Assets:** There is an opportunity to further develop pre-prepared communication assets, especially in response to non-emergency incidents. This could include holding statements for different scenarios, key message documents, and comprehensive stakeholder checklists. Having these resources readily available would significantly alleviate the communications burden – both in preparation and IMT review and approval - during a real-world crisis.

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Improvement Opportunities - identified by Battleground
Areas identified with opportunity to improve
Activation:
1.Formalising Activation Triggers
2.Refine Activation Notification Process
Meeting Management :
3.Formalise Activation Criteria and MAO Thresholds
4.Incorporate Legal Expertise
5.Enhance Situational Awareness and Visibility
Roles and Resoponsibilities:
6.Alternate Team Rotation
7.Additional Administrative Support
Communication & Media:
8.Formalise Cyber Event Communication Learnings
9.Pre-Developed Communication Assets

Recommended actions for CoM
1. Document further examples of "non-emergency" event trigger points in the BCP. We have some examples - but can expand, provide more details. *Also consideration that the IMT will make the decision to move forward in any event, it is likely to have an element of case by case analysis.*
xMatters only recently introduced. **1**. Send out revised Procedures **2.** Complete some contact testing on xMatters application, SMS & EMAIL.
As per point 1.for "activation". *MAO thresholds review recently by SLT, and our IT team has created a dependency map to support. Consider any ambiguity was due to the fact it was our first Cyber exercise.*
Legal engagement is captured in IMT "Council/Organisational governance" role. *Consider that IMT will make decision about legal expertise as required, depending on event, & impacts.*
Depending on event/situation we could use a "status" board, however if we are not all located in one room, an online version may be more useful. **1. Do we need to create an online "status board" to be utilised?**
1. Complete some desktop training sessions with limited IMT, and 1st / 2nd alternates. Understanding the roles they support and decisions they would need to make.
Consider that we have 2 back up roles to the Admin position, who will be trained, and the IMT "Coordinator" role can also support. We can complete some training , as mentioned above to increase knowledge to support.
Several recommendations are included to increase our "cyber" event awareness, including BCP updates, desktop training and consideration of developing online status board. **1**. In addition I will engage with the comms team, for a review of existing comms material, to improve exisiting, or develop "cyber" specific content.

Timelines	**Outcomes**
n/a	Review of our BCP documentation , shows we clearly have 3 IMT levels documented to cover non emegrency events, and further considered that all triggers will be a decision by CEO or relevant GM dependant upon the situation, and on a case by case basis. **No further action was undertaken.**
10/31/2024	Revised procedures were issued in Nov 2024, and we ran an additional contact test in December 2024. We will make any updates, reissue procedures and run another contact test prior to the next exercise in August 2024.
n/a	**No further action was undertaken.**
n/a	**No further action was undertaken.**
If yes, by 30/09/2024	We have created on online actions board, to capture ongoing activity, digitally. In addition we are seeking approval to utilise "Firefly" or similar to capture all conversation throughout the event, for use as required. Paper template can be used in need.
11/30/2024	Sessions were run in November 2024 for 1st and 2nd alternates, to build understanding in the expectations of the role they are a 1st or 2nd respondant for. We also intend to refresh and issue the IMT Roles and Resposibility documents out for review, by the senior leaders as many have switched roles, and we can include the 1st and 2nd alternates in this exercise too.
n/a	We have not increased the IMT roles, however we have bought the 1st and 2nd alternates for the Admin role, much more into the loop. We have trained on xmatters, and the digital actions board template. We will ensure they are more actively involved to support IMT Admin role.
n/a	Online digital board captured above.
9/30/2024	Templates are in place for comms, currently they are generic, so able to be tailored to any incident that occurs. **No further action was undertaken.**

8.2 Council Member Report	
Report Reference	FRAC250603R8.2
Originating Officer	Unit Manager Governance and Council Support – Victoria Moritz
Corporate Manager	Manager Office of the Chief Executive - Sarah Vinall
General Manager	Chief Executive Officer - Tony Harrison

REPORT OBJECTIVE

Section 3.5 of the Finance, Risk and Audit Committee (FRAC) Terms of Reference states *"where the Council makes a decision relevant to the Finance and Audit Committees Terms of Reference, the Council Member Representative will report the decision to the Finance, Risk and Audit Committee at the next Committee meeting and provide relevant context".*

RECOMMENDATION

That the Finance, Risk and Audit Committee:

1. **Notes this report.**

DISCUSSION

Council Member Representative – Councillor Matt Taylor and Councillor Sarah Luscombe

Since the last Council Member report was presented to the FRAC meeting, the Council has held three General Council Meetings. At these meetings, the Council made the following decisions that relate to the FRAC Terms of Reference in chronological order. If the FRAC wishes to discuss any of the items considered in confidence in further detail, the Committee will be required to move into confidence.

General Council Meeting – 22 April 2025

Council Member Representative for the Finance Risk and Audit Committee 2025
Council appointed Councillor Luscombe to the Finance, Risk and Audit Committee for the remainder of the term, concluding on 30 November 2025 following Councillor Naismith's resignation on the Committee.

Discretionary Rates Rebate
Council resolved, given that the City of Marion only has seven organisations receiving discretionary rate rebates, to phase out all rebates over a 3-year period commenting 2026/2027.

Draft Annual Business Plan 2025-2026 and Long-Term Financial Plan for Public Consultation
Council received and noted the report which was presented for Council's consideration and endorsement for public consultation. The Draft plan proposes a 4.8% average rate increase in 2025-2026. The draft plan was endorsed subject to some amendments including the addition of a clear breakdown of each project overview with a range of the total estimated cost, and the amount factored into the 25-26 Annual Business Plan; and the Inclusion of feedback questions relating to Major projects. The inclusion of a note that Council is exploring the option for residential properties that meet certain criteria for short-term, non-hosted accommodation may be considered as having a commercial predominant land use will also be included.

Monthly Work Health and Safety Report – February

Council received the Monthly Work Health and Safety Report for February noting the rolling 12-month Average Lost Time Injury Frequency Rate (LTIFR) has reached a historic low of 1.2 lost time injuries per million hours worked. The rolling 12-month Average Total reportable Injury Frequency Rate has also reached a historic low of 7.5 reportable injuries per million hours worked. The current financial year LTIFR is 2.5; tracking above the annual average target of 2.34.

Finance Report – February 2025
Council received the Finance Report for February 2025. It was noted that Council currently has a net operating surplus result of $0.944M before capital revenues, against a year to date forecast operating deficit budget of $1.005M. The 2024- 2025 annual budget forecasts a net cash surplus of $1.205M. This position is detailed in the attached Funding Statement and variation notes.

Finance Report – March 2025
Council received the Finance Report for March 2025. It was noted that Council currently has a net operating surplus result of $2.343M before capital revenues, against a year to date forecast operating surplus budget of $2.849M. The 2024- 2025 annual budget forecasts a net cash surplus of $1.205M. This position is detailed in the attached Funding Statement and variation notes.

General Council Meeting – 13 May 2025

City of Marion Building Asset Strategy (CoMBAS) – 2525/26 Implementation Guide *(Confidential)*

Public submissions on the Draft Annual Business Plan 2025-2026
Council provided the opportunity for members of the public to make a submission or ask questions at the Council Meeting regarding Council's Draft Annual Business Plan and Budget 2025-2026 and noted that no verbal submissions were received. A further report on public consultation will be presented to Council at the meeting to be held on 27 May 2025.

SRWRA Draft Budget Report
Council were provided a copy of the Draft 2025-26 Annual Business Plan and Budget of Council's regional subsidiary – The Southern Region Waste Resource Authority, which forecasts a surplus from operations of $1.4m in addition to capital investment of $6.7 of which $3.3m relates to the infrastructure required for an organics composting facility and $1.8m for the Stage 10 landfill liner.

Sustainable Financial Management and Sustainable Procurement *(Motion with Notice)*
Council noted that the Climate Governance Assessment will be presented to the Finance, Risk and Audit Committee meeting on 3 June 2025 and that sustainable purchasing will be considered within the review of the *Climate Change Policy* and *Procurement and Contract Management Policy* to be presented for discussion at a Council Forum in July 2025.

AI Use in Council *(Question with Notice)*
A question with notice was received and answered in regard to the use of AI across councils including which councils are using it and how it is being used to add value. The question and response also included how City of Marion can use AI to improve processes.

General Council Meeting – 27 May 2025

Community Solar Savings Scheme
Council were presented with options on the preferred future directions of the Community Solar Savings Scheme. Council resolved to ccontinues its partnership with Shinehub for delivery of the Community Solar Savings Scheme for 2025 and in addition, promote the new Federal Government Battery rebate through existing communication channels and considers other initiatives to promote

uptake of household energy efficiency and uptake of renewable energy through the Environmental Sustainability Plan.

Draft Annual Business Plan 2025-2026 and Long-Term Financial Plan
Council endorsed the Draft Annual Business Plan 2025-2026 and Draft Long Term Financial Plan, being prepared for final consideration at the 24 June 2025 General Council Meeting on the basis of an average rate increase of 4.8%. As part of this report, Council also noted the feedback received from the community consultation period held from 26 April to 16 May 2025.

3rd Budget Review 2024/25
The financial results for the 3rd Budget Review for 2024-2025 were presented to Council. The review has identified a favourable net cash adjustment of $52,412. Adding this to the 2nd Budget Review forecast budget surplus of $1,204,967 increases the full year forecast cash surplus to $1,257,379.

Monthly Work Health and Safety Report
Council noted the Monthly Work Health and Safety Report and the status of the current WHS key performance indicators. It was noted that City of Marion experienced 2 lost time injuries during March 2025. One as the result of a torn calf muscle on exiting a truck, the second as the result of swelling from an insect bite. Reporting of hazards and non-injury incidents shows an increase over the previous year, indicating that City of Marion's reporting culture is continuously improving. The substantial decrease in Lost Time Injuries over the past 5 years has resulted in a low Lost Time Injury Frequency Rate. Therefore, any occurrence of a Lost Time Injury now has a substantial impact on Lost Time Injury data charts.

SRWRA Constituent Report
Council received a standing report that provides an update on matters considered by the SRWRA board at its recent meeting held on 28th April 2025.

9 Workshop / Presentation Items - Nil

10 Other Business

11 Meeting Closure

The meeting shall conclude on or before 5.00pm unless there is a specific motion adopted at the meeting to continue beyond that time.