

Council Responses to Key Themes of Draft ABP Feedback

Read through council responses to key themes of feedback received during community engagement around our Draft Annual Business Plan (ABP) 2026-27.

Feedback Theme	Council Response
Rate Rise is too high / not supported Commentary that the proposed rate rise is too high, should be in line with CPI and/or concerns about other cost of living pressures.	We have listened to feedback from residents regarding the proposed rate rise of 7.6% being too high or higher than expected, particularly during a time when other cost of living expenses have increased significantly. We've tried to strike a balanced and achievable position, one that begins addressing Council's financial position while remaining practical for the year ahead. The plan now reflects a rate increase of May CPI of 4.4% plus 2.4% to manage the Council's \$800 million portfolio of infrastructure assets, deliver \$2.2 million in new capital expenditure and continue the process of ensuring long term financial sustainability. The increase of 6.8% represents a reduction of 0.8% from the increase proposed in the draft plan that went to consultation last month and equates to approximately \$204 for an average value residential property. Our current council service levels are not fully funded by today's rates. Without adjustment, this shortfall means future generations will inherit debt to pay for yesterday's services. To achieve long-term financial sustainability and protect our community's future, rate increases above the Consumer Price Index (CPI) will likely be required.
Improve efficiencies / find cost savings Council should look at ways to improve	Before the draft budget was presented to Council and our community, most strategic and new initiatives were removed or deferred, and business-as-usual budgets were reduced wherever possible. Following community feedback on the Draft ABP, staff further refined business-as-usual budgets wherever

efficiencies and find cost savings.	possible, to identify additional savings within the 2026-27 budget. Careful management of the budget process has resulted in some further savings that has reduced the operating deficit to \$3.2 million for the 2026/27 year. These savings are partly due to our spending for the 2025/26 FY being lower than budgeted resulting in a lower final debt balance for 2025-26 than was previously forecast. This in turn results in lower opening and lower average debt balances and thus lower interest on our debt. Our final utility bills for 2025/26 FY were also lower than budgeted allowing us to allocate a lower budget for the 2026/27 FY. All key capital expenditure on new projects proposed in the draft remain fully funded in the revised budget including works on the Amy Gillet Bikeway, new footpaths, school safety zones and essential recladding of the Stirling Coventry Library. Administration is committed to continuing the work to find additional efficiencies, develop the strategic documents and direction that will enable us to make better future decisions regarding our community land and assets portfolio and improve long-term sustainability of council.	2
Rates value for money Questions and commentary about rates value for money and that council should concentrate on core services.	AHC rates help pay for services and programs in your community. They are the main source of income for council. We use your rates to take care of local infrastructure like parks, public spaces and roads. Your council rates are vital for keeping our townships and regions vibrant, safe and clean. Some of the services that your rates pay for include: • Waste collection • Emergency management and fire prevention • Building and maintaining roads, kerbs and footpaths • Planning and building applications • Food safety inspections • Dog and cat management. • Maintenance and renewal of parks, reserves, playgrounds, sports grounds and swimming centres. • Running of our three libraries in Stirling, Woodside and Gumeracha and community and art centres in Norton Summit, Aldgate (funding support for The Hut Community Centre), Lobethal and Woodside • Management and maintenance of over 30 community halls and buildings	

	• Providing support for community festivals and events as well as AHC run events • Supporting community groups and sporting clubs through community grants <u>Local Government Association of SA Fact Sheet on Council services</u> The roads, rates, rubbish concept is not as simple to adhere to in Councils such as the Adelaide Hills. The rugged terrain, extreme bushfire risks and natural environments demand far greater active land and emergency management than the engineered landscapes of the suburban Adelaide Plains.
Equity of distribution of council spending Complaints about equity of distribution of council spending across the council district.	Adelaide Hills Council, through its ward representations, endeavours to balance service delivery throughout its entire district. A more balanced perspective comes from looking at multiple years of investment rather than one year in time. For example, in the 2025-26 program, some major and minor works occurred in the northern wards, as outlined below: • Amy Gillett Bikeway Extension Mount Torrens to Birdwood \$5.7M • In excess of \$270k was spent on the Birdwood Institute Renewal across FY 2024-25 and FY 2025-26 • Kenton (Randell's Workers Cottage) Fencing \$19K • Highercombe Golf Course Drainage Works \$15K • Houghton Square Irrigation Upgrades \$56K • Central Irrigation Control System Upgrade Gumeracha, Birdwood, and Kersbrook Cemeteries \$51K • Federation Park, Gumeracha Swing Sets \$18K • Federation Park BBQ and Bench Upgrade \$5K Other capital works that have been undertaken in our northern suburbs over the last few years include: • Public toilet upgrades between 2022 - 2024 ◦ Birdwood: \$150K ◦ Gumeracha Oval: \$300K ◦ Gumeracha Federation Park: \$245K • Cemetery Shelters 2020 - 2024 ◦ Birdwood: \$15K ◦ Kersbrook: \$15K

	○ Mt Torrens: \$28K • Other works ○ FABRIK roof upgrades and solar panel installation: \$102k ○ Gumeracha Library upgrade: \$247k ○ Houghton Cemetery Expansion 2021: \$40K ○ Kersbrook Natural Burial Ground 2023: \$28K ○ Birdwood CWMS Solar System 2023: \$20K In addition, the last ten years of playground investments have been spread throughout the district: • Uraidla Park - 2026 • Lesley Crescent / Protea Reserve, Crafers 2024 • Sherry Park, Mylor - 2024 • Yarrabee Road Reserve, Greenhill - 2022 • Lenswood Memorial Park - 2022 • Lobethal Bushland Park - 2022 • Kersbrook Oval - 2021 • Charleston Centennial Park - 2021 • Mount Torrens Oval - 2021 • Birdwood Oval - 2020 • Paracombe Recreation Ground - 2020 • Kersbrook Hall - 2017 • Lions Park, Bridgewater - 2016
Defer any non-essential projects and services Requests or commentary that Council should defer any non-essential projects and/or services.	Council administration removed or deferred most strategic and new initiatives before the draft budget was presented to Council and our community. The remaining operating and capital projects included in the ABP are those that are seen by Council as essential activities and/or have received prior commitment from Council to proceed. These projects include: • Stirling Coventry Library Cladding - The recladding of the building supports council's program of safety and compliance upgrades to community facilities and is essential to ensure the building is covered under our insurance scheme. • ERP - the Enterprise Resource Planning project will improve the efficiencies of Council's internal

	functions and result in better informed decision making. • School safety – the three-school safety and activation projects will allow us to enhance pedestrian access, safety and local traffic management. • Strategic Asset Planning and Community Land Management Consultancy, Sport and Recreation Strategic Planning projects – these two projects will allow us to identify the way forward regarding the management, maintenance and renewal of community land and assets and become more financially sustainable. • The Town and Precinct Planning project will deliver three integrated land use planning tools that will support council to address housing issues, strengthen local centres, and attract targeted investment that reflects community needs and place-specific opportunities. We are required by State Government to create a Local Housing Area Plan by 30 June 2028. The Town and Precinct Planning project will allow us to progress the development of this plan. • Amy Gillett Bikeway Connection, Woodside – this connection is a requirement of the lease agreement with the Department of Infrastructure and Transport for the reserve on Station Road, Woodside that features the Woody Trails bike track. The connection will provide key linkages along a section of the Bikeway in Woodside.	5
Operating deficit / increasing debt Concerns about council operating deficit / increasing debt.	The primary driver of Council's operating deficit is not discretionary spending but rather increased asset values and rising construction costs. These factors flow directly into: • Higher renewal costs • Higher maintenance costs • Higher depreciation of Council assets The appropriate response to these rising costs is to undertake a thorough review of our asset base and the assumptions underpinning those costs. We are committed to commencing these works in 2026/27 (Strategic Asset Planning and Community Land Management Consultancy and Sport, Recreation Strategic Planning projects). Completing these works will be the first	

	step in planning for the future management, maintenance and renewal of community land and assets. Council's current debt is approx. \$28m and this is less than 50% of our annual income. The LGA allows for council to borrow up to 100% of their annual operating income. As council's debt is currently growing this is the larger concern rather than the current total amount of debt. Council will shortly begin updating our Long-Term Financial Plan (LTFP) and this will be the opportunity to look at Councils long term sustainability. The Draft LTFP will be released for community feedback in late 2026 or early 2027. Our spending for the 2025/26 FY is lower than budgeted resulting in a lower final debt balance for 2025-26 than was previously forecast. This in turn results in lower opening and lower average debt balances and thus lower interest on our debt.
Property valuations and the effects on rates Questions or concerns about property valuations and the effects on rates.	Each year, the Valuer-General of South Australia independently and objectively determines site and capital values for every rateable property in the state (referred to as the General Valuation). Property valuations may increase or decrease each year depending on changes to the property and other market influences. Councils use property valuations to calculate each property's contribution to the required rate revenue total. To do this, we calculate the 'rate in the dollar'. This is done by dividing the required rate revenue by the total value of rateable properties. The 'rate in the dollar' is then multiplied by the value of the property to establish the rate contribution for that property. We do not automatically receive more money because property values increase but this may alter how rates are apportioned across each ratepayer. So, while higher valued properties do pay higher rates, your rates don't automatically increase because the value of your house has increased. Local Government Association SA Fact Sheet – Council rates and property values
Spending on physical infrastructure / sports facilities Requests for or support shown for spending on	Administration is undertaking some important projects during the 2026-27 FY to put the structure in place to allow us to plan for future spending on sporting, recreation and community infrastructure. The Strategic Asset Planning and Community Land Management Consultancy and Sport and Recreation

physical infrastructure and sports facilities.	Strategic Planning projects will allow us to identify the way forward regarding the management, maintenance and renewal of our community land and assets. Investing ratepayer money in community infrastructure without a clear Council wide strategy, risks wasting funds on poorly prioritised projects and driving up long-term maintenance costs. The physical standard expected of recreation spaces has fundamentally shifted, rendering older spaces obsolete. A large percentage of community assets (like local clubrooms, canteens and changerooms) were constructed decades ago and are in poor condition. These assets frequently lack safe, dedicated, and female-friendly change rooms, universally accessible pathways, and have high utility running costs through poor design. Retrofitting legacy assets to satisfy these equity and safety standards requires capital over and above renewal. Reinvigorating Community Land Management Plans (CLMPs) streamlines legal approvals for commercial leases and multi-user arrangements on council land, generating vital revenue and shared usage that directly fund building upkeep and modernise recreation facilities.
Roadside maintenance Requests for increased roadside maintenance or commentary about roadside maintenance.	Council undertakes an annual maintenance program to provide for road safety and fire mitigation requirements, however Council is unable to maintain <u>all</u> road verges in the district. Council is developing a <i>Verge Policy</i> (Draft) to clarify Council's and resident's responsibilities in the management and maintenance of verges in the district. This will accompany the <i>Verge Maintenance Guidelines</i> (Draft) to provide further detail around how the Policy will be delivered.
More transparency Requests for more transparency around ABP projects and measures and council operations.	We appreciate this feedback and will explore ways to share more information about specific operating and capital works featured in future draft ABPs for any community members who are interested in exploring this level of detail. We will also consider how we can share more information about council operations and measures set within our future Draft ABPs.
Staff costs Questions and complaints about increasing Council staff costs.	On the surface, there appears to be rapid growth in staff costs, but that doesn't tell the full story. Several key positions have been vacant for extended periods particularly within Strategic Assets team. These vacancies

	have created the appearance of savings at the cost of delayed planning work resulting in an increase in risk. Staff salary increases are provided under the Adelaide Hills Council's Office and Field Enterprise Bargaining Agreements. These agreements are negotiated every 3 years through the formal industrial bargaining process and include provisions for annual salary increases that Council is obligated to implement. The Enterprise Agreements, including the applicable salary schedules, are publicly available and accessible through the South Australian Employment Tribunal.
Road safety and maintenance Complaints or concerns about road safety and maintenance.	The best website to determine if a road is owned and managed by the Department of Infrastructure and Transport (DIT) or AHC: • Location SA Viewer - you will also be able to see crash and traffic volume data on DIT roads, or • You can view this document on our AHC website. How to submit a road safety/speed limit request to DIT: visit https://dit.sa.gov.au/contact_us and submit a service request or a complaint. How to submit a road safety request/concern to AHC: visit our AHC request portal. AHC data collection: Traffic data is continuously collected across the district as part of an ongoing monitoring program.
Fabrik operational budget and sustainability Questions or concerns about the Fabrik operating budget and facility sustainability.	We understand that community members want assurance that Council facilities are operating efficiently and delivering value for money. Fabrik has been open for less than two years following its redevelopment as a regional arts, culture and heritage hub. As with any new community facility, it is appropriate to regularly review operational performance and budget assumptions, and this work is already underway. While feedback received through the Draft ABP 2026-27 engagement process has focused primarily on operating costs, any consideration of changes to the facility's future operation would require a broader conversation that considers the full social, cultural and community value that Fabrik delivers, alongside financial considerations.
Electric vehicle infrastructure Questions about whether electric vehicle charging	This project is a priority of our Strategic Plan 2024 and Towards Zero Emissions Carbon Management Plan. Strategic Plan 2024

infrastructure should be a council responsibility and whether there is a benefit to residents.	Goal 1 Natural Environment Objective NE1 Pursue our adopted pathway to achieve net zero carbon emissions Priority NE1.2 Continue to decarbonise the vehicle fleet and other energy consuming processes. Carbon Management Plan Priority 2 – Fleet fuel & transport Transitioning to higher fuel efficiency vehicles such as hybrid electric in the short term, and fully electric vehicles in the medium term, while supporting increased accessibility and availability of electric vehicle charging. Support the community on using sustainable and active forms of transport.
Amy Gillett Bikeway Connection Preferences to defer the Amy Gillett Bikeway connection at Woodside or reduce spending for project.	This project is a requirement of the proposed lease agreement with the State Government (Department of Infrastructure and Transport) for Station Road Reserve where Woody Trails bike track is located. The amount of \$675 allocated in the Draft ABP 2026-27 for the Amy Gillett Bikeway connection at Station Road, Woodside does not currently include any grant funding. However, we currently awaiting the outcome of a grant application. Council will continue to investigate funding opportunities to offset the costs for this section of the Amy Gillett Bikeway as well as any future extensions of the bikeway.
Proposed Boundary Realignment Financial Implications No financial or resource implications have been built into the 2026-27 budget regarding the proposed boundary realignment.	In relation to the Annual Business Plan, it is important to note that the Proposed Boundary Realignment inquiry process remains ongoing and no final determination has been made. As a result, no financial impacts (including potential loss of rate revenue) have been incorporated into the 2026-27 budget at this stage. Council has outlined in its submissions to the Boundary Change Commission that, should the proposal proceed, transitional and compensation arrangements would need to be considered as part of any implementation, noting the material and ongoing impact on Council's revenue base. You can find more information about the <u>Boundary Change Proposal here</u>.
Enterprise Resource Planning (ERP) What is the Enterprise Resource Planning project?	An Enterprise Resource Planning (ERP) system is the core technology platform that supports Council's key business functions, including finance, payroll, property and rating, infringements, development services and human resources. It brings together information from multiple systems into

	one integrated platform, making it easier to manage and use. Council's current systems are over 14 years old and were not designed for modern integration, reporting or security needs. A new ERP will streamline processes, reduce manual work and improve efficiency across the organisation. Importantly, it provides a strong foundation for the future, bringing data together enabling the introduction of new technologies over time, and improving the tools used for decision making. As the project is currently in the tender phase, Council is unable to comment on specific licensing or ongoing costs. This ensures the procurement process remains fair, transparent and probity compliant.	10
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