



DEVONPORT  
CITY COUNCIL



ANNUAL PLAN  
2024/25

# BUDGET SUMMARY

This Annual Plan outlines the initiatives that the Devonport City Council will undertake over the next 12 months to deliver the objectives of Council's Term Plan 2022-2026. The Term Plan sets out the current Council's priorities and is aimed at realising Devonport's strategic vision of being "a thriving regional City that lives lightly by river and sea."

Budget estimates for FY 2025 have been prepared and provide the necessary financial allocations to achieve the targeted actions, continue quality community service delivery and invest in important capital infrastructure.

As a Council we are excited about the growth and confidence that Devonport is experiencing, and this Plan will ensure the momentum continues.



## FINANCIAL POSITION

The strong financial position of Council has allowed rate increases to be both minimised and phased in, rather than immediately passing on the ever-increasing cost of doing business. This year the General Rate increase will be 4.5%, and when combined with the last two years, it represents a 10.3% increase over the three-year period compared to CPI of 15.7% over the same period. Fortunately, Council is able to keep rate increases below inflation, without compromising on services to the community or negatively impacting long-term sustainability, thanks to the continued growth and investment the City is experiencing.

In dollar terms, for the average residential property the 4.5% represents an annual increase in the General Rate of \$97. Along with a \$15 increase to the Waste Management Service Charge and increases to the State Government Fire and Waste Levies, the total increase equates to just \$2 per week for the average residential property.

This year, the Valuer-General has issued adjustment factors to property values to reflect market changes since the last revaluation three years ago. These adjustment factors do not increase the total revenue Council collects, however, they do shift the rate burden between different classes of property.

The latest adjustment factors indicate the value of general residential, vacant land and primary production classes have increased greater than commercial and industrial and this will impact the rate calculation for individual properties. To avoid the excessive increases that can occur with a shift in values, Council has again applied change caps to some classes of property.

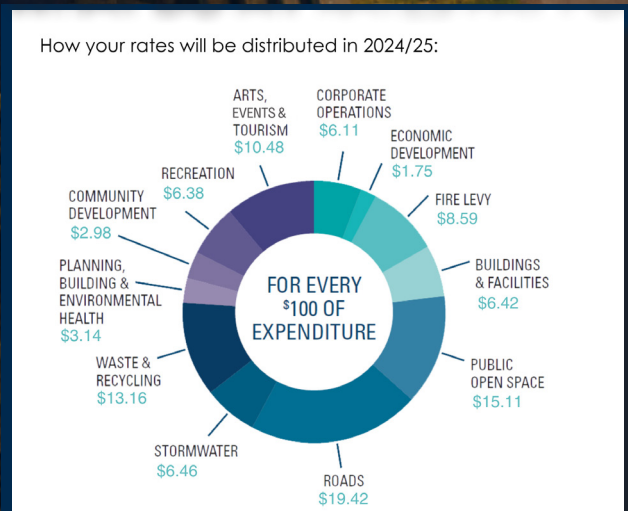
The Operational Budget includes \$50.72m of expenditure to ensure Council continues to provide all the services expected in a vibrant regional City. The provision of 545km of roads and footpaths is Council's biggest expense making up about 20% of the total budget. Waste, public reserves and arts & culture are the next largest expenditure areas. July 2024 will see the introduction of a new fortnightly FOGO collection service to all residential properties, aimed to improve environmental outcomes and minimise the increasing cost of landfill.

With income estimated at \$52.23m the budget anticipates a net operating surplus of \$1.51m. With the removal of the non-cash share of profit due to Council's ownership in the Dulverton Regional Waste Management Authority, the estimated surplus reduces to \$0.47m.

## WHAT WE DO: OUR ROLE

COUNCIL'S ROLE	DEVONPORT CITY COUNCIL
<b>PROVIDER</b>	
<b>REGULATOR</b>	
<b>FACILITATOR</b>	
<b>ADVOCATE</b>	

## WHAT DO MY RATES PAY FOR?



# FY25 ANNUAL PLAN ACTIONS

Council's Term Plan 2022-2026 outlines an exciting vision for the future of Devonport. This Annual Plan identifies 41 targeted Actions, detailing specific steps over the next 12 months to advance the Term Plan priorities.

## STRATEGIC GOAL 1

- Construct Stage 1 of waste diversion upgrades at the Transfer Station (*Term Plan priority 1.1*).
- Transition to a contracted fortnightly residential garbage collection service (*Term Plan priority 1.2*).
- Roll out a fortnightly FOGO collection service to all residential properties (*Term Plan priority 1.2*).
- Develop a Zero Emissions Fleet Strategy and Implementation Plan (*Term Plan priority 1.4*).
- Review and update the Environment Strategy (*Term Plan priority 1.3*).
- Support Electric Vehicles Tasmania to install an additional electric charging station in the Multi-Level CBD Carpark (*Term Plan priority 1.4*).
- Increase number of EV vehicles to existing fleet (*Term Plan priority 1.4*).

## STRATEGIC GOAL 2

- Assess options, resolve preferred direction and undertake concept design for the revitalisation of the Rooke Street Mall (*Term Plan priority 2.1*).
- Identify and support development opportunities on Council owned land (*Term Plan priority 2.2*).
- Facilitate the commencement of the new Indie School (*Term Plan priority 2.3*).
- Plan and design public infrastructure and open space to facilitate private investment in Fenton Way (*Term Plan priority 2.3*).
- Commence a City re-branding project (*Term Plan priority 2.5*).
- Complete an updated study of local historic heritage significance and values (*Term Plan priority 2.5*).
- Contribute and participate in the development of new regional land use strategy (*Term Plan priority 2.6*).
- Engage with the Minister for Emergency Services and assist the Government in identifying a new emergency services site within the City (*Term Plan priority 2.7*).
- Update long-term asset renewal expenditure forecasts to inform Council's Financial Management Strategy (*Term Plan priority 2.8*).
- Smart City Internet of Things (IoT) sensor expansion with focus on stormwater network (*Term Plan priority 2.8*).
- Support the development of a Bluff Headland Master Plan (*Term Plan priority 2.8*).
- Engage with Homes Tasmania and the State Government to identify and support housing opportunities within the City (*Term Plan priority 2.9*).
- Investigate potential opportunities to promote higher density residential use development in line with the strategic policy directions contained in the Greater Devonport Residential Growth Strategy 2021-2041 (*Term Plan priority 2.9*).

## STRATEGIC GOAL 3

- Establish and facilitate an Event Acquisition and Sponsorship Fund to attract new events and nurture retained events (*Term Plan priority 3.2*).
- Install City entrance markers (*Term Plan priority 3.3*).
- Partner with neighbouring councils to explore opportunities for greater strategic influence of the Devonport Airport (*Term Plan priority 3.4*).

- Revitalise events that showcase Devonport's unique qualities, reflect community values, utilise city precincts and resonate with target audiences (*Term Plan priority 3.2*).
- Investigate the feasibility of attracting major touring exhibitions (*Term Plan priority 3.1*).
- Develop and adopt a First Nations Engagement Plan (*Term Plan priority 3.6*).

## STRATEGIC GOAL 4

- Review Tidal Art Award, and investigate opportunities to further develop and enhance the program's success (*Term Plan priority 4.5*).
- Finalise design and commence construction of a new stadium at the Devonport Oval (*Term Plan priority 4.1*).
- Support redevelopment of Valley Road Soccer Centre to establish as premier rectangular ground in Northern Tasmania (*Term Plan priority 4.2*).
- Install a major public artwork in the waterfront precinct, develop Rooke Lane as a public art laneway, and with the assistance of Vibrance develop a public art mural in the CBD (*Term Plan priority 4.5*).
- Engage with University of Tasmania and TasTAFE regarding an increased presence in the City (*Term Plan priority 4.6*).
- Monitor Council's partnership with the University of Tasmania relating to the student-assisted allied health training site at the East Devonport Recreation Centre (*Term Plan priority 4.7*).
- Deliver seasonal 'Living Well' programs and activities that meet the outcomes of the Living Well: Health and Wellbeing Strategy (*Term Plan priority 4.8*).
- Review and update Devonport Youth Advisory Group (DEVYAG) Terms of Reference (*Term Plan priority 4.9*).
- Investigate community demand and explore potential locations for the development of a pump track (*Term Plan priority 4.9*).

## STRATEGIC GOAL 5

- Review opportunities for strategic relationships with neighbouring councils, including the development of a shared industrial land use strategy and other mutually beneficial initiatives (*Term Plan priority 5.1*).
- Implement TechnologyOne Property & Rating CiA Stage 1b (includes debtors and animals) (*Term Plan priority 5.2*).
- Upgrade Rose the Chatbot with latest AI technology (*Term Plan priority 5.2*).
- Implement actions within Council's Workforce Development Strategy relating to workforce succession planning (*Term Plan priority 5.3*).
- Publish a mid-term Term Plan progress report (*Term Plan priority 5.4*).
- Implementation of the Child & Youth Safe Framework (*Term Plan priority 5.5*).

# BUDGET ESTIMATES

The Estimated Statement of Comprehensive Income below reports the budgeted revenues and expenses calculated on an accrual basis. Figures exclude internal charges and classify revenue & expenses as per financial statements.

	<u>FY25 BUDGET</u>	<u>FY24 FORECAST</u>	<u>FY23 ACTUAL</u>
	\$000	\$000	\$000
<b>RECURRENT INCOME</b>			
Rates and Service Charges	35,859	33,919	31,714
Fees and User Charges	8,437	8,167	7,631
Grants - Operating	3,317	2,906	4,387
Contributions - Operating	72	51	169
Investment Revenue	2,345	3,239	2,539
Share of Profits of Associates	1,040	2,361	1,230
Other Revenue	1,159	1,047	1,182
<b>TOTAL RECURRENT INCOME</b>	<b>52,229</b>	<b>51,690</b>	<b>48,852</b>
<b>EXPENSES</b>			
Employee Benefits	16,397	14,800	13,931
Materials and Services	21,087	18,618	17,711
Depreciation	10,467	10,721	9,940
Financial Costs	1,362	1,373	1,253
Other Expenses	1,402	2,973	1,320
<b>TOTAL EXPENSES</b>	<b>50,715</b>	<b>48,485</b>	<b>44,155</b>
<b>SURPLUS /(DEFICIT) BEFORE CAPITAL ITEMS</b>	<b>1,514</b>	<b>3,205</b>	<b>4,697</b>
<b>UNDERLYING RESULT</b>	<b>915</b>	<b>2,120</b>	<b>1,297</b>
	<u>FY25 BUDGET</u>	<u>FY24 FORECAST</u>	<u>FY23 ACTUAL</u>
<b>CAPITAL BUDGET</b>			
Asset Renewal	18,447,950	10,014,400	7,789,161
New / Asset Upgrade Projects	16,485,250	3,866,000	6,621,848
Total Capital budget	34,933,200	13,880,400	14,411,009
<b>EXTERNAL FUNDING</b>			
Capital Grants	24,983,000	3,464,839	4,041,583
Sale of Assets	382,000	257,000	217,000
	25,365,000	3,721,839	4,258,583

Council has not planned for any new borrowings in the 2024/25 financial year. Full detailed budget reports are available on Council's website.

## CAPITAL EXPENDITURE

Capital expenditure this year will be a massive \$34.93m, more than double what Council traditionally invests into the local construction sector. Headlining this expenditure is \$15.25m to commence the new indoor sports stadium at the Devonport Oval and a final allocation of \$3m to complete the new grandstand and corporate area at the

Valley Road Soccer Centre. Other priorities include \$1.21m for resource recovery improvements at the Waste Transfer Station, \$2.01m for missing sections of the Coastal Pathway and \$10.36m in stormwater and road improvements to core community infrastructure.



\$3.0m to complete new grandstand and corporate and player facilities at Valley Road Soccer Centre.



\$15.25m to commence the Devonport Indoor Stadium.



\$800k for traffic changes to Fenton Way and the multi-level carpark entrance.



\$1.21m to upgrade the Waste Transfer Station to improve resource recovery and reduce landfill.



\$2.01m to continue Coastal Pathway including River Road, Wright Street and Don River sections.



\$630k to renew Best Street between Rooke & Edward Streets. \$1.0m to renew Tarleton Street between John Street and Torquay Road.

# ESTIMATED STATEMENT OF FINANCIAL POSITION

The Estimated Statement of Financial Position reports the projected assets, liabilities and equity of Council, providing information about the resources controlled by Council and other information which is useful for assessing Council's expected financial position.

	<u>FY25 BUDGET</u>	<u>FY24 FORECAST</u>	<u>FY23 ACTUAL</u>
	\$000	\$000	\$000
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	17,589	19,998	21,500
Receivables	4,077	4,076	4,416
Other Assets	175	175	504
Available for Sale Assets	-	-	270
	<u>21,841</u>	<u>24,249</u>	<u>26,690</u>
<b>NON-CURRENT ASSETS</b>			
Receivables	219	259	282
Other Assets	-	-	-
Investment in TasWater	87,972	87,972	87,972
Investments in Associates	15,766	14,945	12,584
Property, Plant and Equipment	617,038	592,020	583,221
Right of Use Assets	750	805	770
	<u>721,745</u>	<u>696,001</u>	<u>684,829</u>
<b>TOTAL ASSETS</b>	<u>743,586</u>	<u>720,250</u>	<u>711,519</u>
<b>CURRENT LIABILITIES</b>			
Payables	3,322	3,322	3,322
Interest Bearing Liabilities	1,033	1,120	1,103
Provisions	2,552	2,552	2,552
Lease Liabilities	57	57	48
Contract Liabilities	600	600	1,901
	<u>7,564</u>	<u>7,651</u>	<u>8,926</u>
<b>NON-CURRENT LIABILITIES</b>			
Interest Bearing Liabilities	42,518	43,552	44,672
Provisions	325	325	394
Lease Liabilities	693	748	745
	<u>43,536</u>	<u>44,625</u>	<u>45,811</u>
<b>TOTAL LIABILITIES</b>	<u>51,100</u>	<u>52,276</u>	<u>54,737</u>
<b>NET ASSETS</b>	<u>692,486</u>	<u>667,974</u>	<u>656,782</u>
<b>EQUITY</b>			
Asset Revaluation Reserves	399,918	399,918	399,616
Other Reserves	11,574	11,574	11,574
Accumulated Surplus	280,994	256,482	245,592
<b>TOTAL EQUITY</b>	<u>692,486</u>	<u>667,974</u>	<u>656,782</u>

# PUBLIC HEALTH OBJECTIVES

Section 71 of the *Local Government Act 1993* requires the Annual Plan to include a summary of the major strategies to achieve the City's public health goals and objectives.

Devonport City Council is committed to high levels of public health protection in accordance with obligations outlined in the *Local Government Act 1993*, *Public Health Act 1997*, *Food Act 2003*, *Burial and Cremation Act 2019*, *Litter Act 2007* and the *Environmental Management and Pollution Control Act 1994* and aims to:

- Provide high-quality and responsive processes for the determination of food premises and other applications for registered premises.
- Undertake inspection and licencing of all relevant public health & food businesses.
- Promote the education of food handlers and requirements for Food Safety Supervisors.
- Ensure the quality of water used for recreational purposes is monitored.
- Provide a Sharps Disposal System to promote the proper disposal of needles and syringes.
- Manage complaints about environmental and

- public health issues, such as noise, smoke, waste and odour to address breaches of legislation.
- Ensure compliance and monitoring of domestic on-site wastewater systems.
- Conduct the School Based Immunisation Program at all secondary schools within our municipality in accordance with the National Immunisation Program.

## STRATEGIC PLANNING FRAMEWORK

This Annual Plan is part of Council's Strategic Planning Framework and should be read in conjunction with other documents as outlined below.

