

2025/26 to 2034/35 Long Term Financial Plan

Draft for public consultation

Consultation closes 11.59pm, Tuesday 4 November 2025



**Our
Adelaide**



CITY OF
ADELAIDE

Customer Centre
25 Pirie Street, Adelaide
(08) 8203 7203
ouradelaide.sa.gov.au

Project Information

The Draft 2025/26 – 2034/35 Long Term Financial Plan (LTFP) is our guiding document which helps us balance our finances and plan for our city's future. It looks at future income and expenses to make sure we can continue to provide services and look after our assets (such as roads and buildings) in a sustainable and fair way.

The Draft 2025/26 – 2034/35 Long Term Financial Plan is a ten-year forecast of Council's finances based on the services we currently deliver, or plan to deliver. It takes into account any social, economic or political influences on Council's budget and ensures that any significant expenses are shared fairly across generations.

Your feedback on the Draft Long Term Financial Plan will help shape our city's future.

Background

The Long Term Financial Plan (LTFP) is a key strategic management document, reviewed and updated annually. It outlines the financial strategy for the ten-year period from 2025/26 – 2034/35. This LTFP builds on the work undertaken for the 2024–28 Strategic Plan, Infrastructure Asset Management Plans and 2025/26 Business Plan and Budget. It is underpinned by Council's adopted financial principles, existing Council decisions and the best available economic information.

Timeline

Council endorsed the draft LTFP for public consultation on 14 October 2025, and 21 days consultation commences 15 October and closes 4 November. Engagement outcomes will be included in a final LTFP for Council approval on 25 November.

Frequently Asked Questions

What is the Long Term Financial for?

The LTFP maps out and forecasts the Council's expected expenses and revenues over the next ten years, based on the best currently available information. It therefore guides Council's decisions in planning investment in long-lasting maintenance and new investment in infrastructure assets, and informs the setting of rates and revenues to cover operational expenses.

What period does the Long Term Financial Plan cover?

The 2025/26 LTFP covers the ten year period from financial year 2025/26 – 2034/35.

What parts of the Council business and administration function is impacted by the LTFP?

As the LTFP considers all major expenses and revenues for the coming ten years, all programs and activities of Council can be influenced in different ways – from determining the scale of debt-funded infrastructure investment; the size and focus of grants programs; the prioritisation of maintenance activity; etc.

Do LTFP settings impact rates and debt levels?

Rates are a central part of Council revenues. Council rating levels therefore will reflect decisions made based on the LTFP. The same applies for debt. If the LTFP assumes a certain level of new infrastructure investment, this will impact the amount of debt incurred to fund those investments.

Do LTFP settings influence decisions around asset maintenance and renewal, and investment in new infrastructure?

The LTFP considers the current and future needs for maintenance, renewal and new investment, based on the best available information. To ensure the most efficient and effective allocation of finite resources the LTFP is used to help decide what projects are prioritised.

How do I provide my feedback?

There are a number of ways in which you can provide feedback:

Online

Contribute your feedback via the Online Survey: ouradelaide.sa.gov.au

Or email your comments to: ouradelaide@cityofadelaide.com.au

Drop-in Sessions

Where	Date	Time
Hutt Street Library 235 Hutt St, Adelaide SA 5000	Tuesday 21 October	10:00am – 12:00pm
North Adelaide Library 176 Tynte St, North Adelaide SA 5000	Thursday 23 October	2:00pm – 4:00pm
City of Adelaide – Customer Centre 25 Pirie St, Adelaide SA 5000	Wednesday 29 October	10:00am – 12:00pm

Feedback Form

An alternative to the online survey is to complete the feedback form included with this information pack.

You can return your completed feedback form to the City of Adelaide Customer Centre, 25 Pirie Street or any of our libraries or community centres during business hours, or mail to:

Community Consultation

Long Term Financial Plan

GPO Box 2252, Adelaide SA 5001

All written submissions must be received by 9.00am Wednesday 5 November 2025.

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**Our
Adelaide**

Meet with a staff member

Please contact Natalie Johnston, Associate Director, Finance & Procurement

T: (08) 8203 7144

E: natalie.johnston@cityofadelaide.com.au

What happens next?

We will acknowledge your feedback either by email or in writing.

A summary of the feedback we receive during each phase of consultation will be available on the Our Adelaide website.

2025/26 to 2034/35 LTFP Summary

In 2024, the **Essential Services Commission of South Australia (ESCOSA)** reviewed our plan finding that financial sustainability into the future presents a challenge for the City of Adelaide (and the local government sector generally).

This was mainly because:

- The higher cost of maintaining and renewing community assets like roads, parks and buildings
- The need to replace three major assets (Adelaide Bridge, Rundle St UPark and Torrens Weir) that relied on grants we haven't yet secured
- Our borrowings (loans) were getting close to the Council's limit

What's Changed

Since then, we've diligently reviewed the LTFP as part of the 2025/26 Business Plan and Budget process. We've looked at current costs, priorities and community needs to make sure our finances stay strong and responsible.

The updated plan (for 2025/26 to 2034/35) shows a significant improvement in our financial position, including:

- A planned surplus of \$8.5 million, meaning we generate more revenue than we spend.
- Over \$114 million invested in projects that improve our city.
- A strong focus on spending wisely and investing in what matters most to our community.

Key Outcomes

The Long-Term Financial Plan shows that the City of Adelaide's finances are strong and well managed for the next 10 years.

Here's what the plan tells us:

- We expect to keep our budget balanced throughout the plan, bringing in more money than we spend on everyday services and operations.
- All key financial targets are on track, except for a short period between 2030/31 and 2032/33 when we'll be investing in major renewal projects.
- We'll gradually increase funding to repair and replace community infrastructure (things like roads, footpaths, parks, lighting and public buildings) over 8 years, reaching 100% funding by 2031/32.
- We'll keep the Asset Renewal Repair Fund (ARRF) for another two years to help maintain and upgrade things like roads, footpaths, parks and community buildings in line with our asset management plans. While this work is normally paid for through Council's regular income, we'll use short-term borrowings between 2025/26 and 2027/28 to help manage costs and keep rates affordable for our community.
- We're planning for major long-term renewal projects that will benefit future generations. These will be funded mainly through borrowings, and we'll continue to advocate for funding from state

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and federal governments. The previous plan had assumed \$41.7 million in expected external funding, which has now been removed.

The projections in the following table show that the City of Adelaide is financially sustainable and expected to stay that way over the next 10 years (2025/26 to 2034/35). All of Council's key financial indicators remain within healthy limits, except for a three year period (2030/31 – 2032/33) when cash flow will be higher than usual to help pay for major renewal projects. This temporary change reflects our investment in important long-term renewal projects for the city.

Note that the Water Infrastructure and Transportation Asset Management Plans are being amended to reflect the revised approach to our significant renewals, to ensure that the projections in our final adopted LTFP are consistent with the Asset Management Plans.

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Financial Indicator	Explanation	Target	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	5 Year Average	10 Year Average
Operating Surplus Ratio	Operating surplus as a percentage of operating revenue	0%-20%	3.4%	1.4%	3.3%	2.6%	3.4%	4.1%	4.7%	5.9%	6.3%	6.2%	2.8%	4.1%
Net Financial Liabilities	Financial liabilities and a percentage of operating income	Less than 80%	35%	49%	57%	57%	56%	57%	64%	67%	64%	58%	51%	56%
Asset Renewal Funding Ratio	Expenditure on asset renewals as a percentage of forecast required expenditure in the asset management plans	90%-110%	94%	95%	96%	97%	98%	99%	100%	100%	100%	100%	96%	98%
Asset Test Ratio	Borrowings as a percentage of total saleable property assets	Maximum 50%	16%	23%	30%	30%	29%	31%	36%	40%	38%	35%	25%	31%
Interest Expense Ratio	Annual interest expense relative to General Rates Revenue (less Landscape Levy)	Maximum 10%	1.5%	2.8%	3.3%	4.0%	4.5%	6.2%	6.0%	6.5%	6.3%	6.1%	3.2%	4.7%
Leverage Test Ratio	Total borrowings relative to General Rates Revenue (Less Landscape Levy)	Maximum 1.5 years	0.3	0.5	0.7	0.6	0.6	0.7	0.8	0.8	0.8	0.7	0.6	0.7
Cash Flow from Operations Ratio	Operating income as a percentage of Operating Expenditure plus expenditure on renewal/replacement of assets	Greater than 100%	102%	102%	103%	103%	102%	100%	94%	98%	105%	104%	102%	101%
Borrowings	Borrowings as a percentage of the Prudential Borrowing Limit	Prudential Limit \$m	152.9	186.2	190.9	195.6	200.5	205.5	210.7	215.9	221.3	226.9	185.2	200.7
		Borrowings \$m	50.1	84.2	112.9	115.5	118.1	126.2	153.0	172.5	169.2	160.3	96.2	126.2
		%	33%	45%	59%	59%	59%	61%	73%	80%	76%	71%	51%	62%
Operating Position	Operating Income less Expenditure	\$2m - \$10m	8.5	3.6	9.1	7.3	9.8	12.3	14.7	19.1	21.0	21.1	7.7	12.6
Future Fund	Proceeds from the sale of Council assets to fund new income generating assets or new strategic capital projects	N/A	31.8	30.9	30.9	30.9	30.9	30.9	30.9	30.9	30.9	30.9	31.0	31.0

The plan highlights matters where Council decisions can impact future financial sustainability. Long term financial sustainability is therefore subject to ongoing decisions and continued financial discipline, particularly:

- Ensuring decisions are consistent with Council's adopted financial principles
- Continued growth in revenue, through both rates and commercial activities, at or above the rate of growth in expenses
- Commitment to investment in new and upgrade assets in line with prudential borrowing limits
- Use of the Future Fund for particular projects and initiatives.

Feedback Form

Feedback closes **11.59pm, Tuesday 4 November 2025.**

This form can also be completed online at ouradelaide.sa.gov.au.

Q1. Do you support the overall financial approach proposed by council in the Long Term Financial Plan (LTFP)? (please circle)

Strongly Disagree Disagree Neutral Agree Strongly Agree

Maintaining our roads, buildings and infrastructure

In 2024, Council reviewed how we look after our **community assets** — things like roads, footpaths, parks, lighting, and public buildings. This review showed that we needed an **extra \$14.9 million each year** to keep these facilities and spaces in good condition and at the standard our community expects.

To help fund this, Council created the **Asset Renewal Repair Fund**. This fund helps pay for important maintenance and renewal work. While this is usually paid for through Council's regular income, we'll use **short-term borrowings (repaid within 1–3 years)** to help manage costs and avoid large rate increases. This will temporarily increase Council's debt for those years (2030/31 – 2032-33).

This has been done to ensure the community's ability to pay while still meeting service expectations. This approach will help us deliver the level of service outlined in the asset management plans and meet community expectations. The 2025/26 to 2034/35 LTFP requires an average rate increase per year of 2.1% above CPI over 3 years.

CPI stands for **Consumer Price Index**. It measures inflation: how much the cost of everyday goods and services (like food, housing, building materials, and transport) changes over time.

Q2. Do you have any feedback on this approach?

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In addition to the Asset Renewal Repair Fund, Council has identified a need to invest more in our infrastructure and assets (buildings, roads, footpaths, Park Lands facilities etc).

In the 2024/25 to 2033/34 LTFP we proposed to spread this investment over eight years to spread the impact to ratepayers. The 2025/26 to 2034/35 LTFP continues this transition. To fund this 8 year transition, a rate increase of 0.5% average above CPI is required.

Q3. How would you rate the current condition of our assets (roads, buildings, and infrastructure etc)? (please circle)

Poor Quite poor Good Very good Excellent

Q4. Do you support continuing to spread the increased investment in our assets over eight years rather than one?

- a) ☐ Yes I agree this investment should be spread over eight years
- b) ☐ No I think we should fund 100% of our Asset Management Plans in 2026/27 noting this would mean a 2.8% increase to rates revenue above CPI.
- c) ☐ No I don't think we should increase investment in our assets, they are in good condition

Q5. Help us to understand your response by providing a comment

Funding replacement of significant assets (roads, buildings & infrastructure)

We have three significant assets identified in the Long-Term Financial Plan (LTFP) that need funding to replace them:

- **Adelaide Bridge**
- **Torrens Weir**
- **Rundle St UPark**

Last year's LTFP forecast the following costs to replace the assets in line with the adopted Asset Management Plans:

- **Adelaide Bridge** would require \$60m investment to replace in 2027/28 – 2028/29
- **Torrens Weir** would require \$40m investment in 2028/29 - 2029/30

Through ongoing engineering investigations and options analysis, the 2025/26 to 2034/35 LTFP forecasts have been updated with the following expected cost in today's dollars:

- **Adelaide Bridge** requires \$17.5m investment across 2029/30 to 2032/33
- **Torrens Weir** requires \$23.7m investment across 2029/30 to 2032/33

Rundle St UPark remains consistent with a \$15m investment over two years from 2029/30 to extend its useful life.

2025/26 LTFP - Significant Renewals \$'000s	Financial Year	Un-indexed	Indexed	External Funding	Net Outlay
Adelaide Bridge	2025/26 & 2029/30 - 2032/33	17,502	20,199	-	20,199
Torrens Weir Structure	2025/26-2026/27 & 2029/30 - 2032/33	23,740	27,164	-	27,164
Rundle UPark	2030/31 - 2031/32	15,000	17,063	-	17,063
Total 2025/26 Significant Renewals		56,242	64,425	-	64,425
2024/25 LTFP - Significant Renewals \$'000s	Financial Year	Un-indexed	Indexed	External Funding	Net Outlay
Adelaide Bridge	2027/28 - 2028/29	60,000	65,550	(15,000)	50,550
Torrens Weir Structure	2028/29-2029/30	40,000	44,700	(26,666)	18,034
Rundle UPark	2030/31 - 2031/32	15,000	17,138	-	17,138
Total 2024/25 Significant Renewals		115,000	127,388	(41,666)	85,722
Net LTFP Improvement		58,758	62,963	(41,666)	21,297

Q6. Do you agree with this approach? (please circle)

Strongly Disagree Disagree Neutral Agree Strongly Agree

Q7. Help us to understand your response by providing a comment

The Adelaide Bridge and Torrens Weir are ‘once in a generation’ projects that will have significant cost impacts on current ratepayers. Council wishes to ensure that this cost is shared fairly across current and future ratepayers.

Q8. How do you think this could be best managed?

- a) ☐ Funded mainly through borrowings (reduces rates but adds to Council’s debt paid off by current and future ratepayers)
- b) ☐ Funded mainly through rates increases (does not increase Council’s debt but greatly increases rates paid by current ratepayers)
- c) ☐ Combination of the two

Q9. Help us to understand your response by providing a comment

Upgrading our Park Lands community buildings

In 2024/25 Council committed 1.5% of rates revenue to fund necessary new building and upgrades for our Park Lands community buildings. In 2025/26 the 1.5% also covers renewal work (maintenance).

This investment includes money set aside to renew and maintain community facilities as outlined in the Asset Management Plans. Over the life of the plan, this adds up to **\$34 million**, with **\$23.9 million** going towards **new and major upgraded projects**. These larger projects are planned to be funded through **borrowings**.

Q10. Do you agree with this approach? (please circle)

Strongly Disagree

Disagree

Neutral

Agree

Strongly Agree

Q11. Help us to understand your response by providing a comment

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Please provide your feedback regarding the **Draft 2025/26 – 2034/35 Long Term Financial Plan.**

Comments

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Submission Form

Submissions close **11.59pm, Tuesday 4 November 2025**

This form can also be completed online at ouradelaide.sa.gov.au.

Please include your name and residential address to ensure your submission is considered by Council. Formal submissions including names and addresses of respondents may on occasions be made public through reports to Council. Required information is marked with an *asterisk.

First Name:		Last Name:	
Email Address:			
Address:			
Business/Organisation Name (if applicable):			
Gender:	☐ Male ☐ Female ☐ Other Identity	Year of Birth:	
Are you a City of Adelaide Ratepayer?	☐ Yes ☐ N		
Please tell us how you participate in city life (tick all that apply):			
☐ Work	☐ Live	☐ Shop	☐ Business Owner/Operator
☐ Study	☐ Tourist	☐ Play (e.g. leisure, recreation, entertainment, dining)	
Please indicate your main areas of interest (tick all that apply):			
☐ Our Community	☐ Our Economy	☐ Our Environment	☐ Our Places
Please indicate the locations that are of interest to you (tick all that apply):			
☐ East End	☐ North Adelaide	☐ South East	
☐ South West		☐ West End	

OurAdelaide.sa.gov.au is Council's online consultation website. It is your chance to be kept up-to-date and provide feedback on areas of the city that interest you. Would you like to sign up to Our Adelaide to receive the monthly newsletter and be notified of new projects that match your interests?

☐ Yes ☐ No **Please provide your email address above*