



Budget Policy 2024

Responsible Officer	Chief Executive Officer
Relevant Delegations	Director Corporate Services
Legislation and References	Local Government Act 1999

1. INTRODUCTION

The annual budget process translates the Council's intended service delivery for the financial year into dollar values, to determine the funding required either through rates or other revenue sources.

It is important that the budget process considers the services the Council will deliver as well as the level at which those services will be performed. To do this consideration should be given to the Council's Strategic Plan, Corporate Plan, Infrastructure & Asset Management Plan, Long Term Financial Plan, Economic Development Plan and other planning documents.

2. POLICY OBJECTIVES

The intention of the Budget Policy is to provide the Council and management with a framework for the preparation of the annual budget.

3. LEGISLATIVE, CORPORATE POLICY AND STANDARDS REQUIREMENTS

Local Government Act 1999 S123(1)

Local Government Act 1999, Financial Management Regulations 2011 Section 7

4. POLICY STATEMENTS

1. The annual budget process is collaborative and transparent whereby responsible managers, budget holders and the Council ensure the final budget reflects the Council's financial resourcing and cash requirements while also making them accountable for achieving the budget.
2. The annual budget is prepared consistent with the principles, targets and priorities set out within the Council's adopted Strategic Plan, Corporate Plan, Infrastructure & Asset Management Plan, Long Term Financial Plan, Economic Development Plan and other Council planning documents.
3. The services, and the level at which those services are performed create the foundation of the annual budget. It is the role of the Council to determine the services and their required service levels.

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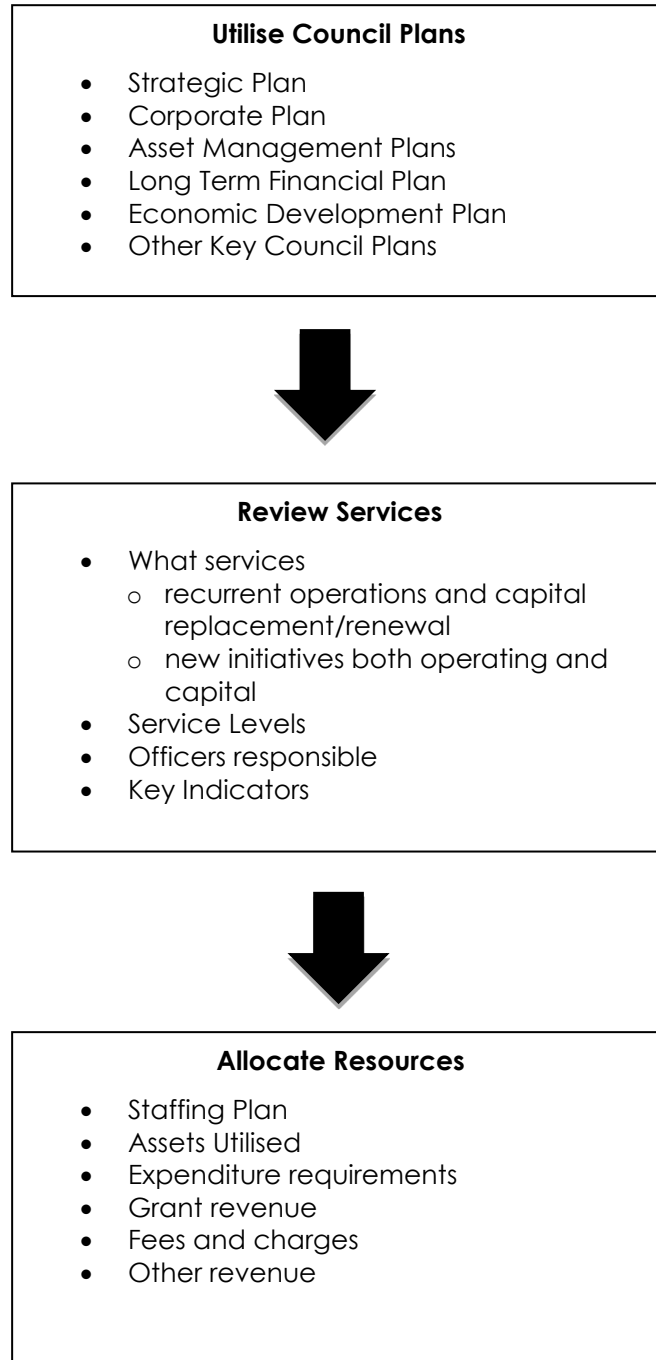
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- The Council determines the amount of taxes it will impose on the community through rates after considering the cost of the delivering its services and the income it can generate from other revenue sources.
- The key components of the annual budget process are;



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6. All projects (new initiatives of either a capital or operating nature and capital renewal/replacement) are evaluated and prioritised based upon the following criteria before being included within the annual budget:
 - a Reduction in risk
Projects that mitigate risk previously identified as unacceptable will be scored higher than those that don't.
 - b Community Benefit
Projects that benefit more of the community will be scored higher than those that benefit less.
 - c Funding
Projects that are funded by sources other than rate revenue will be scored higher than those that are not. Funding is considered for the whole life of the initiative.
 - d Incorporated within Council plans
Projects that are specifically detailed within Council's Long Term Financial Plan, Asset Management Plan, Economic Development Plan, Corporate Plan or Strategic Plan will be scored higher than those that are not.
 - e Alignment to Strategic Plan
Projects that contribute directly to strategies detailed within Council's Strategic Plan will be scored higher than those that are not
7. Projects are included within a budget where they can reasonably be undertaken within the relevant financial year
8. Projects whose commencement is dependent on the successful external grant funding are included within the annual budget where they can reasonably be expected to receive the funding and be commenced within the relevant financial year.
9. The annual budget is prepared based on a review of a number of previous years actuals, adjusted for abnormal, expected changes in costs with reference to the published Adelaide CPI and known budget year specific revenue and expenditure items.
10. The annual budget is adopted in a format consistent with the model financial statements (Statement of Comprehensive Income, Statement of Financial Position, and Statement of Changes in Equity, Statement of Cash Flows, Uniform Presentation of Finances and Financial Indicators)
11. During the Budget preparation process elected members will be provided with the budget in a format that details the functions and services performed by the Council.
12. Where one-off income items (such as grants received for capital renewal projects) are material in the context of the Council's Operating Surplus/(Deficit), the Council specifically details the nature of the income and the underlying Operating Surplus/(Deficit) should the income / expenditure not be received.

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13. The annual budget is considered by the Council together with The Long Term Financial Plan. Both the draft annual budget (as incorporated within the Annual Business Plan) and draft Long Term Financial Plan are presented for public consultation prior to their adoption in July each year
14. In addition, the Long Term Financial Plan is reviewed at the beginning of each Calendar year.
15. When new versions of the Long Term Financial Plan are being considered, a covering report must be provided that has sufficient clarity over reasons for changes from previous versions
16. Project and additional spending that arise from Council decisions outside the annual budget process are evaluated on the same criteria as applied during the annual budget process and are reported to Council at the next formal budget review.
17. Prior to approval of any new significant additional expenditure, Council will give consideration to the impact of the additional expenditure on the Long Term Financial Plan and Strategic Management Plans

5. REVIEW OF POLICY

Council will review the Budget policy prior to the commencement of the annual budget process for the following year.

The policy is available on Council's website www.claregilbertvalleys.sa.gov.au, a printed copy can be obtained for a fee fixed by Council.

6. DOCUMENT HISTORY

Approved by	Issue Date	Minute Reference – Details of Review
CGVC	21/03/16	Adopted by Council
CGVC	19/02/18	Reviewed by Council
CGVC	18/02/19	Reviewed by Council
CGVC	17/02/20	Reviewed by Council
CGVC	18/01/21	Reviewed by Council
CGVC	21/02/22	Reviewed by Council
CGVC	15/02/23	Reviewed by Council
CGVC	21/02/24	Reviewed by Council

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