



**Redland**  
CITY COUNCIL

# **AGENDA**

**LATE REPORT**

**2022-2023**

**ANNUAL BUDGET REVIEW**

**GENERAL MEETING**

**Wednesday, 15 February 2023**  
**commencing at 9:30am**

The Council Chambers  
91 - 93 Bloomfield Street  
CLEVELAND QLD

## Order Of Business

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## 13 REPORTS FROM ORGANISATIONAL SERVICES

### 13.2 2022-2023 ANNUAL BUDGET REVIEW

**Objective Reference:** A7304079

**Authorising Officer:** Deborah Corbett-Hall, Executive Group Manager Financial Services & Chief Financial Officer

**Responsible Officer:** Deborah Corbett-Hall, Executive Group Manager Financial Services & Chief Financial Officer

**Report Author:** Katharine Bremner, Budget & Systems Manager

**Attachments:** 1. [2022-2023 Annual Budget Review](#) ↓

#### PURPOSE

To present the annual budget review for the 2022-2023 financial year for consideration in accordance with section 170 of the *Local Government Regulation 2012*, following the financial results to the end of January 2023.

#### BACKGROUND

Council adopted its 2022-2023 budget at the Special Budget Meeting held on 23 June 2022. This report presents a review of the 2022-2023 budget following the first seven months of 2022-2023 service delivery. As part of Council's financial management framework, a comprehensive formal budget review was undertaken across all groups within each department.

The annual formal budget review builds on the previous carryover budget review, the 'light-touch' budget review undertaken at the end of the first quarter and amends previous forecasts. It also presents new submissions based on previously unknown circumstances or information pertaining to the original budget submissions.

Council previously revised the 2022-2023 adopted budget on 17 August 2022 with the carryover budget review to include any capital carryover funding from 2021-2022 to 2022-2023 and again at the General Meeting on 16 November 2022 to update the operational revenue following consecutive rate increases with more forecast in the financial year.

#### ISSUES

The purpose of this budget review is to consider Council's financial performance following the first seven months of service delivery. The proposed variations are outlined in the financial statements included in the attachment.

#### STRATEGIC IMPLICATIONS

##### Legislative Requirements

This proposed budget review is presented in accordance with the *Local Government Act 2009* and the *Local Government Regulation 2012*. Section 170 of the *Local Government Regulation 2012* permits a local government to amend the budget for the financial year at any time before the end of the financial year.

**Risk Management**

Council officers monitor budget to actual expenditure on a regular basis and Council's financial performance and position is reported on a monthly basis. The deliverability of both operational and capital programs is under constant review by the Executive Leadership Team.

**Financial**

This recommendation requires a change to the current year's revised budget adopted at the 16 November 2022 General Meeting, and the accompanying attachment outlines the major movements surrounding this review.

The projected financial statements forecast to 30 June 2023 illustrate a return to a slight operating budget surplus of \$105K. This is primarily attributable to an increase in revenue due to higher than anticipated rates growth and an increase in interest revenue. Council also constantly reviews its capital expenditure delivery and has reprioritised the program to ensure the community's assets continue to be well maintained during the current challenges of resources, supply chain issues and material availability.

All key performance indicators meet or exceed the targets set apart the Asset Sustainability Ratio which remains a stretch target.

**People**

Specific impacts to people may result from the budget adjustments and will be worked through at a team, unit and group level in accordance with Council's policies and people strategy (when and if they arise).

**Environmental**

Specific impacts to the environment may result from the budget adjustments and will be worked through at a team, unit and group level in accordance with Council's policies and guidelines (when and if they arise).

**Social**

Specific impacts to the community may result from the budget adjustments and will be worked through at a team, unit and group level in accordance with Council's policies and guidelines (when and if they arise).

**Human Rights**

There are no human rights implications from this report as the purpose is to provide a revised budget to Council.

**Alignment with Council's Policy and Plans**

This report is aligned to Council's *Our Future Redlands – A Corporate Plan to 2026 and Beyond* in particular, the report underpins objective 7.4 - Demonstrate good governance through transparent, accountable processes and sustainable practices and asset management.

**CONSULTATION**

Consulted	Consultation Date	Comments/Actions
Councillors and Executive Leadership Team	14 February 2023	Workshop undertaken to review the Annual Budget Review submissions and financial statements
Executive Leadership Team	30 January 2023	Review of the Annual Budget Review submissions and financial statements
Senior Leadership Team	12 January 2023	Review of the Annual Budget Review submissions and financial statements
Business Partnering Unit and Financial Planning Unit	November/December 2022	Review of the submissions detail with the relevant business areas

**OPTIONS****Option One**

That Council resolves as follows:

1. To adopt the revised budget for 2022-2023 at Council level, which refers to the following (refer attachment for details):
  - (a) Redland City Council Statement of Comprehensive Income – page 1
  - (b) Redland City Council Statement of Financial Position – page 2
  - (c) Redland City Council Statement of Cash Flows – page 3
  - (d) Redland City Council Operating and Capital Funding Statement – page 5
2. To meet the requirements of the *Local Government Regulation 2012*, adopt the City Water and City Waste Operating and Capital Funding Statements (pages 11 and 12 respectively).

**Option Two**

That Council resolves to not adopt the revised budget for 2022-2023.

**OFFICER'S RECOMMENDATION**

That Council resolves as follows:

3. To adopt the revised budget for 2022-2023 at Council level, which refers to the following (refer attachment for details):
  - (a) Redland City Council Statement of Comprehensive Income – page 1
  - (b) Redland City Council Statement of Financial Position – page 2
  - (c) Redland City Council Statement of Cash Flows – page 3
  - (d) Redland City Council Operating and Capital Funding Statement – page 5
4. To meet the requirements of the *Local Government Regulation 2012*, adopt the City Water and City Waste Operating and Capital Funding Statements (pages 11 and 12 respectively).



# 2022-2023 Annual Budget Review

General Meeting

15 February 2023































