

26 May 2011

Mr Michael Sedgman  
General Manager  
Finance & Risk (Ref: Draft Budget)  
Adelaide City Council  
GPO Box 2252  
Adelaide SA 5001

Dear Michael

**RE: SECRA'S SUBMISSION ON THE DRAFT 2011-12 BUSINESS PLAN AND BUDGET**

On behalf of the SECRA Committee I would like to thank you for providing us with a briefing on the Council's Draft 2011-12 Business Plan and Budget at the Box Factory on 11<sup>th</sup> May 2011. It was very much appreciated.

The committee has reviewed the Draft 2011-12 Business Plan and Budget using the following criteria.

- *The Adelaide Park Lands will be accessible, permeable and protected from commercial exploitation and damage.*
- *Community spaces, such as community centres and libraries, will be supported for their ability to create social capital.*
- *Our streets – including residential streets – will be safe for pedestrians and cyclists and disability friendly.*
- *The public realm – including residential streets - will be attractive, “green” and clean.*
- *Adelaide's unique character and heritage will be protected and promoted.*
- *Residents will be able to shop near where they live.*

SECRA generally supports the 2011-12 Business Plan and Budget. However we would like to make the following points:

We note that around 80% the Strategic Enhancement Program money will go to three projects: *Victoria Square Stages 1 and 2* (\$11,500,000), followed by *Victoria Park, Finalisation of Package 2 (sports fields)* (\$1,800,000) and *Rundle Mall Master Plan – Stage 1* (\$1,700,000).

SECRA sees the value in creating a genuine community space at Victoria Square in returning our largest Park Lands square to “the people”. Expenditure on Victoria Square is significant and we are concerned that the State Government has not made a substantial financial commitment to this project.

Given the Harris Scarfe demolition and new 14 storey building and the demolition of buildings around it, it may be more prudent to defer Rundle Mall redevelopment work until that major shopping infrastructure is completed when it will be apparent if a new theme for the redevelopment of Rundle Mall is appropriate. Also there may be opportunities for Rundle Mall traders to contribute towards this redevelopment.

We understand that the money for the Strategic Enhancement Program has been increased from \$12 million to \$17 million through \$1.5 million from the proposed rate increase and \$3.5 million from structural efficiencies achieved within Council operations.

We congratulate the ACC staff for making savings of \$3.5 million, but suggest that some of the \$1.5 million raised through increased rates could be spent on strategic enhancements in residential areas, in particular in making narrow residential streets safe for pedestrians and disability friendly.

Narrow streets with narrow footpaths (often blocked by stobie poles) force pedestrians, including those in wheelchairs and on gophers, and those pushing prams and using zimmer frames, to share the roadway with vehicles that can be travelling at 50kms per hour. This is clearly unsafe. We have been asked by a number of our members to address this issue.

### **We therefore ask for an increase in the amount budgeted for Disability Action Plan Initiatives (SE14)**

In addition to the proposed \$50,000 for DDA Compliant Bus Stops, Kerb Ramps we request:

- A further \$30,000 for a safety audit of residential streets in the South-East area of the city (with other areas of the city to follow in subsequent budgets). Residents could provide examples of streets they concerned about but may also be given the opportunity to comment via a feedback form (online or delivered to all households with a number of questions about their street and surrounding ones).
- A further \$100,000 in this budget (and also in subsequent budgets to a maximum of \$500,000 which would then remain as an annual figure) for addressing safety issues that arise in small residential streets so that prioritised work can be done quickly.

We believe that our request meets the ACC strategic plan outcomes: **Accessible and Connected Capital City** (*A walkable City*); and **Culturally Vibrant City** (*People of all ages, cultures and means form strong communities in a safe City*). It may also meet the outcome of **Populous Capital City** by retaining those residents who may have to leave because of fears for their safety and inability to move around their neighbourhood because the footpaths are unsuitable for the disabled.

Not only would the city be more resident friendly, such work would also make the area more aesthetically pleasing and inviting, thereby increasing 'rents' and rates and working to improve the city as a destination for all.

Perhaps some of the \$50,000 in SE15 (Jan Gehl Design Initiatives) could be used for a *Safety in Narrow Residential Streets Initiative*.

We note that an extra \$130,000 in this year's budget is a small proportion of the proposed \$1.5 million increase in rates.

**Undergrounding of powerlines;** We know how expensive it is to underground power lines and we note that in this budget there is no money for this.

In the past undergrounding of power lines has tended to be accompanied by the landscaping of the street and it would appear that streets where the Council was able to access joint funding from the State Government were given priority.

However SECRA is of the view that future spending on undergrounding should be for those residential streets where stobie poles make it impossible for disabled persons to use the footpath. Under these circumstances it is considered that a case exists for the Council to seek Government funding (because the problem is due to the ETSA infrastructure) to remedy this most unsatisfactory situation.

There may well be cheaper ways of remedying this situation by creating shared used streets together with reducing the speed of vehicles travelling through these narrow streets.

### **Asset Renewal Program**

We ask for an increase of \$50,000 in the budget for *Nature Strips and Verges Redevelopment Program* (PL4) and ask that planter-bed protuberances be included in this line. We note that T11 (*Tomsey Court (sic) Protuberances*) comes under Transportation Programs. However residents in some streets are requesting protuberances - not to slow down traffic - but to "green" the street.

We would also argue that nature strips and verges and protuberances in residential streets could come under Urban Design (as do *Planter Box Programs* U6) rather than Park Lands and Squares Program.

We support the creation of a Major Event Space in Tambawodli Park (SE5) **only** if this reduces the number of Major Events taking place in Park Lands close to residents, in particular, Rymill Park and Victoria Park.

SECRA is also concerned about the successive decline in the owner-occupier residential rate rebate without, apparently, any augmentation of additional rate incentive substitutes or spending incentives particularly targeted to owner-occupier residents.

The following points are made:

- SECRA notes the proposed increase in residential rates and the proposed erosion of the (already) limited support for owner-occupiers. The proposed increase in rates appears to be in the vicinity of 5.3% - considerably more than the increase in CPI.
- With the proposed reduction of the owner-occupier grant from \$125 to \$100 (a 20% reduction), the increase in rates for owner occupiers for the 2011/12 financial year becomes 7%. This is not acceptable particularly as rate increases are not being targeted to address the needs of existing residents.
- If the argument for the reduction in the owner-occupier residential rate rebate is not considered to be socially-equitable because all residential owner-occupiers are provided the rebate, the rebate could cut out at the top quartile of annual rental values. Studies have indicated at least a weak correlation between SA residential property values and incomes (*Thomson, 1979*).
- SECRA supports Council's intention of greater numbers and greater diversity in the residential mix.

- However, anecdotal evidence would suggest that owner-occupier and long-term rental residents are more inclined to become civically involved, more likely to live a longer duration in the City, more likely to invest on improvements to their property that will increase the rate base and more likely to have properties better maintained than those rented out. The signal given by winding back a rebate to residential owner/occupiers is that these characteristics are not valued.
- SECRA does not support removal of the owner-occupier residential rent rebate. However, if it is to be abolished, then this should be done in a transparent way with clear identification of how any monies saved are to be spent.
- Owner-occupier rate rebates are not unusual for higher-density residential urban cities. Singapore which similarly rates on annual rental value, gives a 40% concession in property taxes to owner-occupier residents. It is not known for applying populist taxing or spending policies, so they must realise a community benefit for economic incentives to attract and keep owner-occupiers living there and must have found the rebate effective in achieving that objective.

Kind Regards



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