



CITYWIDE AND DIVISIONAL ALLOCATIONS POLICY

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Objective: The objective of this Policy is to clearly articulate the defined mechanism for the application of Citywide and Divisional funds allocations.

Related Links:

- *Local Government Act 2009*
- *Local Government Regulation 2012*
- Citywide and Divisional Allocation Procedure FCS-023

PURPOSE:

To define the key financial and administrative policies in relation to the application of Citywide and Divisional funds allocations.

POLICY:

This policy applies to decisions about the allocation of funds for operational programs and capital projects associated with Council owned assets and Council operated programs.

The policy does not apply to the allocation of Mayoral and Councillor Discretionary Funds under Section 202 of the Local Government Regulation 2012.

Citywide and individual Divisional funds allocations are proposed by the Mayor and relevant Divisional Councillors respectively, as a result of due consideration of the Council's strategic and operational plans.

The Council will approve each year in its annual budget the allocation of funds for City Wide and Divisional works on projects. The expenditure of these funds will be guided by programs compiled in consultation with the Mayor and each Divisional Councillor.

The mix of capital expenditure from Division allocations will be at least 30% renewal capital expenditure and the balance will be for enhancement capital expenditure.

A "Citywide and Divisional Allocations Internal Cash Restriction" will be used to manage the allocations during the financial year. Each Citywide and Divisional allocation has its own respective account within this cash restriction and all expenditure made from the respective allocation is funded from the cash restriction.

Any unspent allocations existing at year end will remain in each of the cash restriction accounts to be applied in the next financial year. The next financial year's budget must be prepared including the utilisation of that funding.

Planning

As required by the Local Government Act 2009 and the Local Government Regulation 2012, all spending must be appropriately authorised and must clearly facilitate the Council's corporate and operational plans. Consideration will be given to the prioritised outcomes identified by Council's asset management strategies.

Programming of Work

(a) Divisional

The Divisional allocation may be allocated to any program of Council for capital related activities/projects. A maximum of 6% of the total allocation for a particular Division may be applied to operational expenditure in any program of Council. Of the remaining \$15,000 per annum may be applied to the construction of street lighting. Any uncommitted funds within the street lighting component at the end of each financial year revert back to being available for capital works.

The current financial year's Divisional allocation may be increased by up to 5% as a drawdown on the following year's allocation (except in the financial year in which the local government election falls but only applicable to that part of the financial year which precedes the election), which will be reduced accordingly.

Of the total allocation for a particular Division, twenty percent (20%) may be set aside for operational expenditure associated with capital related activities/projects, in any program within the Infrastructure Services Department.

(b) Citywide

The Citywide allocation may be committed to capital works in any program of Council. Up to 45% of the Citywide allocation may be committed to operational expenditure. The current financial year's allocation may be increased by up to 5% as a drawdown on the following year's allocation (except in the financial year in which the local government election falls but only applicable to that part of the financial year which precedes the election), which will be reduced accordingly.

Any streetscape works directly associated with a roadworks project may be funded as part of that total roadworks project.

Specification of Projects

In order to ensure appropriate lead time for survey, design and documentation as well as providing the most effective and efficient utilisation of resources, both internal and external,

the following timeframes for commitment to and commencement of projects within the total Citywide and Divisional allocations apply:

- A minimum of 20% of each Citywide and Divisional allocation for the next financial year must be allocated for specific projects by 1 March (or 1 May in the financial year in which the local government election falls) and scheduled to commence early in the next financial year.
- A further minimum of 40% of each Citywide and Divisional allocation for the next financial year must be allocated for specific projects by 30 June and scheduled for commencement during the next financial year.
- The remaining 40% of each Citywide and Divisional allocation must be allocated for specific projects by 1 December of the applicable financial year, unless identified for carry over projects or other purposes.
- Projects identified through this process may be changed with the agreement of the Infrastructure Services Chief Operating Officer.
- Where projects have not been specified with regard to any Citywide or Divisional allocation then the Infrastructure Services Chief Operating Officer, as appropriate will nominate and schedule appropriate projects and advise the relevant Councillor accordingly.

Date of Council Resolution: 29 May 2018

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