

Acknowledgement of Country

We acknowledge the Wangal Clan of the Eora Nation, the traditional custodians of the lands on which the Burwood Local Government Area is located.

We pay our respects to their elders past, present and emerging. We acknowledge and respect their cultural heritage, beliefs and ongoing relationship with the land.



Contents

Our Resourcing Strategy	4
About Burwood	6
About Council	8
Our 2036 Vision	11
Our Finances	13
Long Term Financial Plan 2022 to 2032	14
Our Assets	61
Asset Management Strategy 2022 to 2032	62
Strategic Asset Management Plan	81
Our People	133
Workforce Management Plan 2022 to 2026	134
Our Digital Infrastructure	147
Digital Strategy 2022 to 2026	148



Our Resourcing Strategy

The Burwood Resourcing Strategy 2022-2032 is Council's integrated approach to planning for and allocating the resources required to deliver the services and infrastructure our community needs at the right time over the next ten years.

It is an integral part of our Integrated Planning and Reporting Framework (IP&R) as it defines the resources we will use to deliver on the priorities and aspirations of our community, stakeholders and organisation. With this in place we are in a better position to make adequate provision for the financial, infrastructure assets, people and digital resources required to deliver on our commitments in the Delivery Program 2022-2026 and work towards achieving the Burwood2036 Vision through each year's annual operational plan.

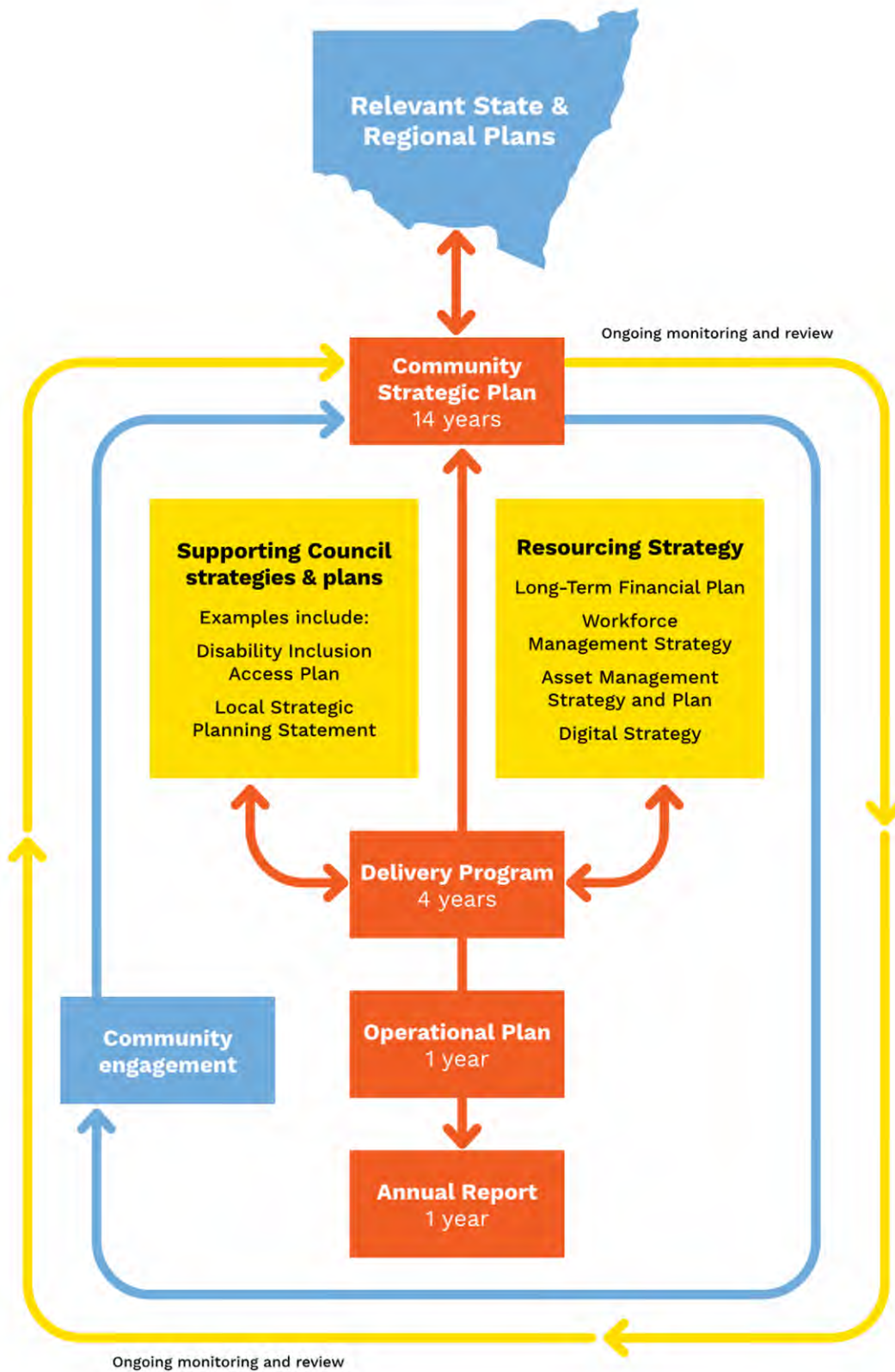
The Resourcing Strategy is made up of four key and integrated plans and strategies. The Burwood:

1. Long Term Financial Plan
2. Asset Management Strategy and Strategic Asset Management Plan
3. Workforce Management Plan
4. Digital Strategy.

Implementation and Review

Each of the four components of this Strategy will be implemented, monitored and reported on as specified within each individual document.

The Resourcing Strategy will be reviewed each year and refreshed if needed to ensure it remains current and effective. Every four years we will undertake a complete review and the Strategy will be updated to ensure it supports Burwood's Community Strategic Plan and the Delivery Program Principal Activities and priorities of each new elected Council.



About Burwood

Burwood is a cultural melting pot of inclusive and diverse communities with a thriving business and retail centre surrounded by historic villages, each with their own distinct character and charm. The Local Government Area (LGA) includes Burwood, Burwood Heights Croydon Park and Enfield and parts of Croydon and Strathfield.

The quality of life residents enjoy, the central location, local schools and excellent transport infrastructure has made the Burwood LGA an attractive destination for people to live, work and visit.

As the first strategic centre west of the Sydney CBD, Burwood will strengthen its role in Sydney over the next 10 years, attracting new business sectors, higher skilled jobs and a diverse mix of housing.

By 2036 the population of the Burwood LGA is anticipated to nearly double to 73,500.

Who we are



Current population: 40,866

48% males

51% females

0.4% Aboriginal & Torres Strait Islander

64% Australian Citizens



Languages & ethnicity

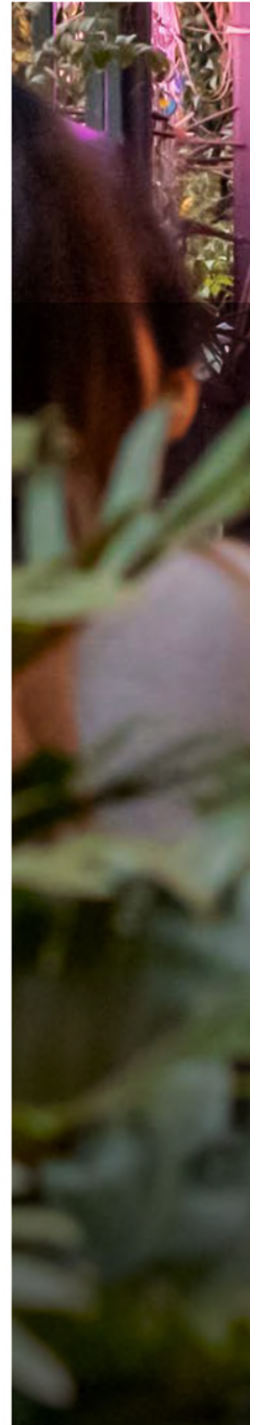
64% Over 23,400 residents speak a language other than English at home

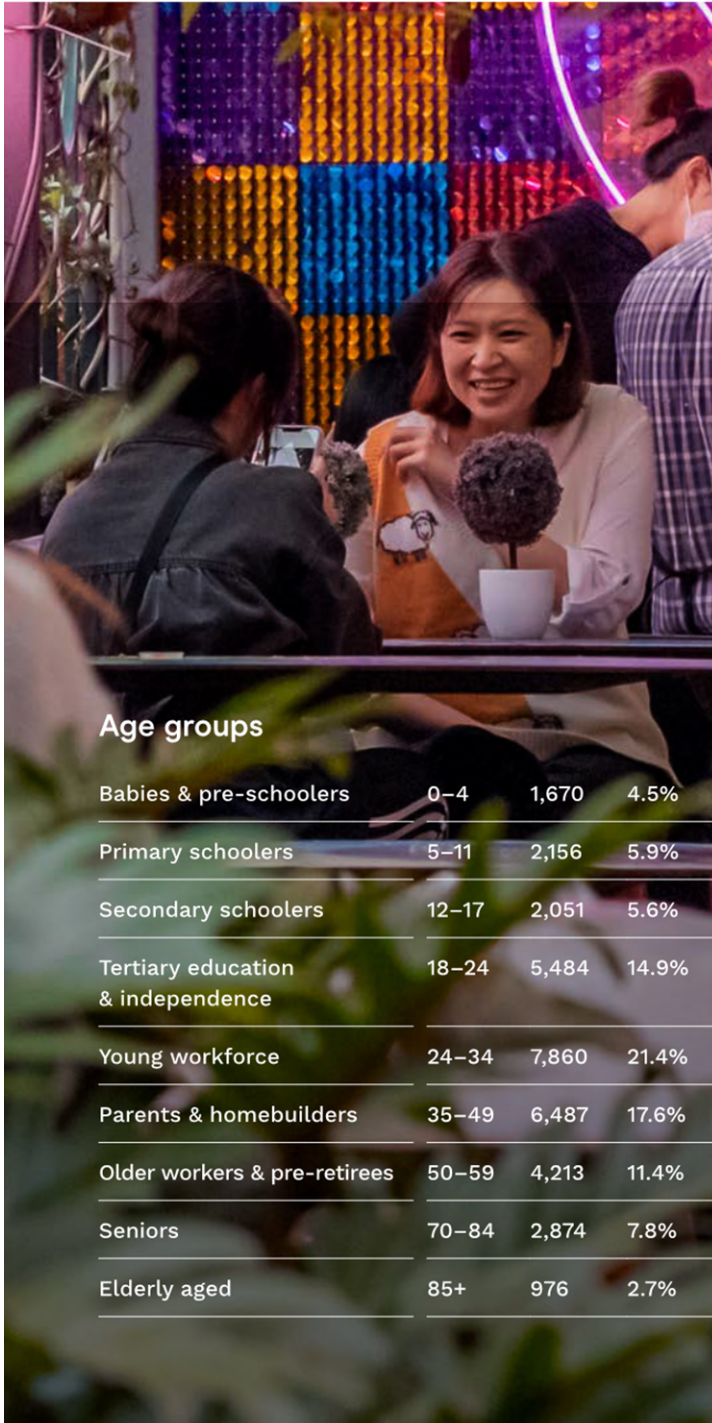
50+ different languages spoken

58% of residents born overseas

32% of residents arrived from overseas since 2011

Source: NSW State Government 2019 Population Projections, Australian Bureau of Statistics 2016 as compiled by Profile ID. Note: 2021 census information not available at time of print.





Age groups

Babies & pre-schoolers	0–4	1,670	4.5%
Primary schoolers	5–11	2,156	5.9%
Secondary schoolers	12–17	2,051	5.6%
Tertiary education & independence	18–24	5,484	14.9%
Young workforce	24–34	7,860	21.4%
Parents & homebuilders	35–49	6,487	17.6%
Older workers & pre-retirees	50–59	4,213	11.4%
Seniors	70–84	2,874	7.8%
Elderly aged	85+	976	2.7%

How we live and work



Employed population

92% employed
40% travel to work on public transport
2,600+ local businesses
\$2.7 billion GDP



Top 4 industry sectors

12.4% Healthcare & Social Assistance
10.4% Accommodation & Food Services
10.1% Professional, Scientific & Technical Services
9.8% Retail Trade



Employment location

14.6% live and work in the LGA
28.2% work in City of Sydney
20.5% work in surrounding LGAs of Inner West, Canada Bay, Strathfield and Canterbury-Bankstown
36.7% work outside Burwood, surrounding LGAs and City of Sydney



Our homes

Over 60% live in medium density and high density housing

About Council

Our Service Areas

- **City Development** – Town planning, building and development assessment services.
 - **City Planning** – Strategic and land use planning, long term place planning, heritage advisory services, sustainability and resilience planning and programs.
 - **Community and Culture** – Community development, community programs, social planning and research, cultural projects, public art and community events.
 - **Community Safety** – Regulatory and compliance services, environmental health, community safety education and crime prevention initiatives.
 - **Customer Experience and Business Improvement** – Customer service counter and call centre, community facilities and parks bookings, customer research and improvement projects.
 - **Enfield Aquatic Centre** – Recreational facilities and programs, including learn to swim and fitness classes, aquatic events and family recreational and leisure activities.
 - **Infrastructure and Assets** – Design and engineering services, landscape architecture, tree management, asset management, traffic, transport and road safety.
 - **Library and Community Hub** – Collections and resources and access to learning, technology, creative experiences and programs.
 - **Major Capital Works & Projects** – Delivery of major or complex infrastructure projects in Council's Capital Works Program.
 - **Operations** – Parks, waste and cleansing, civil construction and maintenance (roads, footpaths and drainage) and depot operations.
 - **Place Management and Communications** – Coordination of place management and community engagement initiatives, media liaison, print and digital communications.
 - **Property** – Management of Council's property portfolio, including property projects and maintenance.
- The following internal service areas assist in the delivery of frontline services:**
- Finance
 - Procurement
 - Information Technology (Information Systems and Support, Digital Transformation and GIS)
 - Governance and Risk (including Records Management and Internal Ombudsman)
 - People and Performance (Human Resources, Organisational Development, Payroll, Work Health and Safety).

Our Assets

Council manages and looks after a broad range of assets, such as community and recreation facilities, sportsgrounds, parks and open space, buildings, roads and other infrastructure assets which enable people to live, work and play within our LGA. This infrastructure has a total replacement value of \$532.86 million.



169.8 km of footpath



89.73 km of roads



29 parks

including;

- 10** x sports-fields
- 2** x outdoor multi-sports courts
- 2** x tennis facilities



23 playgrounds



1 civic square



1 aquatic centre

including;

- 1** x 50m pool
- 2** x indoor heated 25m pools



1 library and community hub

including;

- 4** x meeting rooms
- 2** x studios
- 2** x learning hubs
- 1** x conference room

plus additional spaces for study and creative programs



6 community centres / venues for hire

Guiding Principles

Our guiding principles underpin our planning, decision making and delivery of services and infrastructure to support our community's needs and aspirations.

Sustainability now and for the future

We support and champion social, environmental, economic and civic leadership outcomes and work in a way that does not compromise the needs and ecological sustainability of present and future generations

Bound by social justice

We consider the four key components of social justice principles being:

Equity

Fairness in decision-making, prioritising and allocation of resources, particularly for those in need

Access

Fair access to services, resources and opportunities to improve quality of life

Participation

The maximum opportunity to genuinely participate in decision making

Rights

Participate in community life



Our 2036 Vision

Vision

Burwood is a welcoming and inclusive community that is defined by our diversity of people, liveable places and progressive ideas. We acknowledge and celebrate our history and place, protect our heritage and environment and share a quality of life that is equitable, sustainable and supports each other to thrive and prosper.



Strategic Directions



Inclusive community and culture

A thriving community where diversity is embraced, everyone is valued, connected and has the opportunity to contribute and belong.



Places for people

Our places are built around people, protecting our heritage and are well planned and liveable with housing, transport and infrastructure that meet the diverse and changing needs of our community.



Sustainable and protected environment

We work together to protect our natural resources and assets to ensure that our impact on the environment is reduced so we and future generations can live in a clean and sustainable environment.



Vibrant city and villages

Our business and entertainment precincts are economically sustainable and prosperous where residents, workers and visitors enjoy diverse retail, dining and entertainment experiences and interesting places that are attractive, active and welcoming.



Open and collaborative leadership

A strong local democracy with an actively engaged community who are listened to, respected and who trust in our leaders.

Our Finances





Quick links

1. Executive summary	15
2. Introduction	16
3. Objectives	17
4. Structure	18
5. Current financial position of Council	19
6. LTFP Assumptions	23
7. Financial results	28
8. Productivity and efficiencies	29
9. Opportunities and threats	30
10. Sensitivity analysis	32
11. Monitoring financial performance	34
12. Conclusion	34
Appendix A	35
Appendix B	36
SCENARIO ONE: Base Case	36
SCENARIO TWO: Domestic Waste Management Charge (SRV)	42
SCENARIO THREE: Base case with Drawn out Pandemic Recovery	48
SCENARIO FOUR: Pessimistic Assumption	54

1. Executive summary

Council's Long Term Financial Plan (LTFP) contains a set of long-range financial projections based on an informed set of assumptions. It is designed to reflect the financial implications of providing the current service levels and our programs of capital works. The LTFP covers the 10-year time period from 2022 to 2032. This Plan focuses on delivering community needs and Council's strategic priorities (including asset renewal).

The LTFP indicates that Council will generate sufficient funds and has adequate reserves available to implement its programs and to achieve a balanced budget in each year throughout the ten-year planning period. The LTFP enables all asset backlogs identified in

Council's Asset Management Strategy and Asset Management Plan to be addressed while maintaining assets class conditions to a standard that meets community expectations. Service delivery, organisational capability and financial stability will also be maintained.



2. Introduction

The LTFP is a core element of Council's corporate planning framework. The Plan addresses the financial resourcing capacity requirements to deliver the Vision of Burwood2036, our Community Strategic Plan. The LTFP enables the community's aspirations and demand for services to be tested against the financial opportunities and limitations likely to be encountered within the next 10 years, it includes financial modelling and the planning assumptions that have been identified as affecting the financial capacity of Council. The LTFP enables the community and Council to set priorities to meet future needs.

The projections contained in the LTFP are subject to change due to a variety of external factors as well as major decisions made by Council. It is necessary to regularly review and monitor a variety of factors, and revising the projections contained in the LTFP where necessary. The LTFP is revised annually as part of Council's annual budget process in keeping with the legislative requirements under the Integrated Planning and Reporting (IP&R) framework.

The Plan has been prepared in an environment of heightened uncertainty given the global and national impacts of the COVID-19 pandemic. Incorporating assumptions on the recovery from the pandemic is essential. Some of the key pandemic macroeconomic assumptions are:

- No further lockdowns take place
- Economic activities return to pre-pandemic levels
- Overseas tourism returns to pre-pandemic levels
- Domestic tourism spending increases with borders opening up.

Despite the challenges Council faces, we are committed to:

- Maintaining current service levels
- Maintaining organisational capability
- Meeting our obligations to our staff
- Prudently managing Council and community's resources and assets
- Reprioritising resource allocations to where they are most needed
- Providing financial assistance to support our community and businesses
- Maintaining our long-term financial sustainability while at the same time building our fiscal resilience to enable Council to respond to unexpected crises.

3. Objectives

Legislated principles

Section 8B of the Local Government Act 1993 states that the following principles of sound financial management apply to councils:

- a) Council spending should be responsible and sustainable, aligning general revenue and expenses
- b) Councils should invest in responsible and sustainable infrastructure for the benefit of the local community
- c) Councils should have effective financial and asset management, including sound policies and processes for the following:
 - i. Performance management and reporting
 - ii. Asset maintenance and enhancement
 - iii. Funding decisions
 - iv. Risk management practices.
- d) Councils should have regard to achieving intergenerational equity, including ensuring the following:
 - i. Policy decisions are made after considering their financial effects on future generations,
 - ii. The current generation funds the cost of its services.

The LTFP is developed to give effect to the Community Strategic Plan, deliver Council's program and aspirations over time, and provide strong stewardship for community assets and resources. It contains a set of long-range financial projections based on an informed set of assumptions.

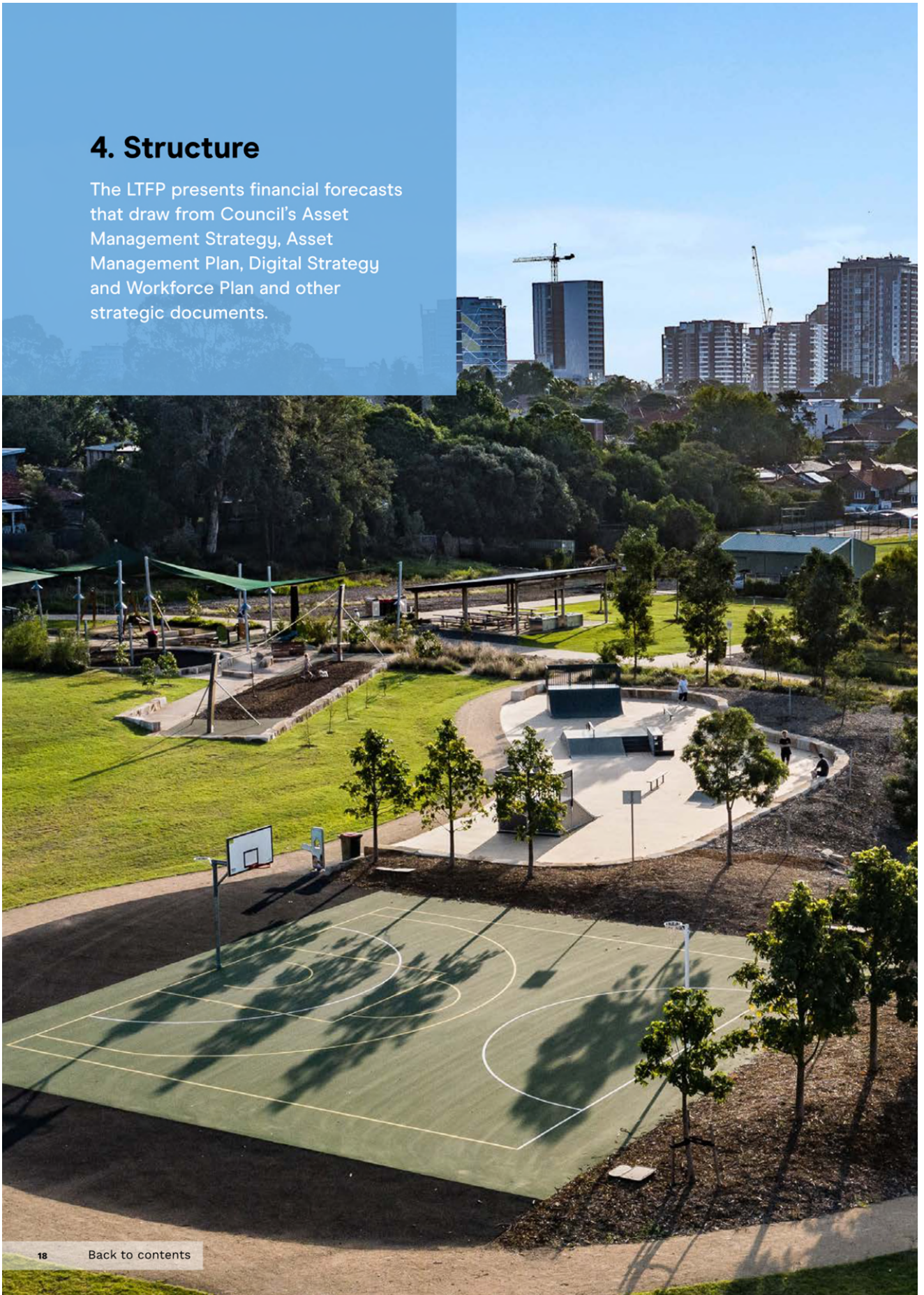
Council objectives

In addition to the legislated principles of sound financial management, Council has 5 financial objectives that it applies to its financial planning, control and management.

- 1. Ensure financial sustainability** – to generate its own operating revenue and having sufficient assets to serve its liabilities with the aim of achieving all of the “fit for the future” financial sustainability benchmarks
- 2. Deliver a balanced budget** – ensure that each financial year's expenses are funded by identified funding sources.
- 3. Fund existing service levels** – ensure existing service levels that council currently provide continue to be fully funded when preparing budgets and making financial decisions.
- 4. Fund infrastructure renewals** – the funding allocated to annual capital works programs to ensure all infrastructure assets meets the determined satisfactory condition level.
- 5. Be financially responsible** – ensure costs are well-considered and money is responsibly spent. We have carefully budgeted for a range of new initiatives to ensure Burwood remains affordable and sustainable well into the future.

4. Structure

The LTFP presents financial forecasts that draw from Council's Asset Management Strategy, Asset Management Plan, Digital Strategy and Workforce Plan and other strategic documents.



5. Current financial position of Council

Burwood Council operates at present from a sound financial position. The 2020-21 audited Annual Financial Statements reported that all but two of Burwood Council's key ratios are performing better than the Industry Benchmarks. Only the Operating Performance Ratio and Infrastructure Backlog Ratio are below the benchmark due to the impact of the pandemic and an outdated asset management system which has now been replaced.

Table 1: Local Government Key Performance Measures

Indicator	Quantitative Measure	Industry	2020/	2019/	2018/
		Benchmark 2020/2021	2021	2020	2019
Operating Performance Ratio	Measures a Council ability to contain operating expenditure within operating revenue	>0	-8.40%	-9.41%	3.37%
Own Source Operating Revenue Ratio	Measures the level of a Council's fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions	>60%	81.89%	54.93%	77.79%
Unrestricted Current Ratio	The Unrestricted Current Ratio is specific to local government and is designed to represent a Council's ability to meet debt payments as they fall due	>1.5x	3.18x	2.96x	4.66x
Debt Service Cover Ratio	This ratio measures the availability of operating cash to service debt including interest, principal and lease payments	>2x	4.99x	2.95x	10.15x
Rates and Annual Charges Outstanding percentage	This ratio assesses the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts	<5%	4.53%	4.16%	2.90%
Cash Expense Cover Ratio	This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow	>3 months	6.58 months	8.34 months	10.47 months
Building & Infrastructure Asset Renewals Ratio	This ratio compares the proportion spent on infrastructure asset renewals and the asset's deterioration measured by its accounting depreciation. Asset renewal represents the replacement or refurbishment of existing assets to an equivalent capacity or performance as opposed to the acquisition of new assets or the refurbishment of old assets that increase capacity or performance.	>=100%	102.15%	122.55%	152.73%
Infrastructure Backlog Ratio	This ratio shows what proportion the backlog is against total value of a Council's infrastructure	<2%	9.43%	9.63%	6.97%

Burwood Cares package – our response to the pandemic

Council in 2021/22 developed and implemented a program to assist the LGA to recover from the effects of the pandemic. The Burwood Cares package focused on key areas where Council offered support to the local community and outlined actions to be delivered by Council that supported the community’s post pandemic recovery. The package was divided into two parts:

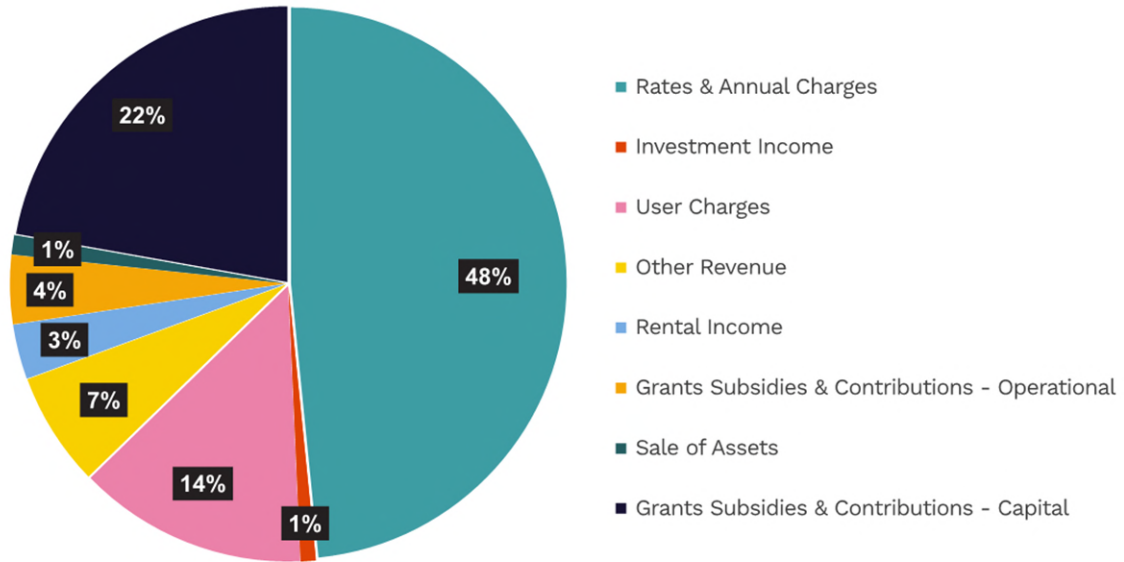
- Community that focuses on social aspects in Burwood
- Business that focuses on the local business community.

However, during the early part of the financial year Council suffered further from losses in income from the effects of the Omicron strain whilst still maintaining its focus on providing assistance to our community.

The 2022/23 Draft Budget forecasts Council’s operating income to recover from the impact of the pandemic to be \$56.091 million, an increase of \$4.41 million compared to the current revised 2021-22 budget. The total income is projected to be \$73.16 million, an increase of \$12.72million compared to the current revised 2021/22 budget.

Income - \$,000	Draft 2022/23 Budget	2021-22 Approved Budget	2021-22 Revised Budget	\$ change on 2021-22 Revised Budget	% change on 2021-22 Revised Budget
Operating Income	56,091	54,106	51,676	4,415	7.9%
Rates & Annual Charges	35,414	33,687	33,981	1,433	4.0%
Investment Income	650	650	650	-	0.0%
User Charges	9,828	9,944	7,726	2,102	21.4%
Other Revenue	4,893	4,879	4,423	470	9.6%
Rental Income	2,350	2,347	1,687	663	28.2%
Grants Subsidies & Contributions - Operational	2,956	2,599	3,209	- 253	-8.6%
Capital Income	17,067	6,330	10,061	10,737	62.9%
Sale of Assets	825	550	550	275	33.3%
Grants Subsidies & Contributions - Capital	16,242	5,780	9,511	6,731	41.4%
Total Income	73,158	60,436	61,737	12,722	17.4%

The following chart shows the major categories of revenue for Council in 2022/23.



Rates and Annual Charges are 48.41% of our total revenue , effectively the largest category of Council revenue. Each year, the Independent Pricing and Regulatory Tribunal (IPART) sets the maximum allowable increase in rates based on a review of the Local Government Cost Index , which they have developed. The maximum allowable increase for 2022/23 set by IPART is 0.7%. This coincides with the final year of a 4 year Special Rate Variation (SRV) cycle of 4.5%. In effect, this means that Council will be increasing its 2022/23 rating base by 4.5%.



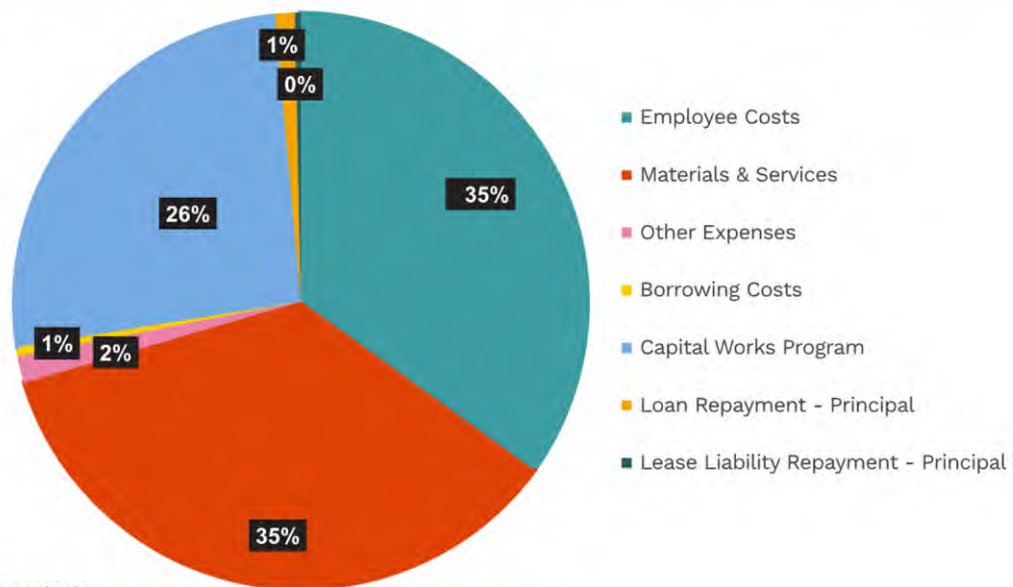
ITEM NUMBER 54/22 - ATTACHMENT 4

Draft Resourcing Strategy 2022 - 2032

The 2022/23 budget estimates that Council's total expenditure, excluding depreciation expense will be \$66.2 million, including loan and finance lease repayments, as illustrated in the table below.

2022/23 budget estimates

Expense – \$,000	Draft 2022/23 Budget	2021-22 Approved Budget	2021-22 Revised Budget	\$ change on 2021-22 Revised Budget	% change on 2021-22 Revised Budget
Operating Expense	47,976	48,129	51,166	-3,190	-6.6%
Employee Costs	23,151	22,922	21,674	1,477	6.4%
Materials & Services	23,490	23,825	28,093	-4,603	-19.6%
Other Expenses	1,000	1,042	1,059	-59	-5.9%
Borrowing Costs	335	340	340	-5	-1.5%
Capital Expense	17,281	10,805	21,190	-3,909	-22.6%
Capital Works Program	17,281	10,805	21,190	-3,909	-22.6%
Loan	946	726	938	8	0.8%
Loan Repayment - Principal	729	726	726	3	0.4%
Principal	217	-	212	5	2.3%
Total Expense	66,203	59,660	73,294	-7,091	-10.7%



6. LTFP Assumptions

In developing this LTFP, projections on future forecasts have been based on a number of assumptions. These assumptions are explained below.

Levels of service to the community

The LTFP is based on Council maintaining existing services to the community at the existing service levels as well as incorporating works arising from the Strategic Asset Management Plan and other strategic plans.

Capital works program

Council's extensive capital works program aims to deliver much needed renewal of infrastructure assets including roads, community buildings, parks & reserve and transport infrastructure. The total proposed value of works in Council's 2022/23 capital works program is \$17.28m. The LTFP capital works program 2022/23 to 2031/32 outlines all infrastructure renewal works arising from Council's Asset Management Strategy, Asset Management Plan and other strategic plans.

The financial projection of future capital works will depend on the nature, timing and funding of specific projects. The majority of infrastructure projects are costed in accordance with current design estimates. Any significant cost revisions in subsequent years will be reflected in the LTFP going forward.

Debt policy

Council's level of debt is low, with total outstanding loans of \$5.8 million as at 30 June 2022. An increase in debt will therefore be considered from time to time if it will allow Council to spread the burden of costs more equitably across current and future generations in alignment with benefits and/or reduce the growth in renewal costs that may arise from delay in investment in assets. Assuming Council has capacity to service more debt, the use of debt financing is more likely to increase during the life of this Plan.

Debt is only to be considered by Council as a means of financing capital investments, not operational costs, and where there is a reliable source of income (funding source) for repayment.

Reserve funding

Council holds limited externally restricted cash reserves, covering Domestic Waste, Stormwater Management Services Charge, Section 7.12 Fixed Developers Contributions and Section 7.4 Planning Agreement Contributions. These funds are only to be used for the purposes for which they were raised. Internally restricted reserves include money held for such items as employees leave entitlements, bond and deposits, plant and vehicle replacement and infrastructure assets. These funds are to be used for the purpose for which they are held.



Revenue – rates

Rates are a major source of Council's income, representing approximately 39.17% of the total revenue in the draft 2022/23 budget. This income projection is based on the Independent Pricing and Regulatory Tribunal (IPART) SRV increase of 4.5% approved in May 2019. The rate pegging assumption for the subsequent years are in line with the projected CPI for the life of the LTFP.

The approved annual rate pegging limit since 2004/05 is shown in the table 3 below, along with the actual rate increase adopted by Council. This table shows that over this period the average annual rate pegging limit has been 2.71%, this was higher than the average annual CPI of 2.3%. Council's average increase of 4.86% is the result of a SRV approved for 2006-08, 2014-18 and 2019-23.

Allowable increase in Rates and CPI

Year	Rate Pegging limit %	Burwood Council's increase %	CPI (weighted average all capital cities) %
2004/05	3.5%	3.5%	2.5%
2005/06	3.5%	3.5%	4.0%
2006/07	3.6%	9.9%	2.1%
2007/08	3.4%	9.3%	4.4%
2008/09	3.2%	3.2%	1.4%
2009/10	3.5%	3.5%	3.1%
2010/11	2.6%	2.6%	3.5%
2011/12	2.8%	2.8%	1.2%
2012/13	3.6%	3.6%	2.4%
2013/14	3.4%	3.4%	3.0%
2014/15	2.3%	5.5%	1.5%
2015/16	2.4%	6.5%	1.0%
2016/17	1.8%	7.0%	1.9%
2017/18	1.5%	7.5%	2.1%
2018/19	2.3%	2.3%	1.9%
2019/20	2.7%	4.7%	2.0%
2020/21	2.0%	4.5%	1.5%
2021/22	2.6%	4.5%	
2022/23	0.7%	4.5%	
Total cumulative increase	51.40%	92.30%	39.50%
Average annual increase (19 years - 2004/5 to 2022/23)	2.71%	4.86%	2.08%

Domestic Waste charges

The Domestic Waste Management charge is based on the full cost recovery for the provision of the waste and recyclable collection service. However IPART has for 2022/23 set an increase limit of 1.1%. Council will therefore be using some of the Domestic Waste Reserve to fund the 2022/23 domestic waste management costs. The Reserve is essential to provide for the funding of waste bins, garbage trucks and fleet equipment replacements.

Stormwater Management Service Charges

The Stormwater Management Service Charge (SMSC) is intended as a mechanism for New South Wales (NSW) councils to raise income to invest in improving the stormwater systems in urban areas, under the Local Government Amendment (Stormwater) Act 2005 No70. The revenue raised from SMSC will be allocated to projects/activities in relation to capacity and water quality as well as works that arise from Catchment Flood Studies.

User charges and fees

Council provides a wide range of facilities and services for which it receives revenue from user fees and charges. Council sets its fees and charges in accordance with the provisions of the Local Government Act,1993 using the seven guiding principles defined in the Pricing Policy. Fees and Charges are updated annually. Some of the fees are classified as statutory fees which are fixed by regulations, legislation or a State/Federal Authority. Where Council has the legislative authority to vary fees and charges the Consumer Price Index (CPI) has generally been applied, where considered appropriate.

Often, the fee received does not fully offset the costs associated with the service or facility as they are aimed at providing a broad community benefit and if higher fees were charged many residents may be unable to enjoy the use of the facility and service. Revenue growth in these areas is limited due to Council seeking to provide services accessible to the wider community. Historically the revenue received from the majority of this group of fees and charges have increased in line with CPI. Accordingly, the LTFP model includes a projected increase for this income group in line with the projected CPI growth.

Interest and investment revenue

All cash investments made by councils in NSW are subject to Section 625 of the Local Government Act and associated regulations and circulars. All such investments must also be in accordance with the Council's Investment Policy. Investment reports are submitted to Council on a monthly basis.

Burwood's Investment Policy limits the proportion of investments Council can make in various types of facilities by limiting:

- the overall credit exposure of the portfolio
- the credit rating of individual financial institutions
- the term to maturity of the overall portfolio.

Council's investments yielded positive returns overall and exceeded the benchmark return on an annual basis. The level of interest revenue earned varies with regard to total funds held in Council's investment portfolio. Interest revenue is also subject to external factors such as monetary policy decision and economic and investment market conditions. Over the longer term, economic conditions can vary considerably, which in turn can affect the interest rate. The graph below depicts movements in the official Australian cash rate.

Trend analysis of RBA Cash Rate



Other Revenues

Other revenue increases have been projected to increase in line with estimated CPI growth.

Grants and contributions

Council receives grants from the State and Federal Governments. These are either for discretionary or non-discretionary purposes. The majority of grants provided to Council are for specific purposes, such as infrastructure maintenance & upgrade, provision of community services and environmental programs. Grants and contributions in general are not subject to indexation, however Council has allowed an estimated CPI growth.

Section 712 developer contributions

Section 7.12 of the Environmental Planning and Assessment Act 1979 enables councils to levy contributions for public amenities and services required as a consequence of development. Developer contributions are essential to providing key facilities and services for local residents. The s7.12 contributions are held as an externally restricted asset and they are allocated to fund the capital works program projects.

The level and timing of contributions fluctuate according to a variety of factors including economic growth and the level of development activity. In the LTFP, it is assumed that economic growth and development activities are relatively static throughout the life of the 10 years, recognising that there will be market fluctuations from time-to-time.

Section 7.4 Planning Agreements developer contributions

Section 7.4 of the Environmental Planning and Assessment Act 1979 enables councils to seek contributions for public amenities and services required as a consequence of development. Planning Agreements can take a number of formats, including dedication of land free of cost, payment of a monetary contribution, or provision of any other material public benefit, or any combination of them, to be used for or applied towards a public purpose. The Burwood Planning Agreement Policy outlines a value sharing approach in which Council seeks a share of value uplift generated from new development which exceeds current floor space ratio controls.

Planning Agreements are a form of developer contributions, which are essential to providing

key facilities and services for local residents. The Planning Agreement contributions are held as an externally restricted asset and allocated to fund projects in our capital works program.

The level and timing of Planning Agreement contributions for the LTFP fluctuate according to a variety of factors including economic growth and the level of development activity. There is a delay between when a contribution is agreed and when it is paid, given that contributions are not required to be paid until an Occupation Certificate is issued. In addition, Planning Agreements are voluntary in nature which adds another level of uncertainty for the stability of this income stream. In the LTFP, it is assumed that economic growth and development activities are relatively static throughout the life of the 10 years, recognising that there will be market related fluctuations from time-to-time.

Expenditure – employee costs

Employee costs include the payment of salary and wages, leave, superannuation, training and workers compensation expenses. Overall employee costs comprise around 48.26% of Council's operating expenditure excluding depreciation. The LTFP projection includes the Award increase of 2.0% for 2022/23 and 2023/24, and thereafter it is assumed the award rate will be in line with CPI growth.

For Council employees in the accumulation scheme, Council is required to make compulsory employer superannuation contributions in accordance with the compulsory employer superannuation contribution limits. As a result of legislative changes, this contribution will progressively increase from its current level of 10% to 12% in 2025/26. The current rate of 10% will be increased by 0.5% from 2022/23 until it reaches 12%. For workers compensation, the budget provision is based on Council's provider insurance company's estimates for 2022/23. Thereafter it will increase in line with the forecast salary increase.

Materials and contracts

Expenditure on materials and contracts has generally been indexed below estimated CPI growth in the LTFP.

Loan borrowing costs

Whilst inflation remains low, interest rates are forecast to remain low. The LTFP includes an average rate of 4.5% for loans with a 10 year term. This is conservative as it is above the forecast borrowing rates for 2022/23. The conservative position is considered appropriate in light of the current economic climate.

Depreciation

Depreciation for Council's assets is a non-cash expense that reflects the utilisation of Council's assets and the degradation of their capacity to provide functionality over time. Depreciation expense is an indicator used by the Office of Local Government to determine the level of asset renewals that councils should be undertaking. Council uses a straight line method of depreciation which is commonly applied to Local Government infrastructure.

Other expenses

Increases in the range of levies imposed by the State Government are hard to predict. Levies such as the State Emergency Levy, Fire Brigade Levy and Sydney Regional Development Fund contribution have grown steadily and have been forecast to continue.



7. Financial results

The LTFP forecasts that Council will successfully manage the financial sustainability challenges while sustaining Council's current level of operations and capital program up to 2031/32. Internal restricted reserves are forecasted to be responsibly utilised to fund Council's spending and balance the budget in a manner consistent with the purpose for which they were raised. The annual review of the LTFP allows Council to vary our approach to sustainable financial management as we progress through the planning period.

Like all councils, we access funds through a variety of sources including:

- Rates and other levies/charges
- Fees and Charges
- Loans
- Grants
- Council also has the ability to apply reserves.

Council also continuously reviews its operations with the aim to achieve cost efficiency improvements.



8. Productivity and efficiencies

In preparing the 2022/23 Budget, Council has committed to undertake a review of Council services in order to improve the productivity and efficiency of our operation, as well as containing costs and exploring additional revenue streams to deliver existing and improved service levels. These operational efficiencies will be built into the 2023/24 budget once they have been undertaken. Council Staff are currently working through several initiatives that will assist in managing financial sustainability.

These include:

- Council wide service reviews
- Employee leave management strategies
- Review of the Domestic Waste Charge and its application
- Digital Strategy and resulting process and productivity efficiencies
- A Workplace Health & Safety improvement program to reduce workplace injuries.

It is estimated that the benefits of these programs will provide financial benefits across future LTFPs. These productivity efficiencies will assist in offset rising costs over the life of this LTFP.

9. Opportunities and threats

In projecting Council's future financial position, a number of anticipated future challenges that may have an adverse impact on Council have been considered.

These are summarised below.

Rate pegging

NSW councils are subjected to rate pegging. Rate pegging is the maximum percentage limit by which NSW councils may increase the total income they receive from rates. The rate pegging percentage is set each year by IPART. A general observation that rate pegging has constrained the capacity of NSW councils to raise total revenue so that they can keep pace with cost increase and service expansions to meet community expectations. Decisions on rate pegging and rate variations above the peg can therefore pose a significant threat to the modelled financial outcomes. Burwood's experience is that rates revenue generates approximately 40.29% of the total revenue.

Non-rates revenue

The Council is heavily dependent on variable non-rates sources of revenue, these represents over 14.26% of the total revenue. Many of these income items are volatile to economic conditions, such as the building construction and property rental markets.

Parking income

Income from parking fees and fines account for approximately 10.13% of our total income. Market conditions and Council policies on public parking will have significant implications our long-term financial outlook.

Cost shifting from Federal and State Governments

Cost shifting is a challenge confronting Local Government. Cost shifting occurs when there is a transfer of services from the Federal or State Government to Local Government without the provision of adequate funding required to provide the service. The LTFP assumes the current cost will increase annually by CPI, but no growth in cost shifting in the life of the LTFP.

Developer contributions

In 2005 the Environmental Planning and Assessment Act was amended to introduce, among other things, a system for the negotiation of planning agreements between developers and planning authorities. The increased use of planning agreements, as well as changes in the application of Section 7.12 (formerly S94A) contributions, have positively impacted on the Council's long term financial outlook. These contributions can be significantly affected by construction market conditions.



Direct labour costs

All councils in NSW, except the City of Sydney, are covered by the Local Government State Award which is centrally negotiated and largely beyond Council's control. Direct employee costs (namely salaries/wages, superannuation, leave and overtime) represent over 46.72% Council's operating expenditure (when depreciation is excluded). Salary/wage rates struck under the Award negotiations can have a significant impact on financial outcomes, especially when the Award increase is above the rate peg. This has the potential to significantly affect the reliability of the funding model.

Workers' compensation costs

Variations in workforce safety performance pose a significant risk to the budget. In 2022/23 budget year, the workers compensation premium is estimated to be \$0.739 million. Council is undertaking a program of improvements in WH&S in an effort to improve workplace safety. This improvement will result in premium reductions in the medium term. The LTFP assumes that our workers compensation premiums will be increased in the next two years by 25% from the 2022/23 level. However, threats to this may arise, due to Council's ageing workforce and our high exposure to manual handling areas such as civil works, waste cleansing and open space operations.





10. Sensitivity analysis

Council's LTFP covers a 10-year period based on assumptions regarding future financial trends. These assumptions include future rate variation limits (i.e. rate pegging), increase in CPI and employment costs. Many of these factors can fluctuate over time as they are influenced by a variety of circumstances, such as government policies, economic conditions and changing community expectations. As it is not possible to accurately predict movements in these factors in individual years over the long term, they have been projected on the basis of recent trends or forecasted CPI based on available information in the time when the plan is prepared. A full list of the assumptions underlying the projections in the LTFP is contained in Appendix 1.

Over a 10 year period, these assumptions may be subject to change outside the parameters used in developing the assumptions for the LTFP. Any major change in these assumptions will have an impact on the financial projections contained therein. The level of impact depends not only on the level of change but also on the nature of the assumption.

A minor variance in some of the assumptions will have a relatively small impact on the projections contained in the LTFP.

For example, increases in the level of grant income received for specific purposes would result in a corresponding increase in expenditure. Conversely, a change in the annual rate pegging limit or employee award rate will have a significant impact on future financial projections. Sensitivity analysis has been undertaken to assess the impact of changes in the factors which have been used to project future revenue and expenditure.

Sensitivity analysis involves developing different scenarios by varying the critical assumptions, such as the items described in the Opportunities and Threats section above. The different scenarios demonstrate the impact of these changes on Council's financial projections.

Financial projection scenarios

Council's LTFP contains long term projections based on specific assumptions. As it is difficult to accurately predict all future trends, alternative scenarios have been modelled to help provide an indication of Council's future financial position under a variety of circumstances. These alternative scenarios are summarised below:

All scenarios use the 2022/23 budget as base with the exception of Scenario Three.

SCENARIO ONE:

Base

This scenario includes the last of the four-year SRV of 4.5% in accordance with IPART approval to address Council's drainage Infrastructure backlog and deliver current services to the community.

SCENARIO TWO:

Domestic Waste Management Charge (SRV)

The same basis as for Scenario One and includes a forecast of 10% SRV for Domestic Waste Management Charge (DWMC) in 2023/24 financial year to address the shortfall in IPART's recommended DWMC increase of 1.1% in 2022/23. For the 2022/23 financial year a transfer from the Domestic Waste Management reserve has been used to balance the cost of the service.

SCENARIO THREE:

Base with a drawn out pandemic recovery

The same basis as for Scenario One but includes a six months reduction in specific income categories which have been affected by the Pandemic lockdowns. These categories include Parking Income, Enfield Aquatic Centre (EAC), Commercial Rental, Residential Rentals, Community Facilities hire, Commercial Rebates (Health Inspections and Outdoor Eating License). In addition there is a saving allowance in Employee costs resulted from savings in casual wages due to EAC shutdown.

SCENARIO FOUR:

Pessimistic assumption

This scenario shows the impact in operating deficits before capital revenue increasing over the LTFP due to a number of factors, lower than expected projected in the (IPART) Rate Peg of 0.5%, a decline by IPART of an increase in the Domestic Waste Management (SRV) application of 10%, higher than expected NSW Local Government State Award increase of 0.5% increase than originally budgeted and increases in Workers Compensation Premiums by 15% in 2023/2034 and a further increase of 10% in 2024/2025.

Please see Appendix B for a detailed breakdown of each scenario.



11. Monitoring financial performance

It is important that Council regularly assesses its financial performance and position against the projections contained in the LTFP. The planned model has been developed so that its implementation will over the life of the LTFP meet a set of financial indicators:

- Balanced Budget
- Operating Performance Ratio
- Own Source Operating Revenue Ratio
- Unrestricted Current Ratio
- Debt Service Cover Ratio
- Cash Expense Cover Ratio
- Infrastructure Backlog Ratio.

The annual budgets are set to maintain service delivery, organisational capability and financial stability and responses which may follow the pandemic. Budget control and monitoring is paramount for Council achieving the outcomes of this Plan. Budgets are monitored internally on an on-going basis. Monthly financial reports are reported to the Executive Leadership Team and Managers and Quarterly Budget Reviews are reported to Council and illustrate the progress against the adopted budgets.

12. Conclusion

Council has a strong record in responsible financial management and a clear plan for continuing this track record to achieve the productivity and efficiency targets set in this LTFP through a thorough review of Council's services.

Appendix A

Assumptions

General Assumptions	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Operating Income										
Rates - Ordinary	4.50%	2.25%	2.25%	2.25%	2.50%	2.50%	2.50%	3.00%	3.00%	3.00%
Annual Charges - Domestic Waste	1.10%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
User Charges - Specific 1	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	3.00%	3.00%	3.00%
Fees & Charges - Statutory & Regulatory 1	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Fees & Charges	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Other Revenues	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Operating Grants - General Purpose (Untied) 1	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Operating Grants - Specific Purpose 1	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Operating Contributions - General Purpose (Untied) 1	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Operating Contributions - Specific - Other Contributions 1	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Interest & Investment Revenues - o/s Rates & Annual Charges	6.00%	6.00%	6.00%	6.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
Interest & Investment Revenues - Investments	2.00%	2.00%	2.50%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Rental Income - Investment Property	2.00%	2.00%	2.25%	2.25%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%
Rental Income - Other	2.00%	2.00%	2.25%	2.25%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%
Operating Expenditure										
Employee Costs - Salaries & Wages	2.00%	2.00%	2.50%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Employee Costs - Casual Wages	2.00%	2.00%	2.50%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Employee Costs - Superannuation	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Employee Costs - Workers Comp	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Employee Costs - Other 1	2.00%	2.00%	2.50%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Materials & Contracts - Raw Materials & Consumables	1.00%	1.00%	1.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Materials & Contracts - Contracts	1.00%	1.00%	1.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Materials & Contracts - Legal Expenses	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Materials & Contracts - Materials	1.00%	1.00%	1.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Materials & Contracts - Utilities	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Materials & Contracts - Insurance	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Materials & Contracts - Other Expenses	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Depreciation - IPP&E	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Depreciation - ROU	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Other Expenses - Government Levies	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Other Expenses - Donations & Gifts	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Other Expenses - Impairment	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Capital Income										
Capital Contributions - Developer Contributions	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Depreciation (non-cash) contra Income	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Appendix B

SCENARIO ONE: Base Case

Income Statement

	Budget 2022-23	Budget 2023-24	Budget 2024-25	Budget 2025-26
	\$	\$	\$	\$
Income From Continuing Operations				
Rates & Annual Charges	35,414,334	36,732,056	38,389,495	39,766,018
User Charges & Fees	9,827,851	10,057,701	10,297,981	10,533,819
Interest & Investment Revenue	650,000	701,000	900,000	1,252,000
Other Revenues	4,893,342	4,991,209	5,091,033	5,192,854
Rental Revenue	2,349,582	2,396,574	2,505,497	3,028,294
Grants & Contributions provided for Operating Purposes	2,955,723	2,670,889	2,559,425	2,619,255
Grants & Contributions provided for Capital Purposes	13,900,500	10,816,520	10,853,406	10,890,660
Total Income From Continuing Operations	69,991,332	68,365,949	70,596,837	73,282,899
Expenses From Continuing Operations				
Employee Benefits & On-Costs	(23,150,870)	(23,843,362)	(24,616,525)	(25,239,343)
Borrowing Costs	(335,191)	(313,582)	(345,797)	(361,611)
Materials & Contracts	(23,490,465)	(23,274,897)	(24,182,823)	(25,144,416)
Depreciation & Amortisation	(10,412,886)	(10,517,015)	(10,622,185)	(10,728,407)
Other Expenses	(999,625)	(1,019,318)	(1,039,404)	(1,059,892)
Total Expenses From Continuing Operations	(58,389,037)	(58,968,173)	(60,806,734)	(62,533,668)
Operating Result from Continuing Operations	11,602,295	9,397,776	9,790,103	10,749,231
Net Operating Result before Capital Items	(2,298,205)	(1,418,744)	(1,063,303)	(141,429)
Capital Expenditure				
Capital Works Program	(17,281,225)	(25,800,623)	(29,382,017)	(11,075,612)
Loan Principal Repayments	(728,701)	(734,301)	(694,173)	(676,422)
Lease Liability Principal Repayments	(217,145)	(219,824)	(225,833)	(232,006)
Transfer to Reserves	(11,045,000)	(11,312,305)	(11,814,983)	(12,153,038)
Source of Capital Funds				
Sale of Assets	825,000	840,000	855,000	885,000
Loan Borrowing	0	1,000,000	2,000,000	-
Transfer from Reserves	6,436,767	16,342,444	18,877,682	1,811,330
Depreciation & Amortisation Expense (Contra)	10,412,886	10,517,015	10,622,185	10,728,407
Net Budget Result Surplus/(Deficit)	4,877	30,182	27,964	36,889

ITEM NUMBER 54/22 - ATTACHMENT 4

Draft Resourcing Strategy 2022 - 2032

	Budget 2026-27	Budget 2027-28	Budget 2028-29	Budget 2029-30	Budget 2030-31	Budget 2031-32
	\$	\$	\$	\$	\$	\$
	41,259,998	42,725,490	43,989,331	45,825,372	47,361,505	48,948,884
	10,780,349	11,032,705	11,291,028	11,555,458	11,826,143	12,103,230
	1,353,000	1,354,000	1,390,000	1,425,000	1,460,000	1,495,000
	5,296,711	5,402,645	5,510,698	5,620,912	5,733,330	5,847,997
	3,094,955	3,163,119	3,232,819	3,304,089	3,376,965	3,451,483
	2,680,497	2,743,185	2,807,353	2,873,038	2,940,275	3,009,101
	11,444,732	11,494,310	6,544,935	6,600,717	6,660,564	6,721,027
	75,910,241	77,915,454	74,766,163	77,204,586	79,358,781	81,576,722
	(25,988,640)	(26,727,333)	(27,486,427)	(28,302,654)	(29,143,200)	(30,008,793)
	(388,254)	(366,075)	(418,035)	(418,194)	(393,247)	(362,212)
	(26,364,807)	(28,587,639)	(28,151,481)	(29,103,961)	(30,336,858)	(31,098,720)
	(10,835,691)	(10,944,048)	(11,053,488)	(11,164,023)	(11,275,663)	(11,388,420)
	(1,080,790)	(1,102,106)	(1,123,848)	(1,146,025)	(1,168,645)	(1,191,718)
	(64,658,181)	(67,727,200)	(68,233,278)	(70,134,856)	(72,317,614)	(74,049,862)
	11,252,060	10,188,254	6,532,885	7,069,729	7,041,167	7,526,860
	(192,672)	(1,306,056)	(12,050)	469,012	380,604	805,833
	(11,188,926)	(11,349,916)	(13,294,051)	(11,739,065)	(11,889,540)	(12,207,160)
	(702,117)	(728,794)	(724,832)	(704,333)	(734,063)	(705,331)
	(115,988)	(119,516)	(123,151)	(126,897)	(130,756)	(134,734)
	(12,471,473)	(12,525,323)	(7,930,323)	(7,750,323)	(7,900,323)	(7,900,323)
	885,000	900,000	915,000	925,000	925,000	925,000
			2,000,000			
	1,535,000	2,770,000	1,650,000	1,220,000	1,470,000	1,220,000
	10,835,691	10,944,048	11,053,488	11,164,023	11,275,663	11,388,420
	29,247	78,753	79,017	58,135	57,148	112,732

SCENARIO ONE: Base Case

Balance Sheet	Budget as at 30 June 2023	Budget as at 30 June 2024	Budget as at 30 June 2025	Budget as at 30 June 2026
	\$	\$	\$	\$
ASSETS				
Current Assets				
Cash & Cash Equivalents	22,154,201	31,593,998	42,671,366	51,693,144
Investments	25,633,880	25,633,880	25,633,880	25,633,880
Receivables	4,333,869	4,549,463	5,181,581	4,456,132
Other	1,250,525	1,245,415	1,269,626	1,295,247
Non-current assets classified as "held for sale"	-	-	-	-
Total Current Assets	53,372,476	63,022,756	74,756,453	83,078,403
Non-Current Assets				
Investments	1,717,120	1,717,120	1,717,120	1,717,120
Receivables	-	-	-	-
Infrastructure, Property, Plant & Equipment	520,761,916	526,780,383	540,144,004	539,830,697
Investment Property	4,700,000	4,700,000	4,700,000	4,700,000
Intangible Assets	379,000	379,000	379,000	379,000
Right of Use assets	642,228	422,163	199,898	1,625,409
Total Non-Current Assets	528,200,264	533,998,666	547,140,021	548,252,226
TOTAL ASSETS	581,572,740	597,021,422	621,896,474	631,330,630
LIABILITIES				
Current Liabilities				
Payables	10,658,758	10,952,818	11,938,399	10,589,242
Contract Liabilities	2,945,868	3,105,439	3,840,607	2,621,786
Lease Liabilities	219,824	225,833	232,006	115,988
Borrowings	693,185	611,942	676,422	702,117
Provisions	7,247,125	7,247,125	7,247,125	7,247,125
Total Current Liabilities	21,764,760	22,143,156	23,934,559	21,276,258
Non-Current Liabilities				
Payables	-	-	-	-
Contract Liabilities	-	-	-	-
Lease Liabilities	457,839	232,006	-	1,534,012
Borrowings	4,339,144	4,686,087	5,927,434	5,225,317
Provisions	153,875	153,875	153,875	153,875
Total Non-Current Liabilities	4,950,858	5,071,968	6,081,309	6,913,204
TOTAL LIABILITIES	26,715,618	27,215,124	30,015,868	28,189,462
Net Assets	554,857,122	569,806,298	591,880,606	603,141,167
EQUITY				
Accumulated Surplus	269,403,122	284,352,298	306,426,606	317,687,167
Revaluation Reserves	285,454,000	285,454,000	285,454,000	285,454,000
Total Equity	554,857,122	569,806,298	591,880,606	603,141,167

ITEM NUMBER 54/22 - ATTACHMENT 4

Draft Resourcing Strategy 2022 - 2032

	Budget as at 30 June 2027	Budget as at 30 June 2028	Budget as at 30 June 2029	Budget as at 30 June 2030	Budget as at 30 June 2031	Budget as at 30 June 2032
	\$	\$	\$	\$	\$	\$
	62,697,182	72,645,909	79,019,765	85,475,154	92,040,776	98,901,038
	25,633,880	25,633,880	25,633,879	25,633,880	25,633,880	25,633,880
	4,611,994	4,756,844	4,510,956	4,653,633	4,784,880	4,920,827
	1,327,631	1,386,178	1,375,367	1,400,794	1,433,549	1,454,027
	94,270,686	104,422,811	110,539,967	117,163,461	123,893,085	130,909,771
	1,717,120	1,717,120	1,717,120	1,717,120	1,717,120	1,717,120
	539,525,665	539,260,533	540,817,386	540,701,032	540,625,847	540,757,886
	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000
	379,000	379,000	379,000	379,000	379,000	379,000
	1,398,676	1,169,676	938,386	704,782	468,843	230,544
	547,720,461	547,226,330	548,551,892	548,201,934	547,890,811	547,784,551
	641,991,147	651,649,141	659,091,860	665,365,395	671,783,895	678,694,322
	10,778,330	11,057,398	11,308,083	11,301,864	11,501,495	11,681,684
	2,659,261	2,698,241	2,205,373	2,246,627	2,289,149	2,332,591
	119,516	123,151	126,897	130,756	134,734	138,832
	728,794	606,840	704,333	734,063	705,331	531,129
	7,247,125	7,247,125	7,247,125	7,247,125	7,247,125	7,247,125
	21,533,025	21,732,756	21,591,810	21,660,435	21,877,833	21,931,361
	-	-	-	-	-	-
	1,414,496	1,291,345	1,164,448	1,033,692	898,958	760,127
	4,496,523	3,889,683	5,067,359	4,333,296	3,627,966	3,096,835
	153,875	153,875	153,875	153,875	153,875	153,875
	6,064,894	5,334,903	6,385,682	5,520,863	4,680,799	4,010,837
	27,597,919	27,067,659	27,977,492	27,181,298	26,558,632	25,942,198
	614,393,229	624,581,482	631,114,367	638,184,097	645,225,264	652,752,124
	328,939,229	339,127,482	345,660,367	352,730,097	359,771,264	367,298,124
	285,454,000	285,454,000	285,454,000	285,454,000	285,454,000	285,454,000
	614,393,229	624,581,482	631,114,367	638,184,097	645,225,264	652,752,124

SCENARIO ONE: Base Case

Cashflow

	Budget as at 30 June 2023	Budget as at 30 June 2024	Budget as at 30 June 2025	Budget as at 30 June 2026
	\$	\$	\$	\$
Cash Flows from Operating Activities				
Receipts				
Rates & Annual Charges	35,400,583	36,720,347	38,374,767	39,753,786
User Charges & Fees	9,953,022	10,067,426	10,308,349	10,543,913
Interest & Investment Revenue Received	600,900	643,715	828,476	1,203,560
Grants & Contributions	17,858,058	19,113,086	26,087,481	13,336,566
Other	7,054,268	7,334,674	7,411,429	8,482,422
	70,866,832	73,879,248	83,010,502	73,320,248
Payments				
Employee Benefits & On-Costs	23,088,981	23,816,989	24,587,280	25,216,157
Materials & Contracts	23,724,186	23,284,963	24,135,130	25,093,945
Borrowing Costs	326,478	312,588	340,915	364,140
Other	1,011,566	999,809	1,009,679	1,030,977
	48,151,211	48,414,349	50,073,004	51,705,219
Net Cash provided (or used in) Operating Activities	22,715,621	25,464,899	32,937,498	21,615,029
Cash Flows from Investing Activities				
Receipts				
Sale of Infrastructure, Property, Plant & Equipment	825,000	840,000	855,000	885,000
Payments				
Purchase of Infrastructure, Property, Plant & Equipment	15,629,491	16,910,977	23,795,123	12,569,823
Net Cash provided (or used in) Investing Activities	(14,804,491)	(16,070,977)	(22,940,123)	(11,684,823)
Cash Flows from Financing Activities				
Receipts				
Proceeds from Borrowings & Advances	-	1,000,000	2,000,000	-
Payments				
Repayment of Borrowings & Advances	728,701	734,301	694,173	676,422
Repayment of lease liabilities (principal repayments)	217,145	219,824	225,833	232,006
Net Cash Flow provided (used in) Financing Activities	(945,846)	45,875	1,079,994	(908,428)
Net Increase / (Decrease) in Cash & Cash Equivalents	6,965,284	9,439,797	11,077,369	9,021,778
Cash at the beginning of the reporting period	15,188,916	22,154,200	31,593,997	42,671,366
Cash & Cash Equivalents - end of the year	22,154,200	31,593,997	42,671,366	51,693,143

ITEM NUMBER 54/22 - ATTACHMENT 4

Draft Resourcing Strategy 2022 - 2032

	Budget as at 30 June 2027	Budget as at 30 June 2028	Budget as at 30 June 2029	Budget as at 30 June 2030	Budget as at 30 June 2031	Budget as at 30 June 2032
	\$	\$	\$	\$	\$	\$
	41,246,722	42,712,468	43,978,100	45,809,056	47,347,855	48,934,779
	10,791,102	11,043,818	11,302,509	11,567,316	11,838,386	12,115,868
	1,279,645	1,292,070	1,351,664	1,380,074	1,417,588	1,450,636
	14,131,326	14,244,078	9,065,816	9,480,878	9,608,291	9,737,709
	8,365,383	8,538,763	8,837,670	8,896,709	9,081,315	9,269,883
	75,814,179	77,831,197	74,535,759	77,134,033	79,293,435	81,508,876
	25,960,121	26,699,401	27,457,727	28,271,580	29,111,195	29,975,827
	26,301,014	28,472,307	28,172,778	29,053,871	30,272,334	31,058,380
	390,878	368,799	413,268	420,827	395,992	364,849
	1,048,600	1,061,499	1,105,596	1,115,508	1,135,535	1,162,377
	53,700,613	56,602,006	57,149,369	58,861,786	60,915,056	62,561,433
	22,113,566	21,229,191	17,386,390	18,272,247	18,378,379	18,947,443
	885,000	900,000	915,000	925,000	925,000	925,000
	11,176,424	11,332,154	13,079,552	11,910,629	11,872,938	12,172,117
	(10,291,424)	(10,432,154)	(12,164,552)	(10,985,629)	(10,947,938)	(11,247,117)
	-	-	2,000,000.00	-	-	-
	702,117	728,794	724,832	704,333	734,063	705,331
	115,988	119,516	123,151	126,897	130,756	134,734
	(818,105)	(848,310)	1,152,017	(831,230)	(864,819)	(840,065)
	11,004,037	9,948,727	6,373,855	6,455,388	6,565,622	6,860,261
	51,693,143	62,697,180	72,645,908	79,019,762	85,475,151	92,040,773
	62,697,180	72,645,908	79,019,762	85,475,151	92,040,773	98,901,034

SCENARIO TWO:

Domestic Waste Management Charge (SRV)**Income Statement**

	Budget 2022-23	Budget 2023-24	Budget 2024-25	Budget 2025-26
	\$	\$	\$	\$
Income from Continuing Operations				
Rates & Annual Charges	35,414,334	37,205,145	38,876,776	40,267,917
User Charges & Fees	9,827,851	10,057,701	10,297,981	10,533,819
Interest & Investment Revenue	650,000	701,000	900,000	1,252,000
Other Revenues	4,893,342	4,991,209	5,091,033	5,192,854
Rental Revenue	2,349,582	2,396,574	2,505,497	3,028,294
Grants & Contributions provided for Operating Purposes	2,955,723	2,670,889	2,559,425	2,619,255
Grants & Contributions provided for Capital Purposes	13,900,500	10,816,520	10,853,406	10,890,660
Total Income From Continuing Operations	69,991,332	68,839,037	71,084,118	73,784,798
Expenses From Continuing Operations				
Employee Benefits & On-Costs	(23,150,870)	(23,843,362)	(24,616,525)	(25,239,343)
Borrowing Costs	(335,191)	(313,582)	(345,797)	(361,611)
Materials & Contracts	(23,490,465)	(23,297,147)	(24,570,104)	(25,546,316)
Depreciation & Amortisation	(10,412,886)	(10,517,015)	(10,622,185)	(10,728,407)
Other Expenses	(999,625)	(1,019,318)	(1,039,404)	(1,059,892)
Total Expenses From Continuing Operations	(58,389,037)	(58,990,423)	(61,194,015)	(62,935,568)
Operating Result from Continuing Operations	11,602,295	9,848,615	9,890,103	10,849,230
Net Operating Result before Capital Items	(2,298,205)	(967,905)	(963,303)	(41,430)
Capital Expenditure				
Capital Works Program	(17,281,225)	(25,800,623)	(29,382,017)	(11,075,612)
Loan Principal Repayments	(728,701)	(734,301)	(694,173)	(676,422)
Lease Liability Principal Repayments	(217,145)	(219,824)	(225,833)	(232,006)
Transfer to Reserves	(11,045,000)	(11,312,305)	(11,914,983)	(12,253,038)
Source of Capital Funds				
Sale of Assets	825,000	840,000	855,000	885,000
Loan Borrowing	0	1,000,000	2,000,000	-
Transfer from Reserves	6,436,767	15,891,606	18,877,682	1,811,330
Depreciation & Amortisation Expense (Contra)	10,412,886	10,517,015	10,622,185	10,728,407
Net Budget Result Surplus/(Deficit)	4,877	30,182	27,964	36,889

ITEM NUMBER 54/22 - ATTACHMENT 4

Draft Resourcing Strategy 2022 - 2032

	Budget 2026-27	Budget 2027-28	Budget 2028-29	Budget 2029-30	Budget 2030-31	Budget 2031-32
	\$	\$	\$	\$	\$	\$
	41,776,955	43,257,955	44,537,770	46,390,264	47,943,344	49,548,179
	10,780,349	11,032,705	11,291,028	11,555,458	11,826,143	12,103,230
	1,353,000	1,354,000	1,390,000	1,425,000	1,460,000	1,495,000
	5,296,711	5,402,645	5,510,698	5,620,912	5,733,330	5,847,997
	3,094,955	3,163,119	3,232,819	3,304,089	3,376,965	3,451,483
	2,680,497	2,743,185	2,807,353	2,873,038	2,940,275	3,009,101
	11,444,732	11,494,310	6,544,935	6,600,717	6,660,564	6,721,027
	76,427,198	78,447,919	75,314,602	77,769,478	79,940,620	82,176,016
	(25,988,640)	(26,727,333)	(27,486,427)	(28,302,654)	(29,143,200)	(30,008,793)
	(388,254)	(366,075)	(418,035)	(418,194)	(393,247)	(362,212)
	(26,781,763)	(29,020,104)	(28,599,920)	(29,568,854)	(30,818,698)	(31,598,014)
	(10,835,691)	(10,944,048)	(11,053,488)	(11,164,023)	(11,275,663)	(11,388,420)
	(1,080,790)	(1,102,106)	(1,123,848)	(1,146,025)	(1,168,645)	(1,191,718)
	(65,075,138)	(68,159,665)	(68,681,717)	(70,599,749)	(72,799,454)	(74,549,157)
	11,352,060	10,288,254	6,632,885	7,169,729	7,141,166	7,626,859
	(92,672)	(1,206,055)	87,950	569,012	480,603	905,833
	(11,188,926)	(11,349,916)	(13,294,051)	(11,739,065)	(11,889,540)	(12,207,160)
	(702,117)	(728,794)	(724,832)	(704,333)	(734,063)	(705,331)
	(115,988)	(119,516)	(123,151)	(126,897)	(130,756)	(134,734)
	(12,571,473)	(12,625,323)	(8,030,323)	(7,850,323)	(8,000,323)	(8,000,323)
	885,000	900,000	915,000	925,000	925,000	925,000
			2,000,000			
	1,535,000	2,770,000	1,650,000	1,220,000	1,470,000	1,220,000
	10,835,691	10,944,048	11,053,488	11,164,023	11,275,663	11,388,420
	29,247	78,753	79,017	58,134	57,148	112,732

SCENARIO TWO:

Domestic Waste Management Charge (SRV)

Balance Sheet	Budget as at 30 June 2023	Budget as at 30 June 2024	Budget as at 30 June 2025	Budget as at 30 June 2026
	\$	\$	\$	\$
ASSETS				
Current Assets				
Cash & Cash Equivalents	22,154,201	32,037,959	43,236,420	52,358,320
Investments	25,633,880	25,633,880	25,633,880	25,633,880
Receivables	4,333,869	4,569,492	5,202,725	4,478,395
Other	1,250,525	1,245,996	1,279,730	1,305,732
Non-current assets classified as "held for sale"	-	-	-	-
Total Current Assets	53,372,476	63,487,327	75,352,755	83,776,327
Non-Current Assets				
Investments	1,717,120	1,717,120	1,717,120	1,717,120
Receivables	-	-	-	-
Infrastructure, Property, Plant & Equipment	520,761,916	526,780,383	540,144,004	539,830,697
Investment Property	4,700,000	4,700,000	4,700,000	4,700,000
Intangible Assets	379,000	379,000	379,000	379,000
Right of Use assets	642,228	422,163	199,898	1,625,409
Total Non-Current Assets	528,200,264	533,998,666	547,140,021	548,252,226
TOTAL ASSETS	581,572,740	597,485,993	622,492,776	632,028,553
LIABILITIES				
Current Liabilities				
Payables	10,658,758	10,966,550	11,983,862	10,636,328
Contract Liabilities	2,945,868	3,105,439	3,840,607	2,621,786
Lease Liabilities	219,824	225,833	232,006	115,988
Borrowings	693,185	611,942	676,422	702,117
Provisions	7,247,125	7,247,125	7,247,125	7,247,125
Total Current Liabilities	21,764,760	22,156,888	23,980,022	21,323,344
Non-Current Liabilities				
Payables	-	-	-	-
Contract Liabilities	-	-	-	-
Lease Liabilities	457,839	232,006	-	1,534,012
Borrowings	4,339,144	4,686,087	5,927,434	5,225,317
Provisions	153,875	153,875	153,875	153,875
Total Non-Current Liabilities	4,950,858	5,071,968	6,081,309	6,913,204
TOTAL LIABILITIES	26,715,618	27,228,856	30,061,331	28,236,548
Net Assets	554,857,122	570,257,137	592,431,445	603,792,005
EQUITY				
Accumulated Surplus	269,403,122	284,803,137	306,977,445	318,338,005
Revaluation Reserves	285,454,000	285,454,000	285,454,000	285,454,000
Total Equity	554,857,122	570,257,137	592,431,445	603,792,005

ITEM NUMBER 54/22 - ATTACHMENT 4

Draft Resourcing Strategy 2022 - 2032

	Budget as at 30 June 2027	Budget as at 30 June 2028	Budget as at 30 June 2029	Budget as at 30 June 2030	Budget as at 30 June 2031	Budget as at 30 June 2032
	\$	\$	\$	\$	\$	\$
	63,462,500	73,511,393	79,985,435	86,541,033	93,206,888	100,167,407
	25,633,880	25,633,880	25,633,880	25,633,880	25,633,880	25,633,880
	4,635,391	4,781,393	4,536,674	4,680,538	4,812,989	4,950,159
	1,338,509	1,397,461	1,387,066	1,412,923	1,446,120	1,467,053
	95,070,280	105,324,127	111,543,056	118,268,374	125,099,877	132,218,499
	1,717,120	1,717,120	1,717,120	1,717,120	1,717,120	1,717,120
	539,525,665	539,260,533	540,817,386	540,701,032	540,625,847	540,757,886
	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000
	379,000	379,000	379,000	379,000	379,000	379,000
	1,398,676	1,169,676	938,386	704,782	468,843	230,544
	547,720,461	547,226,330	548,551,892	548,201,934	547,890,811	547,784,551
	642,790,742	652,550,457	660,094,948	666,470,308	672,990,687	680,003,050
	10,827,086	11,107,875	11,360,331	11,355,938	11,557,449	11,739,574
	2,659,261	2,698,241	2,205,373	2,246,627	2,289,149	2,332,591
	119,516	123,151	126,897	130,756	134,734	138,832
	728,794	606,840	704,333	734,063	705,331	531,129
	7,247,125	7,247,125	7,247,125	7,247,125	7,247,125	7,247,125
	21,581,780	21,783,232	21,644,059	21,714,509	21,933,787	21,989,251
	-	-	-	-	-	-
	1,414,496	1,291,345	1,164,448	1,033,692	898,958	760,127
	4,496,523	3,889,683	5,067,359	4,333,296	3,627,966	3,096,835
	153,875	153,875	153,875	153,875	153,875	153,875
	6,064,894	5,334,903	6,385,682	5,520,863	4,680,799	4,010,837
	27,646,674	27,118,135	28,029,741	27,235,372	26,614,586	26,000,088
	615,144,067	625,432,321	632,065,207	639,234,936	646,376,102	654,002,962
	329,690,067	339,978,321	346,611,207	353,780,936	360,922,102	368,548,962
	285,454,000	285,454,000	285,454,000	285,454,000	285,454,000	285,454,000
	615,144,067	625,432,321	632,065,207	639,234,936	646,376,102	654,002,962

SCENARIO TWO:

Domestic Waste Management Charge (SRV)

Cashflow

	Budget as at 30 June 2023	Budget as at 30 June 2024	Budget as at 30 June 2025	Budget as at 30 June 2026
	\$	\$	\$	\$
Cash Flows from Operating Activities				
Receipts				
Rates & Annual Charges	35,400,583	37,189,231	38,861,922	40,255,555
User Charges & Fees	9,953,022	10,067,426	10,308,349	10,543,913
Interest & Investment Revenue Received	600,900	639,710	827,842	1,202,937
Grants & Contributions	17,858,058	19,113,086	26,087,481	13,336,566
Other	7,054,268	7,334,674	7,411,429	8,482,422
	70,866,832	74,344,127	83,497,022	73,821,394
Payments				
Employee Benefits & On-Costs	23,088,981	23,816,989	24,587,280	25,216,157
Materials & Contracts	23,724,186	23,306,070	24,503,651	25,495,093
Borrowing Costs	326,478	312,588	340,915	364,140
Other	1,011,566	999,620	1,006,586	1,030,854
	48,151,211	48,435,267	50,438,432	52,106,244
Net Cash provided (or used in) Operating Activities	22,715,621	25,908,860	33,058,590	21,715,150
Cash Flows from Investing Activities				
Receipts				
Sale of Infrastructure, Property, Plant & Equipment	825,000	840,000	855,000	885,000
Payments				
Purchase of Infrastructure, Property, Plant & Equipment	15,629,491	16,910,977	23,795,123	12,569,823
Net Cash provided (or used in) Investing Activities	(14,804,491)	(16,070,977)	(22,940,123)	(11,684,823)
Cash Flows from Financing Activities				
Receipts				
Proceeds from Borrowings & Advances	-	1,000,000	2,000,000	-
Payments				
Repayment of Borrowings & Advances	728,701	734,301	694,173	676,422
Repayment of lease liabilities (principal repayments)	217,145	219,824	225,833	232,006
Net Cash Flow provided (used in) Financing Activities	(945,846)	45,875	1,079,994	(908,428)
Net Increase / (Decrease) in Cash & Cash Equivalents	6,965,284	9,883,758	11,198,461	9,121,899
Cash at the beginning of the reporting period	15,188,916	22,154,200	32,037,958	43,236,419
Cash & Cash Equivalents - end of the year	22,154,200	32,037,958	43,236,419	52,358,318

ITEM NUMBER 54/22 - ATTACHMENT 4

Draft Resourcing Strategy 2022 - 2032

	Budget as at 30 June 2027	Budget as at 30 June 2028	Budget as at 30 June 2029	Budget as at 30 June 2030	Budget as at 30 June 2031	Budget as at 30 June 2032
	\$	\$	\$	\$	\$	\$
	41,763,545	43,244,795	44,526,397	46,373,803	47,929,543	49,533,918
	10,791,102	11,043,818	11,302,509	11,567,316	11,838,386	12,115,868
	1,279,020	1,291,444	1,351,037	1,379,445	1,416,957	1,450,004
	14,131,326	14,244,078	9,065,816	9,480,878	9,608,291	9,737,709
	8,365,383	8,538,763	8,837,670	8,896,709	9,081,315	9,269,883
	76,330,377	78,362,898	75,083,428	77,698,150	79,874,493	82,107,383
	25,960,121	26,699,401	27,457,727	28,271,580	29,111,195	29,975,827
	26,717,197	28,903,975	28,620,396	29,517,918	30,753,303	31,556,778
	390,878	368,799	413,268	420,827	395,992	364,849
	1,048,472	1,061,368	1,105,460	1,115,369	1,135,391	1,162,230
	54,116,668	57,033,543	57,596,851	59,325,694	61,395,881	63,059,684
	22,213,709	21,329,355	17,486,577	18,372,456	18,478,612	19,047,699
	885,000	900,000	915,000	925,000	925,000	925,000
	11,176,424	11,332,154	13,079,552	11,910,629	11,872,938	12,172,117
	(10,291,424)	(10,432,154)	(12,164,552)	(10,985,629)	(10,947,938)	(11,247,117)
	-	-	2,000,000.00	-	-	-
	702,117	728,794	724,832	704,333	734,063	705,331
	115,988	119,516	123,151	126,897	130,756	134,734
	(818,105)	(848,310)	1,152,017	(831,230)	(864,819)	(840,065)
	11,104,180	10,048,891	6,474,042	6,555,597	6,665,855	6,960,517
	52,358,318	63,462,498	73,511,389	79,985,431	86,541,029	93,206,883
	63,462,498	73,511,389	79,985,431	86,541,029	93,206,883	100,167,400

SCENARIO THREE:

Base case with Drawn out Pandemic Recovery**Income Statement**

	Budget 2022-23	Budget 2023-24	Budget 2024-25	Budget 2025-26
	\$	\$	\$	\$
Income from Continuing Operations				
Rates & Annual Charges	35,414,334	37,205,145	38,876,776	40,267,917
User Charges & Fees	7,615,351	10,057,701	10,297,981	10,533,819
Interest & Investment Revenue	650,000	701,000	900,000	1,252,000
Other Revenues	4,333,342	4,991,209	5,091,033	5,192,854
Rental Revenue	1,691,147	2,396,574	2,505,497	3,028,294
Grants & Contributions provided for Operating Purposes	2,955,723	2,670,889	2,559,425	2,619,255
Grants & Contributions provided for Capital Purposes	13,900,500	10,816,520	10,853,406	10,890,660
Total Income From Continuing Operations	66,560,397	68,839,037	71,084,118	73,784,798
Expenses From Continuing Operations				
Employee Benefits & On-Costs	(22,730,300)	(23,843,362)	(24,616,525)	(25,239,343)
Borrowing Costs	(335,191)	(313,582)	(345,797)	(361,611)
Materials & Contracts	(23,490,465)	(23,297,147)	(24,570,104)	(25,546,316)
Depreciation & Amortisation	(10,412,886)	(10,517,015)	(10,622,185)	(10,728,407)
Other Expenses	(999,625)	(1,019,318)	(1,039,404)	(1,059,892)
Total Expenses From Continuing Operations	(57,968,467)	(58,990,423)	(61,194,015)	(62,935,568)
Operating Result from Continuing Operations	8,591,930	9,848,615	9,890,103	10,849,230
Net Operating Result before Capital Items	(5,308,570)	(967,905)	(963,303)	(41,430)
Capital Expenditure				
Capital Works Program	(17,281,225)	(25,800,623)	(29,382,017)	(11,075,612)
Loan Principal Repayments	(728,701)	(734,301)	(694,173)	(676,422)
Lease Liability Principal Repayments	(217,145)	(219,824)	(225,833)	(232,006)
Transfer to Reserves	(11,045,000)	(11,312,305)	(11,914,983)	(12,253,038)
Source of Capital Funds				
Sale of Assets	825,000	840,000	855,000	885,000
Loan Borrowing	0	1,000,000	2,000,000	-
Transfer from Reserves	6,436,767	15,891,606	18,877,682	1,811,330
Depreciation & Amortisation Expense (Contra)	10,412,886	10,517,015	10,622,185	10,728,407
Net Budget Result Surplus/(Deficit)	(3,005,488)	30,182	27,964	36,889

ITEM NUMBER 54/22 - ATTACHMENT 4

Draft Resourcing Strategy 2022 - 2032

	Budget 2026-27	Budget 2027-28	Budget 2028-29	Budget 2029-30	Budget 2030-31	Budget 2031-32
	\$	\$	\$	\$	\$	\$
	41,776,955	43,257,955	44,537,770	46,390,264	47,943,344	49,548,179
	10,780,349	11,032,705	11,291,028	11,555,458	11,826,143	12,103,230
	1,353,000	1,354,000	1,390,000	1,425,000	1,460,000	1,495,000
	5,296,711	5,402,645	5,510,698	5,620,912	5,733,330	5,847,997
	3,094,955	3,163,119	3,232,819	3,304,089	3,376,965	3,451,483
	2,680,497	2,743,185	2,807,353	2,873,038	2,940,275	3,009,101
	11,444,732	11,494,310	6,544,935	6,600,717	6,660,564	6,721,027
	76,427,198	78,447,919	75,314,602	77,769,478	79,940,620	82,176,016
	(25,988,640)	(26,727,333)	(27,486,427)	(28,302,654)	(29,143,200)	(30,008,793)
	(388,254)	(366,075)	(418,035)	(418,194)	(393,247)	(362,212)
	(26,781,763)	(29,020,104)	(28,599,920)	(29,568,854)	(30,818,698)	(31,598,014)
	(10,835,691)	(10,944,048)	(11,053,488)	(11,164,023)	(11,275,663)	(11,388,420)
	(1,080,790)	(1,102,106)	(1,123,848)	(1,146,025)	(1,168,645)	(1,191,718)
	(65,075,138)	(68,159,665)	(68,681,717)	(70,599,749)	(72,799,454)	(74,549,157)
	11,352,060	10,288,254	6,632,885	7,169,729	7,141,166	7,626,859
	(92,672)	(1,206,055)	87,950	569,012	480,603	905,833
	(11,188,926)	(11,349,916)	(13,294,051)	(11,739,065)	(11,889,540)	(12,207,160)
	(702,117)	(728,794)	(724,832)	(704,333)	(734,063)	(705,331)
	(115,988)	(119,516)	(123,151)	(126,897)	(130,756)	(134,734)
	(12,571,473)	(12,625,323)	(8,030,323)	(7,850,323)	(8,000,323)	(8,000,323)
	885,000	900,000	915,000	925,000	925,000	925,000
			2,000,000			
	1,535,000	2,770,000	1,650,000	1,220,000	1,470,000	1,220,000
	10,835,691	10,944,048	11,053,488	11,164,023	11,275,663	11,388,420
	29,247	78,753	79,017	58,134	57,148	112,732

SCENARIO THREE:

Base case with Drawn out Pandemic Recovery

Balance Sheet	Budget as at 30 June 2023	Budget as at 30 June 2024	Budget as at 30 June 2025	Budget as at 30 June 2026
	\$	\$	\$	\$
ASSETS				
Current Assets				
Cash & Cash Equivalents	19,173,175	29,043,453	40,243,501	49,365,392
Investments	25,633,880	25,633,880	25,633,880	25,633,880
Receivables	4,045,661	4,553,633	5,185,279	4,460,958
Other	1,250,525	1,245,996	1,279,730	1,305,732
Non-current assets classified as "held for sale"	-	-	-	-
Total Current Assets	50,103,241	60,476,962	72,342,390	80,765,962
Non-Current Assets				
Investments	1,717,120	1,717,120	1,717,120	1,717,120
Receivables	-	-	-	-
Infrastructure, Property, Plant & Equipment	520,761,916	526,780,383	540,144,004	539,830,697
Investment Property	4,700,000	4,700,000	4,700,000	4,700,000
Intangible Assets	379,000	379,000	379,000	379,000
Right of Use assets	642,228	422,163	199,898	1,625,409
Total Non-Current Assets	528,200,264	533,998,666	547,140,021	548,252,226
TOTAL ASSETS	578,303,505	594,475,628	619,482,411	629,018,188
LIABILITIES				
Current Liabilities				
Payables	10,636,770	10,966,550	11,983,862	10,636,328
Contract Liabilities	2,708,987	3,105,439	3,840,607	2,621,786
Lease Liabilities	219,824	225,833	232,006	115,988
Borrowings	693,185	611,942	676,422	702,117
Provisions	7,247,125	7,247,125	7,247,125	7,247,125
Total Current Liabilities	21,505,891	22,156,888	23,980,022	21,323,344
Non-Current Liabilities				
Payables	-	-	-	-
Contract Liabilities	-	-	-	-
Lease Liabilities	457,839	232,006	-	1,534,012
Borrowings	4,339,144	4,686,087	5,927,434	5,225,317
Provisions	153,875	153,875	153,875	153,875
Total Non-Current Liabilities	4,950,858	5,071,968	6,081,309	6,913,204
TOTAL LIABILITIES	26,456,749	27,228,856	30,061,331	28,236,548
Net Assets	551,846,756	567,246,772	589,421,080	600,781,640
EQUITY				
Accumulated Surplus	266,392,756	281,792,772	303,967,080	315,327,640
Revaluation Reserves	285,454,000	285,454,000	285,454,000	285,454,000
Total Equity	551,846,756	567,246,772	589,421,080	600,781,640

ITEM NUMBER 54/22 - ATTACHMENT 4

Draft Resourcing Strategy 2022 - 2032

	Budget as at 30 June 2027	Budget as at 30 June 2028	Budget as at 30 June 2029	Budget as at 30 June 2030	Budget as at 30 June 2031	Budget as at 30 June 2032
	\$	\$	\$	\$	\$	\$
	60,469,572	70,518,464	76,992,507	83,548,105	90,213,959	97,174,479
	25,633,880	25,633,880	25,633,880	25,633,880	25,633,880	25,633,880
	4,617,955	4,763,957	4,519,238	4,663,101	4,795,552	4,932,723
	1,338,509	1,397,461	1,387,066	1,412,923	1,446,120	1,467,053
	92,059,915	102,313,762	108,532,691	115,258,009	122,089,512	129,208,134
	1,717,120	1,717,120	1,717,120	1,717,120	1,717,120	1,717,120
	539,525,665	539,260,533	540,817,386	540,701,032	540,625,847	540,757,886
	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000
	379,000	379,000	379,000	379,000	379,000	379,000
	1,398,676	1,169,676	938,386	704,782	468,843	230,544
	547,720,461	547,226,330	548,551,892	548,201,934	547,890,811	547,784,551
	639,780,377	649,540,092	657,084,583	663,459,943	669,980,322	676,992,685
	10,827,086	11,107,875	11,360,331	11,355,938	11,557,449	11,739,574
	2,659,261	2,698,241	2,205,373	2,246,627	2,289,149	2,332,591
	119,516	123,151	126,897	130,756	134,734	138,832
	728,794	606,840	704,333	734,063	705,331	531,129
	7,247,125	7,247,125	7,247,125	7,247,125	7,247,125	7,247,125
	21,581,780	21,783,232	21,644,059	21,714,509	21,933,787	21,989,251
	-	-	-	-	-	-
	1,414,496	1,291,345	1,164,448	1,033,692	898,958	760,127
	4,496,523	3,889,683	5,067,359	4,333,296	3,627,966	3,096,835
	153,875	153,875	153,875	153,875	153,875	153,875
	6,064,894	5,334,903	6,385,682	5,520,863	4,680,799	4,010,837
	27,646,674	27,118,135	28,029,741	27,235,372	26,614,586	26,000,088
	612,133,702	622,421,956	629,054,842	636,224,571	643,365,737	650,992,597
	326,679,702	336,967,956	343,600,842	350,770,571	357,911,737	365,538,597
	285,454,000	285,454,000	285,454,000	285,454,000	285,454,000	285,454,000
	612,133,702	622,421,956	629,054,842	636,224,571	643,365,737	650,992,597

SCENARIO THREE:

Base case with Drawn out Pandemic Recovery

Cashflow

	Budget as at 30 June 2023	Budget as at 30 June 2024	Budget as at 30 June 2025	Budget as at 30 June 2026
	\$	\$	\$	\$
Cash Flows from Operating Activities				
Receipts				
Rates & Annual Charges	35,400,583	37,189,231	38,861,922	40,255,555
User Charges & Fees	7,604,051	10,203,897	10,308,349	10,543,913
Interest & Investment Revenue Received	619,946	636,523	829,428	1,202,928
Grants & Contributions	17,858,058	19,113,086	26,087,481	13,336,566
Other	6,004,585	7,165,923	7,411,429	8,482,422
	67,487,224	74,308,659	83,498,609	73,821,384
Payments				
Employee Benefits & On-Costs	22,686,835	23,798,566	24,587,280	25,216,157
Materials & Contracts	23,724,186	23,306,070	24,503,651	25,495,093
Borrowing Costs	326,478	312,588	340,915	364,140
Other	1,015,131	996,056	1,006,586	1,030,854
	47,752,630	48,413,280	50,438,432	52,106,244
Net Cash provided (or used in) Operating Activities	19,734,594	25,895,379	33,060,177	21,715,140
Cash Flows from Investing Activities				
Receipts				
Sale of Infrastructure, Property, Plant & Equipment	825,000	840,000	855,000	885,000
Payments				
Purchase of Infrastructure, Property, Plant & Equipment	15,629,491	16,910,977	23,795,123	12,569,823
Net Cash provided (or used in) Investing Activities	(14,804,491)	(16,070,977)	(22,940,123)	(11,684,823)
Cash Flows from Financing Activities				
Receipts				
Proceeds from Borrowings & Advances	-	1,000,000	2,000,000	-
Payments				
Repayment of Borrowings & Advances	728,701	734,301	694,173	676,422
Repayment of lease liabilities (principal repayments)	217,145	219,824	225,833	232,006
Net Cash Flow provided (used in) Financing Activities	(945,846)	45,875	1,079,994	(908,428)
Net Increase / (Decrease) in Cash & Cash Equivalents	3,984,257	9,870,277	11,200,048	9,121,889
Cash at the beginning of the reporting period	15,188,916	19,173,173	29,043,451	40,243,498
Cash & Cash Equivalents - end of the year	19,173,173	29,043,451	40,243,498	49,365,388

ITEM NUMBER 54/22 - ATTACHMENT 4

Draft Resourcing Strategy 2022 - 2032

	Budget as at 30 June 2027	Budget as at 30 June 2028	Budget as at 30 June 2029	Budget as at 30 June 2030	Budget as at 30 June 2031	Budget as at 30 June 2032
	\$	\$	\$	\$	\$	\$
	41,763,545	43,244,795	44,526,397	46,373,803	47,929,543	49,533,918
	10,791,102	11,043,818	11,302,509	11,567,316	11,838,386	12,115,868
	1,279,020	1,291,444	1,351,037	1,379,445	1,416,957	1,450,004
	14,131,326	14,244,078	9,065,816	9,480,878	9,608,291	9,737,709
	8,365,383	8,538,763	8,837,670	8,896,709	9,081,315	9,269,883
	76,330,377	78,362,898	75,083,428	77,698,150	79,874,493	82,107,383
	25,960,121	26,699,401	27,457,727	28,271,580	29,111,195	29,975,827
	26,717,197	28,903,975	28,620,396	29,517,918	30,753,303	31,556,778
	390,878	368,799	413,268	420,827	395,992	364,849
	1,048,472	1,061,368	1,105,460	1,115,369	1,135,391	1,162,230
	54,116,668	57,033,543	57,596,851	59,325,694	61,395,881	63,059,684
	22,213,709	21,329,355	17,486,577	18,372,456	18,478,612	19,047,699
	885,000	900,000	915,000	925,000	925,000	925,000
	11,176,424	11,332,154	13,079,552	11,910,629	11,872,938	12,172,117
	(10,291,424)	(10,432,154)	(12,164,552)	(10,985,629)	(10,947,938)	(11,247,117)
	-	-	2,000,000.00	-	-	-
	702,117	728,794	724,832	704,333	734,063	705,331
	115,988	119,516	123,151	126,897	130,756	134,734
	(818,105)	(848,310)	1,152,017	(831,230)	(864,819)	(840,065)
	11,104,180	10,048,891	6,474,042	6,555,597	6,665,855	6,960,517
	49,365,388	60,469,568	70,518,459	76,992,501	83,548,099	90,213,953
	60,469,568	70,518,459	76,992,501	83,548,099	90,213,953	97,174,470

SCENARIO FOUR: Pessimistic Assumption

Income Statement

	Budget 2022-23	Budget 2023-24	Budget 2024-25	Budget 2025-26
	\$	\$	\$	\$
Income from Continuing Operations				
Rates & Annual Charges	35,414,334	36,522,673	38,031,846	39,344,803
User Charges & Fees	9,827,851	10,057,701	10,297,981	10,533,819
Interest & Investment Revenue	650,000	701,000	900,000	1,252,000
Other Revenues	4,893,342	4,991,209	5,091,033	5,192,854
Rental Revenue	2,349,582	2,396,574	2,505,497	3,028,294
Grants & Contributions provided for Operating Purposes	2,955,723	2,670,889	2,559,425	2,619,255
Grants & Contributions provided for Capital Purposes	13,900,500	10,816,520	10,853,406	10,890,660
Total Income From Continuing Operations	69,991,332	68,156,566	70,239,188	72,861,684
Expenses From Continuing Operations				
Employee Benefits & On-Costs	(23,150,870)	(24,038,886)	(24,884,755)	(25,518,143)
Borrowing Costs	(335,191)	(313,582)	(345,797)	(361,611)
Materials & Contracts	(23,490,465)	(23,297,147)	(24,570,104)	(25,546,316)
Depreciation & Amortisation	(10,412,886)	(10,517,015)	(10,622,185)	(10,728,407)
Other Expenses	(999,625)	(1,019,318)	(1,039,404)	(1,059,892)
Total Expenses From Continuing Operations	(58,389,037)	(59,185,947)	(61,462,245)	(63,214,368)
Operating Result from Continuing Operations	11,602,295	8,970,619	8,776,943	9,647,316
Net Operating Result before Capital Items	(2,298,205)	(1,845,901)	(2,076,463)	(1,243,344)
Capital Expenditure				
Capital Works Program	(17,281,225)	(25,800,623)	(29,382,017)	(11,075,612)
Loan Principal Repayments	(728,701)	(734,301)	(694,173)	(676,422)
Lease Liability Principal Repayments	(217,145)	(219,824)	(225,833)	(232,006)
Transfer to Reserves	(11,045,000)	(11,312,305)	(11,914,983)	(12,253,038)
Source of Capital Funds				
Sale of Assets	825,000	840,000	855,000	885,000
Loan Borrowing	0	1,000,000	2,000,000	-
Transfer from Reserves	6,436,767	15,891,606	18,877,682	1,811,330
Depreciation & Amortisation Expense (Contra)	10,412,886	10,517,015	10,622,185	10,728,407
Net Budget Result Surplus/(Deficit)	4,877	(847,813)	(1,085,196)	(1,165,025)

ITEM NUMBER 54/22 - ATTACHMENT 4

Draft Resourcing Strategy 2022 - 2032

	Budget 2026-27	Budget 2027-28	Budget 2028-29	Budget 2029-30	Budget 2030-31	Budget 2031-32
	\$	\$	\$	\$	\$	\$
	40,789,382	42,241,898	43,492,402	45,313,535	46,834,313	48,405,877
	10,780,349	11,032,705	11,291,028	11,555,458	11,826,143	12,103,230
	1,353,000	1,354,000	1,390,000	1,425,000	1,460,000	1,495,000
	5,296,711	5,402,645	5,510,698	5,620,912	5,733,330	5,847,997
	3,094,955	3,163,119	3,232,819	3,304,089	3,376,965	3,451,483
	2,680,497	2,743,185	2,807,353	2,873,038	2,940,275	3,009,101
	11,444,732	11,494,310	6,544,935	6,600,717	6,660,564	6,721,027
	75,439,626	77,431,862	74,269,235	76,692,749	78,831,589	81,033,715
	(26,278,874)	(27,029,383)	(27,800,683)	(28,629,520)	(29,483,093)	(30,362,141)
	(388,254)	(366,075)	(418,035)	(418,194)	(393,247)	(362,212)
	(26,781,763)	(29,020,104)	(28,599,920)	(29,568,854)	(30,818,698)	(31,598,014)
	(10,835,691)	(10,944,048)	(11,053,488)	(11,164,023)	(11,275,663)	(11,388,420)
	(1,080,790)	(1,102,106)	(1,123,848)	(1,146,025)	(1,168,645)	(1,191,718)
	(65,365,372)	(68,461,715)	(68,995,974)	(70,926,615)	(73,139,346)	(74,902,505)
	10,074,254	8,970,148	5,273,261	5,766,134	5,692,243	6,131,209
	(1,370,478)	(2,524,162)	(1,271,674)	(834,583)	(968,321)	(589,817)
	(11,188,926)	(11,349,916)	(13,294,051)	(11,739,065)	(11,889,540)	(12,207,160)
	(702,117)	(728,794)	(724,832)	(704,333)	(734,063)	(705,331)
	(115,988)	(119,516)	(123,151)	(126,897)	(130,756)	(134,734)
	(12,571,473)	(12,625,323)	(8,030,323)	(7,850,323)	(8,000,323)	(8,000,323)
	885,000	900,000	915,000	925,000	925,000	925,000
			2,000,000			
	1,535,000	2,770,000	1,650,000	1,220,000	1,470,000	1,220,000
	10,835,691	10,944,048	11,053,488	11,164,023	11,275,663	11,388,420
	(1,248,559)	(1,239,354)	(1,280,608)	(1,345,461)	(1,391,776)	(1,382,919)

SCENARIO FOUR: Pessimistic Assumption

Balance Sheet	Budget as at 30 June 2023	Budget as at 30 June 2024	Budget as at 30 June 2025	Budget as at 30 June 2026
	\$	\$	\$	\$
ASSETS				
Current Assets				
Cash & Cash Equivalents	22,154,201	31,179,103	41,273,348	49,201,386
Investments	25,633,880	25,633,880	25,633,880	25,633,880
Receivables	4,333,869	4,539,319	5,160,273	4,426,139
Other	1,250,525	1,245,996	1,279,730	1,305,732
Non-current assets classified as "held for sale"	-	-	-	-
Total Current Assets	53,372,476	62,598,297	73,347,231	80,567,137
Non-Current Assets				
Investments	1,717,120	1,717,120	1,717,120	1,717,120
Receivables	-	-	-	-
Infrastructure, Property, Plant & Equipment	520,761,916	526,780,383	540,144,004	539,830,697
Investment Property	4,700,000	4,700,000	4,700,000	4,700,000
Intangible Assets	379,000	379,000	379,000	379,000
Right of Use assets	642,228	422,163	199,898	1,625,409
Total Non-Current Assets	528,200,264	533,998,666	547,140,021	548,252,226
TOTAL ASSETS	581,572,740	596,596,963	620,487,253	628,819,363
LIABILITIES				
Current Liabilities				
Payables	10,658,758	10,955,516	11,969,494	10,620,208
Contract Liabilities	2,945,868	3,105,439	3,840,607	2,621,786
Lease Liabilities	219,824	225,833	232,006	115,988
Borrowings	693,185	611,942	676,422	702,117
Provisions	7,247,125	7,247,125	7,247,125	7,247,125
Total Current Liabilities	21,764,760	22,145,854	23,965,654	21,307,224
Non-Current Liabilities				
Payables	-	-	-	-
Contract Liabilities	-	-	-	-
Lease Liabilities	457,839	232,006	-	1,534,012
Borrowings	4,339,144	4,686,087	5,927,434	5,225,317
Provisions	153,875	153,875	153,875	153,875
Total Non-Current Liabilities	4,950,858	5,071,968	6,081,309	6,913,204
TOTAL LIABILITIES	26,715,618	27,217,822	30,046,963	28,220,428
Net Assets	554,857,122	569,379,141	590,440,289	600,598,935
EQUITY				
Accumulated Surplus	269,403,122	283,925,141	304,986,289	315,144,935
Revaluation Reserves	285,454,000	285,454,000	285,454,000	285,454,000
Total Equity	554,857,122	569,379,141	590,440,289	600,598,935

ITEM NUMBER 54/22 - ATTACHMENT 4

Draft Resourcing Strategy 2022 - 2032

	Budget as at 30 June 2027	Budget as at 30 June 2028	Budget as at 30 June 2029	Budget as at 30 June 2030	Budget as at 30 June 2031	Budget as at 30 June 2032
	\$	\$	\$	\$	\$	\$
	59,036,139	67,775,123	72,898,006	78,058,758	83,284,721	88,758,912
	25,633,880	25,633,880	25,633,880	25,633,880	25,633,880	25,633,880
	4,573,380	4,710,714	4,457,048	4,591,635	4,714,512	4,841,803
	1,338,509	1,397,461	1,387,066	1,412,923	1,446,120	1,467,053
	90,581,907	99,517,178	104,375,999	109,697,196	115,079,233	120,701,648
	1,717,120	1,717,120	1,717,120	1,717,120	1,717,120	1,717,120
	539,525,665	539,260,533	540,817,386	540,701,032	540,625,847	540,757,886
	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000
	379,000	379,000	379,000	379,000	379,000	379,000
	1,398,676	1,169,676	938,386	704,782	468,843	230,544
	547,720,461	547,226,330	548,551,892	548,201,934	547,890,811	547,784,551
	638,302,369	646,743,507	652,927,892	657,899,130	662,970,044	668,486,199
	10,809,590	11,089,909	11,341,882	11,336,962	11,537,931	11,719,499
	2,659,261	2,698,241	2,205,373	2,246,627	2,289,149	2,332,591
	119,516	123,151	126,897	130,756	134,734	138,832
	728,794	606,840	704,333	734,063	705,331	531,129
	7,247,125	7,247,125	7,247,125	7,247,125	7,247,125	7,247,125
	21,564,284	21,765,266	21,625,610	21,695,534	21,914,269	21,969,176
	-	-	-	-	-	-
	1,414,496	1,291,345	1,164,448	1,033,692	898,958	760,127
	4,496,523	3,889,683	5,067,359	4,333,296	3,627,966	3,096,835
	153,875	153,875	153,875	153,875	153,875	153,875
	6,064,894	5,334,903	6,385,682	5,520,863	4,680,799	4,010,837
	27,629,179	27,100,169	28,011,292	27,216,397	26,595,068	25,980,013
	610,673,190	619,643,338	624,916,600	630,682,733	636,374,975	642,506,186
	325,219,190	334,189,338	339,462,600	345,228,733	350,920,975	357,052,186
	285,454,000	285,454,000	285,454,000	285,454,000	285,454,000	285,454,000
	610,673,190	619,643,338	624,916,600	630,682,733	636,374,975	642,506,186

SCENARIO FOUR: Pessimistic Assumption

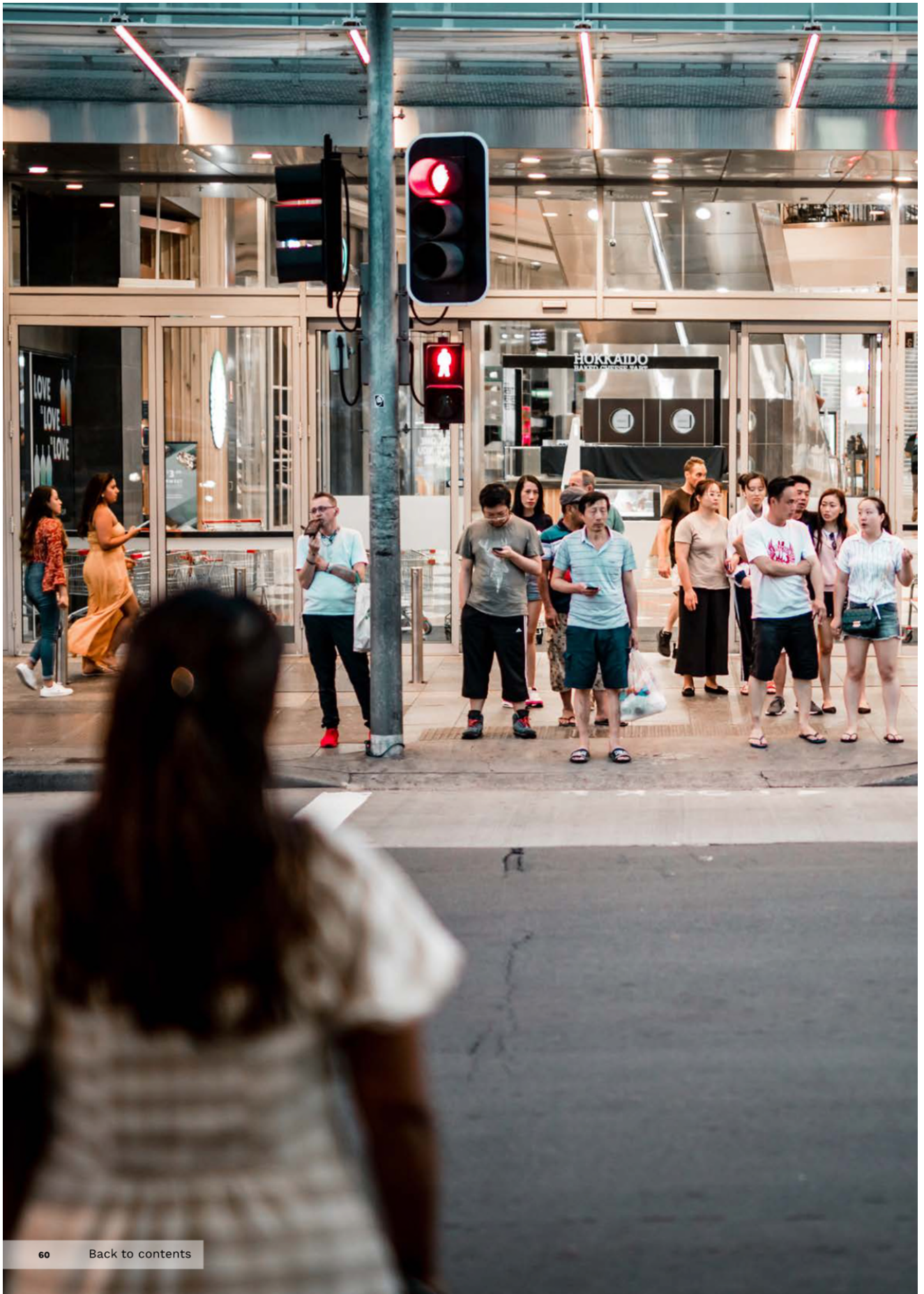
Cashflow

	Budget as at 30 June 2023	Budget as at 30 June 2024	Budget as at 30 June 2025	Budget as at 30 June 2026
	\$	\$	\$	\$
Cash Flows from Operating Activities				
Receipts				
Rates & Annual Charges	35,400,583	36,512,825	38,018,435	39,333,136
User Charges & Fees	9,953,022	10,067,426	10,308,349	10,543,913
Interest & Investment Revenue Received	600,900	646,768	834,618	1,210,093
Grants & Contributions	17,858,058	19,113,086	26,087,481	13,336,566
Other	7,054,268	7,334,674	7,411,429	8,482,422
	70,866,832	73,674,778	82,660,312	72,906,130
Payments				
Employee Benefits & On-Costs	23,088,981	24,008,154	24,855,401	25,494,845
Materials & Contracts	23,724,186	23,306,070	24,503,651	25,495,093
Borrowing Costs	326,478	312,588	340,915	364,140
Other	1,011,566	997,963	1,005,969	1,030,764
	48,151,211	48,624,775	50,705,936	52,384,842
Net Cash provided (or used in) Operating Activities	22,715,621	25,050,003	31,954,376	20,521,288
Cash Flows from Investing Activities				
Receipts				
Sale of Infrastructure, Property, Plant & Equipment	825,000	840,000	855,000	885,000
Payments				
Purchase of Infrastructure, Property, Plant & Equipment	15,629,491	16,910,977	23,795,123	12,569,823
Net Cash provided (or used in) Investing Activities	(14,804,491)	(16,070,977)	(22,940,123)	(11,684,823)
Cash Flows from Financing Activities				
Receipts				
Proceeds from Borrowings & Advances	-	1,000,000	2,000,000	-
Payments				
Repayment of Borrowings & Advances	728,701	734,301	694,173	676,422
Repayment of lease liabilities (principal repayments)	217,145	219,824	225,833	232,006
Net Cash Flow provided (used in) Financing Activities	(945,846)	45,875	1,079,994	(908,428)
Net Increase / (Decrease) in Cash & Cash Equivalents	6,965,284	9,024,901	10,094,247	7,928,037
Cash at the beginning of the reporting period	15,188,916	22,154,200	31,179,101	41,273,348
Cash & Cash Equivalents - end of the year	22,154,200	31,179,101	41,273,348	49,201,385

ITEM NUMBER 54/22 - ATTACHMENT 4

Draft Resourcing Strategy 2022 - 2032

	Budget as at 30 June 2027	Budget as at 30 June 2028	Budget as at 30 June 2029	Budget as at 30 June 2030	Budget as at 30 June 2031	Budget as at 30 June 2032
	\$	\$	\$	\$	\$	\$
	40,776,546	42,228,991	43,481,290	45,297,352	46,820,799	48,391,912
	10,791,102	11,043,818	11,302,509	11,567,316	11,838,386	12,115,868
	1,286,593	1,299,147	1,358,991	1,387,659	1,425,436	1,458,757
	14,131,326	14,244,078	9,065,816	9,480,878	9,608,291	9,737,709
	8,365,383	8,538,763	8,837,670	8,896,709	9,081,315	9,269,883
	75,350,950	77,354,798	74,046,275	76,629,915	78,774,228	80,974,129
	26,250,218	27,001,309	27,771,837	28,598,297	29,450,933	30,329,016
	26,717,197	28,903,975	28,620,396	29,517,918	30,753,303	31,556,778
	390,878	368,799	413,268	420,827	395,992	364,849
	1,048,375	1,061,268	1,105,357	115,262	1,135,281	1,162,115
	54,406,668	57,335,351	57,910,858	58,652,304	61,735,509	63,412,758
	20,944,282	20,019,447	16,135,417	17,977,611	17,038,719	17,561,371
	885,000	900,000	915,000	925,000	925,000	925,000
	11,176,424	11,332,154	13,079,552	11,910,629	11,872,938	12,172,117
	(10,291,424)	(10,432,154)	(12,164,552)	(10,985,629)	(10,947,938)	(11,247,117)
	-	-	2,000,000.00	-	-	-
	702,117	728,794	724,832	704,333	734,063	705,331
	115,988	119,516	123,151	126,897	130,756	134,734
	(818,105)	(848,310)	1,152,017	(831,230)	(864,819)	(840,065)
	9,834,753	8,738,983	5,122,882	6,160,752	5,225,962	5,474,189
	49,201,385	59,036,139	67,775,122	72,898,003	79,058,755	84,284,717
	59,036,139	67,775,122	72,898,003	79,058,755	84,284,717	89,758,906



Our Assets





Quick links

1.	Introduction	63
2.	Asset Management Planning	65
2.1.	Asset Management Planning Framework	65
2.2.	Our Assets	66
2.3.	Asset Management Policy	66
2.4.	Where Are We Now?	66
2.5.	Our community’s expectations	71
2.6.	Where do we want to be	72
2.7.	How will we get there?	73
3.	Monitoring Our Performance	76
	Appendix	77
	Appendix A: Asset Management Policy	77
	Purpose	77
	Scope	77
	Objectives	77
	Policy commitment	78
	Appendix B: References	80

1. Introduction

The infrastructure assets that Council owns and manages on behalf of our community are critical to the liveability, productivity and sustainability of the Burwood LGA. These assets include roads, drains, footpaths, buildings, recreational facilities, parks and gardens. The appropriate and timely planning and management of these assets is key to making sure that we deliver the right assets to support the desired services, business and lifestyle choices of our diverse and changing community. This Strategy outlines how our assets will over time work towards meeting our 2036 community Vision. Our focus is on making decisions based on robust data and with a service delivery focus for the benefit of our community. This Asset Management Strategy sets out the broad roadmap for undertaking strategic and coordinated management of Council's infrastructure assets.

The need for Asset Management Planning

The majority of Council's existing infrastructure was historically built to support housing development as the LGA grew and evolved. At the time, little or no analysis was done to determine a strategic approach to sustain this infrastructure by matching future maintenance and renewal expenditures with future income projections. A better understanding of the long-term cumulative consequences of decisions to build infrastructure was also needed.

Our current Asset Management framework attempts to rectify this situation. Our Asset Management Strategy and Asset Management Plan are based on our understanding of levels of service performance. They have strong links with our Long Term Financial Plan (LTFP) and Workforce Management Plan so that we are well placed to fully fund and resource the capital, maintenance and operating costs needed to sustain the agreed service level targets for our assets. In order to achieve this a number of service level scenarios and long-term cash flows are analysed to determine the optimum balance between environmental, economic, social and cultural objectives.

Life Cycle Costs

Lifecycle costs (or whole of life costs) are the average annual costs that are required to sustain the service levels over the longest asset life. Lifecycle costs include operations

and maintenance expenditures plus asset consumption (depreciation). Life cycle costs can be compared to lifecycle expenditure to give an indication of sustainability in service provision.

Lifecycle expenditures include operations and maintenance expenditures (excluding depreciation) plus capital renewal expenditure. The capital renewal component of lifecycle expenditure can vary depending on the timing of asset renewals.

Strategic Considerations

Council has embraced the principles of asset management and is now working to bring the key elements of our asset management strategic framework and associated reporting into the corporate environment enabling advanced asset management practices to be followed. Crucial to best practice asset management is the requirement for comprehensive and reliable data on existing services and infrastructure, along with a strategy to link our operational activities with the planning, policy and service delivery directions of Council. This information will provide a high level of informed data and knowledge to assist our decision-making processes on the impact and consequences of our actions with respect to the infrastructure assets that we own and look after.

Burwood2036 - Community Strategic Plan (CSP)

Burwood2036 identifies the community's Vision, Strategic Directions and the strategies that will be implemented to achieve this long term Vision. The purpose of the Plan is to turn community aspirations into reality, and make sure Council's priorities are set according to our community's needs and aspirations. Our assets need to be fit for purpose, delivered at the appropriate condition and service level and have a life cycle that is sustainable and financially viable.

Legislative Reform – NSW Local Government Act

As part of its commitment to ongoing reform of local government, the NSW Government amended the NSW Local Government Act in 2009 to mandate Integrated Planning and Reporting (IP&R). This amendment included a requirement for a Community Strategic Plan, Delivery Program and a Resourcing Strategy inclusive of Asset Management (Policy, Strategy and Plans), Long Term Financial Plan and a Workforce Plan.

Financial Reporting Requirements

The NSW Office of Local Government requires that councils comply with the accounting standard AASB116 for reporting on infrastructure assets. The data required to provide this level of financial reporting is also essential for the planning of future infrastructure funding requirements.

Strategic Issues at a National Level

On 8 May 2009, the Local Government and Planning Ministers' Council agreed to the enhancement and acceleration of the National Asset and Financial Management Frameworks.

The National Frameworks consist of three main frameworks of which Asset Planning and Management is one. The Asset Planning and Management Framework consists of seven elements which each State and Territory is expected to adopt as follows:

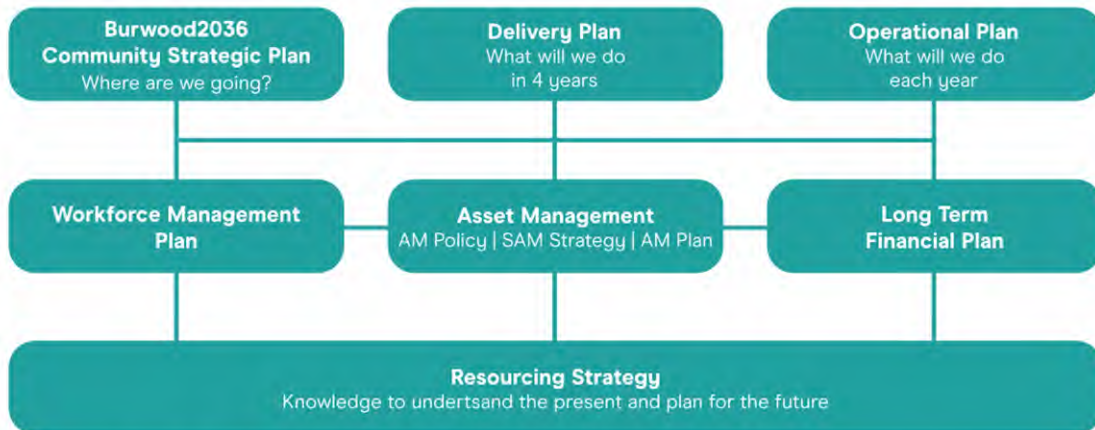
- 1. Development of an asset management policy:** Each State/Territory is expected to develop an asset management policy, which provides high-level guidance to assist individual councils in developing their asset management policy
- 2. Strategy and Planning:** Councils should be provided with guidance from the State on developing an asset management strategy which is designed to support and implement its asset management policy
- 3. Governance and Management Arrangements:** Councils should be encouraged to apply and implement good governance and management arrangements which link asset management to service delivery and include assigning roles and responsibility for asset management between the General Manager, the Council and senior managers
- 4. Defining Levels of Service:** Mechanisms should be established that include community consultation to define the levels of service councils are expected to provide from their asset base
- 5. Data and Systems:** A framework for collection of asset management data should be established
- 6. Skills and Processes:** The asset management framework should contain a continuous improvement program
- 7. Evaluation:** The asset management framework should contain a mechanism to measure its effectiveness.

The NSW legislative reforms are consistent with the National Frameworks.

2. Asset Management Planning

2.1. Asset Management Planning Framework

An overview of the key elements of and their relationship within the Asset Management Planning Framework are depicted below.



As shown above, this Asset Management Strategy sits alongside and should be read in conjunction with our Asset Management Policy and Asset Management Plan.

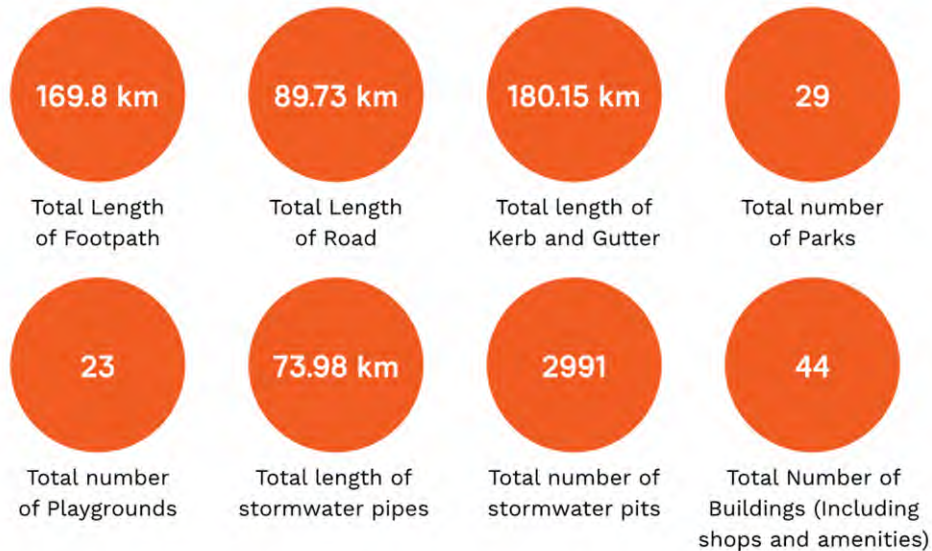
The Asset Management Policy sets out the principles by which the organisation intends applying asset management to achieve its organisational objectives. It takes into

consideration the realisation of the long term Vision and Strategic Directions as established by Burwood36, our Community Strategic Plan.

The Strategic Asset Management Plan details the activities and expenditure required across each asset class to achieve the principles, objectives and strategy set out in the Asset Management Policy and Strategy.

¹ ISO, 2014, ISO 55002, Sec 5.2, p 7.

2.2. Our Assets



2.3. Asset Management Policy

Council's Asset Management Policy sets out the principles by which the organisation intends applying asset management to achieve its organisational objectives². Our Asset Management Policy is contained in Appendix A.

2.4. Where Are We Now?

This section provides an overview of the current state of our assets.

Asset Values

Table 1 below the Figures 1 and 2 provide an overview of the current gross replacement and depreciated values of our assets as at 30 June 2021.

Table 1: Asset values covered by this Strategy

Burwood LGA - Note 9a		As at 30/6/2021	
\$'000	Current Replacement Cost	Carrying Value	DepreciationExpense
Transport	\$305,994	\$156,997	\$3,606
Stormwater	\$82,892	\$31,983	\$712
Buildings	\$130,561	\$107,510	\$2,324
Parks & Reserves	\$13,417	\$11,890	\$417
TOTAL	\$532,864	\$308,380	\$7,059

² ISO, 2014, ISO 55002, Sec 5.2, p 7.

Figure 1 shows the replacement value of our assets.

Figure 1: Asset Replacement Values (\$000's)

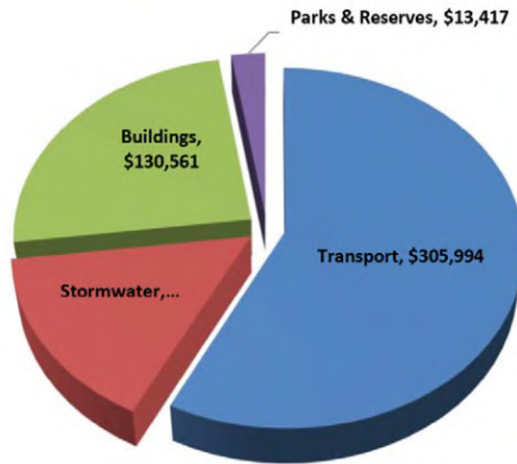
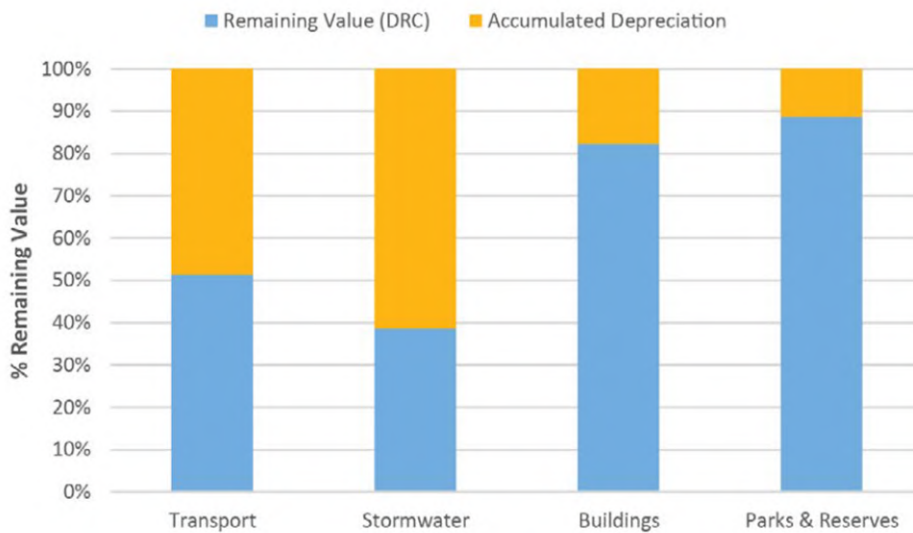


Figure 2 shows the asset consumption ratios of Council's assets (average proportion of 'as new' condition left in assets).

Figure 2: Asset Remaining Value



Asset Condition

Asset physical condition is measured using a 1 - 5 grading system³ as summarised in the table below with an overview of current state presented in Figures 4 and 5 which follow.

Table 2: Asset Condition Grading Model

Condition Grading	Description of Condition
1	Very Good: New condition only planned maintenance required
2	Good: Minor defects only requiring minimal maintenance plus planned maintenance
3	Fair: Programmed maintenance required to return to accepted level of service (Low Risk & acceptable level of service to community)
4	Poor: Consider rehabilitation/renewal (moderate risk & low level of service to community)
5	Very Poor: Approaching unserviceable requires renewal (High Risk & unacceptable level of service to community)

Figure 3: Condition of Assets (%)



Figure 4: Condition of Assets (\$)



³ IPWEA, 2011, IIMM, Sec 2.5.4, p 2|79.

Asset Management Funding

A fundamental principle of asset management is to provide the services that the community needs at the optimum lifecycle cost and in a

financially sustainable manner. Figure 5 shows the projected operations, maintenance, capital renewal, capital upgrade/new expenditure compared with financial outlays in the LTFP.

Figure 5: Projected Operating and Capital Expenditure (LTFP)

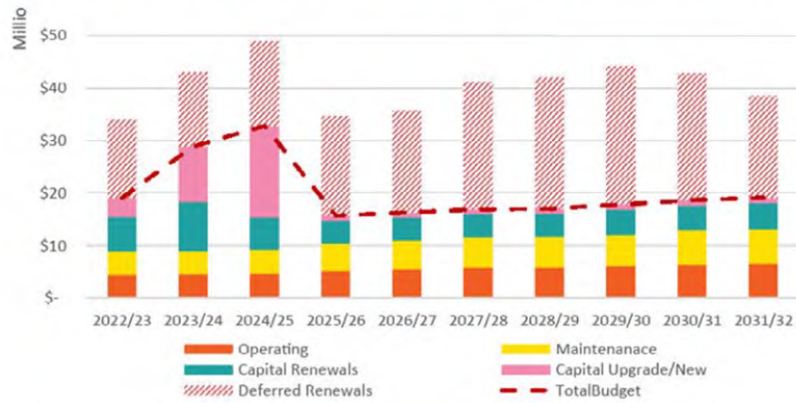


Figure 5 shows that whilst lifecycle expenditure exceeds requirements existing service levels can only be maintained and not significantly improved. Subsequently the existing funding

gap or backlog of deferred renewals is expected to increase slightly from the projected \$14.85m in 2022 to \$19.52m by 2031.

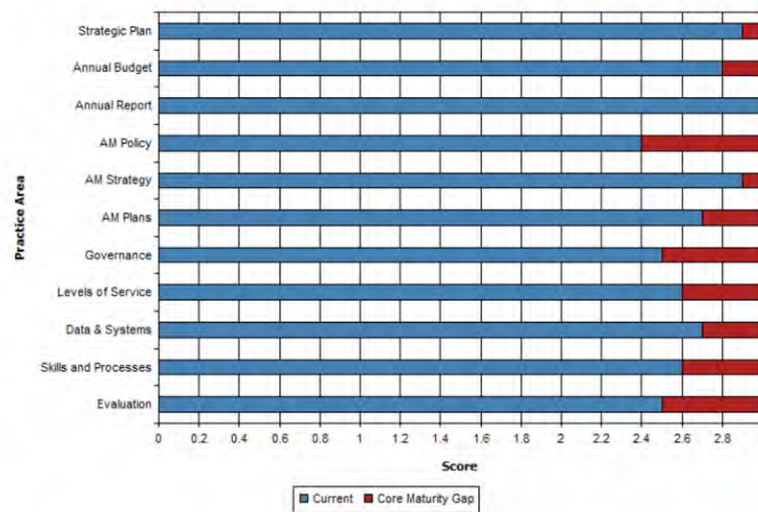
Asset and Financial Management Maturity

We are committed to an ongoing program of continuous improvement in our asset management practices and processes. To assist in guiding that improvement program, we have undertaken a maturity assessment of 11 core competencies developed from the National Asset Planning and Management and Financial Planning and Reporting Frameworks key elements.

A summary of Council’s maturity assessment is presented in Figure 6 below. Current maturity is shown by the blue bars, while the red bars represent the maturity gap to achieve core asset management competency.

Following progress made over the past 5 years, Council is in a position to achieve core maturity in the near future. A further maturity assessment will be scheduled to confirm attainment of core competency.

Figure 6: Maturity Assessment



Opportunities

We have identified opportunities relevant to the services included in this Strategy including:

- Regularly engaging with our community to understand the level of service they expect and to help them understand the level of service we can deliver. This information is important in setting priorities and determining resource allocation
- Improving asset knowledge so that data accurately records the asset inventory, how assets are performing and when assets are not able to provide the required service levels
- Improving our efficiency in operating, maintaining, renewing and replacing existing assets to optimise life cycle costs
- Identifying and managing risks associated with providing services from assets
- Making trade-offs between service levels and costs to ensure that the community receives the best return from assets
- Identifying assets surplus to needs for disposal to make saving in future operations and maintenance costs
- Consulting with the community to ensure that services and costs meet community needs and are affordable
- Developing partnerships with other bodies, where available to provide services
- Seeking additional funding from governments and other bodies to better reflect a ‘whole of government’ funding approach to asset intensive services.

2.5. Our community's expectations

We have identified community expectations for service levels to be generally consistent with current levels of service. We have acquired physical assets by 'purchase', by contract, construction by our staff and by donation of assets constructed by developers and others to meet increased levels of service.

Our goal in managing these assets is to meet the defined level of service (as amended from time to time) in the most cost effective manner for present and future consumers. Community engagement is necessary to ensure that informed decisions are made on future levels of service and costs and that service and risk consequences are known and accepted by stakeholders.

We know our community want us to deliver infrastructure assets:

- In a cost effective and sustainable way
- At a level which supports community life, local business and attracts visitors to the LGA.





2.6. Where do we want to be

To ensure Council's long-term financial sustainability, it is essential to balance the community's expectations for services with the ability to pay for the assets used to provide the services. Maintenance of service levels for physical assets requires appropriate investment over the whole of each asset's life cycle. To assist in achieving this balance, we aspire to:

Develop and maintain asset management governance, skills, process, systems and data in order to provide the level of service the community need at present and in the futures, in the most cost-effective and fit for purpose manner.

Objectives of this vision are to:

- Ensure that our services and assets are provided in an economically optimal way, with the appropriate level of service to residents, visitors and the environment determined by reference to our financial sustainability
- Safeguard our assets including physical assets and employees by implementing appropriate asset management strategies and appropriate financial resources for those assets
- Adopt the LTFP as the basis for all service and budget funding decisions
- Meet legislative requirements for all our operations
- ensure resources and operational capabilities are identified and responsibility for asset management is allocated
- Provide high level oversight of financial and asset management responsibilities through Council's Audit and Risk Committee and reports to Council on development and implementation of this Strategy, Asset Management Plan and Long-Term Financial Plan.

2.7. How will we get there?

Asset Management Strategies

We will implement the following strategies to enable our organisational and asset management objectives and policies to be achieved.

Table 3: Asset Management Strategies

No	Strategies	Desired Outcome
1	Move from annual budgeting to long term financial planning	The long-term implications of all services are considered in annual budget deliberations
2	Develop and annually review strategic asset management plans that covering at least 10 years for all major asset classes (80% of asset value)	Identification of services needed by the community and required funding to optimise 'whole of life' costs
3	Develop and maintain a LTFP covering 10 years incorporating asset management plan expenditure projections with a sustainable funding position outcome	Sustainable funding model to provide our services
4	Incorporate Year 1 of the LTFP's revenue and expenditure projections into annual budgets	Long term financial planning drives budget deliberations
5	Review and update strategic asset management plans and long-term financial plans after adoption of annual budgets. Communicate any consequence of funding decisions on service levels and service risks	We and the community are aware of changes to service levels and costs arising from budget decisions
6	Report our financial position at Fair Value in accordance with Australian Accounting Standards, financial sustainability and performance against organisational objectives in Annual Reports	Financial sustainability information is available for Council and the community
7	Ensure council/board decisions are made from accurate and current information in asset registers, on service level performance and costs and 'whole of life' costs	Improved decision making and greater value for money
8	Report on our resources and operational capability to deliver the services needed by the community in the annual report	Services delivery is matched to available resources and operational capabilities
9	Ensure responsibilities for asset management are identified and incorporated into staff position descriptions	Responsibility for asset management is defined
10	Implement an improvement plan to realise 'core' maturity for the financial and asset management competencies within 2 years	Improved financial and asset management capacity within the organisation
11	Report six monthly to Council/Board by Audit Committee/CEO on development and implementation of AM Plans and LTFPs	Oversight of resource allocation and performance

Information Systems

Council currently utilises a cloud based system for its asset register called 'Assetic' to effectively store detailed information on its assets. The Assetic system integrates with Council's spatial Geographic Information System (GIS) component containing the spatial data of the assets.

Council's information systems assist in facilitating the effective and efficient management of assets by enabling Council to:

- Document asset attributes, conditions and values
- Undertake predictive modelling to optimise the decision making process
- Project forward capital expenditure and preferred treatment options
- Fulfil the requirement to report regularly to the community and other government authorities about Council's asset management programs and asset information
- Continuously develop the process, knowledge and support information systems as the feedback process progresses.

Council will continue to develop its information systems to improve the efficiency and effectiveness of our overall asset management process. This may include improved integration between systems and the ability to assign works via the works requests system and record the associated expenditure.

Asset Management Improvement Plan

Detailed improvement tasks required to achieve a 'core' financial and asset management maturity are outlined in the asset management improvement plan in Section 7 of Council's Strategic Asset Management Plan.

Consequences if actions are not completed

There are potential consequences for the Council if improvement actions are not completed. These include:

- Inability to achieve strategic and organisational objectives
- Inability to achieve financial sustainability for the organisation's operations
- Current risks to service delivery are likely to eventuate and response actions may not be appropriately managed
- We may not be able to accommodate and/or manage changes in demand for asset intensive services.

Service Levels

Service levels are outlined within the Burwood Council Asset Management Plan and can be summarised under three general categories.

Quality: Quality indicators are used to measure how assets will be maintained in a condition necessary to deliver targeted standards. Defects found or reported that are outside set service performance standards will be repaired. An asset management plan sets out the renewal and maintenance response if service levels fall below target levels. An important improvement to current practice is that there should be a forward projection of a minimum of 10 years rather than just an annual defect prioritisation.

Function: The intent of function based performance measurement is to ensure that assets are fit-for-purpose and meeting users' needs relative to the service being provided. Where functionality gaps are identified, upgrades of existing, and/or creation of new, assets may be required.

Capacity / Utilisation: The intent of capacity based performance assessment is to ensure that assets are able to meet the current and projected demands for the service being provided. Where capacity gaps are identified, upgrades of existing, and/or creation of new, assets may be required.

Risk management

Risk management sets out how safety and risk will be managed to agreed levels. This includes the inspection and defect prioritisation processes as well as risk mitigation and control measures.

Incorporation of risk management in our Asset Management Plan must consider that:

- Risk management must be integrated with all service planning and delivery activities rather than an administrative “add on”. This means the Risk Register is an output from infrastructure asset management and the asset management plans so that it is integrated with corporate plans and 10-year financial plans
- Infrastructure risk management planning will be consistent with any existing risk management policy, particularly the steps for risk identification, assessment, management and mitigation. The corporate Risk Register is to be used as the tool for recording and reporting risk for infrastructure assets
- Risk is both an opportunity and a responsibility that should be reflected in the asset management plans. Innovative solutions and community promotion of solutions will be encouraged
- Systematic management of risk is a large task requiring a continuous improvement approach. Most service areas are already doing an excellent job of managing operational risk but not through a consistent framework of infrastructure asset management plans
- Ownership must be allocated to risk. Ownership must be linked to capacity in order to control risk.
- Management of operational risk is a core line management function and is not an “add on” overhead
- Strategic risk inherent in resource allocation needs to be communicated, measured and reviewed through the framework of planning and operational plans. The 10-year financial plan for resource allocation is the mechanism for implementation
- Service performance measurement/review/consultation/incident management is crucial to guide a systematic approach and enable us to learn from our mistakes.

3. Monitoring Our Performance

In addition to implementation and monitoring of the improvement actions detailed within the Burwood Council Asset Management Plan, Council will monitor asset management and financial performance via the following performance indicators.

Indicator	Purpose	Target
Infrastructure Renewal Ratio	To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.	> 100%
Capital Expenditure Ratio	To assess the extent to which Council is expanding its asset base through capital expenditure on both new assets and the replacement and renewal of existing assets.	> 1.10x
Asset Maintenance Ratio	Compares actual vs required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.	> 1.00x
Infrastructure Backlog Ratio	This ratio shows what proportion the backlog is against the total value of Council's infrastructure.	< 2%

Appendix

Appendix A: Asset Management Policy

Purpose

The purpose of this Policy is to outline Council's commitment to best practice, service focused and sustainable lifecycle asset management for all assets owned and/or administered by Council.

Scope

This Policy applies to the management of all services provided by infrastructure assets grouped as:

- Transport
- Drainage
- Buildings
- Parks and Recreation.

Objectives

Assets owned or administered by Council must or will:

- Have an identified strategic purpose that contributes to Council's community infrastructure and/or service delivery objectives as defined in Council's Community Strategic Plan, Delivery Program and Operational Plan.
- Be managed so that they are functionally and aesthetically sound within the appropriate levels of service, and are environmentally and financially sustainable
- Have a current Asset Management Plan detailing the whole of lifecycle management of the asset
- Have budgeted funding planned for their long-term management, operation, maintenance, disposal and/or renewal
- Have the resource and capacity requirements, responsibility, custodianship and accountabilities for asset management is clearly defined
- Be identified, registered and recorded in accordance with relevant legislation, regulatory requirements and accounting standards
- Be managed by transparent and responsible asset management processes that align with demonstrated best practice
- Have sufficient capacity, accessibility and adaptability to meet the varying needs of the Council community over time and be accessible and adaptable
- Be managed within an environment where all Burwood Council employees have an awareness of, an integral part in, and appropriate training and development for, infrastructure asset management practices and processes.

Policy commitment

Background

Asset management practices impact directly on the core business of Council and our ability to achieve our strategic service delivery objectives.

A focus on sustainable service delivery ensures that services are delivered in a socially, economically and environmentally responsible manner, and in a way that does not compromise the ability of future generations to make their own choices.

Sound asset management practices enable sustainable service delivery by integrating customer values, priorities and an informed understanding of the trade-offs between risks, costs and service performance.

Adopting the key asset management principles below will assist in achieving our strategic long-term community and financial objectives.

Principles

Council's sustainable service delivery needs will be met by ensuring adequate provision is made for the long-term planning, financing, operation, maintenance, renewal, upgrade, and disposal of our infrastructure assets by:

1. Ensuring our infrastructure capital assets are provided in a manner that respects financial, cultural, economic and environmental sustainability needs
2. Meeting all relevant legislative and regulatory requirements
3. Demonstrating transparent and responsible asset management processes that align with demonstrable best-practices
4. Implementing asset management plans and strategies and providing sufficient financial resources to accomplish them
5. Incorporating Asset Management Plan expenditure projections into Council's Long Term Financial Plan
6. Undertaking regular and systematic reviews of all asset management plans to ensure that assets are managed, valued, and depreciated in accordance with appropriate best practice.
7. Conducting four yearly condition inspections, data collection, valuations and performance and risk monitoring will be carried out to ensure the currency and effectiveness of our Asset Management Plan. These inspections will also be used as part of the asset management process to ensure agreed service levels are maintained and to identify asset renewal priorities
8. Identifying asset life cycle funding required to meet agreed service levels, as defined in adopted asset management plans, and when applicable long term financial plans, will form the basis of annual budget estimates with the service and risk consequences of variations in budget resources relative to defined asset life cycle funding requirements clearly documented

9. Reporting and consideration of future life cycle costs in all decisions relating to new assets and upgrading of existing services and assets. Council will ensure the asset management of existing assets will not be compromised by the creation of new or upgraded assets
10. Determining future service and intervention levels in consultation with the community and key stakeholders
11. Ensuring necessary capacity and other operational capabilities are provided to asset management practices, and that responsibilities are effectively allocated for the development and implementation of asset strategies, asset management plans and service level documents
12. Implementing ongoing improvements to asset management maturity and practices, underpinned by performance measurement, audit and review at appropriate interval
13. Creating a corporate culture where all employees play a part in the overall care for Council's assets by providing necessary asset management awareness, training and professional development.

Related plans and strategies

- Burwood2036, Community Strategic Plan
- Delivery Program 2022-2026
- Resourcing Strategy 2022-2032
 - Asset Management Plan
 - Long Term Financial Plan
 - Digital Strategy
 - Workforce Management Plan.

Responsibility

The Mayor and Councillors are responsible to adopt this Policy, provide high level oversight of the delivery of the Council's asset management strategy and plans and ensure sufficient resources are applied to manage the assets.

The General Manager has overall responsibility for developing infrastructure asset management systems, policies and procedures and financial models and reporting on the status and effectiveness of asset management within Council.

Directors and Group Managers are responsible for overseeing the development and implementation of asset and risk management plans across all asset classes, as well as implementing infrastructure asset management systems, policies and procedures. They are also responsible for ensuring that all asset management activities are consistent with the objectives of Council's Community Strategic Plan, and our Integrated Planning and Reporting Framework. They are also responsible for ensuring that the appropriate people, processes and systems are in place and work together to deliver services and meet the corporate infrastructure asset management objectives.

Employees with management or supervisory responsibility are responsible for the management of assets within their area of responsibility. They will be responsible for the timely completion of those activities contained within those plans.

Review

This Policy has a life of 4 years or less at the discretion of the elected Council.

Contact

Acting Group Manager Assets and Infrastructure on 9911 9940.

Appendix B: References

ISO, 2014, ISO 55000, *Asset management – Overview, principles and terminology*, International Organization for Standardization, Geneva.

ISO, 2014, ISO 55001, *Asset management – Management systems - Requirements*, International Organization for Standardization, Geneva.

ISO, 2014, ISO 55002, *Asset management – Management systems – Guidelines for the application of ISO 55001*, International Organization for Standardization, Geneva.

IPWEA, 2014, 'NAMS.PLUS3 Asset Management', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org/namsplus.

IPWEA, 2009, 'Australian Infrastructure Financial Management Guidelines', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org/AIFMG.

IPWEA, 2011, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org/IIMM





Quick links

1. Executive Summary	82
2. Introduction	85
3. Levels of Service	87
4. Future Demand	96
5. Lifecycle Management Plan	98
6. Financial Summary	104
7. Plan Improvement and Monitoring	110
8. References	113
6. Appendices	114
Appendix A. Major Asset Class Modelling	115
Appendix B. Technical Levels of Service	123
Appendix C. Glossary	126



1. Executive Summary

Context

Council is responsible for the acquisition, operation, maintenance, renewal and disposal of an extensive range of Infrastructure assets with a total replacement value nearing \$532.86 million.

Our Asset Management Policy, Asset Management Strategy and Strategic Asset Management Plan provide the framework for Council to effectively manage its infrastructure resources in a strategic, coordinated and responsive way.

Council's Infrastructure assets are categorised as:

- Transport
- Drainage
- Buildings
- Parks and Recreation.

These assets contribute to the provision of services essential to our community's quality of life, the prosperity of local business and the enjoyment of visitors to the Burwood LGA.

Like many NSW councils, we experiences an infrastructure funding backlog due to aging infrastructure and a funding gap between current and required capital expenditure. Therefore, long term capital plans and long-term financial planning are required to ensure that service delivery is sustainable.

This Strategic Asset Management Plan (SAMP) aligns the vision and strategic directions of Burwood2036, with the asset management objectives, principles, framework and strategies required to achieve our organisational objectives. The plan summarises the activities and expenditure projections required to achieve the asset management objectives.

Current situation

The objective of the SAMP is to describe how Council will meet its commitment to asset management as documented in Council's Asset Management Policy. It achieves this by developing a structured set of strategic actions aimed at enabling Council to improve its asset management practices in alignment with service delivery needs.

Our aim is to achieve a 'core' maturity for asset management activities and continued maturity improvement where the benefits exceed the costs. Improvement tasks have been identified and documented in Table 10 Improvement Plan.

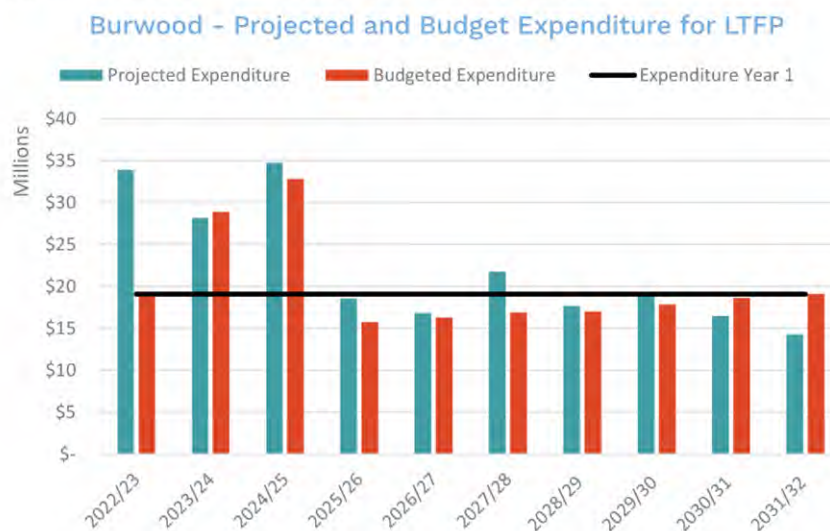
Strategic Asset Management Plan Methodology

What does it Cost?

The forecast of the projected outlays necessary to provide the services covered by this SAMP includes operations, maintenance, capital renewal and upgrade of existing assets. Over the 10 year planning period the projected outlays are \$221.69M or \$22.17M on average per year.

Estimated available funding for this period is \$202.17M or \$20.21M on average per year which is 90% of the cost to provide the service. This is a funding shortfall of -\$1.82M on average per year. This modelling includes a backlog which was reported at 30th June 2021 at \$20.65M.

Projected expenditure required to provide services in the SAMP compared with planned expenditure currently included in the LTFP are shown in the following graph.



What we will do

Council has previously been driven by funding availability and been reactive to customer requests. A shift towards a strategic approach to effective asset management provides better accountability, sustainability, risk management, service management and financial efficiency.

Our aim is to provide the services needed by the community in a financially sustainable manner. Achieving financial sustainability requires balancing service levels and performance with cost and risk.

Over the next 10-years Council plans to sustain current service levels and continue its strong focus in the high-risk areas of Transport and Stormwater Drainage.

Major projects and initiatives include:

- Continued rolling works program for roads, footpaths, kerb and gutter and storm water drainage
- Continued upgrade of the Enfield Aquatic Centre
- Flockhart Park Embellishment and upgrade works including new exercise equipment along the Cook’s River cycle pathway
- Burwood Park New Nature Play Park, Sensory Garden and Pond Upgrade
- Burwood Urban Park.

What we have deferred

Whilst it is not possible to meet all expectations for services within current financial resources, we will continue to work with the community to ensure that required services are provided at appropriate levels of service and at an affordable cost while managing risks.

Managing the Risks

There are risks associated with providing the service and not being able to complete all identified activities and projects. We have identified major risks as:

- Increasing financial pressure to adequately maintain the roads portfolio due to increasing costs
- Flooding caused by inadequate or lack of stormwater systems
- Highly variable and unpredictable extreme weather events, and the impact this will have on transport assets. What seemingly is a manageable position can change very quickly.

We will endeavour to manage these risks within available funding by using our asset management systems implemented, to provide a sound platform for understanding the condition, maintenance and replacement schedule for all our assets, which will in turn inform our ongoing budgeting process.

Confidence Levels

This Plan is based on a mix of confidence levels as data and information varies greatly across different asset areas.

The Next Steps

The key actions resulting from this Plan are:

- Regular engagement with our community to understand the level of service they expect and to help them understand the level of service we can deliver. This information is important in setting priorities and determining resource allocation
- Improving asset knowledge so that data accurately records the asset inventory, how assets are performing and when assets are not able to provide the required service levels
- Improving our efficiency in operating, maintaining, renewing and replacing existing assets to optimise life cycle costs
- Identifying and managing risks associated with providing services from assets,
- Making trade-offs between service levels and costs to ensure that the community receives the best return from assets
- Identifying assets surplus to needs for disposal to make saving in future operations and maintenance costs
- Consulting with the community to ensure that services and costs meet community needs and are affordable
- Developing partnerships with other bodies where available, to provide services, seeking additional funding from governments and other bodies to better reflect a 'whole of government' funding approach to asset intensive services.

2. Introduction

Background

This Plan combines our 4 major infrastructure asset categories. It includes analysis at sub-category asset level. The purpose is to document the relationship between the organisational objectives set out in the Community Strategic Plan, Resourcing

Strategy, Delivery Program, and the asset management (or service) objectives and define the strategic framework required to achieve the asset management objectives.¹ This Plan encompasses the following asset categories:

- Transport including footpaths and kerb and gutter
- Stormwater Drainage
- Buildings
- Parks and Recreation.

Table 1: Assets covered by this Plan

Asset Category	Current Replacement Cost	Carrying Value	Depreciation Expense
Transport	\$305,994	\$156,997	\$3,606
Stormwater	\$82,892	\$31,983	\$712
Buildings	\$130,561	\$107,510	\$2,324
Parks and Reserves	\$13,417	\$11,890	\$417
TOTAL	\$532,864	\$308,380	\$7,059

¹ ISO, 2014, ISO 55002, Sec 4.1.1, p 2.

² Based on IPWEA 2015 IIMM, Sec 2.1.3, p 2| 13.

³ ISO 55000 Overview, principles and terminology.

Goals and Objectives of Asset Ownership

Our goal in managing infrastructure assets is to meet the defined level of service (as amended from time to time) in the most cost effective manner for present and future consumers. The key elements of infrastructure asset management are:

- Providing a defined level of service and monitoring performance
- Managing the impact of growth through demand management and infrastructure investment
- Taking a lifecycle approach to developing cost-effective management strategies for the long-term that meet the defined level of service
- Identifying, assessing and appropriately controlling risks
- Linking to a long-term financial plan which identifies required, affordable expenditure and how it will be allocated.

Other relevant references to the benefits, fundamentals principles and objectives of asset management can be found in:

- International Infrastructure Management Manual 2020
- ISO 55000:2014 Asset Management – Overview, principles and terminology.

Plan Framework

Key elements of this Plan are:

- Levels of service – specifies the services and levels of service to be provided by the organisation
- Future demand – how this will impact on future service delivery and how this is to be met
- Life cycle management – how Council will manage its existing and future assets to provide defined levels of service
- Financial summary – what funds are required to provide the defined services
- Monitoring and improvement plan – how this Plan will be monitored to ensure it is meeting our organisation's and community's Vision and Strategic Directions.

Core and Advanced Asset Management

This Plan is prepared as a 'core' asset management plan over a 10-year planning period in accordance with the International Infrastructure Management Manual. Core asset management is a 'top down' approach where analysis is applied at the system or network level. An 'advanced' asset management approach uses a 'bottom up' approach for gathering detailed asset information for individual assets.

3. Levels of Service

Community Expectations

The expectations and requirements of various stakeholders were considered in the preparation of detailed asset management plans summarised in this SAMP. The following results have been extracted from Council’s Customer Satisfaction Survey conducted in March 2021.

Key findings from the survey included:

1. 88% of residents agree/strongly agree that Burwood area is a great place to live
2. Managing development particularly high-rise development, traffic management, maintaining/upgrading roads and natural environment/more parks and open/green spaces for the area were all identified as the most important components to be included in the CSP
3. Residents expressed concerns for the impacts and management of high-density living and road safety
4. 92% rated their quality of life as ‘good’ to ‘excellent’
5. 94% of residents were at least ‘somewhat satisfied’ with the performance of Council.

Organisational Objectives

Our Community Strategic Plan establishes our community’s long term Vision and Strategic Directions for the Burwood LGA. Our Delivery Program defines the Principal Activities which Council will undertake to turn those aspirations into action. Our asset management objectives are developed from this overarching strategic framework and have strong links to the other elements of Council’s IP&R suite of plans and strategies. These organisational priorities and asset management objectives provide focus for the community and technical level of service outlined in this Plan.

Legislative Requirements

We have to meet many legislative requirements including Australian and State legislation and State regulations in the planning, provision and maintenance of our assets. These are outlined in the Table below.

Best thing about living in the Burwood Area

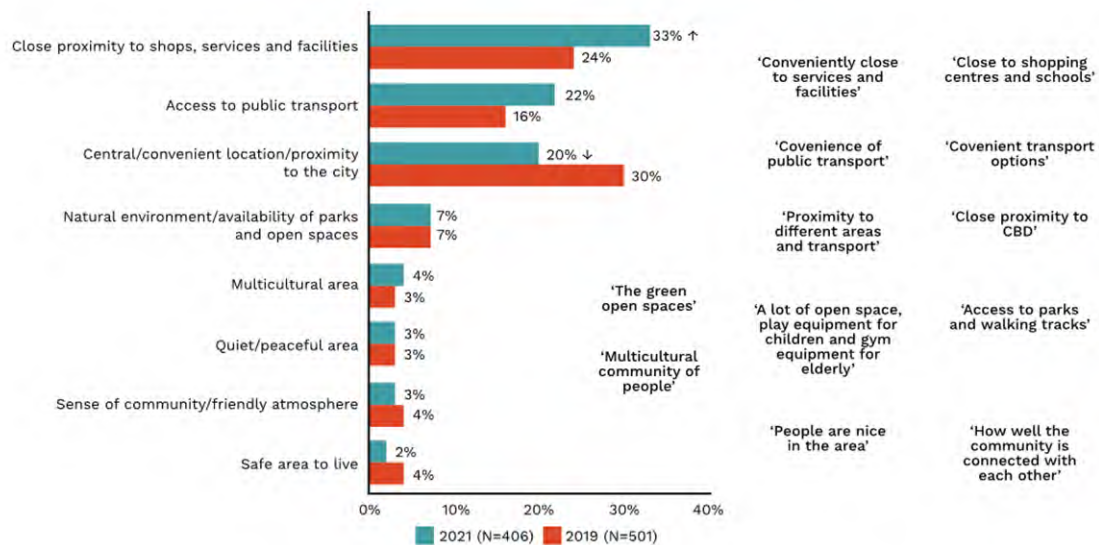


Table 2: Legislative Requirements

Legislation	Requirement
Local Government Act 1993	<p>Sets out role, purpose, responsibilities and powers of local governments.</p> <p>The purposes of this Act are as follows:</p> <p>to provide the legal framework for an effective, efficient, environmentally responsible and open system of local government in New South Wales,</p> <p>to regulate the relationships between the people and bodies comprising the system of local government in New South Wales,</p> <p>to encourage and assist the effective participation of local communities in the affairs of local government,</p> <p>to give councils:</p> <p>the ability to provide goods, services and facilities, and to carry out activities, appropriate to the current and future needs of local communities and of the wider public the responsibility for administering some regulatory systems under this Act a role in the management, improvement and development of the resources of their areas</p> <p>to require councils, councillors and employees to have regard to the principles of ecologically sustainable development in carrying out their responsibilities</p> <p>The land management provisions of the Act require that Council prepare plans of management for all community land. The plan of management identifies the management objectives for the land category, performance indicators and performance measures to meet the objectives identified.</p>
Local Government Amendment (Planning and Reporting) Act 2009	Local Government Amendment (Planning and Reporting) Act 2009 includes the preparation of a long-term financial plan supported by asset management plans for sustainable service delivery.
Disability Discriminations Act, 1992	<p>The Federal <i>Disability Discrimination Act 1992</i> (D.D.A.) provides protection for everyone in Australia against discrimination based on disability. It encourages everyone to be involved in implementing the Act and to share in the overall benefits to the community and the economy that flow from participation by the widest range of people. It mandates that:</p> <p>a) To eliminate, as far as possible, discrimination against persons on the ground of disability in the areas of:</p> <p>i) Work, accommodation, education, access to premises, clubs and sport; and</p> <p>ii) The provision of goods, facilities, services and land and</p> <p>iii) existing laws and</p> <p>iv) The administration of Commonwealth laws and programs and</p> <p>b) To ensure, as far as practicable, that persons with disabilities have the same rights to equality before the law as the rest of the community; and to promote recognition and acceptance within the community of the principle that persons with disabilities have the same fundamental rights as the rest of the community.</p>
Work Health and Safety Act 2011	Sets out roles and responsibilities to secure the health, safety and welfare of persons at work and covering injury management, emphasising rehabilitation of workers particularly for return to work. Council is to provide a safe working environment and supply equipment to ensure safety.
Environmental Planning and Assessment Act 1979	An Act to institute a system of environmental planning and assessment for the State of New South Wales. Among other requirements the Act outlines the requirement for the preparation of Local Environmental Plans (LEPs), Development Control Plans (DCPs), Environmental Impact Assessments (EIA) and Environmental Impact Statements.
Plant Protection Act 1989	This Act sets out requirements in respect to Flora Protection

Legislation	Requirement
Environmental Protection Act 1994	This act sets out requirements in respect to environmental protection
Threatened Species Conservation Act, 1995	An Act to conserve threatened species, populations and ecological communities of animals and plants. Under the terms of this Act Council is required to ensure the long-term survival of the species identified.
Rivers and Foreshores Improvements Act, 1948	An Act to provide for the carrying out of works for the removal of obstructions from and the improvement of rivers and foreshores and the prevention of erosion of lands by tidal and non-tidal waters
Protection of the Environment Operations Act 1997	Council is required to exercise due diligence to avoid environmental impact and among others are required to develop operations emergency plans and due diligence plans to ensure that procedures are in place to prevent or minimise pollution.
National Parks and Wildlife Act (1974)	An Act relating to the establishment, preservation and management of national parks, historic sites and certain other areas and the protection of certain fauna, native plants and Aboriginal objects.
Native Vegetation Act 2003	This Act regulates the clearing of native vegetation on all land in NSW, except for excluded land listed in Schedule 1 of the Act. The Act outlines what landowners can and cannot do in clearing native vegetation.
Public Works Act 1912	Sets out the role of Council in the planning and construction of new assets.
Road Transport (General) Act 2005	Provides for the administration and enforcement of road transport legislation. It provides for the review of decisions made under road transport legislation. It makes provision for the use of vehicles on roads and road related areas and also with respect to written off and wrecked vehicles.
Road Transport (Safety and Traffic Management) Act 1999	Facilitates the adoption of nationally consistent road rules in NSW, the Australian Road Rules. It also makes provision for safety and traffic management on roads and road related areas including alcohol and other drug use, speeding and other dangerous driving, traffic control devices and vehicle safety accidents.
Roads Act 1993	Sets out rights of members of the public to pass along public roads, establishes procedures for opening and closing a public road, and provides for the classification of roads. It also provides for declaration of the RTA and other public authorities as roads authorities for both classified and unclassified roads, and confers certain functions (in particular, the function of carrying out roadwork) on the RTA and other roads authorities. Finally it provides for distribution of functions conferred by this Act between the RTA and other roads authorities, and regulates the carrying out of various activities on public roads.
Local Government (Highways) Act 1982	An Act to consolidate with amendments certain enactments concerning the functions of the corporations of municipalities with respect to highways and certain other ways and places open to the public.
NSW Road Rules 2008	A provision of road rules that are based on the Australian Road Rules so as to ensure that the road rules applicable in this State are substantially uniform with road rules applicable elsewhere in Australia.
Valuation of Land Act 1916	This act sets out requirements in respect Land Valuation
Crown Lands Act, 1989	An Act to provide for the administration and management of Crown land in the Eastern and Central Division of the State of NSW. Council has large holdings of Crown land under its care, control and management.

Legislation	Requirement
Heritage Act, 1977	<p>An Act to conserve the environmental heritage of the State.</p> <p>Several properties are listed under the terms of the Act and attract a high level of maintenance cost, approval and monitoring.</p> <p>Several properties are listed under the terms of the Act and attract a high level of maintenance cost, approval and monitoring.</p>
Building Code of Australia	The goal of the BCA is to enable the achievement of nationally consistent, minimum necessary standards of relevant, health, safety (including structural safety and safety from fire), amenity and sustainability objectives efficiently.
Building Fire and Safety Regulation 1991	This Act sets out the regulations for things such as means of escape, Limitation of people in buildings, Fire and evacuation plans and testing of special fire services and installations.
Electrical Safety Act 2002	This act sets out the installation, reporting and safe use with electricity
Building Regulation 2003	This act sets out requirements in respect to Building Requirements
Plumbing and Drainage Act 2002	This act sets out requirements in respect to Plumbing Requirements
Rural Fires Act, 1997	<p>An Act to establish the NSW Rural Fire Service and define its functions; to make provision for the prevention, mitigation and suppression of rural fires.</p> <p>Under the terms of this Act Council is required to mitigate any fire that emanate from bushland.</p>
Dangerous Goods Safety Management Act 2001	This act sets out the safe use, storage and disposal of dangerous goods
Fire and Rescue Service Act 1990	This act sets out requirements in respect to Emergency Services for Fire and Rescue
Public Records Act 2002	This act sets out requirements in respect maintaining Public Records
Surveillance Devices Act	This act sets out requirements in respect use of Surveillance Devices
Civil Liability Act, 2002	An Act to make provision in relation to the recovery of damages for death or personal injury caused by the fault of a person
Companion Animals Act, 1998	<p>An Act to provide for the identification and registration of companion animals and for the duties and responsibilities of their owners.</p> <p>Under the terms of the Act Council is required to provide and maintain at least one off leash area. It currently has eleven areas identified as off leash.</p>
Rural Fires Act, 1997	<p>An Act to establish the NSW Rural Fire Service and define its functions; to make provision for the prevention, mitigation and suppression of rural fires.</p> <p>Under the terms of this Act Council is required to mitigate any fire that emanate from bushland.</p>

Levels of Service

We have defined service levels in two terms.

Community Levels of Service - measure how the community receives the service and whether the organisation is providing community value.

Community levels of service measures used in this Plan are:

Quality How good is the service?

Function Does it meet the needs of the user?

Capacity/Utilisation Is the service usage appropriate to capacity?

An overview of current community levels of service is provided in Table 3 below.

Technical Levels of Service - Supporting the community service levels are operational or technical measures of performance. These technical measures relate to the allocation of resources to service activities that the organisation undertakes to best achieve the desired community outcomes and demonstrate effective organisational performance.

Technical service measures are linked to annual budgets covering:

- Operations – the regular activities to provide services such as availability, cleansing, mowing, etc.

- Maintenance – the activities necessary to retain an assets as near as practicable to an appropriate service condition (e.g. road patching, unsealed road grading, building and structure repairs)

- Renewal – the activities that return the service capability of an asset up to that which it had originally (e.g. road resurfacing and pavement reconstruction, pipeline replacement and building component replacement)

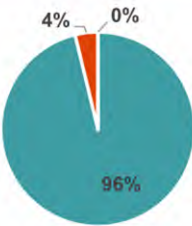
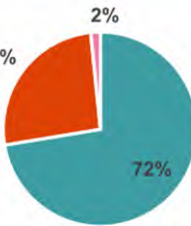
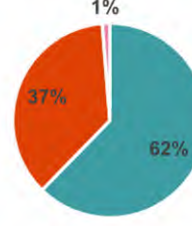
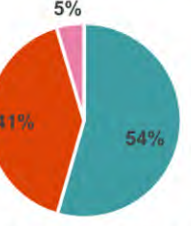
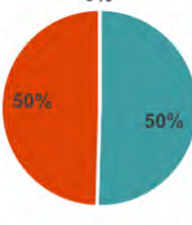
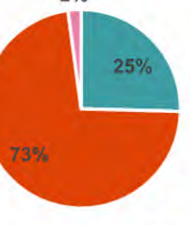
- Upgrade – the activities to provide a higher level of service (e.g. widening a road, sealing an unsealed road, replacing a pipeline with a larger size) or a new service that did not exist previously (e.g. a new library).

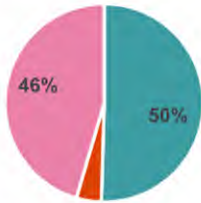
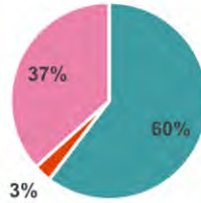
Service managers plan, implement and control technical service levels to influence the customer service levels.²

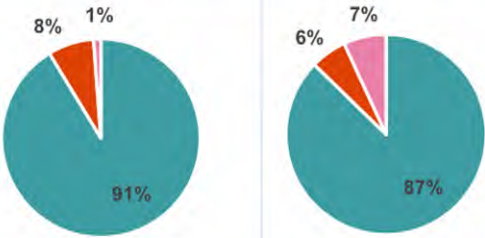
Together the community and technical levels of service provide detail on service performance, cost and whether service levels are likely to stay the same, get better or worse.

Technical levels of service for each asset category are detailed in Appendix B.

Table 3: Community Levels of Service

Key Performance Measure	Level of Service Objective	Performance Measure Process	Current Level of Service	10 Year Projection Current LTFP Funding
Community Levels of Service – Transport and Stormwater Drainage				
Quality	Well maintained roads, footpaths and Kerb and Gutter	Customer surveys Customer requests	Access to public transport – 97% Satisfaction Traffic management and road safety – 85% satisfaction Maintaining Footpaths – 83% satisfaction Access to cycleways – 58% satisfaction Has not been fully assessed at this time	It is anticipated that customer requests and community satisfaction would remain the same if not improve over the next 10 years
	Roads, footpaths and Kerb and Gutter that do not cause water ponding			
	Look well maintained			
	Transport infrastructure condition meets hierarchy requirements for condition measures	Roads State of the Assets Report Condition Profiles	 <p>Confidence Level: High</p>	 <p>Confidence Level: Medium</p>
	Footpaths State of the Assets Report. Condition Profiles	 <p>Confidence Level: High</p>	 <p>Confidence Level: Medium</p>	
	Kerb and Gutter State of the Assets Report. Condition Profiles	 <p>Confidence Level: High</p>	 <p>Confidence Level: Medium</p>	

Key Performance Measure	Level of Service Objective	Performance Measure Process	Current Level of Service	10 Year Projection Current LTFP Funding
	Provide efficient method of collection and disposal stormwater	Customer surveys Customer requests	Has not been fully assessed at this time	It is anticipated that customer requests and community satisfaction would remain generally the same over the next 10 years
	Stormwater Drainage condition meets hierarchy requirements for condition measures	State of the Assets Report. Condition Profile	 <p>Confidence Level: Low</p>	 <p>Confidence Level: Low</p>
Function	Ensure access to facilities and services is provided that is suited to the use Transport Infrastructure meets hierarchy requirements for traffic volumes, design speed, width, alignment, access etc.	Customer requests Function Profile	Has not been fully assessed at this time Confidence Level: Low	Requests received should not increase annually. Confidence Level: Low
	Ensure stormwater system meets community expectations Removal of gross pollutants	Customer requests Function Profile	Has not been fully assessed at this time Confidence Level: Low	Requests received should not increase annually. Confidence Level: Low
Capacity/ Utilisation	Transport network meets the capacity requirements appropriate to hierarchy	Customer requests Capacity Profile	Has not been fully assessed at this time Confidence Level: Low	Requests received should not increase annually. Confidence Level: Low

Key Performance Measure	Level of Service Objective	Performance Measure Process	Current Level of Service	10 Year Projection Current LTFP Funding
Community Levels of Service – Buildings				
Quality	Service the needs of the community and Council to an appropriate standard	Customer surveys Customer requests	Protection of heritage buildings and items – 76% satisfaction Community centres and facilities – 92% satisfaction Has not been fully assessed at this time	It is anticipated that customer requests will not increase and community dissatisfaction would remain steady over the next 10 years
	Buildings and facilities to be safe and suitable to users At a quality or standard suitable for their use	Buildings State of the Assets Report Condition Profiles	 <p>Confidence Level: High</p> <p>Confidence Level: Medium</p>	
Function	Buildings and facilities to be suitable for customer activities Easy to access Fit for their purpose Create a pleasant experience	Customer requests Function Profile	Has not been fully assessed at this time Confidence Level: Low	Requests are likely to slowly increase annually Confidence Level: Low
Capacity/ Utilisation	Building facilities meet program delivery needs Available Sufficient facilities for the number of users Not overused	Customer requests Capacity Profile	Has not been fully assessed at this time Confidence Level: Low	Requests are likely to increase slowly annually Confidence Level: Low

Key Performance Measure	Level of Service Objective	Performance Measure Process	Current Level of Service	10 Year Projection Current LTFP Funding
Community Levels of Service – Parks and Recreation				
Quality	Look well maintained and clean Fields have playable surface At a quality or standard suitable for their purpose	Customer surveys Customer requests	Enough opportunities to participate in sporting or recreational activities – 16% disagree Has not been fully assessed at this time	It is anticipated that customer requests will decrease and community satisfaction would improve over the next 10 years
		Parks and Recreation State of the Assets Report Condition Profiles	<p>Confidence Level: High</p>	<p>Confidence Level: Medium</p>
Function	Easy to access Fit for their use Create a pleasant experience	Customer requests Function Profile	Has not been fully assessed at this time Confidence Level: Low	Requests received should not increase annually Confidence Level: Low
Capacity/ Utilisation	Available Sufficient facilities for the number of users	Customer requests Capacity Profile	Has not been fully assessed at this time Confidence Level: Low	Requests received should not increase annually Confidence Level: Low

4. Future Demand

Demand Drivers

Drivers affecting demand include population change, changes in demographics, seasonal factors, climate change, vehicle ownership rates, consumer preferences and expectations, government decisions, technological changes, economic factors, agricultural practices, environmental awareness, etc.

Demand Forecast

The present position and projections for demand drivers that may impact future service delivery and utilisation of assets were identified and are documented in Table 4.

Demand Impact on Assets

The impact of demand drivers that may affect future service delivery and utilisation of assets are shown below.

Table 4: Demand Drivers, Projections and Impact on Services

Demand drivers	Present position	Projection	Impact on services
Development	Population increase and higher density development	Steady growth anticipated to continue	Increase in demand for services supported by infrastructure due to development and population growth
Community Expectations	There is a desire from the community for a high standard of services	Expectations will continue to increase	Existing networks may not be fully suitable for the purpose
Increasing Costs	The cost to construct, maintain and renew infrastructure is increasing at a rate greater than council's revenue	Cost of renewing infrastructure systems is increasing. Cost increases are anticipated to continue and will likely be at a higher rate than CPI.	The need to carefully target and plan infrastructure is increasing in importance as maximising the service that can be delivered within the funding limitations will be under pressure

Demand drivers	Present position	Projection	Impact on services
Environment and Climate Change	It is widely accepted that climate is changing	<p>Future is uncertain but is likely that climate change will impact on the delivery of the services provided by infrastructure.</p> <p>Weather extremes will have significant impact on infrastructure</p>	<p>Some services such as the Transport and stormwater drainage may be impacted directly by climate/ rainfall and severe events.</p> <p>Higher frequency and larger flood events</p>

Demand Management Plan

Demand for new services will be managed through a combination of managing existing assets, upgrading of existing assets and providing new assets to meet demand and implementing demand management practices. Such practices include non-asset solutions, insuring against risks and managing failures.

Non-asset solutions focus on providing the required service without the need for the organisation to own the assets and

management actions including reducing demand for the service, reducing the level of service (allowing some assets to deteriorate beyond current service levels) or educating customers to accept appropriate asset failures³. Examples of non-asset solutions include providing joint services from existing assets such as aquatic centres and libraries that may be in another community area or public toilets provided in commercial premises.

Opportunities identified for demand management are shown in the table below.

Table 5: Demand Management Plan Summary

Service Impact	Demand Management Plan
Communicate options and capacity to fund infrastructure works with the community	Monitor community expectations and communicate service levels and financial capacity with the community to balance priorities for infrastructure with what the community is prepared to pay for
Funding priority works	<p>Link asset management planning to LTFPs and community strategic plans.</p> <p>Continue to seek grant funding for projects identified in Burwood's Community and Strategic Asset Management Plans</p>
Improve understanding of costs and capacity to maintain current service levels.	Continue to analyse the cost of providing service and the capacity to fund at the current level of service
Climate Change	Increased understanding of climate change effects and required management techniques

³ IPWEA, 2011, IIMM, Table 3.4.1, p 3|58.

Asset Programs to meet Demand

The new assets required to meet growth will be acquired free of cost from land developments and constructed/acquired by the organisation. New assets constructed/acquired by the organisation are discussed in Section 5.

Acquiring these new assets will commit the organisation to fund ongoing operations, maintenance and renewal costs for the period that the service provided from the assets is required. These future costs are identified and considered in developing forecasts of future operations, maintenance and renewal costs in Section 5.

5. Lifecycle Management Plan

The lifecycle management plan details how the organisation plans to manage and operate the assets at the agreed levels of service (defined in Section 3) while optimising life cycle costs.

Background Data

Physical parameters

The assets covered by this Plan are

- Transport
- Drainage
- Buildings
- Parks and Recreation

Asset capacity and performance

The organisation's services are generally provided to meet relevant design standards where these are available.

Infrastructure Risk Management Plan

An assessment of risks associated with service delivery from infrastructure assets conducted for each relevant asset management plan identified critical risks that will result in loss or reduction in service from infrastructure assets or a 'financial shock' to the organisation. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, develops a risk rating, evaluates the risk and develops a risk treatment plan for non-acceptable risks.

Critical risks, being those assessed as 'Very High' – requiring immediate corrective action and 'High' – requiring prioritised corrective action identified in the Infrastructure Risk Management Plan(s) and the adopted treatment plan are summarised below. These risks are regularly reported to Council's Executive and Councillors.

Table 6: Critical Risks and Treatment Plans

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan
Roads			
Increasing financial pressure to adequately maintain the roads portfolio	The long-term renewal of road seals is not adequate	Very High	Roads resealing program focusing on high priority areas determined by road hierarchy, condition data, and priorities identified in the CSP
Road Maintenance	Increasing maintenance requirements	High	Continue to improve data Documented service level risks and utilisation for establishing future maintenance priorities
Road Damage	Damage to roads as a result of major storm events	Very High	At present this can be only partially managed within councils resourcing. Council is reliant on assistance funding from other levels of government to manage these events
Stormwater Drainage			
Stormwater Network	General deterioration of the network resulting in structural and capacity failures	High	Assess adequacy of inspections, particularly in aged network areas Keep data up to date so that renewals can be planned
Stormwater Network	Flooding due to blockages	High	Assess adequacy of programs and monitor frequency of problems due to inadequate cleaning or maintenance
Stormwater Network	Flooding caused by inadequate or lack of stormwater systems	High	Review stormwater management program
Footpaths			
Footpaths	Path user trips and injure themselves on damaged path surface.	High	Regular inspection of path condition and defects in accordance with footpath policy. Inspections by Council personnel for any hazards reported by public. Use of materials in new path construction to increase life of footpath
Buildings			
Building Renewal	Buildings deteriorate to a lesser service standard and higher risk situation	Medium - High	Future planning improvements can be made by further documented service level risks and utilisation of these in establishing future renewal priorities
Utilisation	Buildings not suiting the needs of service providers	Medium - High	Continue to monitor not only the condition of buildings, but how well they suit the needs of users
Park and Recreation			
Playgrounds	Incident or injury for community members using facilities	Medium - High	Regular renewal of soft-fall, prevention of usages if broken, repair faulty or broken equipment through regular inspection and maintenance.

Routine Operations and Maintenance Plan

Operations include regular activities to provide services such as public health, safety and amenity, e.g. cleansing, utility services, street sweeping, grass mowing and street lighting.

Routine maintenance is the regular on-going work that is necessary to keep assets operating, including instances where portions of the asset fail and need immediate repair to make the asset operational again.

Operations and Maintenance Plan

Operations activities affect service levels including quality and function, such as cleanliness, appearance, etc., through street sweeping and grass mowing frequency, intensity and spacing of street lights and cleaning frequency and opening hours of building and other facilities.

Maintenance includes all actions necessary for retaining an asset as near as practicable to an appropriate service condition including regular ongoing day-to-day work necessary to keep assets operating, eg road patching but excluding rehabilitation or renewal.

Maintenance expenditure levels are considered to be adequate to meet projected service levels, which may be less than or equal to current service levels. Where maintenance expenditure levels are such that will result in a lesser level of service, the service consequences and service risks have been identified and service consequences highlighted in the respective AM Plan and service risks considered in the Infrastructure Risk Management Plan.

Operations and Maintenance Strategies

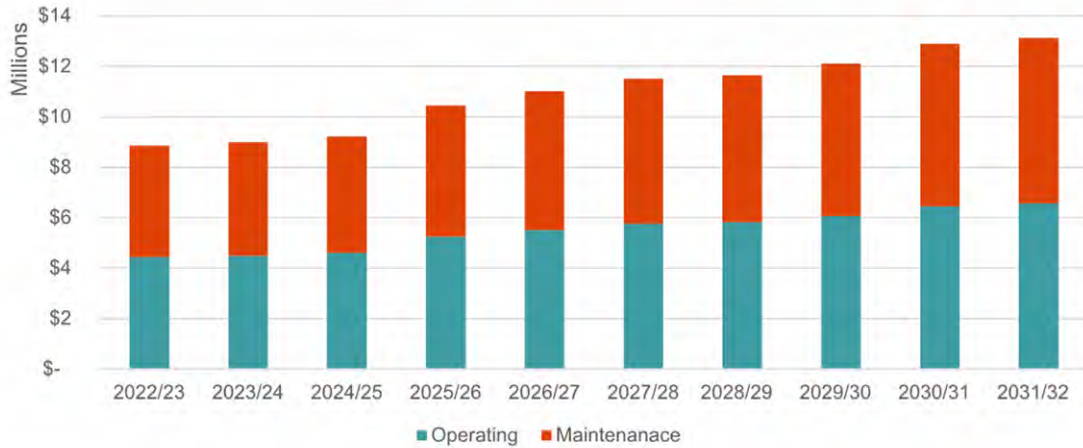
We will operate and maintain assets to provide the defined level of service to approved budgets in the most cost-efficient manner. The operation and maintenance activities include:

- Scheduling operations activities to deliver the defined level of service in the most efficient manner
- Undertaking maintenance activities through a planned maintenance system to reduce maintenance costs and improve maintenance outcomes. Undertake cost-benefit analysis to determine the most cost-effective split between planned and unplanned maintenance activities (50 – 70% planned desirable as measured by cost)
- Maintain a current infrastructure risk register for assets and present service risks associated with providing services from infrastructure assets and reporting Very High and High risks and residual risks after treatment to management and Council/Board
- Review current and required skills base and implement workforce training and development to meet required operations and maintenance needs
- Review asset utilisation to identify underutilised assets and appropriate remedies, and over utilised assets and customer demand management options
- Maintain a current hierarchy of critical assets and required operations and maintenance activities
- Develop and regularly review appropriate emergency response capability
- Review management of operations and maintenance activities to ensure we are obtaining best value for resources used.

Summary of future operations and maintenance expenditures

Future operations and maintenance expenditure is forecast to trend in line with the value of the asset stock as shown in Figure 2 with estimated available operating budget funding. Note that all costs are shown in current dollar values (i.e. real values).

Figure 2: Projected Operations and Maintenance Expenditure and Budget (LTFP)



Renewal and Replacement Plan

Renewal and replacement expenditure is major work which does not increase the asset’s design capacity but restores, rehabilitates, replaces or renews an existing asset to its original or lesser required service potential. Work over and above restoring an asset to original service potential is upgrade/expansion or new works expenditure.

- and evaluate the options against evaluation criteria adopted by Council/Board, and
- select the best option to be included in capital renewal programs

- Using *optimal* renewal methods (cost of renewal is less than replacement) wherever possible
- Maintaining a current infrastructure risk register for assets and service risks associated from infrastructure assets reporting Very High and High risks and residual risks after treatment to management and Council
- Reviewing current and required skills base and implement workforce training and development to meet required construction and renewal needs
- Maintaining a current hierarchy of critical assets and capital renewal treatments and timings required
- Reviewing management of capital renewal and replacement activities to ensure we are obtaining best value for resources used.

Renewal and Replacement Strategies

We will plan capital renewal and replacement projects to meet level of service objectives and minimise infrastructure service risks by:

- Planning and scheduling renewal projects to deliver the defined level of service in the most efficient manner
- Undertaking project scoping for all capital renewal and replacement projects to identify
 - the service delivery ‘deficiency’, present risk and optimum time for renewal/ replacement
 - the project objectives to rectify the deficiency
 - the range of options with estimated capital and life cycle costs for each options that could address the service deficiency

Renewal ranking criteria

Asset renewal and replacement is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replace a bridge that has a 5 t load limit) or
- To ensure the infrastructure is of sufficient quality to meet the service requirements (eg roughness of a road).⁴

It is possible to get some indication of capital renewal and replacement priorities by identifying assets or asset groups that:

- Have a high consequence of failure
- Have a high utilisation and subsequent impact on users would be greatest
- The total value represents the greatest net value to the organisation

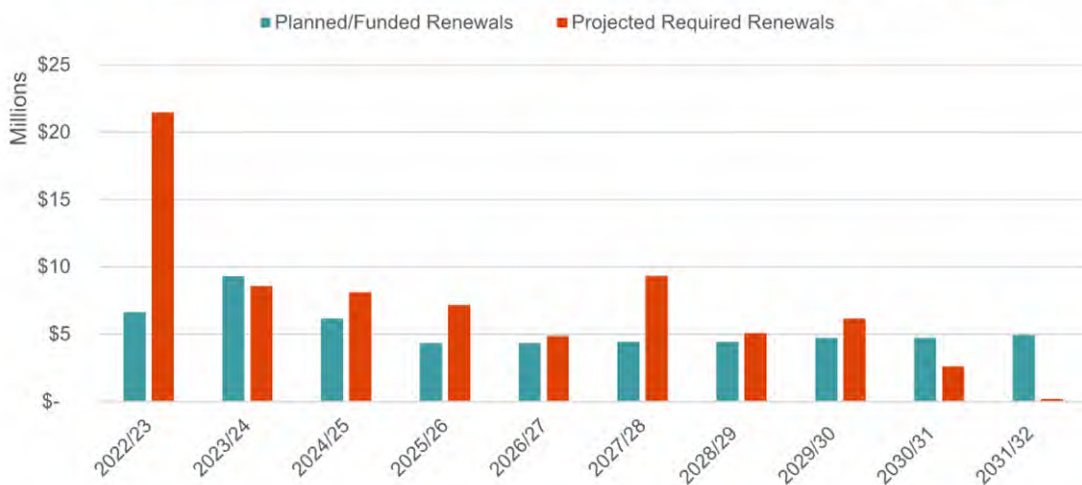
- Have the highest average age relative to their expected lives
- Are identified in this Plan as key cost factors
- Have high operational or maintenance costs, and
- Where replacement with modern equivalent assets would yield material savings.⁵

The ranking criteria used to determine priority of identified renewal and replacement proposals is detailed in the respective sections of this Plan.

Summary of future renewal and replacement expenditure

Projected future renewal and replacement expenditures are forecast to increase over time as the asset stock increases from growth as shown in Figure 3. Note that all costs are shown in current dollar values.

Figure 3: Projected Capital Renewal and Replacement Expenditure (LTFP)



⁴ IPWEA, 2011, IIMM, Sec 3.4.4, p 3|60.

⁵ Based on IPWEA, 2011, IIMM, Sec 3.4.5, p 3|66.

Projected Capital Renewal and Replacement Expenditure

Creation/Acquisition/Upgrade Plan

New works are those works that create a new asset that did not previously exist, or works which upgrade or improve an existing asset beyond its existing capacity. They may result from growth, social or environmental needs. Assets may also be acquired at no cost to the organisation from land development. These assets from growth are discussed in Section 4.5.

Selection criteria

New assets and upgrade/expansion of existing assets are identified from various sources such as Councillor or community requests, proposals identified by strategic plans or partnerships with other organisations. Candidate proposals are inspected to verify need and to develop a preliminary cost estimate. Verified proposals are ranked by priority and available funds and scheduled in future works programmes. The priority ranking criteria is detailed in the respective asset management plans.

Capital Investment Strategies

We will plan capital upgrade and new projects to meet level of service objectives by:

- Planning and scheduling capital upgrade and new projects to deliver the defined level of service in the most efficient manner
- Undertake project scoping for all capital upgrade/new projects to identify
 - the service delivery 'deficiency', present risk and required timeline for delivery of the upgrade/new asset
 - the project objectives to rectify the deficiency including value management for major projects
 - the range of options, estimated capital and life cycle costs for each options that could address the service deficiency
 - management of risks associated with alternative options
 - and evaluate the options against evaluation criteria adopted by Council/Board, and
 - select the best option to be included in capital upgrade/new programs
- Review current and required skills base and implement training and development to meet required construction and project management needs
- Review management of capital project management activities to ensure we are obtaining best value for resources used.

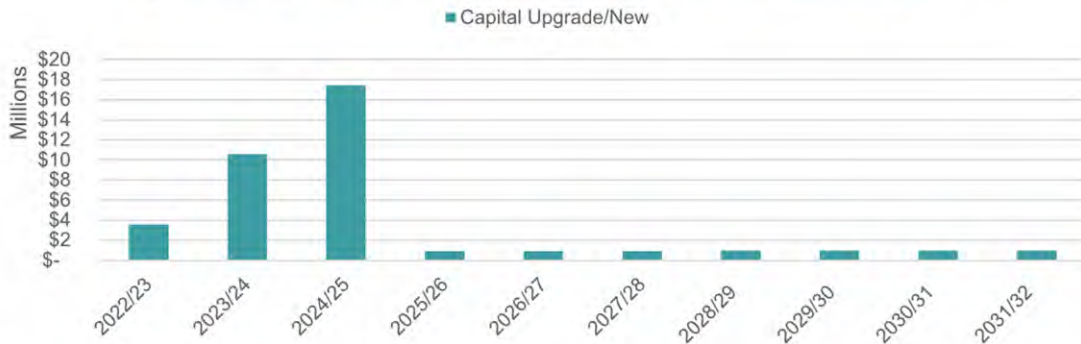
Standards and specifications for maintenance of existing assets and construction of new assets and upgrade/expansion of existing assets are detailed in relevant sections of this Plan.

Summary of future upgrade/new assets expenditure

Over the next 10 years Council is planning to invest \$38.3M to improve services by upgrading or building new infrastructure to service the

Burwood community. This is predominately made up of Transport \$6.6M, Buildings \$28.6M and Parks \$3.1M. Proposed upgrade/new expenditure is shown in Figure 4.

Figure 4: Projected Capital Upgrade/New Asset Expenditure (LTFP)



Disposal Plan

Disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. No assets have been identified for possible decommissioning or disposal in this Plan.

6. Financial Summary

This section contains the financial requirements resulting from all the information presented in the previous sections of this asset management plan. The financial projections will be improved as further information becomes available on desired levels of service and current and projected future asset performance.

Financial Indicators and Projections

Sustainability of service delivery

In addition to long term life cycle costs/ expenditures there are 3 key indicators for service delivery sustainability that have been considered within this Plan, these being the asset renewal funding ratio and the medium term projected/budgeted expenditures over 5 and 10 years of the planning period.

The Asset Renewal Funding Ratio is the most important indicator and reveals whether projected capital renewal and replacement expenditure can be financed in the long-term financial plan. It is calculated by dividing the projected capital renewal expenditure shown in the AM Plan by the estimated capital renewal budget provided in the long-term financial plan.

Table 7 shows overall sustainability of service calculations for the assets covered by this Plan.

Table 7: Sustainability of Service Delivery (Including Current Backlog)

Sustainability of service delivery (Including Backlog)	LTFP
	(\$,000)
Asset Renewal Funding Ratio	
10 Year Renewal Projected Expenditure	\$73,630
10 Year Renewal Planned (Budget) Expenditure	\$54,110
Asset Renewal Funding Ratio (10 Year Planned Expenditure / Projected Expenditure)	73%
Medium Term (10 yrs) Sustainability	
10 year Operations, Maintenance & Renewal Projected Expenditure	\$183,385
10 year Operations, Maintenance & Renewal Planned (Budget) Expenditures	\$163,865
10 year Funding Shortfall (10 year projected. expenditures. - Planned (Budget) Expenditures)	\$19,519
10 year Sustainability Indicator (10 year planned exp. / projected. Expenditure)	89%
Short Term (5 years) Sustainability	
5 year Operations, Maintenance & Renewal Projected Expenditure	\$98,724
5 year Operations, Maintenance & Renewal Planned (Budget) Expenditure	\$79,298
5 year Funding Shortfall (5 year projected expenditures. - planned (budget) expenditures)	\$19,426
5 year Sustainability Indicator (5 year planned expenditures. / projected expenditures)	80%

The table above shows that under the current LTFP Council can fund 73% of the projected asset renewals (Including existing backlog) over the next 10 years.

Providing services from infrastructure in a sustainable manner requires the matching and managing of service levels, risks, projected expenditures and financing to achieve a financial indicator of approximately 1.0 for the first years of the asset management plan and ideally over the 10 year life of the LTFP.

Figures 9.0 and 9.1 show the projected asset renewal and replacement expenditure over the 10 years of the SAMP. The graph also importantly shows the accumulated impact that each funding scenario is having on council's reported backlog.

Figure 5: Projected and LTFP Budgeted Renewal Expenditure including backlog (LTFP)

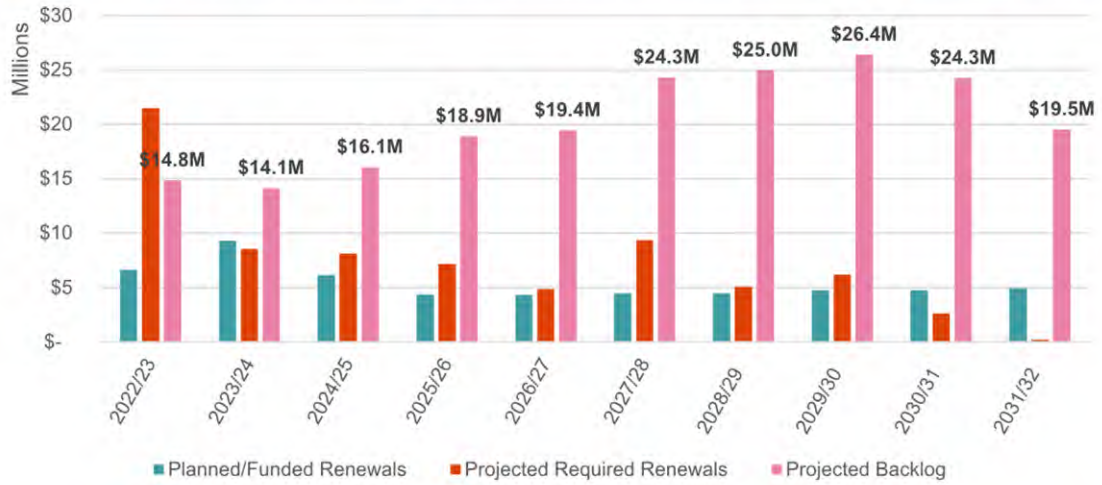


Table 8: Summary of Projected and Planned (LTFP) Renewal Expenditure including carrying backlog

Year	Projected Renewals	Planned/Funded Renewals	Annual Shortfall	Projected Backlog
2022/23	\$21,490	\$6,641	-\$14,849	\$14,849
2023/24	\$8,566	\$9,300	\$734	\$14,115
2024/25	\$8,097	\$6,160	-\$1,937	\$16,052
2025/26	\$7,190	\$4,350	-\$2,840	\$18,892
2026/27	\$4,874	\$4,340	-\$534	\$19,426
2027/28	\$9,338	\$4,440	-\$4,898	\$24,324
2028/29	\$5,092	\$4,441	-\$651	\$24,974
2029/30	\$6,175	\$4,743	-\$1,431	\$26,406
2030/31	\$2,604	\$4,746	\$2,142	\$24,264
2031/32	\$204	\$4,949	\$4,745	\$19,519

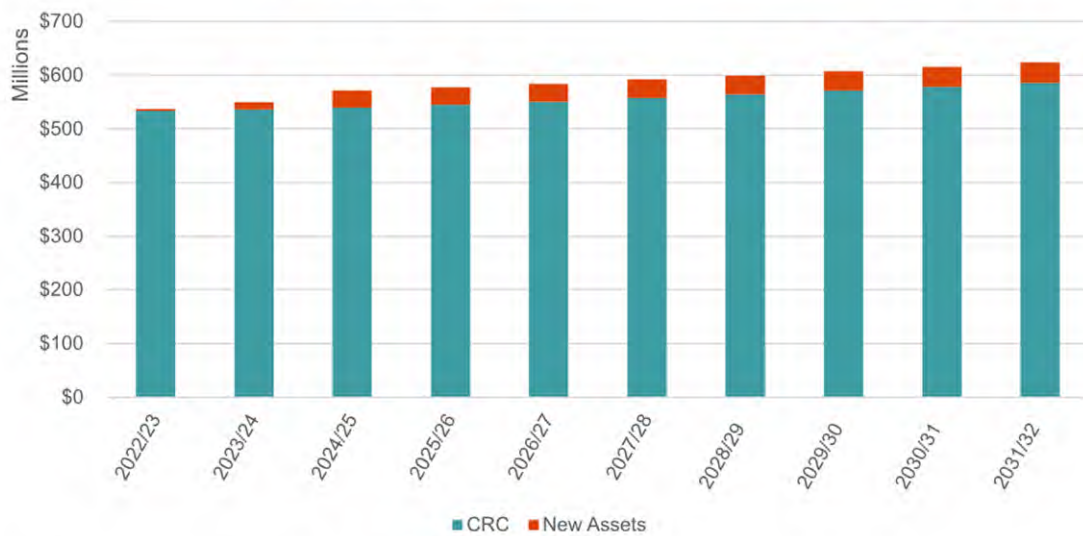
Funding Strategy

The funding strategy to provide the services covered by this Plan is contained within the Council's LTFP.

Valuation Forecasts

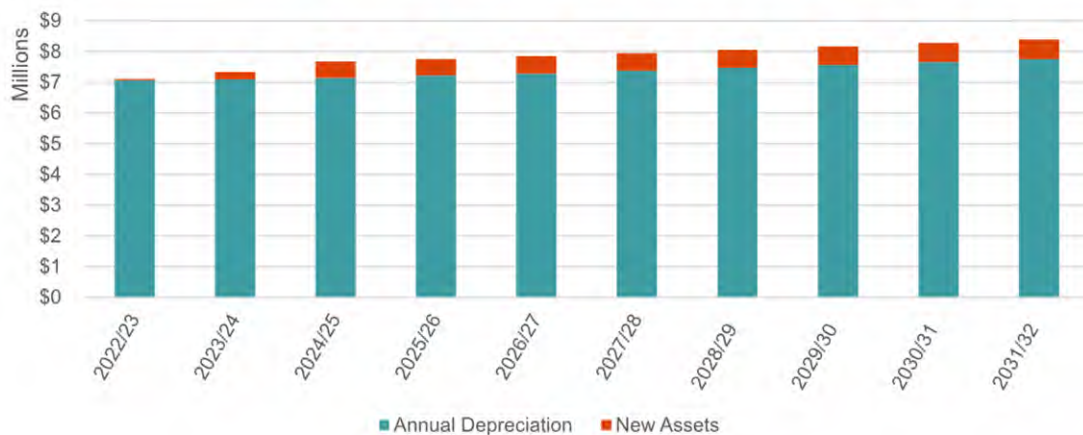
Asset values are forecasted to increase as additional upgraded and new assets are added to the asset stock from construction and acquisition by the organisation. Figure 10 shows the projected asset replacement cost asset values over the planning period in current dollar values.

Figure 6: Projected Asset Replacement Values



Annual depreciation expense is forecast to increase in line with asset replacement values as shown in Figure 7.

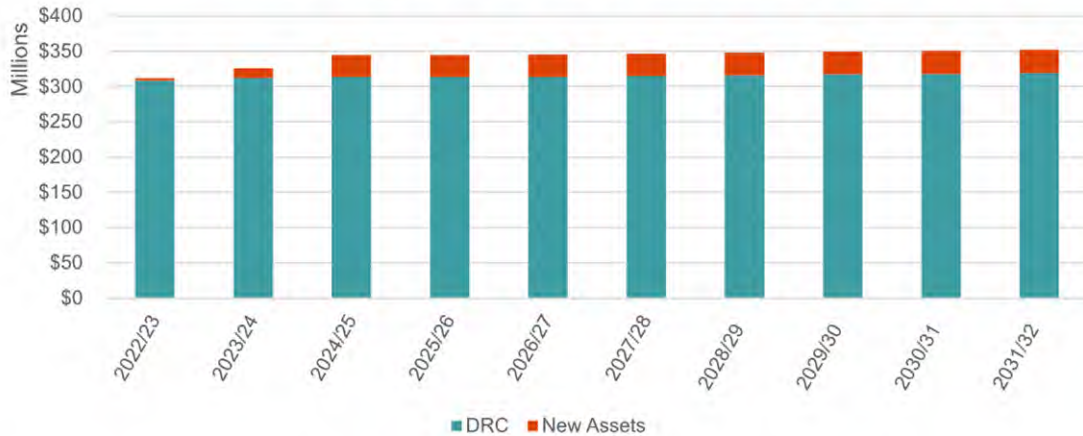
Figure 7: Projected Depreciation Expense



The depreciated asset replacement value will vary over the forecast period depending on the rates of addition of new assets, disposal of old

assets and consumption and renewal of existing assets. The forecast of the depreciated asset replacement value is shown in Figure 8 below.

Figure 8: Projected Depreciated Replacement Value



Key Assumptions made in Financial Forecasts

This section details the key assumptions made in presenting the information contained in this Plan and in preparing forecasts of required operating and capital expenditure and asset values,

depreciation expense and carrying amount estimates. It is presented to enable readers to gain an understanding of the levels of confidence in the data behind the financial forecasts. Key assumptions made in this Plan and risks that these may change are shown below.

Table 9: Key Assumptions made in this Plan and Risks of Change

Key Assumptions	Risks of Change to Assumptions
Projected renewal data including average annual asset consumption which is used for the Long Term sustainability assessments	Buildings - Medium Parks - Low Stormwater Drainage - Medium/High Transport - Low
Use of existing valuations, useful lives and remaining lives determined from the condition rating	Buildings - Medium Parks - Low Stormwater Drainage - Medium Transport - Low
Use of current expenditure information as best as this can be determined	Capital Forecasts - Low Operations and Maintenance Forecasts - Medium
Current levels of service will remain constant over the life of the AMP	Buildings - Medium Parks - Low Stormwater Drainage - Medium Transport - Low
Continued use of current construction techniques and materials in alignment with current standards	Buildings - Medium Parks - Low Stormwater Drainage - Low Transport - Low

Forecast Reliability and Confidence

The expenditure and valuations projections in this strategic AM Plan are based on best available data. Currency and accuracy of data is critical to effective asset and financial management.

The estimated confidence level for and reliability of data used in this AM Plan is shown below.

Table 10: Data Confidence Assessment for AM Plans summarised in Strategic AM Plan

Data	Confidence Assessment	Comment
Demand Drivers	C - Uncertain	Estimated, further substantiation required for next revision of the SAMP.
Growth Projections	B - Reliable	Estimated, further substantiation required for next revision of the SAMP.
Operations Expenditure	B - Reliable	From budget, however additional analysis required. Breakdown into operations and maintenance is estimated and requires further development.
Maintenance Expenditure	B - Reliable	From budget, however additional analysis required. Breakdown into operations and maintenance is estimated and requires further development.
Renewal Expenditure	B - Reliable	Buildings – Medium Confidence Parks – High Confidence Stormwater Drainage – Low Confidence Transport – High Confidence
Upgrade/New Expenditure	B - Reliable	Could be identified from total capital works budget.
Disposal Expenditure	B - Reliable	None identified.
Condition Modelling	B - Reliable	Buildings – Medium Confidence Parks – High Confidence Stormwater Drainage – Low Confidence Transport – High Confidence
Asset Values	B - Reliable	From 2020-2021 Financial Report.
Asset Useful Lives	B - Reliable	Ongoing substantiation required.

Over all data sources, the data confidence level is assessed as medium to high confidence level for data used in the preparation of this Plan.

Actions to mitigate any adverse effects of data quality are included within Table 10 below.

7. Plan Improvement and Monitoring

Improvement Program

The asset management improvement tasks identified from an external Asset Management Maturity Audit and preparation of this Plan are shown here.

Table 11: Key Strategies for Asset Management Maturity

National Framework	National Framework Element	Core Element	Key Strategy Number	Task/Action	Responsibility	Timeframe
AM Planning	AM Policy	Y	KS-1	Ensure that the AM Policy is implemented and communicated to key stakeholders. Ensure Council is briefed on their roles and governance responsibilities under the reviewed AM Policy	<ul style="list-style-type: none"> Governance and Risk 	September 2022
AM Planning	Governance and Management	Y	KS-2	Implement this asset management development program to improve Council's asset management maturity, particularly in the area of measurement and reporting of trends in service levels and risk that result from the available funding scenarios in the LTFP	<ul style="list-style-type: none"> Infrastructure and Assets Finance Property Governance and Risk People and Performance 	June 2023
AM Planning	AM Plans	Y	KS-3	Continue to develop and update Strategic Asset Management Plans for the major asset groups	<ul style="list-style-type: none"> Infrastructure and Assets Property Finance 	Ongoing
Financial Planning	Annual Budget	Y	KS-4	Identify infrastructure expenditure by both: <ul style="list-style-type: none"> Expenditure Category i.e. the Asset Group it is associated with; for example, road pavement Expenditure Type – operating, maintenance, capital renewal, capital upgrade or capital expansion 	<ul style="list-style-type: none"> Infrastructure and Assets Property Finance 	Ongoing
AM Planning	Governance and Management	Y	KS-5	Consider the ongoing ownership costs of new capital works proposals in budget deliberations. This is achieved by identifying the renewal and capital upgrade/expansion components of all capital works projects, and providing for the ongoing operational and maintenance requirements	<ul style="list-style-type: none"> Infrastructure and Assets Property 	Ongoing

National Framework	National Framework Element	Core Element	Key Strategy Number	Task/Action	Responsibility	Timeframe
AM Planning	Skills and Processes	Y	KS-6	Review skills and processes to ensure Asset Management objectives are met	<ul style="list-style-type: none"> Infrastructure and Assets Property Finance Information Technology 	Ongoing
AM Planning	Data and Systems	Y	KS-7	Review the completeness and accuracy of the data for all major infrastructure classes.	<ul style="list-style-type: none"> Infrastructure and Assets Property Information Technology 	Ongoing
AM Planning	Data and Systems		KS-8	Use a knowledge management strategy to ensure that appropriate and optimal decision support information is available to clearly communicate the cumulative consequences of decisions	<ul style="list-style-type: none"> Infrastructure and Assets Finance Information Technology 	Ongoing
AM Planning	Data and Systems	Y	KS-9	Develop a corporate asset register meeting both technical and financial reporting requirements	<ul style="list-style-type: none"> Infrastructure and Assets Finance Information Technology 	Ongoing
Financial Planning	Annual Report	Y	KS-10	Develop and adopt an Asset Accounting and Capitalisation Policy that assists in meeting the intention of Fair Value Reporting (AASB116)	<ul style="list-style-type: none"> Finance 	June 2023
AM Planning	AM Plans	Y	KS-11	Continue to develop funding models which address the need for sustainable renewal of infrastructure and which identifies all asset life cycle costs	<ul style="list-style-type: none"> Finance 	Ongoing
Financial Planning	Strategic Longer Term Plan	Y	KS-12	The 10-year financial sustainability plan for all Council functions will consider both the future anticipated income projections, and the future expenditure requirements to sustain services. This Plan will consider the expenditures identified in the Asset Management Plans and will provide input into the annual Council budget	<ul style="list-style-type: none"> Finance 	Ongoing
Financial Planning	Annual Report	Y	KS-10	Develop and adopt an Asset Accounting and Capitalisation Policy that assists in meeting the intention of Fair Value Reporting is this something Finance have or plan to deliver?(AASB116)	<ul style="list-style-type: none"> Finance 	June 2023

National Framework	National Framework Element	Core Element	Key Strategy Number	Task/Action	Responsibility	Timeframe
AM Planning	AM Plans	Y	KS-11	Continue to develop funding models which address the need for sustainable renewal of infrastructure and which identifies all asset life cycle costs	<ul style="list-style-type: none"> Finance 	Ongoing
Financial Planning	Strategic Longer Term Plan	Y	KS-12	The 10-year financial sustainability plan for all Council functions will consider both the future anticipated income projections, and the future expenditure requirements to sustain services. This Plan will consider the expenditures identified in the Asset Management Plans and will provide input into the annual Council budget	<ul style="list-style-type: none"> Finance 	Ongoing
AM Planning	Levels of Service	Y	KS-13	Continue to improve the information on the relationship between the service level and cost so that future community consultation will be well informed of the options and costs	<ul style="list-style-type: none"> Infrastructure and Assets Property Customer Experience and Business Improvement 	Ongoing
AM Planning	Evaluation	Y	KS-14	Undertake a detailed assessment of the resources required to implement this Asset Management Improvement Plan so that a program of improvement and milestones can be implemented and monitored	<ul style="list-style-type: none"> Infrastructure and Assets Property Finance 	Ongoing

Monitoring and Review Procedures

The AM Plan has a life of 4 years (council election cycle) and is due for complete revision and updating within one year of each Council election.

Ongoing monitoring is required to ensure compliance with the proposed improvement program milestones.

Performance Measures

The effectiveness of this Plan can be measured in the following ways:

- The degree to which the required projected expenditures identified in this Plan are incorporated into the organisation's LTFP
- The degree to which 1-5 year detailed works programs, budgets, business plans and organisational structures take into account the 'global' works program trends provided by the summarised asset management plans,
- The degree to which the existing and projected service levels and service consequences (what we cannot do), risks and residual risks are incorporated into the organisation's Strategic Plan and associated plans,
- Actual performance relative to the Levels of Service documented in this Plan.

Supporting Asset Management Documents

Links to key asset management supporting documents are provided below.

Asset Management Policy

Asset Management Strategy

Digital Asset Management Plan Dashboard

8. References

ISO, 2014, ISO 55000, Asset management – Overview, principles and terminology, International Organization for Standardization, Geneva.

ISO, 2014, ISO 55001, Asset management – Management systems - Requirements, International Organization for Standardization, Geneva.

ISO, 2014, ISO 55002, Asset management – Management systems – Guidelines for the application of ISO 55001, International Organization for Standardization, Geneva.

IPWEA, 2014, 'NAMS.PLUS3 Asset Management', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org/namsplus.

IPWEA, 2009, 'Australian Infrastructure Financial Management Guidelines', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org/AIFMG.

IPWEA, 2011, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org/IIMM

6. Appendices

Appendix A General Fund Asset Class Modelling

Appendix B Technical Levels of Service

Appendix C Glossary



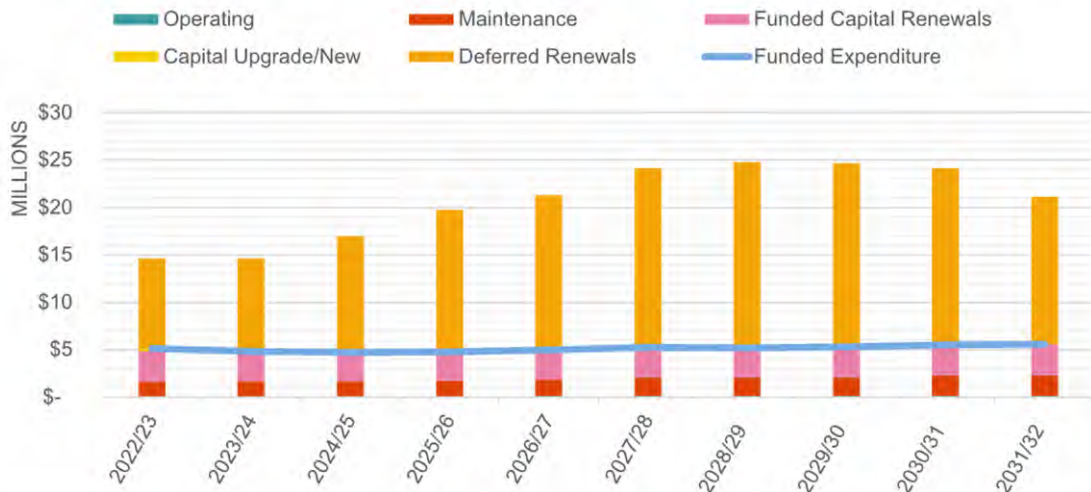
Appendix A. Major Asset Class Modelling

Transport

Assets:	(\$,000)
Roads including Kerb and Gutter	\$219,785
Footpaths	\$74,879
Other Road Assets	\$11,330

Projected Operating and Capital Expenditure

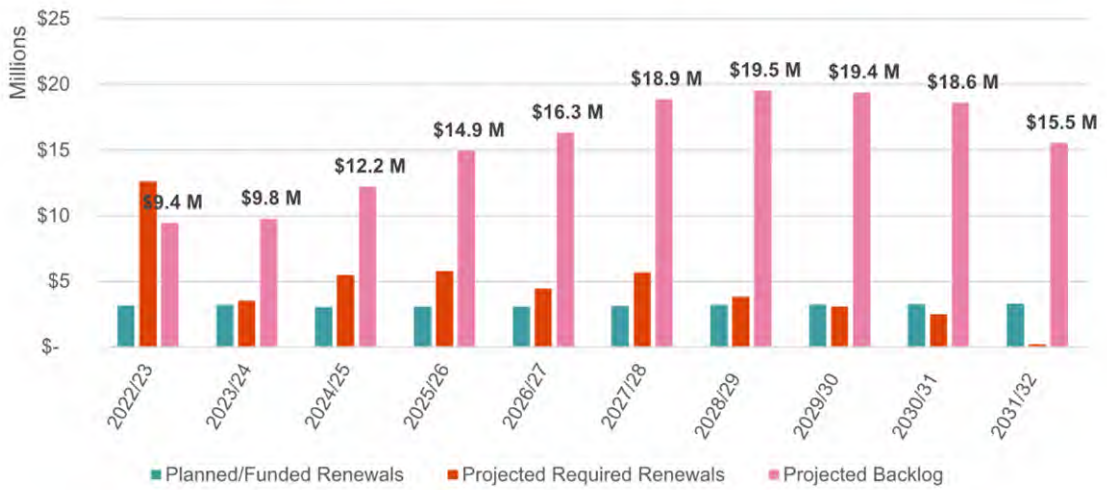
Burwood – Transport LTFP Funding Scenario



Asset Renewal Funding Ratio	
10 Year Renewal Projected Expenditure	\$47,282
10 Year Renewal Planned (Budget) Expenditure	\$31,746
Asset Renewal Funding Ratio	67%
Medium Term (10 yrs) Sustainability	
10 year Operations, Maintenance & Renewal Projected Expenditure	\$66,464
10 year Operations, Maintenance & Renewal Planned (Budget) Expenditures	\$50,928
10 year Funding Shortfall (10 year projected. expenditures. - Planned (Budget) Expenditures)	\$15,536

Sustainability of service delivery (Including Backlog) (\$,000)	
10 year Sustainability Indicator (10 year planned exp. / projected. Expenditure)	77%
<i>Short Term (5 years) Sustainability</i>	
5 year Operations, Maintenance & Renewal Projected Expenditure	\$40,434
5 year Operations, Maintenance & Renewal Planned (Budget) Expenditure	\$24,119
5 year Funding Shortfall (5 year projected expenditures. - planned (budget) expenditures)	\$16,315
5 year Sustainability Indicator (5 year planned expenditures. / projected expenditures)	60%

Projected and LTFP Budgeted Renewals Transport LTFP Funding Scenario

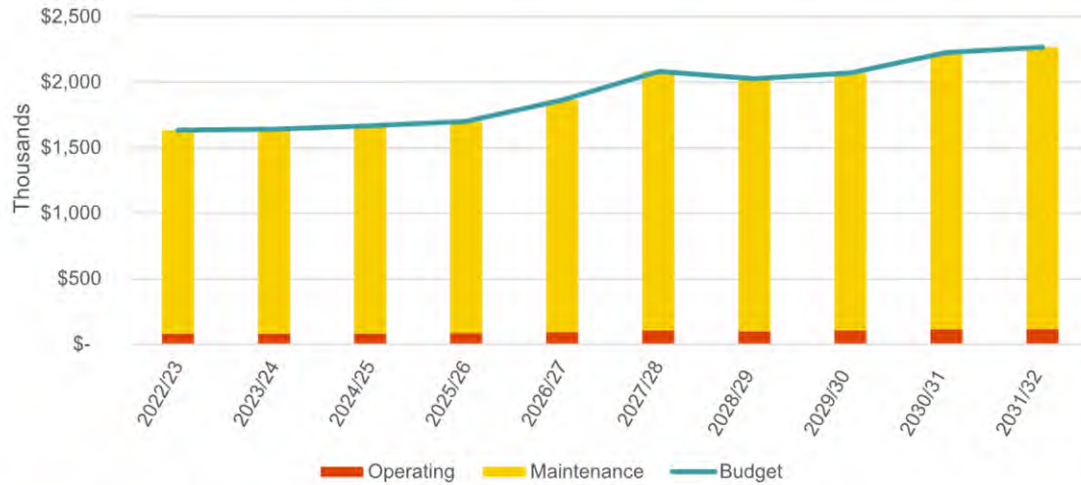


Renewal Financing

Year	Projected Renewals	Planned/Funded Renewals	Annual Shortfall	Projected Backlog
2022/23	\$12,628	\$3,179	\$9,449	\$9,449
2023/24	\$3,533	\$3,194	\$339	\$9,788
2024/25	\$5,492	\$3,048	\$2,444	\$12,232
2025/26	\$5,795	\$3,078	\$2,716	\$14,948
2026/27	\$4,476	\$3,109	\$1,367	\$16,315
2027/28	\$5,698	\$3,148	\$2,551	\$18,866
2028/29	\$3,850	\$3,187	\$663	\$19,529
2029/30	\$3,078	\$3,227	-\$149	\$19,379
2030/31	\$2,507	\$3,267	-\$761	\$18,618
2031/32	\$226	\$3,308	-\$3,082	\$15,536

Projected Operations and Maintenance Expenditure

Burwood - Projected Operations and Maintenance Expenditure

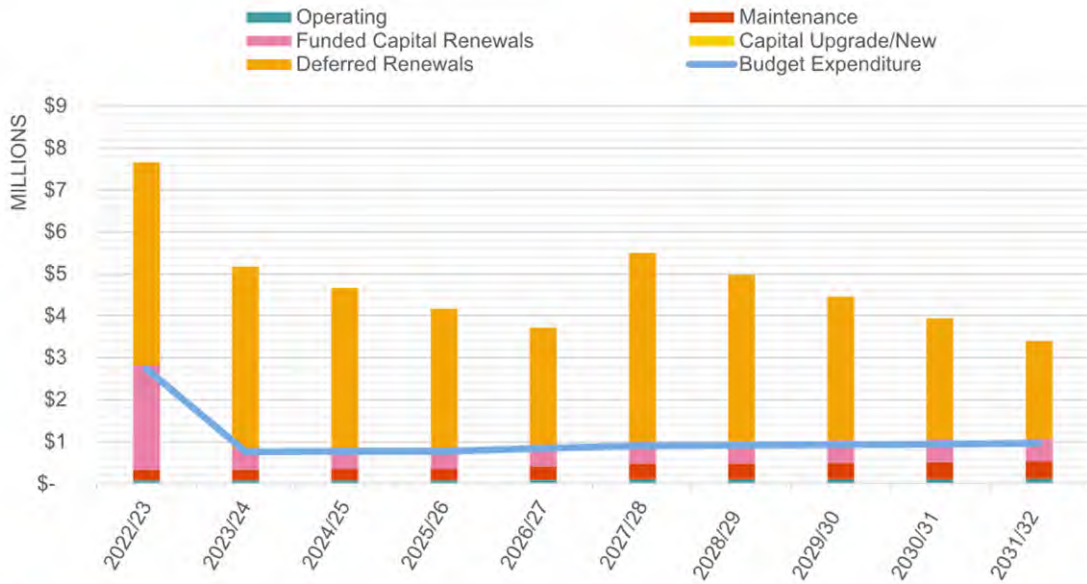


Stormwater Drainage

Assets:	(\$,000)
Stormwater Drainage	\$82,892

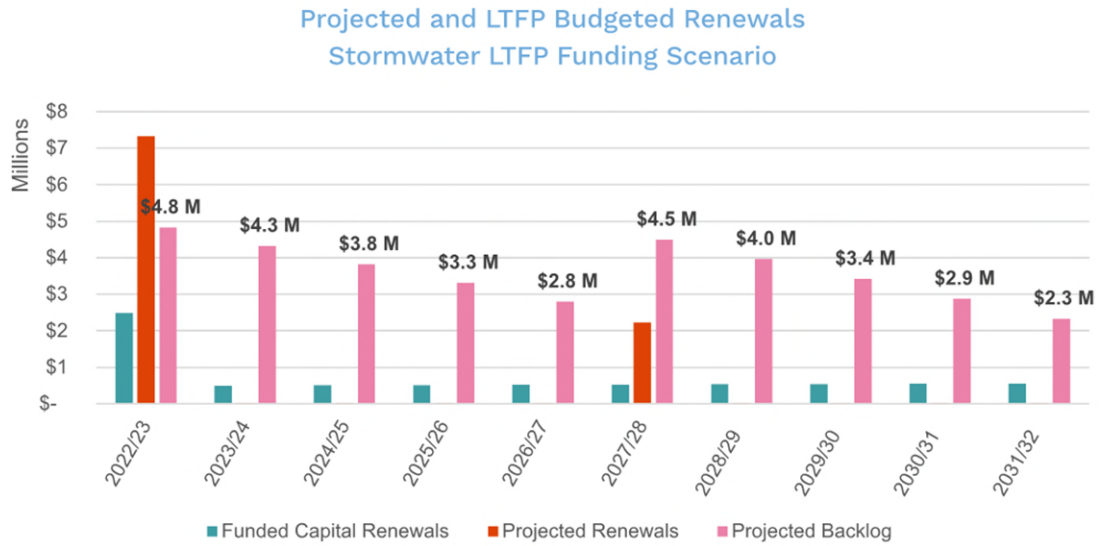
Projected Operating and Capital Expenditure

Burwood - Stormwater LTFP Funding Scenario



Sustainability of service delivery (Including Backlog)		(\$,000)
Asset Renewal Funding Ratio		
10 Year Renewal Projected Expenditure		\$9,554
10 Year Renewal Planned (Budget) Expenditure		\$7,224
Asset Renewal Funding Ratio		76%
Medium Term (10 yrs) Sustainability		
10 year Operations, Maintenance & Renewal Projected Expenditure		\$12,873
10 year Operations, Maintenance & Renewal Planned (Budget) Expenditures		\$10,544
10 year Funding Shortfall (10 year projected. expenditures. - Planned (Budget) Expenditures)		\$2,329
10 year Sustainability Indicator (10 year planned exp. / projected. Expenditure)		82%
Short Term (5 years) Sustainability		
5 year Operations, Maintenance & Renewal Projected Expenditure		\$8,678
5 year Operations, Maintenance & Renewal Planned (Budget) Expenditure		\$5,888
5 year Funding Shortfall (5 year projected expenditures. - planned (budget) expenditures)		\$2,789
5 year Sustainability Indicator (5 year planned expenditures. / projected expenditures)		68%

Projected and LTFP Budgeted Renewals



Renewal Financing

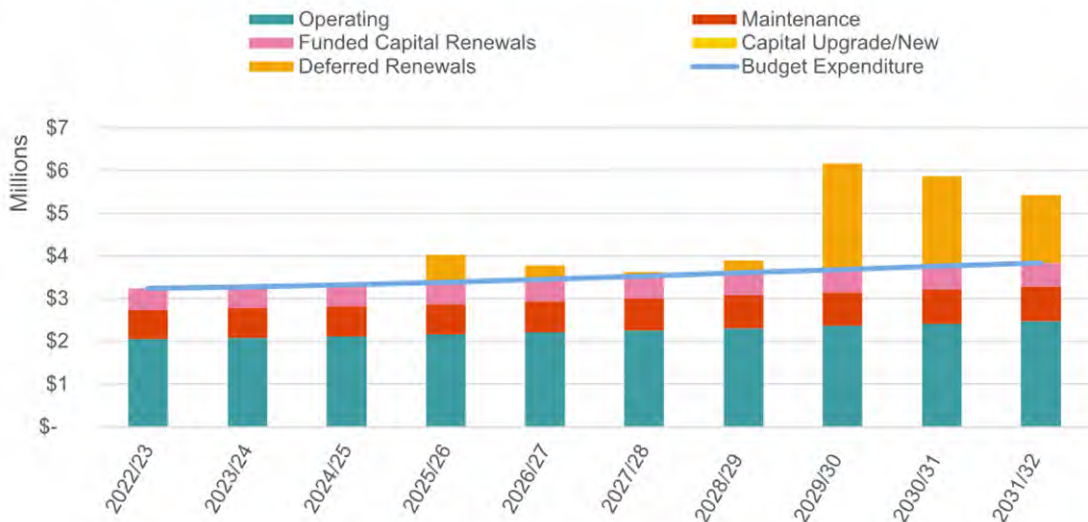
Year	Projected Renewals	Planned/Funded Renewals	Annual Shortfall	Projected Backlog
2022/23	\$7,327	\$2,496	\$4,831	\$4,831
2023/24	\$0	\$504	-\$504	\$4,327
2024/25	\$0	\$507	-\$507	\$3,820
2025/26	\$0	\$513	-\$513	\$3,307
2026/27	\$0	\$518	-\$518	\$2,789
2027/28	\$2,227	\$524	\$1,702	\$4,492
2028/29	\$0	\$531	-\$531	\$3,961
2029/30	\$0	\$537	-\$537	\$3,424
2030/31	\$0	\$544	-\$544	\$2,880
2031/32	\$0	\$551	-\$551	\$2,329

Open Space and Recreation

Assets:	(\$,000)
Open Space/Recreational Assets	\$13,417

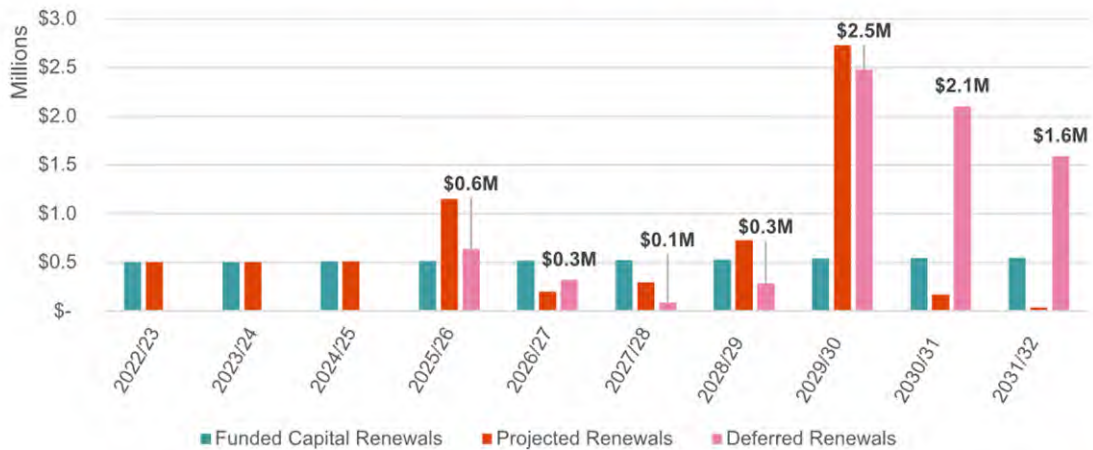
Projected Operating and Capital Expenditure

Burwood – Open Space and Recreation LTFP Funding Scenario



Sustainability of service delivery (Including Backlog)		(\$,000)
Asset Renewal Funding Ratio		
10 Year Renewal Projected Expenditure		\$6,806
10 Year Renewal Planned (Budget) Expenditure		\$5,217
Asset Renewal Funding Ratio		77%
Medium Term (10 yrs) Sustainability		
10 year Operations, Maintenance & Renewal Projected Expenditure		\$36,712
10 year Operations, Maintenance & Renewal Planned (Budget) Expenditures		\$35,123
10 year Funding Shortfall (10 year projected. expenditures. - Planned (Budget) Expenditures)		\$1,589
10 year Sustainability Indicator (10 year planned exp. / projected. Expenditure)		96%
Short Term (5 years) Sustainability		
5 year Operations, Maintenance & Renewal Projected Expenditure		\$17,017
5 year Operations, Maintenance & Renewal Planned (Budget) Expenditure		\$16,700
5 year Funding Shortfall (5 year projected expenditures. - planned (budget) expenditures)		\$317
5 year Sustainability Indicator (5 year planned expenditures. / projected expenditures)		98%

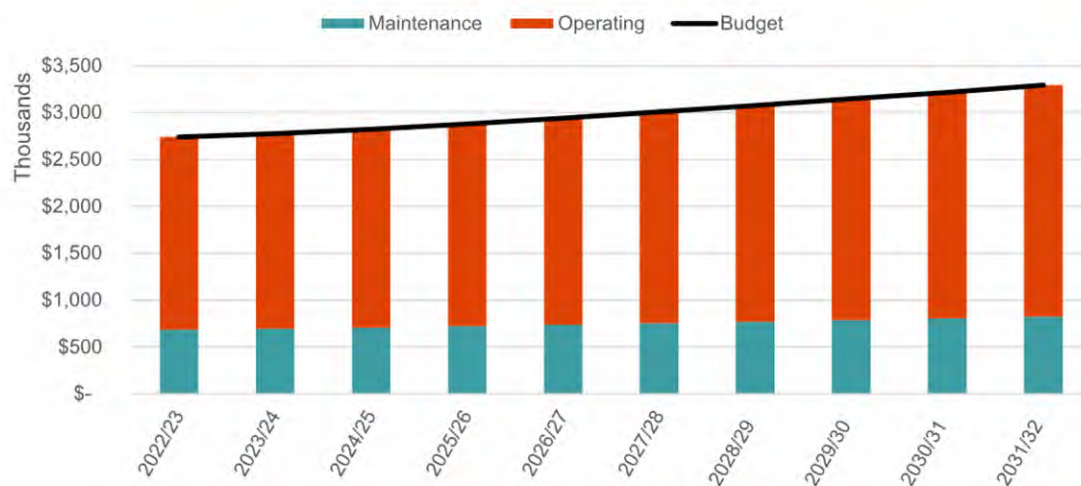
Projected & LTFP Budgeted Renewals Open Space and Recreation LTFP Funding Scenario



Renewal Financing

Year	Projected Renewals	Planned/Funded Renewals	Annual Shortfall	Projected Backlog
2022/23	\$500	\$500	\$0	\$0
2023/24	\$503	\$503	\$0	\$0
2024/25	\$506	\$506	\$0	\$0
2025/26	\$1,147	\$511	\$636	\$636
2026/27	\$197	\$516	-\$319	\$317
2027/28	\$291	\$523	-\$232	\$85
2028/29	\$729	\$529	\$199	\$284
2029/30	\$2,730	\$536	\$2,194	\$2,478
2030/31	\$167	\$543	-\$376	\$2,102
2031/32	\$36	\$550	-\$513	\$1,589

Burwood – Projected Operations and Maintenance Expenditure



Appendix B. Technical Levels of Service

Technical Levels of Service – Transport and Drainage

Budget Area	Activities	Measure	Current LTFP Funded Level of Service Scenario 1
Operations	Number of prompted Inspections	Number of prompted Inspections	Decreasing trend
	Number of stormwater service requests received	Number of requests received	Not expected to increase Passive reporting
Operational Cost			\$959K over the next 10 years
Maintenance	Remove hazards	Respond to complaints	Reactive maintenance to limit of budget allocation.
	Roads Defect Completion Rate	Defects completed during the year as a percentage of defects identified during the year	Not increasing
	Number of defects outstanding	Number of defects outstanding	Declining trend
Maintenance Cost			\$21.54M over the next 10 years
Renewal	Renewal of assets	Replacement Cycle	Further assessment required to inform future revisions of this Asset Management Plan.
Renewal Cost			\$38.97M over the next 10 years
Upgrade/New	Provide services in a cost-effective manner	Cost, Meet Corporate Strategy	Achieved by a combination of Council and Contract works. The augmentation of Transport Infrastructure systems to meet appropriate service and risk outcomes is not being funded
Upgrade/New Cost			\$338K over the next 10 years

Technical Levels of Service – Buildings

Budget Area	Activities	Measure	Current LTFP Funded Level of Service Scenario 1
Operations	Number of prompted Inspections	Number of prompted Inspections	Decreasing trend
	Percentage of Buildings inspected as per inspection calendar	Percentage of Buildings inspected as per inspection calendar	100%
	Number of Building service requests received	Number of requests received	Expected to remain the same
Operational Cost			\$33.98M over the next 10 years
Maintenance	Remove hazards	Respond to complaints	Reactive maintenance to limit of budget allocation
	Building Defect Completion Rate	Defects completed during the year as a percentage of defects identified during the year	Trend to remain steady
	Unresolved Building defects	Number of open Building defects at the end of the year	Trend to remain steady
Maintenance Cost			\$5.25M over the next 10 years
Renewal	Renewal of assets	Replacement cycle	Building renewals funded in the current LTFP Projected building renewals to start to increase over the next 10-15 years
Renewal Cost			\$10.97M over the next 10 years
Upgrade/New	Provide services in a cost-effective manner	Cost, meet corporate strategy	Achieved by a combination of Council and Contract works. New or planned building upgrades have been funded in the current LTFP
Upgrade/New Cost			\$28.57M over the next 10 years

Technical Levels of Service – Parks

Budget Area	Activities	Measure	Current LTFP Funded Level of Service Scenario 1
Operations	Number of prompted inspections Parks and gardens effectiveness and risk management.	Number of prompted inspections Percentage of scheduled playground inspections completed	Decreasing trend 100%
Operational Cost			\$22.43M over the next 10 years
Maintenance	Parks defects identified Defects outstanding for the reporting period	Number of requests received Number of defects outstanding	Expected to Decrease Expected to decrease
Maintenance Cost			\$7.48M over the next 10 years
Renewal	Renewal of assets	Replacement cycle	Parks renewals funded in the current LTFP Projected Parks renewals to remain constant over the next 10 years
Renewal Cost			\$2.61M over the next 10 years
Upgrade/New	Provide services in a cost-effective manner	Cost, meet corporate strategy	Achieved by a combination of Council and Contract works. New or planned Park Asset upgrades have been funded in the current LTFP
Upgrade/New Cost			\$2.61M over the next 10 years

Appendix C. Glossary

Annual service cost (ASC)

1. Reporting actual cost

The annual (accrual) cost of providing a service including operations, maintenance, depreciation, finance/opportunity and disposal costs less revenue.

2. For investment analysis and budgeting

An estimate of the cost that would be tendered, per annum, if tenders were called for the supply of a service to a performance specification for a fixed term. The Annual Service Cost includes operations, maintenance, depreciation, finance/opportunity and disposal costs, less revenue.

Asset

A resource controlled by an entity as a result of past events and from which future economic benefits are expected to flow to the entity. Infrastructure assets are a sub-class of property, plant and equipment which are non-current assets with a life greater than 12 months and enable services to be provided.

Asset category

Sub-group of assets within a class hierarchy for financial reporting and management purposes.

Asset class

A group of assets having a similar nature or function in the operations of an entity, and which, for purposes of disclosure, is shown as a single item without supplementary disclosure.

Asset condition assessment

The process of continuous or periodic inspection, assessment, measurement and interpretation of the resultant data to indicate the condition of a specific asset so as to determine the need for some preventative or remedial action.

Asset hierarchy

A framework for segmenting an asset base into appropriate classifications. The asset hierarchy can be based on asset function or asset type or a combination of the two.

Asset management (AM)

The combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost effective manner.

Asset renewal funding ratio

The ratio of the net present value of asset renewal funding accommodated over a 10 year period in a LTFP relative to the net present value of projected capital renewal expenditures identified in an asset management plan for the same period [AIFMG Financial Sustainability Indicator No 8].

Average annual asset consumption (AAAC)*

The amount of an organisation's asset base consumed during a reporting period (generally a year). This may be calculated by dividing the depreciable amount by the useful life (or total future economic benefits/service potential) and totalled for each and every asset OR by dividing the carrying amount (depreciated replacement cost) by the remaining useful life (or remaining future economic benefits/service potential) and totalled for each and every asset in an asset category or class.

Borrowings

A borrowing or loan is a contractual obligation of the borrowing entity to deliver cash or another financial asset to the lending entity over a specified period of time or at a specified point in time, to cover both the initial capital provided and the cost of the interest incurred for providing this capital. A borrowing or loan provides the means for the borrowing entity to finance outlays (typically physical assets) when it has insufficient funds of its own to do so, and for the lending entity to make a financial return, normally in the form of interest revenue, on the funding provided.

Capital expenditure

Relatively large (material) expenditure, which has benefits, expected to last for more than 12 months. Capital expenditure includes renewal, expansion and upgrade. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

Capital expenditure - expansion

Expenditure that extends the capacity of an existing asset to provide benefits, at the same standard as is currently enjoyed by existing beneficiaries, to a new group of users. It is discretionary expenditure, which increases future operations and maintenance costs, because it increases the organisation's asset base, but may be associated with additional revenue from the new user group, eg. extending a drainage or road network, the provision of an oval or park in a new suburb for new residents.

Capital expenditure - new

Expenditure which creates a new asset providing a new service/output that did not exist beforehand. As it increases service potential it may impact revenue and will increase future operations and maintenance expenditure.

Capital expenditure - renewal

Expenditure on an existing asset or on replacing an existing asset, which returns the service capability of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it generally has no impact on revenue, but may reduce future operations and maintenance expenditure if completed at the optimum time, eg. resurfacing or re-sheeting a material part of a road network, replacing a material section of a drainage network with pipes of the same capacity, resurfacing an oval.

Capital expenditure - upgrade

Expenditure, which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operations and maintenance expenditure in the future because of the increase in the organisation's asset base, eg. widening the sealed area of an existing road, replacing drainage pipes with pipes of a greater capacity, enlarging a grandstand at a sporting facility.

Capital funding

Funding to pay for capital expenditure.

Capital grants

Monies received generally tied to the specific projects for which they are granted, which are often upgrade and/or expansion or new investment proposals.

Capital investment expenditure

See capital expenditure definition.

Capitalisation threshold

The value of expenditure on non-current assets above which the expenditure is recognised as capital expenditure and below which the expenditure is charged as an expense in the year of acquisition.

Carrying amount

The amount at which an asset is recognised after deducting any accumulated depreciation / amortisation and accumulated impairment losses thereon.

Class of assets

See asset class definition

Component

Specific parts of an asset having independent physical or functional identity and having specific attributes such as different life expectancy, maintenance regimes, risk or criticality.

Core asset management

Asset management which relies primarily on the use of an asset register, maintenance management systems, job resource management, inventory control, condition assessment, simple risk assessment and defined levels of service, in order to establish alternative treatment options and long-term cashflow predictions. Priorities are usually established on the basis of financial return gained by carrying out the work (rather than detailed risk analysis and optimised decision-making).

Cost of an asset

The amount of cash or cash equivalents paid or the fair value of the consideration given to acquire an asset at the time of its acquisition or construction, including any costs necessary to

place the asset into service. This includes one-off design and project management costs.

Critical assets

Assets for which the financial, business or service level consequences of failure are sufficiently severe to justify proactive inspection and rehabilitation. Critical assets have a lower threshold for action than noncritical assets.

Current replacement cost (CRC)

The cost the entity would incur to acquire the asset on the reporting date. The cost is measured by reference to the lowest cost at which the gross future economic benefits could be obtained in the normal course of business or the minimum it would cost, to replace the existing asset with a technologically modern equivalent new asset (not a second hand one) with the same economic benefits (gross service potential) allowing for any differences in the quantity and quality of output and in operating costs.

Deferred maintenance

The shortfall in rehabilitation work undertaken relative to that required to maintain the service potential of an asset.

Depreciable amount

The cost of an asset, or other amount substituted for its cost, less its residual value.

Depreciated replacement cost (DRC)

The current replacement cost (CRC) of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

Depreciation / amortisation

The systematic allocation of the depreciable amount (service potential) of an asset over its useful life.

Economic life

See useful life definition.

Expenditure

The spending of money on goods and services. Expenditure includes recurrent and capital outlays.

Fair value

The amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties, in an arms length transaction.

Financing gap

A financing gap exists whenever an entity has insufficient capacity to finance asset renewal and other expenditure necessary to be able to appropriately maintain the range and level of services its existing asset stock was originally designed and intended to deliver. The service capability of the existing asset stock should be determined assuming no additional operating revenue, productivity improvements, or net financial liabilities above levels currently planned or projected. A current financing gap means service levels have already or are currently falling. A projected financing gap if not addressed will result in a future diminution of existing service levels.

Heritage asset

An asset with historic, artistic, scientific, technological, geographical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture and this purpose is central to the objectives of the entity holding it.

Impairment Loss

The amount by which the carrying amount of an asset exceeds its recoverable amount.

Infrastructure assets

Physical assets that contribute to meeting the needs of organisations or the need for access to major economic and social facilities and services, eg. roads, drainage, footpaths and cycleways. These are typically large, interconnected networks or portfolios of composite assets. The components of these assets may be separately maintained, renewed or replaced individually so that the required level and standard of service from the network of assets is continuously sustained. Generally the components and hence the assets have long lives. They are fixed in place and are often have no separate market value.

Investment property

Property held to earn rentals or for capital appreciation or both, rather than for:

- a) use in the production or supply of goods or services or for administrative purposes; or
- b) sale in the ordinary course of business.

Key performance indicator

A qualitative or quantitative measure of a service or activity used to compare actual performance against a standard or other target. Performance indicators commonly relate to statutory limits, safety, responsiveness, cost, comfort, asset performance, reliability, efficiency, environmental protection and customer satisfaction.

Level of service

The defined service quality for a particular service/activity against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental impact, acceptability and cost.

Life Cycle Cost *

1. Total LCC The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.
2. Average LCC The life cycle cost (LCC) is average cost to provide the service over the longest asset life cycle. It comprises average operations, maintenance expenditure plus asset consumption expense, represented by depreciation expense projected over 10 years. The Life Cycle Cost does not indicate the funds required to provide the service in a particular year.

Life Cycle Expenditure

The Life Cycle Expenditure (LCE) is the average operations, maintenance and capital renewal expenditure accommodated in the LTFP over 10 years. Life Cycle Expenditure may be compared to average Life Cycle Cost to give an initial indicator of affordability of projected service levels when considered with asset age profiles.

Loans / borrowings

See borrowings.

Maintenance

All actions necessary for retaining an asset as near as practicable to an appropriate service condition, including regular ongoing day-to-day work necessary to keep assets operating, eg road patching but excluding rehabilitation or renewal. It is operating expenditure required to ensure that the asset reaches its expected useful life.

- Planned maintenance

Repair work that is identified and managed through a maintenance management system (MMS). MMS activities include inspection, assessing the condition against failure/ breakdown criteria/experience, prioritising scheduling, actioning the work and reporting what was done to develop a maintenance history and improve maintenance and service delivery performance.

- Reactive maintenance

Unplanned repair work that is carried out in response to service requests and management/ supervisory directions.

- Specific maintenance

Maintenance work to repair components or replace sub-components that needs to be identified as a specific maintenance item in the maintenance budget.

- Unplanned maintenance

Corrective work required in the short-term to restore an asset to working condition so it can continue to deliver the required service or to maintain its level of security and integrity.

Maintenance expenditure *

Recurrent expenditure, which is periodically or regularly required as part of the anticipated schedule of works required to ensure that the asset achieves its useful life and provides the required level of service. It is expenditure, which was anticipated in determining the asset's useful life.

Materiality

The notion of materiality guides the margin of error acceptable, the degree of precision required and the extent of the disclosure required when preparing general purpose financial reports. Information is material if its omission, misstatement or non-disclosure has the potential, individually or collectively, to influence the economic decisions of users taken on the basis of the financial report or affect the discharge of accountability by the management or governing body of the entity.

Modern equivalent asset

Assets that replicate what is in existence with the most cost-effective asset performing the same level of service. It is the most cost efficient, currently available asset which will provide the same stream of services as the existing asset is capable of producing. It allows for technology changes and, improvements and efficiencies in production and installation techniques

Net present value (NPV)

The value to the organisation of the cash flows associated with an asset, liability, activity or event calculated using a discount rate to reflect the time value of money. It is the net amount of discounted total cash inflows after deducting the value of the discounted total cash outflows arising from eg the continued use and subsequent disposal of the asset after deducting the value of the discounted total cash outflows.

Non-revenue generating investments

Investments for the provision of goods and services to sustain or improve services to the community that are not expected to generate any savings or revenue to the Council, eg. parks and playgrounds, footpaths, roads and bridges, libraries, etc.

Operations

Regular activities to provide services such as public health, safety and amenity, eg street sweeping, grass mowing and street lighting.

Operating expenditure

Recurrent expenditure, which is continuously required to provide a service. In common use the term typically includes, eg power, fuel,

staff, plant equipment, on-costs and overheads but excludes maintenance and depreciation. Maintenance and depreciation is on the other hand included in operating expenses.

Operating expense

The gross outflow of economic benefits, being cash and non-cash items, during the period arising in the course of ordinary activities of an entity when those outflows result in decreases in equity, other than decreases relating to distributions to equity participants.

Operating expenses

Recurrent expenses continuously required to provide a service, including power, fuel, staff, plant equipment, maintenance, depreciation, on-costs and overheads.

Operations, maintenance and renewal financing ratio

Ratio of estimated budget to projected expenditure for operations, maintenance and renewal of assets over a defined time (eg 5, 10 and 15 years).

Operations, maintenance and renewal gap

Difference between budgeted expenditures in a LTFFP (or estimated future budgets in absence of a LTFFP) and projected expenditures for operations, maintenance and renewal of assets to achieve/maintain specified service levels, totalled over a defined time (e.g. 5, 10 and 15 years).

Pavement management system (PMS)

A systematic process for measuring and predicting the condition of Transports and wearing surfaces over time and recommending corrective actions.

PMS Score

A measure of condition of a road segment determined from a Pavement Management System.

Rate of annual asset consumption *

The ratio of annual asset consumption relative to the depreciable amount of the assets. It measures the amount of the consumable parts of assets that are consumed in a period (depreciation) expressed as a percentage of the depreciable amount.

Rate of annual asset renewal *

The ratio of asset renewal and replacement expenditure relative to depreciable amount for a period. It measures whether assets are being replaced at the rate they are wearing out with capital renewal expenditure expressed as a percentage of depreciable amount (capital renewal expenditure/DA).

Rate of annual asset upgrade/new *

A measure of the rate at which assets are being upgraded and expanded per annum with capital upgrade/new expenditure expressed as a percentage of depreciable amount (capital upgrade/expansion expenditure/DA).

Recoverable amount

The higher of an asset's fair value, less costs to sell and its value in use.

Recurrent expenditure

Relatively small (immaterial) expenditure or that which has benefits expected to last less than 12 months. Recurrent expenditure includes operations and maintenance expenditure.

Recurrent funding

Funding to pay for recurrent expenditure.

Rehabilitation

See capital renewal expenditure definition above.

Remaining useful life

The time remaining until an asset ceases to provide the required service level or economic usefulness. Age plus remaining useful life is useful life.

Renewal

See capital renewal expenditure definition above.

Residual value

The estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Revenue generating investments

Investments for the provision of goods and services to sustain or improve services to the community that are expected to generate some savings or revenue to offset operating costs,

eg public halls and theatres, childcare centres, sporting and recreation facilities, tourist information centres, etc.

Risk management

The application of a formal process to the range of possible values relating to key factors associated with a risk in order to determine the resultant ranges of outcomes and their probability of occurrence.

Section or segment

A self-contained part or piece of an infrastructure asset.

Service potential

The total future service capacity of an asset. It is normally determined by reference to the operating capacity and economic life of an asset. A measure of service potential is used in the not-for-profit sector/public sector to value assets, particularly those not producing a cash flow.

Service potential remaining

A measure of the future economic benefits remaining in assets. It may be expressed in dollar values (Fair Value) or as a percentage of total anticipated future economic benefits. It is also a measure of the percentage of the asset's potential to provide services that is still available for use in providing services (Depreciated Replacement Cost/Depreciable Amount).

Specific Maintenance

Replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, replacement of air conditioning equipment, etc. This work generally falls below the capital/ maintenance threshold and needs to be identified in a specific maintenance budget allocation.

Strategic Longer-Term Plan

A plan covering the term of office of councillors (4 years minimum) reflecting the needs of the community for the foreseeable future. It brings together the detailed requirements in the Council's longer-term plans such as the asset management plan and the long-term financial plan. The plan is prepared in consultation with the community and details where the Council is at that point in time, where it wants to go,

how it is going to get there, mechanisms for monitoring the achievement of the outcomes and how the plan will be resourced.

Sub-component

Smaller individual parts that make up a component part.

Useful life

Either:

- a) the period over which an asset is expected to be available for use by an entity, or
- b) the number of production or similar units expected to be obtained from the asset by the entity.

It is estimated or expected time between placing the asset into service and removing it from service, or the estimated period of time over which the future economic benefits embodied in a depreciable asset, are expected to be consumed by the Council.

Value in Use

The present value of future cash flows expected to be derived from an asset or cash generating unit. It is deemed to be depreciated replacement cost (DRC) for those assets whose future economic benefits are not primarily dependent on the asset's ability to generate net cash inflows, where the entity would, if deprived of the asset, replace its remaining future economic benefits.

Source: IPWEA, 2009, Glossary
Additional and modified glossary items shown *



Our People



Our People

Burwood Resourcing Strategy



Quick links

Scope and Purpose	135
Our Workforce	136
Factors informing Burwood's Workforce Management Plan	137
Other Key Factors Considered	138
Strategic Pillars of our Workforce Plan 2022 to 2026	139
Our Action Plan	140
Monitoring and Reporting	146

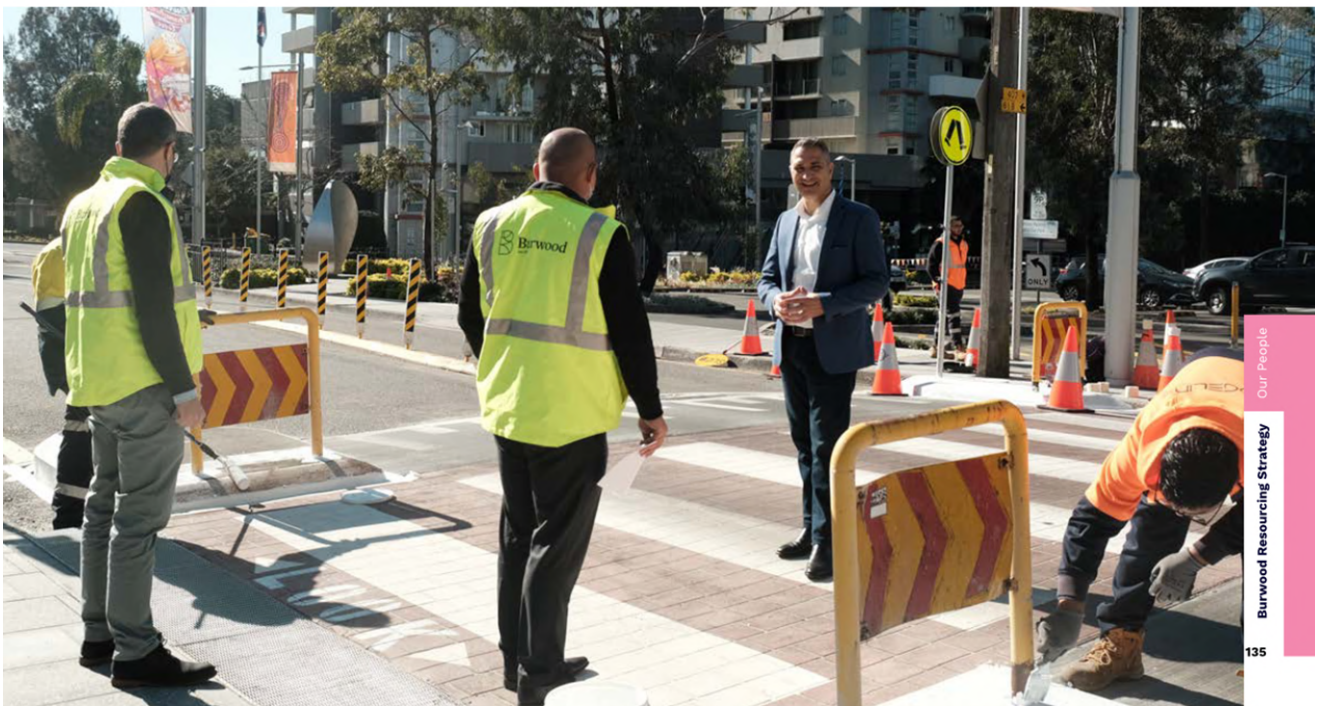
Scope and Purpose

The Burwood Local Government Area (LGA) is in a unique and exciting position. Identified as a strategic hub by the State Government, with the population anticipated to nearly double to 73,500 by 2036, major infrastructure and liveability projects are set to be delivered for our community.

It is for these reasons, that Council needs to ensure that we have the workforce resourcing and capabilities available to deliver high quality services and infrastructure for our growing and evolving community.

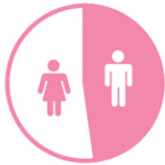
The Workforce Management Plan includes information on Council's current workforce as well as identifying future requirements based on the commitments in the Community Strategic Plan and Delivery Program. The four Strategic Pillars of this Plan are underpinned by our internal Performance Pyramid, which drives our annual performance review and development process, and are designed to ensure an agile organisation that can respond effectively and efficiently to the needs of our community. The key actions developed will enable Council to deliver a workforce that is innovative, engaged and driven by performance.

In partnership with Council's Long Term Financial Plan, Digital Strategy and Asset Management Strategy and Plan, the Workforce Management Plan is about ensuring that there are sufficient people resources available in the right place, at the right time, with the right skills and capabilities to deliver on the community's vision and aspirations for the Burwood community (Burwood2036). The Workforce Management Plan helps Council plan its workforce requirements for the next four years and beyond, and plan what needs to occur to ensure the necessary people are in place when they are needed. The right workforce is a critical element to delivering on the commitments made in Council's Delivery Program 2022-2026 and each of our plans and strategies.

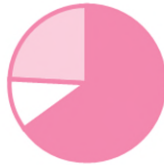


Our Workforce

217 total staff



48% male and
52% female



65% employed full time,
11% part time and
24% casually



71% have worked with
Council for 5 years
or less



18%
live inside LGA



Staff median age =
43 years



79% of staff deliver direct
services to the community and
21% work in administration
and support



Executive Team of 6

33% female, 67% male



Languages spoken by our staff:

Arabic, Chinese, Cantonese,
Chaozhou, Croatian, English,
Hindi, Italian, Mandarin,
Malayalam, Marathi, Nepalese,
Russian, Samoan, Tamil and
Ukrainian



58 people managers

64% males and 36% females



Leading Organisational Transformation

Our staff are critical to our success in delivering customer centred, responsive and future proof services to our community, customers and visitors to the Burwood LGA. Getting the right mix of talent at the right time with the right skills and capabilities will continue to be a focus for Council over the next four years and beyond.

With this in mind, in 2020 Council refreshed its Executive Team, and during 2021, undertook a review of its organisational structure – the first major review in 15 years. The review considered the functions, skills, leadership and culture required to enable Council to deliver the right mix of services to our community and customers in the years ahead. As a result, 23% of all positions in Council were changed and advertised early in 2022 with existing and new staff being appointed via an externally advertised merit-based recruitment process. Our new leadership team will continue to work collaboratively to lead further service reviews, modernisation and improvement of service delivery and prepare our organisation for the challenges ahead.

Factors informing Burwood's Workforce Management Plan

Councils today face an important opportunity to revolutionise how we function and how we meet the ever-evolving needs and expectations of our customers in the digital era – the residents, businesses, partners, leaders and stakeholders across our diverse city and community that we serve.

New workforce models and innovative approaches driven by the pandemic response are expected to gain momentum, allowing our employees to flexibly shift their focus to work that is innovative, value-based and customer-centred. Acquiring critical new skills for the digital era is paramount; leadership styles need to evolve as we move towards outcome-focused workplace cultures.

Burwood Council's Workforce Management Plan has been developed with the future of work and our customers' needs at the forefront and is focused on continuing to transform the organisation through innovation, enhanced customer experience and a high performance culture.

For these reasons, the following key factors are informing our Workforce Management Plan.

Putting the customer first through back office transformation

A well-designed back office can help drive customer centricity, reduce costs and employee manual effort, improve the ability to perform more value-adding activities and analysis, and improve the employee value proposition by enabling them to do more meaningful work. It can also increase the capacity of our staff to invest in more meaningful initiatives and reinvest back into the community, ultimately driving progress that will make a difference. Learning, skills and career pathways will become business critical (KPMG, 2021).

Hybrid work is an expectation: 'In the office' takes on new meaning

One result of the pandemic is that hybrid working has become the norm and employees expect to be trusted to work for a proportion of their time at home or remotely, if the work permits. They expect functioning IT systems, access to information and collaboration tools, and online resources that enable working easily from home or anywhere, at any time.

The focus on the employee experience has become mainstream

The return phase of the COVID-19 crisis presents a requirement for companies to rethink the employee experience in ways that respect individual differences – home lives, skills and capabilities, mindsets, personal characteristics, and other factors – while also adapting to rapidly changing circumstances. PwC, 2022.



Other Key Factors Considered

1. The need to build on the recent organisational restructure and review, modernise and improve efficiencies and delivery of value to the community in a revenue-constrained environment with increasing community expectations.
2. Changing community and workforce (expectations accelerated by the pandemic) for online service delivery accelerating pressures for transformation and modernisation of Local Government systems and a shift in skills.
3. Pandemic impacts and constraints on revenue sources and pressures for cost containment are creating a need for innovative, ethical and commercially focused generation of new income streams for Council whilst managing governance issues.
4. Opportunities to deliver large scale and complex capital works projects such as the \$21M WestInvest funds are creating pressures on resourcing to win funds, deliver community projects and then operate new facilities and services within funding constraints.
5. Workforce trends are creating a competitive labour environment in which workplace culture, staff engagement, salaries, people leadership capability and development opportunities are key drivers of being able to attract, grow and retain the skills needed for service delivery.

Strategic Pillars of our Workforce Plan 2022 to 2026

With the future of work in mind and our customers' needs at the centre of everything we do, Council has developed four strategic pillars of our Workforce Management Plan 2022 to 2026 that are underpinned by our Performance Pyramid:

The four strategic pillars of our Workforce Plan 2022 to 2026 are:



Image: Council's internal Performance Pyramid

1. Our workforce is agile and responsive

(Innovation)

We actively think of new and improved ways of working and champion change that adds value to the community. We utilise smart technology and improved systems of work that allow us to more effectively and efficiently understand and respond to our customers' needs.

2. Our workforce is customer-centred

(Customer experience)

The community is at the centre of everything we do and our staff feel connected to our purpose. We continuously look for ways to enhance our customer experience and internal service delivery.

3. Our leaders are building a culture of performance excellence and engagement

(Performance and ethical leadership)

Our leaders work collaboratively across the organisation to embed performance excellence and enable our staff to deliver upon the expectations of their role. Our leaders inspire a culture of engagement and empower our staff to add value to our community.

4. Our workforce is safe, healthy and well

(Performance and ethical leadership)

The safety, health and wellbeing of our staff is the foundation for every activity we undertake. We ensure our staff have safe systems of work and provide opportunities that enhance their health and wellbeing.

Our Action Plan

Council is currently going through a time of major transformation in the way we work in order to deliver an agile, responsive and customer centred organisation that will support the growth and change of the wider community. The focus of our Workforce Management Plan for the next four years will be on building leadership capability and team work, modernising systems and processes and

driving a culture of performance excellence and engagement, partnering with staff to continuously improve the way we deliver services and outcomes for our community. This is supported by ensuring that our staff are safe, healthy and well.

Outlined below are the goals we aim to achieve and the actions we will take to meet these goals over the next four years under each Strategic Pillar of our Workforce Management Plan 2022 to 2026.

Strategic Pillar 1: Our workforce is agile and responsive

(Innovation)

Goals	Key actions	Responsible	2022-23	2023-24	2024-25	2025-26
Transform and modernise systems and service delivery models	Expand smart/mobile technology designed to enhance workflows and improve responsiveness and service delivery	City Assets/ Information Technology				
	Implement an online system to modernise our time and attendance and leave management processes	People and Performance/ Information Technology				
	Undertake service reviews of core Council functions to deliver improved services and efficiencies	Customer Experience and Business Improvement				
Our working arrangements deliver upon community expectations	Review Council's flexible working arrangements to ensure they are effective	People and Performance				
	Effective workforce plans at the divisional and project level have been developed in order to allow Council to scale our workforce up and down based on requirements (i.e. WestInvest funding)	All				



Strategic Pillar 2: Our workforce is customer-centred

(Customer experience)

Goals	Key actions	Responsible	2022-23	2023-24	2024-25	2025-26
Staff have the skills and capabilities to deliver quality outcomes for our community	Develop and implement a regulatory compliance training framework	People and Performance				
	Identify and implement an online Learning Management System to support our training programs	People and Performance				
	Introduce formal training programs that will enable our staff to deliver on the outcomes required in our Delivery Program and Operational Plan	People and Performance				
We are planning for our current and future workforce	Develop and implement a talent management framework and succession plans for critical roles and key services	People and Performance				

Goals	Key actions	Responsible	2022-23	2023-24	2024-25	2025-26
	Develop and implement organisational cross-skilling and up-skilling program	People and Performance				
	Implement a formal apprentice/trainee program	People and Performance				
	Implement a formal work experience and work placement program	People and Performance				
	Develop and implement a project management framework that considers current and future workforce resourcing requirements	People and Performance				
Our workforce reflects our community	Deliver disability awareness training for all Council staff, Councillors and volunteers, including face-to-face and online learning	People and Performance/ Community Life				
	In collaboration with disability employment services, investigate opportunities to increase access to employment opportunities at Council for people with disability	People and Performance				
	Provide people with a disability with work experience through volunteering, apprenticeship, or internship opportunities across different Council services, programs and events	People and Performance				
	Deliver training that aligns with the Multicultural Strategy	People and Performance/ Community Life				
	Deliver First Nations Cultural Awareness training for all staff and Councillors	People and Performance/ Community Life				

Goals	Key actions	Responsible	2022-23	2023-24	2024-25	2025-26
	Review and update our Equal Employment Opportunity (EEO) Policy and Management Plan	People and Performance				
	Roll-out EEO training for all staff	People and Performance				
Our staff understand the needs of our customers and we champion change that adds value to our community	Introduce information for staff on the Community Strategic Plan, Delivery Program and Operational Plan as part of Council's induction program	People and Performance				
	Deliver call centre sessions for new starters	Customer Service and Business Improvement				
	Community and customer feedback is provided to our workforce in a timely manner in order to respond effectively and efficiently	All				
	Deliver training to assigned Responsible Officers to ensure meaningful information is provided to the community in line with our Performance Reporting requirements	People and Performance				

Strategic Pillar 3: Our leaders are building a culture of performance excellence and engagement

(Performance and ethical leadership)

Goals	Key actions	Responsible	2022-23	2023-24	2024-25	2025-26
Our leaders are supported to deliver upon the expectations of their role	Develop and deliver a comprehensive and rolling leadership development program designed to enhance leadership capability and drive performance	People and Performance				
	Implement an online performance review and development tool to enhance the quality of our performance review and development process	People and Performance				
	Improve corporate reporting to empower our leaders to drive and continuously improve organisational performance	All				
We ensure our staff feel heard and valued for their contribution	Develop and implement a reward and recognition program	People and Performance				
	Roll-out and action feedback from a bi-annual staff organisational culture survey	People and Performance				
	Review and refresh our workplace values	People and Performance				
Our leaders are fiscally responsible; demonstrate good governance and have a commercial mindset	Deliver training for leaders in financial management including developing and managing budgets	Finance/ People and Performance				
	Deliver relevant governance training to promote transparency and accountability	Governance and Risk/People and Performance				
	New income streams identified and new partnerships established to improve value for the community	All Directorates				
	Our financial position is sustainable	All Directorates				

Strategic Pillar 4: Our workforce is safe, healthy and well

(Performance and ethical leadership)

Goals	Key actions	Responsible	2022-23	2023-24	2024-25	2025-26
Improve reporting and visibility of safety, health and wellbeing in our workplace	Implement an online Work Health and Safety system to enhance reporting and improve our safety culture	People and Performance				
We support our staff by providing safe systems of work and promote health and wellbeing at work	Develop and implement a formal framework for the delivery of safety related training	People and Performance				
	Conduct annual audits of our WHS Management System to ensure best practice	People and Performance				
	Develop and implement a four-year Health and Wellbeing Strategy that addresses physical, mental, general and financial health and wellbeing	People and Performance/ WHS Committee				
All staff understand and demonstrate a commitment to the principles of a safe workplace	Deliver Work Health and Safety Responsibilities and Risk Management training for Managers and Supervisors training	People and Performance				
	Deliver Code of Conduct training for all staff	Governance and Risk/ People and Performance				
	Deliver Bullying and Harassment training for all staff	People and Performance				
	Deliver customised manual handling training to all staff	People and Performance				

Monitoring and Reporting

The Workforce Management Plan ensures the community and our staff that we are effectively managing our current and future workforce to deliver our collective vision for Burwood as outlined in Burwood2036, our Delivery Program and Operational Plan.

Four key pillars have been identified that align with our internal Performance Pyramid and overarching goals with key actions designed to meet these goals have been identified. The actions are designed to deliver on the strategic pillars of the Workforce Management Plan creating a workforce that is committed and able to provide high quality services for our community.

The progress on our actions will be reported through our six-monthly Operational Plan reporting process as we continue on the journey of building a workforce that is agile and responsive, customer-centred and safe, healthy and well while delivering on our commitment of demonstrating ethical leadership, accountability and transparency.

Our success will also be reported through our Annual Report and State of the City Report at the end of the elected Council's term.

References

- The Future of Local Government report
– KPMG
- PWC Future of work what-workers-want-report
– PwC
- WT-21_12-HR-Predictions-for-2022-Report
– The Josh Bersin Company



Our Digital Infrastructure



Burwood Resourcing Strategy
Our Digital Infrastructure



Quick links

Scope and Purpose	149
Context	150
Guiding Principles	151
Gap Analysis	152
Strategic Response	152
Our Action Plan	155
Monitoring and Reporting	159
References	159

Scope and Purpose

Council has identified the strategically important role that technology and digital innovation needs to play in order to meet present and future community expectations. This Digital Strategy has been developed alongside the suite of other documents, plans and strategies that form part of Council's Integrated Planning and Reporting framework and outlines key themes and areas of technology focus that have been integrated in Council's Delivery Program 2022-2026.

The three guiding principles detailed within the document define the qualities that Council will seek from all digital implementations, whilst the four priority areas outline the high level activities that Council will focus on during the 2022-2026 period to improve the effectiveness of Council's service delivery and community outreach programs.

Introduction

Technology driven change and digital innovation have transformed our lives in unprecedented ways. Organisations, including councils, need to embrace digital technologies to be able to continue to deliver the services that our customers expect both now and in the future.

Council's vision is to adopt emerging smart technologies, systems and business processes and to harness their potential in redesigning and streamlining the many services we deliver.

This document outlines the guiding principles that inform how Council will select appropriate technologies and the priority areas that it will focus on over the next four years to increase organisational agility, embrace a customer-centric approach and streamline processes to provide simple, modern, efficient and effective services to the community.



Context

Our Community

The Burwood community is young, vibrant and growing, with expectations for 24x7 access to modern and effective services. Council will need to continue to expand and transform our service delivery portfolio to deliver agile, scalable, relevant and responsive services as expectations continue to evolve. Solutions that enable the delivery of such services necessitate the deployment of digital tools and information management practices that allow our staff to efficiently and effectively redesign Council's business processes and introduce novel approaches to service delivery.

Our Council

Council is undergoing significant transformation designed to deliver an agile, responsive and customer-focused organisation able to serve and support our growing and changing community. With a commitment to continue the development of new organisational capabilities and service offerings, Council's digital implementations will support our staff and foster agile, dynamic and responsive teams by empowering them to tailor and modernise business practices to community needs and expectations.

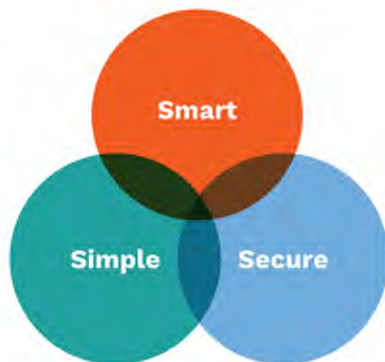
Our Technology

The technological landscape is continuing to change and develop rapidly. Council's reliance on technology for the delivery of its services requires highly available Information Technology (IT) systems and a broad skillset to support their successful operation and administration. cyber security threats that place business continuity and information security at risk are also growing and require adequate management and mitigation.

The actions implemented as part of the previous IT Strategy 2019-2022 have laid strong foundations by building a robust IT infrastructure capable of scaling and thus supporting future growth. Council has already completed the migration of its IT infrastructure to the cloud and implemented many Software-as-a-Service (SaaS) solutions to ensure that IT systems are highly available and secure. Council's IT team, whilst small, is diverse in composition and is equipped with a broad skillset. The recently implemented forward-looking structure will facilitate the management of our IT infrastructure and provide support to Council staff to ensure that value is derived from the use of digital solutions, all the while delivering a large portfolio of digital transformation projects that introduce new business capabilities and innovative approaches to Council's service delivery.

Guiding Principles

Council will invest in digital platforms aligned with the following three Guiding Principles, which have been specifically selected to describe the essential characteristics required to achieve organisational objectives.



Guiding Principle 1: Smart

With the rapid rise in innovative digital platforms available in the marketplace, the selection of the most appropriate solution can often be a very difficult task. Council will evaluate platforms that are fit for purpose and that can demonstrate alignment with Council's overall direction. Case studies and previous implementations will be explored and assessed, and if possible the solutions will be thoroughly tested prior to purchase. Council will adopt solutions in all potential areas including SmartCities solutions that assist us in increasing the efficiency of service delivery to our Community.

Examples of smart solutions are:

- Implementation of platforms that are device and software system agnostic are accessible to all and facilitate mobile workforce implementations
- Systems that automate previously manual tasks or digitise traditional business processes
- Systems and devices that create operational efficiencies and/or allow Council to improve service delivery and access to information, such as platforms that easily integrate with one another to streamline business processes.

Guiding Principle 2: Simple

Council will adopt platforms that integrate with existing solutions and are simple for our staff, partners and community to use and interact with. These solutions will require less effort to implement and operate by featuring easy to use interfaces.

Examples of simple solutions are:

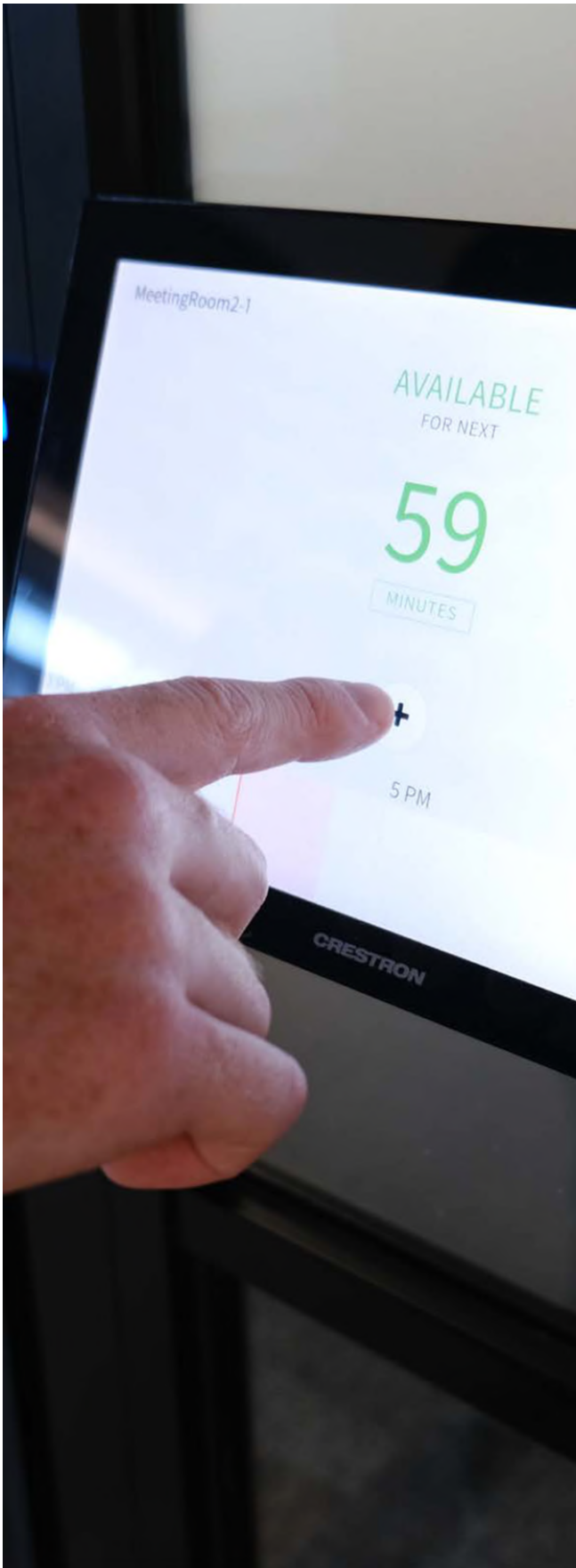
- Use of single sign-on mechanisms to reduce barriers to access to information
- Platforms that provide intuitive interfaces, that people are already accustomed to for other purposes or in other facets of life
- Intuitive collaboration and communication systems able to facilitate interactions within and outside of the organisation.

Guiding Principle 3: Secure

Data security is a critical aspect of today's digital world. The availability, confidentiality and integrity of systems and information is paramount to the delivery of the vast majority of Council Services. Council will adopt cyber security best practices to ensure that the safety of its data is in line with the NSW Government's Cyber Security Policy. Council will further improve its disaster recovery and business continuity processes to ensure prompt resumption of services in the case of a disaster or the prompt and effective response to a cyber security incident.

Examples of security solutions are:

- Regular reviews and assessments of IT infrastructure and platforms used
- Implement solutions that are able to strengthen and mitigate cyber security risks
- Include cyber security evaluations for new system implementations.



Gap Analysis

Council has conducted a full review of its systems and digital practices and identified the following gaps that this Strategy will aim to address:

- Information systems used in the delivery of Council services have limited integration
- Council's field based workers have limited access systems and information
- Council's systems supporting engagement and communication with customers could be expanded and simplified to meet new emerging customer expectations
- Some systems provide limited functionality, restricting Council's service offering
- Many automation opportunities exist that could result in improved efficiencies, reduced manual errors and improved customer experience outcomes
- Workforce planning and staff engagement systems in use have limited functionality
- Council's event management systems and processes require additional functionality and redesign to meet modern demands
- Adoption of smart sensors technologies, modelling applications, software based analytics and community safety solutions are limited
- Cyber security framework and mitigation strategies are needed to safeguard data, minimise security risks and ensure continuity of Council services.

Strategic Response

This Strategy focuses on four Priority Areas which together will address the identified gaps in our digital systems and practices and will deliver the commitments made in Council’s Delivery Program 2022-2026. Over the next four years we will undertake Key Actions within each of these Priority Areas.



Priority Area 1: Technology Upgrades

Council will continue to increase efficiency and streamline business processes through the enhancement of our IT systems. To keep abreast with technological changes, we will continue upgrading or updating our infrastructure to optimum levels so that it supports our business initiatives.

Investing in these upgrades will ensure Council can provide our services more efficiently, securely and responsively. We will adopt platforms that increase productivity and improve service delivery, working in a cohesive manner to our existing infrastructure.

Priority Area 2: Customer Experience and Community Engagement

Council will continue to enhance its online platforms to improve customer experience and community engagement. We will focus on our relationship with our customers, review and identify the most effective way to enhance services provided by technology uplifts. Whether it is a call to our contact centre, organising an event, or even something as routine as paying a bill, every interaction with our customers is of value to us. Council will adopt systems and processes to provide a best in industry customer experience.

Council is committed to listening to our customers on our current service offerings and hearing suggestions on how we could enhance our services. Customer feedback is already integral to Council, with many successfully implemented digital engagement initiatives. Council will expand on these to increase our feedback and community engagement reach. Council will simplify the process of capturing meaningful feedback from our diverse community via different platforms.

Priority Area 3: Digital Innovation

Council will expand its use of SmartCities technologies to enhance the delivery of our services while embracing several technological advancements for digital adaptation and collaboratively finding new and better ways to navigate the digital world. With the aim to stimulate innovation and foster strategic partnerships across Council, we will evaluate and adopt emerging technologies to enhance our service delivery. We will do this utilising the benefits of digital innovation such as Internet of Things (IoT), geospatial technology, next-generation networks, automation and so on. Use of data analytics will be expanded to support decision making.

Priority Area 4: Enhance Cyber Security Capabilities

Cyber-attacks have become more common and sophisticated. A strong Cyber Security posture is necessary to ensure the confidentiality, integrity and availability of systems and information. In addition to traditional mitigation strategies such as securing the network perimeter with firewalls and endpoint devices with security software, we will advance Council's Cyber Security Capabilities to further safeguard customer information and to improve the resilience of our service delivery in the event of a cyber-attack.



Our Action Plan

Our digital Infrastructure is critical to our success in being able to deliver on our community’s needs and expectations. It also plays a key role in our ability to attract and retain skilled staff and enhance their experience. It is important that we get the right systems and

processes in place so that we are well placed to deliver the Burwood2036 Vision through a contemporary, responsive and agile organisation. Outlined below are the Key Actions we will take within each Priority Area to address current gaps and continue on our digital transformation journey over the next four years.

Priority Area 1: Technology Upgrades

Delivery Program Principal Activity	Key action	Responsible	2022	2023	2024	2025
			-23	-24	-25	-26
Increase efficiencies and streamline business processes through the enhancement of Information Technology systems	Rationalise and integrate the Information systems used in the delivery of Council services	All				
	Expand mobile workforce	All				
	Migrate Council's Telephony system including Call Centre to Software-as-a-service platform	Information Technology, Customer Experience and Business Improvement				
	Maintain Council's IT Hardware to support the effective delivery of Council services	Information Technology				
	Adoption of Software-as-a-Service platforms to provide seamless services with better disaster recovery objectives	Information Technology				
	Upgrade systems and applications to support the effective delivery of Council services	Information Technology				
	Introduce systems and processes to maintain compliance with legislative requirements	Information Technology, Finance, Governance and Risk				
	Introduce systems to manage Council buildings and services	Information Technology, Property, Enfield Aquatic Centre				
	Enhance workforce planning and staff engagement information systems	Information Technology, People and Performance				

Priority Area 2: Customer Experience and Community Engagement

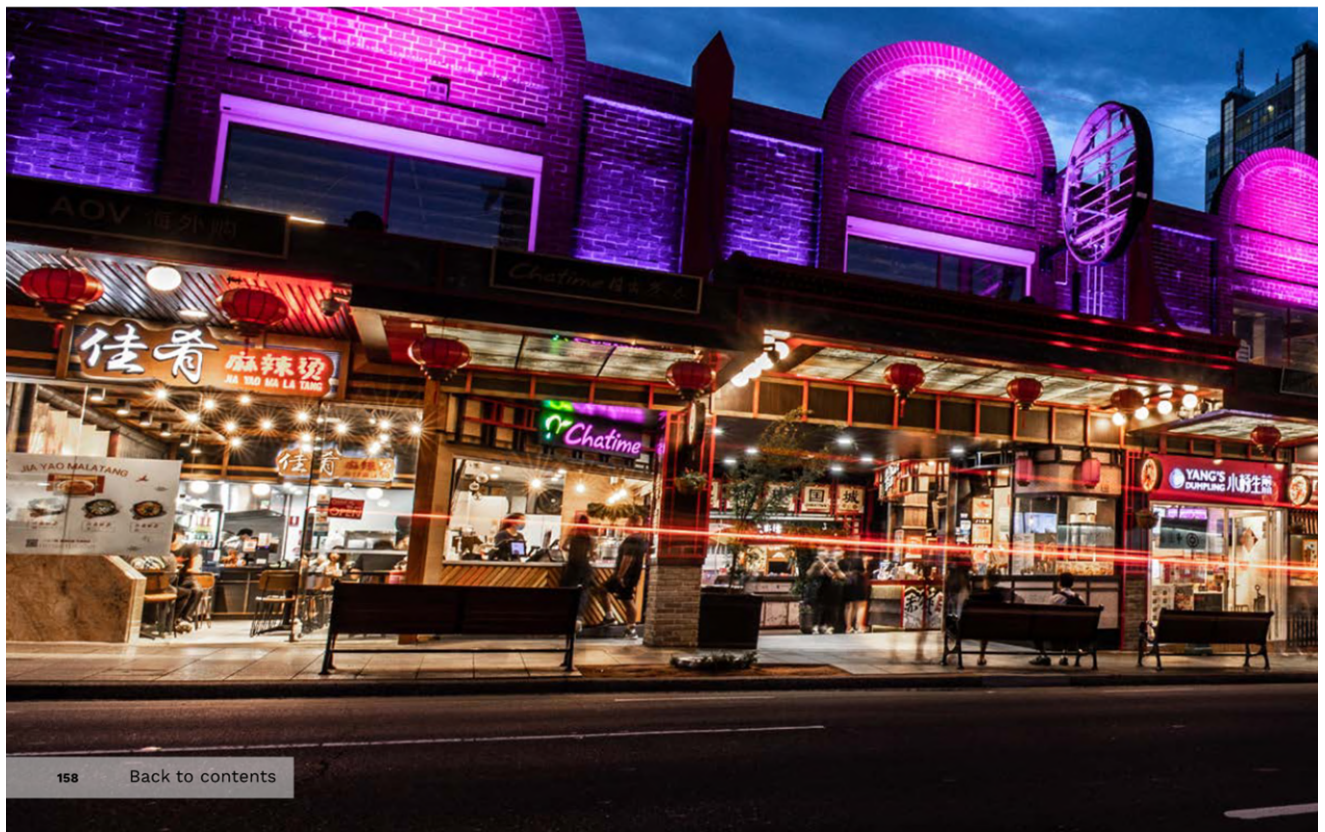
Delivery Program						
Principal Activity						
2022-26	Key action	Responsible	2022 -23	2023 -24	2024 -25	2025 -26
Enhance online platforms to improve customer experience and community engagement	Improve access to Council events by implementing online ticketing and event support solutions	Information Technology, Customer Experience and Business Improvement, Community and Culture				
	Implement digital customer experience enhancements to our online platforms	Information Technology, Customer Experience and Business Improvement				
	Introduce automation to improve customer response times and reduce human error	Information Technology, Place Management and Communications, Library and Community Hub				
	Enhance community engagement platforms to increase the effectiveness of community feedback mechanisms and stakeholder management.	Information Technology, Finance, Customer Experience and Business Improvement, Operations, City Development, Community Safety, Infrastructure and Assets				

Priority Area 3: Digital Innovation

Delivery Program						
Principal Activity						
2022-26	Key action	Responsible	2022 -23	2023 -24	2024 -25	2025 -26
Expand the use of Smart Cities technologies to enhance the delivery of Council services	Evaluate and adopt emerging technologies to improve service delivery	Information Technology, Community Safety, Infrastructure and Assets, Operations, Major Capital Works & Projects, Customer Experience and Business Improvement, Library and Community Hub				
	Introduce digital parking permits and payment systems	Information Technology, Infrastructure and Assets, Community Safety				
	Improve decision making by expanding the use of geographical information systems	Information Technology, City Planning, City Development				
	Enhance traffic management capabilities through the implementation of innovative technological solutions	Information Technology, Infrastructure and Assets, Community Safety				
	Introduce technological solutions to improve the management of abandoned assets and community safety	Information Technology, Community Safety				

Priority Area 4: Enhance Cyber Security Capabilities

Delivery Program						
Principal Activity						
2022-26	Key action	Responsible	2022 -23	2023 -24	2024 -25	2025 -26
Advance Council's cyber security capabilities to safeguard customer information and access to services	Develop and adopt a cyber security framework in compliance with New South Wales Government's Cyber Security Policy, including the adoption of an Incident Response Plan	Information Technology, Governance and Risk				
	Enhance availability and resilience of IT systems to safeguard Council services	Information Technology				
	Implement cyber security mitigation initiatives	Information Technology				



Monitoring and Reporting

This Strategy outlines our organisational commitment to incorporate new technologies and transform our services to align with our approach of enhancing service delivery. Council has identified Priority Areas and developed separate actions and strategies for implementation which will become a part of our Delivery Program 2022-2026 and annual operational plans.

Individual projects and enhancement activities defined in each of our Priority Areas will be implemented with a commitment to improve Council services to our customers and community. These improvements will also enhance the experience of our staff in fulfilling their roles. Our progress in our digital transformation journey will be reported through our six-monthly Operational Plan reporting. Our progress will also be reported through our Annual Report and State of the City Report prepared at the end of the elected Council's term.

References

- Burwood2036 – Community Strategic Plan
- Delivery Program 2022 – 2026
- Operational Plan 2022 – 2023





Follow Council @BurwoodCouncil
www.burwood.nsw.gov.au

2 Conder St, Burwood NSW 2134
PO Box 240 Burwood NSW 1805

P 02 9911 9911
E council@burwood.nsw.gov.au

